



Powered for Progress **BUILT FOR THE FUTURE**

ANNUAL REPORT 2025



We are VALLIANZ

Powered for Progress. Built for the Future

CONTENTS

1	We Are Vallianz	12	Financial Review	78	Financial Statements
2	Core Business	14	Board of Directors	162	Statistics of Shareholdings
3	Corporate Structure	16	Developments in Sustainable Solutions	164	Notice of Annual General Meeting
4	Geographical Presence	17	Corporate Information	169	Disclosure of Information on Director Seeking Re-election
6	Chairman's Message	18	Sustainability Report		Proxy Form
10	Vallianz Fleet	59	Corporate Governance Statement		
11	Financial Highlights				

This annual report has been reviewed by the Company's sponsor, RHT Capital Pte. Ltd. (the "Sponsor"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "Exchange") and the Exchange assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document.

The contact person for the sponsor is Mr. Khong Choun Mun at 36 Robinson Road, #10-06 City House, Singapore 068877, Email: sponsor@rhtgoc.com.

Vallianz Holdings Limited (“Vallianz” or the “Company” together with its subsidiaries, collectively the “Group”) is a leading provider of offshore support vessels (“OSVs”) and marine solutions, catering to the evolving demands of the global energy industry.

For nearly three decades, Vallianz has remained committed to delivering comprehensive offshore marine solutions, guided by a forward-thinking yet pragmatic vision. Our success is driven by a team of highly skilled industry professionals who collaborate closely with clients to meet their operational needs.

Headquartered in Singapore and publicly listed, Vallianz has an international presence, operating across key markets in the Middle East and Asia-Pacific. To adapt to the industry’s rapidly changing landscape, our fleet consists of 21 OSVs, including anchor handling tugs with supply capabilities, submersible launch barges, and flat-top cargo barges.

Additionally, the Group owns a shipyard in Batam, Indonesia, which serves as a hub for vessel docking, maintenance, and repairs. The shipyard is equipped with robust in-house fabrication and engineering capabilities, including shipbuilding and specialised fabrication services. These downstream capabilities are fully dedicated to supporting our subsidiaries, partners, and clients, enhancing our value proposition and reinforcing our commitment to operational excellence and service quality.

OUR VALUES

INSPIRING TRUST

Constructing Solid
Partnerships of
Collaboration

SYSTEMATIC VIGOUR

Every Meticulous Detail
Grounded In Executional
Excellence

ADAPTIVE SOLUTIONS

Meeting Evolving
Challenges with Dynamic
Solutions

SPECIALISED OFFSHORE SUPPORT

Vallianz currently owns and operates a fleet of 21 OSVs which are available for charter to meet the growing demands of the global offshore energy market. Our vessels are actively deployed in key regions, including the Middle East and Asia-Pacific, supporting various offshore projects. To strengthen our market position, we prioritise building trusted partnerships with our clients, implementing systematic rigor to ensure operational excellence, and developing adaptive solutions that address evolving industry needs. As part of our long-term strategy, the Group continues to explore opportunities to expand and modernise our fleet, aligning with the latest industry standards.

HEAVY TRANSPORT VESSELS

Vallianz operates a fleet of two Submersible Heavy Lift Transport, Float-over, and Launch Barges which are designed to support a wide range of offshore operations. These barges have an overall length ranging from 140 to 160 metres, a deadweight capacity of 19,000 to 42,000 tonnes, and an advanced ballast system capable of handling up to 12,500 m³/hr. With a deck immersion depth of up to 11 metres, they are well-equipped for complex marine transport and installation tasks.

Engineered for high-capacity offshore operations, these barges are capable of executing topside installations using the float-over method for structures weighing up to 25,000 tonnes, jacket launch operations for up to 15,000 tonnes, and submersible heavy-lift and transport of floating cargo up to 42,000 tonnes. Their multi-functional architecture allows for seamless reconfiguration to meet specific project requirements, ensuring rapid mobilisation and deployment in dynamic offshore environments.

SHIPBUILDING, ENGINEERING & FABRICATION

The Group's subsidiary, PT. United Sindo Perkasa ("PT USP"), operates a shipyard in the Kabil Industrial Zone, Batam, Indonesia, providing shipbuilding, conversion and repair services for a diverse range of vessels, including offshore support vessels, research vessels and offshore floating structures. Supported by its in-house engineering expertise, the shipyard delivers integrated and tailored solutions across design, construction and fabrication, including high-quality works for offshore and onshore structures. PT USP combines technical capabilities with operational experience to execute projects with precision, efficiency and reliability. Serving the marine, offshore and energy sectors, PT USP continues to enhance its capabilities in response to evolving industry requirements, delivering fit-for-purpose and cost-efficient solutions while supporting the Group's broader strategy in sustainable and offshore energy developments.

MARINE TECHNOLOGY

Vallianz recognises that, in a rapidly evolving marine industry, vessel digitalisation and alternative marine technologies are key enablers of a more sustainable future. Committed to innovation, the Group works closely with its customers and strategic partners to develop advanced solutions, including marine electrification supported by battery systems and green-design turnkey engineering solutions.

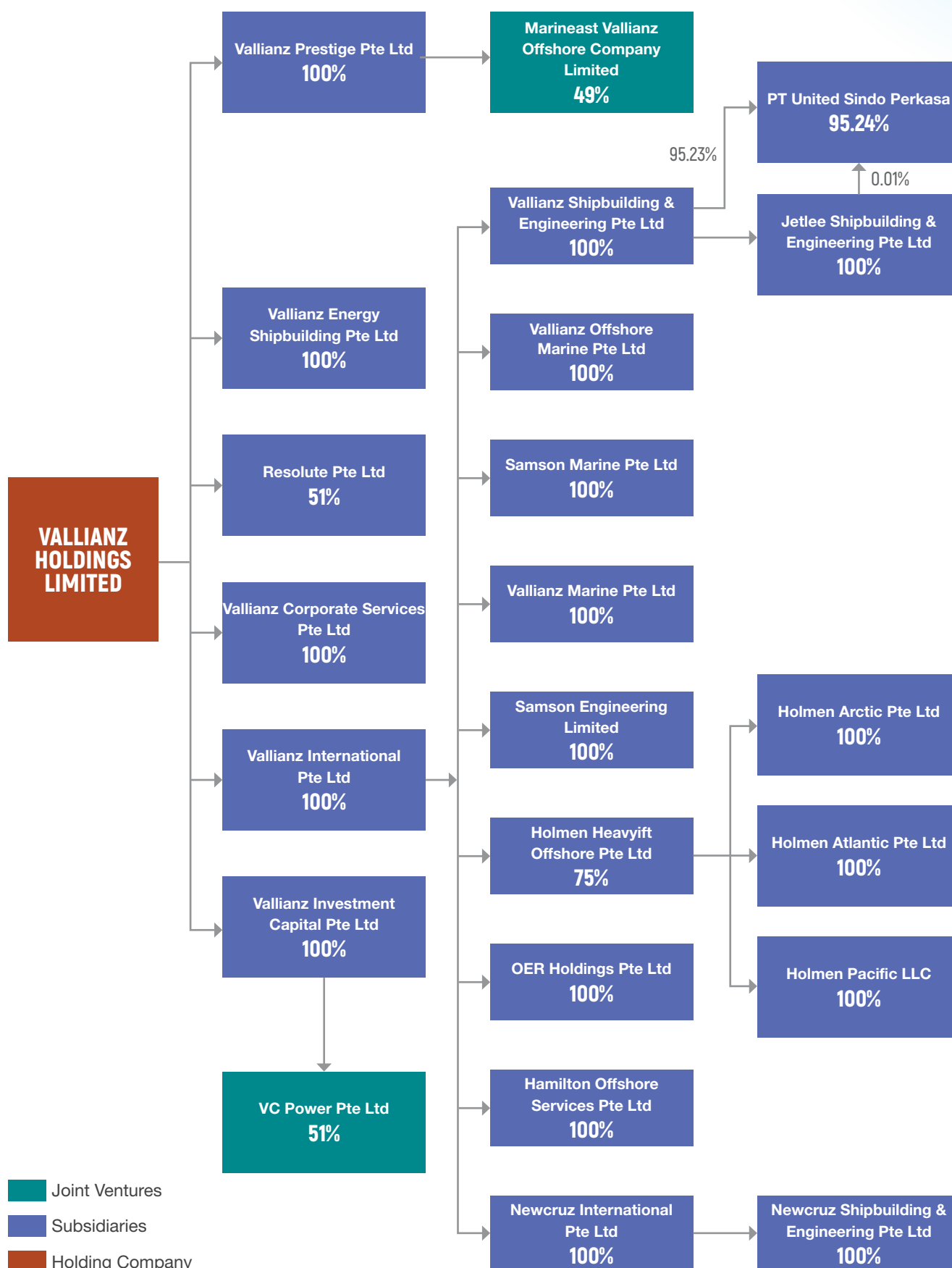
In parallel, Vallianz continues to integrate digital monitoring and performance systems to enhance vessel efficiency, reliability and environmental performance. These efforts reinforce the Group's commitment to sustainability while supporting the adoption of innovative and future-ready solutions across its operations.

RENEWABLES & SUSTAINABLE ENERGY

As part of its energy transition strategy, Vallianz is expanding its capabilities in sustainable marine solutions, with a focus on electrification and low-emission vessel technologies. Leveraging its in-house engineering and operational expertise, together with strategic partnerships, the Group is advancing the development of electric and battery-powered vessels, as well as supporting infrastructure such as charging solutions.

These initiatives complement the Group's core capabilities in vessel design, construction and operations, enabling Vallianz to deliver innovative, cost-efficient and environmentally sustainable solutions aligned with evolving client requirements.





GEOGRAPHICAL PRESENCE

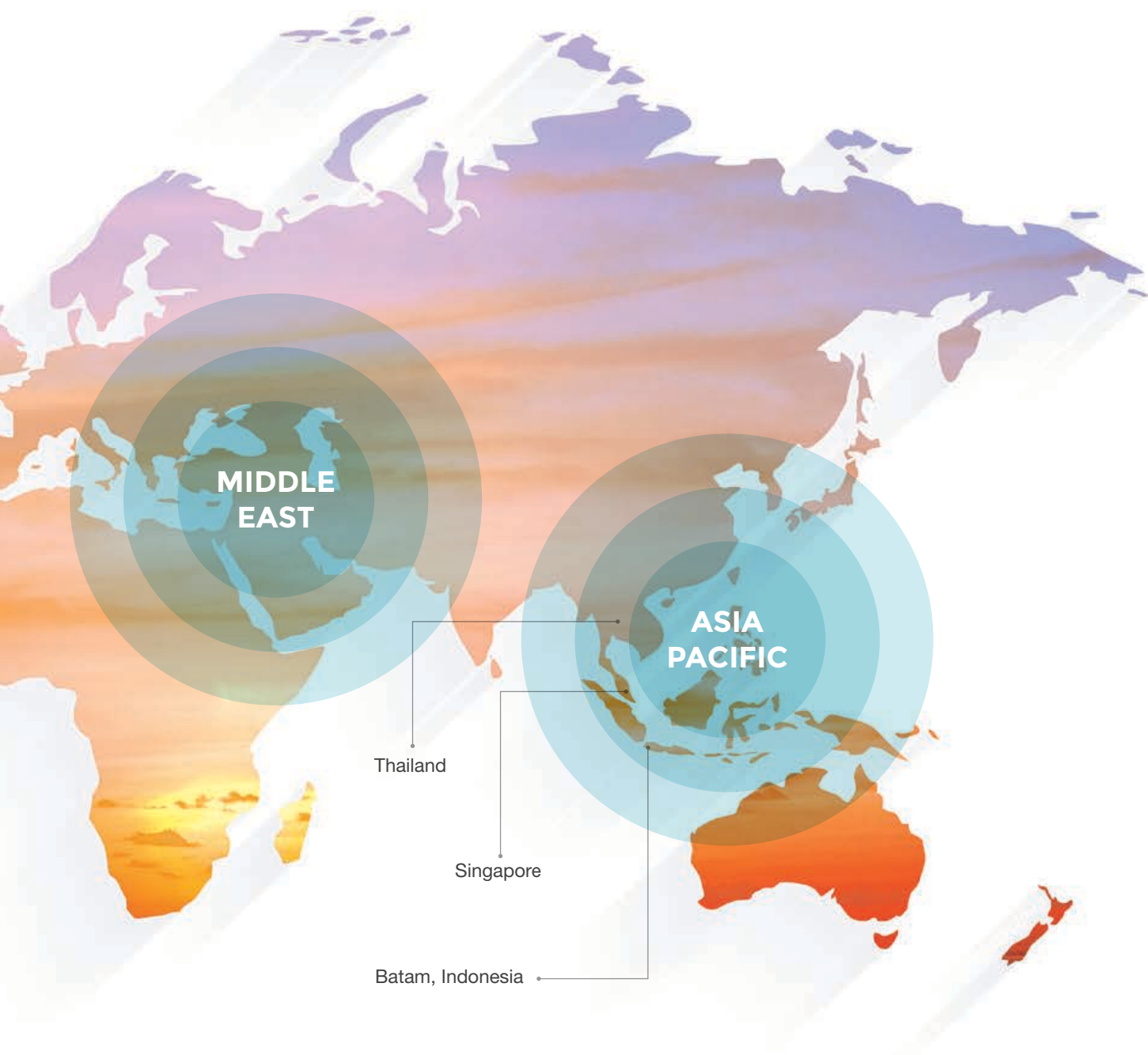
**Serving Major Energy and
National Oil Companies
Worldwide.**



GEOGRAPHICAL PRESENCE

From our headquarters in Singapore, Vallianz has developed local presence in key geographical markets to provide fast, effective support and adaptive solutions to our customers to better capture business opportunities in the global energy industry.

Today, the Group's market presence extends into the Middle East and Asia Pacific. We have established offices in Singapore and Indonesia.



CHAIRMAN'S MESSAGE



Dear Shareholders,

On behalf of the Board of Directors, I am pleased to present Vallianz Holdings Limited's Annual Report for the financial year ended 31 December 2025 ("FY2025").

FINANCIAL PERFORMANCE FOR FY2025

In its January 2026 World Economic Outlook Update, the International Monetary Fund ("IMF") projected global economic growth to remain stable but modest at approximately 3.3%, amid persistent uncertainties. Geopolitical tensions and evolving trade policies continue to pose downside risks, while inflation, although moderating from earlier peaks, remains uneven and has contributed to a relatively tight interest rate environment.

Against this backdrop, the Group recorded revenue of US\$332.3 million in FY2025, a decrease of 33% from US\$497.9 million in FY2024, primarily attributable to lower contributions from the Shipyard and Newbuild Management Services segment ("Shipbuilding business"), partially offset by improved performance from the Vessel Chartering and Management segment ("Vessel Chartering business").

Gross profit declined by 9% to US\$27.0 million (FY2024: US\$29.6 million), mainly reflecting lower margins from the Shipbuilding business, although this was partly mitigated by stronger performance in the Vessel Chartering business driven by higher charter rates and improved vessel utilisation.

Despite the lower gross profit, the Group recorded an operating profit of US\$8.9 million in FY2025, compared to US\$2.0 million in FY2024, driven mainly by higher other income, including gains on disposal of assets and foreign exchange gains. Finance costs remained elevated at US\$17.0 million, reflecting prevailing interest rate conditions and existing borrowings.

As a result, net profit attributable to owners of the Company was US\$10.7 million (FY2024: US\$20.4 million), with the decline largely due to the absence of significant one-off gains recognised in FY2024 from the settlement of perpetual capital securities and convertible bonds.

GLOBAL ECONOMIC AND ENERGY OUTLOOK

Global economic conditions are expected to remain broadly resilient, although risks to the outlook have increased, driven by geopolitical tensions, elevated energy prices, persistent inflationary pressures and the likelihood of financial conditions remaining tighter for longer.

Trade policy uncertainty is another key risk factor, with additional tariffs and trade restrictions, including recent measures introduced by the United States in early 2026, potentially disrupting supply chains and weighing on global economic activity.

In the energy markets, volatility has increased amid geopolitical developments. In particular, the recent escalation of tensions in the Middle East has raised concerns over the security of critical energy infrastructure and key transit routes. According to the March 2026 Oil Market Report published by the International Energy Agency ("IEA"), tensions in the Middle East have disrupted supply and tightened market conditions, contributing to fluctuations in oil prices. Global oil demand growth is expected to moderate to approximately 640 kb/d in 2026, while supply is projected to increase by around 1.1 mb/d. Brent crude prices rose sharply during the period, briefly approaching US\$120 per barrel before stabilising at approximately US\$103 per barrel in mid-March. Although OPEC+ has indicated a modest increase in production, near-term market dynamics remain influenced by geopolitical developments.

While elevated oil prices contribute to inflationary pressures and broader economic uncertainty, they have historically supported increased offshore capital expenditure over time. This in turn typically translates into improved vessel utilisation and stronger charter rates across the offshore support vessel market.

Amid ongoing macroeconomic uncertainty, the offshore support vessel ("OSV") market continues to be supported by structural fundamentals, particularly in the Middle East and Asia, which remain key demand centres for the Group. However, near-term conditions continue to be influenced by geopolitical developments, resulting in tighter supply, elevated oil prices and increased market volatility.

In the near term, geopolitical developments in the Middle East may result in operational uncertainties, including project delays, logistical challenges and heightened security considerations. However the current environment reinforces

the strategic importance of offshore energy supply and energy security, which is expected to support continued investment in offshore exploration and production over the medium term as operators seek to diversify and secure energy sources.

Industry analyses from Clarksons Research ("Clarksons") and Maritime Strategies International ("MSI") indicate that constrained fleet supply, limited newbuild activity and an ageing global fleet continue to support utilisation levels and charter rates over the medium term, although near-term conditions may remain affected by geopolitical developments.

OUTLOOK AND STRATEGIC POSITIONING

Against this backdrop, the Group is well positioned to capture opportunities arising from sustained offshore activity and structural supply constraints, supported by its fleet and established operational capabilities.

At the same time, the Group remains mindful of geopolitical developments, particularly in the Middle East, and their potential operational implications. The Group's operational footprint in the Middle East positions it to benefit from sustained offshore activity in the region, while remaining vigilant to potential disruptions. The Group continues to monitor developments closely and has implemented appropriate contingency measures to safeguard personnel, support operational continuity and manage risk exposure.

The Group is also observing a degree of cautiousness among customers, particularly in relation to project execution timelines, although underlying demand fundamentals currently remain intact.

Amid rising operating costs and continued geopolitical uncertainty, the Group will maintain a disciplined focus on operational efficiency, cost management and prudent execution, while remaining agile in responding to changing market conditions.

As the Group navigates an increasingly complex operating landscape, it will continue to adopt a measured and resilient approach, leveraging its core strengths while remaining responsive to evolving market dynamics. The Board remains confident in the long-term fundamentals of the offshore energy sector and in the Group's ability to deliver sustainable value to its stakeholders.

CHAIRMAN'S MESSAGE

POWERING THE FUTURE WITH THE GLOBAL ENERGY INDUSTRY'S GROWTH

Vallianz continues to strengthen its position as an integrated offshore marine solutions provider, with capabilities spanning specialised offshore support, heavy transport vessels, shipbuilding, engineering and fabrication, marine technology, as well as renewables and sustainable energy solutions. Against a backdrop of evolving global energy dynamics, the Group remains focused on strengthening its core businesses while positioning itself to capture emerging opportunities.

Vessel Chartering Business

The OSV market has remained supportive into 2026, underpinned by continued offshore exploration and production activities and growing demand from offshore energy developments. Industry analyses from Clarksons and MSI point to strengthening utilisation, supported by tightening vessel availability, an ageing global fleet and limited newbuild activity, which continue to underpin charter rates over the medium term.

The Group benefitted from these trends, with its vessel chartering and heavy transport fleet deployed across offshore projects in Asia and the Middle East throughout FY2025, resulting in improved performance in the Vessel Chartering business, driven by higher charter rates, improved utilisation and fleet expansion following vessel additions in FY2024. This performance was further enhanced by its regional expansion efforts, including its collaboration with Penn Marine Service Co., Ltd., which has enhanced the Group's presence in Thailand's offshore energy market and broadened its regional footprint.

In parallel, the Group enhanced operational efficiency through the adoption of digital solutions, including electronic fuel management systems and planned maintenance systems, which enable real-time monitoring and optimisation of fuel consumption, as well as to support systematic planning and execution of maintenance activities, strengthening asset reliability and overall cost efficiency.

Shipbuilding Business

The Shipbuilding business continued to make steady progress in FY2025, including the successful delivery of 10 units of 64-metre anchor handling tug supply ("AHTS") vessels supporting offshore operations in the Middle East, reflecting the Group's ability to deliver efficient and fit-for-purpose assets aligned with evolving operational requirements.

The Group also strengthened its value proposition through integrated shipbuilding, engineering and project support capabilities, enabling it to support customers across the lifecycle of their offshore assets. In addition, the Group is actively seeking new specialised shipbuilding projects to enlarge its business offerings to the marine and offshore community.

The shipyard in Batam, Indonesia, remains a key pillar of operations. During FY2025, operations commenced at the additional 19-hectare yard, enhancing overall capacity with an extended waterfront and greater ability to undertake larger and more complex marine projects. This expansion strengthened operational flexibility and supported both newbuild and engineering activities, while new orders secured during the year, including spud barges, utility boats and AHTS vessels, further reinforced the project pipeline and expanded capabilities in offshore construction and support services.

At the same time, the Group progressed the construction of a 110-metre floating dock to enhance dry dock repair capabilities and broaden participation in the vessel maintenance and repair segment.

Tapping on Emerging Trends in the Maritime and Energy Industries

The Group continues to position itself to capture opportunities arising from the evolving maritime and global energy landscape, including marine electrification and offshore renewable energy.

A key milestone was the establishment of VC Power Pte. Ltd. ("VC Power") in November 2025, in partnership with Chengrui Technology Singapore Pte. Ltd., combining Vallianz's marine expertise with advanced battery and charging technologies to develop electric and hybrid-powered solutions for the maritime sector. Through VC Power, the Group is engaging with vessel owners to assess the feasibility of battery-powered vessels for near-shore operations, particularly for harbour tugs and ferries. Beyond feasibility studies, the Group is developing integrated solutions, including battery swapping and onshore charging infrastructure, to support customers in adopting electrification.

In parallel, the Group is working with battery manufacturers and key equipment suppliers to deliver turnkey battery propulsion solutions, eliminating integration risks for end users. It is also collaborating with battery manufacturers and financial institutions to help address owners' concern and lower the financial barrier for adopting electrification.

CHAIRMAN'S MESSAGE

These initiatives are aligned with the Maritime and Port Authority of Singapore's ("MPA") decarbonisation targets, which require all new harbour craft to adopt cleaner energy solutions by 2030, with the longer-term goal of achieving net-zero emissions for the domestic harbour craft sector by 2050.

At the same time, the Group is advancing standardised vessel and system designs to enable scalable and repeatable deployment, supporting broader commercial adoption while ensuring cost competitiveness and operational efficiency.

APPRECIATION

On behalf of the Board, I would like to extend sincere appreciation to our shareholders, customers, suppliers, business partners and associates for their continued support and trust in Vallianz.

The Board is particularly grateful for the continued support and understanding of stakeholders amid evolving geopolitical developments in the Middle East. The Group remains committed to ensuring the safety of its personnel and the continuity of its operations.

In light of the on-going conflict in the Middle East, our thoughts are with all those affected. We sincerely hope for a swift and peaceful resolution, and for the continued safety and well-being of communities across the region. We are especially mindful of the dedication and courage of all seafarers and offshore personnel working in Gulf waters, and we remain committed to ensuring the safety of our crews and operation staff at all times.

I would also like to express my appreciation to my fellow Directors for their guidance and contributions. Most importantly, I thank the management and staff, whose dedication, resilience and commitment remain the cornerstone of the Group's continued growth.

Together, Vallianz will continue to build a stronger, more resilient and sustainable future.

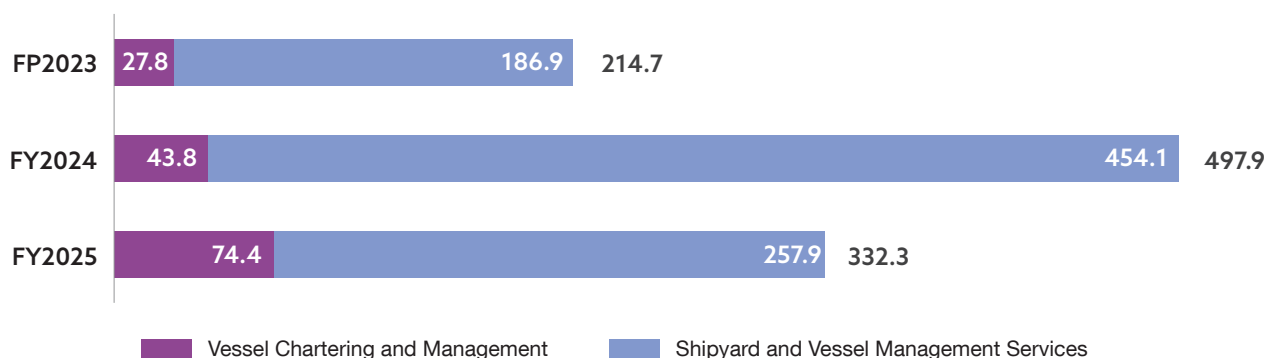
OSMAN IBRAHIM
Non-Executive Chairman



SUBMERSIBLE LAUNCH BARGE				
Name	DWT	Topside Jacket	Launch	Year Build
Holmen Atlantic (D-2 Compliance)	10,000 MT	16,000 MT	≥ 10,000 MT	2012
Holmen Pacific (D-2 Compliance)	25,945 MT	35,000 MT	≥ 15,000 MT	2012
ANCHOR HANDLING TUG SUPPLY (DP2)				
Name	BHP			Year Build
Vallianz Titan	10,800			2024
Vallianz Commander	9,000			2012
Vallianz Steadfast	9,000			2012
Rawabi 32	8,200			2011
Vallianz Prestige	8,160			2022
Vallianz Premier	8,080			2011
Vallianz Prelude	8,080			2011
Rawabi 44	8,076			2011
Rawabi 42	8,048			2010
Vallianz Pegasus	8,000			2023
Rawabi 43	7,965			2011
Vallianz Supreme	7,300			2012
Rawabi 37	6,956			2011
FLAT TOP CARGO BARGE				
Name	Dimensions (ft)	Deck Loading	Year Build	
Prestige 3301 (D-2 Compliance)	330 x 120 x 20	25 Ton/m²	2024	
Prestige 3302 (D-2 Compliance)	330 X 120 X 20	25 Ton/m²	2024	
Prestige 3304 (D-2 Compliance)	330 X 120 X 20	25 Ton/m²	2026 (Under Construction)	
Prestige 281 (D-2 Compliance)	282 x 90 x 18	20 Ton/m²	2023	
Prestige 282 (D-2 Compliance)	282 x 90 x 18	20 Ton/m²	2023	
Prestige 283 (D-2 Compliance)	282 x 90 x 18	20 Ton/m²	2024	
Prestige 284 (D-2 Compliance)	282 x 90 x 18	20 Ton/m²	2025	
USP 10	180 x 56 x 12	10 Ton/m²	2014	

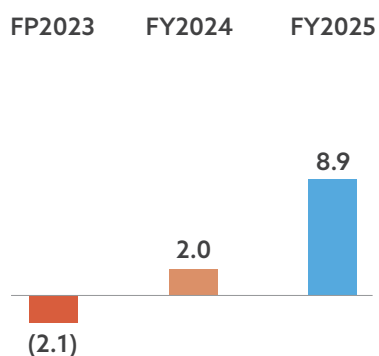
REVENUE

(US\$ million)



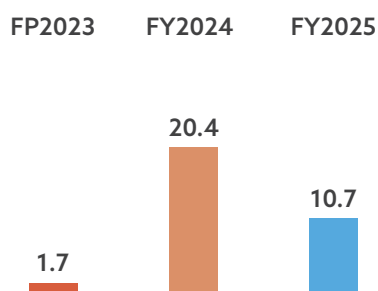
OPERATING PROFIT/(LOSS) BEFORE TAX AND EXCEPTIONAL ITEMS

(US\$ million)



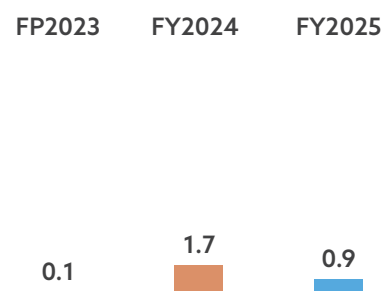
NET PROFIT ATTRIBUTABLE TO OWNERS OF THE COMPANY

(US\$ million)



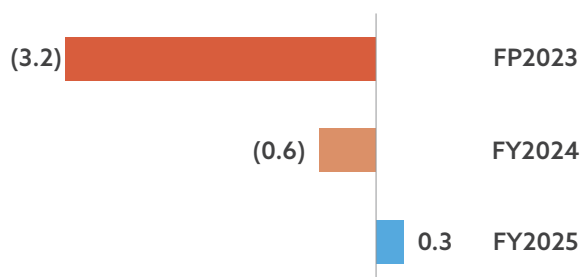
EARNING PER SHARE

(US cents)



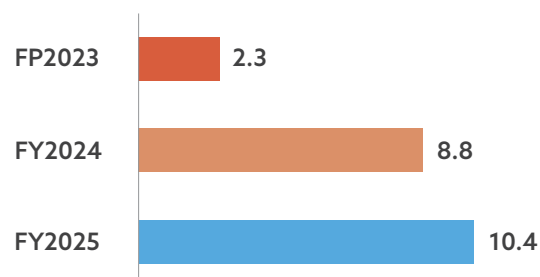
NET ASSET/(LIABILITY) VALUE PER SHARE, EXCLUDING SHAREHOLDER'S ADVANCES AND PERPETUAL SECURITIES

(US cents)



NET ASSET VALUE PER SHARE

(US cents)



Notes:

FP2023: 9-months period ended 31 December 2023

FY2024: 12-months period ended 31 December 2024

FY2025: 12-months period ended 31 December 2025

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the financial year ended 31 December 2025 ("FY2025"), the Group recorded revenue of US\$332.3 million, representing a 33% decrease from US\$497.9 million in the previous financial year.

The Shipyard and Newbuild Management Services segment remained the Group's primary revenue driver, contributing US\$257.9 million and accounting for 78% of total revenue, compared with US\$454.1 million, or 91%, in the preceding year. The decline reflects the segment's revenue recognition profile, where, despite sustained project activity, a higher proportion of projects reached advanced or completion stages, resulting in a moderation in recognised revenue.

This was complemented by a stronger performance from the Vessel Chartering and Management segment, where revenue increased to US\$74.4 million, representing 22% of total revenue, compared with US\$43.8 million, or 9%, in the preceding year. The improvement was supported by fleet expansion, firmer charter rates and improved utilisation, resulting in a more balanced and increasingly recurring revenue mix.

Gross profit declined modestly to US\$27.0 million from US\$29.6 million, broadly in line with the lower revenue base. Margins for the Shipyard and Newbuild Management Services segment softened to 2.9% from 4.1%, reflecting higher project costs recognised during the year. In contrast, the Vessel Chartering and Management segment remained resilient, maintaining stable margins of approximately 24.9%, underpinned by disciplined cost management and consistent operational delivery.

Net other income increased significantly to US\$8.4 million from US\$0.1 million in the previous year. The increase was driven primarily by gains on disposal of assets of US\$3.9 million and favourable foreign exchange movements of US\$3.1 million, alongside lower bad debts written off. The prior year also included an impairment loss on remeasurement of assets held for sale of US\$0.6 million, which did not recur in FY2025.

Administrative expenses remained well controlled at US\$10.1 million, compared with US\$10.2 million in the preceding year, reflecting continued cost discipline across the Group.

Finance costs declined slightly to US\$17.0 million from US\$17.6 million, benefiting from lower bank loan interest rates, partially offset by higher interest expenses on shareholder advances and lease liabilities.

The Group recognised a share of profit of US\$0.6 million from its joint venture, compared with US\$0.2 million in the previous year, reflecting a full-year contribution following its acquisition in August 2024.

Exceptional items amounted to a net gain of US\$2.5 million arising from gain on restructuring of term loans, compared with US\$19.2 million in the previous year, which had benefited from mainly one-off gains on settlement of convertible bonds and perpetual capital securities.

Overall, the Group reported a profit attributable to owners of the Company of US\$10.7 million, compared with US\$20.4 million in the preceding year. While lower year-on-year, the current performance reflects a more normalised earnings profile, supported by improved contributions from the Vessel Chartering and Management segment and continued execution of core projects.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2025, the Group's total equity increased to US\$100.6 million from US\$83.4 million, reflecting the profit generated during the year and a strengthening of the Group's capital base.

Trade and other receivables remained broadly stable at US\$160.6 million, compared with US\$162.6 million in the previous year. Trade receivables increased significantly to US\$106.9 million from US\$37.0 million, driven by ongoing newbuild projects and higher billing from vessel chartering activities, while other receivables declined to US\$53.7 million from US\$125.6 million due to the utilisation of prepayments and advances in line with project progress.

Financial assets at fair value through other comprehensive income were reduced to nil from US\$27.3 million following the redemption of unquoted preference shares arising from the disposal of a mortgaged vessel, with proceeds applied towards debt repayment. A fair value loss of US\$4.0 million was recognised on the remaining balance where no recoverable value remained.

Right-of-use assets increased to US\$70.5 million from US\$62.4 million, reflecting the addition of new leases for shipyard and operational assets, partially offset by depreciation during the year.

Total borrowings decreased to US\$93.9 million from US\$116.7 million, reflecting loan repayments and the restructuring of certain facilities, in line with the Group's ongoing deleveraging efforts.

Trade payables increased to US\$77.0 million from US\$30.0 million, while other payables rose to US\$139.8 million from US\$92.1 million, primarily due to higher charter hire expenses, increased project-related accruals and timing differences in payments to suppliers.

Contract assets increased to US\$83.2 million from US\$36.8 million, reflecting continued project execution, while contract liabilities decreased significantly to US\$14.4 million from US\$91.4 million as revenue was recognised progressively in line with project milestones.

Total lease liabilities declined to US\$44.0 million from US\$50.2 million, mainly due to repayments and lease modifications during the year, partially offset by new lease additions.

CONSOLIDATED STATEMENT OF CASH FLOW

The Group generated net cash from operating activities of US\$17.6 million in FY2025, compared with US\$5.3 million in the previous financial year, mainly due to improved working capital movements. Net cash generated from investing activities amounted to US\$20.0 million, compared with a net cash outflow of US\$10.4 million in FY2024. This was primarily due to proceeds from the redemption of unquoted preference shares of US\$23.3 million and disposal of property, plant and equipment of US\$9.5 million, partially offset by capital expenditure of US\$12.8 million. Net cash used in financing activities amounted to US\$41.9 million, compared with US\$4.2 million in the preceding year, mainly due to repayments of term loans of US\$27.4 million, lease liabilities of US\$19.8 million and interest payments of US\$8.6 million. This was partially offset by shareholder advances of US\$8.3 million and proceeds from new borrowings of US\$5.6 million.

As at 31 December 2025, cash and cash equivalents stood at US\$7.6 million, compared with US\$12.0 million a year earlier. The decrease of US\$4.4 million was mainly due to net cash outflows from financing activities, partially offset by net cash generated from operating and investing activities.





Mr. Osman Ibrahim

Non-Executive Chairman

Mr. Osman Ibrahim was appointed to the Vallianz Board in December 2021 as the Non-Executive Chairman of Vallianz. Mr. Osman joined Rawabi Holding Company ("RHC") in 1989 and has been the Group CEO of RHC since 2009 and the Vice Chairman since 2022. During his impressive tenure at the RHC Group, Mr. Osman has held several important positions including Group Vice President Finance and Administration and Group Executive Vice President. He plays a vital role in leading RHC's strategic development and expansion of its operations. Prior to joining RHC, Mr. Osman headed the Mergers and Acquisition Department in a consulting firm in Egypt.

Mr. Osman is an Executive Board Member at RHC's Board of Directors and heads the RHC's Board Investment Committee. He is the Chairman of United Safety Ltd. Canada, Equatoriale Energy, Singapore, PT VOM, Indonesia, Rawabi Vallianz Offshore Services

Co., Rawabi United Safety Services, Rawabi Archer, Rawabi CETCO, Rawabi Pason, Rawabi Geolog, Rawabi Wildcat, Rawabi Schulte, Rawabi Sapura and Rawabi Contracting and Services Company, Egypt.

He is the Vice Chairman of the Board at Egypt-based Magnum Saudi Properties, and Rawabi Industrial Services Company ("RISAL"), a Director at the Boards of Wildcat Oil Tools in USA and Kalaam Telecom in Bahrain.

Mr. Osman has a background in Finance, Law, COBOL programming management and Strategic Planning. He holds a Bachelor of Science in Accounting and a Master's in finance. He has attended several executive programs in prestigious universities such as IMD and INSEAD.



Mr. Ling Yong Wah

Executive Director and CEO

Mr. Ling Yong Wah was appointed to the Vallianz Board in March 2014 and has been the CEO of the Company since January 2015. As CEO, Mr. Ling drives the corporate and strategic directions of Vallianz. He has nearly 30 years of business and management experience and has held various roles including board seats in companies listed on the Singapore Exchange and the Hong Kong Stock Exchange. Mr. Ling is a member of the Institute of Chartered Accountants of England and Wales.



Mr. Chong Chee Keong Chris

Lead Independent Non-Executive Director

Mr. Chris Chong joined the Vallianz Board of Directors in February 2018 and is presently the Lead Independent Director of the Company. He established Singapore boutique commercial law practice Chris Chong & C T Ho LLP in 1999, 6 years after graduating from the National University of Singapore in 1994 with Honours, and honing his craft at established Singapore law firms Messrs Haridass Ho & Partners, Messrs Jing Quee & Chin Joo and Messrs William Lai & Alan Wong. He advises clients in corporate, debt & capital markets work of varying degrees of complexity. His boutique law practice also acts for banks and corporate clients in corporate mergers and acquisitions, cross-border joint ventures and private equity investments, including fund-raising and regulatory advisory on the full spectrum of fund management work, ranging from establishment and structuring of investment funds, to assisting fund managers on their regulatory and compliance issues.

Mr. Chong is concurrently also an independent non-executive director of a HKEX Mainboard listed company and is a Senior Accredited Director (“SID-SRAD”) accredited by the Singapore Institute of Directors (“SID”) since March 2024.

He held professional appointments as committee member of the Singapore Sichuan Trade & Investment Committee and as Honorary Legal Advisor of Home United Football Club (now known as Lion City Sailors FC), a professional football club of the Singapore Professional Soccer League (“SPL”) from 2000 to 2019.



Mr. Kevin Wong Chee Fatt

Independent Non-Executive Director

Mr. Kevin Wong joined the Vallianz Board on 1 October 2023. He was a career banker and brings to Vallianz more than 30 years of banking experience across various frontline roles including FX trading, corporate banking, managing and restructuring non-performing loans and corporate and investment banking, having held senior positions in MUFG Bank, MUFG Securities Asia (Limited), Singapore and DBS Bank. Mr Wong was the Head of client coverage for DBS Bank in Malaysia. In MUFG, he managed a portfolio of clients across Singapore, Malaysia, Philippines, Vietnam, Australia and New Zealand, specialising in advising clients on fund raising via the bond and syndicated loan markets. Mr Wong graduated from the National University of Singapore with a Bachelor of Arts in Economics and Political Science and holds a Master of Business Administration, Finance, from the University of Hull.

DEVELOPMENTS IN SUSTAINABLE SOLUTIONS

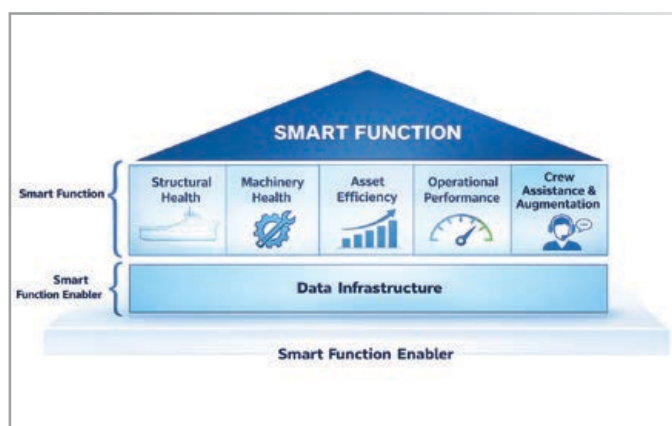
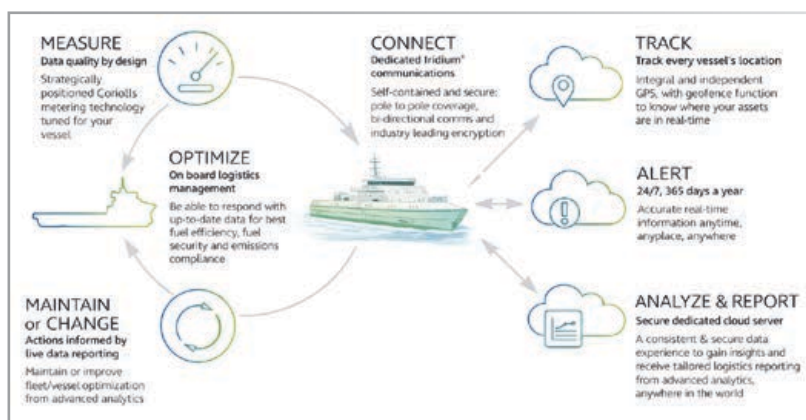


DEVELOPMENT IN FULL ELECTRIC TUG

Our E-Tug vessel design incorporates an integrated Battery Energy Storage System complemented by modular battery swapping technology and Shore charging infrastructure to ensure continuous, reliable operations. This hybrid approach minimizes downtime by enabling rapid turnaround through battery exchange while supporting efficient recharging, enhancing energy resilience, operational flexibility, and long term sustainability in line with modern electrification standards.

REMOTE FUEL OIL AND BUNKER MONITORING

Most of our vessels are equipped with Fueltrax's Electronic Fuel Management System ("EFMS"), an onboard solution that enables real-time monitoring and optimisation of fuel consumption. Leveraging accurate sensors, the system enhances measurement reliability and transparency, while supporting cost savings, improved operational efficiency, and reduced emissions.



SMART NOTATIONS (SHM/MHM/INF)

All newbuild vessels are equipped with integrated digital sensor systems across shipboard equipment, marine systems and hull structures, enhancing operational efficiency while reducing maintenance costs. These systems enable real-time data collection and remote diagnostics, allowing onboard crews to collaborate effectively with shore-based teams. They also support virtual inspections by third parties, including equipment vendors and classification societies, improving accessibility and reducing the need for physical attendance.

Structural Health Monitoring ("SHM") and Machinery Health Monitoring ("MHM") systems provide continuous, real-time visibility into the condition of the vessel's structure and critical machinery. This enables shipowners to make informed decisions on maintenance planning, inspections and repairs, while strengthening overall asset integrity and lifecycle management.

BOARD OF DIRECTORS

Mr. Osman Ibrahim

Non-Executive and Non-Independent Chairman

Mr. Ling Yong Wah

Executive Director and CEO

Mr. Chong Chee Keong Chris

Lead Independent Non-Executive Director

Mr. Kevin Wong Chee Fatt

Independent Non-Executive Director

AUDIT COMMITTEE

Mr. Kevin Wong Chee Fatt (*Chairman*)

Mr. Chong Chee Keong Chris

Mr. Osman Ibrahim

REMUNERATION COMMITTEE

Mr. Chong Chee Keong Chris (*Chairman*)

Mr. Kevin Wong Chee Fatt

Mr. Osman Ibrahim

NOMINATING COMMITTEE

Mr. Chong Chee Keong Chris (*Chairman*)

Mr. Kevin Wong Chee Fatt

Mr. Osman Ibrahim

COMPANY SECRETARY

Ms. Chiang Wai Ming

SHARE REGISTRAR

Tricor Barbinder Share Registration Services

9 Raffles Place

#26-01 Republic Plaza

Singapore 048619

Tel: (65) 6236 3333

CONTINUING SPONSOR

RHT Capital Pte. Ltd.

36 Robinson Road

#10-06 City House

Singapore 068877

AUDITOR

CLA Global TS Public Accounting Corporation

80 Robinson Road, #25-00

Singapore 068898

Partner-in-charge: Ms. Lim Ju May

(From financial year ended 31 December 2024)

VALLIANZ HOLDINGS LIMITED (REGISTERED OFFICE)

Company Registration No. 199206945E

1 Pasir Panjang Road

#28-02 Labrador Tower

Singapore 118479

Tel: (65) 6911 6200

Fax: (65) 6659 1292

www.vallianzhholdings.com

SUSTAINABILITY REPORT CONTENTS

19	KEY FIGURES
22	MESSAGE FROM THE EXECUTIVE DIRECTOR & CEO
23	BOARD STATEMENT
24	ABOUT THIS SUSTAINABILITY REPORT
25	GOVERNANCE
33	MATERIAL TOPICS
35	ECONOMICS
36	ENVIRONMENT
40	SOCIAL
47	GRI CONTENT INDEX
53	TCFD SUMMARY



KEY FIGURES FY2025

		Unit	FY2025	FY2024	FP2023 ¹
Governance					
Fines	Corruption Risk - Fines	SGD	0	0	0
	Corruption - Risk - Non-Monetary Sanctions	Number	0	0	0
Whistleblowing		Number	0	0	0
Environment					
		Unit	FY2025	FY2024	Calendar Year 2023 ¹
Scope 1 GHG Emissions ²		mtCO ₂ e	10,904.29	7,139.29	7,100.76
Scope 2 GHG Emissions ³		mtCO ₂ e	1,382.72	2,104.24	1,878.32
Scope 3 GHG Emissions	Scope 3 Emissions ⁴	mtCO ₂ e	1,241.97	74.14	-
	Waste generated in operations ⁴	mtCO ₂ e	40.38	74.14	-
	Business Travel - Air Travel ⁴	mtCO ₂ e	522.12	-	-
	Business Travel - Hotel Nights ⁴	mtCO ₂ e	217.32	-	-
	Employee Commuting ⁴	mtCO ₂ e	462.2	-	-
GHG Emission Intensity	Shipyards Emission Intensity	kgCO ₂ e shipyard emissions/ shipyard manhours	0.97	0.82	0.98
	Off-hire Vessel Emission Intensity	mtCO ₂ e off-hire vessel emissions/ off-hire days	4.06	3.88	4.27
	Office Emission Intensity	mtCO ₂ e/ m ²	0.017	0.024	0.028
Energy Mix	Total Energy Consumption	GJ	150,425.50	110,084.03	108,641.58
	Shipyards Energy Intensity	kJ/ Shipyard manhours	8,838.25	7,105.08	7,859.69
	Off-hire Vessel Energy Intensity	GJ/ Off-hire days	52.32	54.67	60.21

⁽¹⁾ FP2023 covers the period from 1st April 2023 to 31st December 2023, while the calendar year 2023 spans from 1st January 2023 to 31st December 2023. The difference in reporting periods is due to a change in financial year-end.

⁽²⁾ Scope 1 emissions include direct carbon emissions from vessel fuel, company owned vehicles and shipyard machinery.

⁽³⁾ Scope 2 emissions include purchased electricity at Vallianz's onshore operating facilities.

⁽⁴⁾ Data collection for Scope 3 emissions and waste generated in operations commenced in FY2024, while data collection for business travel and employee commuting began in FY2025. As a result, no data was available for these categories prior to the respective commencement years.

KEY FIGURES

FY2025

		Unit	FY2025	FY2024	Calendar Year 2023
	Office Energy Intensity	GJ/ m ²	0.17	0.22	0.26
	Fuel Consumption	GJ	143,906.68	100,197.89	99,799.91
	Electricity Consumption	GJ	6,518.82	9,886.14	8,841.67
Other Air Emissions	Emissions to air - NO _x	kgNO _x	167,376.7	104,232.36	110,240.22
	Emissions to air - PM _{2.5}	kgPM _{2.5}	2,449.70	1,493.43	1,592.11
	Emissions to air - SO _x	kgSO _x	4,132.03	2,336.97	2,542.8
Spills and releases to the environment		m ³	0	0	0
Social					
		Unit	FY2025	FY2024	FP2023
Work Related Injuries and Ill Health	Number of High Consequences Work Related Injuries	Number	0	0	0
	High Consequences Injuries Rate	Number	0	0	0
	Number of Employee Fatalities from Work-Related Injury	Number	0	0	0
	Work-Related Injury Fatality Rate	Number	0	0	0
	Number of Recordable Work-Related Ill-Health	Number	0	0	0
	Work-Related Ill Health Rate	Number	0	0	0
	Total Man-hours Worked	hr	4,465,668	5,915,407	3,150,320
	Number of Employees Recordable Work-Related Injuries	Number	23	17*	2
	Rate of Recordable Work-Related Injuries (TRIR)	Number	5.12	2.87*	0.63
	Number of Marine Casualties	Number	0	0	0
	Percentage of Marine Casualties Classified as Very Serious	%	0	0	0
Port State Control	Number of port state control deficiencies	Number	29	18	5
	Number of port state control detentions	Number	0	0	0
	Deficiencies Closed	%	100	100	100
Collective Bargaining Agreements (CBAs)	Singapore Collective Bargaining Agreements (CBAs)	Number	100	100	-

* The figures have been restated following the identification of inaccuracies in the previously reported data.

KEY FIGURES FY2025

		Unit	FY2025	FY2024	FP2023
	Indonesia Collective Bargaining Agreements (CBAs)	%	100	100	95
Human Capital Development	Average Training Hour Per Employee	hr	16.3	6.8	5.16
	Average Training Hour Per Female Employee	hr	13.9	17.6	4.67
	Average Training Hour Per Male Employee	hr	16.9	11.1	5.17
	Average Training Hour Per Management Level Employee	hr	17.6	42.0	-
	Average Training Hour Per Executive Level Employee	hr	16.3	8.0	-
Total Employees	Total	Number	469	522	620
	Indonesia	Number	368	438	531
	Singapore	Number	101	84	89
	Male	Number	378	432	498
	Female	Number	91	90	122
	<30 years old	Number	111	117	70*
	30-50 years old	Number	290	344	363
	>50 years old	Number	68	61	187*
New Hires	Total	Number	100	38	227
	Indonesia	Number	71	0	205
	Singapore	Number	29	38	22
	Male	Number	79	27	183
	Female	Number	21	11	44
	<30 years old	Number	52	6	84
	30-50 years old	Number	33	26	121
	>50 years old	Number	15	6	22
Turnover	Total	Number	69	33	126
	Indonesia	Number	48	0	96
	Singapore	Number	21	33	30
	Male	Number	58	7	103
	Female	Number	11	26	23
	<30 years old	Number	23	5	33
	30-50 years old	Number	36	19	79
	>50 years old	Number	10	9	14

* The figures have been restated following the identification of inaccuracies in the previously reported data.

MESSAGE FROM THE EXECUTIVE DIRECTOR & CEO

FY2025 marked an important pivot for Vallianz Holdings Limited (“Vallianz” or the “Group”) as we advanced from foundational sustainability planning into focused execution. As our industry continues to undergo structural shifts driven by the global energy transition, evolving regulations, and rising expectations for transparency, we have strengthened our strategy to position Vallianz for longterm resilience, competitiveness, and value creation.

Over the past year, we expanded and diversified our portfolio in line with our sustainability roadmap. A notable milestone was the establishment of VC Power Pte. Ltd., a joint venture enabling the development and deployment of next-generation marine electrification solutions. This strategic move accelerates our participation in the low-carbon maritime economy and reinforces our long-term ambition to be a provider of cleaner, smarter and more efficient offshore marine services.

Sustainability is now embedded into the Group’s operating model. We integrate Environmental, Economic, Social and Governance (“EESG”) considerations into capital allocation, operational planning, and risk management. This ensures that climaterelated impacts, technology shifts, workforce needs and stakeholder expectations are systematically assessed when shaping our business decisions.

During FY2025, we strengthened our readiness for International Financial Reporting Standards (“IFRS”) S2 climate-related disclosures ahead of the Singapore Exchange’s mandatory timeline. Early gap assessments, scenario analysis enhancements and data capability building have been initiated to ensure that Vallianz is well prepared for the higher reporting expectations that lie ahead.

Innovation remains core to our transformation. We continue to invest in digital technologies, including supply chain digitalisation and vessel performance monitoring to enhance efficiency, reduce emissions, and improve asset reliability. The introduction of SMART vessel notation and, together with our capabilities in advanced E-Tug technologies incorporating integrated battery energy storage systems that allows modular battery swapping technology and shore charging infrastructure that supports our drive towards safer operations and reduced operational footprint.



Equally, our people form the backbone of our sustainability journey. Their commitment, agility and expertise enable us to execute our strategy with discipline while maintaining operational excellence across multiple geographies. We continue to build an inclusive and innovative culture that encourages collaboration and prepares us for the evolving needs of customers and the wider maritime industry.

Looking ahead to FY2026 and beyond, we recognise that the shift to a low-carbon economy requires thoughtful balancing of investment, innovation, and stakeholder expectations. While decarbonising operations presents challenges, it also creates meaningful opportunities, particularly in electrification, digitalisation, alternative fuels and renewable energy-linked marine services. We will continue to strengthen our portfolio, deepen strategic partnerships and invest in technologies that futureproof our business.

Our commitment remains clear: to create long-term, sustainable value for all stakeholders while contributing to a responsible and resilient maritime future. I extend my appreciation to our employees, partners, customers and shareholders for their continued trust and support. Together, we will continue building a stronger Vallianz, one that is future-ready, adaptive, and aligned with global sustainability progress.

LING YONG WAH

Executive Director and Chief Executive Officer

Dear Stakeholders,

At Vallianz, sustainability continues to shape our key priorities as we strengthen our ability to create longterm value. The Board has considered EESG considerations in shaping the Group's business strategy, including determining material topics, and continues to oversee the management and monitoring of these material areas. FY2025 marked an important step forward as we moved from foundational planning into focused execution of our EESG priorities.

ECONOMIC SUSTAINABILITY

Long-term economic resilience remains central to our strategy. In FY2025, we continued enhancing operational efficiency and made targeted investments in areas such as digitalisation, vessel performance monitoring, marine electrification, and alternative fuel technologies. These initiatives support our competitiveness while enabling us to navigate the evolving global energy landscape. We remain disciplined in managing resources, balancing nearterm cost considerations with longterm opportunities.

ENVIRONMENTAL STEWARDSHIP

We remain committed to reducing our environmental impact and are taking progressive steps towards lower carbon operations. FY2025 saw continued progress in emissions tracking, operational improvements, and energy management. We also advanced vessel electrification through a new joint venture, supporting early adoption of cleaner marine technologies. These efforts align with our long-term transition plans and the industry's shift towards lower carbon solutions.

SOCIAL RESPONSIBILITY

Our people continue to be at the heart of our progress. We strengthened workplace safety, training, and inclusion, resulting in significant improvements in capability development and collaboration. Across Singapore and Indonesia, we expanded employee engagement and community programs, reinforcing our responsibility to the communities in which we operate. We remain committed to fostering a respectful, safe, and inclusive workplace.

GOVERNANCE AND ETHICS

Strong governance remains a critical foundation for Vallianz. In FY2025, we enhanced oversight of sustainability matters, strengthened internal reporting, and prepared for new climaterelated disclosure requirements. We recorded no corruption or regulatory breaches during the year and continue to maintain strong controls to uphold this standard. Our governance practices will continue to evolve in line with rising regulatory and stakeholder expectations.

OUR PATH FORWARD

As sustainability expectations continue to grow, we are focused on making steady progress, setting clear targets, and enhancing our transparency in line with evolving reporting requirements. By embedding EESG considerations into decision-making, partnering with stakeholders, and investing in technologies that support long-term resilience, we will continue building a stronger Vallianz.

We thank all stakeholders for your continued trust and support as we advance our journey towards a more resilient and sustainable future.



ABOUT THIS SUSTAINABILITY REPORT



REPORTING STANDARDS

This Sustainability Report is prepared in accordance to the Global Reporting Initiative (“GRI”) Standards 2021, the Task Force on Climate-related Financial Disclosures (“TCFD”), and the United Nations Sustainable Development Goals (“UNSDG”), as well as the Rules 711A and 711B of Listing Manual Section B: Rules of Catalist (“Catalist Rules”) of the Singapore Exchange Securities Trading Limited (“SGX-ST”), with references to the guidance set out in SGX-ST’s sustainability reporting guide under Practice Note 7F of the Catalist Rules.

REPORTING PERIOD AND CYCLE

This Sustainability Report covers the financial year from 1st January to 31st December 2025.

REPORTING SCOPE AND BOUNDARIES

Reporting entities for this year’s Sustainability Report are consistent with those established in the previous financial year from 1st January to 31st December 2024 (“FY2024”).

ASSURANCE

We have reported our data honestly and to the best of our knowledge, reflecting our commitment to transparency and accountability. We continue improving data processes to strengthen reporting accuracy and clarity. To ensure our reporting meets current sustainability standards, we engaged an external consultant whose guidance has been invaluable in shaping our approach. Our internal auditors review the reporting process, though this report has not undergone external assurance.

REPORT AVAILABILITY AND FEEDBACK

We greatly value the feedback and insights from our stakeholders, as they are key to driving continuous improvement on our sustainability journey. We welcome any questions, suggestions, or comments regarding our sustainability initiatives. If you would like to learn more about our practices, share your thoughts on specific programs, or suggest areas for improvement, please reach out to us at enquiries@vallianzholdings.com. Your input helps us refine our strategies, strengthen our performance, and address the most important sustainability challenges.

CORPORATE GOVERNANCE

Governance Structure

Strong corporate governance is central to how Vallianz manages its responsibilities and supports sustainable longterm performance. Our governance framework is designed to provide clear oversight, transparent decisionmaking, and responsible management of both business and sustainabilityrelated matters.

The Board of Directors has overall responsibility for steering the Company and monitoring key risks and opportunities, including those related to sustainability and climate. The Board is supported by the Audit, Nominating, and Remuneration Committees, which oversee financial reporting, internal controls, Board composition, succession planning, and remuneration policies. Our directors bring experience in marine operations, legal matters, finance, strategy, and risk management, supporting balanced discussions and oversight in a dynamic operating environment. As at the date of this Sustainability Report, the Board comprises the following members.

- Mr. Osman Ibrahim: Non-Executive and Non-Independent Chairman
- Mr. Ling Yong Wah: Executive Director and Chief Executive Officer
- Mr. Chong Chee Keong Chris: Lead Independent Non-Executive Director
- Mr. Kevin Wong Chee Fatt: Independent Non-Executive Director

For more information on the Board of Directors and its conduct of affairs, please refer to pages 14 to 15 and 59 to 65.

To support effective sustainability governance, the Management Team works closely with a crossfunctional Sustainability Committee. The Committee identifies and assesses EESG-related risks and opportunities, monitors progress on initiatives, and updates senior management regularly. The Committee's work helps ensure that sustainability considerations are factored progressively into operational planning and supports alignment with emerging regulatory requirements. These efforts continue to evolve as data quality, capabilities, and external requirements evolves.

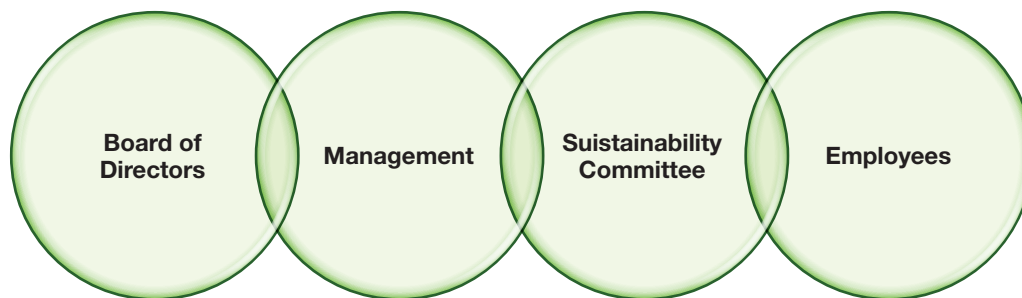
Governance Policies, Roles and Responsibilities

At Vallianz, EESG practices are integral to our operations. We continuously review and improve our EESG governance framework to ensure compliance with relevant regulations and guidelines affecting our operations. Employees from various departments and seniority levels form the Sustainability Committee, which reports to the Management. The Committee's constitution and authority come from the Board of Vallianz, driving the Company's sustainability, vision and mission, aiming for carbon neutrality by 2050.

The Vallianz EESG governance framework includes:

1. **Board of Directors:** They oversee the Group's EESG strategy, ensuring alignment with business objectives while considering EESG risks and opportunities. They endorse all sustainability-related policies, strategies, and business plans, ensuring critical sustainability considerations are part of the decision-making process.
2. **Management Team:** Responsible for implementing the EESG strategy by integrating initiatives into daily operations, monitoring EESG risks and opportunities, and updating the Board of Directors.
3. **Sustainability Committee:** Comprising employees from various levels and is chaired by the Director of Legal & Sustainability, this committee develops and implements initiatives to improve EESG performance, monitors risks and opportunities, and provides recommendations to the Management Team.
4. **Employees:** They contribute to the EESG strategy and performance, participate in initiatives, report concerns, and support the Group's sustainability goals.

GOVERNANCE



Compliance with Laws and Regulations

Regulatory compliance is a continuing focus. We monitor developments in relevant laws and sustainability reporting standards and work to improve internal processes and controls that support accurate and reliable disclosures. This includes strengthening documentation, data governance, and review procedures as required under evolving climate and sustainability reporting frameworks.

Ethical conduct remains an essential component of our governance approach. Vallianz's Code of Business Conduct sets out expectations on issues such as anticorruption, conflicts of interest, data protection, human rights, and environmental responsibility. Employees receive guidance and training to reinforce these standards. Our Whistleblowing Policy provides a confidential, independent channel for reporting concerns, and the Audit Committee oversees all submissions to ensure they are managed objectively.

Fines

	UNIT	Target FY2026	FY2025	FY2024	FP2023
Corruption Risk - Fines	Currency	0	0	0	0
Corruption Risk - Non-Monetary Sanctions	Number	0	0	0	0

Membership and Associations



Stakeholder Engagement

At Vallianz, we see stakeholder engagement as a cornerstone of our sustainability efforts. Our stakeholders include individuals and groups affected by our operations, products, or services such as customers, employees, investors, suppliers, regulators, NGOs, and local communities. Through various types of open dialogue, we gain valuable insights into their concerns and expectations, strengthen trust and credibility, uncover opportunities for collaboration and innovation, and develop more effective sustainability solutions across our services, products, and operations.

In FY2025, the Group conducted stakeholder surveys with employees, management and vendors. For other stakeholder groups, engagement was carried out through other methods, as stated in the table below.

Stakeholders	Methods of Engagement	Frequency of Engagement	Purpose of Engagement	Engagement Outcomes
Employees	Wellness and Family program	Quarterly	Support employees' well-being and work-life balance while fostering a sense of belonging.	● Enhanced employee satisfaction, engagement and loyalty with stronger team cohesion.
	Team building and employee events	Monthly	Strengthening collaboration and communication among employees.	● Increased team cohesion, higher employer morale contributing to a more motivated workforce.
	Employee Sustainability Participation	Regularly	Encourage responsible behaviour and environmental stewardship.	● Enhanced employee awareness and active participation in achieving the company's sustainability goals.
	Scholarship Program	Annually	Develop future maritime professionals through practical industry experience.	● Strengthened talent pipeline, industry collaboration, and opportunities for young professionals.
	Diversity & Inclusion Initiatives	Annually	Promote equality, respect and inclusion in the workplace.	● Greater diversity and employee satisfaction.
Customers	Feedback channels, including emails and hotlines	Regularly	Identify areas for improvement	● Increased customer satisfaction
	Site visits	Regularly	Build relationships with customers	● Maintained good ties with customers
	Informal feedback sessions	Regularly	Survey market requirements for improved or new solutions	● Built the Vallianz brand awareness
	Trade exhibition and conference events	As required	Showcase Vallianz's valued offerings	● Enhanced networking web

GOVERNANCE

Stakeholders	Methods of Engagement	Frequency of Engagement	Purpose of Engagement	Engagement Outcomes
Suppliers	Regular meetings and dialogue sessions	Regularly	Build relationships with suppliers	● Maintained good ties with suppliers
	Stakeholder engagement survey	As required	Identify key concern from stakeholders	● Address key ESG-related issues relevant to stakeholders.
	Supplier pre and post project evaluations	Regularly	Identify risks, assess supplier capabilities, and establish mutually beneficial relationship	● Streamlined overall process through time and cost savings ● Minimised risk of project delay, cost overruns and legal disputes ● Surveyed suppliers' sustainability practices
Government & Regulators	Discussions and consultations	As needed	Ensure compliance with laws and regulations	● Achieved zero violation with regards to law and regulations ● Shared industry best practices ● Reported issues in a timely manner
Shareholders & Investors	Annual general meeting	Annually	● Review company performance	● Communicated Vallianz's financial and non-financial performances
	Sustainability report	Annually	● Vote for company actions	
	Half and full-yearly financial results announcement	Half yearly	● Re-elect board member and auditors	● Engaged with shareholders and addressed their concerns. ● Enhanced shareholder and stakeholder confidence
	SGXNet announcement	As required	● Reinforce corporate governance	
	Circulars to shareholders	As required	● Communicate sustainability initiatives and goals	
Community	Community outreach activities	Regularly	Give back to the local community	● Maintained good ties with the local community
	Community projects	Regularly	Engage the local community in initiatives to improve their well being	● Enhanced company's reputation among the local population
	Internship programs	Periodically	Employ undergraduates in short term positions as part of their final year projects	● Leveraged undergraduates' skills and talents ● Fostered new talents within maritime industry ● Discovered potential new hires

As the sustainability landscape develops, Vallianz will continue refining its governance practices to keep pace with regulatory expectations and stakeholder needs. By maintaining clear accountability, ethical conduct, and effective oversight, we aim to support the Group's long-term resilience and responsible business performance.

CODE OF BUSINESS ETHICS AND INTEGRITY

Vallianz's Code of Business Conduct Policy

Vallianz is committed to upholding the highest standards of ethics and corporate governance across all operations. To support this commitment, we have implemented a comprehensive Code of Business Conduct that sets clear expectations for ethical behaviour and compliance with applicable laws and regulations.

The Code addresses key areas such as anti-bribery and corruption, conflicts of interest, data privacy and security, environmental responsibility, health and safety, human rights, and fair competition. It applies to all employees, directors, contractors, and suppliers, regardless of role or location, and emphasises integrity, accountability, and transparency in every aspect of our business. Employees are encouraged to report any suspected violations or ethical concerns to their supervisor or the Human Resources department, with full protection against retaliation for good-faith reporting.

To ensure its continued relevance and effectiveness, Vallianz reviews and updates the Code every three years or as needed to reflect evolving industry practices and regulatory requirements. The policy is thoroughly reviewed by our Management Team and endorsed by the CEO. In addition, we provide regular training and guidance to help employees understand and adhere to the Code.

Board Diversity Policy

The Board acknowledges that diversity is a key factor in achieving long-term success and delivering value to stakeholders. A well-balanced Board, comprising a variety of skills, experiences, perspectives, and backgrounds enhances decision-making processes and strengthens corporate governance.

To learn more about Vallianz's commitment to Board diversity, we invite readers to visit our Board Diversity Policy webpage.

URL: <https://www.vallianzholdings.com/wp-content/uploads/2022/06/Board-Diversity-Policy.pdf>

Anti-Bribery and Anti-Corruption

Vallianz is committed to the highest standards of ethical conduct, with zero tolerance for bribery and corruption. We adhere to strict anti-corruption policies and comply with all applicable local and international laws to ensure our business is conducted with integrity and transparency. Robust controls and monitoring systems are in place to prevent bribery, fraud, and corruption.

We believe that a culture rooted in integrity and ethical behaviour is essential for sustainable growth and long-term success. Vallianz actively promotes these values across the organization and among our stakeholders.

GOVERNANCE

Whistleblowing

	UNIT	Target FY2026	FY2025	FY2024	FY2023
Whistleblowing	Number	0	0	0	0

A whistleblowing policy is in place to reinforce transparency, accountability, and ethical business practices. This policy provides employees and stakeholders with a safe and confidential way to report concerns or potential misconduct without fear of retaliation or discrimination.

Our whistleblowing channel offers a secure platform for reporting unethical behaviour, policy breaches, or other issues. Oversight is provided by the independent Audit Committee to ensure impartial and objective handling of all reports.

We encourage employees, contractors, suppliers, and other stakeholders to use these channels whenever they become aware of wrongdoing. By addressing concerns promptly and effectively, we strengthen our commitment to integrity and uphold the highest ethical standards across the organization.

Conflict of Interest

Vallianz has implemented several measures to prevent and mitigate conflicts of interest. Firstly, all employees and directors must adhere to our Code of Business Conduct. Additionally, our Whistleblowing Policy encourages employees and stakeholders to report any concerns or suspicions of unethical behaviour, including conflicts of interest. The Board of Directors, responsible for overseeing the Company's operations and governance, identifies and manages conflicts of interest to ensure all decisions are made in the best interests of the Company and its stakeholders. Furthermore, the Company has established an Interested Party Transaction ("IPT") mandate, in compliance with Rule 907 of the Catalist Rules, to ensure that all related party transactions are conducted fairly, transparently, and in the best interests of the Company and its shareholders.

For more information on our commitment to corporate governance, we invite readers to refer to our Corporate Governance Statement.

A Culture of Giving and Social Responsibility

At Vallianz, our employees across the group actively participate in initiatives that support communities and promote social and environmental responsibility. Key programs include the Care Corner and Chinese New Year dinner with the elderly, the Red Cross Donation Drive, disaster relief for the Myanmar and Thailand earthquakes, pre-loved clothes recycling, and the Give-Back: Bringing Joy to Children program. These initiatives provide critical support to those in need while reflecting Vallianz's ongoing commitment to making a meaningful and lasting impact on society, encouraging employees to contribute their time, energy, and creativity toward improving community well-being and promoting sustainable practices.





Within the group, Vallianz PT United Sindo Perkasa implemented a structured monthly CSR program, alternating between nursing homes and orphanages. Employees contributed a total of 1,594 volunteer hours, demonstrating strong engagement and dedication.

Through our Caring for the Elderly program, the SMILE Squad (Sharing Moments in Loving Energy) visited Puri Kebajikan Nursing Home six times, offering companionship, emotional support, creative workshops, festive celebrations, and donations, highlighting the value of consistent care and engagement.

In the Empowering Youth program at Miftahul Hasanah Orphanage, employees supported teenagers through educational and creative activities, mentorship, and health awareness sessions in collaboration with Palang Merah Indonesia (PMI) Batam, while also celebrating Indonesia's Independence Day and hosting year-end gatherings, fostering learning, growth, and community connection.

GOVERNANCE



Supply Chain Management

Vallianz is implementing a structured procurement system aimed at aligning the company's purchasing activities with ethical and sustainability standards, while enhancing efficiency and cost-effectiveness. This system will require all stakeholders to comply with stringent ethical guidelines, including adherence to labour laws, human rights principles, and anti-corruption regulations. Furthermore, the procurement process will incorporate a thorough evaluation framework that considers quality, cost, delivery timelines, and sustainability factors.

We conduct a comprehensive vendor performance evaluation based on the following criteria:

- **Quality of Products / Services Supplied:** We assess the quality of the products and services provided by our vendors to ensure they meet our stringent standards and specifications.
- **Compliance with Delivery / Planned Schedule:** Timely delivery is crucial for our operations. We evaluate vendors on their ability to adhere to agreed-upon delivery schedules and planned timelines.
- **Overall Competitiveness of Package:** We consider the overall competitiveness of the vendor's package, including pricing, value-added services, and terms of the agreement.
- **Completeness of Deliverables:** Vendors are assessed on their ability to provide complete and accurate deliverables, ensuring all required components and documentation are included.
- **Ability to Communicate & Coordinate Smoothly & Promptly:** Effective communication and coordination are essential for seamless operations. We evaluate vendors on their responsiveness and ability to communicate clearly and promptly.
- **Adaptability & Accommodation Towards Queries / Complaints / Rejections / Claims / Warranty / Change of Orders:** We value vendors who are adaptable and accommodating when addressing queries, complaints, rejections, claims, warranty issues, and changes to orders.
- **Quality, Environmental, Health & Safety Management:** Vendors are assessed on their adherence to quality management systems, environmental sustainability practices, and health and safety standards.

By evaluating our vendors based on these criteria, we ensure that we work with partners who share our commitment to excellence and can provide us with the high-quality products and services we require.

Materiality Assessment Process

The materiality assessment for FY2025 was conducted through a structured process as outlined below:

1. Review of Sustainability Matters

The Sustainability Committee initiated a review of sustainability matters, considering eight key aspects across the Group's value chain. These included changes in business strategy or operations, regulatory and legal developments, stakeholder feedback and engagement, environmental and social impacts, industry trends and competitor actions, financial and economic factors, technological innovations, and reputation and brand considerations.

2. Stakeholder Engagement

Engagement was conducted with internal and external stakeholders across the value chain to identify the relevance of sustainability matters to stakeholders and to capture their key concerns.

3. Evaluation of Impacts

Identified sustainability matters were assessed based on their scope, severity, and likelihood, as well as their actual and potential negative and positive impacts on the economy, the environment, and people, including human rights.

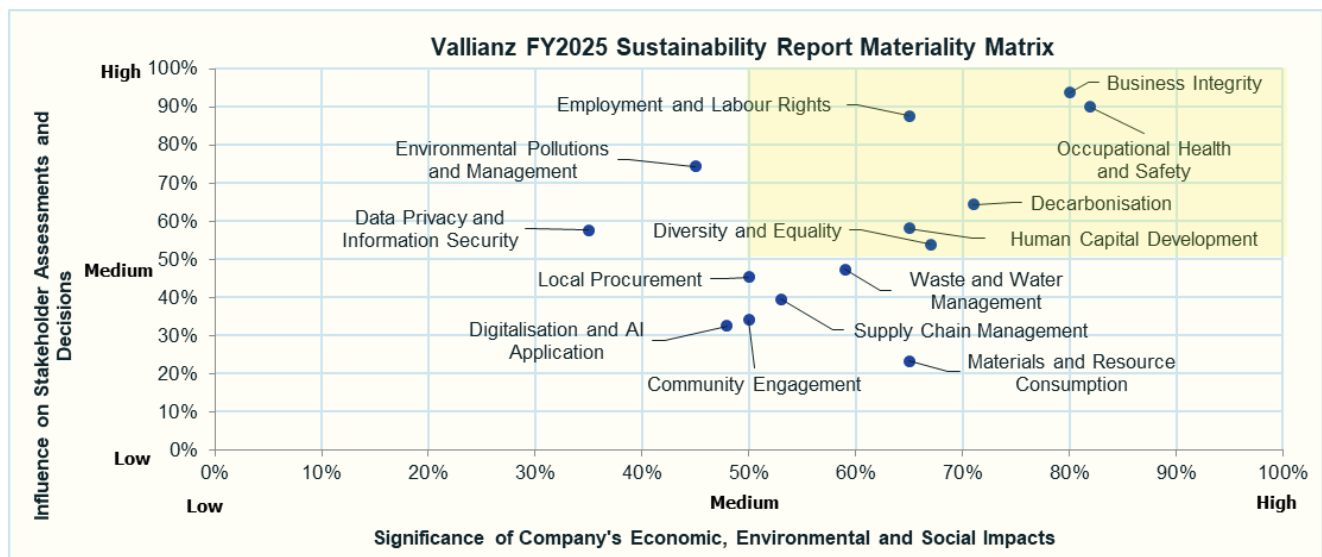
4. Alignment with Standards

The sustainability matters were assessed against the GRI Standards and GRI 11 Oil and Gas Sector Standard to ensure comprehensive coverage and to confirm that no significant topics were overlooked.

5. Prioritisation of Material Topics

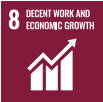
Sustainability matters were mapped on a materiality matrix, and those with high importance to stakeholders and high impact on the Group were prioritised and selected as material topics.

Material Topics and Targets



MATERIAL TOPICS

The materiality assessment indicated no significant changes to the material topics between FY2024 and FY2025. The table below presents the finalised material topics, their contributions to the Sustainable Development Goals (“SDGs”), Vallianz’s approach and established targets.

Sustainability Matters	Material Topics	Sustainable Development Goals (SDGs)	Vallianz’s Approach and Targets
Economic Contribution	Economic Contribution		As we advance the implementation of EESG initiatives to align with our sustainability goals, we recognise that these efforts will influence the Group’s economic trajectory. Investments in sustainable practices, compliance with evolving regulations, and the transition toward a lower-carbon economy may initially present financial challenges. However, these initiatives are also expected to drive long-term value creation by enhancing operational efficiency, reducing risks, and strengthening stakeholder confidence. Through a balanced approach, we aim to achieve both financial resilience and sustainable growth.
Diversity and Equality Human Capital Development Employment and Labour Rights	Employer of Choice	   	We prioritise building a collaborative, inclusive, and transparent work culture through structured engagement initiatives. Our approach includes regular management meetings, team-building activities, and lesson-learned sessions, which encourage reflection, knowledge-transfer, and continuous improvement. These initiatives support our commitment to diversity and inclusion, human capital development, and fair employment practices.
Business Integrity Supply Chain Management Local Procurement Local Community	Business Integrity		At Vallianz, we are committed to upholding the highest ethical standards by maintaining zero instances of bribery and corruption-related fines while ensuring full compliance with local laws and regulations. By fostering a culture of integrity, we strive to create sustainable value for our customers, employees, and shareholders.
Human Capital Development Occupational Health and Safety	Protection of Our Human Capital		At Vallianz, ensuring the safety and well-being of our employees, customers, and the environment is our top priority. Our unwavering commitment is to maintain zero accidents and prevent any incidents of sea pollution across our operations. We continuously assess potential risks and implement proactive measures to enhance safety and environmental protection, striving to uphold and exceed these standards.
Decarbonisation	Climate Change	  	The Company targets a minimum 20% reduction in GHG emissions intensities by 2030, at least 70% by 2040, and 90% by 2050 for both business segments. Despite these challenges, Vallianz remains steadfast in its goal of contributing to a more sustainable future.

ECONOMIC PERFORMANCE

Economic Value Generated and Distributed

As at 31st December 2025, the Group's net asset per share was 10.35 US cents. The Group achieved total revenue of US\$ 332.3 million and basic earnings per share of 0.88 US cents in FY2025.

For further details of the Group's financial performance, please refer to the Financial Statements on pages 11 and 89 to 97.

Procurement Practices

As most of our current projects progress into the final delivery phase, a substantial portion of the domestically sourced fabrication, outfitting, and preparation activities are now complete, resulting in a planned and expected reduction in local procurement. Current expenditure is primarily focused on specialised completion works, final systems integration, and testing activities, many of which are carried out by regional or Original Equipment Manufacturer ("OEM") aligned suppliers. This shift reflects the normal spending profile at the end of a vessel construction cycle and aligns with our project schedule and cost-management plan.



GREENHOUSE GAS EMISSION

Scope 1 GHG Emissions

	UNIT	Variance between FY2025 and FY2024 (%)	FY2025	FY2024	CALENDAR YEAR 2023
Scope 1 Emissions	<i>mtCO₂e</i>	52.7%	10,904.29	7,139.29	7,100.76
Shipyard Emission Intensity	<i>kgCO₂e shipyard emissions/ shipyard manhours</i>	18.2%	0.97	0.82	0.98
Off-Hire Vessel Emission Intensity	<i>mtCO₂e off-hire vessel emission/ off-hire days</i>	4.6%	4.06	3.88	4.27

STANDARDS, METHODOLOGIES AND CONVERSION FACTORS

Data consolidation for all scopes of GHG emission follows the requirements of GHG Protocol Corporate Standard. The Global Warming Potential (“GWP”) are based on Intergovernmental Panel of Climate Change (“IPCC”), The Sixth Assessment Report (“AR6”). Scope 1 emissions include direct carbon emission from vessel fuel, company owned vehicles and shipyard machinery. Shipyard emission intensity is measured by calculating total Scope 1 and Scope 2 emissions relative to the man-hours worked at the shipyard. Off-hire vessel emission intensity is determined by calculating Scope 1 emissions generated from off-hire vessels, normalised against the total off-hire days. The emission factors from Fourth IMO Greenhouse Gas Study 2020 were referenced to estimate vessels greenhouse gases emission. Whereas emission factors for company owned vehicles and shipyard machineries were referenced from the Norwegian Emission Inventory 2020.

Scope 1 emissions increased during the reporting year due to the acquisition of five additional vessels compared with the previous year. To ensure that emissions efficiency continues to improve despite business expansion and fleet growth, the Group has established a target for off-hire vessel emission intensity. This reflects the Group’s commitment to enhancing emission efficiency while scaling its operations.

Scope 2 GHG Emissions

	UNIT	Variance between FY2025 and FY2024 (%)	FY2025	FY2024	CALENDAR YEAR 2023
Scope 2 Emissions	<i>mtCO₂e</i>	-34.3%	1,382.72	2,104.24	1,878.32
Office Emission Intensity	<i>mtCO₂e/ m²</i>	-29.2%	0.017	0.024	0.028

STANDARDS, METHODOLOGIES AND CONVERSION FACTORS

Scope 2 emissions include purchased electricity at our onshore operating facilities. The emission factors used are based on IEA Emission Factors 2022. Office emission intensity is based on Scope 2 emissions from electricity consumption at Singapore offices per the total office floor area.

In FY2025, electricity consumption at the shipyard and the office decreased significantly. This reduction was primarily driven by fewer overtime periods at the shipyard and the relocation of the Singapore office to a more energy efficient premises.

Scope 3 GHG Emission

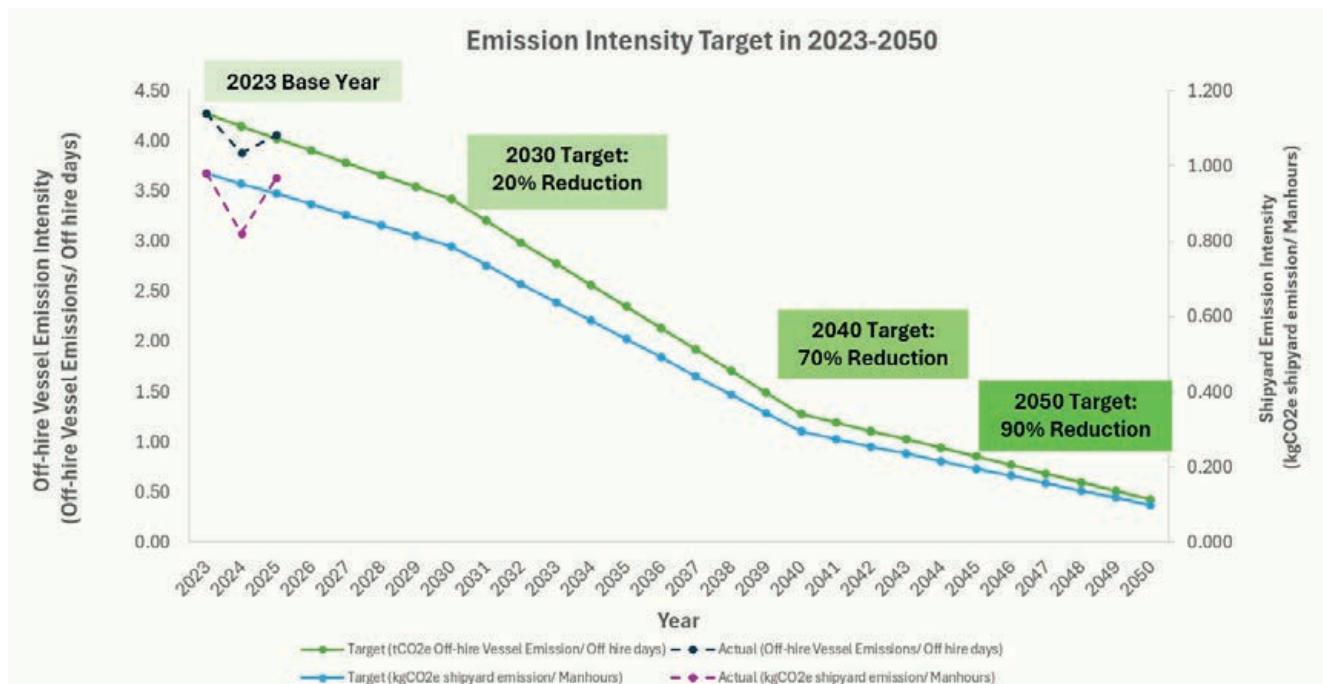
	UNIT	FY2025	FY2024
Scope 3 Emissions	mtCO ₂ e	1,241.97	74.14
Waste generated in operations	mtCO ₂ e	40.38	74.14
Business Travel - Air Travel	mtCO ₂ e	522.12	-
Business Travel - Hotel Nights	mtCO ₂ e	217.32	-
Employee Commuting	mtCO ₂ e	462.2	-

STANDARDS, METHODOLOGIES AND CONVERSION FACTORS

The emission factors applied for the calculation of emissions from waste generated in operations and employee commuting are sourced from the United Kingdom Department for Business, Energy & Industry Strategy ("BEIS") and Greenhouse gas reporting: conversion factors 2024. Emission factors for hotel stays related to business travel are sourced from the Hotel Sustainability Benchmarking Index 2023. Air travel emissions are calculated using the ICAO Carbon Emissions Calculator ("ICEC").

In FY2025, total Scope 3 emissions reported increased primarily due to the inclusion of Categories 6 (Business Travel) and 7 (Employee Commute). The Group will continue to report on these categories in future disclosures.

GHG Emission Intensity



In FY2025, the shipyard implemented a minimum overtime policy to enhance operational efficiency and strengthen workforce management. Following the introduction of this policy, total manhours declined compared with FY2024. At the same time, machinery operations were increasingly scheduled during daytime hours, reducing reliance on overtime periods.

ENVIRONMENT

As a result of these operational changes, electricity and fuel consumption decreased in FY2025. However, due to improved operational efficiency, the reduction in total manhours was proportionally greater than the reduction in resource consumption. Consequently, shipyard emission intensity increased from 0.82 kgCO₂e/ manhour in 2024 to 0.97 kgCO₂e/ manhour in FY2025. Despite this increase, the FY2025 emission intensity remains below the base year level.

Vessel emission intensity increased from 3.88 mtCO₂e off-hire vessel emission/ off-hire days in 2024 to 4.06 mtCO₂e off-hire vessel emission/ off-hire days in FY2025, primarily due to the inclusion of newly taken over vessels into the Group managed fleet. These vessels contributed additional emissions during the reporting period, resulting in a higher overall vessel emission intensity.

Office emission intensity continued to improve in FY2025, decreasing from 0.024 mtCO₂e/m² to 0.017 mtCO₂e/m². This improvement reflects the continued implementation of energy efficiency measures and optimised energy management across office operations.

GHG Emission Management

The Group continues to enhance operational efficiency across its fleet through systematic monitoring of fuel consumption and vessel performance. This ongoing oversight allows for the early identification of performance gaps, optimisation of fuel usage, and reduction of avoidable emissions.

Operational data provides the shore team with clear visibility into key performance indicators, enabling timely interventions and ensuring continued compliance with environmental and safety standards. This monitoring framework also strengthens coordination between offshore and shore teams, supports prompt responses to emerging issues, and reinforces the Group's commitment to proactive risk management as well as safe and efficient operations.

Energy Mix

	UNIT	FY2025	FY2024	CALENDAR YEAR 2023
Total Energy Consumption	GJ	150,425.50	110,084.03	108,641.58
Fuel Consumption	GJ	143,906.68	100,197.89	99,799.91
Electricity Consumption	GJ	6,518.82	9,886.14	8,841.67
Shipyard Energy Intensity	<i>kJ/Shipyard manhours</i>	8,838.25	7,105.08	7,859.69
Off-Hire Vessel Energy Intensity	<i>GJ/off-hire days</i>	52.32	54.67	60.21
Office Energy Intensity	<i>GJ/m²</i>	0.17	0.22	0.26

The energy conversion factor for vessel fuel is based on Regulation (EU) 2023/1805 for Marine Diesel Oil. The electricity conversion factor applied is 3.6 GJ/MWh. The diesel conversion factor is 0.0369 GJ/litre of fuel, based on data from the European Automobile Manufacturers Association.

AIR EMISSIONS

Other Air Emissions

	UNIT	FY2025	FY2024	CALENDAR YEAR 2023
Emissions to air - NO _x	kgNO _x	167,376.7	104,232.36	110,240.22
Emissions to air - PM _{2.5}	kgPM _{2.5}	2,449.70	1,493.43	1,592.11
Emissions to air - SO _x	kgSO _x	4,132.03	2,336.97	2,542.8

The conversion factor for NO_x, PM_{2.5} and SO_x are sourced from the Fourth IMO GHG Study 2020. These pollutants are emitted during the combustion of vessel fuel.

SPILLAGE INCIDENT MANAGEMENT

Spills and releases to the environment

	UNIT	Target 2026	FY2025	FY2024	CALENDAR YEAR 2023
Volume of Spills to the Environment	m ³	0	0	0	0

SAFETY AND HEALTH

Occupational Health and Safety Management System

Vallianz is dedicated to safety and sustainability, adhering to the International Safety Management (“ISM”) Code, which sets global standards for the safe operation and management of ships and pollution prevention. Developed by the International Maritime Organisation (“IMO”), the ISM code is mandatory for all ships over 500 gross tons. As an offshore industry operator, Vallianz recognises the importance of these standards and has implemented a comprehensive safety management system covering vessel management, crew training, and emergency response. The Company also conduct annual internal audits and external inspections to ensure compliance with the ISM code.

To maintain high standards in quality environmental management, occupational health and safety, Vallianz’s management system is certified to ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018. This certification reflects Vallianz commitment to quality, environmental sustainability, and occupational health and safety.

Entities	ISO 6001:2015 Quality Management System	ISO 14001:2015 Environmental Management System	ISO 45001:2018 Occupational Health and Safety Management System
Vallianz Offshore Marine Pte. Ltd.	←	Issue date on 1/11/2023 Expiry date on 31/10/2026	→
PT. United Sindo Perkasa	←	Issue date on 14/9/2023 Expiry date on 13/9/2026	→

The Group has implemented a Quality, Health, Safety and Environment (“QHSE”) Management System manual to continuously enhance customer satisfaction, safeguard employees, and protect the environment through the application of standardised processes and a commitment to ongoing improvement, while ensuring compliance with customer requirements.

The system is designed to strengthen QHSE performance by meeting compliance obligations and achieving defined QHSE objectives. It provides a safe and healthy workplace, prevents workrelated injuries and ill health, eliminates hazards, and minimises occupational health and safety risks.

Work Related Injuries and Ill Health

	UNIT	Target 2026	FY2025	FY2024	FP2023
Number of High-Consequence Work-Related Injuries	Number	0	0	0	0
High Consequences Injuries Rate	Number	0	0	0	0
Number of Employee Fatalities from Work-Related Injury	Number	0	0	0	0
Work-Related Injury Fatality Rate	Number	0	0	0	0
Number of Recordable Work-Related Ill-Health	Number	0	0	0	0
Work Related Ill Health Rate	Number	0	0	0	0
Number of Employees Recordable Work-Related Injuries	Number	0	23	17*	2
Rate of Recordable Work-Related Injuries (TRIP)	Number	0	5.12	2.87*	0.63
Total employee manhours	hr	-	4,495,668	5,915,407	3,150,320
Number of Marine Casualties	Number	0	0	0	0
Percentage of Marine Casualties Classified as Very Serious	%	0	0	0	0

* The figures have been restated following the identification of inaccuracies in the previously reported data.

Occupational Health and Safety performance rates are determined based on 1,000,000 hours worked.

VESSEL OPERATIONS

In FY2025, the Total Recordable Frequency for vessel operations increased from 0 to 2. The incidents were attributed to improper rope handling practices on board two vessels.

A comprehensive risk assessment was conducted to identify the root causes and associated hazards. Based on the findings, immediate corrective and preventive measures were implemented, including:

- Revision and strengthening of standard operating procedures for rope handling
- Targeted competency-based training for crew members
- Enhanced supervision during mooring and rope handling operations

Circular notices were issued across the fleet to communicate the incident details, key findings, and required preventive measures. The Company remains committed to reinforcing safe working practices and preventing recurrence.

SHIPYARD OPERATIONS

In FY2025, a total of 21 recordable cases were reported within shipyard operations, including one first aid case involving a ship crew member that was not related to core production activities.

During the year, the shipyard implemented a minimum overtime policy to enhance operational efficiency. At the same time, employees required structured support to align with shipyard specific safety practices and operational requirements. In response, the Health, Safety and Environment team strengthened onboarding programmes, enhanced supervisory oversight, and reinforced safety awareness initiatives across all operational levels.

The Company continues to prioritise proactive risk management, consistent enforcement of safety procedures, and leadership accountability to drive continuous improvement in overall Occupational Health and Safety performance in the forthcoming reporting period.

Port State Control

	UNIT	Target 2026	FY2025	FY2024	FP2023
Number of port state control deficiencies	Number	0	29	18	5
Number of port state control detentions	Number	0	0	0	0
Deficiencies Closed	%	100	100	100	100

The increase in Port State Control deficiencies in FY2025 reflects inspections conducted on two vessels in October 2025. Following thorough root cause analyses, all corrective actions have been completed and deficiencies closed. Preventive measures have been strengthened across the fleet, including enhanced crew training, reinforced procedural compliance, and improved oversight. Circular notices have also been issued to all vessels to share lessons learned and promote fleet-wide awareness, further supporting continuous improvement in operational performance.

Health and Safety Assessment of Product and Services

The Group demonstrates resilience in managing pandemics and other health-related crises by incorporating the Inventory of Hazardous Materials (IHM) notation and the Infectious Disease Mitigation (IDM-A) notation into our newbuild vessels as required.

EMPLOYEES AND LABOR RIGHTS

Labour Management Relations

Human capital is a key driver of Vallianz's long-term sustainability, innovation, and operational excellence. We are committed to attracting, developing, and retaining talent through fair employment practices, competitive remuneration, and structured employee development initiatives. The Group provides competitive remuneration, structured development programs, and fair employment practices.

In Vallianz, we foster a diverse, equitable, and inclusive workplace, ensuring all employees, regardless of background or experience, are respected, valued, and provided with equal opportunities to grow.

To support engagement and well-being, we provide meaningful employee benefits, including:

- Monthly birthday celebrations
- Festive season gatherings
- Team-building activities
- Comprehensive medical and dental coverage

These initiatives strengthen a culture of collaboration, care, and belonging, while reinforcing our commitment to social responsibility and long-term organisational resilience.

Employees by New Hires

EMPLOYEE CATEGORIES	FY2025		FY2024		FP2023	
	NUMBER OF NEW HIRES	%	NUMBER OF NEW HIRES	%	NUMBER OF NEW HIRES	%
Male	79	79%	27	71%	183	81%
Female	21	21%	11	29%	44	19%
Indonesia	71	71%	0	0%	205	90%
Singapore	29	29%	38	100%	22	10%
<30 years old	52	52%	6	16%	84	37%
30-50 years old	33	33%	26	68%	121	53%
>50 years old	15	15%	6	16%	22	10%

Employees by Turnover

EMPLOYEE CATEGORIES	FY2025		FY2024		FP2023	
	NUMBER OF TURNOVER	%	NUMBER OF TURNOVER	%	NUMBER OF TURNOVER	%
Male	58	84%	7	21%	103	82%
Female	11	16%	26	79%	23	18%
Indonesia	48	70%	0	0%	96	76%
Singapore	21	30%	33	100%	30	24%
<30 years old	23	33%	5	15%	33	26%
30-50 years old	36	52%	19	58%	79	63%
>50 years old	10	14%	9	27%	14	11%

Collective Bargaining Agreements (CBAs)

	UNIT	FY2025	FY2024	FP2023
Singapore Collective Bargaining Agreements (CBAs)	%	100	100	-
Indonesia Collective Bargaining Agreements (CBAs)	%	100	100	95

COLLECTIVE BARGAINING AGREEMENTS (CBAs) – INDONESIA

This Collective Bargaining Agreement between PT United Sindo Perkasa, Indonesia and Serikat Pekerja Seluruh Indonesia representing employees of PT United Sindo Perkasa reflects a shared commitment to sustainability, fairness, and cooperation. Through this collaboration, we aim to foster a workplace that supports economic growth while contributing positively to society and the environment.

COLLECTIVE BARGAINING AGREEMENTS (CBAs) – SINGAPORE

Vallianz is committed to fostering a fair, inclusive, and respectful workplace. Through our engagement with employee representatives and union partners, we support open communication and constructive dialogue on employment matters affecting our workforce.

Our collective agreement framework reflects our commitment to fair employment practices and provides a structured platform for collaboration between management and employees. This approach aligns with Singapore's tripartite framework, which promotes cooperative labour-management relations and supports a stable and productive work environment.

PARENTAL LEAVE

Employees Entitled to Parental Leave/ Family-related Leave

	UNIT	FY2025	FY2024	FP2023
Female	Employees	91	90	122
Male	Employees	378	423	498

Employees who took Parental Leave / Family-related Leave

	UNIT	FY2025	FY2024	FP2023
Female	Employees	0	0	1
Male	Employees	1	0	3

Employees who Returned to Work After Parental Leave/ Family-related Leave Ended

	UNIT	FY2025	FY2024	FP2023
Female	Employees	0	0	1
Male	Employees	1	0	3

HUMAN CAPITAL DEVELOPMENT

Vallianz remains firmly committed to continuous learning and human capital development as a cornerstone of our long-term sustainability strategy. In FY2025, the Group substantially strengthened its investment in workforce capability building, achieving an average of 27.85 training hours per employee, a marked increase from 6.8 hours in FY2024 and 5.16 hours in FY2023. This significant improvement reflects our deliberate focus on enhancing technical competencies, leadership capabilities, and overall workforce readiness in response to evolving industry demands.

By ensuring equitable access to structured learning and development opportunities, Vallianz promotes inclusive skill enhancement across all employees. This approach reinforces our commitment to diversity, equity, and sustainable talent development, while supporting employee growth, organisational resilience, and long-term value creation.

Average Training Hour by Employee Category

	UNIT	FY2025	FY2024
Average Training Hour Per Management Level Employee	hr	17.6	42.0
Average Training Hour Per Executive Level Employee	hr	16.3	8.0

Average Training Hour by Gender

	UNIT	FY2025	FY2024	FP2023
Average Training Hour Per Employee	hr	16.3	6.8	5.16
Average Training Hour Per Female Employee	hr	13.9	17.6	4.67
Average Training Hour Per Male Employee	hr	16.9	11.1	5.17

DIVERSITY & EQUALITY

At Vallianz, we recognise the importance of fostering equality and gender diversity within our Company and the wider maritime sector. We cultivate a workplace built on respect, trust, inclusivity, and equality, enabling our employees to grow, develop, and contribute to our shared success. We continue to encourage balanced representation across our workforce and recognise the valuable contributions and leadership of women within the organisation.

Vallianz upholds the principle of equal employment opportunity and is committed to providing fair and merit-based employment practices. Our recruitment, development, promotion, and remuneration processes are guided by fairness and job-related qualifications and performance. We maintain a zero-tolerance approach towards discrimination, harassment, or any form of unfair treatment, and strive to provide a safe, respectful, and inclusive work environment for all employees.

Employees by Age and Gender Ratio

	FY2025		FY2024		FP2023	
EMPLOYEE CATEGORIES	NUMBER OF EMPLOYEES	%	NUMBER OF EMPLOYEES	%	NUMBER OF EMPLOYEES	%
Total	469	100%	522	100%	620	100%
Indonesia	368	78%	438	84%	531	86%
Singapore	101	22%	84	16%	89	14%
Male	378	81%	432	83%	498	80%
Female	91	19%	90	17%	122	20%
<30 years old	111	24%	117	22%	70*	11%
30-50 years old	290	62%	344	66%	363	30%
>50 years old	68	14%	61	12%	187*	59%

* The figures have been restated following the identification of inaccuracies in the previously reported data.

Full-time Employees

	FY2025		FY2024	
EMPLOYEE CATEGORIES	NUMBER OF EMPLOYEES	%	NUMBER OF EMPLOYEES	%
Total	173	100%	173	100%
Male	122	70.5%	124	71.7%
Female	51	29.5%	49	28.3%
Indonesia	88	50.9%	89	51.4%
Singapore	85	49.1%	84	48.6%

Part-time Employees

EMPLOYEE CATEGORIES	FY2025		FY2024	
	NUMBER OF EMPLOYEES	%	NUMBER OF EMPLOYEES	%
Total	16	100%	9	100%
Male	13	81.3%	7	77.8%
Female	3	18.8%	2	22.2%
Indonesia	0	0%	9	100%
Singapore	16	100%	0	0%

Contract Employees

EMPLOYEE CATEGORIES	FY2025		FY2024	
	NUMBER OF EMPLOYEES	%	NUMBER OF EMPLOYEES	%
Total	280	100%	340	100%
Male	243	86.8%	301	88.5%
Female	37	13.2%	39	11.5%
Indonesia	280	100%	340	100%
Singapore	0	0%	0	0%

Statement of use	Vallianz Holdings Limited has reported in accordance with the GRI Standards for the period 1 st January 2025 to 31 st December 2025.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	GRI 11: Oil and Gas Sector 2021

GRI Standard/ Other Source	Disclosure	Location of Disclosure	Reason for Omission	GRI Sector Standard Ref. No.
General disclosures				
GRI 2: General Disclosures 2021	2-1 Organizational details	About us		
	2-2 Entities included in the organization's sustainability reporting	Scope and boundary		
	2-3 Reporting period, frequency and contact point	Reporting Period and Cycle		
	2-4 Restatements of information	Restatement		
	2-5 External assurance	Assurance		
	2-6 Activities, value chain and other business relationships	About us	N/A	
	2-7 Employees	Diversity & Equality	N/A	
	2-8 Workers who are not employees	Diversity & Equality	N/A	
	2-9 Governance structure and composition	Governance Structure	N/A	
	2-10 Nomination and selection of the highest governance body	Refer to pages 64 to 67 of Corporate Governance Statement	N/A	
	2-11 Chair of the highest governance body	Governance Structure / Governance Policies, Roles and Responsibilities	N/A	
	2-12 Role of the highest governance body in overseeing the management of impacts	Governance Structure / Governance Policies, Roles and Responsibilities	N/A	
	2-13 Delegation of responsibility for managing impacts	Governance Structure / Governance Policies, Roles and Responsibilities	N/A	
	2-14 Role of the highest governance body in sustainability reporting	Governance Structure / Governance Policies, Roles and Responsibilities	N/A	
	2-15 Conflicts of interest	Conflict of Interest / Policy on related party transactions	N/A	
	2-16 Communication of critical concerns	Governance Structure / Governance Policies, Roles and Responsibilities	N/A	

GRI CONTENT INDEX

GRI Standard/ Other Source	Disclosure	Location of Disclosure	Reason for Omission	GRI Sector Standard Ref. No.
GRI 2: General Disclosures 2021	2-17 Collective knowledge of the highest governance body	Governance Structure	N/A	
	2-18 Evaluation of the performance of the highest governance body	Refer to page 67 of Corporate Governance Statement	N/A	
	2-19 Remuneration policies	Refer to pages 67 to 69 of Corporate Governance Statement	N/A	
	2-20 Process to determine remuneration	Refer to pages 67 to 69 of Corporate Governance Statement	N/A	
	2-21 Annual total compensation ratio	-	Requirements for (a) to (c) are classified as confidential information in accordance with the Group's internal policy.	
	2-22 Statement on sustainable development strategy	Board Statement	N/A	
	2-23 Policy commitments	Code of Business Ethics and Integrity	N/A	
	2-24 Embedding policy commitments	Code of Business Ethics and Integrity	N/A	
	2-25 Processes to remediate negative impacts	Whistleblowing	N/A	
	2-26 Mechanisms for seeking advice and raising concerns	Whistleblowing	N/A	
	2-27 Compliance with laws and regulations	Compliance with Laws and Regulations/ Fines	N/A	
	2-28 Membership associations	Membership and Associations	N/A	
	2-29 Approach to stakeholder engagement	Stakeholder Engagement	N/A	
	2-30 Collective bargaining agreements	Collective Bargaining Agreements (CBAs)	N/A	
Material topics				
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Material Assessment Process		
	3-2 List of material topics	Material Topics and Targets		
	3-3 Management of material topics	Refer to various topic disclosure sections		
Economic Topics Disclosures				
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Refer to Financial Statements	N/A	11.14.2 11.21.2

GRI Standard/ Other Source	Disclosure	Location of Disclosure	Reason for Omission	GRI Sector Standard Ref. No.
	201-2 Financial implications and other risks and opportunities due to climate change	Task Force on Climate-Related Financial Disclosure	N/A	11.2.2
	201-3 Defined benefit plan obligations and other retirement plans	Refer to Financial Statements	N/A	N/A
	201-4 Financial assistance received from government	Refer to Financial Statements	N/A	11.21.3
GRI 202: Market Presence 2016	202-2 Proportion of senior management hired from the local community	Refer to pages 61 to 63 of Corporate Governance Statement	N/A	11.11.2 11.14.3
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Refer to Financial Statements	N/A	11.14.4
	203-2 Significant indirect economic impacts	Refer to Financial Statements	N/A	11.14.5
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Procurement Practices	N/A	11.14.6
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Anti-Bribery and Anti-Corruption	N/A	11.20.2
	205-2 Communication and training about anti-corruption policies and procedures	Anti-Bribery and Anti-Corruption	N/A	11.20.3
	205-3 Confirmed incidents of corruption and actions taken	Anti-Bribery and Anti-Corruption	N/A	11.20.4
Environmental Topics Disclosures				
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Energy Mix	Requirements (b) & (d) are not applicable, as the Group does not consume fuel from renewable sources nor sell energy to others.	11.1.2
	302-2 Energy consumption outside of the organization	Energy Mix	Requirements (a) to (c) are not applicable, as the Group does not deem energy consumed outside of the organization as significant.	11.1.3
	302-3 Energy intensity	Energy Mix	N/A	11.1.4
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Scope 1 GHG Emissions	N/A	11.1.5
	305-2 Energy indirect (Scope 2) GHG emissions	Scope 2 GHG Emissions	N/A	11.1.6
	305-3 Other indirect (Scope 3) GHG emissions	Scope 3 GHG Emissions	N/A	11.1.7

GRI CONTENT INDEX

GRI Standard/ Other Source	Disclosure	Location of Disclosure	Reason for Omission	GRI Sector Standard Ref. No.
	305-4 GHG emissions intensity	GHG Emission Intensity	N/A	11.1.8
	305-5 Reduction of GHG emissions	GHG Emission Management	N/A	11.2.3
	305-6 Emissions of ozone-depleting substances (ODS)	-	Requirements (a) to (d) are not applicable as the Group does not produce, import or export ODS.	N/A
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Other Air Emissions	N/A	11.3.2
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Supply Chain Management	Data for (a) is unavailable as the Group is in the process of setting up supplier prequalification system.	N/A
	308-2 Negative environmental impacts in the supply chain and actions taken	Supply Chain Management	Data for (a) is unavailable as the Group is in the process of setting up supplier prequalification system.	N/A
Social Topics Disclosures				
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Labour Management Relations	N/A	11.10.2
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Labour Management Relations	N/A	11.10.3
	401-3 Parental leave	Parental Leave	N/A	11.10.4 11.11.3
GRI 402: Labor/Management Relations 2016	402-1 Minimum notice periods regarding operational changes	-	The Group will collect the relevant information and disclose it in future reports.	11.10.5
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Occupational Health and Safety Management System	N/A	11.9.2
	403-2 Hazard identification, risk assessment, and incident investigation	Occupational Health and Safety Management System	N/A	11.9.3
	403-3 Occupational health services	Occupational Health and Safety Management System	N/A	11.9.4
	403-4 Worker participation, consultation, and communication on occupational health and safety	Occupational Health and Safety Management System	N/A	11.9.5

GRI Standard/ Other Source	Disclosure	Location of Disclosure	Reason for Omission	GRI Sector Standard Ref. No.
	403-5 Worker training on occupational health and safety	Occupational Health and Safety Management System	N/A	11.9.6
	403-6 Promotion of worker health	Occupational Health and Safety Management System	N/A	11.9.7
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Occupational Health and Safety Management System	N/A	11.9.8
	403-8 Workers covered by an occupational health and safety management system	Occupational Health and Safety Management System	N/A	11.9.9
	403-9 Work-related injuries	Work Related Injuries and Ill Health	N/A	11.9.10
	403-10 Work-related ill health	Work Related Injuries and Ill Health	N/A	11.9.11
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Training and Education	N/A	11.10.6 11.11.4
	404-2 Programs for upgrading employee skills and transition assistance programs	Training and Education	N/A	11.10.7
	404-3 Percentage of employees receiving regular performance and career development reviews	Training and Education	N/A	N/A
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Diversity & Equality	N/A	11.11.5
	405-2 Ratio of basic salary and remuneration of women to men	-	Requirements for (a) & (b) are classified as confidential information in accordance with the Group's internal policy.	11.11.6
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Whistleblowing	N/A	11.11.7
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Collective Bargaining Agreements (CBAs)	N/A	11.13.2

GRI CONTENT INDEX

GRI Standard/ Other Source	Disclosure	Location of Disclosure	Reason for Omission	GRI Sector Standard Ref. No.
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Community Engagement	N/A	11.15.2
	413-2 Operations with significant actual and potential negative impacts on local communities	Community Engagement	N/A	11.15.3
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Supply Chain Management	Data is unavailable as the Group is in the process of setting up supplier prequalification system.	11.10.8
	414-2 Negative social impacts in the supply chain and actions taken	Supply Chain Management	Data is unavailable as the Group is in the process of setting up supplier prequalification system.	11.10.9
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	Health and Safety Assessment of Product and Services	N/A	11.3.3

Topics in the applicable GRI Sector Standards determined as not material	
Topic	Explanation
GRI 11: Oil and Gas Sector 2021	
GRI 11.4 Biodiversity	Not within FY2025's material topics.
GRI 11.5 Waste	Not within FY2025's material topics.
GRI 11.6 Water and effluents	Not within FY2025's material topics.
GRI 11.7 Closure and rehabilitation	Not within FY2025's material topics.
GRI 11.8 Asset integrity and critical incident management	Not within FY2025's material topics.
GRI 11.12 Forced Labor and Modern Slavery	Not within FY2025's material topics.
GRI 11.13 Freedom of association and collective bargaining	Not within FY2025's material topics.
GRI 11.16 Land and resource rights	Not within FY2025's material topics.
GRI 11.17 Rights of Indigenous Peoples	Not applicable, no relation to the Group and its business operations.
GRI 11.18 Conflict and security	Not within FY2025's material topics.
GRI 11.19 Anti-competitive behaviour	Not within FY2025's material topics.
GRI 11.21 Payments to governments	Not within FY2025's material topics.
GRI 11.22 Public policy	Not within FY2025's material topics.

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURE

Task Force on Climate-Related Financial Disclosure

Vallianz considers climate-related risks and opportunities as part of its broader risk management approach and aligns its processes with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). Each year, we review physical and transition-related climate factors that may influence our operations, business continuity, and financial performance. This includes assessing how changes in weather patterns, regulatory developments, and industry trends may affect our assets and activities over time.

To support these assessments, we use climate scenario analysis to understand the potential range of future conditions under different global pathways. Scenarios such as SSP 24.5 and SSP 58.5 help us explore the possible effects of moderate and higher emissions trajectories, including rising temperatures and more frequent extreme weather events. These insights allow us to consider matters such as heat-related risks for outdoor work, operational disruptions, and potential implications for workforce health and productivity.

Transition-related risks and opportunities are also considered. We monitor relevant market and policy developments, including global energy demand trends and the pace of clean energy adoption, to understand how these changes may influence our business environment. We also assess climate-related risks over short, medium, and long-term time horizons and review our findings annually. These assessments support decision-making by helping us identify where adjustments to our operations, planning, or risk controls may be needed as climate-related expectations and industry conditions continue to evolve.

Relevant Climate-Related Risks		Financial Impact Characterisation	Potential Risks	Business Strategy Measures
Physical Risk	<u>Acute</u> Extreme weather events such as cyclones and floods	Timeline: Short - Medium Likelihood: Unlikely Degree of Impact: Medium	1. Potential increase in operating expenditure - Increasing costs related to vessel mobilisation and demobilisation, including extended crew expenses, longer sailing routes, and operational delays, particularly for smaller vessel types 2. Increase in capital expenditure - Damage to facilities, including yards, offices, and warehouses - Relocation of production facilities from monsoon-prone areas could impact productivity - Implementation of additional measures or contingency plans in the event of severe weather occurrences	- Continued assessment of climate change physical risks and their potential impact on key operational assets - Assessment including the identification of mitigation measures and contingency plans in the event of such climate-related occurrences - Risk assessments to be conducted for assets and facilities to strengthen future resilience against these events
	<u>Chronic</u> - Rising mean temperatures - Bad sea weather - Rising sea levels - Changes in precipitation patterns and extreme variability in weather patterns	Timeline: Long-term Likelihood: Likely Degree of Impact: Low	3. Productivity Reduction - Higher frequency of severe weather events could cause interruptions or delays in vessel construction productivity - Vessel operational downtime may increase due to weather abatement stand-by time.	

Relevant Climate-Related Risks		Financial Impact Characterisation	Potential Risks	Business Strategy Measures
Physical Risk	<u>Regulatory</u>	Timeline:	- Higher liability arising from non-compliance with IFRS S2 climate reporting requirements in the FY 2030. - Rise in equipment costs from Europe, driven by stringent Europe climate regulations. - Increased capital expenditure and operation expenditure to comply with port authority requirements due to the enforcement of electric solutions, biodiesel, and net zero fuels for harbour crafts.	- Ongoing monitoring of emerging carbon emissions regulations that may have financial implications - Continuous improvement of operational efficiencies as part of decarbonisation plans to reduce potential impacts and cost implications - Adapting to the regulatory landscape by adjusting our business portfolio toward lower-carbon oil and gas and renewable markets to support the energy transition and reflect our core values - Maintain close engagement with financial institutions to track emerging regulations and support the Group's energy transition strategy toward a lower-carbon future - Initiate IFRS S1 and S2 gap analysis and begin collecting required data. - Act as an early adopter in reporting Scope 3 emissions and enhance reporting readiness.
	- Evolving sustainability reporting landscape - Enforcement of electric solutions, biodiesel, and net zero fuels for harbour crafts at ports	Likelihood: Likely Degree of Impact: High		
Transition Risk	<u>Technological</u>	Timeline:	- Loss of revenue from low or slow demand for low-emission technologies - Increased costs to upskill the workforce for adopting and implementing new practices and processes - Higher capital expenditure and operating expenditure from upgrading facilities and assets, as well as ongoing maintenance, to achieve greater efficiency and lower carbon emissions - The adoption of expensive and advanced technologies that may not yield adequate returns on investment.	- Leverage government and financial institution grants and support to advance the energy transition program - Conduct risk assessment and develop roadmap for new technology deployment, including relevance evaluation, cost-benefit analysis, and pre-defined "stop or continue" decision milestones - Develop policies and roadmaps for upskilling both the onshore and offshore workforce in the short and medium term - Established a joint venture company VC Power Pte. Ltd. to support the advancement of marine electrification solutions.
	- Cost to transition to lower emission technology - Sudden trajectory of energy transition - Investments in new technology	Medium - Long (In lieu of every change technological advancement, we constantly keep ourselves aware of new technological development within the markets to improve our efficiency and reduce our carbon footprint) Likelihood: Likely Degree of Impact: Medium		

Relevant Climate-Related Risks	Financial Impact Characterisation	Potential Risks	Business Strategy Measures
Transition Risk <u>Market</u> - Increase cost of raw material and fuel - Change in customer behaviour / shift in customer preference for higher preference in renewable energy and sustainable shipping - Uncertainty in market signals	Timeline: Medium - Long Likelihood: Likely Degree of Impact: Medium	- Abrupt and unexpected shifts in energy costs - Higher production costs driven by fluctuations in input prices, such as energy and water, and changes in output requirements, including waste treatment - Decrease in demand for goods or services due to evolving customer preferences favouring sustainable shipping	- Ongoing monitoring of emerging carbon emissions regulations that could have financial implications. - Engagement with local markets, associations, and organisations that influence or participate in regional or national sustainability strategies - Continuous improvement of operational efficiencies as part of decarbonisation plans to minimise potential impacts and cost implications - Transition to more frequent management review sessions with stakeholders to ensure the sustainability strategy remains relevant in the markets - Increase market outreach by offering digitalisation, turnkey marine electric power solution, and alternative fuel technologies.
<u>Reputation</u> - Shift in customer preferences - Increase concerns or negative feedback from stakeholder - Perceived as either advance or laggard on climate change action	Timeline: Short – Medium Likelihood: Likely Degree of Impact: High	- A shift in customer or investor preferences may result in the perception of being a laggard in addressing climate change, potentially damaging the reputation and reducing revenue.	- Mitigated risks by accelerating the adoption of green technology retrofits, retiring older vessels faster than planned, and utilising carbon-neutral fuels and/or carbon offsetting - Maintain close engagement with current and potential, internal and external stakeholders to ensure support and transparency of Vallianz's strategy toward a lower-carbon future - Implement digitalisation initiatives to enhance fuel efficiency and deploy remote machinery monitoring systems to improve vessel operability and overall efficiency

Relevant Climate-Related Opportunities		Financial Impact Characterisation	Potential Risks	Business Strategy Measures
Resource efficiency	- Energy efficient office and building facilities considerations - Upgrading facilities to be more energy-efficient - Implementation of more effective reuse / recycle solutions - Implementation of energy-saving technologies on vessel (i.e., waste heat recovery solution, smart lighting) - Use of more efficient production and distribution processes	Timeline: Medium Likelihood: Likely Degree of Impact: Low - Medium	- Higher initial capital investment with potential long-term benefits - Lower operating costs through efficiency improvements - Access to government grants and incentives - Enhanced asset value - Increased productivity and revenue by improving health and safety and boosting employee satisfaction	- Inclusion of more energy efficient considerations in business planning and policy development - Cultivate sustainability awareness and habits within organisation in the short-term
Energy source	- Use of new technology - Use of alternate fuel or energy source for cleaner emission - Participation in carbon market	Timeline: Medium – Long Likelihood: Likely Degree of Impact: Medium	- Lower exposure to future fossil fuel price fluctuations - Returns on investment in low-emission technology - Increased capital availability - Reputational benefits resulting in increased demand for goods and services	- Focus on early engagement capabilities in emerging energy sectors - Developing collaborations and being part of the emerging energy markets - Focus on technologies that can be tested and integrated in our existing fleet and businesses - Approach on climate change management with initiatives such as improving fuel efficiency and implementing digitalisation are opportunities that enhance the Group's reputation.

Relevant Climate-Related Opportunities		Financial Impact Characterisation	Potential Risks	Business Strategy Measures
Products & services	- Ability to diversify business activities	Timeline: Short – medium	- Increased revenue through demand for lower emissions products and services	- Developing collaborations and being part of the emerging energy markets
	- Shift in consumer preferences	Likelihood: Likely	- Stronger competitive position aligned with shifting consumer preferences, resulting in increased revenues	- Focus on technologies that can be tested and integrated in our existing fleet and businesses
	- Development of new products or services through R&D and innovation	Degree of Impact: Medium		
Markets	- Access to new markets	Timeline:	- Higher revenue from access to new and emerging markets	- Develop relationships with government departments and key organisations to emerging energy sectors in local areas of operations to capture growth opportunities
	- Use of public sector incentives	Medium - Long Likelihood:	- Increased diversification of financial assets	- Leverage government and financial institution grants and support for the energy transition program
		Likely Degree of Impact: Medium		- Meet customer requirements for smart technology on newbuild offshore vessels, including digitisation and fuel monitoring solutions. Vallianz is among the industry firsts to implement and deliver such technologies - the Group is actively communicating and exploring with technology and R&D partners related to low-carbon vessels and solutions that promote decarbonisation - Offer wider options, portfolio diversification, and strategic joint ventures for developing electrified vessels and shore charging infrastructure

Relevant Climate-Related Opportunities		Financial Impact Characterisation	Potential Risks	Business Strategy Measures
Resilience	- Participation in renewable energy programs and adoption of energy efficiency measures	Timeline: Medium – Long Likelihood: Likely Degree of Impact: Low - Medium	- Increased market valuation through resilience planning - Market resilience by meeting customer demands and keeping abreast of low-carbon market trends.	- Greater engagement and transparency with stakeholders regarding the energy transition strategy - Strengthened communication and relationships with external stakeholders - Strategic focus on expanding presence in the offshore wind (fixed and floating) transportation sector and repurposing the offshore support vessel fleet for the offshore renewables market

CORPORATE GOVERNANCE STATEMENT

The Board of Directors (“**Board**”) of Vallianz Holdings Limited (the “**Company**”, together with its subsidiaries, collectively, the “**Group**”) is committed to maintaining high standards of corporate governance and place importance on its corporate governance processes and systems to ensure greater transparency, accountability and maximisation of long-term shareholder value. The Company recognises that good corporate governance is imperative for sustained growth and investor confidence.

This Corporate Governance Statement outlines the Company’s corporate governance processes and activities that are in place during the financial year ended 31 December 2025 (“**FY2025**”), with specific reference to the principles and provisions of the Code of Corporate Governance 2018 (“**Code**”) and the accompanying practice guidance (the “**Guide**”) issued by the Monetary Authority of Singapore, and the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) Listing Manual Section B: Rules of Catalist (the “**Catalist Rules**”), where applicable.

The Group is generally in compliance with the principles and provisions as set out in the Code and the Guide. Where there are deviations from the Code and Guide, the Board has considered that alternative practices adopted by the Group are sufficient to meet the underlying objectives of the Code and Guide. Appropriate explanations have been provided in the relevant sections where there are deviations.

Principle 1: The Board’s Conduct of Affairs

The Company is led by an effective Board that is collectively responsible and works with Management to ensure the long-term success of the Company.

As at the date of this report, the Board comprises the following members, all of whom have the appropriate core competencies and diverse experience needed to effectively contribute to the Group.

Mr. Osman Ibrahim	Non-Executive and Non-Independent Chairman
Mr. Ling Yong Wah	Executive Director and Chief Executive Officer
Mr. Chong Chee Keong Chris	Lead Independent Non-Executive Director
Mr. Kevin Wong Chee Fatt	Independent Non-Executive Director

The Board’s primary role, in addition to carrying out its statutory responsibilities under the Companies Act 1967 of Singapore (the “**Companies Act**”) and requirements pursuant to the Catalist Rules, includes the following:

- approving the Group’s investment and divestment proposals, corporate and financial restructuring, material acquisitions and disposals of assets and making decisions in the interest of the Group, interested person transactions of a material nature, convening of shareholders’ meetings and major funding proposals;
- establishing and reviewing the adequacy and integrity of the Company’s framework of risk management systems, internal controls and financial reporting systems to safeguard shareholders’ interest and the Company’s assets;
- identifying key stakeholder groups and recognising that their perceptions affect the Company’s reputation;
- consider sustainability issues such as environmental and social factors as part of the Group’s strategic plans;
- ensuring the Group’s compliance with relevant laws, regulations, policies, directives, guidelines, internal code of conduct and obligations to shareholders; and
- setting the Group’s values and standards of conduct and assuming the responsibility for the satisfactory fulfilment of social responsibilities of the Group.

All the Directors exercise due diligence and independent judgement, and are obliged to act in good faith and in the best interest of the Company, so as to enhance the long term value of the Group to its shareholders. Each Director is aware of the requirements in respect of his disclosure of interests in securities, disclosure of conflicts of interest in transactions involving the Company, prohibition on dealings in the Company’s securities and restrictions on the disclosure of price-sensitive information. On an annual basis, each director is also required to submit details of his associates for the purpose of monitoring interested person transactions. Where a potential conflict of interest arises, the Director concerned will recuse himself from discussions and decisions involving the issue of conflict and refrain from exercising any influence over other members of the Board in respect of the issue.

CORPORATE GOVERNANCE STATEMENT

Upon the appointment of a new Director, the Company will provide a formal letter to the new Director, setting out his duties and obligations. Appropriate orientation programmes and briefings are conducted for all new Directors appointed to the Board to familiarise them with the Company's business, board processes, internal controls and governance practices. The Company will also arrange for first-time Directors to attend relevant training in relation to the roles and responsibilities for a director of a listed company and in areas such as accounting, legal and industry-specific knowledge as appropriate. The training of the Directors will be arranged and funded by the Company.

The Directors are also encouraged to keep themselves abreast of latest developments relevant to the Group and attend appropriate courses and seminars that will be arranged and funded by the Company. The external auditor, during their presentation of the audit plan annually, will update the Directors on the new or revised financial reporting standards. Regular updates on developments and amendments to the Companies Act, corporate governance and Catalist Rules are circulated by the Sponsor and the Company Secretary to the Board. In addition, the Executive Director will regularly update the Board on the business and strategic developments of the Group as well as overview of industry trends at scheduled Board meetings and ad hoc Board meetings.

To equip Directors with relevant sustainability knowledge, all Directors have completed their mandatory sustainability training.

To facilitate effective management and assist the Board in discharging its responsibilities, the Board has established various board committees, namely, Audit Committee ("AC"), Nominating Committee ("NC") and Remuneration Committee ("RC") (collectively, the "Board Committees").

Each Board Committee functions within clearly defined terms of reference and operating procedures, which are reviewed and updated by the Board from time to time. The terms of reference of the respective Board Committees are set out in this report. These Board Committees have the authority to review and examine particular issues and to report to the Board their recommendations. The ultimate responsibility for the final decision on all matters, however, lies with the entire Board, which will take into consideration the overall interest of the Company. The effectiveness of each Board Committee will also be reviewed by the Board.

The Board has adopted a set of internal guidelines on matters requiring its approval. Matters which are specifically reserved for the Board's decision include those involving corporate policies, plans and budgets, material acquisitions and disposals of assets, corporate strategy, financial restructuring, share issuances, dividend and other returns to shareholders, major financial decisions such as investment and divestment proposals, expenditure beyond a prescribed amount as well as interested person transactions.

The Group's interested person transactions and the internal audit procedures are reviewed by the AC and reported to the Board.

The Board meets on a regular basis and as and when necessary to address any specific significant matters that may arise. While the Board considers Directors' attendance at Board meetings to be important, it is not the main criterion to measure their contributions. The Board also takes into account the contributions by the Directors in other forms including periodical reviews, provision of guidance and advice on various matters relating to the Group.

During FY2025, the number of meetings held and the attendance of each member of the Board and Board Committees are as follows:

	Board	AC	NC	RC
Number of meetings held	2	2	1	1
Directors / Members	Number of meetings attended			
Mr. Osman Ibrahim	2	2	1	1
Mr. Ling Yong Wah	2	2*	1*	1*
Mr. Chong Chee Keong Chris	2	2	1	1
Mr. Kevin Wong Chee Fatt	2	2	1	1

* Attended by invitation

CORPORATE GOVERNANCE STATEMENT

Management recognises that the flow of relevant, complete and accurate information on a timely basis is critical for the Board to discharge its duties effectively. Management provides the Board with half-yearly accounts, as well as relevant background or explanatory information relating to the matters that would be discussed at Board meetings, prior to the scheduled meetings. All Directors are also furnished with updates on the financial position and any material developments of the Group as and when necessary. Directors may request to visit the Group's operating facilities and meet with Management to gain a better understanding of the Group's business operations and corporate governance practices.

The Board may have informal discussions on matters requiring urgent attention, which would then be formally confirmed and approved by circulating resolutions in writing. Ad-hoc meetings are also convened whenever circumstances require. The Constitution of the Company provides for Board and Board Committee meetings to be held by way of telephonic and videoconferencing.

The Board has separate and independent access to Management, the Company Secretary and external advisers (where necessary), at the Company's expenses. Directors can request from Management explanations, briefings or information on any aspects the Group's business issues. The appointment and removal of the Company Secretary is a decision of the Board as a whole.

Principle 2: Board Composition and Guidance

The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the Company.

As at the date of this report, the Board comprises one (1) Executive Director, one (1) Non-Executive Non-Independent Director and two (2) Independent Non-Executive Directors.

Name of Directors	Board of Directors	AC	NC	RC
Mr. Osman Ibrahim	Non-Executive Non-Independent Director (Chairman)	Member	Member	Member
Mr. Ling Yong Wah	Executive Director (Chief Executive Officer ("CEO"))	–	–	–
Mr. Chong Chee Keong Chris	Lead Independent Non-Executive Director	Member	Chairman	Chairman
Mr. Kevin Wong Chee Fatt	Independent Non-Executive Director	Chairman	Member	Member

Provision 2.2 of the Code requires Independent Directors to make up a majority of the Board where the Chairman is not independent. Although the Chairman is not independent and the Independent Directors do not make up majority of the Board, the Board and the NC are satisfied that the Board has an appropriate level of independence and diversity to enable it to make decisions in the best interests of the Group. With the Independent Non-Executive Directors making up half of the Board, it provides an independent element on the Board capable of exercising objective judgment and no individual or group is able to dominate the Board's decision-making process.

The Company complies with Provision 2.3 of the Code as it has a majority of three (3) out of four (4) Directors on the Board who are Non-Executive Directors.

The NC has reviewed the size and composition of the Board and Board Committees and with the concurrence of the Board, is of the view that the current Board composition provides diversity and has the appropriate mix of expertise and experience.

The Board has established the Board Diversity Policy and embraces a diverse, inclusive and collaborative culture. The Board acknowledges and accepts the benefits of diversity on the Board, and views diversity at the Board level as being a critical and essential element in supporting the attainment of its strategic objectives and its sustainable development. A diverse Board will include and make good use of differences amongst Directors in terms of skills, experience, background, gender, age, ethnicity and other relevant factors. These differences will be considered in determining the optimum composition of the Board and when possible, should be balanced appropriately. All Board appointments are made based on merit, in the context of the skills, experience, independence and knowledge which the Board requires to be effective. In reviewing the Board composition and succession planning, the NC will consider the benefits of all aspects of diversity, including but not limited to those described above, so as to avoid groupthink, foster constructive debate, and enable the Board to make decisions in the best interests of the Company.

CORPORATE GOVERNANCE STATEMENT

The Board collectively possesses the necessary core competencies such as accounting, finance, business, investment, industry knowledge and strategic planning experience. Each Director has been appointed based on the strength of his calibre, experience and stature and is expected to bring a valuable range of experience and expertise to contribute to the development of the Group's strategies and business performance. The Board considers that the present Board size facilitates effective decision-making and is appropriate for the nature and scope of the Group's operations.

The Board believes that board diversity embraces various factors including a need for individuals from all backgrounds, skill-sets, life experiences, abilities and beliefs for a better Board performance. Board diversity is an on-going, incremental process.

The NC will monitor the implementation of the Board Diversity Policy and report annually in the Corporate Governance Statement on the Board's composition in terms of diversity and set practical timelines to implement the policy when applicable. The NC will review this policy as and when appropriate to ensure its effectiveness. The NC will discuss any revisions that may be required and recommend any such revisions to the Board for consideration and approval.

All Directors other than the CEO (or any Director holding an equivalent appointment) are subject to retirement and re-election at least once every three (3) years in accordance with the Company's Constitution. However, under Rule 720(4) of the Catalist Rules, all directors have to submit themselves for re-nomination and re-appointment at least once every three (3) years. The independence of each Independent Non-Executive Director is reviewed annually by the NC in accordance with the Code. The NC adopts the definition of what constitutes an Independent Director as set out in the Catalist Rules and the Code, in its review.

The criteria for independence are determined based on the definition provided in the Code and the Catalist Rules, and also the following:

- (a) The Board will assess the independence of Directors regularly. For the avoidance of doubt, only Independent Non-Executive Directors (that is, a director who is not a member of management) can be considered independent.
- (b) The Board will endeavour to consider all circumstances relevant to a director in determining whether the director is free from any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with the director's ability to act in the best interests of the Company.
- (c) Amongst the circumstances considered by the Board will be a range of factors, including that a director:
 - (i) is not being employed by the Company or any of its related corporations for the current or any of the past three (3) financial years;
 - (ii) do not have an immediate family member (being a spouse, child, adopted child, brother, sister and parent) who is, or has been in any of the past three (3) financial years, employed by the Company or its related corporations and whose remuneration is determined by the RC;
 - (iii) is not a director for an aggregate period of more than nine (9) years from the date of appointment (whether before or after listing); and
 - (iv) is not directly associated with a substantial shareholder of the Company.
- (d) Each director is responsible to notify the Chairman and the Company Secretary about any external positions, appointments or arrangements that could result in the director not being "independent".

The NC is charged with the responsibility of monitoring and determining if a director remains independent in accordance with the guidelines and salient factors under the Code and the Catalist Rules.

As at the date of this report, none of the Independent Non-Executive Directors have served the Board beyond nine (9) years from the date of first appointment.

To date, none of the Independent Non-Executive Directors of the Company has been appointed as a director of the Company's principal subsidiaries. The Board and the Management are of the view that the current board structures in the principal subsidiary corporations are well organised and constituted.

CORPORATE GOVERNANCE STATEMENT

The Independent Non-Executive Directors meet among themselves without the presence of the Management at least once a year to discuss matters in relation to the corporate development of the Group to ensure effective and independent review of the Management and provide feedback to the Board and/or Chairman as appropriate.

The profile of each of the Directors is set out on pages 14 and 15 of this Annual Report.

Principle 3: Chairman and Chief Executive Officer

There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.

Mr. Osman Ibrahim (“**Mr. Osman**”) assumes the leadership role and responsibilities as the Chairman of the Group while Mr. Ling Yong Wah (“**Mr. Ling**”), as the CEO, assumes executive responsibilities for the Group’s performance and business.

The overall role of the Chairman is to lead and ensure the effectiveness of the Board which includes:-

- promoting a culture of openness and debate at the Board;
- facilitating the effective contribution of all Directors;
- encouraging constructive relations between the Board and Management as well as between the Executive Directors and Independent Directors;
- promoting high standards of corporate governance with full support of the Board, the Management and the Company Secretary; and
- ensuring effective communication with shareholders.

There is a clear division of responsibilities between the Chairman and CEO to ensure an appropriate balance of power, increased accountability and greater capacity of the Board for independent decision-making. The Chairman and CEO are not related.

The CEO, will lead Management in setting strategies, objectives and missions for the Group and is responsible for the daily management and operations of the Group. The role of the CEO also includes scheduling and controlling the quality, quantity and timeliness of information supplied to the Board.

At the Annual General Meeting (“**AGM**”) and other shareholder meetings, the Chairman and CEO play a pivotal role in fostering constructive dialogue between shareholders, the Board and Management as well as between Board members, and promote high standards of corporate governance.

The CEO’s performance and remuneration are reviewed annually by the NC and the RC, whose members comprise all Non-Executive Directors of the Company and the majority of whom, including the NC and RC Chairman, are independent. As such, the strong independent element on the Board ensures decisions are not based on a considerable concentration of power in a single individual. With the existence of various Board Committees with power and authority to perform key functions, the Board believes that there are adequate safeguards in place against an uneven concentration of power and authority in a single individual.

Led by the Lead Independent Non-Executive Director, the Independent Non-Executive Directors will meet (via electronic means or otherwise) periodically without the presence of the other non-independent Directors and Management, and the Lead Independent Non-Executive Director will provide feedback to the Chairman after such meetings.

The Lead Independent Non-Executive Director will be available to shareholders where their concerns cannot be resolved through the normal channels to the Chairman or CEO, or where such contact is not possible or inappropriate.

CORPORATE GOVERNANCE STATEMENT

Principle 4: Board Membership

The Board has a formal and transparent process for the appointment and re-appointment of directors, taking into account the need for progressive renewal of the Board.

Provision 4.2 of the Code requires the NC to comprise at least three directors, the majority of whom, including the NC Chairman, are independent. The lead independent director, if any, is a member of the NC.

The Company's NC presently comprises Mr. Chong Chee Keong Chris ("**Mr. Chong**") (Lead Independent Non-Executive Director), Mr. Kevin Wong Chee Fatt ("**Mr. Wong**") (Independent Non-Executive Director) and Mr. Osman (Non-Executive and Non-Independent Chairman).

The NC is responsible for making recommendations on all board appointments and re-nominations, having regard to the performance and contribution of each Director.

The NC is governed by written terms of reference under which it is responsible for:

- making recommendations to the Board on the structure, size and composition of the Board and Board Committees (including skills, qualifications, experience and diversity), taking into account the balance between Executive and Non-Executive Directors and between Independent and Non-Independent Directors;
- nominating Directors (including Independent Non-Executive Directors) taking into consideration each Director's contribution and performance;
- determining annually whether or not a Director is independent;
- deciding whether or not a Director is able to and has been adequately carrying out his duties as a Director;
- proposing a set of objective performance criteria to the Board for approval and implementation, to evaluate the effectiveness of the Board as a whole and the contribution of each director to the effectiveness of the Board;
- reviewing board succession plans for Directors, in particular, the appointment and/or replacement of the Chairman, CEO and key management of the Group; and
- reviewing training and professional development programmes for the Board.

New directors are appointed by way of a Board Resolution or at Board meetings, after the NC has reviewed the resumé of the proposed director, conducted appropriate interviews and recommended the appointment to the Board. In its search and selection process for new directors, other than through formal search, the NC taps on the resources of Directors' personal contacts and recommendations of potential candidates and appraises the nominees to ensure that the candidates possess relevant experience and have the calibre to contribute to the Group and its businesses, having regard to the attributes of the existing Board and the requirements of the Group.

Annual Review of Director's Independence for FY2025

It is mandatory for the NC to review annually whether a director is independent based on the guidelines of the Code's definition of what constitutes an Independent Director as mentioned under Principle 2 above. The independence of each Director will be reviewed annually by the NC and the Board. Each Independent Non-Executive Director is required to complete a checklist annually to confirm his independence based on the guidelines set out in the Code and the Catalyst Rules. The Independent Non-Executive Director shall immediately disclose to the NC any relationships or circumstances that could interfere, or be reasonably perceived to interfere, with the exercise of his or her independent business judgement in the best interests of the Company.

The NC had reviewed the independence of each of the Independent Non-Executive Directors in accordance with the Code and based on each of the Directors' declaration of independence. The NC is of the view that the two (2) Independent Non-Executive Directors are independent. None of the Independent Non-Executive Directors has any relationship, including immediate family relationship, with the other Directors, the Company or its substantial shareholders.

CORPORATE GOVERNANCE STATEMENT

Directors' Time Commitments & Multiple Board Representations

As explained in Principle 1 above, the Directors are provided a formal letter detailing their duties and responsibilities to the Company.

The NC is aware that some of the Directors hold multiple directorships as each of them is required to disclose their other directorships to the Board, upon appointment and cessation. Therefore, the NC will from time to time, evaluate their performance to ensure that each Director is able to carry out his duties effectively, taking into consideration his other board representation and principal commitments.

The primary consideration in deciding on the capacity of directors includes, but is not limited to, the time and attention that a Director may contribute for meetings, site visits and other training requirements, taking into account the Director's profession and involvement in consulting or committee work, his other board representation in non-profit organisations, if any. Other consideration also includes the ability and integrity of Directors to avoid potential conflicts of interest while serving multiple board representations.

The NC had reviewed, taking into account the individual performance assessment and their actual conduct on the Board, and concluded that each Director had adequately carried out their duties as a Director of the Company and spent sufficient time and attention on the Company's affairs despite having multiple board representations and principal commitments.

The NC believes that putting a maximum limit on the number of directorships a director can hold is arbitrary, given that time requirement for each directorship varies and thus should not be prescriptive. The NC considers that the multiple board representations held presently by some Directors do not impede their performance in carrying out their duties to the Company and in fact, enhances the performance of the Board as it broadens the experience and knowledge of the Board.

Recommendation of Appointment and Re-appointment of Directors

The NC is responsible for reviewing and recommending all appointment and re-appointment of directors to the Board. All directors other than the CEO (or any director holding an equivalent appointment) are subject to retirement in accordance with the provisions of the Company's Constitution whereby one third of the directors are required to retire (or if their number is not a multiple of three (3), the number nearest to but not greater than one third) and subject themselves for re-election by shareholders at every AGM. However, pursuant to Rule 720(4) of the Catalist Rules, all directors must submit themselves for re-nomination and re-appointment at least once every three (3) years.

A new director who is appointed by the Board is subject to re-election by shareholders at the next AGM following his/her appointment and, thereafter, shall be taken into account in determining the number of directors who are to retire by rotation at the AGM.

Apart from the requirements by the Company's Constitution, the NC also reviews the re-election of directors taking into consideration the Directors' attendances and participation at the Board meetings, personal attributes, contributions towards issues from time to time.

Mr. Chong will stand for re-election and re-appointment at the forthcoming AGM, pursuant to Regulations 105 and 106 of the Company's Constitution.

Each member of the NC will abstain from voting on any resolution, making any recommendation and/or participating in respect of matters in which he has an interest.

The Board does not encourage the appointment of alternate director and no alternate director was appointed to the Board.

Succession Planning for the Board and Key Management

Succession planning is an important part of the governance process. The NC will review the succession planning of the Board and key management and seek to refresh Board membership as and when it may be necessary.

CORPORATE GOVERNANCE STATEMENT

All Directors are required to declare their board representations, as at the date of this Annual Report. The date of appointment and last re-election of each director to the Board together with their directorships in other listed companies and principal commitments, both current and those held over in the preceding five years are as follows:

Mr. Osman Ibrahim – Non-Executive and Non-Independent Director (Chairman)

Date of appointment	8 December 2021
Date of last re-election	29 April 2024
Board Committee(s) served on	Audit, Nominating and Remuneration Committees
Present Directorships in other listed companies	None
Past Directorship in other listed companies held over the preceding five years	None
Principal Commitments	• Vice Chairman and Group CEO of Rawabi Holding Group of Companies • Non-Executive Chairman of Vallianz Holdings Limited

Mr. Ling Yong Wah – Executive Director (CEO)

Date of appointment	17 March 2014
Date of last re-election	29 April 2025
Board Committee(s) served on	None
Present Directorships in other listed companies	None
Past Directorship in other listed companies held over the preceding five years	Lead Independent Director of Frencken Group Limited
Principal Commitments	Executive Director and CEO of Vallianz Holdings Limited

Mr. Chong Chee Keong Chris – Lead Independent Non-Executive Director

Date of appointment	28 February 2018
Date of last re-election	31 July 2023
Board Committee(s) served on	Audit, Nominating and Remuneration Committees
Present Directorships in other listed companies	Independent Non-Executive Director of Comba Telecom Systems Holdings Limited
Past Directorship in other listed companies held over the preceding five years	None
Principal Commitments	Partner of Chris Chong & C T Ho LLP

Mr. Kevin Wong Chee Fatt – Independent Non-Executive Director

Date of appointment	1 October 2023
Date of last re-election	29 April 2025
Board Committee(s) served on	Audit, Nominating and Remuneration Committees
Present Directorships in other listed companies	None
Past Directorship in other listed companies held over the preceding five years	None
Principal Commitments	Independent Non-Executive Director of Vallianz Holdings Limited

CORPORATE GOVERNANCE STATEMENT

Principle 5: Board Performance

The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its board committees and individual directors.

The Group implemented the Board-approved evaluation process and performance criteria to assess the performance of the Board as a whole.

At the date of this Annual Report, the NC has adopted a formal process to assess the effectiveness of the Board and Board Committees as a whole. The qualitative measures include the effectiveness of the Board in its monitoring role and the attainment of the strategic objectives set by the Board. The evaluation exercise is carried out annually by way of a Board Assessment Checklist, which is circulated to the Board for completion and thereafter the results are presented to the NC for their review and determine the actions required to improve the corporate governance of the Company and effectiveness of the Board as a whole.

A review of the Board's performance is undertaken collectively by the Board annually and informally on a continuous basis by the NC with input from the other Board members. Renewals or replacement of Board, when it occurs, do not necessarily reflect their contributions to date, but may be driven by the need to position and shape the Board in line with the medium term needs of the Company and its business.

The performance of each Director is evaluated using agreed criteria, aligned as far as possible with appropriate corporate objectives. The criteria include short and long term measures and cover financial and non-financial performance indicators such as the strength of his experience and stature, commitment of time for meetings and contribution to the proper guidance of the Company. The NC would review the criteria periodically to ensure that the criteria provides an effective performance assessment, taking into consideration industry standards and the economic climate with the objective to enhance long-term shareholders' value and thereafter propose amendments, if any, to the Board for approval.

The NC did not propose any changes to the performance criteria for FY2025 as compared to the previous financial year as the Group's principal business activities remained the same.

The Company did not engage any external facilitator for the evaluation process during FY2025. Where necessary, the NC will consider such an engagement.

The NC is satisfied that the current size and composition of the Board provides it with adequate ability to meet the existing scope of needs and the nature of operations of the Company. The NC will review the appropriateness of the Board size and composition from time to time, taking into consideration the changes in the nature and scope of operations as well as the regulatory environment.

The NC is satisfied that each Director has contributed effectively and demonstrated commitment to their respective role (including commitment of time for the Board and Board Committee meetings, and any other duties). The Board as a whole has also met the performance evaluation criteria and objectives during the financial year.

Principle 6: Procedures for Developing Remuneration Policies

The Board has a formal and transparent procedure for developing policies for director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her own remuneration.

Provision 6.2 of the Code requires the RC to comprise at least three directors, all of whom are non-executive directors, and the majority of whom, including the RC Chairman, are independent.

The Company's RC presently comprises Mr. Chong (Lead Independent Non-Executive Director), Mr. Wong (Independent Non-Executive Director) and Mr. Osman (Non-Executive Non-Independent Chairman). Mr. Chong is the Chairman of the RC. Accordingly, the Company is in compliance with Provision 6.2 of the Code.

The RC is governed by written terms of reference under which it is responsible for:

- (a) recommending to the Board a framework of remuneration for the Non-Executive Directors, Executive Directors, CEO and key management personnel;
- (b) determining specific remuneration packages for each Director and key management personnel;

CORPORATE GOVERNANCE STATEMENT

- (c) reviewing all aspects of remuneration, including directors' fees, salaries, allowances, bonuses, and other benefits in-kind;
- (d) reviewing and recommending to the Board the terms of renewal of service contracts including the suitable compensation commitments in the event of early termination;
- (e) retaining such professional consultancy firm as the RC may deem necessary to enable it to discharge its duties satisfactorily; and
- (f) considering the various disclosure requirements for directors' remuneration particularly those required by regulatory bodies such as SGX-ST and ensuring that there is adequate disclosure in the financial statements to ensure and enhance transparency between the Company and the relevant interested parties.

The RC's recommendations are made in consultation with the CEO and submitted for endorsement by the Board.

No Director or member of the RC is involved in deciding his own remuneration, except for providing information and documents specifically requested by the RC to assist it in its deliberations.

RC reviews the specific remuneration package for the Executive Director and key management personnel for recommendation to the Board. There are appropriate and meaningful measures in place for the purpose of assessing the performance of the Executive Director and senior management staff.

In determining remuneration packages of the Executive Director and key management personnel, the RC will ensure that the Executive Director and key management personnel are adequately but not excessively rewarded. In consultation with the Board, the RC will consider amongst other things, their responsibilities, skills, expertise and contribution to the Company's performance and whether the remuneration packages are competitive and sufficient to ensure that the Company is able to attract and retain the best available executive talent.

The RC will also review the Company's obligations arising in the event of termination of the Executive Director's and key management personnel's contracts of service, to ensure that such contracts of service contain fair and reasonable termination clauses.

In reviewing and recommending the remuneration of Non-Executive and Independent Non-Executive Directors, the RC will consider, in consultation with the Board, the level of contribution, taking into account factors such as effort and time spent, and responsibilities of the Non-Executive and Independent Non-Executive Directors. The RC will ensure that the Independent Non-Executive Directors are not over-compensated to the extent that their independence may be compromised.

The RC from time to time and where necessary will seek advice from the external remuneration consultant in framing the remuneration policy and determining the level and mix of remuneration for Directors and key management personnel. No external remuneration consultants were appointed for FY2025.

Principle 7: Level and Mix of Remuneration

The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the Company, taking into account the strategic objectives of the Company.

The Company sets remuneration packages to ensure that it is competitive and sufficient to attract, retain and motivate Directors and key management personnel of the required experience and expertise to run the Company successfully.

In addition to the above, the Company ensures that performance-related remuneration system was implemented to ensure that the interests of the shareholders are aligned with the Board and Management and to promote the long-term success of the Company.

In determining the remuneration system for the Directors and key management personnel, the RC may seek advice from human resource consultants and senior practitioners to obtain comparable information on the market and the industry. The annual review covers all aspects of remuneration including salaries, fees, allowances, bonuses, options and benefits-in-kind, taking into consideration the long-term interests of the Group.

CORPORATE GOVERNANCE STATEMENT

The RC will also take into account the performance of the Group as well as that of the Executive Director and key management personnel, aligning their interests with those of shareholders and linking rewards to corporate and individual performance as well as industry benchmarks. It ensures that remuneration package is appropriate to attract, retain and motivate the Executive Director and key management personnel to provide good stewardship of the Group and successfully manage the Group for the long term.

The Company has established employment contracts with its Executive Director and key management personnel, whereby the employment contracts can be terminated by either party, giving not less than three (3) months' notice to the other. The employment contracts cover the terms of employment and specifically their salaries and bonuses.

The Non-Executive Directors receive directors' fees for their effort and time spent, responsibilities and level of contribution to the Board and Board Committees, which are subject to shareholders' approval at AGMs.

The RC has reviewed and assessed that the proposed directors' fees of the Non-Executive Directors for the financial year ending 31 December 2026 is appropriate, considering the effort, time spent and responsibilities of the said Directors.

There is no contractual provision under the present remuneration structure that allows the Company to reclaim variable incentive components of remuneration from the Executive Director and key executives. However, in alignment with the current regulatory standards, the variable incentives of the Executive Director and key executives may be clawed back in the event of exceptional circumstances of misstatement of financial results or of misconduct resulting in financial or other losses to the Company.

Principle 8: Disclosure on Remuneration

The Company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationship between remuneration, performance and value creation.

The following table shows a breakdown of the annual remuneration of directors for FY2025:

Name of Directors	Salary ⁽¹⁾	Incentives ^{(2)/ Bonus⁽³⁾}	Directors' Fees	Others Benefits	Total
	S\$	S\$	S\$	S\$	S\$
Mr. Osman Ibrahim	–	–	72,200	–	72,200
Mr. Ling Yong Wah	399,641	113,074	36,100	35,957	584,772
Mr. Chong Chee Keong Chris	–	–	77,200	–	77,200
Mr. Kevin Wong Chee Fatt	–	–	64,200	–	64,200

Notes:

- (1) Salary is inclusive of allowances, CPF and other emoluments.
- (2) Performance incentives refer to long term cash incentive plan and long term performance driven award.
- (3) Bonus is short term cash incentive plan and is a sum of money given in addition to the usual compensation, normally for outstanding performance and service for certain year.

To maintain confidentiality of staff remuneration matters and for competitive reason, the names of the key executives of the Group and the aggregate total remuneration of the Group's top 9 key management personnel are not disclosed in this Annual Report. The following shows the annual remuneration of the 9 key executives of the Group (who are not directors or CEO) for FY2025 which amounted to S\$2,173,767.

Key Management Personnel Remuneration Band	No. of Executives	Base/Fixed Salary	Variables or Bonuses	Benefits-in- kind	Total
S\$200,001 to S\$320,000	7	81%	18%	1%	100%
S\$200,000 and below	2	82%	17%	1%	100%

The Company has no employee who is substantial shareholder of the Company, or an immediate family member of a Director, CEO or a substantial shareholder of the Company whose remuneration exceeded S\$100,000 during FY2025.

CORPORATE GOVERNANCE STATEMENT

Share Option Scheme and Performance Share Plan

The Vallianz ESOS and Vallianz PSP expired on 1 December 2018 and 23 August 2020 respectively and there are no outstanding unexercised Vallianz ESOS or Vallianz PSP previously granted.

The Company is proposing to adopt a new employee share option scheme ("ESOS 2026"), which will be tabled for shareholders' approval at the forthcoming AGM. Subject to shareholders' approval, the adoption of the ESOS 2026 will provide eligible employees and directors with an opportunity to participate in the equity of the Company and will serve to motivate and retain key personnel while aligning their interests with those of the Company's shareholders. Further details of the proposed ESOS 2026 are set out in the Appendix to the Annual Report 2025.

Principle 9: Risk Management and Internal Controls

The Board is responsible for the governance of risk and ensures that management maintains a sound system of risk management and internal controls, to safeguard shareholders' interests of the Company and its shareholders.

The Board acknowledges that it is responsible for the overall internal control framework, but recognises that no cost-effective control system will preclude all errors and irregularities, as a system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can provide only reasonable and not absolute assurance against material misstatement or loss.

The Group has implemented a system of internal controls designed to provide reasonable but not absolute assurance that assets are safeguarded, proper accounting records are maintained, operational controls are adequate and business risks are suitably managed. The Board oversees the Management in the design, implementation and monitoring of the risk management and internal control systems, and reviews the adequacy and effectiveness of such systems at least annually.

The Management regularly assesses and reviews the Group's business and operational environment to identify areas of significant business and financial risks, such as credit risks, foreign exchange risks, liquidity risks and interest rate risks, as well as appropriate measures to control and mitigate these risks.

Financial, operational, compliance and information technology checklists are also prepared by the Management, CEO, and respective heads of divisions, to assist the AC and Board to review the adequacy of the risk management and internal control systems, which include all the operational matters, regulatory compliances and guidance and financial risk. The checklists have been reviewed and confirmed by the Board.

With the presence of Management, the Board is able to receive feedback and response on the risk and legal issues which will affect the Company in terms of operational risk, on a timely basis. Assurance from the CEO and the Chief Financial Officer ("CFO") are also obtained to confirm that the financial records of the Company are properly maintained, and the financial statements of the Company give a true and fair view of the Group's operations and finances.

The Board also received assurance from the CEO and key management personnel of the Group who are responsible, that the risk management and the internal control systems of the Group were adequate and effective as at 31 December 2025.

In addition, the external auditor will highlight and report to the AC at the AC meetings, of any material internal control weaknesses which have come to their attention in the course of their statutory audit. All audit findings and recommendations made by the external auditor are reported to the AC. The senior management will follow up on these recommendations to ensure that Management has implemented them on a timely and appropriate manner, and reports to the AC on half-yearly basis.

The Company had appointed Virtus Assure Pte. Ltd. ("Virtus") as internal auditor since 8 December 2020. On an annual basis, the Company's internal auditor will prepare an internal audit plan, so as to review the adequacy and effectiveness of the system of internal controls of the Group. These include operational, financial, compliance and information technology controls. The internal auditor will follow up on these recommendations to ensure that Management has implemented them on a timely and appropriate manner, and reports to the AC yearly.

CORPORATE GOVERNANCE STATEMENT

The role of the internal auditor includes the following:

1. assess and evaluate the adequacy of applicable operational internal controls;
2. assess and evaluate the efficiency of business process;
3. evaluate compliance with applicable policies and procedures, as well as regulatory requirements;
4. identify possible opportunities for process and internal control improvement;
5. compile a report on findings and recommendations to highlight controls deficiencies and compliance gaps; and
6. review all interested persons transactions.

Based on the internal controls established and maintained by the Company, including the above internal controls implemented, and the reviews performed by the internal auditor, Management and the Board, with the concurrence with the AC, are of the opinion that the risk management and internal control systems that the Group has put in place to address financial, operational, compliance and information technology risks on an overall basis, are adequate and effective as at 31 December 2025.

The Board did not establish a separate risk committee as the Board is currently assisted by the AC, internal and external auditors in carrying out its responsibility of overseeing the Group's risk management framework and policies.

Sanctions-related risk

Although the Group operates internationally with overseas customers, none of the Group's personnel or entities are currently exposed to sanctions-related risks. The Board confirms that there has been no material change in the Group's risk of being subject to any applicable sanctions laws. The Board's assessment on the adequacy and effectiveness of the Group's internal controls and risk management systems has taken into consideration sanctions-related risks. The Audit Committee ("**AC**") concurs with the Board's assessment.

The Group maintains policies and procedures to ensure compliance with applicable international sanctions regimes and conducts appropriate due diligence and screening of counterparties where necessary.

In view of ongoing geopolitical developments, the Board and the AC will continue to monitor such developments and assess the Group's risk of becoming subject to, or violating, any sanctions laws. The Group will ensure that timely and accurate disclosures are made to the SGX-ST and other relevant authorities where required and, where appropriate, engage relevant professional advisers to assist in assessing and managing such risks.

Principle 10: Audit Committee

The Board has an Audit Committee which discharges its duties objectively.

Provision 10.2 of the Code requires that the AC comprises at least three directors, all of whom are non-executive and the majority of whom, including the AC Chairman, are independent. In addition, at least two members, including the AC Chairman, have recent and relevant accounting or related financial management expertise or experience.

The Company's AC currently comprises Mr. Wong (Independent Non-Executive Director), Mr. Chong (Lead Independent Non-Executive Director) and Mr. Osman (Non-Executive Non-Independent Chairman). Mr. Wong is the Chairman of the AC. Accordingly, the Company is in compliance with Provision 10.2 of the Code.

Mr. Osman has recent and relevant accounting or financial management expertise or experience. In addition, Mr. Wong's long track record of working in the banking industry and financial expertise will value-add to the effectiveness of the AC. Accordingly, the Board is of the view that the AC members are suitably qualified to discharge the AC's responsibilities.

CORPORATE GOVERNANCE STATEMENT

The AC is governed by written terms of reference under which its key functions are to:

- review with the Company's internal and external auditors their audit plan, their evaluation of the system of internal accounting controls in the course of the external audit, their letter to the Management and the Management's response and results of the Company's audit conducted by internal and external auditors;
- review the reports of the Company's external auditor as well as the independence and objectivity of the external auditor;
- review the co-operation given by the Company's officers to the external auditor;
- review and discuss with the internal and external auditors any suspected fraud or irregularity, or suspected infringement of any relevant laws, rules and regulations which has or is likely to have a material adverse impact on the Group's operating results or financial position and the Management's response;
- make recommendations to the Board on the proposal to the shareholders on the appointment, re-appointment and removal of internal and external auditors and approving the remuneration and terms of engagement of the internal and external auditors;
- review the financial results announcements and annual financial statements, focusing in particular on changes in accounting policies and practices, major risk areas, significant adjustments resulting from the audit, compliance with accounting standards and compliance with the Catalist Rules and any other relevant statutory or regulatory requirements;
- review the significant reporting issues and judgements so as to ensure integrity of the financial statements of the Group and any announcements relating to the Group's financial performance;
- review the material internal control procedures, comprising financial, operational, compliance and information technology controls and ensure co-ordination between the internal and external auditors and the Management, and review the assistance given by the Management to the internal and external auditors, and discuss problems and concerns, if any, arising from audits, and any matters which the internal and external auditors may wish to discuss (in the absence of the Management, where necessary);
- approve the Group's internal audit plans;
- monitor the implication of outstanding internal control weaknesses highlighted by the internal and external auditors;
- review interested person transactions (if any) falling within the scope of Chapter 9 of the Catalist Rules (including any entrusted loans that may be provided to interested persons prior to such loans being entered into to ensure that (i) the terms and (ii) the grant of the entrusted loans (taking into account various factors that may include but are not limited to the rationale for the grant, the creditworthiness of the borrower and the interest rate payable to the Group)) are not prejudicial to the Group and the shareholders;
- review and consider transactions in which there may be potential conflicts of interest between the Group and the interested persons and recommend whether those who are in a position of conflict should abstain from participating in any discussions or deliberations of the Board or voting on resolutions of the Board or the shareholders in relation to such transactions as well as to ensure that proper measures to mitigate such conflicts of interest have been put in place;
- review key financial risk areas, with a view to providing an independent oversight on the Group's financial reporting, the outcome of such review will be disclosed in the annual reports or if there are material findings, to be immediately announced via SGXNET;
- review and recommend to the Directors hedging policies and instruments, if any, to be implemented by the Company;
- review the effectiveness of the Company's internal audit function, if applicable;

CORPORATE GOVERNANCE STATEMENT

- undertake such other reviews and projects as may be requested by the Board, and report to the Board its finding from time to time on matters arising and requiring the attention of the AC;
- undertake such other functions and duties as may be required by statute or the Catalist Rules, or by such amendments as may be made thereto from time to time;
- review the assurance from the CEO and CFO on the financial records and financial statements;
- review at least annually the adequacy and effectiveness of the Company's internal controls and risk management systems;
- review the adequacy, effectiveness, independence, scope and results of the external audit and internal audit functions;
- review the policy and arrangements for concerns about possible improprieties in financial reporting or other matters to be safely raised, independently investigated and appropriately followed up on. The Company publicly discloses, and clearly communicates to employees, the existence of a whistle-blowing policy and procedures for raising such concerns; and
- review the consolidated financial statements of the Group, and the statement of financial position and statement of changes in equity of the Company before their submission to the Board.

The AC has the explicit authority to conduct or authorise investigations into any matters within its terms of reference and has full access to and co-operation by Management. The AC has full discretion to invite any other Directors to attend its meetings and to ensure that adequate resources are available to enable the AC to discharge its function properly. As at the date of this report, the AC has met with the external auditor separately without the presence of Management to review any area of audit concern. Ad-hoc AC meetings may be carried out from time to time, as circumstances require.

The Company has in place a Whistle Blowing Policy to provide a channel for employees of the Group and independent parties to report, in good faith and in confidence, their concerns about possible improprieties relating to financial reporting or on other matters. The AC oversees the function in the administration of the Whistle Blowing Policy. The Whistle Blowing Policy provides for procedures to ensure that:

- independent investigations are carried out in an appropriate and timely manner;
- appropriate action is taken to correct the weakness in internal controls and policies that allowed the perpetration of fraud and/or misconduct and to prevent a recurrence; and
- administrative, disciplinary, civil and/or criminal actions that are initiated following the completion of investigations are appropriate, balanced and fair, while providing reassurance that employees will be protected from reprisals or victimisation for whistle-blowing in good faith and without malice.

The AC serves as the independent function responsible for oversight and monitoring of whistle-blowing and will investigate reports made in good faith. The Company is committed to ensure whistle-blowers who submit complaints or reports in good faith are protected against any discrimination, retaliation or harassment. The Whistle Blowing Policy has been circulated to all employees. There were no whistle-blowing reports received in FY2025.

The AC conducted an evaluation of the relevant competency of CLA Global TS Public Accounting Corporation ("**CLA Global TS**") for the provision of external audit and was satisfied with the results from the evaluation of relevant competence services.

The aggregate amount of fees paid and payable by the Group to CLA Global TS for FY2025 were:

	S\$
Audit fees	294,400
Non-audit fees	62,500
Total fees	356,900

CORPORATE GOVERNANCE STATEMENT

The non-audit services provided by the external auditor of the Company relate to transfer pricing consultancy services. The AC, having reviewed the nature and extent of the non-audit services provided by the external auditor, is satisfied that the financial, professional and business relationship between Vallianz and the external auditor will not prejudice their independence and objectivity. Accordingly, the AC has recommended to the Board for the re- appointment of CLA Global TS as the Company's auditor at the forthcoming AGM.

The Group has appointed different auditors for its Singapore and overseas subsidiaries during FY2025.

The Board and the AC have reviewed the appointment of different auditors for its subsidiaries and are satisfied that the appointment of different auditors will not compromise the standard and effectiveness of the audit of the Group. The Company is in compliance with Rules 712, 715 and 716 of the Catalist Rules in relation to its independent auditors.

To ensure that the AC can fulfill its responsibilities, Management provides the Board members with management reports. In addition, all relevant information on material events and transactions are circulated to AC as and when they arise. Whenever necessary, key management personnel will be invited to attend the Board/AC meetings to answer queries and provide detailed insights into their area of operations. The AC is kept informed by Management on the status of on-going activities between Board meetings. Where a decision must be made before a Board meeting, a directors' resolution is done in accordance with the Constitution of the Company and the AC is provided with all necessary information to enable it to make informed decisions.

The AC has full access to and co-operation from the Management and has been given resources to enable the AC to discharge its functions properly. The external auditors have unrestricted access to the AC.

The AC has been provided with the phone numbers and email particulars of the Company's key management personnel and Company Secretary to facilitate access.

As at the date of this report, none of the former partners or directors of the Company's existing auditing firm has been appointed as a member of the AC.

The Group has outsourced its internal audit function to Virtus, an independent assurance service provider which provides enterprise risk, control and governance assessments to companies listed on the SGX-ST. Virtus is guided by the Standards of The Institute of Internal Auditors in carrying out the internal audit function of the Group. Virtus's Managing Director, Mr. Joshua Siow, has extensive experience in audit and management across operations, business systems, information technology, finance and accounting in various global organisations. His areas of expertise include establishing internal audit functions for exchanges, depositories and listed firms, developing enterprise risk management frameworks, assessing risk and control environments, strengthening internal control systems and evaluating internal audit performance. He is a member of the Institute of Singapore Chartered Accountants (FCA Singapore), the Association of Chartered Certified Accountants (FCCA), and holds the Certified Internal Auditor (CIA) designation. The engagement team is led by Audit Director, Mr. Alvin Tan, who has over 15 years of audit and compliance experience and holds certifications from The Institute of Internal Auditors, including Certified Internal Auditor (CIA) and Certified Risk Management Assurance (CRMA), and is also a Certified Sustainability Reporting Specialist with the Institute of Certified Sustainability Practitioners. He is supported by a team of qualified auditors, and the Audit Committee has reviewed and determined that Virtus has met its obligations under the terms of engagement as the Company's internal auditor.

The internal auditor's primary reporting line is to the AC Chairman. Procedures are in place for the internal auditor to report its findings and recommendations independently to the AC. The AC will review the internal audit plan to ensure that the scope is adequate and covers the review of significant internal controls of the Group, including financial, operational, compliance and information technology controls, and risk management systems. Audits are carried out on all significant business functions of the Group and all internal audit findings and reports are submitted to the AC for deliberation with copies of these reports extended to the rest of the Board and relevant key Management. The internal auditor's summary of findings and recommendations are discussed at the AC meetings on a yearly basis.

The AC is satisfied that the internal audit function is independent, effective and adequately resourced, and has unfettered access to all the Company's documents, records, properties and personnel, including direct access to the AC. The AC meets with the internal and external auditors at least once annually without the presence of Management.

In forming its view, the AC considered the independence, adequacy and effectiveness of the internal audit function, including the internal audit team's direct reporting line to the AC, the professional qualifications and experience of the team, the scope and comprehensiveness of audit coverage, as well as the timeliness of audit execution. Based on its review, the AC is of the view that the internal audit function has the appropriate standing within the Company and is independent, effective and adequately resourced.

CORPORATE GOVERNANCE STATEMENT

The AC approves the hiring, removal, evaluation and compensation of the internal auditor.

Principle 11: Shareholder Rights and Conduct of General Meetings

The Company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights, and have the opportunity to communicate their views on matters affecting the Company. The Company gives shareholders a balanced and understandable assessment of its performance, position and prospects.

The AGM of the Company is a principal forum for dialogue and interaction with all shareholders. Shareholders can access and retrieve the annual report and notice of AGM of the Company via electronic means (i.e. through the Company's website or SGXNET). At the AGM, shareholders will be treated fairly and equitably, given the opportunity, to voice their views and to direct questions to the Directors, within reason, regarding the Group.

The Board encourages shareholders to participate in and vote at general meetings. Shareholders are informed on a timely basis of general meetings through notices published in the newspapers and SGXNET as well as the reports or circulars made available to all shareholders via the Company's website and SGXNET.

Any notice of a general meeting of shareholders is issued at least fourteen (14) days before the scheduled date of such meeting in accordance with the nature of the business to be transacted at the meeting. Shareholders at such meetings are invited to put forth any questions they may have on the motions to be discussed and decided upon or on any other reasonable subject related to the business of the Group. The Company's Constitution also allows any shareholder to appoint not more than two (2) proxies during his absence, to attend and vote on his behalf at the general meetings.

All the Directors will attend the general meetings of shareholders unless due to exigencies, and the external auditor are also present at the AGM to address shareholders' queries about the conduct of the audit and the preparation and content of the auditor's report. Appropriate key management executives are also present at general meetings to respond, if necessary, to operational questions from shareholders.

All Directors attended the last AGM held on that date.

In addition, pursuant to Section 181(1C) of the Companies Act, a shareholder who is a custodial institution or relevant intermediary entitled to attend the general meeting and vote is entitled to appoint more than two (2) proxies to attend and vote in his/her stead, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such shareholder. Where such shareholder appoints more than two (2) proxies, the number and class of shares to be represented by each proxy must be stated.

Separate resolution on each distinct issue is tabled at general meetings. Where the resolutions are "bundled" due to issues being interdependent and linked so as to form one significant proposal, the Company explains the reasons and material implications in the notice of meeting. Each item of special business included in the notice of the meeting is accompanied, where appropriate, by an explanation or circular in respect of the proposed resolution. A proxy form is sent with the notice of general meeting to the shareholders. The resolutions will be put to vote by poll and an announcement of the results showing the number of votes cast for and against each resolution and the respective percentages will be made subsequent to the general meeting.

At the last AGM of the Company held on 29 April 2025, the Company had put all the resolutions tabled to vote by poll. The voting results of all votes cast in respect of each resolution and the respective percentages were displayed during the AGM and announced in a timely manner via SGXNET after the AGM.

As the authentication of shareholder identity information and other related security issues remain a concern, the Company will not implement voting in absentia by mail, email or fax. Minutes of the general meetings which include substantial and relevant comments and queries from shareholders relating to the agenda of the general meetings together with the responses from the Board and Management are prepared and confirmed as true record of the proceedings of the general meetings. The minutes of the general meeting will be published on the Company's corporate website and the SGXNET within one month of the date of the meeting.

As at the date of this report, the Company does not have a formal dividend policy in place. However, the Company, in determining the form, frequency and amount of future dividends on the Company's shares in any particular year, will take into account, among other things, the level of cash and retained earnings, the result of operations, the capital expenditure requirements, the expansion and/or investment plans and other factors that the Directors may deem appropriate.

CORPORATE GOVERNANCE STATEMENT

In considering dividend payments for the future financial years, the Directors will take into account the current desire to maintain and potentially increase dividend level subject to the objective of maximising shareholder value over the longer term and the factors stated in the paragraph above.

No dividend was declared in respect of FY2025.

Principle 12: Engagement with Shareholders

The Company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the Company.

The Board is mindful of its obligations to provide shareholders with timely disclosure of material information presented in a fair and objective manner.

The Company does not practice selective disclosure. In line with the continuing obligations of the Company pursuant to the Catalist Rules, the Board's policy is that all shareholders will be equally informed of all major developments and/or transactions impacting the Group.

Half yearly and yearly results of the Company will be published through the SGXNET, news releases and the Company's website. All information on the Company's new initiatives will be first disseminated via SGXNET. Price sensitive information is first publicly released, either before the Company meets with any group of investors or analysts or simultaneously with such meetings. Results and annual reports are announced or issued within the period as prescribed by the SGX-ST and are available on the Company's website.

The Company has an internal corporate affairs team that handles communication with shareholders and analysts, addresses their queries or concerns, and keeps them informed about the Group's corporate developments and financial performance. Contact information is made available on the Company's website (<http://www.vallianzholdings.com>).

Principle 13: Engagement with Stakeholders

The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the Company are served.

The Group has made efforts to seek the opinions of its stakeholders either through informal or formal means by evaluating the needs and expectations of key stakeholder groups which are significant to the Group's value creation strategy and strive to build mutually beneficial relationships.

The Group has identified diverse stakeholder groups based on their level of influence in the business and also regularly engage and consult all stakeholder groups for any feedback and suggestions. Where appropriate and relevant to the business, the Company will incorporate their feedback into the Group's plans and actions.

General information on the Group such as annual reports, financial results, news releases and investor relations contacts are provided in the Company's website (<http://www.vallianzholdings.com>).

For more information on the Company's stakeholder engagement, please refer to the Sustainability Report, which is published together with this Annual Report.

INTERESTED PERSON TRANSACTIONS

The Group has implemented guidelines and procedures to ensure that interested person transactions are properly documented and reported on a timely manner to the AC and that they are undertaken on normal commercial terms consistent with its usual business practice and policies and are not prejudicial to the interests of the Company and its minority shareholders.

The Company has in place the RHC IPT Mandate (as defined in the circular to shareholders dated 14 April 2026 to renew this general mandate at the forthcoming AGM) which was last renewed on 29 April 2025 to cover all ongoing transactions with RHC Group other than interest on shareholder's advance from RHC Group. The Company is seeking the renewal of the RHC IPT Mandate at the upcoming AGM which is scheduled to be held on 29 April 2026.

CORPORATE GOVERNANCE STATEMENT

Interest on the shareholder's advance from the RHC Group relates to the RHC Loan Agreement (as defined in the circular to shareholders dated 14 April 2025) and was approved by shareholders for a period of three years with effect from 1 April 2025 at the extraordinary general meeting held on 29 April 2025.

Disclosure in compliance with Rule 907

In compliance with Rule 907 of the Catalist Rules, there were no transactions with interested persons for FY2025 which exceeds the stipulated threshold except as disclosed below:

Name of interested person and nature of relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)
Rawabi Holding Company ("RHC") and its subsidiaries ("RHC Group") RHC is a controlling shareholder of the Company		
Interest on shareholder's advances provided to the Group	US\$8,314,819	Not applicable
Other goods and services provided to the Group	Not applicable	US\$1,614,718
Other goods and services provided by the Group	US\$1,877,497	Not applicable
Chartering services provided to the Group	Not applicable	US\$12,906,186
Shipbuilding services provided by the Group	Not applicable	US\$19,450,915

MATERIAL CONTRACTS

Save for the service agreement and employment contract entered into between the Executive Director and the Company, RHC Loan Agreement, contracts entered into pursuant to the RHC IPT Mandate, there was no material contract between the Company and its subsidiaries involving the interests of any director or controlling shareholders which are either still subsisting at the end of FY2025 or, if not then subsisting, entered into since the end of previous financial year.

DEALINGS IN SECURITIES

The Company has adopted an internal code on dealings in securities. Directors, senior management and employees (collectively "Officers") of the Group who have access to price-sensitive, financial or confidential information are not permitted to deal in the Company's shares during the year commencing one (1) month before the announcement of the Group's half yearly and yearly results and ending on the date of announcement of such result, or when they are in possession of unpublished price-sensitive information on the Group. In addition, the Officers of the Group are advised not to deal in the Company's securities for a short-term considerations and are expected to observe the insider trading laws at all times even when dealing in securities within the permitted trading period. Officers are to consult with the CFO/ Company Secretary before trading in the Company's securities and are to confirm annually that they have complied with and are not in breach of the Code. The Board is kept informed when a Director trades in the Company's securities.

NON-SPONSORSHIP FEES

Pursuant to Rule 1204(21) of the Catalist Rules, the Company wishes to disclose that the Company's sponsor, RHT Capital Pte. Ltd. ("RHT Capital"), did not provide any non-sponsor services to the Company and no non-sponsor fees were paid/payable by the Company to RHT Capital during FY2025.

FINANCIAL STATEMENTS

79	Directors' Statement
82	Independent Auditor's Report
89	Statements of Financial Position
91	Consolidated Statement of Profit or Loss and Other Comprehensive Income
92	Statements of Changes in Equity
96	Consolidated Statement of Cash Flows
98	Notes to the Financial Statements
162	Statistics of Shareholdings
164	Notice of Annual General Meeting
169	Disclosure of Information On Director Seeking Re-Election
	Proxy Form



DIRECTORS' STATEMENT

The directors present their statement to the members of the Company together with the audited financial statements of Vallianz Holdings Limited (the “Company”) and its subsidiary corporations (collectively the “Group”) for the financial year ended 31 December 2025 and statement of financial position and statement of changes in equity of the Company as at 31 December 2025.

In the opinion of the directors,

- (a) the consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company as set out on pages 89 to 161 are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2025 and the financial performance, changes in equity and cash flows of the Group and changes in equity of the Company for the financial year covered by the consolidated financial statements; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

1 DIRECTORS

The directors of the Company in office at the date of this statement are:

Osman Ibrahim
Ling Yong Wah
Chong Chee Keong Chris
Kevin Wong Chee Fatt

2 ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES OR DEBENTURES

Neither at the end of, nor at any time during the financial year did there subsist any arrangement whose object was to enable the directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of, the Company or any other body corporate.

3 DIRECTORS' INTERESTS IN SHARES OR DEBENTURES

According to the register of directors' shareholdings, none of the directors holding office at the end of the financial year had any interests in the shares or debentures of the Company or its related corporations, except as follows:

Name of directors and company in which interests are held	Shareholdings registered in name of directors		Holdings in which a director is deemed to have an interest	
	At end of year	At beginning of year	At end of year	At beginning of year
<u>The Company</u>				
(Ordinary shares)				
Osman Ibrahim	1,033,333	1,033,333	–	–
Ling Yong Wah	1,526,146	1,526,146	–	–

The directors' interests in the shares of the Company as at 21 January 2026 are the same as those as at 31 December 2025.

DIRECTORS' STATEMENT

4 AUDIT COMMITTEE

The Audit Committee comprises three Non-Executive Directors. The members of the committee are:

Kevin Wong Chee Fatt	(Independent Non-Executive Director)
Chong Chee Keong Chris	(Independent Non-Executive Director)
Osman Ibrahim	(Non-Independent Non-Executive Director)

During the financial year, the Audit Committee held two meetings.

The functions of the Audit Committee include the following:

- review with the Company's internal and external auditors their audit plan, their evaluation of the system of internal accounting controls in the course of the external audit, their letter to the management and management's response and results of the Company's audit conducted by internal and external auditors;
- review the reports of the Company's external auditor as well as the independence and objectivity of the external auditor;
- review the co-operation given by the Company's officers to the external auditor;
- review and discuss with the internal and external auditors any suspected fraud or irregularity, or suspected infringement of any relevant laws, rules and regulations which has or is likely to have a material adverse impact on the Group's operating results or financial position and management's response;
- make recommendations to the Board on the proposal to the shareholders on the appointment, re-appointment and removal of internal and external auditors and approving the remuneration and terms of engagement of the internal and external auditors;
- review the financial results announcements and annual financial statements, focusing in particular on changes in accounting policies and practices, major risk areas, significant adjustments resulting from the audit, compliance with accounting standards and compliance with the Catalist Rules and any other relevant statutory or regulatory requirements;
- review the significant reporting issues and judgements so as to ensure integrity of the financial statements of the Group and any announcements relating to the Group's financial performance;
- review the material internal control procedures, comprising financial, operational, compliance and information technology controls and ensure co-ordination between the internal and external auditors and the management, and review the assistance given by the management to the internal and external auditors, and discuss problems and concerns, if any, arising from audits, and any matters which the internal and external auditors may wish to discuss (in the absence of management, where necessary);
- approve the Group's internal audit plans;
- monitor the implication of outstanding internal control weaknesses highlighted by the internal and external auditors;
- review interested person transactions (if any) falling within the scope of Chapter 9 of the Catalist Rules (including any entrusted loans that may be provided to interested persons prior to such loans being entered into to ensure that (i) the terms and (ii) the grant of the entrusted loans (taking into account various factors that may include but are not limited to the rationale for the grant, the creditworthiness of the borrower and the interest rate payable to the Group) are not prejudicial to the Group and the shareholders);
- review and consider transactions in which there may be potential conflicts of interest between the Group and the interested persons and recommend whether those who are in a position of conflict should abstain from participating in any discussions or deliberations of the Board or voting on resolutions of the Board or the shareholders in relation to such transactions as well as to ensure that proper measures to mitigate such conflicts of interest have been put in place;

4 AUDIT COMMITTEE (cont'd)

The functions of the Audit Committee include the following: (cont'd)

- review key financial risk areas, with a view to providing an independent oversight on the Group's financial reporting, the outcome of such review will be disclosed in the annual reports or if there are material findings, to be immediately announced via SGXNet;
- review and recommend to the Directors hedging policies and instruments, if any, to be implemented by the Company;
- review the effectiveness of the Company's internal audit function, if applicable;
- undertake such other reviews and projects as may be requested by the Board, and report to the Board its finding from time to time on matters arising and requiring the attention of the Audit Committee;
- undertake such other functions and duties as may be required by statute or the Catalist Rules, or by such amendments as may be made thereto from time to time;
- review the assurance from the Chief Executive Officer and Chief Financial Officer on the financial records and financial statements;
- review at least annually the adequacy and effectiveness of the Company's internal controls and risk management systems;
- review the adequacy, effectiveness, independence, scope and results of the external audit and internal audit functions;
- review the policy and arrangements for concerns about possible improprieties in financial reporting or other matters to be safely raised, independently investigated and appropriately followed up on. The Company publicly discloses, and clearly communicates to employees, the existence of a whistle-blowing policy and procedures for raising such concerns; and
- review the consolidated financial statements of the Group, and the statement of financial position and statement of changes in equity of the Company before their submission to the Board.

The Audit Committee has full access to and the co-operation of management and has been given the resources required for it to discharge its function properly. It also has full discretion to invite any director and executive officer to attend its meetings. The external and internal auditors have unrestricted access to the Audit Committee.

The Audit Committee has recommended to the directors the nomination of CLA Global TS Public Accounting Corporation for re-appointment as external auditor of the Company at the forthcoming Annual General Meeting of the Company.

5 INDEPENDENT AUDITOR

CLA Global TS Public Accounting Corporation has expressed its willingness to accept re-appointment as independent auditor of the Company, at the forthcoming Annual General Meeting of the Company.

ON BEHALF OF THE DIRECTORS

Ling Yong Wah

Kevin Wong Chee Fatt

20 March 2026

INDEPENDENT AUDITOR'S REPORT

To the Members of Vallianz Holdings Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Vallianz Holdings Limited (the “Company”) and its subsidiary corporations (the “Group”), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 December 2025, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group and the statement of changes in equity of the Company for the financial year then ended, and the notes to the financial statements, including material accounting policy information, as set out on pages 89 to 161.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the “Act”) and Singapore Financial Reporting Standards (International) (“SFRS(I)s”) so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2025 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and of the changes in equity of the Company for the financial year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing (“SSAs”). Our responsibilities under those standards are further described in the *Auditor’s Responsibilities for the Audit of the Financial Statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority (“ACRA”) *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* (“ACRA Code”), as applicable to audits of financial statements of public interest entities, together with the ethical requirements that are relevant to audits of the financial statements of public interest entities in Singapore. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the financial year ended 31 December 2025. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

INDEPENDENT AUDITOR'S REPORT

To the Members of Vallianz Holdings Limited

Report on the Audit of the Financial Statements (cont'd)

Key Audit Matter	How our audit addressed the Key Audit Matter
Assessment of the going concern basis in preparation of the financial statements (Refer to Note 3(i) to the financial statements) As at 31 December 2025, the Group's net current liabilities amounted to US\$2,104,000 (2024: US\$18,866,000). The Group has total borrowings of US\$93,875,000 (2024: US\$116,661,000) of which US\$10,212,000 (2024: US\$28,426,000) was classified as current liabilities as at 31 December 2025. As disclosed in Notes 3(i) and 21 to the financial statements, the Group breached the financial covenants relating to the ratios of EBITDA to finance charges and net debt to EBITDA under the debt-restructuring agreement with two financial institutions. As at 31 December 2025, the Group obtained from a financial institution a waiver for the breach until 31 December 2026. The non-current portion of the term loan with the breach amounted to US\$77,372,000. As disclosed in Note 21, as at the date of this report, the Group has not been served with any notices of events of default for any of its loans. The above constitutes events or conditions which indicate the existence of material uncertainties which may cast significant doubt as to whether the Group will be able to continue as a going concern for the next 12 months.	In obtaining sufficient appropriate audit evidence, the following procedures were performed: • Reviewed management's assessment of the Group's ability to continue as a going concern through discussions, inquiry and inspection of supporting documentation; • Reviewed management's evaluation of its compliance with financial covenants and its assessment of the enforceability of the waiver obtained from the respective financial institutions; • Reviewed the financial capability, to the extent practicable, including publicly available information, of its ultimate holding company in providing financial support to the Group; • Reviewed minutes of board meetings and relevant committees for any discussion of financial difficulties and future plans, including those up to the date of this report; • Reviewed events after the financial year end to identify factors relevant, if any, to the going concern assumption as a basis for the preparation of the financial statements; and • Reviewed the disclosures made in the consolidated financial statements.

INDEPENDENT AUDITOR'S REPORT

To the Members of Vallianz Holdings Limited

Report on the Audit of the Financial Statements (cont'd)

Key Audit Matter	How our audit addressed the Key Audit Matter
Assessment of the going concern basis in preparation of the financial statements (cont'd) As disclosed in Note 3(i) to the financial statements, management has a reasonable expectation that the Group will be able to meet its obligations in the foreseeable future due to the following: • as at 31 December 2025, waivers for breaches of financial covenants had been obtained from the relevant financial institutions; • the Group has obtained from its ultimate holding company an undertaking to provide continuing financial and other support as necessary to the Group so as to enable it to continue its operations for the next 17 months from the date of these financial statements and to continue to trade and meet its financial obligations and commitments. As part of the financial support, the ultimate holding company and the subsidiary of the ultimate holding company who is controlled by the ultimate holding company will not demand repayment of the shareholder's advances and is agreeable to classify these shareholder's advances amounting to US\$121,911,000 as equity; and • as at the date of these financial statements, the Group has not been served with any notice of events of default for any of its loans. Accordingly, management does not believe there is a material uncertainty over the ability of the Group to operate as a going concern. We identified the assessment of whether the financial statements have been prepared on a going concern basis as a key audit matter because of management's judgements involved in determining the appropriateness of the use of the going concern assumption in preparing the financial statements.	

INDEPENDENT AUDITOR'S REPORT

To the Members of Vallianz Holdings Limited

Report on the Audit of the Financial Statements (cont'd)

Key Audit Matter	How our audit addressed the Key Audit Matter
Investment in Rawabi Vallianz Offshore Services Company Limited (“RVOS”) (Refer to Notes 3 (ii), 4(b)(vi) and 11 to the financial statements) As at 31 December 2025, the carrying amount of the Group’s 19.77% equity interest in RVOS amounted to US\$60,853,000 (2024: US\$60,853,000), representing 13% (2024: 13%) of the Group’s total assets. Management has engaged a third-party independent valuer to assist in the assessment of the fair value of the equity interest in RVOS as at financial year end. We identified this as a key audit matter due to the assumptions, estimates and judgements used by management in determining the fair value of the equity interest in RVOS as at financial year end.	In obtaining sufficient appropriate audit evidence, the following procedures were performed: • Evaluated the qualification and competence of the independent valuer; • Evaluated the terms of engagement of the valuer to determine whether any matters might have affected their objectivity or limited their scope of work; • Evaluated the valuer’s assumptions used in valuation methodology, market evidence used in supporting their assumptions, the valuation methodology used by other valuers for similar financial assets, and alternative valuation methodologies; • Reviewed the reasonableness and appropriateness of the key assumptions and estimates used in the external valuer’s valuation report through involvement of our internal valuation specialists; and • Reviewed the disclosures made in the consolidated financial statements.

INDEPENDENT AUDITOR'S REPORT

To the Members of Vallianz Holdings Limited

Report on the Audit of the Financial Statements (cont'd)

Key Audit Matter	How our audit addressed the Key Audit Matter
Revenue recognition (Refer to Notes 2 and 27 to the financial statements) During the financial year ended 31 December 2025, the Group's revenue from vessel chartering and management income and shipyard and newbuild management services income amounted to US\$74,418,000 and US\$257,855,000 (2024: US\$43,795,000 and US\$454,063,000) respectively. Revenue from vessel chartering comprises time charter, bareboat charter and other ancillary services. Time charter contracts are segregated into a lease component (lease of vessels) and a non-lease component (provision of other ancillary services). The Group accounts for the lease of vessels for time charter in accordance with SFRS(I) 16 <i>Leases</i> as lease revenue and revenue is recognised on a straight-line basis over the lease term. Time charter and bareboat charter revenue is recognised on a straight-line basis at the agreed charter rate over the period of the leases. Other ancillary services income is accounted for in accordance with SFRS(I) 15 <i>Revenue from Contracts with Customers</i> ("SFRS(I) 15") as service income and revenue is recognised at a point in time. Revenue from shipyard and newbuild management services income is accounted for in accordance with SFRS(I) 15, where revenue is recognised at an amount that reflects the consideration in the contracts at which the Group expects to be entitled in exchange for promised goods or services to the customers, as and when the Group satisfies its performance obligation at a point in time or over time. We identified revenue recognition as a key audit matter because revenue recognition has been identified as a significant risk in accordance with SSA 315 (revised) <i>Identifying and Assessing the Risks of Material Misstatement</i> and because of the judgements used in applying SFRS(I) 15.	In obtaining sufficient appropriate audit evidence, the following procedures were performed: - Reviewed the terms and conditions of significant contracts to assess the appropriateness of revenue recognition in accordance with SFRS(I) 15; - Assessed management's monitoring of actual progress of all ongoing contracts to identify any major delays and/or cost overruns which might result in onerous loss-making contract(s) in accordance with SFRS(I) 1-37 <i>Provisions, Contingent Liabilities and Contingent Assets</i>; and - Performed substantive audit procedures to verify revenue recognised, including performing revenue cut-off procedures to assess the accuracy and completeness of revenue recognised in the current financial year.

INDEPENDENT AUDITOR'S REPORT

To the Members of Vallianz Holdings Limited

Report on the Audit of the Financial Statements (cont'd)

Other Information

Management is responsible for the other information contained in the annual report. Other information is defined as all information in the annual report other than the financial statements and our auditor's report thereon.

We have obtained all other information prior to the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I)s, and for devising and maintaining a system of internal accounting controls sufficient to provide reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- (a) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

INDEPENDENT AUDITOR'S REPORT

To the Members of Vallianz Holdings Limited

Report on the Audit of the Financial Statements (cont'd)

Auditor's Responsibilities for the Audit of the Financial Statements (cont'd)

- (d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- (e) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- (f) Plan and perform the Group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement director on the audit resulting in this independent auditor's report is Lim Ju May.

CLA Global TS Public Accounting Corporation
Public Accountants and Chartered Accountants

Singapore,

20 March 2026

STATEMENTS OF FINANCIAL POSITION

As at 31 December 2025

	Note	Group	
		2025	2024
		US\$'000	US\$'000
ASSETS			
Current assets			
Cash and cash equivalents	6	7,623	11,988
Trade receivables	7	106,937	36,980
Other receivables	8	53,670	125,629
Inventories	9	1,053	424
Contract assets	10	83,160	36,822
Financial assets at fair value through other comprehensive income	11	–	27,308
Total current assets excluding asset classified as held for sale		252,443	239,151
Asset held for sale	12	–	950
Total current assets		252,443	240,101
Non-current assets			
Other receivables	8	–	14,055
Financial assets at fair value through other comprehensive income	11	60,853	60,853
Joint ventures	13	825	234
Property, plant and equipment	15	89,327	89,486
Right-of-use assets	16	70,537	62,383
Deferred tax assets	23	785	–
Total non-current assets		222,327	227,011
Total assets		474,770	467,112
LIABILITIES AND EQUITY			
Current liabilities			
Trade payables	19	77,001	29,963
Other payables	20	139,762	92,062
Contract liabilities	10	14,385	91,389
Term loans	21	10,212	28,426
Lease liabilities	22	12,902	15,483
Income tax payable		285	1,644
Total current liabilities		254,547	258,967
Non-current liabilities			
Other payables	20	381	–
Retirement benefit obligation		668	586
Term loans	21	83,663	88,235
Lease liabilities	22	31,089	34,675
Deferred tax liabilities	23	3,798	1,215
Total non-current liabilities		119,599	124,711
Capital and reserves			
Share capital	24	382,274	382,274
Shareholder's advances	25	121,911	113,596
Foreign currency translation reserve	26	(183)	(3)
Other reserve		(613)	(621)
Accumulated losses		(378,039)	(388,689)
Equity attributable to owners of the Company and capital securities holders		125,350	106,557
Non-controlling interests	14	(24,726)	(23,123)
Total equity		100,624	83,434
Total liabilities and equity		474,770	467,112

See accompanying notes to financial statements.

STATEMENTS OF FINANCIAL POSITION

As at 31 December 2025

		Company	
	Note	2025	2024
		US\$'000	US\$'000
ASSETS			
Current assets			
Cash and cash equivalents	6	30	210
Other receivables	8	377,934	486,551
Total current assets		377,964	486,761
Non-current assets			
Subsidiary corporations	14	500	500
Property, plant and equipment	15	-*	1
Total non-current assets		500	501
Total assets		378,464	487,262
LIABILITIES AND EQUITY			
Current liabilities			
Other payables	20	193,184	299,730
Term loan	21	443	—
Total current liabilities		193,627	299,730
Non-current liabilities			
Other payables	20	381	—
Term loan	21	2,619	—
Total non-current liabilities		3,000	—
Capital and reserves			
Share capital	24	382,274	382,274
Shareholder's advances	25	121,911	113,596
Other reserve		28	28
Accumulated losses		(322,376)	(308,366)
Equity attributable to owners of the Company and capital securities holders, representing total equity		181,837	187,532
Total liabilities and equity		378,464	487,262

* Less than US\$1,000

See accompanying notes to financial statements.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the financial year ended 31 December 2025

	Note	2025 US\$'000	2024 US\$'000
Revenue			
Cost of sales	27	332,273 (305,238)	497,858 (468,230)
Gross profit		27,035	29,628
Other income, net	28	8,394	114
Administrative expenses		(10,062)	(10,227)
Finance costs	29	(17,039)	(17,635)
Share of results of joint venture		586	160
Operating profit		8,914	2,040
Exceptional items	30	2,531	19,150
Profit before tax		11,445	21,190
Income tax expense	31	(2,398)	(3,360)
Profit for the year		9,047	17,830
Other comprehensive income:			
Item that may be reclassified subsequently to profit or loss			
Exchange differences on translation of foreign operations	26	(180)	87
Actuarial gain on post-employment benefit obligation		8	-*
Other comprehensive (loss)/profit for the year, net of tax		(172)	87
Total comprehensive income for the year		8,875	17,917
Profit for the year attributable to:			
Owners of the Company		10,650	20,398
Non-controlling interests		(1,603)	(2,568)
		9,047	17,830
Total comprehensive income attributable to:			
Owners of the Company		10,478	20,485
Non-controlling interests	14	(1,603)	(2,568)
		8,875	17,917
Earnings per share (US cents)			
Basic and diluted	32	0.88	1.68

* Less than US\$1,000

See accompanying notes to financial statements.

STATEMENTS OF CHANGES IN EQUITY

For the financial year ended 31 December 2025

Group	Share capital	Shareholder's advances	Foreign currency translation reserve	Other reserve	Accumulated losses	Equity attributable to owners of the company and capital issued to securities holders	Non-controlling interests	Total
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
At 1 January 2025	382,274	113,596	(3)	(621)	(388,689)	106,557	(23,123)	83,434
Total comprehensive income for the year								
Profit/(loss) for the year	-	-	-	-	10,650	10,650	(1,603)	9,047
Other comprehensive (loss)/income for the year	-	-	(180)	8	-	(172)	-	(172)
Total	-	-	(180)	8	10,650	10,478	(1,603)	8,875
Transactions with owners recognised directly in equity								
Deemed investment by a Shareholder, net (Note 25)	-	8,315	-	-	-	8,315	-	8,315
Total	-	8,315	-	-	-	8,315	-	8,315
At 31 December 2025	382,274	121,911	(183)	(613)	(378,039)	(125,350)	(24,726)	100,624

See accompanying notes to financial statements.

STATEMENTS OF CHANGES IN EQUITY

For the financial year ended 31 December 2025

Group	Share capital US\$'000	Perpetual capital securities US\$'000	Shareholder's advances US\$'000	Foreign currency translation reserve US\$'000	Equity component of convertible bonds US\$'000	Other reserve US\$'000	Accumulated losses US\$'000	Equity attributable to owners of the Company and capital issued to securities holders US\$'000	Non-controlling interests US\$'000	Total US\$'000
At 1 January 2024	382,274	22,500	46,783	(90)	5,919	(621)	(426,286)	30,479	(24,071)	6,408
Total comprehensive income for the year										
Profit/(loss) for the year	-	-	-	-	-	-	20,398	20,398	(2,568)	17,830
Other comprehensive income for the year	-	-	-	87	-	-*	-	87	-	87
Total	-	-	-	87	-	-*	20,398	20,485	(2,568)	17,917
Transactions with owners recognised directly in equity										
Deemed investment by a Shareholder, net (Note 25)	-	-	66,813	-	-	-	-	66,813	-	66,813
Total	-	-	66,813	-	-	-	-	66,813	-	66,813
Deconsolidation of subsidiaries due to loss of control (Note 6)	-	-	-	-	-	-	-	-	3,516	3,516
Recognition of equity component of convertible bonds	-	-	-	-	30	-	-	30	-	30
Settlement of convertible bonds	-	-	-	-	(5,949)	-	5,949	-	-	-
Settlement of perpetual capital securities	-	(22,500)	-	-	-	-	11,250	(11,250)	-	(11,250)
At 31 December 2024	382,274	-	113,596	(3)	-	(621)	(388,689)	106,557	(23,123)	83,434

* Less than US\$1,000

See accompanying notes to financial statements.

STATEMENTS OF CHANGES IN EQUITY

For the financial year ended 31 December 2025

Company

At 1 January 2025

Total comprehensive loss for the year

Loss for the year

Total

Transactions with owners, recognised directly in equity

Deemed investment by a shareholder (Note 25)

Total

At 31 December 2025

Share capital	Shareholder's advance	Other reserve	Accumulated losses	Total equity
US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
382,274	113,596	28	(308,366)	187,532
-	-	-	(14,010)	(14,010)
-	-	-	(14,010)	(14,010)
-	8,315	-	-	8,315
-	8,315	-	-	8,315
382,274	121,911	28	(322,376)	181,837

See accompanying notes to financial statements.

STATEMENTS OF CHANGES IN EQUITY

For the financial year ended 31 December 2025

Company

At 1 January 2024

Total comprehensive income for the year

Profit for the year

Total

Transactions with owners, recognised directly in equity

Deemed investment by a shareholder (Note 25)

Total

Recognition of equity component of convertible bonds

Settlement of convertible bonds

Settlement of perpetual capital securities

At 31 December 2024

Share capital	Perpetual capital securities	Shareholder's advance	Other reserve	Accumulated losses	Equity component of convertible bonds	Total equity
US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
382,274	22,500	46,783	28	(332,997)	5,919	124,507
-	-	-	-	7,432	-	7,432
-	-	-	-	7,432	-	7,432
-	-	66,813	-	-	-	66,813
-	-	66,813	-	-	-	66,813
-	-	-	-	-	30	30
-	-	-	-	5,949	(5,949)	-
-	(22,500)	-	-	11,250	-	(11,250)
382,274	-	113,596	28	(308,366)	-	187,532

See accompanying notes to financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 December 2025

	Note	2025 US\$'000	2024 US\$'000
Operating activities			
Profit before tax		11,445	21,190
Adjustments for:			
Net loss allowance for trade and other receivables reversed	28	(1,675)	(31)
Bad debts written off	28	830	1,686
Creditors written back	28	(35)	(1,818)
Depreciation of property, plant and equipment	30	8,331	7,481
Depreciation of right-of-use assets	16	5,549	2,557
Gain from early termination of lease	30	(52)	–
Gain from disposal of plant and equipment, net	28	(3,877)	–
Provision/(Reversal) for retirement benefit obligation		90	(14)
Finance costs	29	17,039	17,635
Impairment loss on remeasurement of asset held for sales	30	–	640
Share of profit of joint venture	13	(586)	(160)
Exceptional gain on redemption of convertible bonds	30	–	(15,312)
Exceptional gain on redemption of perpetual capital securities	30	–	(5,646)
Exceptional loss on deconsolidation of subsidiaries, net	30	–	1,808
Exceptional gain on loan restructuring	30	(2,531)	–
Interest income	28	(31)	(112)
Unrealised foreign exchange differences		(180)	88
Operating cash flows before working capital changes		34,317	29,992
Trade and other receivables		16,901	40,357
Trade and other payables		91,970	64,306
Inventories		(629)	(42)
Contract assets		(46,338)	(18,541)
Contract liabilities		(77,004)	(110,786)
Cash generated from operations		19,217	5,286
Income tax paid		(1,639)	–
Net cash generated from operating activities		17,578	5,286
Investing activities			
Net cash outflow on deconsolidation of subsidiaries	6	–	(7)
Investment in joint venture	13	(5)	(74)
Interest received	28	31	112
Purchase of property, plant and equipment	15	(12,830)	(14,875)
Proceeds from disposal of plant and equipment, net		9,485	–
Proceeds from redemption of investments in unquoted preference shares	11	23,308	4,421
Net cash generated from/(used in) investing activities		19,989	(10,423)

See accompanying notes to financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 December 2025

	Note	2025 US\$'000	2024 US\$'000
Financing activities			
Decrease in cash pledged		–	356
Interest paid		(7,643)	(6,319)
Proceeds from new term loans raised		5,585	249
Proceeds from shareholder's advances	25	8,315	66,813
Principal payment of lease liabilities		(19,818)	(7,783)
Repayment of term loans		(28,371)	(9,006)
Settlement of convertible bonds		–	(30,040)
Settlement of perpetual capital securities		–	(18,426)
Net cash used in financing activities		(41,932)	(4,156)
Net decrease in cash and cash equivalents		(4,365)	(9,293)
Cash and cash equivalents at beginning of the year		11,988	21,281
Cash and cash equivalents at end of the year	6	7,623	11,988

See accompanying notes to financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

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

1 GENERAL

Vallianz Holdings Limited (the “Company”) (Registration No. 199206945E) is incorporated in the Republic of Singapore with its principal place of business and registered office at 1 Pasir Panjang Road #28-02 Labrador Tower, Singapore 118479. The Company is listed on the Catalist Board of the Singapore Exchange Securities Trading Limited (“SGX-ST”).

The principal activity of the Company is that of investment holding. The principal activities of the subsidiary corporations are detailed in Note 14 to the financial statements.

The consolidated financial statements of the Group, comprising the Company and its subsidiary corporations (collectively the “Group”) and the Group’s interest in equity-accounted investees, and statement of financial position and statement of changes in equity of the Company for the financial year ended 31 December 2025 were authorised for issue by the Board of Directors on 20 March 2026.

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES

BASIS OF PREPARATION - The financial statements have been prepared in accordance with the historical cost basis, except as disclosed in the accounting policies below, and are drawn up in accordance with the provisions of the Companies Act 1967 and Singapore Financial Reporting Standards (International) (“SFRS(I)s”). The financial statements are expressed in United States Dollar and all values have been rounded to the nearest thousand (“US\$’000”) unless otherwise stated.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability which market participants would take into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, leasing transactions that are within the scope of SFRS(I) 16 *Leases*, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in SFRS(I) 1-2 *Inventories* or value in use in SFRS(I) 1-36 *Impairment of Assets*.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The preparation of financial statement in conformity with SFRS(I)s requires management to exercise its judgement in the process of applying the Group’s material accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The area 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 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (cont'd)

Interpretations and amendments to published standards effective in 2025

On 1 January 2025, the Group has adopted the new or amended SFRS(I) and Interpretations of SFRS(I) ("INT SFRS(I)") that are mandatory for application for the financial year. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective SFRS(I) and INT SFRS(I).

The adoption of these new or amended SFRS(I) and INT SFRS(I) did not result in substantial changes to the Group's accounting policies and had no material effect on the amounts reported for the current financial year or prior financial years.

BASIS OF CONSOLIDATION - The consolidated financial statements incorporate the financial statements of the Company and entities (including structured entities) controlled by the Company and its subsidiary corporations. Control is achieved when the Company:

- Has power over the investee;
- Is exposed, or has rights, to variable returns from its involvement with the investee; and
- Has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- The size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- Potential voting rights held by the Company, other vote holders or other parties;
- Rights arising from other contractual arrangements; and
- Any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary corporation begins when the Company obtains control over the subsidiary corporation and ceases when the Company loses control of the subsidiary corporation. Specifically, results of subsidiary corporations acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary corporation.

When necessary, adjustments are made to the financial statements of subsidiary corporations to bring their accounting policies in line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between the members of the Group are eliminated on consolidation.

Non-controlling interests in subsidiary corporations are identified separately from the Group's equity therein. Those interests of non-controlling shareholders that are present ownership interests entitling their holders to a proportionate share of net assets upon liquidation may initially be measured at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement is made on an acquisition-by-acquisition basis. Other non-controlling interests are initially measured at fair value. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (cont'd)

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiary corporations is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Group's ownership interests in subsidiary corporations that do not result in the Group losing control over the subsidiary corporations are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary corporations. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary corporation, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary corporation and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary corporation are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary corporation (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable SFRS(I)s Accounting Standards). The fair value of any investment retained in the former subsidiary corporation at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under SFRS(I) 9 *Financial Instruments*, when applicable, the cost on initial recognition of an investment in an associates.

In the Company's financial statements, investments in subsidiary corporations are carried at cost less any impairment losses in net recoverable value that has been recognised in profit or loss. On disposal of such investment, the difference between disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

JOINT VENTURES - Joint ventures are entities over which the Group has joint control as a result of contractual arrangements, and rights to the net assets of the entities. Joint ventures are accounted for in the consolidated financial statements using the equity method of accounting less impairment losses, if any.

Investments in joint ventures are initially recognised at cost. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued or liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Goodwill on joint ventures represents the excess of the cost of acquisition of the joint ventures over the Group's share of the fair value of the identifiable net assets of the joint ventures and is included in the carrying amount of the investments.

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise Group's share of its joint ventures' post-acquisition profits or losses of the investee in profit or loss and its share of movements in other comprehensive income of the investee's other comprehensive income. Dividends received or receivable from the joint ventures is recognised as a reduction of the carrying amount of the investments. When the Group's share of losses in a joint venture equals to or exceeds its interest in the joint venture, the Group does not recognise further losses, unless it has legal or constructive obligations to make, or has made, payments on behalf of the joint venture. If the joint venture subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised. Interest in a joint venture includes any long-term loans for which settlement is never planned nor likely to occur in the foreseeable future. Unrealised gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in the joint ventures.

Unrealised losses are also eliminated unless the transactions provide evidence of impairment of the assets transferred. The accounting policies of joint ventures are changed where necessary to ensure consistency with the accounting policies adopted by the Group.

Investments in joint ventures are derecognised when the Group loses joint control. If the retained equity interest in the former joint venture is a financial asset, the retained equity interest is measured at fair value. The difference between the carrying amount of the retained interest at the date when joint control is lost, and its fair value and any proceeds on partial disposal, is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (cont'd)

FINANCIAL INSTRUMENTS - Financial assets and financial liabilities are recognised on the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Financial assets

Financial assets are recognised on the statements of financial position when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial assets at initial recognition.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost:

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are measured subsequently at fair value through other comprehensive income ("FVTOCI"):

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are subsequently measured at fair value through profit or loss ("FVTPL").

Despite the foregoing, the Group may make the following irrevocable election/designation at initial recognition of a financial asset:

- the Group may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if certain criteria are met; and
- the Group may irrevocably designate a debt investment that meets the amortised cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (cont'd)

Amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial instruments other than purchased or originated credit-impaired financial assets, the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. On the other hand, the gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost. For financial instruments other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired. For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset.

For purchased or originated credit-impaired financial assets, the Group recognises interest income by applying the credit-adjusted effective interest rate to the amortised cost of the financial asset from initial recognition. The calculation does not revert to the gross basis even if the credit risk of the financial asset subsequently improves so that the financial asset is no longer credit-impaired.

Interest income is recognised in profit or loss under "other income, net" line item.

Equity instruments designated as at FVTOCI

On initial recognition, the Group may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as at FVTOCI. Designation at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognised by an acquirer in a business combination to which SFRS(I) 3 applies.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has evidence of a recent actual pattern of short-term profit-taking; or
- it is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the investments revaluation reserve. The cumulative gain or loss will not be reclassified to profit or loss on disposal of the equity investments, instead, they will be transferred to retained earnings.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (cont'd)

Equity instruments designated as at FVTOCI (cont'd)

Dividends on these investments in equity instruments are recognised in profit or loss when the Group's right to receive the dividends is established, unless the dividends clearly represent a recovery of part of the cost of the investment. Dividends are included in profit or loss.

Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI are measured at FVTPL. Specifically:

- Investments in equity instruments are classified as at FVTPL, unless the Group designates an equity investment that is neither held for trading nor a contingent consideration arising from a business combination as at FVTOCI on initial recognition.
- Debt instruments that do not meet the amortised cost criteria or the FVTOCI criteria are classified as at FVTPL. In addition, debt instruments that meet either the amortised cost criteria or the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Group has not designated any debt instruments as at FVTPL.

Financial assets at FVTPL are measured at fair value as at each reporting date, with any fair value gains or losses recognised in profit or loss to the extent they are not part of a designated hedging relationship. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset and is included in the line items. Fair value is determined in the manner described in Note 4 to the financial statements.

Foreign exchange gains and losses

The carrying amount of financial assets that are denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. Specifically,

- for financial assets measured at amortised cost that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss in the 'Other income, net' line item; and
- for equity instruments measured at FVTOCI, exchange differences are recognised in other comprehensive income in the investments revaluation reserve.

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses ("ECL") on investments in debt instruments that are measured at amortised cost or at FVTOCI, trade receivables and contract assets. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group recognises lifetime ECL for trade receivables and contract assets. The expected credit losses on these financial assets are estimated using a provision matrix 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 as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (cont'd)

Significant increase in credit risk

In assessing whether the credit risk on a financial instrument 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. Forward-looking information considered includes the future prospects of the industries in which the Group's debtors operate, as well as consideration of various external sources of actual and forecast economic information that relate to the Group's core operations.

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

- An actual or expected significant deterioration in external (if available) or internal credit rating;
- 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;
- Significant increases in credit risk on other financial instruments of the same debtor; and
- 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 on a financial asset has increased significantly since initial recognition when contractual payments are more than 90 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, the Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if i) the financial instrument has a low risk of default; ii) the debtor has a strong capacity to meet its contractual cash flow obligations in the near term; and iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

For financial guarantee contracts, the date that the Group becomes a party to the irrevocable commitment is considered to be the date of initial recognition for the purposes of assessing the financial instrument for impairment. In assessing whether there has been a significant increase in the credit risk since initial recognition of financial guarantee contracts, the Group considers the changes in the risk that the specified debtor will default on the contract.

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.

Definition of default

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet either of the following criteria are generally not recoverable.

- When there is a breach of financial covenants by the debtor; or
- 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 collaterals held by the Group).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (cont'd)

Definition of default (cont'd)

Irrespective of the above analysis, the Group considers that default has occurred when a financial asset is more than 365 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred, such as significant financial difficulty of the debtor or a breach of contract, such as default or past due event.

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, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

Measurement and recognition of expected credit losses

The measurement of expected credit losses 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 at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date; for financial guarantee contracts, the exposure includes the amount drawn down as at the reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the Group's understanding of the specific future financing needs of the debtors, and other relevant forward looking information.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate.

For a financial guarantee contract, as the Group is required to make payments only in the event of a default by the debtor in accordance with the terms of the instrument that is guaranteed, the expected loss allowance is the expected payments to reimburse the holder for a credit loss that it incurs less any amounts that the Group expects to receive from the holder, the debtor or any other party.

Where lifetime ECL is measured on a collective basis to cater for cases where evidence of significant increases in credit risk at the individual instrument level may not yet be available, the financial instruments are grouped based on the following basis:

- Nature of financial instruments (i.e. the Group's trade and other receivables and amounts due from customers are each assessed as a separate group. Loans to related parties are assessed for expected credit losses on an individual basis);
- Past-due status; and
- Nature, size and industry of debtors.

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (cont'd)

Measurement and recognition of expected credit losses (cont'd)

If the Group has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12-month ECL at the current reporting date, except for assets for which the simplified approach was used.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in equity instruments that are measured at FVTOCI, for which the loss allowance is recognised in other comprehensive income and accumulated in the revaluation reserve, and does not reduce the carrying amount of the financial asset in the statement of financial position.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss. In addition, on derecognition of an investment in equity instrument which the Group has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by the Group entity are classified as either financial liabilities or as equity in accordance with substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Group entity are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Compound instruments

The component parts of convertible bonds issued by the Group are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. A conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the company's own equity instruments is an equity instrument.

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instrument. This amount is recorded as a liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (cont'd)

Compound instruments (cont'd)

A conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognised and included in equity, net of income tax effects, and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised, in which case, the balance recognised in equity will be transferred to other equity. Where the conversion option remains unexercised at the maturity date of the convertible loan notes, the balance recognised in equity will be transferred to retained earnings. No gain or loss is recognised in profit or loss upon conversion or expiration of the conversion option.

Transaction costs that relate to the issue of the convertible loan notes are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are recognised directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component and are amortised over the lives of the convertible loan notes using the effective interest method.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, and commitments issued by the Group to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not 1) contingent consideration of an acquirer in a business combination, 2) held-for-trading, or 3) designated as at FVTPL, are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by a Group entity are initially measured at their fair values and, if not designated as at FVTPL and do not arise from a transfer of a financial asset, are subsequently measured at the higher of:

- the amount of the loss allowance determined in accordance with SFRS(I) 9; and
- the amount initially recognised less, where appropriate, cumulative amount of income recognised in accordance with the revenue recognition policies.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (cont'd)

Derecognition of financial liabilities (cont'd)

When the Group exchanges with the existing lender one debt instrument into another one with the substantially different terms, such exchange is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, the Group accounts for substantial modification of terms of an existing liability or part of it as an extinguishment of the original financial liability and the recognition of a new liability. It is assumed that the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective rate is at least 10% different from the discounted present value of the remaining cash flows of the original financial liability. If the modification is not substantial, the difference between: (1) the carrying amount of the liability before the modification; and (2) the present value of the cash flows after modification is recognised in profit or loss as the modification gain or loss within other gains and losses.

Offsetting arrangements

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when the Company and the Group has a legally enforceable right to set off the recognised amounts; and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. A right to set-off must be available today rather than being contingent on a future event and must be exercisable by any of the counterparties, both in the normal course of business and in the event of default, insolvency or bankruptcy.

LEASES

The Group as lessee

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (such as tablets and personal computers, small items of office furniture and telephones). For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

The incremental borrowing rate depends on the term, currency and start date of the lease and is determined based on a series of inputs including: the risk-free rate based on government bond rates; a country-specific risk adjustment; a credit risk adjustment based on bond yields; and an entity-specific adjustment when the risk profile of the entity that enters into the lease is different to that of the Group and the lease does not benefit from a guarantee from the Group.

Lease payments included in the measurement of the lease liability comprise:

- fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the statement of financial position.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (cont'd)

The Group as lessee (cont'd)

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- the lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate;
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used); or
- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured 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 right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under SFRS(I) 1-37. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the right-of-use asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the consolidated statement of financial position.

The Group applies SFRS(I) 1-36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Property, Plant and Equipment' policy.

The Group as lessor

The Group enters into lease agreements as a lessor with respect to its vessels.

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 of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Group is an intermediate lessor, it accounts for the head lease and the sublease as two separate contracts. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease on the same basis as charter hire income. The accounting policy for charter hire income is set out in Note 2 "Revenue Recognition". Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (cont'd)

The Group as lessor (cont'd)

When a contract includes both lease and non-lease components, the Group applies SFRS(I) 15 to allocate the consideration under the contract to each component.

INVENTORIES - Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the weighted average method. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

CASH AND CASH EQUIVALENTS - In the statement of financial position, cash and bank balances comprise cash and cash equivalents. Cash equivalents are short-term (generally with original maturity of three months or less), highly liquid investments that are readily convertible to a known amount of cash and which are subject to an insignificant risk of changes in value. Cash equivalents are held for the purpose of meeting short-term cash commitments rather for investment or other purpose.

For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts which are repayable on demand and form an integral part of the Group's cash management. Such overdrafts are presented as short-term borrowings in the statement of financial position.

PROPERTY, PLANT AND EQUIPMENT - Property, plant and equipment are carried at cost less accumulated depreciation and any accumulated impairment losses.

Vessels in the course of construction for production or supply purposes, or for purposes not yet determined, are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Depreciation of these assets, on the same basis as other vessels, commences when the assets are ready for their intended use.

Depreciation is charged so as to write off the cost less residual values over their estimated useful lives, using the straight-line method, on the following bases:

Computers	-	3 years
Office furniture and equipment	-	2 to 5 years
Renovation	-	3 years
Motor vehicles	-	3 to 7 years
Vessels	-	12 to 25 years
Dry-docking	-	5 years
Plant and machineries	-	3 to 5 years
Leasehold building	-	over the estimated term of the lease which ranges from 5 to 30 years

The estimated useful lives, residual values and depreciation method are reviewed at each period end, with the effect of any changes in estimate accounted for on a prospective basis.

Upon acquisition of a vessel, the components of the vessel which are required to be replaced at the next drydocking are identified. The cost of these components is depreciated over the period to the next estimated drydocking costs. Costs incurred on subsequent drydocking of vessels are capitalised and depreciated over the period to the next drydocking date. When significant drydocking costs recur prior to the expiry of the depreciation period, the remaining costs of the previous drydocking are written off in the month of the subsequent drydocking.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, if there is no certainty that the lessee will obtain ownership by the end of the lease term, the asset shall be fully depreciated over the shorter of the lease term and its useful life.

The gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (cont'd)

IMPAIRMENT OF TANGIBLE AND INTANGIBLE ASSETS EXCLUDING GOODWILL - At the end of each reporting period, the Group reviews the carrying amounts of its non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior periods. A reversal of an impairment loss is recognised immediately in profit or loss.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

NON-CURRENT ASSETS (OR DISPOSAL GROUPS) HELD FOR SALE - Non-current assets (or disposal groups) are classified as "assets held for sale" if their carrying amount is recovered principally through a sale transaction rather than through continuing use. They are measured at the lower of carrying amount and fair value less costs to sell except for assets such as deferred tax assets, financial assets and investment property that are carried at fair value and groups of contracts within the scope of SFRS(I) 17 *Insurance Contracts*. The assets are not depreciated or amortised while they are classified as held for sale. Equity accounting ceases when the investment in equity-accounted investees is classified as held for sale. Any impairment loss on initial classification and subsequent measurement is recognised as an expense. Any subsequent increase in fair value less costs to sell (not exceeding the accumulated impairment loss previously recognised) is recognised in profit or loss.

PROVISIONS - Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event and it is probable that the Group will be required to settle that obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (cont'd)

PERPETUAL CAPITAL SECURITIES - Perpetual securities do not have a maturity date and the Group is able to elect to defer making a distribution, subject to the terms and conditions of the securities issue. Accordingly, the Group is not considered to have a contractual obligation to make principal repayments or distributions in respect of its perpetual securities issued and the perpetual securities are presented within equity. Distributions are treated as dividends which will be directly debited from equity. Incremental costs directly attributable to the issue of the perpetual securities are deducted against the proceeds from the issue.

REVENUE RECOGNITION - Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognises revenue when it transfers control over a product or service to a customer.

Vessel chartering and management income

Revenue from vessel chartering comprises time charter, bareboat charter and other ancillary services. Time charter contracts are segregated into a lease component (lease of vessels) and a non-lease component (provision of other ancillary services).

The Group accounts for the lease of vessels for time charter under SFRS(I) 16 as lease revenue and revenue is recognised on a straight-line basis over the lease term.

Time charter and bareboat charter revenue is recognised on a straight-line basis at the agreed charter rate over the period of the leases. Other ancillary services income is accounted for in accordance with SFRS(I) 15 as service income and revenue is recognised at a point in time.

Shipyard and newbuild management services income

Construction income - the Group constructs and sells vessels under long-term contracts with customer. Such contracts are entered into before construction of the vessels begins. Under the terms of the contracts, the Group is contractually restricted from redirecting the vessels to another customer and has an enforceable right to payment for work done.

Revenue is recognised based on the percentage of completion method using both input and output methods over the period of the contract. For projects that are built in-house, the Group has elected the use of input method measuring the stage of completion by reference to the proportion of contract costs incurred for work performed to date relative to the estimated total contract costs. For projects that are subcontracted to third party, the Group has elected the use of output method which is based on direct measurements of the project progress through external reports.

The Group has elected the combination of both input and output methods for measurement of the progress in different circumstances and performance obligations that best represent the progress towards completion under SFRS(I) 15.

Brokerage income - the Group acts as the broker for the customer by sourcing for a vessel that meet the specification requirements of the customer. The performance obligation of brokerage income includes facilitating brokerage arrangement between the customer and the vessel owner. Brokerage income is recognised as a performance obligation satisfied over time based on the time lapse and the service provided stated in the contract at an agreed percentage of lump sum charter hire fee of the vessel.

Vessel management services income - the performance obligation of vessel management income includes technical management service, crew management service and commercial management service which are all highly interrelated. Vessel management income is recognised as a performance obligation satisfied over time in the period in which the services are rendered at an agreed fixed price.

Commission income - commission income from acting as an agent on purchase of vessels on behalf of a related company is recognised in profit or loss when the transaction is completed and the Group's rights to receive the commission income have been established.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (cont'd)

Interest income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

BORROWING COSTS - Borrowing costs are recognised using the effective interest method except for those directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

RETIREMENT BENEFIT COSTS - Payments to defined contribution retirement benefit plans are charged as an expense when employees have rendered the services entitling them to the contributions. Payments made to state-managed retirement benefit schemes, such as the Singapore Central Provident Fund, are dealt with as payments to defined contribution plans where the Group's obligations under the plans are equivalent to those arising in a defined contribution retirement benefit plan.

The Group has long-term retrenchment benefit obligations for certain overseas subsidiary corporations where contributions are made on a mandatory, contracted or voluntary basis. The contributions are recognised as employee benefit expense in the year to which they relate.

EMPLOYEE LEAVE ENTITLEMENT - Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the end of the reporting period.

INCOME TAX - Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the consolidated statement of profit or loss and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or tax deductible. The Group's liability for current tax is calculated using tax rates (and tax laws) that have been enacted or substantively enacted in countries where the Company and subsidiary corporations operate by the end of the reporting period.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary differences arise from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiary corporations, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

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 profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (cont'd)

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and 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 tax are recognised as an expense or income in profit or loss, except when they relate to items credited or debited outside profit or loss (either in other comprehensive income or directly in equity), in which case the tax is also recognised outside profit or loss (either in other comprehensive income or directly in equity, respectively), or where they arise from the initial accounting for a business combination. In the case of a business combination, the tax effect is taken into account in calculating goodwill or determining the excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over cost.

FOREIGN CURRENCY TRANSACTIONS AND TRANSLATION - The individual financial statements of each Group entity are measured and presented in the currency of the primary economic environment in which the entity operates (its functional currency). The consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company are presented in United States Dollar, which is the functional currency of the Company, and the presentation currency for the consolidated financial statements.

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency are recorded at the rate of exchange prevailing on the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the end of the reporting period. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on retranslation of monetary items are included in profit or loss for the period. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains or losses are recognised in other comprehensive income. For such non-monetary items, any exchange component of that gain or loss is also recognised in other comprehensive income.

Exchange differences on transactions entered into in order to hedge certain foreign currency risks are described in the hedge accounting policies above.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations (including comparatives) are expressed in United States dollar using exchange rates prevailing at the end of the reporting period. Income and expense items (including comparatives) are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in a separate component of equity under the header of foreign currency translation reserve.

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary corporation that includes a foreign operation, loss of joint control over a jointly controlled entity that includes a foreign operation, or loss of significant influence over an associate that includes a foreign operation), all of the accumulated exchange differences in respect of that operation attributable to the Group are reclassified to profit or loss. Any exchange differences that have previously been attributed to non-controlling interests are derecognised, but they are not reclassified to profit or loss.

In the case of a partial disposal (i.e. no loss of control) of a subsidiary corporation that includes a foreign operation, the proportionate share of accumulated exchange differences is re-attributed to non-controlling interests and is not recognised in profit or loss. For all other partial disposals (i.e. of associates or jointly controlled entities that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (cont'd)

On consolidation, exchange differences arising from the translation of the net investment in foreign entities (including monetary items that, in substance, form part of the net investment in foreign entities), and of borrowings and other currency instruments designated as hedges of such investments, are recognised in other comprehensive income and accumulated in a separate component of equity under the header of foreign currency translation reserve.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

SEGMENT REPORTING - For management purposes, the Group is organised into operating segments based on their services which are managed by respective segment managers responsible for the performance of the respective segment under their charge. The segment or department managers report directly to the chief operating decision maker of the Group who regularly review the segment results in order to allocate resources to the segments and to assess the segment performance.

3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in Note 2 to the financial statements, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

(i) *Critical judgements in applying the Group's accounting policies*

The following are the critical judgements, apart from those involving estimations reported in Note 3(ii) to the financial statements, that management has made in the process of applying the Group's accounting policies that have the most significant effects on the amounts reported in the financial statements.

Financial statements have been prepared on a going concern basis

As at 31 December 2025, the Group's current liabilities exceeded its current assets by US\$2,104,000 (2024: US\$18,866,000). Total borrowings of the Group amounted to US\$93,875,000 (2024: US\$116,661,000), of which US\$10,212,000 (2024: US\$28,426,000) was classified as current liabilities as at 31 December 2025.

In addition, as disclosed in Note 21 to the financial statements, the Group breached certain financial covenants attached to its term loans imposed by the financial institutions.

The above constitutes events or conditions which indicate the existence of material uncertainties which may cast significant doubt as to whether the Group will be able to continue as a going concern for the next 12 months.

Management has a reasonable expectation that the Group will be able to meet its obligations in the foreseeable future due to the following:

- as at 31 December 2025, waivers for breaches of financial covenants had been obtained from the relevant financial institutions;

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (cont'd)

(i) *Critical judgements in applying the Group's accounting policies (cont'd)*

Financial statements have been prepared on a going concern basis (cont'd)

- the Group has obtained from its ultimate holding company an undertaking to provide continuing financial and other support as necessary to the Group so as to enable it to continue its operations for the next 17 months from the date of these financial statements and to continue to trade and meet its financial obligations and commitments. As part of the financial support, the ultimate holding company and the subsidiary of the ultimate holding company who is controlled by the ultimate holding company will not demand the repayment of the shareholder's advances and is agreeable to classify these shareholder's advances amounting to US\$121,911,000 as at 31 December 2025 as equity; and
- as at the date of these financial statements, the Group has not been served with any notice of events of default for any of its loans.

Accordingly, the consolidated financial statements of the Group for the financial year ended 31 December 2025 have been prepared on a going concern basis.

(ii) *Key sources of estimation uncertainty*

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Vessel useful life and impairment

The costs of vessels and vessel improvements of the Group are depreciated on a straight-line basis over the useful life of the vessels. Management estimates the useful lives of these vessels and vessel improvements to be within 12 to 25 years and 5 years respectively. Changes in the expected level of usage could impact the economic useful lives and the residual values of these assets, therefore, future depreciation charges could be revised. Management reviews the estimated useful lives and residual values of these assets at the end of each reporting period and determined that these estimates remain reasonable.

The Group had considered the existence of impairment indicators by reviewing the profitability of each vessel, and thereon assessed the recoverable amounts of vessels with impairment indicators as at the end of the financial year. The recoverable amounts were determined based on a desktop valuation performed by an independent vessel broker which involved estimating the fair values of the vessels. The valuation process involved estimations in the underlying assumptions to be applied. Amongst other matters, inputs and assumptions used in the valuations include, but are not limited to, the vessels being available for prompt charter-free delivery for cash payment on mutually agreed commercial terms between a willing seller and a willing buyer, the Class of the vessel being fully maintained, free of recommendations, in a seaworthy condition, fully equipped, and in a good operational and functional condition. If the vessel is considered to be impaired, impairment loss is recognised to an amount equal to the excess of the carrying value of the asset over its recoverable amount.

The carrying amounts and details of the Group's vessels, drydocking and impairment at the end of the reporting period are disclosed in Note 15 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (cont'd)

(ii) *Key sources of estimation uncertainty (cont'd)*

Estimation of loss allowances

When measuring ECL, the Group and the Company use reasonable and supportable forward-looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other. Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements. Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.

The carrying amounts of the Group's and the Company's trade and other receivables and contract assets are disclosed in Notes 7, 8 and 10 to the financial statements.

Measurements in financial assets at fair value through other comprehensive income ("FVTOCI")

Fair value measurement of financial assets at FVTOCI (unquoted equity shares)

Management determined the appropriate valuation techniques and inputs for fair value measurement. The Group engages third party qualified valuers to perform the valuation. Management works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as long-term revenue growth rate, management's experience and knowledge of market conditions of the specific industries. Changes in assumptions relating to these factors could affect the reported fair value of financial assets. See Note 4(b)(vi) to the financial statements for further disclosures.

The carrying amount of the financial assets at FVTOCI is disclosed in Note 11 to the financial statements.

Newbuild contracts

The Group has significant ongoing newbuild contracts. For these contracts, the revenue is recognised based on the percentage of completion method using both input and output methods over the period of the contract. For projects that are built in-house, management had elected the use of input method measuring the stage of completion by reference to the proportion of contract costs incurred for work performed to date relative to the estimated total contract costs. For projects that are subcontracted to third party, management had elected the use of output method which is based on direct measurements of the project progress through external reports.

Significant assumptions and judgements are required in determining the extent of the contract costs incurred, the estimated costs to completion, the progress of the newbuild and the recoverable amount for any variation work. Estimates of costs to completion which have yet to be contracted for are based on past experience, prevailing market conditions, and factors specific to the newbuild contract.

During the course of a project, the contract sum may also be adjusted for variations, omissions and other variable consideration. Variations could relate to unpriced change orders approved by customers for which the subcontracted shipyard will determine and estimate on the transaction price based analogous estimating method.

Management reviews newbuild contracts for foreseeable losses whenever there is indication that the sum of fixed price contract and any variation sums may be lower than the total expected construction cost.

The above judgement and estimates affect the amount of revenue recognised (Note 27), the cost included in cost of sales, the recognised profits included and contract assets/contract liabilities (Note 10). Management's estimates take into account known significant events and information available when the financial statements are prepared. They are subject to periodic reassessment. Current estimates may be subject to material change in future depending on market conditions and the result of actions to be taken in future.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT

(a) Categories of financial instruments

The following table sets out the financial instruments as at the end of the reporting period:

	Group		Company	
	2025	2024	2025	2024
	US\$'000	US\$'000	US\$'000	US\$'000
Financial assets				
Financial assets at amortised cost	141,021	66,101	377,964	486,761
Financial assets at FVTOCI	60,853	88,161	–	–
Financial liabilities				
Financial liabilities at amortised cost	270,931	212,112	196,246	299,730
Lease liabilities	43,991	50,158	–	–

(b) Financial risk management policies and objectives

The Group's activities expose it to a variety of financial risks, including the effects of credit, interest rate, liquidity, and foreign currency exchange rate. Risk management is integral to the whole business of the Group. The Group's overall financial risk management programme seeks to minimise potential adverse effects of the financial performance of the Group. Management reviews the overall financial risk management on specific areas, such as market risk (including foreign exchange risk, interest rate risk and equity price risk), credit risk, liquidity risk, cash flow interest rate risk, use of derivative financial instruments and investing excess cash.

The Group engages in natural hedges to manage its exposure to foreign exchange risks.

The Group does not hold or issue derivative financial instruments for speculative purposes.

There has been no change to the Group's exposure to these financial risks or the manner in which it manages and measures the risk. Market risk exposures are measured using sensitivity analysis indicated below.

(i) Foreign exchange risk management

The Group assesses and monitors its current and projected foreign currency cash flows and insofar as possible, reduces the exposure of the net position in each currency by borrowing in those foreign currencies to manage the volatility of future cash flows caused by fluctuation in foreign currency exchange rates.

The Group's foreign currency exposures arise mainly from the exchange rate movements of the Singapore Dollar against the United States Dollar ("USD").

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (cont'd)

(b) Financial risk management policies and objectives (cont'd)

(i) Foreign exchange risk management (cont'd)

At the end of the reporting period, carrying amounts of significant monetary assets and liabilities denominated in currencies other than the respective Group entities' functional currencies are as follows:

	Assets		Liabilities	
	2025	2024	2025	2024
	US\$'000	US\$'000	US\$'000	US\$'000
Group				
Singapore Dollar ("SGD")	2,074	3,726	7,307	3,598
Euro ("EUR")	4,693	20,842	403	103
Indonesian Rupiah ("IDR")	430	193	10,997	7,511
Company				
SGD	49	225	1,937	315

Foreign currency sensitivity

The following table details the sensitivity if SGD, EUR and IDR change against the USD by 5% (2024: 5%), 12% (2024: 7%) and 3% (2024: 8%) respectively with all other variables including tax rate being held constant, the effects arising from the net financial liability/asset that are exposed to currency risk will be as follows:

	Increase/(Decrease)			
	Group		Company	
	2025	2024	2025	2024
	US\$'000	US\$'000	US\$'000	US\$'000
SGD	(262)	6	(94)	(4)
EUR	515	1,452	—	—
IDR	(317)	(585)	—	—

(ii) Interest rate risk management

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to interest rate risks arises mainly from its borrowings. Borrowings at variable rates expose the Group to interest rate risk.

Information relating to the Group's and the Company's financial instrument balances which are interest bearing at variable rates are disclosed in Note 21 to the financial statements.

Interest rate sensitivity

The sensitivity analysis below has been determined based on the exposure to interest rates for financial instruments at the end of the reporting period and the stipulated change taking place at the beginning of the financial period and held constant throughout the reporting period in the case of instruments that have floating rates. A 50 basis point increase is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the possible change in interest rates.

If interest rates had been 50 basis points higher or lower during the reporting period and all other variables were held constant, the Group's profit before tax would increase or decrease by approximately US\$433,000 (2024: US\$574,000).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (cont'd)

(b) Financial risk management policies and objectives (cont'd)

(iii) Overview of the Group's exposure to credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. As at 31 December 2025, the Group's maximum exposure to credit risk without taking into account any collateral held or other credit enhancements, which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties and financial guarantees provided by the Group arises from:

- * the carrying amount of the respective recognised financial assets as stated in the statement of financial position; and
- * the maximum amount the Group would have to pay if the financial guarantee is called upon, irrespective of the likelihood of the guarantee being exercised as disclosed in Note 4(b)(iv) to the financial statements. The related loss allowance is disclosed in the respective notes to the financial statements.

In order to minimise credit risk, the Group's exposure and the credit ratings of its counterparties are continuously monitored.

The Group's current credit risk grading framework comprises the following categories:

Category	Description	Basis for recognising expected credit losses (ECL)
Performing	The counterparty has a low risk of default and does not have any past-due amounts.	12-month ECL
Doubtful	Amount is > 180 days past due or there has been a significant increase in credit risk since initial recognition.	Lifetime ECL - not credit-impaired
In default	Amount is > 365 days past due or there is evidence indicating the asset is credit-impaired.	Lifetime ECL - credit-impaired
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the company has no realistic prospect of recovery.	Amount is written off

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (cont'd)

(b) Financial risk management policies and objectives (cont'd)

(iii) Overview of the Group's exposure to credit risk (cont'd)

The tables below detail the credit quality of the Group's and Company's financial assets and other items, as well as maximum exposure to credit risk:

	Note	Internal credit rating	12-month or lifetime ECL	Gross carrying amount US\$'000	Loss allowance US\$'000	Net carrying amount US\$'000
Group						
<u>31 December 2025</u>						
Trade receivables	7	(#)	Lifetime ECL	106,937	–	106,937
Trade receivables	7	In default	Lifetime ECL	293	(293)	–
Due from outside parties	8	Performing	12-month ECL	9,803	–	9,803
Deposits	8	Performing	12-month ECL	3,572	–	3,572
Due from related company	8	Doubtful	Lifetime ECL	84,050	(67,392)	16,658
				<u>204,655</u>	<u>(67,685)</u>	<u>136,970</u>

31 December 2024

Trade receivables	7	(#)	Lifetime ECL	36,980	–	36,980
Trade receivables	7	In default	Lifetime ECL	2,026	(2,026)	–
Due from outside parties	8	Performing	12-month ECL	2,712	–	2,712
Deposits	8	Performing	12-month ECL	4,063	–	4,063
Due from related company	8	Doubtful	Lifetime ECL	81,447	(67,392)	14,055
				<u>127,228</u>	<u>(69,418)</u>	<u>57,810</u>

	Note	Internal credit rating	12-month or lifetime ECL	Gross carrying amount US\$'000	Loss allowance US\$'000	Net carrying amount US\$'000
--	------	------------------------------	--------------------------------	---	-------------------------------	---------------------------------------

Company

31 December 2025

Due from subsidiary corporations	8	Performing	12-month ECL	377,133	–	377,133
Due from subsidiary corporations	8	Doubtful	Lifetime ECL	214,131	(214,131)	–
Due from related companies	8	Performing	12-month ECL	713	–	713
Due from outside parties	8	Performing	12-month ECL	28	–	28
				<u>592,005</u>	<u>(214,131)</u>	<u>377,874</u>

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (cont'd)

(b) Financial risk management policies and objectives (cont'd)

(iii) Overview of the Group's exposure to credit risk (cont'd)

	Note	Internal credit rating	12-month or lifetime ECL	Gross carrying amount US\$'000	Loss allowance US\$'000	Net carrying amount US\$'000
Company						
<u>31 December 2024</u>						
Due from subsidiary corporations	8	Performing	12-month ECL	485,197	–	485,197
Due from subsidiary corporations	8	Doubtful	Lifetime ECL	214,131	(214,131)	–
Due from related companies	8	Performing	12-month ECL	1,122	–	1,122
Due from outside parties	8	Performing	12-month ECL	75	–	75
				<u>700,525</u>	<u>(214,131)</u>	<u>486,394</u>

(#) For trade receivables, the Group and the Company have applied the simplified approach in SFRS(I) 9 to measure the loss allowance at lifetime ECL. The Group and the Company determine the expected credit losses on these items based on historical credit loss experience based on the past due status of the debtors, adjusted as appropriate to reflect current conditions and estimates of future economic conditions. Accordingly, the credit risk profile of these assets is presented based on their past due status in terms of the provision matrix. Note 8 to the financial statements includes further details on the loss allowance for trade receivables.

(iv) Credit risk management

The Group has adopted procedures in extending credit terms to customers and in monitoring its credit risk. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

At the end of the reporting period, approximately 64% (2024: 24%) of the Group's trade and other receivables are due from related companies.

At the end of the reporting period, approximately 99% (2024: 99%) of the Company's trade and other receivables are due from subsidiary corporations and related companies.

Further details of credit risks on trade and other receivables and contract assets are disclosed in Notes 7, 8 and 10 respectively.

The credit risk on cash and cash equivalents is limited because the counterparties are reputable banks.

In addition, the Group is exposed to credit risk in relation to financial guarantees given to banks. The maximum amount the Group could be forced to settle under financial guarantee contracts, if the full guaranteed amount is claimed by the respective counterparties to the guarantees, is US\$89,565,000 (2024: US\$114,731,000) for guarantees provided to subsidiary corporations and US\$7,948,000 (2024: US\$8,711,000) for guarantees provided to a related company (Note 35). Based on expectations at the end of the reporting period, the Group considers that it is remote that any amount will be payable under the arrangement. However, this estimate is subject to change depending on the probability of the counterparty claiming under the guarantee which is a function of the likelihood that the financial receivables held by the counterparty suffer credit losses.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (cont'd)

(b) Financial risk management policies and objectives (cont'd)

(v) Liquidity risk management

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and financial liabilities.

As disclosed in Note 3(i) to the financial statements, management has exercised significant judgement in assessing the Group's ability to operate as a going concern.

The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities.

The Group and the Company monitor and maintain a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and mitigate the effects of fluctuation of cash flows.

Liquidity and interest risk analyses

Non-derivative financial liabilities

The following tables detail the remaining contractual maturity for non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group and the Company can be required to pay. The table includes both interest and principal cash flows. The adjustment column represents the possible future cash flows attributable to the instrument included in the maturity analysis which is not included in the carrying amount of the financial liabilities on the statement of financial position.

	Weighted average effective interest rate	On demand or within 1 year	Within 2 to 5 years	After 5 years	Adjustment	Total
	%	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Group						
<u>31 December 2025</u>						
Non-interest bearing	–	177,438	–	–	–	177,438
Lease liabilities (fixed rate)	7.25	15,648	33,306	239	(5,202)	43,991
Variable interest rate instruments	5.12	9,597	94,487	–	(17,582)	86,502
Fixed interest rate instruments	4.82	1,159	5,766	2,767	(2,318)	7,374
		203,842	133,559	3,006	(25,102)	315,305

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (cont'd)

(b) Financial risk management policies and objectives (cont'd)

(v) Liquidity risk management (cont'd)

Liquidity and interest risk analyses (cont'd)

Non-derivative financial liabilities (cont'd)

	Weighted average effective interest rate	On demand or within 1 year	Within 2 to 5 years	After 5 years	Adjustment	Total
	%	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Group						
<u>31 December 2024</u>						
Non-interest bearing	–	95,451	–	–	–	95,451
Lease liabilities (fixed rate)	7.84	19,078	35,668	5,752	(10,340)	50,158
Variable interest rate instruments	5.47	28,802	114,100	–	(28,171)	114,731
Fixed interest rate instruments	6.25	1,866	191	–	(127)	1,930
		145,197	149,959	5,752	(38,638)	262,270

	Weighted average effective interest rate	On demand or within 1 year	Within 2 to 5 years	After 5 years	Adjustment	Total
	%	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Company						
<u>31 December 2025</u>						
Non-interest bearing	–	193,565	–	–	–	193,565
Fixed interest rate instruments	5.47	468	2,468	802	(675)	3,063
		194,033	2,468	802	(675)	196,628

31 December 2024

Non-interest bearing	–	299,730	–	–	–	299,730
----------------------	---	---------	---	---	---	---------

(vi) Fair values of financial assets and financial liabilities

The Group classifies fair value measurement using a fair value hierarchy that reflects the significance of the inputs used in making the measurement. The fair value hierarchy has the following levels:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3 - Inputs for the asset and liability that are not based on observable market data (unobservable inputs)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (cont'd)

(b) *Financial risk management policies and objectives (cont'd)*

(vi) *Fair values of financial assets and financial liabilities (cont'd)*

Assets and liabilities measured at fair value

The following table gives information about how the fair value of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) and inputs used).

Fair value as at				Valuation technique(s) and key input(s)	Significant unobservable inputs	Relationship of unobservable inputs to fair value
Financial assets	2025	2024	Fair value hierarchy			
Group						
- Unquoted equity shares	60,853	60,853	Level 3	Income approach. In this approach, the discounted cash flow method was used to capture the present value of the expected future economic benefits to be derived from the ownership of the investee.	(a) Long-term revenue growth rates, taking into account management's experience and knowledge of market conditions of the specific industries, ranging from 2.1 % to 2.3% (2024: 1.9% to 2.1 %) per annum.	(a) The higher the revenue growth rate, the higher the fair value. If the revenue growth was 0.10% higher/lower while all other variables were held constant, the carrying amount would increase/ decrease by US\$3,219,000/US\$3,150,000 (2024: US\$1,820,000/US\$1,785,000).
					(b) Long-term pre-tax operating margin taking into account management's experience and knowledge of market conditions of the specific industries, 26.5% (2024: 29.2%).	(b) The higher the pre-tax operating margin, the higher the fair value. If the pre-tax operating margin was 1% higher/lower while all other variables were held constant, the carrying amount would increase/decrease by US\$7,917,000 (2024: US\$5,965,000).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (cont'd)

(b) Financial risk management policies and objectives (cont'd)

(vi) Fair values of financial assets and financial liabilities (cont'd)

Financial assets	Fair value as at		Valuation		Significant unobservable inputs	Relationship of unobservable inputs to fair value
	2025	2024	Fair value hierarchy	technique(s) and key input(s)		
Group						
- Unquoted equity shares (cont'd)					(c) Weighted average cost of capital (WACC), determined using a Capital Asset Pricing Model, ranging from 11.3% to 11.5% (2024: 12.2% to 12.5%) per annum.	(c) The higher the WACC, the lower the fair value. If the WACC was 0.10% higher/lower while all other variables were held constant, the carrying amount would decrease/ increase by US\$3,258,000/US\$3,330,000 (2024: US\$2,596,000/US\$2,637,000).
- Unquoted preference shares	-	27,308	Level 3	Adjusted net asset method ⁽ⁱ⁾	(d) Discount for lack of control, determined by reference to control premium studies, 26% (2024: 26%).	(d) The higher the discount, the lower the fair value. If the discount was 5% higher/lower while all other variables were held constant, the carrying amount would decrease/ increase by US\$4,139,000 (2024: US\$4,148,000).
				Fair value of vessel held by the issuer ⁽ⁱⁱ⁾		Lower market value of the vessel results in lower fair value.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (cont'd)

(b) *Financial risk management policies and objectives (cont'd)*

(vi) *Fair values of financial assets and financial liabilities (cont'd)*

- (i) The unquoted preference shares do not have a quoted market price in an active market and management is of the view that the net assets of the issuer is a reasonable approximation of the fair value of the unquoted preference shares due to the nature of the assets and liabilities of the issuer.
- (ii) The fair value of the vessel is determined by reference to transacted prices for similar vessels, adjusted for comparability. The adjustments take into account management's experience and knowledge of the market for such vessels. As the adjustments constitute significant unobservable input, accordingly the entire measurement of the vessel is categorised as an unobservable Level 3 input.

There was no transfer between the different levels of the fair value hierarchy during the financial years ended 31 December 2025 and 2024.

Fair value of the Group and Company's financial assets and financial liabilities that are not measured at fair value on a recurring basis (but fair value disclosures are required)

The carrying amounts of cash and bank balances, trade and other receivables, and trade and other payables approximate their respective fair values due to the relatively short-term maturity of these financial instruments. The fair values of other classes of financial assets and financial liabilities are disclosed in the respective notes to financial statements.

As at 31 December 2025 and 2024, other than certain financial assets at FVTOCI, as disclosed in Note 11 to the financial statements, the Group has no financial assets and financial liabilities that are measured at fair value on a recurring basis.

(c) *Capital management policies and objectives*

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The capital structure of the Group consists of equity attributable to owners of the Company, comprising issued share capital, shareholder's advances, reserves and term loans.

The Group manages its capital structure and makes adjustments to it 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. No changes were made in the objectives, policies or processes during the financial year ended 31 December 2025. The Group's overall strategy remains unchanged from the prior period.

The Group monitors the financial ratios of its debt covenants stated in the agreements with the financial institutions providing the facilities to the Group. The Group is in compliance with externally imposed capital and debt covenants requirements except as disclosed in Note 21 to the financial statements.

As at the end of the financial year and the date of these financial statements, the lenders have not sought to enforce their security and legal rights to call on the outstanding debts.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

5 RELATED PARTY TRANSACTIONS

Rawabi Holding Company ("RHC"), incorporated in the Kingdom of Saudi Arabia, is the ultimate holding company by virtue of its shareholdings in the Company. Related companies in these financial statements refer to members of the ultimate holding company's group of companies.

Some of the Company's transactions and arrangements are between members of the Group and the effect of these on the basis determined between the parties is reflected in these financial statements. The intercompany balances are unsecured, interest-free and repayable on demand unless otherwise stated.

Some of the Group's transactions and arrangements are with the ultimate holding company and related companies and the effect of these on the basis determined between the parties is reflected in these financial statements. Outstanding balances as at 31 December 2025 and 2024 are disclosed on Notes 7, 8, 19 and 20 to the financial statements respectively. The balances are unsecured, interest-free and repayable on demand unless otherwise stated.

In addition to the information disclosed elsewhere in the financial statements, the following transactions took place between the Group and related companies that are not members of the Group:

	Group	
	2025	2024
	US\$'000	US\$'000
<u>Ultimate holding company</u>		
Payment made on behalf of	21	7
Receipt of other goods and services	(74)	(703)

	Group	
	2025	2024
	US\$'000	US\$'000
<u>Related companies</u>		
Shipyard and newbuild management services revenue	135,795	318,838
Payment made on behalf of	2,101	812
Provision of other goods and services	896	654
Shareholder's advances	–	(66,813)
Charter hire expense	(14,826)	(1,598)
Loan interest	(8,315)	(5,549)
Receipt of other goods and services	(567)	(418)
Payment made on behalf by	(974)	(8,231)

Compensation of directors and key management personnel

The remuneration of directors and other members of key management during the year was as follows:

	Group	
	2025	2024
	US\$'000	US\$'000
Wages and salaries	2,168	1,842
Post-employment benefits	109	120
	<u>2,277</u>	<u>1,962</u>

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

6 CASH AND CASH EQUIVALENTS

	Group		Company	
	2025	2024	2025	2024
	US\$'000	US\$'000	US\$'000	US\$'000
Cash at bank	7,615	11,980	30	210
Cash on hand	8	8	–	–
Cash and cash equivalents	7,623	11,988	30	210

Deconsolidation of subsidiary corporations

On 31 December 2024, the Group deconsolidated its subsidiary corporations which were incorporated in Mexico: Vallianz Marine Mexico, S.A. De C.V. and Vallianz Offshore Capital Mexico, A. De C.V. SOFOM, E.N.R., in which the Group held equity interests of 49% and 100% respectively, due to loss of control in these subsidiary corporations. The impact of this deconsolidation on the Group's cash flows was as follows:

	Group
	2024
	US\$'000
Carrying amounts of assets and liabilities of the subsidiary corporations as at the date of deconsolidation:	
Cash and bank balances	7
Other receivables	112
Total assets	119
Trade and other payables	1,827
Total liabilities	1,827
Net liabilities derecognised	(1,708)
Non-controlling interests	3,516
Net liabilities deconsolidated	1,808
Cash outflow arising from deconsolidation:	
Net liabilities deconsolidated (as above)	1,808
Loss on deconsolidation	(1,808)
Less: Cash and bank balances in deconsolidated subsidiary corporations	(7)
Net cash outflow on deconsolidation of subsidiary corporations	(7)

7 TRADE RECEIVABLES

	Group		Company	
	2025	2024	2025	2024
	US\$'000	US\$'000	US\$'000	US\$'000
Outside parties	21,378	12,152	–	–
Related companies	85,852	26,854	–	–
	107,230	39,006	–	–
Loss allowance	(293)	(2,026)	–	–
Total	106,937	36,980	–	–

The credit period on services rendered is 30 days (2024: 30 days). No interest is charged on overdue receivables.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

7 TRADE RECEIVABLES (cont'd)

Expected credit losses

Loss allowance for trade receivables has been measured at an amount equal to lifetime expected credit losses (ECL). The ECL on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date. There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

A trade receivable is written off when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings. None of the trade receivables that has been written off is subject to enforcement activities.

The following table details the aging profile of the Group's trade receivables from contracts with customers.

	Trade receivables - aging profile							
	1 - 30	31 - 60	61 - 90	91 - 120	121-150	151-180	181-360	>360
	days	days	days	days	days	days	days	days
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
31 December 2025								
Gross trade receivables	26,896	9,714	1,593	9,762	5,923	3,681	44,470	5,191
Loss allowance	(12)	–	–	–	(72)	(24)	(44)	(141)
Total	26,884	9,714	1,593	9,762	5,851	3,657	44,426	5,050
31 December 2024								
Gross trade receivables	14,371	2,951	9,797	958	4,295	4,227	1,306	1,101
Loss allowance	–	–	(54)	(81)	–	(745)	(972)	(174)
Total	14,371	2,951	9,743	877	4,295	3,482	334	927

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

7 TRADE RECEIVABLES (cont'd)

Expected credit losses (cont'd)

The movements in allowance for expected credit losses of trade receivables computed based on lifetime ECL are as follows:

	Lifetime ECL- not credit impaired	Lifetime ECL- credit impaired	Total
	US\$'000	US\$'000	US\$'000
Group			
Balance as at 31 January 2024	–	2,057	2,057
Net reversal of impairment loss recognised	–	(31)	(31)
Balance as at 31 December 2024	–	2,026	2,026
Net reversal of impairment loss recognised	–	(1,675)	(1,733)
Written off	–	(58)	(58)
Balance as at 31 December 2025	–	293	293

Management is of the opinion that the fair value of the trade receivables approximates the carrying amount.

8 OTHER RECEIVABLES

	Group		Company	
	2025	2024	2025	2024
	US\$'000	US\$'000	US\$'000	US\$'000
<u>Current</u>				
Outside parties	9,803	2,712	28	75
Subsidiary corporations	–	–	591,264	699,328
Related companies	84,050	678	713	1,122
Prepayments	23,637	118,176	60	157
Deposits	3,572	4,063	–	–
	121,062	125,629	592,065	700,682
Loss allowance	(67,392)	–	(214,131)	(214,131)
	53,670	125,629	377,934	486,551
<u>Non-current</u>				
Related company	–	81,447	–	–
Loss allowance	–	(67,392)	–	–
	–	14,055	–	–

The credit period on these receivables is 30 days (2024: 30 days).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

8 OTHER RECEIVABLES (cont'd)

Expected credit losses

Due from related companies and subsidiary corporations

These amounts are unsecured, interest-free and repayable on demand.

For purpose of impairment assessment of performing receivables due from related companies and subsidiary corporations, the loss allowance is measured at an amount equal to lifetime ECL. Accordingly, for the purpose of impairment assessment for these amounts, the loss allowance is measured at an amount equal to lifetime ECL.

In determining the ECL, the Group and the Company have taken into account the financial performance of related companies and subsidiary corporations, adjusted for factors that are specific to the related companies and subsidiary corporations and general economic conditions of the industry in which the related companies and subsidiary corporations operate, in estimating the probability of default of the amounts due from related companies and subsidiary corporations as well as the loss upon default. The Group and the Company determine the amounts due from related companies and subsidiary corporations to be subject to immaterial credit loss.

Due from outside parties and deposits

For purpose of impairment assessment, other receivables from outside parties and deposits are considered to have low credit risk as they are not due for payment at the end of the reporting period and there has been no significant increase in the risk of default on the deposits since initial recognition. Accordingly, for the purpose of impairment assessment for these receivables, the loss allowance is measured at an amount equal to 12-month ECL.

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 the debtors and general economic conditions of the industry in which the debtors operate, in estimating the probability of default of each of these financial assets occurring within their respective loss assessment time horizon, as well as the loss upon default in each case. The Group and the Company determine the amounts due from outside parties and deposits are subject to immaterial credit loss.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

The following table details the aging profile of the Group's other receivables excluding deposits and prepayments.

	Other receivables (excluding deposits and prepayments) – aging profile					Total
	1 - 30 days	31 - 60 days	61 - 90 days	91 - 120 days	> 120 days	
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
2025						
Gross other receivables	12,406	–	–	–	81,447	93,853
Loss allowance	–	–	–	–	(67,392)	(67,392)
Total	12,406	–	–	–	14,055	26,461
2024						
Gross other receivables	3,390	–	–	–	81,447	84,837
Loss allowance	–	–	–	–	(67,392)	(67,392)
Total	3,390	–	–	–	14,055	17,445

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

8 OTHER RECEIVABLES (cont'd)

The table below shows the movement in lifetime ECL that has been recognised for other receivables in accordance with SFRS(I) 9:

	Lifetime ECL- not credit impaired
	US\$'000
Group	
Balance as at 31 December 2025 and 2024	(67,392)
Company	
Balance as at 31 December 2025 and 2024	(214,131)

There is no movement in loss allowance for the Group and the Company during the financial years ended 31 December 2025 and 2024.

9 INVENTORIES

	Group	
	2025	2024
	US\$'000	US\$'000
Consumables and spares	1,053	424

10 CONTRACT ASSETS AND CONTRACT LIABILITIES

	Group	
	2025	2024
	US\$'000	US\$'000
Contract assets	83,160	36,822
Contract liabilities	14,385	91,389

Contract assets are balances due from customers under construction contracts that arise when the Group satisfies its obligations in line with a series of performance-related milestones. Any amount previously recognised as a contract asset is reclassified to trade receivables at the point at which it is invoiced to the customer.

There are no retention monies held by customers for contract work as at 31 December 2025 and 2024.

The Group measures the loss allowance on contract assets at an amount equal to lifetime ECL, taking into account the historical default experience and the future prospects of the vessel construction industry. None of the contract assets at the end of the reporting period is past due. Management has assessed that the amount of loss allowance is immaterial as at 31 December 2025.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period in assessing the loss allowance for contract assets.

Contract liabilities relating to construction contracts are balances due to customers under construction contracts. These arise when a particular milestone payment exceeds the revenue recognised to date.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

10 CONTRACT ASSETS AND CONTRACT LIABILITIES (cont'd)

The following table shows how much of the revenue recognised in the current reporting period relates to brought-forward contract assets.

	Group	
	2025	2024
	US\$'000	US\$'000
Revenue recognised that was included in contract assets at the beginning of the year	36,822	18,281
Transfers from contract assets recognised at the beginning of the financial year to trade receivables	(36,822)	(18,281)
Increases as a result of changes in the measure of progress	83,160	36,822
	83,160	36,822

The following table shows how much of the revenue recognised in the current reporting period relates to brought-forward contract liabilities.

	Group	
	2025	2024
	US\$'000	US\$'000
Revenue recognised that was included in contract liabilities at the beginning of the year	(91,389)	(202,175)
Increases due to cash received, excluding amounts recognised as revenue during the financial year	91,389	202,175
Increases as a result of changes in the measure of progress	(14,385)	(91,389)
	(14,385)	(91,389)

11 FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	Group	
	2025	2024
	US\$'000	US\$'000
Investment in equity instruments designated at fair value through other comprehensive income ("FVTOCI"):		
<u>Current assets</u>		
Unquoted preference shares held in ROPL	–	27,308
<u>Non-current assets</u>		
Unquoted equity shares held in RVOS	60,853	60,853

These investments in equity instruments are not held for trading. Accordingly, management has elected to designate these investments in equity instruments as at FVTOCI as management believes that recognising short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Group's strategy of holding these investments for long-term purposes and realising their performance potential in the long run.

No investment in unquoted preference shares and unquoted equity shares measured at FVTOCI has been disposed of during the current and previous reporting period.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

11 FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (cont'd)

Unquoted preference shares - ROPL

The investment in unquoted preference shares represent preference shares issued by a related party, Resolute Offshore Pte Ltd ("ROPL") for the conversion of convertible bonds.

In 2011, the Group acquired the assets and liabilities from an unrelated party, CSOTL Offshore Limited ("CSOTL"). In the transaction, the vessel owned by CSOTL ("Vessel") was transferred to ROPL in exchange for US\$155,000,000 of convertible bonds to be held by the Group. The Group had taken a bank loan which was secured against the Vessel held by ROPL ("Term Loan").

ROPL was subsequently disposed by its original shareholders to one of the Company's major shareholders, Swiber Holdings Limited. Pursuant to the change in shareholders, the convertible bonds were converted to preference shares issued by ROPL amounting to US\$155,000,000.

The terms and conditions of the unquoted cumulative preference shares are set out below:

- (i) Non-convertible;
- (ii) Non-voting;
- (iii) Dividend rate of 5.2% per annum payable semi-annually at the discretion of issuer. No dividend will be paid on the ordinary shares if payment is not made on the preference share dividends; and
- (iv) Right to redeem the preference shares lies with the issuer. Redemption amount comprises of the par value.

As at 31 December 2025, ROPL redeemed a total of US\$105,529,000 of preference shares held by the Group, of which US\$23,308,000 (2024: US\$4,421,000) was redeemed during the financial year ended 31 December 2025 through the disposal of the Vessel and applied towards repaying Term Loan II. This resulted in a fair value loss of US\$4,000,000 (2024: US\$Nil) being recognised on the remaining preference shares, as no recoverable value remained following the repayment of the Term Loan. Refer to Note 21 to the financial statements for further details on the arrangement for the Term Loan.

Since the financial period ended 31 March 2017, the Group recognised an impairment loss of US\$45,471,000 on the unquoted preference shares which was recognised in prior years upon the completion of a review of the fair value of the asset, following the entry of the issuer's ultimate holding company into judicial management in July 2016. Subsequently, the ultimate holding company was ordered to be wound up by the Singapore High Court on 11 November 2022, leading to its delisting from Singapore Exchange on 23 June 2023.

Reconciliation of fair value measurement of the unquoted preference shares:

	Group	
	2025	2024
	US\$'000	US\$'000
Cost	155,000	155,000
Redemption	(105,529)	(82,221)
Accumulated impairment losses recognised	(45,471)	(45,471)
Fair value loss	(4,000)	–
Carrying amount	–	27,308

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

11 FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (cont'd)

Unquoted equity shares - RVOS

The investments in unquoted equity shares represent the Group's 19.77% interests in the ordinary share capital of Rawabi Vallianz Offshore Services Company Limited ("RVOS").

The Group engages third-party qualified valuers to perform the valuation of the unquoted equity shares. The valuation methodology for these investments is disclosed in Note 4(b)(vi) to the financial statements.

These investments in equity instruments are not held for trading. Instead, they are held for medium to long-term strategic purposes. Accordingly, management has elected to designate these investments in equity instruments as at FVTOCI as they believe that recognising short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Group's strategy of holding these investments for long-term purposes and realising their performance potential in the long run.

12 ASSET HELD FOR SALE

During the financial year ended 31 December 2025, the Group completed the sale of a vessel that was classified as an asset held for sale as at 31 December 2024. The vessel was remeasured to US\$950,000, being the lower of its carrying amount and fair value less costs to sell. The sale was completed for a net consideration of US\$950,000.

13 JOINT VENTURE

	Group	
	2025	2024
	US\$'000	US\$'000
<i>Equity investment at cost</i>		
Beginning of financial year	234	–
Addition	5	74
Share of profit from joint venture	586	160
End of financial year	825	234

Set out below is the joint venture of the Group as at 31 December 2025:

Name of joint venture	Country of incorporation and operation	Proportion of ownership interest	
		2025	2024
		%	%
Marineast Vallianz Offshore Co., Ltd.	Thailand	49	49
VC Power Pte. Ltd.	Singapore	51	–

Marineast Vallianz Offshore Co., Ltd. ("MVO") provides marine vessel services to support offshore energy projects and gives the Group access to create competitive and compelling offshore marine solutions to capture a larger market share with national and international energy companies in Thailand.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

13 JOINT VENTURE (cont'd)

VC Power Pte. Ltd. ("VCPPL") develops and delivers comprehensive, technology-driven solutions to support the electrification of the maritime industry, utilising proprietary technologies and proven capabilities in marine battery electric systems and smart charging infrastructure.

As at 31 December 2025, VCPPL has not commenced significant operations, and the investment is not material to the Group. Accordingly, summarised financial information of the joint venture has not been presented.

Summarised financial information for joint venture

Set out below is the summarised financial information for Marineast Vallianz Offshore Co., Ltd.

Summarised balance sheet

	Marineast Vallianz Offshore Co., Ltd.	
	31 December	
	2025	2024
	US\$'000	US\$'000
Current assets	3,521	5,017
Includes:		
- Cash and cash equivalents	1,112	1,458
Current liabilities	3,756	4,361
Includes:		
- Financial liabilities (excluding trade and other payables and provisions)	1,273	329
Non-current assets	3,219	3
Non-current liabilities	1,027	5

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

13 JOINT VENTURE (cont'd)

Summarised financial information for joint venture (cont'd)

Summarised statement of comprehensive income

	Marineast Vallianz Offshore Co., Ltd.	
	For the year ended 31 December 2025	From date of acquisition to 31 December 2024
	US\$'000	US\$'000
Revenue	15,217	7,476
Interest income	1	-*
Included in Expenses:		
- Depreciation and amortisation	(3)	-*
- Interest expense	-*	-*
Profit from continuing operations	1,516	401
Income tax expense	(319)	(81)
Post-tax profit from continuing operations and total comprehensive income	1,197	320
Dividend received from joint venture	—	—

* Less than US\$1,000

The information above represents the amounts reported in the financial statements of the joint venture (not the Group's share of those amounts) and has been adjusted for differences in accounting policies between the Group and the joint venture.

Reconciliation of the above summarised financial information to the carrying amount of the Group's interest in joint venture, is as follows:

	Marineast Vallianz Offshore Co., Ltd.	
	31 December	
	2025	2024
	US\$'000	US\$'000
Net assets of the joint venture	1,957	654
Group's equity interest in the joint venture*	49%	49%
Group's share of net assets of the joint venture	958	320
Gain from bargain purchase	(86)	(86)
Foreign exchange differences arising from translation	(47)	—
Carrying amount of the Group's interest in joint venture	825	234

* The Group holds 24,205 ordinary shares and 1,030 preference shares in MVO, being 48% and 1% of the total shares in MVO respectively. Each preference share in MVO is entitled to twice the value of an ordinary share in MVO.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

14 SUBSIDIARY CORPORATIONS

	Company	
	2025	2024
	US\$'000	US\$'000
<i>Unquoted equity shares, at cost</i>		
Beginning of financial year	29,912	29,866
Addition	–	50
Write-off	–	(4)
End of financial year	29,912	29,912
<i>Accumulated impairment losses</i>		
Beginning and end of financial year	(29,412)	(29,412)
Carrying amount	500	500

During the financial year ended 31 December 2024, the Company incorporated a wholly-owned subsidiary, Vallianz Energy Shipbuilding Pte. Ltd., with an issued share capital of US\$50,000.

Details of the key subsidiary corporations are as follows:

Name of subsidiary corporation	Country of incorporation and operation	Proportion of ownership interest and voting power held		Principal activities
		2025	2024	
		%	%	
Resolute Pte. Ltd. ⁽¹⁾	Singapore	51	51	Investment holding.
Vallianz International Pte. Ltd. ⁽¹⁾	Singapore	100	100	Investment holding.
Vallianz Corporate Services Pte. Ltd. ⁽¹⁾	Singapore	100	100	Provision of corporate services.
Vallianz Investment Capital Pte. Ltd. ⁽¹⁾	Singapore	100	100	Investment holding.
Vallianz Prestige Pte. Ltd. ⁽¹⁾	Singapore	100	100	Vessel ownership and chartering.
Vallianz Energy Shipbuilding Pte. Ltd. ⁽³⁾	Singapore	100	100	Provision of services to build and repair ships and other ocean-going vessels.
<u>Held by Vallianz International Pte. Ltd.</u>				
Samson Marine Pte. Ltd. ⁽¹⁾	Singapore	100	100	Vessel ownership and chartering.
Vallianz Marine Pte. Ltd. ⁽¹⁾	Singapore	100	100	Vessel ownership and chartering.
Vallianz Offshore Marine Pte. Ltd. ⁽¹⁾	Singapore	100	100	Vessel management and chartering.
Vallianz Shipbuilding & Engineering Pte. Ltd. ⁽¹⁾	Singapore	100	100	Provision of shipyard and engineering services.
Hamilton Offshore Services Pte. Ltd. ⁽¹⁾	Singapore	100	100	Provision of shipyard and engineering services.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

14 SUBSIDIARY CORPORATIONS (cont'd)

Details of the key subsidiary corporations are as follows (cont'd):

Name of subsidiary corporation	Country of incorporation and operation	Proportion of ownership interest and voting power held		Principal activities
		2025	2024	
		%	%	
<u>Held by Vallianz International Pte. Ltd. (cont'd)</u>				
Holmen Heavylift Offshore Pte. Ltd. ⁽¹⁾	Singapore	75	75	Investment holding and vessel chartering.
<u>Held by Vallianz Shipbuilding and Engineering Pte. Ltd.</u>				
Jetlee Shipbuilding & Engineering Pte. Ltd. ⁽¹⁾	Singapore	100	100	Provision of shipyard and engineering services.
<u>Held by Jetlee Shipbuilding and Engineering Pte. Ltd.</u>				
PT United Sindo Perkasa ⁽²⁾	Indonesia	95.24	95.24	Provision of shipyard and engineering services.
<u>Held by Vallianz Investment Capital Pte. Ltd.</u>				
Rawabi Vallianz International Company Limited ⁽³⁾⁽⁴⁾	Kingdom of Saudi Arabia	50	50	Provision of offshore marine support services.
<u>Held by Holmen Heavylift Offshore Pte. Ltd.</u>				
Holmen Arctic Pte. Ltd. ⁽¹⁾	Singapore	75	75	Vessel ownership and chartering.
Holmen Atlantic Pte. Ltd. ⁽¹⁾	Singapore	75	75	Vessel ownership and chartering.
Holmen Pacific LLC ⁽³⁾	Marshall Island	75	75	Vessel ownership and chartering.

(1) Audited by CLA Global TS Public Accounting Corporation, Singapore.

(2) Audited by KAP. Hendrawinata Hanny Erwin & Sumargo, Indonesia.

(3) Not required to be audited under the laws of the country of incorporation.

(4) The Group had acquired all of the economic benefits of Rawabi Vallianz International Company Limited ("RVIC") with effect from 1 October 2019. Accordingly, the Group has consolidated the results of RVIC. There is no profit or loss allocated to non-controlling shareholders. The non-controlling interests remain at the same amount as at the date of acquisition.

During the financial year ended 31 December 2025, PTSB Holdings Pte. Ltd., an indirectly wholly-owned subsidiary corporation held through Vallianz International Pte. Ltd. have been struck off from the register of companies pursuant to Section 344A of the Companies Act 1967 of Singapore.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

14 SUBSIDIARY CORPORATIONS (cont'd)

Details of non-wholly owned subsidiary corporations that have non-controlling interests to the Group are as disclosed below.

Name of subsidiary corporations	Place of incorporation and principal place of business	Proportion of ownership interests and voting rights held by non-controlling interests (%)		Total comprehensive income/(loss) allocated to non-controlling interests (US\$'000)		Accumulated non-controlling interests (US\$'000)	
		2025	2024	2025	2024	2025	2024
Resolute Pte. Ltd.	Singapore	49	49	1,231	(17)	2,444	1,213
Holmen Group	Singapore	25	25	(2,628)	(2,554)	(27,506)	(24,878)
Rawabi Vallianz International Company Limited ⁽¹⁾	Kingdom of Saudi Arabia	50	50	—	—	—	—
PT United Sindo Perkasa ⁽²⁾	Indonesia	4.76	4.76	(206)	24	336	542
Vallianz Marine Mexico, S.A De C.V ⁽³⁾	Mexico	—	—	—	(21)	—	—
				(1,603)	(2,568)	(24,726)	(23,123)

(1) The Group had acquired all of the economic benefits of Rawabi Vallianz International Company Limited ("RVIC") with effect from 1 October 2019. Accordingly, the Group has consolidated the results of RVIC and there is no profit or loss allocated to non-controlling shareholders. The non-controlling interests remain at the same amount as at the date of acquisition.

(2) The non-controlling interest of PT United Sindo Perkasa is not material to these financial statements, as such, no further disclosure is made.

(3) Vallianz Marine Mexico, S.A De C.V has been deconsolidated as at 31 December 2024 due to loss of control over this subsidiary corporation.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

14 SUBSIDIARY CORPORATIONS (cont'd)

Summarised financial information in respect of each of the Group's subsidiary corporations that has material non-controlling interests is set out below. The summarised financial information below represents amounts before intragroup eliminations.

	Vallianz Marine Mexico, S.A De C.V		Holmen Group		Resolute Pte. Ltd.	
	2025	2024	2025	2024	2025	2024
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Current assets	–	–	9,334	11,441	25	34,960
Non-current assets	–	–	49,410	52,852	–	–
Current liabilities	–	–	(114,646)	(110,356)	(2,851)	(44,299)
Non-current liabilities	–	–	(52,366)	(52,366)	–	–
Equity attributable to owners of the Group	–	–	(80,762)	(73,551)	2,546	1,264
Non-controlling interests	–	–	(27,506)	(24,878)	2,444	1,213
Revenue	–	–	–	–	–	–
Expenses	–	(42)	(9,811)	(10,299)	(18)	(34)
Other (expenses)/ income	–	–	(28)	–	2,531	–
(Loss)/Profit for the year	–	(42)	(9,839)	(10,299)	2,513	(34)
(Loss)/Profit attributable to owners of the Group	–	(21)	(7,211)	(7,745)	1,282	(17)
(Loss)/Profit attributable to the non-controlling interests	–	(21)	(2,628)	(2,554)	1,231	(17)
(Loss)/Profit for the year	–	(42)	(9,839)	(10,299)	2,513	(34)
Net cash inflow from operating activities	–	–	11	1,064	–	–
Net cash outflow used in investing activities	–	–	–	(1,054)	–	–
Net cash inflow	–	–	11	10	–	–

As at 31 December 2025, the Company has given undertakings to provide financial support up to US\$620,044,000 (2024: US\$612,115,000) to certain subsidiary corporations who were in a net current liabilities position.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

15 PROPERTY, PLANT AND EQUIPMENT

	Computers	Office furniture and equipment	Renovation	Motor vehicles	Vessels	Dry-docking	Plant and machineries	Leasehold building	Construction -in-progress	Total
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
<u>Group</u>										
<u>Cost:</u>										
At 1 January 2024	1,011	592	648	96	192,278	15,702	10,124	14,014	1,942	236,407
Additions	195	83	-	-	12,241	680	502	-	1,174	14,875
Disposals	(4)	(118)	-	-	-	-	-	-	-	(122)
Reclassified to asset held for sale (Note 12)	-	-	-	-	(3,213)	-	-	-	-	(3,213)
Transfer	-	-	-	-	80	370	-	-	(450)	-
Write-offs	(40)	-	-	-	-	-	-	-	-	(40)
Exchange differences	(14)	-	-	-	-	-	(303)	-	-	(317)
At 31 December 2024	1,148	557	648	96	201,386	16,752	10,323	14,014	2,666	247,590
Additions	62	-	829	-	5,481	2,445	-	765	3,248	12,830
Disposals	-	-	-	-	(4,658)	-	-	-	-	(4,658)
Write-offs	(4)	-	-	-	-	-	(438)	-	-	(442)
Exchange differences	(33)	-	-	-	-	-	418	-	-	385
At 31 December 2025	1,173	557	1,477	96	202,208	19,197	10,303	14,779	5,914	255,705

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

15 PROPERTY, PLANT AND EQUIPMENT (cont'd)

	Group									
	Computers US\$'000	Office furniture and equipment US\$'000	Renovation US\$'000	Motor vehicles US\$'000	Vessels US\$'000	Dry-docking US\$'000	Plant and machineries US\$'000	Leasehold building US\$'000	Construction -in-progress US\$'000	Total US\$'000
Accumulated depreciation:										
At 1 January 2024	867	555	440	43	20,154	6,735	5,729	6,961	–	41,484
Depreciation charge (Note 30)	148	9	100	27	4,006	2,476	447	268	–	7,481
Disposals	(4)	(118)	–	–	–	–	–	–	–	(122)
Reclassified to asset held for sale (Note 12)	–	–	–	–	(1,026)	–	–	–	–	(1,026)
Transfers	–	–	–	–	80	(80)	–	–	–	–
Write-offs	(40)	–	–	–	–	–	–	–	–	(40)
Exchange differences	(8)	–	–	–	–	–	(176)	–	–	(184)
At 31 December 2024	963	446	540	70	23,214	9,131	6,000	7,229	–	47,593
Depreciation charge (Note 30)	70	17	350	26	4,252	2,558	470	588	–	8,331
Write-offs	(4)	–	–	–	–	–	–	(438)	–	(442)
Exchange differences	17	–	–	–	–	–	368	–	–	385
At 31 December 2025	1,046	463	890	96	27,466	11,689	6,838	7,379	–	55,867
Accumulated impairment losses:										
At 1 January 2024 and 31 December 2024	–	3	23	–	105,612	–	3,465	121	1,287	110,511
At 31 December 2025	–	3	23	–	105,612	–	3,465	121	1,287	110,511
Carrying amount:										
At 31 December 2024	185	108	85	26	72,560	7,621	858	6,664	1,379	89,486
At 31 December 2025	127	91	564	–	69,130	7,508	–	7,280	4,627	89,327

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

15 PROPERTY, PLANT AND EQUIPMENT (cont'd)

The leasehold building is located in Batam, Indonesia.

Certain of the Group's property, plant and equipment with a total carrying amount of US\$62,876,000 (2024: US\$66,446,000) were mortgaged to financial institutions for facilities granted (Note 21).

As at 31 December 2025, the Group recorded an accumulative impairment loss of US\$110,511,000 (2024: US\$110,511,000) on the carrying amount of its property, plant and equipment. This resulted from external market valuations that management obtained as at the relevant reporting period end. The external market valuations were based on comparison value of similar assets. During the financial years ended 31 December 2025 and 2024, no additional impairment loss or reversal of impairment loss has been recognised.

	Computers	Office furniture and equipment	Motor vehicle	Renovation	Total
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
<u>Company</u>					
Cost:					
At 1 January 2024	20	25	111	130	286
Additions	–	–	–	–	–
At 31 December 2024	20	25	111	130	286
Additions	–	–	–	–	–
At 31 December 2025	20	25	111	130	286
Accumulated depreciation:					
At 1 January 2024	17	25	111	130	283
Depreciation charge	2	–	–	–	2
At 31 December 2024	19	25	111	130	285
Depreciation charge	1	–	–	–	1
At 31 December 2025	20	25	111	130	286
Carrying amount:					
At 31 December 2024	1	–	–	–	1
At 31 December 2025	–*	–	–	–	–*

* Less than US\$1,000

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

16 RIGHT-OF-USE ASSETS

	Office premises	Office furniture and equipment	Shipyard facilities and equipment	Vessels	Total
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
<u>Group</u>					
Cost:					
At 1 January 2024	1,687	20	–	5,306	7,013
Additions	2,900	–	–	56,420	59,320
At 31 December 2024	4,587	20	–	61,726	66,333
Additions	–	–	7,766	10,784	18,550
Lease modification	(5)	5	–	(4,528)	(4,528)
Derecognition/ termination	(319)	–	–	–	(319)
At 31 December 2025	4,263	25	7,766	67,982	80,036
Accumulated depreciation:					
At 1 January 2024	924	8	–	461	1,393
Depreciation charge (Note 30)	421	4	–	2,132	2,557
At 31 December 2024	1,345	12	–	2,593	3,950
Depreciation charge (Note 30)	638	6	1,013	3,892	5,549
At 31 December 2025	1,983	18	1,013	6,485	9,499
Carrying amount:					
At 31 December 2024	3,242	8	–	59,133	62,383
At 31 December 2025	2,280	7	6,753	61,497	70,537

Right-of-use assets acquired under leasing arrangements are presented separately in this Note. Details of such leased assets are disclosed in Note 17 to the financial statements.

17 LEASES – THE GROUP AS A LESSEE

Nature of the Group's leasing activities

Office premises

The Group leases office space for the purpose of back office operations.

Office furniture and equipment

The Group leases office furniture and equipment for the purpose of back office operations.

Shipyard facilities and equipment

The Group leases shipyard facilities and equipment to support its shipbuilding, ship repair and engineering operations.

Vessels

The Group leases vessels to render vessel chartering services.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

17 LEASES – THE GROUP AS A LESSEE (cont'd)

(a) Carrying amounts of ROU assets

	Group	
	2025	2024
	US\$'000	US\$'000
Office premises	2,280	3,242
Office furniture and equipment	7	8
Shipyard and equipment	6,753	–
Vessels	61,497	59,133
Total (Note 16)	70,537	62,383

(b) Depreciation charge during the year

	Group	
	2025	2024
	US\$'000	US\$'000
Office premises	638	421
Office furniture and equipment	6	4
Shipyard and equipment	1,013	–
Vessels	3,892	2,132
Total (Note 16)	5,549	2,557

(c) Interest expense

	Group	
	2025	2024
	US\$'000	US\$'000
Interest expense on lease liabilities (Note 22)	3,759	894

(d) Lease expense not capitalised in lease liabilities

	Group	
	2025	2024
	US\$'000	US\$'000
Lease expense – low value leases	184	322
Lease expense – short term leases	8,519	6,580
	8,703	6,902

(e) Total income from right-of-use assets in financial year ended 31 December 2025 was US\$14,666,000 (2024: US\$4,943,000).

(f) Total cash outflow for all leases in financial year ended 31 December 2025 was US\$31,578,000 (2024: US\$15,579,000).

(g) Addition of right-of-use assets during the financial year ended 31 December 2025 was US\$18,550,000 (2024: US\$59,320,000).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

18 LEASES – THE GROUP AS A LESSOR

The Group has leased out its owned vessels to third parties for monthly lease payments. This lease is classified as an operating lease because the risks and rewards incidental to ownership of the assets are not substantially transferred.

Charter hire income from vessels is disclosed in Note 27 to the financial statements.

19 TRADE PAYABLES

	Group		Company	
	2025	2024	2025	2024
	US\$'000	US\$'000	US\$'000	US\$'000
Outside parties	65,532	29,173	–	–
Related companies	11,469	790	–	–
	77,001	29,963	–	–

The average credit period on trade payables is 30 days (2024: 30 days) and no interest is charged on the balances.

20 OTHER PAYABLES

	Group		Company	
	2025	2024	2025	2024
	US\$'000	US\$'000	US\$'000	US\$'000
Current				
Outside parties	12,889	27,078	4,147	2,743
Subsidiary corporations	–	–	188,353	296,266
Related companies	3,135	622	49	312
Accruals	123,738	64,362	635	409
	139,762	92,062	193,184	299,730
Non-current				
Accruals	381	–	381	–

The average credit period on other payables due to outside parties is 30 days (2024: 30 days) and no interest is charged on the balances. The amounts due to subsidiary corporations and related companies are unsecured, interest-free and repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

21 TERM LOANS

	Group		Company	
	2025	2024	2025	2024
	US\$'000	US\$'000	US\$'000	US\$'000
Loans	93,875	116,661	3,062	–
Less: Amount due for settlement within 12 months (shown under current liabilities)	(10,212)	(28,426)	(443)	–
Amount due for settlement after 12 months	83,663	88,235	2,619	–
Within 2 to 5 years	83,663	88,235	2,037	–
After 5 years	–	–	582	–
Amount due for settlement after 12 months	83,663	88,235	2,619	–
<i>Term loans are represented by:</i>				
Term Loan I	86,502	87,423	–	–
Term Loan II	3,062	27,308	3,062	–
Term Loan III	4,311	1,930	–	–
	93,875	116,661	3,062	–

As at 31 December 2025 and 2024, the Group and the Company has various bank loans with repayment terms of up to 2031 (2024: 2029) and 2031 (2024: Nil) respectively.

The carrying amount of floating rate loans amounting to US\$86,502,000 (2024: US\$114,731,000) approximates the fair value as the interest rates approximate the prevailing market rates. This fair value measurement is categorised as Level 3 within the fair value hierarchy.

The bank loans are secured by:

- (i) mortgage over certain property, plant and equipment of the Group (Note 15) and a vessel held by a related company of a corporate shareholder;
- (ii) assignment of marine insurances in respect of mortgaged vessels;
- (iii) monies pledged;
- (iv) assignment of earnings/charter proceeds in respect of mortgaged vessels;
- (v) corporate guarantees from the Company (Note 35); and
- (vi) shares in certain subsidiary corporations incorporated in Singapore.

Term Loan I

On 10 March 2017, the Group entered into a framework agreement with certain lenders to refinance approximately US\$163,200,000 of its existing borrowings. Under the framework agreement, the repayment profile was restructured to a term of 8.2 years, extending the maturity to December 2022.

On 19 February 2021, the Company entered into a debt-restructuring agreement (“RA”) with two financial institutions, incorporating a principal moratorium until 31 March 2022 and annual financial covenant tests commencing from the financial year ended 31 March 2023 and extending the final maturity to 11 August 2029 (being 96 months after the effective date of the RA of 12 August 2021). In addition, US\$50,000,000 of the then outstanding principal of US\$145,100,000 was reconstituted into convertible bonds. Approval for the issuance of convertible bonds was obtained from the shareholders on 22 June 2021, and Series A and B Convertible Bonds were issued on 12 August 2021.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

21 TERM LOANS (cont'd)

Term Loan I (cont'd)

In accordance with the RA, on the final maturity date of Term Loan I, the Group shall make a bullet repayment of the outstanding principal, net of prior repayments through the cash sweep mechanism. Subsequent to the expiry of the principal moratorium, an independent accountant will determine the cash generated by the mortgaged vessels every six months, after deducting operational costs, administrative expenses, professional fees, taxes, interest, and a US\$1 million reserve ("Surplus Cash"). This Surplus Cash will be applied towards early principal repayment through the cash sweep mechanism. If the Surplus Cash is negative or below US\$100,000 for any period, it will be deemed zero.

As at 31 December 2024, the Group breached the financial covenant of the ratio of EBITDA to finance charges under the RA and obtained from the lenders a waiver for the breach till 31 December 2025. Accordingly, the outstanding principal amount of US\$87,423,000 as at 31 December 2024 was classified as non-current liabilities in the consolidated statement of financial position as at 31 December 2024, in accordance with the final maturity date agreed in the RA.

As at 31 December 2025, the Group breached the financial covenants of the ratios of EBITDA to finance charges and net debt to EBITDA under the RA and obtained from a lender a waiver for the breach till 31 December 2026. Accordingly, the outstanding principal amount of US\$77,372,000 as at 31 December 2025 was classified as non-current liabilities in the consolidated statement of financial position as at 31 December 2025, in accordance with the final maturity date agreed in the RA. The remaining principal of US\$9,130,000 from another lender has been classified as current liabilities as the Group intends to repay this portion within 12 months from the end of the financial year.

Term Loan II

As at 31 March 2017, a non-repayment of the instalment of Term Loan II by a subsidiary corporation triggered a technical default of Term Loan II. Term Loan II is secured by the mortgage of a vessel held by a related company of a corporate shareholder. Accordingly, the outstanding principal amount has been presented as current liabilities on the consolidated statement of financial position since 31 March 2017.

During the financial year ended 31 December 2024, the issuer of the unquoted preference shares redeemed US\$4,421,000 of the outstanding preference shares, of which the proceeds was used to partially repay Term Loan II, reducing the outstanding principal amount of Term Loan II to US\$27,308,000 as at 31 December 2024.

During the financial year ended 31 December 2025, the issuer of the unquoted preference shares redeemed US\$23,308,000 which was applied towards the repayment of Term Loan II. Concurrently, Resolute Pte Ltd ("RPL") entered into a restructuring agreement with the financial institution in respect of the remaining balance of the same term loan, pursuant to which the Group undertook to pay an aggregate amount of US\$4,000,000 in instalments for the full and final settlement of Term Loan II. This resulted in a net gain on loan restructuring of US\$2,531,000, after considering the fair value loss of the unquoted preference shares, which served as the financial instrument for Term Loan II.

Term Loan III

As at 31 December 2024, the Group was in compliance with all financial covenants imposed by the lender. However, as at 31 December 2025, the Group breached certain financial covenants relating to positive net profit margin, debt service coverage ratio, current ratio, and sales requirement under Term Loan III. The Group has obtained a letter from the lender confirming that these breaches do not affect the continued availability of the credit facility, subject to certain conditions.

As at the date of these financial statements, the Group has not been served with any notices of events of default for any of its loans.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

21 TERM LOANS (cont'd)

The table below sets out a reconciliation of movements of the Group's term loans to cashflows arising from financing activities.

	Group	
	2025	2024
	US\$'000	US\$'000
Balance at beginning of the financial year	116,661	125,418
Proceeds from new term loans raised	5,585	249
Repayment of term loans	(28,371)	(9,006)
Balance at end of the financial year	93,875	116,661

22 LEASE LIABILITIES

	Group	
	2025	2024
	US\$'000	US\$'000
Maturity analysis:		
Year 1	15,648	19,078
Year 2	14,505	10,756
Year 3	17,953	9,296
Year 4	848	7,808
Year 5 & more	239	13,560
	49,193	60,498
Less: Unearned interest	(5,202)	(10,340)
	43,991	50,158
Analysed as:		
Current	12,902	15,483
Non-current	31,089	34,675
	43,991	50,158

The Group does not face a significant liquidity risk with regard to its lease liabilities.

The table below sets out a reconciliation of movements of the Group's lease liabilities to cashflows arising from financing activities.

	1 January 2025 US\$'000	Principal and interest payment US\$'000	Non-cash changes					31 December 2025 US\$'000
			Additions/ Modifications US\$'000	Interest expense US\$'000	Reclassification from downpayment US\$'000	Termination of lease US\$'000	Foreign exchange US\$'000	
Lease liabilities	50,158	(22,875)	13,846	3,759	(1,141)	(371)	613	43,991

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

22 LEASE LIABILITIES (cont'd)

	1 January 2024	Principal and interest payment	Non-cash changes				31 December 2024
			Additions	Interest expense	Reclassification from downpayment	Foreign exchange	
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Lease liabilities	5,552	(8,677)	59,320	894	(6,971)	40	50,158

23 DEFERRED INCOME TAX

	Group	
	2025 US\$'000	2024 US\$'000
Deferred tax assets	785	–
Deferred tax liabilities	(3,798)	(1,215)
	(3,013)	(1,215)

The movements in the net deferred income tax account is as follows:

	Group			
	Plant & equipment US\$'000	Provisions US\$'000	Others US\$'000	Total US\$'000
At 1 January 2024	(1,195)	–	–	(1,195)
Tax credited to profit or loss (Note 31)	11	–	–	11
Others	(31)	–	–	(31)
At 31 December 2024	(1,215)	–	–	(1,215)
Tax charged to profit or loss (Note 31)	(4,279)	2,372	30	(1,877)
Others	79	–	–	79
At 31 December 2025	(5,415)	2,372	30	(3,013)

At the end of the reporting period, the aggregate amount of temporary differences associated with unremitted earnings of subsidiary corporations for which deferred tax liabilities have not been recognised is US\$Nil (2024: US\$Nil).

24 SHARE CAPITAL

	Group and Company			
	Number of ordinary shares		Amount	
	2025 '000	2024 '000	2025 US\$'000	2024 US\$'000
Issued and paid up:				
At the beginning and end of the year	1,211,620	1,211,620	382,274	382,274

Fully paid ordinary shares, which have no par value, carry one vote per share and a right to dividends as and when declared by the Company.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

25 SHAREHOLDER'S ADVANCES

Pursuant to the loan agreement entered into with RHC in 2016, the Company was entitled to elect repayment of the loan amounting to US\$102,087,000 outstanding as at 31 March 2017 via issuance of equity shares in the Company.

On 24 May 2017, the Group entered into a set-off and settlement agreement ("RHC SOSA") with RHC which has subscribed for its pro rata entitlement of 672,000,000 Rights Shares with 1,344,000,000 Warrants, as well as 2,372,505,000 Excess Rights Shares with 4,745,010,000 Warrants. RHC had exercised 5,810,307,000 Warrants out of 6,089,010,000 Warrants allotted to it into New Shares, for a total subscription amount of US\$66,987,000. This, together with the subscription of the Rights cum Warrants Issue of US\$35,100,000, had been used to fully set-off against all the Shareholder's Advances totalling US\$102,087,000 pursuant to the RHC SOSA. As a result of the RHC SOSA, RHC gained controlling interest in the Company in 2018.

Subsequently, the Group executed a facility agreement on 19 June 2020, effectively replacing the loan agreement initiated in 2016. This facility agreement is structured into two tranches, each designated for distinct purposes. Tranche A is specifically earmarked for repaying prior year utilised loans from RHC, while Tranche B facilitates cash advances for the Group's general corporate financing needs, amounting to US\$109,458,000 and up to US\$50,000,000 respectively. Following this, the facility agreement was renewed on 1 January 2023 with new credit facility limits on Tranche A and B amounting to US\$32,572,000 and US\$100,000,000 respectively. Notably, within the framework of the facility agreement, both RHC and Rawabi Vallianz Offshore Services ("RVOS") retain the prerogative to set-off any matured obligations owed by the Group against the cash advances extended.

Pursuant to the terms of the agreement, each loan bears interest from its respective due date at the applicable interest rate, with any unpaid interest compounded with the outstanding principal. The Group had previously applied an interest rate of 5.00% per annum, as approved at the 2021 extraordinary general meeting ("EGM"), which lapsed on 31 March 2025. Subsequently, shareholders approved a revised interest rate of 8.00% per annum at the EGM held on 29 April 2025, which will remain in effect until 30 April 2028.

On 16 July 2023, the Group entered into a novation agreement with Rawabi Energy Company ("RENG") and RHC to effect the transfer of existing shareholder's advances. RHC had transferred these advances to its wholly-owned subsidiary, RENGL, over which RHC exercises complete control. RENGL is required to obtain pre-consent from RHC before exercising any associated economic rights.

For the financial year ended 31 December 2025, the Group recognised advances from RENGL, a wholly owned subsidiary of RHC, amounting to US\$8,315,000 (2024: US\$66,813,000). The balance represents net payable arising from transactions with RENGL (2024: cash advances of US\$53,009,000 from RHC and net payable of US\$13,804,000 from transactions with RENGL).

As at 31 December 2025, the Group had trade and other payables of US\$121,911,000 (2024: US\$113,596,000) owing to RENGL. RHC as the controlling party of RENGL has provided an undertaking to classify these amounts owed by the Group as shareholder's advances under equity. The amount was classified as equity as management is of the view that the Group does not have the contractual obligation to deliver cash or other financial assets or exchange financial assets or financial liabilities under conditions potentially unfavourable to the Group to settle these amounts owed to RENGL.

26 FOREIGN CURRENCY TRANSLATION RESERVE

Exchange differences relating to the translation from the functional currencies of the Group's subsidiary corporations into United States dollar are brought to account by recognising those exchange differences in other comprehensive income and accumulating them in a separate component of equity under the header of foreign currency translation reserve.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

26 FOREIGN CURRENCY TRANSLATION RESERVE (cont'd)

Movement in translation reserve is as follows:

	Group	
	2025	2024
	US\$'000	US\$'000
At beginning of the year	3	90
Net currency translation differences of financial statements of foreign subsidiary corporations	180	(87)
At end of the year	183	3

27 REVENUE

The Group derives its revenue from contracts with customers for the transfer of goods and services over time and at a point in time from the following major revenue streams. The disclosure of revenue by stream is consistent with the revenue information that is disclosed for each reportable segment under SFRS(I) 8 *Operating Segments* (Note 33).

Disaggregation of the Group's revenue for the year by timing of revenue recognition is as follows:

	Group	
	2025	2024
	US\$'000	US\$'000
At a point in time:		
Vessel chartering and management	19,859	3,808
Shipyard and newbuild management services	8	2,585
	19,867	6,393
Over time:		
Vessel chartering and management	54,559	39,987
Shipyard and newbuild management services	257,847	451,478
	312,406	491,465
	332,273	497,858

As at 31 December 2025 and 2024, there were unsatisfied and partially satisfied performance obligations at the end of the reporting period in shipyard and newbuild management services income which the transaction price allocated as at the end of the reporting year is set out below.

	Group	
	2025	2024
	US\$'000	US\$'000
Shipyard and newbuild management services	118,702	311,563
Expected period in recognising revenue related unsatisfied or partially unsatisfied contracts:		
Within the next 12 months	83,860	311,563
Between 13 and 24 months	34,842	–
	118,702	311,563

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

28 OTHER INCOME, NET

	Group	
	2025	2024
	US\$'000	US\$'000
Net foreign exchange gain/(loss)	2,368	(663)
Gain on disposal of plants and equipment, net	3,877	–
Net loss allowance for trade and other receivables reversed (Notes 7 and 8)	1,675	31
Bad debt written off	(830)	(1,686)
Creditors written back	35	1,818
Impairment loss on remeasurement of asset held for sale (Note 12)	–	(640)
Interest income ⁽¹⁾	31	112
Scrap income	245	543
Others	993	599
	8,394	114

⁽¹⁾ These comprise interest income derived from short term deposits and late interest charges on overdue invoices.

29 FINANCE COSTS

These comprise interest on term loans, amortised facility fees and interest on lease liabilities paid to outside parties (Notes 21, 22) and interest on loan from ultimate holding company and the subsidiary of the ultimate holding company who is controlled by the ultimate holding company (Note 5).

30 PROFIT BEFORE TAX

Profit before tax has been arrived at after charging/(crediting) the following:

	Group	
	2025	2024
	US\$'000	US\$'000
Fees to auditor of the Company: Audit fees	226	228
Audit fees to other auditors of the Group	6	6
Depreciation of property, plant and equipment (Note 15)	8,331	7,481
Depreciation of right-of-use assets (Note 16)	5,549	2,557
Directors' remuneration (including directors' fees)	624	507
Employee benefits expense (including directors' remuneration)	9,947	8,726
Defined contribution benefits included in employee benefits expense	1,581	1,617
Gain from early termination of lease	(52)	–
Impairment loss on remeasurement of asset held for sale	–	640
Exceptional loss on deconsolidation of subsidiaries, net (i)	–	1,808
Exceptional gain on loan restructuring (Note 21)	(2,531)	–
Exceptional gain on settlement of perpetual capital securities	–	(5,646)
Exceptional gain on settlement of convertible bonds	–	(15,312)

(i) On 31 December 2024, the Group deconsolidated its Mexican subsidiaries, Vallianz Marine Mexico, S.A. de C.V. (49%-owned) and Vallianz Offshore Capital Mexico, A. de C.V. SOFOM, E.N.R. (wholly-owned), due to loss of control in these subsidiary corporations. Please refer to Note 6 to the financial statements for more details.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

31 INCOME TAX EXPENSE

	Group	
	2025	2024
	US\$'000	US\$'000
Current income tax		
- charge to profit or loss	233	68
- foreign withholding tax	218	6
Under provision of tax in prior financial years		
- under provision in prior year	70	1,676
- foreign withholding tax	–	1,621
Deferred income tax		
- charge/(credit) to profit or loss (Note 23)	2,279	(636)
- (under)/over provision in prior year (Note 23)	(402)	625
Total	2,398	3,360

Domestic income tax is calculated at 17% (2024: 17%) of the estimated assessable profit for the year. Taxation for other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions. Seven Singapore subsidiary corporations (2024: seven Singapore subsidiary corporations) earned shipping income from the charter of ships and are exempted from tax under Section 13A of the Singapore Income Tax Act.

The total charge for the year can be reconciled to the accounting profit as follows:

	Group	
	2025	2024
	US\$'000	US\$'000
<u>Profit before tax</u>	11,445	21,190
Income tax credit calculated at 17% (2024: 17%)	1,946	3,603
Effect of expenses that are not deductible	8,038	3,486
Effect of income that are not subjected to tax	(6,794)	(3,722)
Effect of different tax rates of subsidiary corporations operating in other jurisdictions	(421)	(2,079)
Deferred tax benefit not recognised	–	144
Tax incentive	(39)	(53)
(Over)/Under provision of tax in prior year	(332)	3,922
Utilisation of previously unrecognised:		
- tax losses	–	(1,996)
Others	–	55
Total	2,398	3,360

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

31 INCOME TAX EXPENSE (cont'd)

Subject to agreement with the relevant tax authorities, the Group has estimated tax losses carry forwards which are available for offsetting against future taxable income as follows:

	Group	
	2025	2024
	US\$'000	US\$'000
Amount at beginning of year	19,027	29,921
Arising during current year	–	847
Utilised during the year	–	(11,741)
Amount at end of year	19,027	19,027
Deferred tax benefit on above not recorded	3,235	3,235

No deferred tax asset has been recognised on the above due to the unpredictability of future profit streams.

32 EARNINGS PER SHARE

Basic

Basic earnings per share is calculated by dividing the net profit for the financial period attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the financial year.

	Group	
	2025	2024
<u>Profit</u>		
Profit for the year attributable to owners of the Company (US\$'000)	10,650	20,398
<u>Number of shares</u>		
Weighted average number of ordinary shares for the purposes of basic earnings per share ('000)	1,211,620	1,211,620
Basic earnings per share (US cent per share)	0.88	1.68

Diluted

Diluted earning per share is the same as basic earnings per share as there were no outstanding dilutive potential ordinary shares during the financial year. The Group's convertible bonds were fully settled in the previous financial year.

33 SEGMENT INFORMATION

The executive director of the Group, who reviews the consolidated results prepared in the following reportable segments when making decisions about allocating resources and assessing performance of the Group:

- (i) Vessel chartering and management: chartering of vessels and third-party vessel management services;
- (ii) Shipyard and newbuild management services: in-house fabrication and engineering services such as ship building, fabrication works and ship repairs, brokerage income, commission income, as well as consultancy and vessel project management; and
- (iii) Investment holding: holding investments for long-term purposes.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

33 SEGMENT INFORMATION (cont'd)

For the purposes of monitoring segment performance and allocating resources between segments, the chief operating decision maker monitors the tangible and financial assets attributable to each segment based on the types of revenue it generates. All assets and liabilities are allocated to reportable segments, except for deferred tax assets and deferred tax liabilities.

The accounting policies of the reportable segments are the same as the Group's accounting policies described in Note 2 to the financial statements.

Information regarding the operations of each reportable segment is included below.

	Vessel chartering and management		Shipyard and newbuild management services		Investment holding		Elimination		Total	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Revenue										
External sales	74,418	43,795	257,855	454,063	-	-	-	-	332,273	497,858
Intersegment sales	3,593	-	-	-	4,703	-	(8,296)	-	-	-
	78,011	43,795	257,855	454,063	4,703	-	(8,296)	-	332,273	497,858
Results										
Segment results	21,789	9,842	10,008	15,748	(6,430)	(6,075)	-	-	25,367	19,515
Finance costs	(8,011)	(6,467)	(560)	(134)	(8,468)	(11,034)	-	-	(17,039)	(17,635)
Share of results of joint venture	586	160	-	-	-	-	-	-	586	160
Operating profit from ordinary activities and before exceptional items	14,364	3,535	9,448	15,614	(14,898)	(17,109)	-	-	8,914	2,040
Exceptional items	-	-	-	-	2,531	19,150	-	-	2,531	19,150
Profit before tax									11,445	21,190
Income tax expense									(2,398)	(3,360)
Profit for the year									9,047	17,830

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

33 SEGMENT INFORMATION (cont'd)

	Vessel chartering and management		Shipyard and newbuild management services		Investment holding		Group	
	2025	2024	2025	2024	2025	2024	2025	2024
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Segment assets and segment liabilities								
Segment assets	169,404	162,866	208,076	197,780	96,505	106,466	473,985	467,112
Deferred tax assets							785	–
							474,770	467,112
Segment liabilities	162,832	159,649	194,020	199,268	13,496	23,546	370,348	382,463
Deferred tax liabilities							3,798	1,215
Total liabilities							374,146	383,678
Other information								
Loss allowance for trade and other receivables (reversed)/(written off)/recognised (Note 28)	(1,637)	(80)	(38)	49	–	–	(1,675)	(31)
Depreciation of property, plant and equipment (Note 15)	6,393	5,795	1,627	1,625	311	61	8,331	7,481
Bad debt written off/(recovered) (Note 28)	269	1,819	515	(212)	46	79	830	1,686
Net foreign exchange (gain)/loss (Note 28)	(87)	162	(2,525)	438	244	63	(2,368)	663
Additions to property, plant and equipment (Note 15)	7,759	13,295	4,208	1,554	863	26	12,830	14,875

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

33 SEGMENT INFORMATION (cont'd)

Geographical information

The directors of the Company consider that the nature of the Group's business where it operates across international waters precludes a meaningful allocation of revenue and non-current assets as defined under SFRS(I) 8. The revenue is derived from, and non-current assets are primarily used in, geographical markets for vessel chartering and brokerage and management services throughout the world.

Major customer information

The Group derives revenue mainly from shipyard and newbuild management services income and charter hire and service agreements. The breakdown of the Group's revenue is provided under Note 27 to the financial statements.

Revenue of US\$259,326,000 (2024: US\$319,392,000) is derived from a single related company. This revenue is attributable to the chartering and shipbuilding of vessels for the operations in the oil and gas industry.

34 COMMITMENTS

Details of the Company's commitments for guarantees provided for the subsidiary corporations and associate has been included in Note 4(b)(iv) to the financial statements under credit risk management.

35 CONTINGENT LIABILITIES

The maximum amount the Group could be forced to settle under financial guarantee contracts, if the full guaranteed amount is claimed by the respective counterparties to the guarantees is US\$89,565,000 (2024: US\$114,731,000) (Note 4(b)(iv)) for guarantees provided to subsidiary corporations and US\$7,948,000 (2024: US\$8,711,000) (Note 4(b)(iv)) for guarantees provided to a related company.

Management has considered and evaluated the fair value of the above financial guarantee contracts to be insignificant as at 31 December 2025 and 2024.

36 STANDARDS ISSUED BUT NOT YET EFFECTIVE

Below are the mandatory standards and amendments to existing standards that have been published and are relevant for the Group's accounting periods beginning on or after 1 January 2026 and which the Group has not early adopted.

- Amendments to SFRS(I) 9 and SFRS(I) 7: Amendments to the Classification and Measurement of Financial Instruments (effective for annual reporting periods beginning on or after 1 January 2026)
- SFRS(I) 18: Presentation and Disclosure in Financial Statements (effective for annual reporting periods beginning on or after 1 January 2027)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

37 EVENT AFTER THE REPORTING PERIOD

Subsequent to the end of the reporting period, geopolitical tensions in the Middle East have escalated, including incidents affecting regional energy infrastructure and disruptions to key shipping routes, particularly around the Strait of Hormuz. These developments have contributed to increased uncertainty in global energy and maritime markets, resulting in heightened volatility in oil prices, logistics and operating conditions.

The Group has assessed that the significant escalation of these geopolitical developments occurred after 31 December 2025 and, accordingly, represent non-adjusting subsequent events. As of the date of this report, there are no subsequent significant developments which would materially affect the Group's and the Company's operating and financial performance or any adjusting events that provide evidence of conditions that existed at the end of the reporting period.

As the situation continues to evolve with a significant level of uncertainty, the Group is unable to reasonably estimate the full financial impact on the financial performance of the Group for the next financial year ending 31 December 2026 at this juncture. The Group will actively monitor the situation and put in place appropriate measures to manage its operational and financial risks.

STATISTICS OF SHAREHOLDINGS

As at 18 March 2026

DISTRIBUTION OF SHAREHOLDERS BY SIZE OF SHAREHOLDINGS

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 – 99	360	12.15	15,503	0.00
100 – 1,000	579	19.54	322,059	0.03
1,001 – 10,000	1,332	44.95	5,460,277	0.45
10,001 – 1,000,000	669	22.58	48,074,722	3.97
1,000,001 AND ABOVE	23	0.78	1,157,747,872	95.55
TOTAL	2,963	100.00	1,211,620,433	100.00

TWENTY LARGEST SHAREHOLDERS

NO.	SHAREHOLDER'S NAME	NO. OF SHARES HELD	%
1	DBS NOMINEES PTE LTD	730,884,033	60.32
2	PHILLIP SECURITIES PTE LTD	359,951,981	29.71
3	ONG KAR LOON (WANG JIALUN)	11,003,299	0.91
4	CITIBANK NOMINEES SINGAPORE PTE LTD	6,558,438	0.54
5	GU JIAN LIN	6,041,933	0.50
6	ABN AMRO CLEARING BANK N.V.	5,354,600	0.44
7	CGS INTERNATIONAL SECURITIES SINGAPORE PTE. LTD.	4,518,583	0.37
8	CHAN KWAN BIAN	3,113,338	0.26
9	UOB KAY HIAN PTE LTD	3,024,562	0.25
10	TOH BOON KENG	2,898,499	0.24
11	LIONG YEW FEI	2,788,766	0.23
12	OCBC SECURITIES PRIVATE LTD	2,583,074	0.21
13	CROWN SHIP LIMITED	2,569,800	0.21
14	PANG WING SENG	2,425,700	0.20
15	UNITED OVERSEAS BANK NOMINEES PTE LTD	2,109,418	0.17
16	NG SZE ZENG	2,002,000	0.17
17	CHERAYATH AJAY ANDREWS	1,800,000	0.15
18	TAN DAH CHING (CHEN DAQING)	1,520,000	0.13
19	LING YONG WAH	1,459,480	0.12
20	TIGER BROKERS (SINGAPORE) PTE. LTD.	1,455,533	0.12
	TOTAL	1,154,063,037	95.25

CLASS OF SHARES	NO. OF SHARES	%
ORDINARY	1,211,620,433	100.00
TREASURY	NIL	0.00
TOTAL ISSUED SHARES	1,211,620,433	100.00

VOTING RIGHTS	ON SHOW OF HANDS	:	ONE VOTE FOR EACH MEMBER
	ON A POLL	:	ONE VOTE FOR ORDINARY SHARE

The Company's subsidiaries do not hold any shares in the Company as at 18 March 2026.

STATISTICS OF SHAREHOLDINGS

As at 18 March 2026

SUBSTANTIAL SHAREHOLDER

	DIRECT INTEREST		DEEMED INTEREST	
	NO. OF SHARES	%	NO. OF SHARES	%
RAWABI HOLDING COMPANY	723,106,389	59.68	NIL	0.00
SWIBER HOLDINGS LIMITED	353,439,723	29.17	8,382,620 ⁽¹⁾	0.69
SHEIKH ALTURKI ABDULAZIZ ALI A	NIL	0.00	723,106,389 ⁽²⁾	59.68

(1) By virtue of Section 4 of the Securities and Futures Act 2001, Swiber Holdings Limited (Judicial Managers Appointed) is deemed to have an interest in the shares of Vallianz Holdings Limited held by Swiber Corporate Pte. Ltd. (In Creditors' Voluntary Liquidation). Swiber Holdings Limited (Judicial Managers Appointed) holds 100% of the issued share capital of Swiber Corporate Pte. Ltd. (In Creditors' Voluntary Liquidation).

(2) By Virtue of Section 4 of the Securities and Futures Act 2001, Sheikh AlTurki, Abdulaziz Ali A is deemed to have an interest in 723,106,389 shares held by Rawabi Holding Company Limited.

PERCENTAGE OF SHAREHOLDINGS IN PUBLIC'S HANDS

Based on information available to the Company as at 18 March 2026, 10.25% of the issued ordinary shares of the Company are held in the hands of the public. Accordingly, the Company has complied with the Rule 723 of the Listing Manual (Section B: Rules of Catalist) of the SGX-ST.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting (“**AGM**”) of the Company will be convened and held at 438 Alexandra Road, Connect @ Alexandra Point, Level 2, Singapore 119958 on Wednesday, 29 April 2026 at 10.00 a.m. to transact the following business:

AS ORDINARY BUSINESS

1. To receive and adopt the Audited Financial Statements of the Company for the financial year ended 31 December 2025 together with the Directors’ Statement and the Independent Auditor’s Report thereon. **(Resolution 1)**
2. To re-elect Mr. Chong Chee Keong Chris, a Director who is retiring pursuant to the Regulations 105 and 106 of the Constitution of the Company.

Mr. Chong Chee Keong Chris, upon re-election as Director of the Company, remains as Chairman of the Nominating Committee and Remuneration Committee and a member of Audit Committee of the Company. He is considered independent for the purpose of Rule 704(7) of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”), Listing Manual Section B: Rules of Catalyst (“**Rules of Catalyst**”).

[See Explanatory Note (a)]

(Resolution 2)

3. To approve the payment of Directors’ fees of S\$259,800 for the financial year ending 31 December 2026 (FY2025: S\$249,700). **(Resolution 3)**
4. To re-appoint Messrs CLA Global TS Public Accounting Corporation as Auditor of the Company to hold office until the conclusion of the next AGM of the Company, and to authorise the Directors to fix the remuneration of Messrs CLA Global TS Public Accounting Corporation. **(Resolution 4)**
5. To transact any other ordinary business which may be properly transacted at an AGM.

AS SPECIAL BUSINESS

To consider and, if thought fit, to pass the following Ordinary Resolutions with or without modifications:

6. **Proposed renewal of the Shareholders’ Mandate for Interested Person Transactions with the Rawabi Holding Company (“RHC”) and its subsidiaries (“RHC Group”)**

“That:

- (1) approval be and is hereby given for the purposes of Chapter 9 of the Rules of Catalyst, for the Company, its subsidiaries and associated companies (the “**Group**”) or any of them to enter into any of the transactions falling within the types of Interested Person Transactions, particulars of which are set out in the Appendix 1 of the Letter to Shareholders dated 14 April 2026 (the “**Letter to Shareholders - Renewal of the RHC IPT Mandate**”) appended to the Annual Report, with the Rawabi Group who is of the class of Interested Persons described in the Letter to Shareholders - Renewal of the RHC IPT Mandate, provided that such transactions are made on normal commercial terms, are not prejudicial to the interests of the Company and its minority shareholders, and are in accordance with the review procedures for Interested Person Transactions as set out in the Letter to Shareholders - Renewal of the RHC IPT Mandate (the “**RHC IPT Mandate**”);
- (2) the RHC IPT Mandate shall, unless revoked or varied by the Company in general meeting, continue in force until the conclusion of the next AGM of the Company; and
- (3) the Directors of the Company and each of them be and are hereby authorised to do all such acts and things (including, without limitation, executing all such documents as may be required) as they or he may consider expedient or necessary or in the interests of the Company to give effect to the RHC IPT Mandate and/or this Resolution.”

[See Explanatory Note (b)]

(Resolution 5)

NOTICE OF ANNUAL GENERAL MEETING

7. Authority to allot and issue shares in the capital of the Company

“That pursuant to Section 161 of the Companies Act 1967 and Rule 806 of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”), Listing Manual Section B: Rules of Catalist (“**Rules of Catalist**”), authority be and is hereby given to the Directors of the Company to (a) issue and allot new ordinary shares in the capital of the Company (“**Shares**”) (whether by way of rights, bonus or otherwise); (b) make or grant offers, agreements or options (collectively, the “**Instruments**”) that might or would require Shares to be issued including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into Shares, at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit; or (c) notwithstanding the authority conferred by this resolution may have ceased to be in force), issue Shares in pursuance of any Instruments made or granted by the Directors while this Resolution was in force, provided always that:

- (i) the aggregate number of Shares (including Shares to be issued in pursuant of the Instruments, made or granted pursuant to this Resolution) and Instruments to be issued pursuant to this Resolution does not exceed 100% of the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) of the Company (as calculated in accordance with sub-paragraph (ii) below), of which the aggregate number of Shares to be issued other than on a pro-rata basis to shareholders of the Company does not exceed 50% of the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) of the Company (as calculated in accordance with sub-paragraph (ii) below);
- (ii) (subject to such manner of calculation as may be prescribed by the Rules of Catalist), for the purpose of determining the aggregate number of Shares (including Shares to be issued in pursuant of the Instruments, made or granted pursuant to this Resolution) and Instruments that may be issued under sub-paragraph (i) above, the percentage Shares that may be issued shall be based on the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) of the Company at the time this Resolution is passed, after adjusting for:
 - (a) new Shares arising from the conversion or exercise of any Instruments or any convertible securities
 - (b) new Shares arising from the exercising of share options or vesting of share awards which are outstanding or subsisting at the time this Resolution is passed provided that such share options or share awards (as the case may be) were granted in compliance with the Rules of Catalist; and
 - (c) any subsequent bonus issue, consolidation or subdivision of Shares;
- (iii) in exercising such authority, the Company shall comply with the provisions of the Rules of Catalist for the time being in force (unless such compliance has been waived by the SGX-ST) and the Constitution for the time being of the Company; and
- (iv) unless revoked or varied by the Company in general meeting, such authority conferred by this Resolution shall continue in force until the conclusion of the next Annual General Meeting of the Company or by the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier.”

[See Explanatory Note (c)]

(Resolution 6)

8. Proposed adoption of the VHL Employee Share Option Scheme 2026

“That

- (i) a share option scheme to be known as the “VHL Employee Share Option Scheme 2026” (the “**ESOS 2026**”), the details and rules of which are set out in the Letter to Shareholders dated 14 April 2026 (the “**Letter to Shareholders - Adoption of ESOS 2026**”), under which options (“**Options**”) to subscribe for ordinary shares in the capital of the Company (the “**Shares**”) will be granted to selected Employees and Directors of the Company and its Subsidiaries (including Non-Executive Directors) and Controlling Shareholders and/or their Associates, and other selected participants, details of which are set out in the Letter to Shareholders - Adoption of ESOS 2026, be approved;

NOTICE OF ANNUAL GENERAL MEETING

- (ii) the Directors of the Company or the remuneration committee be authorised to:
- (a) implement, establish and administer the ESOS 2026;
 - (b) modify and/or amend the ESOS 2026 from time to time, provided that such modification and/or amendment is effected in accordance with the provisions of the ESOS 2026 and to do all such acts and to enter into all such transactions, arrangements and agreements as may be necessary or expedient in order to give full effect to the ESOS 2026;
 - (c) offer and grant Options in accordance with the rules of the ESOS 2026 and pursuant to Section 161 of the Companies Act to allot and issue and/or deliver from time to time such number of fully paid-up Shares as may be required to be issued or delivered pursuant to the exercise of Options provided that the aggregate number of Shares available pursuant to the ESOS 2026 and any other share-based schemes of the Company, shall not exceed 15% of the total number of all issued Shares of the Company (excluding treasury shares and subsidiary holdings) from time to time;
 - (d) subject to the same being allowed by law, apply any Share purchased under any share buyback mandate towards the Shares required to be issued pursuant to the exercise of Options granted under the ESOS 2026; and
 - (e) complete and do all such acts and things (including executing such documents and approving any amendments, alterations or modifications to any documents as may be required) as they may consider necessary, expedient, incidental or in the interests of the Company to give effect to the transactions contemplated and authorised by this resolution.”

[See Explanatory Note (d)]

(Resolution 7)

9. **Proposed grant of options under the VHL Employee Share Option Scheme 2026 at a discount**

“That, subject to and contingent upon the passing of Ordinary Resolution 7, approval be given for Options to be granted under the ESOS 2026 for the subscription of Shares at exercise prices which may, at the discretion of the Committee administering the ESOS 2026, be set at a discount not exceeding 20% of the Market Price for the Shares prevailing at the Date of Grant of the respective Options (such market price to be determined in accordance with the rules of the ESOS 2026), provided that such discount does not exceed the relevant limits as may be set by the SGX-ST from time to time.”

[See Explanatory Note (e)]

(Resolution 8)

BY ORDER OF THE BOARD

Chiang Wai Ming (Ms)

Company Secretary

14 April 2026

Singapore

NOTICE OF ANNUAL GENERAL MEETING

Explanatory Notes:

- (a) In relation to Resolution 2 proposed above, Mr. Chong Chee Keong Chris (“**Mr. Chris Chong**”) is an Independent Non-Executive Director of the Company. There is no relationship (including immediate family relationships) between Mr. Chris Chong and the other directors, the Company or its substantial shareholders and the detailed information on Mr. Chris Chong is set out in the section titled “Disclosure of Information of Director seeking re-election” in the Company’s 2025 Annual Report.
- (b) The Ordinary Resolution 5 above, if passed, allows the Group to enter into certain transactions with the RHC Group as detailed in the RHC IPT Mandate.
- (c) The Ordinary Resolution 6 above, if passed, will empower the Directors of the Company from the date of this Meeting to allot and issue Shares and convertible securities up to an amount not exceeding 100% of the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) of the Company at the time of passing this Resolution of which the total number of Shares issued other than on a pro rata basis to existing shareholders of the Company, shall not exceed 50% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) of the Company. This authority will, unless revoked or varied at a general meeting, expire at the next Annual General Meeting of the Company or by the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier.
- (d) The Ordinary Resolution 7 above, if passed, will empower the Directors of the Company to offer and grant options, and to allot and issue new Shares in the capital of the Company, pursuant to the ESOS 2026 as may be modified by the Remuneration Committee from time to time, provided that the aggregate number of Shares to be allotted and issued pursuant to the ESOS 2026 shall not exceed 15.0% of the total number of issued Shares of the Company (excluding treasury shares) from time to time.
- (e) The Ordinary Resolution 8 above, if passed and subject to and contingent upon the passing of Ordinary Resolution 7, will allow the Company to grant options under the ESOS 2026 with exercise prices set at a discount not exceeding 20% of the prevailing market price of the Company’s shares (such market price to be determined in accordance with the rules of the ESOS 2026), provided that such discount does not exceed the relevant limits as may be set by the SGX-ST from time to time. The grant of options at a discount will provide the Company with greater flexibility in structuring competitive remuneration packages to attract, retain and motivate eligible participants, and to align their interests with those of shareholders.

Important Notes:

Participation:

- 1. The AGM will be held, in a wholly physical format, at 438 Alexandra Road, Connect @ Alexandra Point, Level 2, Singapore 119958 on Wednesday, 29 April 2026 at 10.00 a.m. Shareholders, including CPF and SRS investors, and (where applicable) duly appointed proxies and representatives will be able to ask questions and vote at the AGM by attending the Annual General Meeting in person. There will be no option for shareholders to participate virtually.

Submission of Proxy Form

- 2. (a) A member who is not a relevant intermediary is entitled to appoint not more than two (2) proxies to attend, speak and vote at the AGM. Where such shareholder’s form of proxy appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy.
- (b) A member who is a relevant intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such shareholder. Where such shareholder’s form of proxy appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.

“**Relevant intermediary**” has the meaning ascribed to it in Section 181 of the Companies Act 1967.

- 3. A proxy need not be a member of the Company. A member may choose to appoint the Chairman of the AGM as his/her/its proxy.
- 4. If the appointor is a corporation, the proxy must be executed under seal or the hand of its duly authorised officer or attorney.
- 5. The instrument appointing a proxy (“**Proxy Form**”) must be deposited to the Company by 10.00 am on 26 April 2026 (being not less than 72 hours before the time appointed for holding the AGM) in the following manner:
 - (a) Post or submit personally to the Share Registrar’s office at 9 Raffles Place, #26-01, Republic Plaza, Singapore 048619; or
 - (b) Electronic mail to vallianz-agm@complete-corp.com.
- 6. For investors who hold shares through relevant intermediaries, including Central Provident Fund (“**CPF**”) Investment Schemes (such investors, the “**CPF Investors**”) and/or Supplementary Retirement Scheme (“**SRS**”) (such investors, the “**SRS Investors**”) should approach their respective CPF Agent Banks or SRS Operators to submit their votes by 10.00 am on 20 April 2026. CPF Investors and SRS Investors should contact their respective CPF Agent Banks or SRS Operators for any queries they may have with regard to the appointment of proxy for the AGM.

NOTICE OF ANNUAL GENERAL MEETING

Submission of Questions:

7. Shareholders, including CPF and SRS investors, may submit substantial and relevant questions related to the resolutions to be tabled for approval at the AGM in advance of the AGM:

- (a) by post to the Company's registered office address, 1 Pasir Panjang Road, Labrador Tower, #28-02, Singapore 118479; or
- (b) via electronic mail to the Company at enquiries@vallianzholdings.com.

When submitting questions by post or via email, shareholders should also provide the following details: (i) the shareholder's full name; (ii) the shareholder's address; and (iii) the manner in which the shareholder holds shares in the Company (e.g., via CDP, CPF, SRS and/or scrip), for verification purposes. **All questions submitted in advance must be received on or before 10.00 a.m. 21 April 2026 ("Questions Deadline").**

8. The Company will endeavour to address all substantial and relevant questions received from shareholders before the Questions Deadline by publishing its responses to such questions on its corporate website (<https://www.vallianzholdings.com/investor-relations/#announcements>) and the SGX website (<https://www.sgx.com/securities/company-announcements>) at least 48 hours prior to the closing date and time for the lodgement/receipt of instruments appointing proxy(ies).

Any subsequent clarifications sought, or follow-up questions, or substantial and relevant questions received after the Questions Deadline will be consolidated and addressed at the AGM itself. Where substantially similar questions are received, the Company will consolidate such questions and consequently not all questions may be individually addressed.

9. Shareholders, including CPF and SRS investors, and (where applicable) duly appointed proxies and representatives may also ask questions related to the resolutions to be tabled for approval at the AGM, at the AGM itself.

Access to Documents and Information relating to the AGM:

10. In line with the Company's sustainability efforts, the Company has discontinued the practice of mailing the Company's annual reports and circulars to shareholders. Documents and information relating to the AGM, including this Notice of AGM, Proxy Form, the annual report for the financial year ended 31 December 2025 ("**AR2025**"), together with the letters to shareholders appended to AR2025 (the "**Letters to Shareholders**") are available for viewing and download from the SGXNET (<https://www.sgx.com/securities/company-announcements>) and the Company's corporate website (<https://www.vallianzholdings.com/investor-relations/#announcements>).
11. For shareholders' convenience, printed copies of this Notice of AGM, Proxy Form and a request form (to request for printed copies of AR2025 and Letters to Shareholders) ("**Request Form**") have been despatched to shareholders.
12. Shareholders who wish to receive printed copies of the AR2025 and/or the Letters to Shareholders should complete the Request Form and return it to the Company by 20 April 2026 by depositing the Request Form at the Company's registered office address at 1 Pasir Panjang Road, Labrador Tower, #28-02, Singapore 118479. The printed copies will be mailed to shareholders within five (5) working days upon receiving the Request Form. Incomplete or incorrectly completed Request Forms will not be processed.

Personal Data Privacy:

By submitting an instrument appointing the Chairman of the AGM as proxy to attend, speak and vote at the AGM and/or any adjournment thereof, a shareholder of the Company (a) consents to the collection, use and disclosure of the shareholder's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents or service providers) of the appointment of the Chairman of the AGM as proxy appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines.

DISCLOSURE OF INFORMATION ON DIRECTOR SEEKING RE-ELECTION

Mr. Chong Chee Keong Chris is the Director seeking re-election at the forthcoming Annual General Meeting of the Company to be convened on 29 April 2026 (“AGM”)

Pursuant to Rule 720(5) of the Catalist Rules of the SGX-ST, the information relating to the Director as set out in Appendix 7F of the Catalist Rules of the SGX-ST is disclosed below:

Mr. Chong Chee Keong Chris	
Date of Appointment	28 February 2018
Date of last re-appointment	31 July 2023
Age	57
Country of principal residence	Singapore
The Board’s comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The re-election of Mr. Chong as the Independent Director of the Company was recommended by the Nominating Committee (“NC”) and the Board has accepted the recommendation, after taking into consideration his qualifications, expertise, past experiences and overall contribution since he was appointed as a Director of the Company.
Whether appointment is executive, and if so, the area of responsibility	Independent Non-Executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Lead Independent Non-Executive Director, Chairman of the NC and Remuneration Committee and a member of Audit Committee
Professional qualifications	Bachelor of Laws, National University of Singapore
Working experience and occupation(s) during the past 10 years	2 January 1999 to present Partner of Singapore Law Practice Chris Chong & CT Ho LLP 6 July 2013 to 19 February 2025 Raintr 33 Hotel Pte. Ltd. 1 November 2012 to 20 February 2025 Montsierra Properties Pte. Ltd. 29 December 2023 to present Comba Telecom Systems Holdings Limited 16 January 2025 to present Peak Sportsventures Pte. Ltd.
Shareholding interest in the listed issuer and its subsidiaries	Nil
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	No
Conflict of Interest (including any competing business)	No

DISCLOSURE OF INFORMATION ON DIRECTOR SEEKING RE-ELECTION

Mr. Chong Chee Keong Chris	
Undertaking (in the format set out in Appendix 7H) under Rule 720(1) has been submitted to the listed issuer	Yes
Other Principal Commitments (Including Directorships)	
Past (for the last 5 years)	Montsierra Properties Pte. Ltd. Raintr33 Hotel Pte. Ltd.
Present	Vallianz Holdings Limited Comba Telecom Systems Holdings Limited Peak Sportsventures Pte. Ltd.
Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is “yes”, full details must be given	
a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No
b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No
c) Whether there is any unsatisfied judgment against him?	No
d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No
e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulator requirement that relate to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No

DISCLOSURE OF INFORMATION ON DIRECTOR SEEKING RE-ELECTION

Mr. Chong Chee Keong Chris	
f) Whether at any time during the last 10 years ,judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No
g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No
h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No
i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No
j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:- i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No

DISCLOSURE OF INFORMATION ON DIRECTOR SEEKING RE-ELECTION

Mr. Chong Chee Keong Chris	
k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No
Disclosure applicable to the appointment of Director only	
Any prior experience as a director of a listed company? If yes, please provide details of prior experience. If no, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange. Please provide details of relevant experience and the nominating committee's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable).	Not applicable, as this relates to the re-election of Mr. Chong Chee Keong Chris as a director of the Company.

VALLIANZ HOLDINGS LIMITED

(Company Registration No. 199206945E)
(Incorporated in the Republic of Singapore)

PROXY FORM ANNUAL GENERAL MEETING

IMPORTANT

1. The Annual General Meeting ("AGM") of the Company will be held, in a wholly physical format, at 438 Alexandra Road, Connect @ Alexandra Point, Level 2, Singapore 119958 on Wednesday, 29 April 2026 at 10.00 a.m.. There will be no option for shareholders to participate virtually.
2. Please read the notes overleaf which contain instructions on, inter alia, the appointment of a proxy(ies).
3. This proxy form is not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by Central Provident Fund ("CPF") and Supplementary Retirement Scheme ("SRS") investors. CPF and SRS investors: (a) may vote at the AGM if they are appointed as proxies by their respective CPF Agent Banks or SRS Operators, and should contact their respective CPF Agent Banks or SRS Operators if they have any queries regarding their appointment as proxies; or (b) may appoint the Chairman of the AGM as proxy to vote on their behalf at the AGM, in which case they should approach their respective CPF Agent Banks or SRS Operators to submit their votes by 10.00 a.m. on 20 April 2026.

PERSONAL DATA PRIVACY By submitting an instrument appointing a proxy(ies) and/or representative(s), the shareholder accepts and agrees to the personal data privacy terms set out in the Notice of AGM dated 14 April 2026.

I/We (Name) _____ (NRIC/Passport No./Company Registration No.) _____

of _____

being *a shareholder/shareholders of **VALLIANZ HOLDINGS LIMITED** (the "Company"), hereby appoint:

Name	Address	NRIC/ Passport No	Proportion of shareholdings represented by proxy (%)

*and/or (delete as appropriate)

Name	Address	NRIC/ Passport No	Proportion of shareholdings represented by proxy (%)

or failing *him/her/them, the Chairman of the annual general meeting of the Company (the "AGM"), as *my/our *proxy/proxies to attend and vote for *me/us on *my/our behalf, at the AGM to be held at 438 Alexandra Road, Connect @ Alexandra Point, Level 2, Singapore 119958 on Wednesday, 29 April 2026 at 10.00 a.m. and at any adjournment thereof.

*I/We direct *my/our *proxy/proxies to vote for or against or abstain from voting on the Ordinary Resolutions to be proposed at the AGM as indicated hereunder. If no specific directions as to voting is given, the *proxy/proxies will vote or abstain from voting at *his/her/their discretion, as he/she/they will on any other matter arising at the AGM and at any adjournment thereof.

No.	Ordinary Resolutions	**For	**Against	**Abstain
Ordinary Business:				
1.	Adoption of Audited Financial Statements for the financial year from 1 January 2025 to 31 December 2025 together with the Directors' Statement and Independent Auditor's Report thereon.			
2.	Re-election of Director pursuant to Regulations 105 and 106 of the Constitution of the Company - Mr. Chong Chee Keong Chris			
3.	Approval of the payment of Directors' fees of S\$259,800 for the financial year ending 31 December 2026.			
4.	Re-appointment of Messrs CLA Global TS Public Accounting Corporation as Auditor of the Company and to authorise the Directors to fix their remuneration.			
Special Business:				
5.	Proposed renewal of Shareholders' Mandate for Interested Person Transactions with the RHC Group.			
6.	Authority to Directors to allot and issue new shares.			
7.	Proposed adoption of the VHL Employee Share Option Scheme 2026.			
8.	Proposed grant of options under the VHL Employee Share Option Scheme 2026 at a discount.			

Note:

* Please delete accordingly

** Voting will be conducted by poll. If you wish your proxy/proxies to cast all your votes "For" or "Against" a resolution, please indicate with a (✓) in the "For" or "Against" box provided in respect of that resolution. Alternatively, please indicate the number of votes "For" or "Against" in the "For" or "Against" box provided in respect of that resolution. If you wish your proxy/proxies to abstain from voting on a resolution, please indicate with a (✓) in the "Abstain" box provided in respect of that resolution. Alternatively, please indicate the number of shares your proxy/proxies is directed to abstain from voting in the "Abstain" box provided in respect of that resolution. In any other case, the proxy/proxies may vote or abstain as the proxy/proxies deem(s) fit on any of the above resolutions if no voting instruction is specified, and on any other matter arising at the AGM.

Dated _____ this day of _____ 2026

Total No. of shares held in	
(a) CDP Register	
(b) Register of Members	

*Signature(s) of Shareholder(s)/
Common Seal of Corporate shareholder

IMPORTANT: Please read notes overleaf



Notes:

1. If the shareholder has shares entered against his name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act 2001), he should insert that number of shares. If the shareholder has shares registered in his name in the Register of Members of the Company, he should insert the number of shares. If the shareholder has shares entered against his name in the Depository Register and shares registered in his name in the Register of Members of the Company, he should insert the aggregate number of shares. If no number is inserted, this form of proxy will be deemed to relate to all the shares held by the shareholder of the Company.
2.
 - (a) A member who is not a relevant intermediary is entitled to appoint not more than two (2) proxies to attend, speak and vote at the AGM. Where such shareholder's form of proxy appoints more than one (1) proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy.
 - (b) A member who is a relevant intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such shareholder. Where such shareholder's form of proxy appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.

“**Relevant intermediary**” has the meaning ascribed to it in Section 181(6) of the Companies Act 1967.

3. This Proxy Form is not valid for use by investors who hold shares through relevant intermediaries (as defined in Section 181(6) of the Companies Act 1967), including CPF and SRS investors, and shall be ineffective for all intents and purposes if used or purported to be used by them. Such investors (including CPF and SRS investors), if they wish to vote, should contact their respective relevant intermediaries as soon as possible to specify voting instructions. **CPF and SRS investors should approach their respective CPF Agent Banks or SRS Operators at least seven (7) working days before the AGM to specify voting instructions.**
4. A member who wishes to appoint a proxy(ies) must complete the instrument appointing a proxy(ies), before submitting it in the manner set out below.
5. A proxy need not be a member of the Company. A member may choose to appoint the Chairman of the AGM as his/her/its proxy.
6. The instrument appointing a proxy(ies) must be deposited to the Company not less than seventy-two (72) hours before the time appointed for holding the AGM in the following manner:
 - (a) Post or submit personally to the Share Registrar's office at 9 Raffles Place, #26-01 Republic Plaza, Singapore 048619; or
 - (b) Electronic mail to vallianz-agm@complete-corp.com.
7. The instrument appointing a proxy(ies) must be signed under the hand of the appointor or of his/her attorney duly authorised in writing. Where the instrument appointing a proxy(ies) is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised.
8. A corporation which is a member of the Company may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the AGM, in accordance with its Constitution and Section 179 of the Companies Act 1967.
9. Completion and return of an instrument appointing a proxy(ies) shall not preclude a member from attending, speaking and voting in person at the AGM. Any appointment of a proxy(ies) shall be revoked if a member attends the AGM in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the relevant instrument appointing a proxy(ies) to the AGM.
10. The Company shall be entitled to reject the instrument appointing the Chairman of the AGM as proxy if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing the Chairman of the AGM as proxy.
11. In the case of a shareholder whose shares are entered against his/her name in the Depository Register, the Company may reject any instrument appointing the Chairman of the AGM as proxy lodged if such shareholder, being the appointor, is not shown to have shares entered against his/her name in the Depository Register as at 10.00 a.m. on 26 April 2026, as certified by The Central Depository (Pte) Limited to the Company.

Personal data privacy

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of AGM dated 14 April 2026.



Vallianz Holdings Limited

1 Pasir Panjang Road
#28-02 Labrador Tower
Singapore 118479
+65 6911 6200

www.vallianzholdings.com

cre8
Tel: (65) 63278398