



UMS GROUP

UMS Integration Limited

EXPANDING REACH EMERGING STRONGER

ANNUAL REPORT 2025





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OUR VISION

is to be a strategic global partner for successful global companies, providing a full range of integrated manufacturing services.

OUR MISSION

is to deliver the best in-class manufacturing solutions to step up our customers' manufacturing processes to produce quality products.

CORPORATE PROFILE

Incorporated in Singapore on January 17, 2001, UMS Integration Limited (“UMS”) is a one-stop strategic integration partner providing equipment manufacturing and engineering services to Original Equipment Manufacturers of semiconductors and related products. The Group has three core business segments - Semiconductors, Aerospace and Others (mainly Materials Distribution).

The Group's semiconductor business is focused on front-end semiconductor equipment contract manufacturing. It is also involved in complex electromechanical assembly and final testing devices. The products we offer include modular and integration systems for original semiconductor equipment manufacturing.

Through our key subsidiaries - Catalyst-listed JEP Holdings Limited and Starke Singapore Pte Ltd, UMS is also in the business of manufacturing high precision aircraft parts for the fast-growing aerospace industry and materials distribution of high quality metals and solutions for a variety of demanding industrial applications.

Headquartered in Singapore, the Group has production facilities in Singapore, Malaysia and California, USA.

UMS was named in the Forbes Best under a Billion list for two consecutive years - 2022 and 2023 - as one of the top-performing public companies with less than US\$1 billion (S\$1.38 billion) in yearly sales in the Asia-Pacific region. On October 7, 2022, UMS was also named Runner-Up of the Most Transparent Company Award 2022, Technology Category in the SIAS' Investors Choice Awards 2022.

UMS was also named winner of the prestigious Centurion Club Award 2023.

UMS was added to the MSCI Global Small Cap Index in February 2023.

UMS is a constituent of FTSE ST Singapore Shariah Index since 2018.

UMS is also ranked as one of the top-10 constituents of the MSCI Singapore Investable Market (IMI) Islamic Index in 2025.

The Group changed its name from UMS Holdings Limited to UMS Integration Limited on 5 September 2024 to better reflect the identity and status of the Group following its Secondary Listing, and to distinguish it from similarly named companies in Malaysia. The name change will also strengthen the Group's profile as an integrated comprehensive service provider for global chip companies.



CEO STATEMENT



Despite tariff threats, intensifying geopolitical tensions and market uncertainties, the Group delivered a better performance in FY2025 - growing its topline and bottom line and generating both positive operating cashflow and free cashflow.

Luong Andy

Chief Executive Officer



Dear Shareholders,

On behalf of the Board of Directors, we are pleased to present the Annual Report of UMS Integration Limited (“UMS” or “the Group”) for the financial year ended 31 December 2025 (“FY2025”). FY2025 was a year of steady execution, operational discipline and strategic positioning.

In view of the Group’s robust performance, the Board of Directors (the “Directors”) is pleased to recommend and propose a final dividend of TWO (2.0) Singapore cents, notwithstanding the 1 for 4 bonus share issue completed at the beginning of this year. Subject to the approval of the shareholders, the total dividends declared and proposed for FY2025 will be FIVE (5.0) Singapore cents.

Delivering Growth in a Transformative Industry

Despite tariff threats, intensifying geopolitical tensions and market uncertainties, the Group delivered a better performance in FY2025 - growing its topline and bottom line and generating both positive operating cashflow and free cashflow.

Revenue in FY2025 rose 4% to S\$251.1 million from S\$242.1 million in FY2024. Our Semiconductor segment remained the primary growth driver. Component sales grew 10% year-on-year to S\$121.2 million, reflecting increased demand from both our existing and new key customers. While Integrated System sales moderated slightly for the year, quarterly momentum improved in 4QFY2025, signalling a strengthening customer demand.

Geographically, Malaysia recorded a significant 91% surge in revenue, driven by orders from our new key customer. Taiwan and other regional markets also delivered strong growth, highlighting our expanding global footprint.

Margin Expansion and Operational Efficiency

Gross material margin improved to 54% in FY2025 from 51% in FY2024, supported by a favourable product mix and improved cost management. While depreciation expenses increased due to new machinery additions and facility expansion, these investments were necessary to prepare for the anticipated production ramp-ups.

We also made deliberate efforts to optimise manpower costs and streamline operational expenses, reinforcing our long-term competitiveness.

Positioned for the AI-Driven Super-Cycle

The semiconductor industry is undergoing structural transformation. AI acceleration is driving unprecedented demand for high-bandwidth memory, advanced logic and sophisticated packaging solutions. Capital expenditure in semiconductor manufacturing equipment is forecasted to reach record levels over the next few years.

In anticipation of this growth, we invested more than S\$155 million over the past four years to expand and upgrade our facilities.

CEO STATEMENT

Our new manufacturing capabilities position us to support next-generation semiconductor equipment and advanced packaging requirements.

We are also actively working on multiple new product introductions (NPIs) from our new key customer, which will further broaden our revenue base.

Aerospace Recovery

The Aerospace segment experienced some softness in FY2025 due to delivery timing adjustments. However, global air travel demand continues to strengthen, and industry forecasts project record passenger volumes in 2026. According to IATA, the number of air travellers is expected to rise 4.4% to 5.2 billion in 2026 with passenger loads reaching an all-time high. In the Asia-Pacific – the largest market globally – passenger load factors are projected to reach another record of 84.4% despite a slower recovery in international traffic.

We remain confident in the medium-term recovery trajectory of this segment.

Investor Relations

During the year, the Group successfully completed its secondary listing in Bursa Malaysia. UMS is also listed as one of companies on the SGX iEdge Singapore Next 50 Index which aims to track the performance of the next 50 largest companies listed on the SGX Mainboard, beyond the 30 largest companies by market capitalization.

All these are part of our investors relations efforts to better engage investors so as to unlock value for shareholders. Our share price has risen during the year and market capitalisation hit consistently above S\$1 billion.

Looking Ahead

With a renewed three-year integrated system contract secured and new product pipelines progressing, we enter FY2026 with confidence.

Both our key global customers have forecast robust demand growth for 2026 and 2027. With the acceleration of AI applications, they are ramping execution velocity to drive multi-year outperformance targets going forward.

The improvements in chipmaking hardware are outpacing Moore's Law as leading chipmakers claim they can make AI chips today 1,000 times more advanced than what was produced a decade ago, far outstripping the pace set by Moore's Law which predicted that the number of transistors on computer chips would roughly double every year.

This move beyond Moore's Law will help to drive down computing costs and at the same time drive up performance, fuelling the rapid progress of the industry.

The escalating demand for high-bandwidth memory (HBM) and advanced logic is driving the need for packaging complexity and the Group's key customers see advanced packaging as a major growth driver in the coming years as it plays a critical role in enabling AI performance and semiconductor innovation.

Both of the Group's key customers are important players in the advanced packaging space as HBM adoption expands.

The semiconductor industry is now entering a period of record growth and is predicted to reach US\$1 trillion in revenue this year for the first time ever, fuelled by artificial intelligence and the spread of computer chips to virtually every part of the economy.

According to the Semiconductor Industry Association (SIA), colossal demand for new data centre computers has provided a bonanza for chipmakers, allowing the industry to keep eclipsing growth estimates.

The global semiconductor industry is embarking on a new "super-cycle" of capital expansion of unprecedented scale, driven by a structural re-architecture of the computing stack to support AI.

According to a new forecast released by industry association SEMI, global sales of semiconductor manufacturing equipment will climb for three consecutive years, culminating in a record high of \$156 billion in 2027.

This forecast signals a clear shift away from traditional consumer-driven cycles toward a new "Giga Cycle," in which major tech companies are investing heavily to compete in the AI era.

Our strategy remains clear:

- Deepen partnerships with key customers
- Capture opportunities in advanced semiconductor packaging
- Improve manufacturing execution
- Focus on high value-add, critical semiconductor components
- Maintain strong financial management

Appreciation

We would like to thank our employees for their dedication, our customers for their continued trust, and our shareholders for their steadfast support.

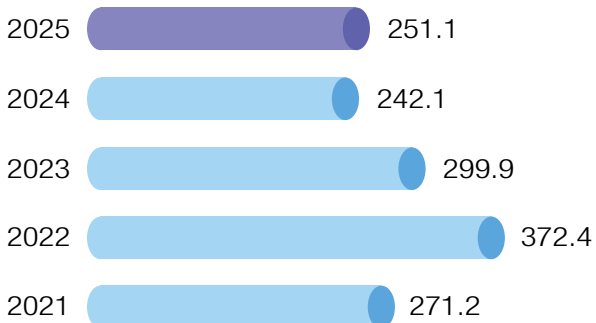
Together, we will continue building UMS into a stronger and more resilient enterprise so as to deliver sustained positive shareholder value in the long term.

Yours faithfully,

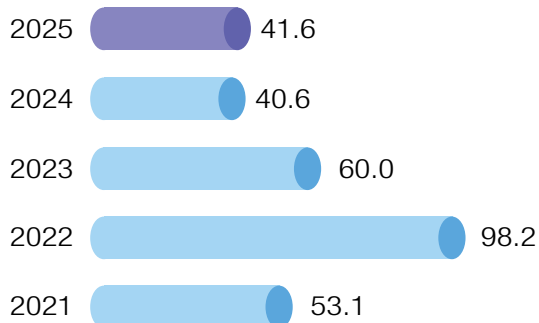
Andy Luong
Chief Executive Officer
UMS Integration Limited

FINANCIAL HIGHLIGHTS

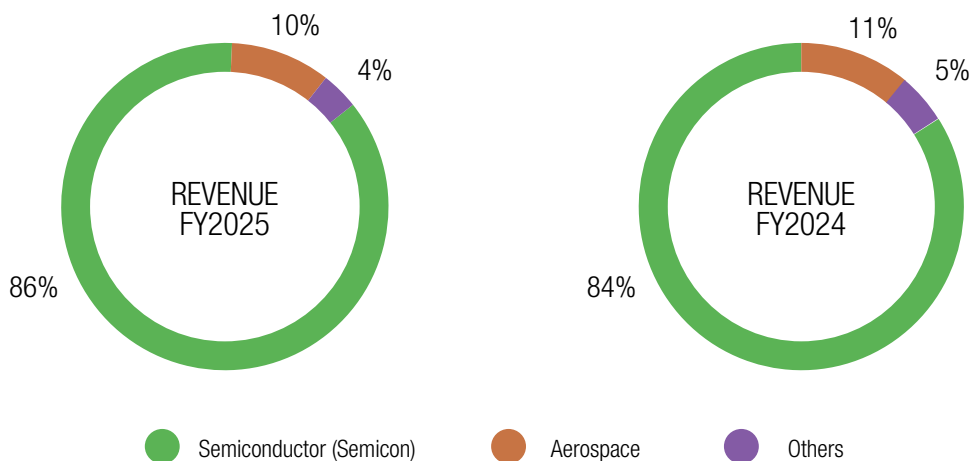
REVENUE S\$ Million



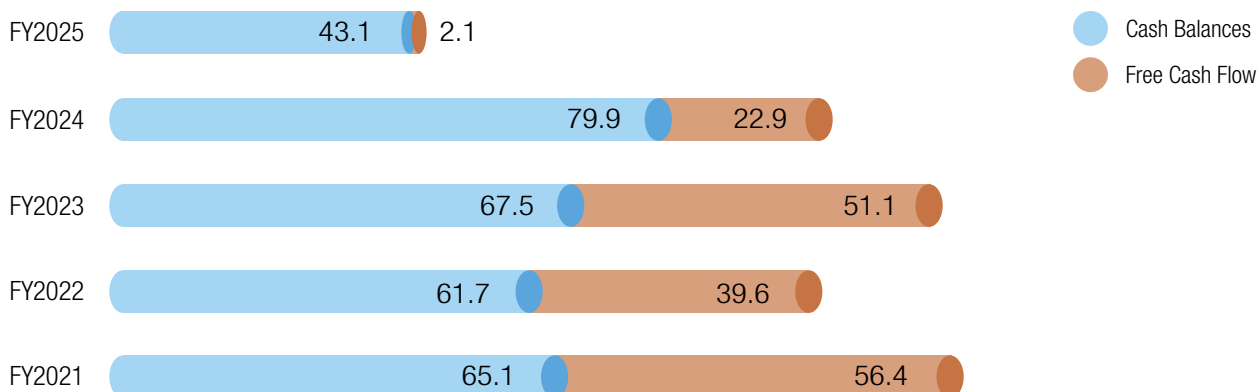
NET PROFIT ATTRIBUTABLE TO SHAREHOLDERS S\$ Million



SEGMENTAL CONTRIBUTION



CASH BALANCES & FREE CASH FLOW S\$ Million



OPERATION REVIEW

The year under review underscores the Group's resilience and competence in managing market risks while pursuing diversified growth trajectories that provide sustainable long-term value to shareholders. The Group continues its efforts to strengthen its vertical integration capabilities and enhance its production capacities. These initiatives help to cement our position as a strategic manufacturing partner to our customers.

REVIEW ON BUSINESS SEGMENTS

SEMICONDUCTOR

The Group's semiconductor business remains the core activity of the Group. Our main strategic thrusts were all focused on this segment.

The semiconductor business comprises of two key segments - components and integrated systems.

For the year under review, the major revenue driver was its components sales. Revenue from components sales climbed 10% from S\$110.2 million in FY2024 to S\$121.2 million in FY2025, reflecting increased demand from both our existing and new key customers. Semiconductor Integrated System sales dipped 1% to S\$93.5 million in FY2025 from S\$94.4 million in FY2024. However, quarterly momentum improved in 4QFY2025, signaling strengthening customer demand.

The Group's new 300,000 square feet production facility at Penang Science Park North is ramping up volume production for its new key customer steadily. The Group is also working on several NPIs (new product introductions) from the customer as new product families are forecast to rise in the near future. The Group expects significant improvement in delivery, supported by strong order flow in the months and years ahead.

Built at a cost of about RM250 million, the new plant is focused on medium and large format products, special processes and modular assembly of products for its new customer. Our strategic focus is on critical products which are difficult to fabricate, requires very high precision and quality standards, i.e. very high barrier of entry to lower competition.

The Group also invested heavily to upgrade the manufacturing capabilities of other Group companies. The Group's capital investments demonstrate the foresight and commitment to enhance its capabilities to enable it to capture new opportunities in the global market's transition to smaller, more complex three-dimensional devices and packages and support its key customers' growth strategies.

The Group invested more than S\$155 million in the last four years to expand its manufacturing capabilities to get ready for the expected production ramp up for its key customers.



The Group continues to face challenges in manpower. Our Malaysia operation continues to face talent shortage even though the severity has improved as compared to last year. We continue to make efforts to improve staff retention and factory automation to overcome these challenges. We will be introducing an employee share plan to help improve staff recruitment and retention.

We have also continued to maximize the synergies arising from the combined production and engineering capabilities of UMS and our subsidiary, JEP. We are now in a good position to further entrench ourselves in the precision engineering industry and offer more integrated value-added engineering services for equipment manufacturers.

AEROSPACE

The Aerospace segment experienced some softness in FY2025 due to delivery timing adjustments. Revenue in its Aerospace segment declined 7% from S\$26.3 million in FY2024 to S\$24.6 million in FY2025.

However, global air travel demand continues to strengthen, and industry forecasts project record passenger volumes in 2026. According to IATA, the number of air travelers is expected to rise 4.4% to 5.2 billion in 2026 with passenger loads reaching an all-time high. In the Asia-Pacific – the largest market globally – passenger load factors are projected to reach another record of 84.4% despite a slower recovery in international traffic.

We remain confident in the medium-term recovery trajectory of this segment.

OTHERS

Revenue in its Others segment grew 4% from S\$11.2 million in FY2024 to S\$11.7 million in FY2025, mainly due to revenue recognition of several completed projects under the Group's water treatment company Kalf Engineering Pte Ltd ("Kalf").

Kalf has received several orders during the year. It has also secured the partnership of several industry players who are willing to collaborate on the projects and fund the project working capital. We are evaluating the merits of the arrangement and has put on hold the decision to wind down the business.

Our material stockist Starke Singapore performed satisfactorily during the year. On 2 March 2026, the Group acquired the remaining 30% of the issued and paid-up share capital of Starke. Following completion of the acquisition, Starke became a wholly owned subsidiary of the Group.

FINANCIAL REVIEW

UMS Group achieved a net attributable profit of S\$41.6 million for the financial year ended 31 December 2025 ("FY2025"), a 2% increase from the net profit of S\$40.6 million accomplished in the previous year ended 31 December 2024 ("FY2024").

Revenue

Revenue in FY2025 improved 4% to S\$251.1 million from S\$242.1 million in FY2024 as sales in the Group's Semiconductor segment and Others segment grew 5% and 4% respectively. The increase was moderated by a 7% decline in Aerospace sales during the period under review.

Semiconductor Integrated System sales dipped 1% to S\$93.5 million in FY2025 from S\$94.4 million in FY2024. Revenue from component sales climbed 10% from S\$110.2 million in FY2024 to S\$121.2 million in FY2025.

Apart from Singapore and the USA, sales improved in all the Group's key geographical markets.

Compared to FY2024, revenue in Malaysia surged 91% in FY2025 on more orders from the new key customer while sales in Taiwan and Others leapt 10% and 40% respectively. Both Singapore and US reported sales decline of 4% and 21% respectively.

Profitability

The Group posted higher profits in FY2025. Net profit before tax rose 7% to S\$50.3 million in FY2025 from S\$46.8 million in FY2024 while net profit edged up 5% to S\$43.6 million from S\$41.6 million in FY2024.

The Group's profitability benefitted from lower expenses and better margins as its gross material margin in FY2025 rose to 54% from 51% in FY2024 mainly due to a change in product mix as well as lower expenses.

The Group's bottom line was however affected by a loss of S\$2.4 million on Other Credits/Charges - from a gain of S\$2.6 million last year. This decline is mainly due to the swing from an exchange gain of S\$3 million to an exchange loss of S\$0.7 million in 2025, S\$1.2 million in stock written off partially offset by S\$1.0 million gain from disposal of fixed assets.

Depreciation expenses also jumped 26% mainly due to addition of machineries. Income tax expenses also increased in line with higher profits.

Reflecting the improved performance, Group Earnings per Share (EPS) rose to 5.85 cents in FY2025 from 5.74 cents in FY2024 while Net Asset Value per share (NAV) grew to 60.35 cents from 58.88 cents during the same period.



Balance Sheet

Cash and Bank Balances / Bank borrowings

The net decrease in cash and cash equivalents by S\$36.1 million (after netting-off bank borrowings) was mainly due to purchase of property, plant and equipment, higher inventory purchases and payment of dividends during the period partially offset by the net cash generated from operating activities.

Trade and other receivables

Trade receivables and other current assets decreased by S\$13.9 million mainly due to lower down-payment to suppliers of property, plant and equipment during the current year.

Inventories

The increase in inventories by S\$42.8 million was mainly due to higher material purchases as compared to prior year.

Trade and other payables

Trade and other payables increased by S\$7.4 million mainly due to higher purchases as compared to prior year.

Cash Flow

The Group continued to generate positive net cash of S\$39.7 million (vs FY2024: \$55.2 million) from operating activities in FY2025. Free cash flow fell to S\$2.1 million (from S\$22.9 million in FY2024) - attributed mainly to higher inventory balance and capex to fund the Group's expansion in Penang to support the expected production ramp up in the coming year.

During the year, the Group also paid out S\$35.5 million in dividends.

Net cash decreased from S\$79.2 million on 31 Dec 2024 to S\$43.1 million during the period under review.

Dividend and Bonus Issue

In view of the Group's performance and in recognition of shareholders' support, the Board has proposed a final dividend of 2.0 Singapore cents per ordinary share (tax-exempt one-tier) for

FINANCIAL REVIEW

FY2025, notwithstanding the 1 for 4 bonus share issue completed at the beginning of this year. This brings the total dividend proposed and declared to 5.0 Singapore cents per share which includes dividends already paid out in each preceding quarter from 1Q2025 to 3Q2025.

The Group had allotted and issued Bonus Shares in January 2026 on the basis of ONE (1) bonus share for every FOUR (4) existing ordinary shares. This epitomizes the strong fundamentals of UMS' business model as well as the management's commitment to reward the shareholders for their continuous support.

Secondary listing in Bursa Malaysia

The Group was successfully listed in Bursa Malaysia on 1 August 2025. For this corporate exercise, UMS won the IFN (Islamic Finance News) Equity and Equity-Linked Deal of the Year 2025 award.

The secondary listing will allow the Group to broaden UMS' investor reach and widen its investor base; potentially improve the liquidity of the Company's shares through separate trading platforms; and enable UMS to tap into additional platforms for future fund raising and provide it with the flexibility to access different equity markets to raise funds to support the Group's growth.

Investor Relations

The UMS management places great importance on building good relationships with both local and overseas investors, analysts and media, and keeping them updated on our business strategies, financial performance and operations. Official announcements and press releases are filed on the Singapore Exchange (SGX), and updated on our website.

Throughout the year, we actively engaged the investment community by participating in investor days with securities firms, group meetings with local and international analysts and fund managers to keep them abreast of our financial performance and business operations.

During the year, the Group is listed as one of companies on the SGX iEdge Singapore Next 50 Index which aims to track the performance of the next 50 largest companies listed on the SGX Mainboard, beyond the 30 largest companies by market capitalization.

UMS was named in the Forbes Best under a Billion list for 2022 and 2023 - as one of the top-performing public companies with less than US\$1 billion (S\$1.38 billion) in yearly sales in the Asia-Pacific region.

UMS was also a named winner of the prestigious Centurion Club Award 2023.

UMS was added to the MSCI Global Small Cap Index in February 2023.



BOARD OF DIRECTORS



DATUK PHANG AH TONG
Chairman / Lead Independent
Non-Executive Director

Datuk Phang is our Chairman and Lead Independent Non-Executive Director. He was appointed as the Chairman on 14 May 2025. He was appointed to our Board on 1 October 2017.

Datuk Phang, who was formerly the Deputy Chief Executive of the Malaysian Investment Development Authority (MIDA), has played a key and strategic role in promoting Malaysia's foreign and domestic investments during his 36 years in MIDA.

An economics graduate from the University of Malaya, Datuk Phang has attended senior management programmes at Harvard Business School and INSEAD, the top French management school. He has played an active role in shaping Malaysia's economic landscape through his involvement in national scale master plans. He was also pivotal in developing the manufacturing, non-manufacturing and service sectors in Malaysia and promoting global Foreign Direct Investment into Malaysia.

Datuk Phang is the Independent Non-Executive Chairman of JF Technology Berhad, Independent Non-Executive Director of Inari Amertron Berhad, and Media Prima Berhad. He has also been appointed as Director of Novugen Pharma Sdn Bhd, Novugen Oncology Sdn Bhd and Kisiwre Sdn Bhd. He also served as Board Member and Chairman of MARii from 2010 to 2022 and Independent Director of United Overseas Bank (UOB) Malaysia from 2018 to 2022.

Datuk Phang has also capped his illustrious career with distinguished awards, including several service excellence awards at MIDA as well as the Pingat Darjah Pangkuan Seri Melaka (DPSM) and the Pingat Darjah Sultan Ahmad Shah Pahang (DSAP).



MR LUONG ANDY
Chief Executive Officer

Mr Luong Andy was appointed as Chief Executive Officer of the Company in January 2005. Mr Luong previously served as Chief Operating Officer of the Company since April 2004.

As President and Founder of the UMS Group, he has more than 20 years of experience in manufacturing front-end semicon components. He acquired his machining skills through his experience in working in his family's machining business in Vietnam. He emigrated to the USA from Vietnam in 1979 and shortly after college, started a precision machining business called Long's Manufacturing, Inc.



MR LOH MENG CHONG, STANLEY
Executive Director

Mr Stanley Loh was appointed as an Executive Director of the Company on 30 June 2010.

Mr Loh joined the Company on 5 September 2008 as the Group's Financial Controller. He brings with him over 30 years of experience in finance, accounting, treasury and auditing. Before joining the Company, he held several controllership positions in trading and manufacturing organisations.

Mr Loh holds a Bachelor of Accountancy (Hons) from National University of Singapore and a Master of Business Administration from Southern Illinois University (Carbondale). A member of the Institute of Singapore Chartered Accountants (ISCA), he is responsible for the overall financial, accounting, tax, treasury, corporate finance, compliance matters as well as the operations of the Group.

BOARD OF DIRECTORS



MR CHUA SIONG KIAT
Independent Non-Executive Director

Mr Chua Siong Kiat is our Independent Non-Executive Director. He was appointed to our Board on 6 May 2024.

Mr. Chua is an experienced corporate financial executive and consultant with substantial international broad-based financial and management experience of over 3 decades, with exposure in leadership, business strategy and management, corporate governance and compliance, group restructuring, investor relations, corporate finance and mergers and acquisitions, public listing, financial reporting, controls and planning; and having lived and worked in London, Beijing, Ho Chi Minh City and now in Singapore. He is a director of a Singapore-based boutique consulting firm. He also serves on the board of Ever Glory United Holdings Limited and Olive Tree Estates Limited as lead non-executive independent director; and on the board of Memiontec Holdings Limited as a non-executive non-independent director.

Mr. Chua is a Fellow Chartered Certified Accountant (FCCA), Fellow Chartered Accountant of Singapore (FCA, Singapore), Certified Internal Auditor (CIA), Chartered Valuer and Appraiser (CVA) and Senior Accredited Director by Singapore Institute of Directors (SID-SRAD). He holds a Master of Business Administration and Diploma of the Imperial College in Management (MBA, DIC) from Imperial College London Business School, University of London. He just completed his FlexiMasters on business AI and technology programme with Nanyang Technological University (NUS).



DATIN POON LEE FAH
Independent Non-Executive Director

Datin Poon Lee Fah is our Independent Non-Executive Director. She was appointed to our Board on 14 May 2025.

She graduated with a Bachelor of Laws (Hons) from the University of London, United Kingdom in 2012. She obtained her Certificate in Legal Practice from the Malaysian Legal Profession Qualifying Board in 2015 and was admitted to the Malaysian Bar as an Advocate and Solicitor of the High Court of Malaya in 2016. She is a mediator on Malaysian International Mediation Centre's panel of accredited mediators. She has also completed the Executive Education Programme on Mergers and Acquisition by the Imperial College Business School in 2024.

She began her legal career in 2016 as a chambering student and subsequently as a legal associate at Y C Wong until 2017. She then founded her own law practice, Messrs. Poon, Asyraq & Lisa in 2017, where she is the Managing Partner.

She has been in legal practice for over 9 years and specialises in conveyancing, contentious proceedings, family law, estate planning and corporate matters.

She served as Chairman of the Committee on Women's and Family Development, Tanjung Bungah, a community-building initiative established by the Penang State Government to empower women and strengthen family development. In this capacity, she led the planning and implementation of programmes focused on women's empowerment and family well-being. She held the position for seven consecutive years.



MS XIE XINGBEI, PEARLYN
Independent Non-Executive Director

Ms Xie Xingbei, Pearlyn is our Independent Non-Executive Director. She was appointed to our Board on 14 May 2025.

She graduated with a Bachelor of Laws (Hons) (Second Upper) from the National University of Singapore in 2007 and was called to the Singapore Bar as an Advocate and Solicitor in 2008.

She began her career in 2007 as a practice trainee at Shook Lin & Bok LLP ("SLB"). She was retained as a legal associate in 2008 and advanced through the firm's ranks to become a Partner in 2014. She currently serves as a Partner at SLB, where she has over 18 years of experience in corporate legal practice. Her areas of expertise include mergers and acquisitions, equity capital markets, corporate finance, regulatory compliance and general corporate advisory.

She currently also serves on the board of directors of New Wave Holdings Ltd., a public company listed on SGX.

MANAGEMENT TEAM



MR LUONG ANDY
Chief Executive Officer

Mr Luong Andy, the Founder of UMS Integration Limited, has been the Group's Chief Executive Officer since January 2005. He currently holds 124,703,857 ordinary shares in the Group.

Mr Luong has more than 20 years of experience in manufacturing front-end semicon components. He acquired his machining skills through his experience working in his family's machining business in Vietnam. He emigrated to the USA from Vietnam in 1979 and shortly after college, started a precision machining business called Long's Manufacturing, Inc.



MR LOH MENG CHONG, STANLEY
Group Financial Controller /
Senior Vice President, Operations

Mr Stanley Loh joined the Company on 5 September 2008 as the Group's Financial Controller. He brings with him over 30 years of experience in finance, accounting, treasury and auditing. Before joining the Company, he held several controllership positions in trading and manufacturing organisations.

Mr Loh holds a Bachelor of Accountancy (Hons) from National University of Singapore and a Master of Business Administration from Southern Illinois University (Carbondale). A member of the Institute of Singapore Chartered Accountants (ISCA), he is responsible for the overall financial, accounting, tax, treasury, corporate finance, compliance matters as well as the operations of the Group.

GROUP STRUCTURE



* On 2 March 2026, the Group acquired the remaining 30% equity interest.

MILESTONES

1984

Founding of Long's Manufacturing in Silicon Valley, USA by Luong Andy

2004

Merger with Norelco Centreline Holdings Limited

2010

December

Obtained 10-years pioneer tax-free status under Ultimate Machining Solutions Sdn Bhd

2012

February

Completed acquisition of Integrated Manufacturing Technologies Pte Ltd and Integrated Manufacturing Technologies LLC

2018

January

Acquired 29.5% equity stake in Catalyst-listed JEP Holdings Ltd, an Aerospace component manufacturer

August

Acquired 70% equity stake in Non-Ferrous Metal Alloys Specialist, Starke Singapore Pte Ltd

September

Starke setup Malaysian subsidiary to grow its material distribution business



1996

Started UMS in Singapore

2009

February

Commence operation of Malaysia - Penang Hub, a RM75 million investment

2011

December

Entered into agreement to acquire Integrated Manufacturing Technologies Pte Ltd and Integrated Manufacturing Technologies LLC

2017

October

Obtained 10-years pioneer tax-free status under Ultimate Manufacturing Solutions (M) Sdn Bhd

2019

July

Raised equity stake in JEP Holdings Ltd to 38.7%

MILESTONES

2020

November

Starke acquired additional factory building to grow its material distribution business



2022

August

Forbes Asia Best Under a Billion (Asia Pacific Region) Winner

October

SIAS Investors' Choice Awards 2022 Most Transparent Company (Technology Category) Runner Up

2024

January

Obtained Certificate of Completion Compliance for new production facility with land area spanning approximately 300,000 square feet at Penang Science Park North

April

Ranked among the Top 10 Constituents of the MSCI Singapore IMI Islamic (USD) Index.

July

Acquired additional industrial land spanning approximately 235,000 square feet next to our existing production facility in Penang Science Park North for a consideration of RM15.2 million for future expansion.

August

Change of Company Name to UMS Integration Limited.

December

Submitted application to the Securities Commission Malaysia to seek its approval for, amongst others, the Proposed Secondary Listing on the Main Market of Bursa Malaysia Securities Berhad.



2021

April

Increase equity stake in Catalyst-listed JEP Holdings Ltd to above 50%. Made mandatory general offer to acquire all the issued and paid-up ordinary shares in JEP

May

Commence construction of new Penang factory

November

UMS market cap exceeded S\$1 billion for the first time

2023

January

Added to MSCI Global Small Cap Index

August

Second consecutive year Winner of Forbes Asia Best Under a Billion (Asia Pacific Region)

September

Centurion Club Award 2023 (Highest Growth in PAT over 3 years)

2025

August

Secondary listing on the Main Market of Bursa Securities

CORPORATE OFFICES



UMS Pte Ltd
UMS Aerospace Pte Ltd
UMS Systems Pte Ltd
UMS Solutions Pte Ltd
UMS International Pte Ltd
Integrated Manufacturing Technologies Pte Ltd

23 Changi North Crescent
 Changi North Industrial Estate
 Singapore 499616
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 Fax: (65) 6542 9979
 Email: sales@umsgroup.com.sg
 Website: <http://www.umsgroup.com.sg>

Kalf Engineering Pte Ltd

23 Changi North Crescent
 Changi North Industrial Estate
 Singapore 499616
 Tel: (65) 6449 1677
 Fax: (65) 6778 1160
 Email: sales@kalf.sg
 Website: <http://www.kalf.sg>

Starke Singapore Pte Ltd

34 Gul Lane
 Singapore 629428
 Tel: (65) 6863 1630
 Fax: (65) 6863 1620
 Email: sales@starke.com.sg
 Website: <http://starke.com.sg>

JEP Holdings Ltd

16 Seletar Aerospace Crescent
 Singapore 797567
 Tel: (65) 6545 4222
 Fax: (65) 6545 2823
 Website: <https://www.jep-holdings.com>

JEP Precision Engineering Pte Ltd

16 Seletar Aerospace Crescent
 Singapore 797567
 Tel: (65) 6545 4222
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 Website: <https://www.jepprecision.com.sg>

JEP Industrades Pte Ltd

16 Seletar Aerospace Crescent
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 Website: <http://jep.com.sg>

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JEP PRECISION ENGINEERING (M) SDN. BHD.

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Ultimate Machining Solutions (M) Sdn. Bhd.
Ultimate Manufacturing Solutions (M) Sdn. Bhd.
Ultimate Mechanical System Sdn. Bhd.
Allstar Manufacturing Sdn Bhd

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 14100 Simpang Ampat
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 Malaysia

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Integrated Manufacturing Technologies, LLC (California office)

1477 North Milpitas Boulevard
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 Tel: (01) 510-659-9770
 Fax: (01) 408-934-5879
 Email: terry_reed@imt-intl.com
 Website: <http://www.imt-intl.com>

CORPORATE INFORMATION

Board of Directors

DATUK PHANG AH TONG

Chairman and Lead Independent
Non-Executive Director

LUONG ANDY

Chief Executive Officer

LOH MENG CHONG, STANLEY

Executive Director /
Group Financial Controller /
Senior Vice President, Operations

CHUA SIONG KIAT

Independent Non-Executive Director

DATIN POON LEE FAH

Independent Non-Executive Director

XIE XINGBEI, PEARLYN

Independent Non-Executive Director

Audit Committee

Chua Siong Kiat (Chairman)
Datin Poon Lee Fah
Xie Xingbei, Pearlyn

Nominating Committee

Datin Poon Lee Fah (Chairman)
Luong Andy
Chua Siong Kiat
Xie Xingbei, Pearlyn

Remuneration Committee

Xie Xingbei, Pearlyn (Chairman)
Chua Siong Kiat
Datin Poon Lee Fah

Sustainability and Risk Committee

Chua Siong Kiat (Chairman)
Datin Poon Lee Fah
Xie Xingbei, Pearlyn

Registered Office

23 Changi North Crescent
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Website: www.umsgroup.com.sg

Independent Auditors

MOORE STEPHENS LLP

Public Accountants and
Chartered Accountants
10 Anson Road
#29-15 International Plaza
Singapore 079903

Audit Partner-in-charge:
Michelle Chong Jia Yun
(appointed with effect
from financial year ended
31 December 2023)

Share Registrar

IN.CORP CORPORATE SERVICES PTE. LTD.

36 Robinson Road
#20-01 City House
Singapore 068877

SECURITIES SERVICES (HOLDINGS) SDN BHD

Level 7, Menara Milenium, Jalan
Damanlela, Pusat Bandar Damansara,
Damansara Heights, 50490 Kuala
Lumpur, Malaysia

Principal Bankers

Overseas-Chinese Banking
Corporation Limited
Standard Chartered Bank
Citibank, N.A.
DBS Bank Limited
United Overseas Bank Limited

Company Secretaries

Lee Wei Hsiung
Chin Yee Seng

Malaysia Agent

SECURITIES SERVICES (HOLDINGS) SDN BHD

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Damanlela, Pusat Bandar Damansara,
Damansara Heights, 50490 Kuala
Lumpur, Malaysia

FOCUSED STRATEGY ENDURING VALUE

Guided by a clear strategic direction, we are strengthening partnerships with key customers and advancing our position in advanced semiconductor packaging. Through improved manufacturing execution and a focus on high value-add, critical components, we are building greater efficiency and differentiation. Coupled with disciplined financial management, we remain well-positioned for sustainable growth.

KILANG KOMPONEN MESIN



Ultimate Machining Solutions (M) Sdn. Bhd.

Ultimate Manufacturing Solutions (M) Sdn. Bhd.

CORPORATE GOVERNANCE REPORT

The Board and Management of UMS Integration Limited (the “**Company**”) is committed to maintaining high standards of corporate governance and practices that are essential to protect the interest of shareholders. Excellence in corporate governance will not only enhance and safeguard the interest of all our shareholders; it will also foster the stability and sustainability of the Group’s performance that is crucial in the building of long-term shareholders’ value.

This report describes the Group’s corporate governance policies and processes with reference to the Code of Corporate Governance 2018 issued in August 2018 (the “**Code**”). The Board is pleased to confirm that for the financial year ended 31 December 2025, the Company has generally adhered to the principles and guidelines of the Code and any deviations will be specified in this report.

The Board’s Conduct of its Affairs – Principle 1

The Board comprises six Directors at the end of the year 2025, of which four, are Independent Non-Executive Directors. The Board provides entrepreneurial leadership, set strategic aims, and ensures that the necessary financial and human resources are in place for the Company to meet its objectives. It also establishes a framework of prudent and effective controls which enable risks to be assessed and managed. In addition, it reviews management performance, set the Group’s values and standards, and ensure that obligations to shareholders and others are understood and met. The Board also sets the tone for the Company in respect of code of conduct, ethics, values and desired organisational culture, and also ensures proper accountability within the Group.

The key responsibilities of the Board include:

- Approving business direction and strategies;
- Monitoring management’s performance;
- Ensuring the adequacy, efficiency and effectiveness of internal controls, risk management procedures, financial reporting and compliance;
- Approving annual budget, major funding, investment and divestment proposals;
- Approving the nominations of the Board of Directors and appointments to the various Board committees; and
- Assuming the responsibility for overall corporate governance of the Group.

Code of Conduct for Directors

All our Directors are committed to diligently fulfilling their fiduciary duties and responsibilities objectively in the best interests of the Company, ensuring proper accountability within the Company at all times. They understand Company’s business as well as their duties as a Director (including their roles as executive and independent non-executive Directors). The Board adheres strictly to a Code of Conduct, which serves as a framework for guiding Directors on ethical risk, potential conflicts of interests and fostering an environment where integrity and accountability are areas of focus.

Our Code of Conduct comprises the following key principles:

- Directors must avoid situations in which their own personal or business interests directly or indirectly conflict, or appear to conflict, with the interests of the Company;
- Directors must immediately declare conflicts of interest in relation to any matter and recuse themselves from participating in any discussion and/or decision on the matter, and are expected to take necessary mitigating steps (if appropriate) to avoid the conflict;
- Directors should consult the Chairman of the Board and the Chairman of the NC before accepting any appointments to the board of directors of another public or private company;
- Directors are to exercise due care and maintain the confidentiality of information entrusted to them by the Company or other parties who have business dealings with the Company;
- Directors must carry out their responsibilities in compliance with the Company guidelines and policies, and applicable laws, rules and regulations; and
- Directors must not trade in the securities of the Company if, at the relevant time, they are in possession of non-public materially price-sensitive or trade-sensitive information.

CORPORATE GOVERNANCE REPORT

The Group has in place, a set of internal guidelines setting forth matters that require the Board's approval. Matters that specifically require the Board's approval are those involving:

- Release of all results and any other relevant announcements;
- Group's annual budget;
- Appointment of Directors and key personnel;
- Group's corporate and strategic directions, key operational initiatives;
- Major funding and investment initiatives;
- Merger and acquisition transactions;
- Declaration of interim dividend and proposal of final dividends;
- Interested party transactions;
- Matters involving conflict of interests for substantial shareholders or Directors; and
- All other matters of material importance.

All Directors recognise that they have to discharge their duties and responsibilities at all times as fiduciaries in the interests of the Company. The Board is a representation of the shareholders in the Company and is accountable to them through effective governance of the business. To ensure smooth and effective running of the Group and to facilitate decision making, the Board has established various committees to assist in the discharge of its responsibilities. These committees operate under clearly defined terms of reference, which are headed by Independent Non-Executive Directors. The four committees are:

- Audit Committee ("AC")
- Nominating Committee ("NC")
- Remuneration Committee ("RC")
- Sustainability and Risk Committee ("SRC")

The Board meets regularly at least four times a year, to coincide with the announcement of the Group's half year and full year results as well as business updates of the Group for its first and third quarters. Ad-hoc Board meetings are also convened as and when deemed necessary by the Board to address any specific or significant matters that may arise. At meetings of the Board, the Directors are free to discuss and openly challenge the views presented by management and other Directors. The decision-making process is an objective one. In lieu of physical meetings, written resolutions are also circulated for approval by the members of the Board. All Directors are furnished with the relevant agenda and Board papers not less than a week to enable them to make informed decisions and considerations prior to the meeting.

During the current financial year, the Board met four times. The Company's Constitution provides for the meetings of the Board by means of conference telephone or similar communications equipment. The number of General Meetings, Board and Board Committee meetings held and the attendance of each board member at the meetings for the financial year ended 31 December 2025 are disclosed below:

Name of Director	Board Meetings		Audit Committee Meetings		Nominating Committee Meetings		Remuneration Committee Meetings		Annual General Meeting		Extraordinary General Meeting	
	No Held	No Attended	No Held	No Attended	No Held	No Attended	No Held	No Attended	No Held	No Attended	No Held	No Attended
Datuk Phang Ah Tong ^{^#}	4	4	4	4	1	1	1	1	1	1	1	1
Mr Luong Andy ⁺	4	4	N.A	N.A	1	1	N.A	N.A	1	1	1	1
Mr Loh Meng Chong Stanley ⁺	4	4	N.A	N.A	N.A	N.A	N.A	N.A	1	1	1	1
Mr Chua Siong Kiat [#]	4	4	4	4	1	1	1	1	1	1	1	1
Datin Poon Lee Fah [#] (Appointed on 14 May 2025)	4	2	4	2	1	–	1	–	1	–	1	1
Ms Xie Xingbei, Pearlyn [#] (Appointed on 14 May 2025)	4	2	4	2	1	–	1	–	1	–	1	0

[^] Non-Executive Chairman

⁺ Executive Director

[#] Independent Non-Executive Director

CORPORATE GOVERNANCE REPORT

As part of the Board renewal process, the Board, with the recommendation of the NC, has appointed Datin Poon Lee Fah and Ms Xie Xingbei, Pearlyn as Independent Non-Executive Directors. Both appointments took effect from 14 May 2025. Datin Poon Lee Fah serve as the Chairman of the NC and a member of the AC, SRC and RC while Ms Xie Xingbei, Pearlyn serve as the Chairman of the RC and a member of the AC, SRC and NC.

The Board recognises the importance of appropriate orientation training and continuing education for its Directors. The Company conducts orientation programme for new Directors. Newly appointed Directors will be briefed by Management to familiarise themselves with the Group's business and governance policies and practices. The orientation programme aims to provide new Directors with an understanding of the Group's businesses to enable them to assimilate into their new roles and to get acquainted with Management, thereby facilitating Board interaction and independent access to Management. Whenever a new Director is appointed on the Board, the Company will arrange for the First-time Director to attend Mandatory Training conducted by Singapore Institute of Directors in accordance to Rule 201(5) of the Listing Manual, at the expense of the Company, to enable him/her to discharge his/her duties effectively. The Company has arranged Datin Poon to attend the relevant training on roles and responsibilities of a director of a listed issuer in Singapore as prescribed by Exchange under Practice Note 2.3 of the Listing Manual of the SGX-ST. There are update sessions to inform the Directors on new legislations and/or regulations which are relevant to the Group. Changes to regulations and accounting standards are monitored closely by the Management. To keep pace with regulatory changes, where these changes have an important bearing on the Company's or Directors' disclosure obligations, Directors are briefed at Board meetings. The Board as a whole is updated regularly on changes to the Listing Rules and the Code, as well as on risk management, corporate governance, insider trading and the key changes in the relevant regulatory requirements and international financial reporting standards and the relevant laws and regulations to facilitate effective discharge of their fiduciary duties as Board or Board Committees members.

All the Directors are informed and encouraged to attend seminars, courses and other programs, from time to time, in order to discharge their duties as Directors. All the costs are borne by the Company. All the Directors had attended and completed the mandated sustainability training course organised by Singapore Institute of Directors and the Institute of Singapore Chartered Accountants (ISCA) as required by the enhanced SGX sustainability reporting rules announced in December 2021.

All Directors are appointed to the Board by way of a formal letter of appointment or service agreement setting out the scope of their duties and obligations.

The Company Secretaries or their representative(s) attend all Board and Board Committees meetings and prepare minutes of Board and Board Committees meetings. The Company Secretaries assists the Directors in ensuring that Board procedures are followed and reviewed in accordance with the Company's Constitution so that the Board functions effectively and the relevant requirements of the Companies Act 1967 of Singapore ("**Companies Act**") are complied with. The Company Secretaries or their representative(s) advise the Board on all governance matters, ensuring that legal and regulatory requirements as well as Board policies and procedures are complied with. The appointment and removal of the Company Secretaries are subject to the approval of the Board.

The Directors either individually or as a group may seek independent professional advice in furtherance of their duties and costs of such service will be borne by the Company.

Board Composition and Guidance – Principle 2

Board Independence

The Board recognises the important of independence and objectivity in its decision making process. The presence of the Independent Non-Executive Directors is essential in providing unbiased and impartial opinion, advice and judgement to ensure the interest of the Group, shareholders, employees, customers and other stakeholders in which the Group conduct its businesses are well presented and taken into account.

As at 31 December 2025, the Board comprises 6 Directors, 4 of whom are Independent Non-Executive Directors. The Board, taking into account the nature and scope of the Company's businesses and the number of Board Committees' members, considers that a Board with majority of members being Independent Non-Executive is necessary. In view of this, the Company is in compliance with Provisions 2.2 and 2.3 of the Code that the Independent Non-Executive Directors make up a majority of the Board.

CORPORATE GOVERNANCE REPORT

The Board has adopted the Code's criteria of an independent non-executive director in its review and is of the view that all Non-Executive and Independent Directors have satisfied the criteria of independence. All Directors are required to disclose any relationship or appointment which would impair their independence to the Board on a timely basis. The NC reviews annually the independence of each Director in accordance with the Code's definition of what element constitutes an independent director. The NC has reviewed the "Confirmation of Independence" forms completed by each independent non-executive director and is of the view that the four Independent Non-Executive Directors (who represent a majority of the Board) are independent, i.e. they have no relationship with the Company, its related companies, its substantial shareholders with shareholdings of 5% or more in the voting shares of the Company, or their officers that could interfere, or be reasonably perceived to interfere, with the exercise of the Director's independent business judgement with a view to the best interest of the Group, and they are able to exercise objective judgement on corporate affairs independently from the Management and the substantial shareholders with shareholder of 5% or more in the voting shares of the Company.

Board Diversity

The Company has in place a Board Diversity Policy, which endorses the principle that its Board should have a balance of skill, knowledge, experience and other aspects of diversity such as gender and age as well as to have appropriate number of Independent Non-Executive Directors to the Company's business to promote the inclusion of different perspectives and ideas, mitigate against group think and ensure that the Company has the opportunity to benefit from all available talent. Each year, the NC reviews the composition and size of the Board and each Board Committee and takes into careful consideration a combination of factors when reviewing appointments to the Board and the continuation of those appointments. These factors include skills, core competencies, knowledge, professional experience, educational background, gender, age and length of service. Core competencies, which are taken into account in the selection and appointment of Directors, include banking, finance, accounting, business acumen, management experience, technology expertise, familiarity with regulatory requirements and knowledge of risk management, audit and internal controls. The NC also in its deliberations, takes into account gender and age diversity in relation to the composition of the Board.

The main objective of the Board Diversity Policy is to continue to maintain the appropriate balance of perspectives, skills and experience on the Board to support the long-term success of the Company. The Board diversity policy provides that the NC shall endeavor to ensure that female candidates are included for consideration when identifying candidates to be appointed as new directors, with the aim of having not less than one female director on the Board, and will target to achieve 20% female Board representation perpetually. Currently, two out of six directors on the Board (33% of the Board) are female.

The Board, taking into account the views of the NC, considers that its Directors meet the criteria under its Board Diversity Policy and possess the necessary competencies and knowledge to lead and govern the Company effectively. The Non-Executive Directors who are also the Independent Directors make up a majority of the Board. Nonetheless, the NC will continue to review the Board Diversity Policy, as appropriate, to ensure its effectiveness, and will recommend appropriate revisions to the Board for consideration and approval.

Board Guidance

An effective and robust Board, whose members engage in open and constructive debate and challenge Management on its assumptions and proposals, is fundamental to good corporate governance. A Board should also aid in the development of strategic proposals and oversee effective implementation by Management to achieve set objectives. For this to happen, the Board, in particular its Independent Non-Executive Directors, must be kept well informed of the Company's businesses and be knowledgeable about the industry. To ensure that Independent Non-Executive Directors are well supported by accurate, complete and timely information, Independent Non-Executive Directors have unrestricted access to Management, the Company Secretaries and external advisers (where necessary) at the Company's expense. Independent Non-Executive Directors also receive periodic information papers and Board briefings on the latest market developments and key business initiatives. Regular informal meetings are held for Management to brief Directors on prospective deals and potential developments in the early stages, before formal Board approval is sought. If a Director is unable to attend a Board or Board Committees meeting, the Director may nevertheless provide his/her comments to the Chairman or relevant Board Committees Chairman separately.

CORPORATE GOVERNANCE REPORT

Meeting of Directors without Management

Where appropriate, the Independent Non-Executive Directors, led by the Lead Independent Non-Executive Chairman, will meet without the presence of the Executive Directors where applicable/necessary, and the Lead Independent Non-Executive Chairman will provide feedback to the Chief Executive Officer (“**CEO**”) after such meetings.

Chairman and Chief Executive Officer – Principle 3

Mr Luong Andy has been redesignated from the Chairman and CEO to CEO of the Company with effect from 14 May 2025. Additionally, Datuk Phang Ah Tong (“**Datuk Phang**”) also has been redesignated from Lead Independent Non-Executive Director to Chairman and Lead Independent Non-Executive Director of the Company with effect from 14 May 2025. The roles of our Chairman, Datuk Phang and CEO, Mr Luong Andy, are distinctly separated to ensure appropriate checks and balances, increased accountability and greater capacity for the Board to make independent decisions. Both the Chairman and the CEO operate within a culture of trust and respect, cooperating on strategy development, communication, and performance monitoring. It should be noted that the Chairman and the CEO are not related to each other.

As the Chairman, Datuk Phang’s responsibilities, among others, include the following:

- Lead the Board to ensure its effectiveness to all aspects of its role and set its agenda;
- Ensure that the Directors receive accurate, timely and clear information;
- Ensure effective communication with shareholders;
- Encourage constructive relations between the Board and Management;
- Facilitate the effective contribution of Independent Non-Executive Directors to the Board;
- Encourage constructive relations between the Independent Non-Executive Directors and Executive Directors; and
- Promote high standards of corporate governance.

The Chairman provides support and advice to the CEO while respecting the CEO’s executive responsibilities. Similarly, the CEO seeks guidance from the Chairman regularly and as needed while respecting the Chairman’s independence.

The CEO is responsible for the operations and oversees the day-to-day management of the business operations. He is instrumental in formulating strategies, business development, goals and performance targets and ensuring objectives are met.

Major business proposals are discussed at Board meetings before decisions are made. The Board believes there is sufficient element of independence and adequate safeguards against a concentration of power in one single person.

In addition, the Independent Non-Executive Directors form the majority of the Board, numbering four out of six members of the Board. This ensures a high level of accountability, promotes an appropriate balance of power and authority and allows for independent decision-making at the Board level in keeping with the spirit of good corporate governance.

The appointment of the Chairman and Lead Independent Non-Executive Director, Datuk Phang adds to the independent element on the Board. The strong level of independence on the Board enables it to engage in robust decision-making, monitor results, and assess and remunerate management on its performance.

The Board believes that the Company has complied with Provision 3.1 of the Code.

In line with Provision 3.3 of the Code, the Chairman and Lead Independent Non-Executive Director is available to shareholders via ahtongphang@gmail.com where they have concerns which contact through the normal channels of the CEO or Chief Financial Officer (“**CFO**”) has failed to resolve or for which such contact is not appropriate.

CORPORATE GOVERNANCE REPORT

Board Membership – Principle 4

Composition of Nominating Committee

The appointment of new Directors to the Board is recommended by the NC. As at the date of this report, the NC comprises three Independent Non-Executive Directors and one Executive Director, namely Datin Poon Lee Fah, Mr Chua Siong Kiat, Ms Xie Xingbei, Pearlyn and Mr Luong Andy.

Name	Role in NC	Role In Board
Datin Poon Lee Fah	Chairman	Independent Non-Executive Director
Mr Luong Andy	Member	Chief Executive Officer
Ms Xie Xingbei, Pearlyn	Member	Independent Non-Executive Director
Mr Chua Siong Kiat	Member	Independent Non-Executive Director

The Chairman of the NC is not directly associated with any substantial shareholder of the Company. The NC works within the written terms of reference, which describes the responsibilities of its members. The key terms of reference of the NC include the following:

- Review of succession plans for Directors and make recommendations to the Board on all board appointments, retirements and re-nomination having regards to the Director's contribution and performance;
- Review and determine the independence of each Director and ensure that the Independent Non-Executive Directors make up at least half of the Board;
- Review and decide if a Director is able to and has been adequately carrying out his/her duties as a Director of the Company, when he/she has multiple board representations; and
- Determine how the Board's performance may be evaluated, and propose objective performance criteria to assess the effectiveness of the Board as a whole.

The NC assesses annually whether a director with other listed company board representations and/or other principal commitments is able to and has been adequately carrying out his/her duties as a director of the Company. The NC assesses holistically whether a director is able to and has been adequately carrying out his/her duties as a director of the Company, taking into account the results of the assessment of the effectiveness of the individual director, the level of commitment required of the director's listed company board representations and/or other principal commitments, and the director's actual conduct and participation on the Board and board committees, including availability and attendance at regular scheduled meetings and ad hoc meetings.

The NC was of the view that each director has given sufficient time and attention to the affairs of UMS and has been able to discharge his/her duties as director effectively. The NC noted that based on the attendance of board and board committee meetings during the year, the directors were able to participate in at least a substantial number of such meetings to carry out their duties. The NC also noted that, based on the recent individual director assessment for FY2025, all the directors performed well. The NC was therefore satisfied that in FY2025, where a director had other listed company board representations and/or other principal commitments, the director was able and had been adequately carrying out his/her duties as director of the Company.

The Board has determined that a Director may hold up to 8 listed company board representations and principal commitments (up to 5 on Bursa Malaysia listed companies). Currently, the Company does not have alternate Directors.

Board Succession Planning

The Board believes that orderly succession and renewal are achieved as a result of careful planning, where the appropriate composition of the Board is continually under review. In this regard, the Board has put in place a formal process for the renewal of the Board and the selection of new directors so that the experience of longer-serving directors can be drawn upon while tapping into the new external perspectives and insights which more recent appointees bring to the Board's deliberation. The NC leads the process and makes recommendation to the Board on the appointment of new directors and re-nomination of directors.

CORPORATE GOVERNANCE REPORT

The NC reviews succession plans for the CEO and other key management personnel, taking into account of Company's long-term strategy and objectives, the orderly succession of key management personnel, and contingency planning for preparedness against sudden and unforeseen changes.

Selection and appointment of new Director

The process for selection and appointment of new Directors will be led by the NC in the following order:

- (i) determining the desirable competencies for the appointment, and after consultation with Management;
- (ii) assessing the suitability of the candidates and conducting an open dialogue to ensure that each candidate is aware of the role and obligations; and
- (iii) submitting a final shortlist for recommendation to the Board.

The search and nomination process for new Directors, led by the NC, is as follows:

- the NC evaluates the balance, skills, knowledge and experience of the existing Board and the requirements of the Group. In light of such evaluation, the NC determines the role and key attributes that an incoming Director should have.
- after endorsement by the Board of the key attributes required, the NC taps on the networking resources of the existing Directors and seeks recommendations from them in relation to the potential candidates, and goes through a short listing process. If candidates identified from this process are not suitable, executive recruitment agencies are appointed to aid in the search process.
- the NC meets with the shortlisted candidate(s) to assess suitability and to ensure that the candidate(s) is/are aware of the expectations and the level of commitment required.
- the NC recommends the most suitable candidate to the Board for appointment as Director.

In identifying for appointment of new Directors, the NC applies the following main principles:-

- The Board shall have a majority of Directors who are not substantial shareholders of the Company and are independent of the substantial shareholders of the Company; and
- The NC must be satisfied that each candidate is fit and proper for the position or office and is the best or most qualified candidate nominated for the position or office taking into account the candidate's track record, age, experience, capabilities, and other relevant factors.

In its deliberations on the re-election of existing Directors, the NC takes into consideration the relevant Director's competency, commitment, contribution and performance (including, if applicable, his contribution and performance as a Director). The assessment parameters include attendance record, preparedness, intensity of participation and candour at meetings of the Board and Board Committees as well as the quality of input and contributions.

Under the Constitution of the Company, one-third of the Directors for the time-being (or, if their number is not multiple of three, the number nearest to but not less than one third) shall retire from office by rotation each year. For avoidance of doubt, each Director shall retire at least once every three years. In addition, a director newly appointed to the Board shall hold office until the next Annual General Meeting ("**AGM**") and subject to re-election. The NC assesses and recommends to the Board whether the retiring Directors are suitable for re-election. Each member of the NC is also required to abstain from voting on resolutions, making recommendations and/or participating in matters in which he/she is interested.

The NC has reviewed and recommended the re-election of Mr Loh Meng Chong, Stanley, Datuk Phang Ah Tong, Datin Poon Lee Fah and Ms Xie Xingbei, Pearlyn, who are retiring at the forthcoming annual general meeting to be held on 30 April 2026. The Board has accepted the recommendations and the retiring Directors will be offering themselves for re-election at the forthcoming AGM.

CORPORATE GOVERNANCE REPORT

Pursuant to Rule 720(6) of the Listing Manual of the Singapore Exchange Securities Trading Limited (“SGX-ST”), Directors seeking re-election at a general meeting have to provide the information as set out in Appendix 7.4.1 of the Listing Manual. The required information on the said Directors seeking re-election at the forthcoming AGM are appended herein:

Name of Director	Loh Meng Chong, Stanley	Datuk Phang Ah Tong	Xie Xingbei, Pearlyn	Datin Poon Lee Fah
Date of appointment	30 June 2010	1 October 2017	14 May 2025	14 May 2025
Date of last re-appointment (if applicable)	26 April 2023	26 April 2023	Not applicable	Not applicable
Age	59	69	42	38
Country of principal residence	Singapore	Malaysia	Singapore	Malaysia
The Board’s comments on the NC’s recommendation for re-election	The Board has accepted the NC’s recommendation, who has reviewed and considered Mr Loh’s performance as an Executive Director of the Company.	The Board has accepted the NC’s recommendation, who has reviewed and considered Datuk Phang’s performance as a Chairman and Lead Independent Non-Executive Director of the Company.	The Board has accepted the NC’s recommendation, who has reviewed and considered Ms Xie’s performance as an Independent Non-Executive Director of the Company.	The Board has accepted the NC’s recommendation, who has reviewed and considered Datin Poon’s performance as an Independent Non-Executive Director of the Company.
Whether appointment is executive, and if so, the area of responsibility	Executive, responsible for the overall financial, accounting, tax, treasury, corporate finance, compliance matters as well as the operations of the Group.	Non-Executive	Non-Executive	Non-Executive
Job title	Executive Director	Chairman and Lead Independent Non-Executive Director	Independent Non-Executive Director, Chairman of the Remuneration Committee and a member of the Audit Committee, Nominating Committee and Sustainability and Risk Committee	Independent Non-Executive Director, Chairman of the Nominating Committee and a member of the Audit Committee, Remuneration Committee and Sustainability and Risk Committee
Professional qualifications	<ul style="list-style-type: none"> ● Bachelor of Accountancy from the National University of Singapore ● Master of Business Administration from Southern Illinois University, United States of America ● Member of the Institute of Singapore Chartered Accountants 	<ul style="list-style-type: none"> ● Bachelor of Arts (Economics) (Honours) from University Malaya 	<ul style="list-style-type: none"> ● Bachelor of Law Degree (Second Class (Upper Division) Honours) from the National University of Singapore ● Member of the Law Society of Singapore 	<ul style="list-style-type: none"> ● Bachelor of Laws, University of London ● Certificate in Legal Practice, Malaysia Qualifying Board ● Certified Mediator, Malaysian International Mediation Centre ● Mergers and Acquisitions Executive Education Programme, Imperial College Business School

CORPORATE GOVERNANCE REPORT

Name of Director	Loh Meng Chong, Stanley	Datuk Phang Ah Tong	Xie Xingbei, Pearlyn	Datin Poon Lee Fah
Working experience and occupation(s) during the past 10 years	Executive Director of the Company since 2010	Datuk Phang was the former Deputy Chief Executive of MIDA prior to his retirement in 2017 and had served 36 years in MIDA. During his tenure, he was responsible for promoting foreign and domestic investments and assisted in developing the manufacturing and services sectors in Malaysia	2008 – present Advocate and Solicitor at ShookLin & Bok LLP Current Position Partner, ShookLin & Bok LLP	2016 – 2017 Chambering / Legal Associate, Y C Wong (Penang) July 2017 – present Managing Partner, Poon, Asyraq & Lisa 2019 – present Chairman, Committee on Women's and Family Development of Tanjong Bungah
Shareholding interest in the listed issuer and its subsidiaries	Mr Loh holds 1,187,500 shares of the Company under his name	Nil	Nil	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	Nil	Nil	Nil	Nil
Conflict of interest (including any competing business)	Nil	Nil	Nil	Nil
Undertaking submitted to the listed issuer in the form of Appendix 7.7 (Listing Rule 720(1))	Yes	Yes	Yes	Yes

CORPORATE GOVERNANCE REPORT

Name of Director	Loh Meng Chong, Stanley	Datuk Phang Ah Tong	Xie Xingbei, Pearlyn	Datin Poon Lee Fah
Other Principal Commitments Including Directorships	<p><u>Other Principal Commitment:</u> Executive Director of UMS Integration Ltd</p> <p><u>Present Directorship:</u> UMS Aerospace Pte. Ltd. UMS International Pte. Ltd. UMS Pte. Ltd. UMS Solutions Pte. Ltd. UMS Systems Pte. Ltd. Integrated Manufacturing Technologies Pte. Ltd. Starke Singapore Pte Ltd</p> <p><u>Past Directorship (for the past 5 years):</u> Nil</p>	<p><u>Other Principal Commitment:</u> Non- Executive Chairman of Novugen Pharma (Malaysia) Sdn Bhd Non- Executive Chairman of Oncogen Pharma Malaysia Sdn Bhd Director of Malaysia Investment Development Authority</p> <p><u>Present Directorship:</u> JF Technology Berhad Inari Amerton Berhad Media Prima Berhad</p> <p><u>Past Directorship (for the past 5 years):</u> Jerasia Capital Berhad United Overseas Bank Malaysia Apex Healthcare Berhad Cosmos Technology International Berhad Malaysia Automotive, Robotics and Internet of Things Institute</p>	<p><u>Other Principal Commitment:</u> Partner of ShookLin & Bok LLP</p> <p><u>Present Directorship:</u> New Wave Holdings Ltd.</p> <p><u>Past Directorship (for the past 5 years):</u> Nil</p>	<p><u>Other Principal Commitment:</u> Managing Partner of Messrs. Poon, Asyraq & Lisa</p> <p><u>Present Directorship:</u> The Paradise Cultural Sdn Bhd T J Teoh Development Sdn Bhd T J Teoh Multi Holding Sdn Bhd</p> <p><u>Past Directorship (for the past 5 years):</u> Sungei Bongkoh Estate Sdn Berhad</p>
Any prior experience as a Director of an issuer listed on the Exchange?	Yes	Yes	Yes	No
If yes, please provide details of prior experience.	He has been a director of the Company since 2010.	He has been an Independent Non-Executive Director of the Company since 2017.	She is an Independent Non-Executive Director of New Wave Holdings Ltd	N.A.
If no, please state if the Director has attended or will be attending training on the roles and responsibilities of a listed issuer as prescribed by the Exchange.	N.A.	N.A.	N.A.	The Company has arranged Datin Poon to attend the relevant training on roles and responsibilities of a director of a listed issuer in Singapore as prescribed by Exchange under Practice Note 2.3 of the Listing Manual of the SGX-ST.
Please provide details of relevant experience and the NC's reasons for not requiring the Director to undergo training as prescribed by the Exchange (if applicable).	N.A.	N.A.	N.A.	N.A.

CORPORATE GOVERNANCE REPORT

Name of Director	Loh Meng Chong, Stanley	Datuk Phang Ah Tong	Xie Xingbei, Pearlyn	Datin Poon Lee Fah
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 questions 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	No	No	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	No	No	No

CORPORATE GOVERNANCE REPORT

Name of Director	Loh Meng Chong, Stanley	Datuk Phang Ah Tong	Xie Xingbei, Pearlyn	Datin Poon Lee Fah
(c) Whether there is any unsatisfied judgment against him?	No	No	No	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	No	No	No
(e) Whether he has ever been convicted of any offence, 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 has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No	No	No

CORPORATE GOVERNANCE REPORT

Name of Director	Loh Meng Chong, Stanley	Datuk Phang Ah Tong	Xie Xingbei, Pearlyn	Datin Poon Lee Fah
(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	No	No	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	No	No	No

CORPORATE GOVERNANCE REPORT

Name of Director	Loh Meng Chong, Stanley	Datuk Phang Ah Tong	Xie Xingbei, Pearlyn	Datin Poon Lee Fah
(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	No	No	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	No	No	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	No	No	No	No

CORPORATE GOVERNANCE REPORT

Name of Director	Loh Meng Chong, Stanley	Datuk Phang Ah Tong	Xie Xingbei, Pearlyn	Datin Poon Lee Fah
(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	No	No	No	No
(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	No	No	No	No
(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 of business trust?	No	No	No	No

CORPORATE GOVERNANCE REPORT

Name of Director	Loh Meng Chong, Stanley	Datuk Phang Ah Tong	Xie Xingbei, Pearlyn	Datin Poon Lee Fah
(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	Yes, Bursa Malaysia Securities Berhad has publicly reprimanded Jerasia Capital Berhad (“ Jerasia ”) and eight of its directors, which Datuk Phang is one of the Independent Director of Jerasia, on 14 February 2022 for breaches of the Main Market Listing Requirements. The public reprimand was related to the defaults in payments by Jerasia’s wholly-owned subsidiaries Jerasia Fashion Sdn Bhd (“ JFSB ”), Jerasia Apparel Sdn Bhd and Canteran Apparel Sdn Bhd. Publicly reprimanded for failing to make an immediate announcement of the lawsuit filed by the lenders against its subsidiaries and summary judgment obtained by Ambank (M) Bhd, Alliance Bank Malaysia Bhd, and also failing to make an immediate announcement of the windingup petition filed by Ambank against JFSB in July 2021. The reprimand on Jerasia was also because they had misstated the dates of defaults in payments to Ambank, Alliance Bank, RHB Bank and Bank of China (Malaysia) Bhd. As such, Bursa Securities stated that the eight directors had breached paragraph 16.13(b) of the Main Market Listing Requirements for permitting Jerasia to commit the breaches. Datuk Phang had stepped down as an Independent Director from Jerasia on 26 April 2022 and he is not prohibited from holding other directorship.	No	No

CORPORATE GOVERNANCE REPORT

The NC considers that the multiple board representations held presently by some of the 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 range of the experience and knowledge of the Board.

Please refer to the “Further Information on Directors” section in the Annual Report for key information on the Director.

Board Performance – Principle 5

We believe that the Board’s performance is ultimately reflected in the performance of the Company. The Board should ensure compliance with applicable laws and Board members should act in good faith, with due diligence and care in the best interests of the Company and its shareholders. In addition to these fiduciary duties, the Board is charged with two key responsibilities: setting strategic directions and ensuring that the Company is ably led and managed.

Based on the recommendations of the NC, the Board has established a formal assessment of the effectiveness of the Board as a whole, and of each Board Committee separately as well as the contribution by the Chairman and each individual Director to the effectiveness of the Board. The NC has also established an appraisal process to assess the performance and effectiveness of the Board as a whole, and each Board Committee separately as well as to assess the contribution of individual Directors. It focuses on a set of performance criteria which includes the evaluation of the size and composition of the Board, the Board’s access to information, the Board processes and accountability, communication with key management personnel and the Directors’ standards of conduct. Assessment of the Board Committees focused on size and composition of the Board and Board Committees’ processes. The assessment is carried out annually through structured questionnaires designed to assess the strengths, capabilities, and overall effectiveness of the Board and its Committees. The completed questionnaires are collated and the results consolidated into a summary report, which is reviewed by the NC for discussion with the Board. Review of the Board and Board Committees’ performance, as appropriate, is undertaken collectively by the NC annually and informally on a continual basis.

The NC is responsible for the following functions:-

- To make recommendations to the Board on relevant matters relating to the review of board succession plans for Directors;
- To review and determine the independence of each Director;
- To make recommendations to the Board on all nominations for appointment and re-appointment of Directors;
- To implement a process for assessing the effectiveness of the Board as a whole and the contribution by each Director;
- To evaluate the independence of each Director as well as the size and composition of the Board;
- To propose the Board’s performance evaluation criteria; and
- Reviewing Director training programs

No external facilitator was used in FY2025. However, if need arises, the NC has full authority to engage external facilitator to assist the NC to carry out the evaluation process at the Company’s expense.

Procedures for Developing Remuneration Policies – Principle 6

There should be a formal and transparent procedure for developing policies on Director and executive remuneration and for fixing the remuneration packages of individual Directors. No Director should be involved in deciding his/her own remuneration.

As at the date of this report, the RC comprises the following Directors -:

Name	Role in RC	Role In Board
Ms Xie Xingbei, Pearlyn	Chairman	Independent Non-Executive Director
Mr Chua Siong Kiat	Member	Independent Non-Executive Director
Datin Poon Lee Fah	Member	Independent Non-Executive Director

CORPORATE GOVERNANCE REPORT

The RC members comprise entirely of Independent Non-Executive Directors. The members of the RC have extensive experience in the formulation and implementation of wage policies and compensation schemes. If necessary, the RC will seek expert advice on human resource matters or on remuneration of all Directors, either within or outside the Company.

The RC's responsibilities include the following:

- Recommending to the Board a framework of remuneration, and the specific remuneration packages for each Director and key executives (including but not limited to Director's fees, salaries, allowances, bonuses, variable incentives, options and benefits in kind). If necessary, the RC will seek expert advice inside and/or outside the company on remuneration of all Directors;
- Review the adequacy and form of compensation of executive Directors in accordance with predetermined key performance indicators ("**KPIs**") to ensure that the compensation realistically commensurate with the responsibilities and risks involved in being an effective executive Director;
- The performance-related elements of remuneration are designed to align interest of executive Directors with those of shareholders and link rewards to corporate and individual performance based on predetermined KPIs. These KPIs are appropriate and meaningful measures for the purpose of assessing executive Directors' performance;
- Recruiting executive Directors of the Company and determining their employment terms and remuneration;
- Positioning the Company's executive remuneration package relative to other companies or its competitors based on advice and recommendations by experts inside and/or outside the company;
- Reviewing and recommending to the Board the terms of renewal for those executive Directors whose current employment contracts have expired, including reassessing KPIs;
- Ensuring adequate disclosure in the Directors' remuneration as required by regulatory bodies such as SGX-ST;
- Overseeing the payment of fees to non-Executive Directors;
- Reviewing and recommending to the Board the terms of renewal for material service contracts which are due to expire or have expired based on predetermined KPIs; and
- Reviewing the fairness and reasonableness of the termination clauses of the service agreements of the Executive Directors.

Level and Mix of Remuneration – Principle 7

The level of remuneration should be appropriate to attract, retain and motivate the Directors needed to run the Company successfully but companies should avoid paying more for this purpose, taking into account the strategic objectives of the company. A significant proportion of Executive Directors' remuneration should be structured so as to link rewards to corporate and individual performance. Performance-related remuneration should be aligned with the interests of shareholders and other stakeholders and promotes the long-term success of the Company.

The RC adopts a formal procedure for fixing the remuneration packages of individual Directors and Key Management Personnel. In setting the remuneration package of the individual Directors, the Company takes into consideration the following factors:

- Pay and employment conditions within the industry and in comparable companies;
- The Company's relative performance and the performance of the individual Directors;
- The attractiveness of the remuneration package so as to retain the Directors and motivate them to run the Company successfully;
- Significance of performance related elements of remuneration; and
- Effort, time spent and responsibilities of the individual Directors.

The remuneration policies for the Executive and Independent Non-Executive Directors have been endorsed by the RC and the Board. Currently, the Company does not have any long-term incentive schemes.

CORPORATE GOVERNANCE REPORT

Disclosure on Remuneration – Principle 8

Executive Directors

Executive Directors receive their remuneration in two key components, that is, fixed monthly salary and variable bonus and incentives. The fixed monthly salary includes car allowance and central provident fund contribution. The variable bonus and incentives depends largely on the performance of the Group. In exceptional circumstances of misstatement of financial results or of misconduct resulting in financial loss to the Company, the Group will be able to reclaim incentive components of remuneration from the Executive Directors.

Independent Non-Executive Directors

Independent Non-Executive Directors are paid a Director's fee on a quarterly basis in arrears. In determining the quantum of Directors' fees, factors such as financial performance of the Company, effort and time spent, and responsibilities of the Directors are taken into account. Independent Non-Executive Directors are paid a basic fee and allowance for attending any additional meeting. An additional fee for serving as Chairman on any Board Committee is also being paid to Independent Non-Executive Directors. A bonus fee is also paid when the Company achieves good financial performance. The RC ensures that none of the Independent Non-Executive Directors are over-compensated to the extent that their independence may be compromised. The Directors' fees are subject to shareholders' approval at the Annual General Meeting.

Remuneration Details of the Directors

Rule 1207(10D) of the SGX Listing Manual which requires enhanced disclosure of the remuneration of Directors and CEO. Under new Rule 1207(10D), the names, exact amounts and breakdown of remuneration paid to each individual Director and the CEO by the Company and its subsidiaries must be disclosed in annual reports prepared for financial years ending on or after 31 December 2025.

A breakdown showing the level and mix of each individual Director's remuneration payable for financial year 2025 is as follows:

Name of Director	Salary	Variable Bonus and Incentives	Allowances	Central Provident Fund Contribution	Directors Fees	Total
	S\$	S\$	S\$	S\$	S\$	S\$
Non-Executive Directors						
Datuk Phang Ah Tong	–	–	–	–	60,615	60,615
Mr Chua Siong Kiat	–	–	–	–	65,250	65,250
Datin Poon Lee Fah (Appointed on 14 May 2025)	–	–	–	–	35,198	35,198
Ms Xie Xingbei, Pearlyn (Appointed on 14 May 2025)	–	–	–	–	35,198	35,198
Ms Gn Jong Yuh Gwendolyn (Retired on 24 April 2025)	–	–	–	–	23,739	23,739
Executive Directors						
Mr Luong Andy	1,059,688	3,003,978	991,285	21,511	–	5,076,463
Mr Loh Meng Chong Stanley	337,977	398,709	20,400	15,810	–	772,896

CORPORATE GOVERNANCE REPORT

Remuneration of the top five key executives of the Group

The Company believes that it is in the best interests of the Company not to disclose the absolute number, the remuneration breakdown of the top 5 key management personnel, to avoid such information being exploited by competitors and to maintain confidentiality regarding remuneration matters. After taking into account the reasons for non-disclosure stated above, the Board is of the view that the current disclosure of the remuneration of the top 5 key management personnel presented herein in this report is sufficient to provide shareholders information on the Group's remuneration policies, as well as the level and mix of remuneration. Accordingly, the Board is of the view that the Company complied with Principle 8 of the Code.

The breakdown remuneration of top 5 key executives (who are not Directors, CEO and substantial shareholders of the Company) in percentage terms for the year ended 31 December 2025 is set out below:

Name of Key Executive	Salary	Variable Bonus and Incentives	Allowances	CPF	Total
	%	%	%	%	%
Above S\$1,000,000					
Mr Luah Kian Tiong	54%	40%	4%	2%	100%
S\$250,000 to S\$499,999					
Mr Goh Kuan Teck	63%	26%	5%	6%	100%
Ms Pang Su Chun	60%	29%	5%	6%	100%
Below S\$250,000					
Mdm Yuan Wei Ping	78%	13%	0%	9%	100%
Mr Gajendran Rajendra Babu	72%	12%	7%	9%	100%

The total remuneration paid to the above key management personnel for the financial year ended 31 December 2025 was S\$2.0 million.

Other than as disclosed, the Company does not have any employee who is an immediate family member of a Director or CEO and substantial shareholders, whose remuneration exceeds S\$100,000 during the financial year.

Currently, the Company does not have any employee share schemes.

The Company has not engaged any remuneration consultants in FY2025 and will continue to monitor the need to engage external remuneration consultants going forward and where applicable, will review the independence of the external firm before any engagement.

Risk Management and Internal Controls – Principle 9

The Group has established a system of internal controls to address the financial, operational and compliance risks of the Group. The Board recognises the importance of sound internal controls and risk management practices to good corporate governance. The Board affirms its overall responsibility for the Group's overall internal control framework, and for reviewing the effectiveness, adequacy and integrity of those systems on an annual basis.

The internal control and risk management functions are performed by the Group's key management personnel, and the CEO and CFO have confirmed the adequacy and effectiveness of the internal controls and risk management systems and the financial records have been properly maintained and the financial statements give a true and fair view of the Group's business operations and finances. It should be noted, in the opinion of the Board, that no cost effective internal 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.

CORPORATE GOVERNANCE REPORT

The AC selects and approves the appointment and removal of the internal auditor (“**IA**”). The internal audit function of the Group is outsourced to BDO LLP (“**BDO**”). The IA reports directly to the AC. The AC had reviewed and approved the internal audit plan and reviewed the results of the internal audit. The AC is satisfied that the internal audit work is carried out in accordance with the International Standards for the Professional Practice of Internal Auditing set by The Institute of Internal Auditors. The IA have unfettered access to all the Company’s documents, records, properties and personnel, including access to the Board, the AC and the Management to perform their internal audit review, where necessary, and have the right to seek information and explanation.

The Group’s IA conduct review in accordance with the audit plans of the Group and its key internal controls, including financial, operational and compliance controls. Any material non-compliance or failures in internal controls and recommendations for improvement are reported to Management and to the AC. The audit conducted by IA will assist the AC in the assessment of and obtaining assurance on the adequacy, efficiency and effectiveness of the Group’s internal control environment. The AC is satisfied that the internal audit function is adequately resourced and has appropriate standing within the Company. The AC conducted a review and concluded that the internal audit function is adequately resourced, effective and independent for FY2025 and is also satisfied that the IA is staffed by suitably qualified and experienced personnel.

During the financial year, Management had taken remedial actions recommended by the internal and external auditors in prior financial year so as to enhance certain internal control procedures. New areas of improvement were also recommended and implemented during the current financial year.

The Board also recognises the importance of establishing a risk management framework to facilitate the governance of risks and monitoring the effectiveness of internal controls. Accordingly, to facilitate the compliance of the Listing Manual, a Risk Advisory Committee comprising key senior management executives has been established to advise the Board of the various financial, operational and compliance risks affecting the Group. Weightage were assigned to these risks and appropriate actions were taken to mitigate or avoid these risks. In addition, the Board sets the appropriate risk tolerance limits for each risk by considering the relative importance of the objectives. The responsibility of overseeing the Company’s risk management framework and policies is undertaken by the AC.

The Company has previously commissioned a big four auditing firm to perform a risk assessment review and subsequently established a risk identification and management framework. In the Company, risks are identified and addressed, with the Board and senior management personnel of the Group and its subsidiaries taking ownership of these risks. Action plans to manage the risks are continually being monitored by Management and the Board. More information relating to risk management can be found on pages 44 of this Annual Report.

The IA will review policies and procedures as well as key controls over the selected areas as approved by the Audit Committee, and will highlight any issues to the Directors and the AC. Additionally, in performing their audit of the financial statements, the external auditors perform a review of the adequacy and effectiveness of the Group’s key internal controls to the extent of their scope as laid out in their audit plan. Significant non-compliance and internal control weaknesses noted during the audit are reported to the AC together with the recommendations of the external auditors.

Based on the internal control framework established and maintained by Management, the reports from the internal and external auditors, and assurance reviewed from Management, the Board opines, with the concurrence of the AC, that the system of internal controls including financial, operational, compliance, information technology controls and risk management systems (which include consideration with respect to any sanctions related risk) maintained by the Group’s Management that was in place throughout the financial year up to the date of this report, is adequate and effective to meet the needs of the Group in its current business environment. The Board, together with the AC and Management has also confirmed that the Company is not aware of any sanctions-related risks or any risk of the Company being subject to sanctions for the current financial year and will continue to enhance and improve the existing internal control framework to identify and mitigate these risks.

CORPORATE GOVERNANCE REPORT

During the February 2026 Board meeting, the Board formally established the Sustainability and Risk Committee (“**SRC**”) to assist it in carrying out the Board’s responsibility of overseeing the Company’s risk management framework and policies for the Group, determining the nature and extent of the significant risks which the Company is willing to take in achieving its strategic objectives and value creation and ensuring that Management maintains a sound system of risk management and internal controls.

The SRC consists of the following three Directors:

Name	Role in SRC	Role In Board
Mr Chua Siong Kiat	Chairman	Independent Non-Executive Director
Ms Xie Xingbei, Pearlyn	Member	Independent Non-Executive Director
Datin Poon Lee Fah	Member	Independent Non-Executive Director

Under its terms of reference, the SRC’s scope of duties and responsibilities include the following:

1.1 Sustainability and ESG Oversight

- Review and recommend the Group’s sustainability strategy, policies and initiatives to the Board;
- Oversee the identification and management of material ESG issues relevant to the Group’s operations in Singapore, Malaysia and United State of America;
- Monitor the Group’s performance against sustainability targets and key performance indicators;
- Review the Sustainability Report and recommend it to the Board for approval;
- Ensure alignment with applicable reporting frameworks such as SGX sustainability reporting requirements, GRI Standards and TCFD recommendations.

1.2 Risk Management

- Oversee the Group’s enterprise risk management framework;
- Review key business, operational, financial, regulatory and sustainability-related risks;
- Monitor management’s actions in mitigating identified risks;
- Assess emerging risks, including climate-related and supply chain risks;
- Ensure appropriate risk policies and controls are in place.

1.3 Governance and Compliance

- Review sustainability-related policies, including environmental, health and safety, ethical conduct and social responsibility policies;
- Oversee compliance with relevant sustainability regulations and listing requirements;
- Promote a strong sustainability and risk awareness culture throughout the Group.

Audit Committee – Principle 10

As at the date of this report, the AC comprises the following members:

Name	Role in AC	Role In Board
Mr Chua Siong Kiat	Chairman	Independent Non-Executive Director
Datin Poon Lee Fah	Member	Independent Non-Executive Director
Ms Xie Xingbei, Pearlyn	Member	Independent Non-Executive Director

The AC members have many years of experience in their respective fields of accounting, audit, financial management, law and business. The Board considers that the members of the AC are appropriately qualified to discharge the responsibilities of the AC.

CORPORATE GOVERNANCE REPORT

The AC has the authority to investigate any matters within its terms of reference and the discretion to invite any Director to attend its meetings. The management shall grant full cooperation and resources to enable it to discharge its functions properly. The roles and responsibilities of the AC are to:

- Recommend to the Board, the external auditors to be appointed and the remuneration and terms of engagement letter therein;
- Review with the internal and external auditors, the audit plan, including the nature and scope of the audit and its cost effectiveness before the audit commences;
- Review with the internal auditors and external auditors, their evaluation of the adequacy and effectiveness of the system of internal accounting controls and compliance functions;
- Review the Group's audited annual report and other quarterly financial statements and related notes and formal announcements thereto; accounting principles adopted and the external auditors' report prior to recommending to the Board for approval;
- Review the nature, scope, extent and cost effectiveness of non-audit services provided by the external auditors and ensuring that these do not affect the independence and objectivity of the external auditors;
- Review any significant financial reporting issues, judgment and estimates made by the Management, so as to ensure the integrity of the financial statements of the Company;
- To review the cooperation given by the Management to the external auditor;
- Discuss problems and concerns, if any, arising from the interim and final audits, and any matters which the auditors may wish to discuss (in the absence of the Management where necessary);
- Review the adequacy and effectiveness of the Company's material internal controls, including financial, operational and compliance controls via reviews carried out by the internal auditors; and
- Review interested party transactions on a regular basis.

In respect of the overall audit process, the AC has:-

- Provided an open avenue of communication between the external auditors, internal auditors, the Management and the Board; and
- Kept under review the scope and results of the external audit, internal audit, and their effectiveness and reported to the Board on any significant findings.

The AC is guided by its terms of reference which provides explicit authority to investigate any matters within its terms of reference, full access to and co-operation by the Management and full discretion to invite any Director and executive officer to attend its meetings, and reasonable resources to enable it to discharge its functions properly.

The AC has also put in place an anti-fraud policy, whereby staff and business associates of the Group may raise concerns about possible improprieties in matters of financial reporting, fraudulent acts and other matters and ensure that arrangements are in place for independent investigations of such matters and appropriate follow up actions. The AC is responsible for oversight and monitoring whistleblowing policy. The AC has designated an independent function to investigate whistleblowing reports made in good faith and ensures that the identity of the whistleblower is kept confidential and the Group is committed to ensure protection of the whistleblower against detrimental or unfair treatment.

The AC and Board noted that no incidents in relation to whistle-blowing matters have been raised during the year by any staff to indicate possible improprieties in matters of financial reporting, financial control, or any other matters.

The AC meets with external auditors, and with internal auditors, without the presence of the Company's Management, at least once a year.

The AC has reviewed the key audit matters disclosed in the independent external auditor's report and is of the view that there is no material inconsistency between the audit procedures adopted by the independent external auditors and Management's assessment and is satisfied that the key audit matters have been appropriately dealt with.

CORPORATE GOVERNANCE REPORT

The Company has appointed a suitable auditing firm to meet its audit obligations, having regard to the adequacy of the resources and experience of the auditing firm and the audit engagement partner assigned to the audit. Moore Stephens LLP was appointed as the Company's external auditors on 7 November 2007. Ms Chong Jia Yun Michelle was appointed as the audit engagement partner in charge of the audit of the Company for financial year ended 31 December 2025. The Company confirms that Rule 712 of the SGX-ST's Listing Manual is complied with.

The auditors of the Company's subsidiaries are disclosed in the notes to the financial statements in this annual report. The Company confirms that the Company and the Group has complied with Rule 715 of the SGX-ST's Listing Manual.

For FY2025, the total amount of fees in respect of statutory audit services provided by the external auditors for the Company amounted to approximately S\$360,000. There were no non-audit services provided by the external auditors for FY2025.

The AC is satisfied with the independence and objectivity of the external auditors during the financial year and has recommended to the Board the re-appointment of Moore Stephens LLP as external auditors at the forthcoming Annual General Meeting of the Company.

No former partner or Director of the Company's existing auditing firm or auditing corporation, within a period of 2 years from the date of his/her ceasing to be a partner of the auditing firm or Director of the auditing corporation, is appointed to the AC.

Shareholder Rights and Conduct of General Meetings – Principle 11

Engagement with Shareholders – Principle 12

Engagement with Stakeholders – Principle 13

Shareholder Rights

The Company is fully committed to treat all shareholders fairly and equitably. All shareholders enjoy specific rights under the Constitution and the relevant laws and regulations. The Company ensures that all material information is disclosed on a comprehensive, accurate and timely basis via SGXNet/Bursa Link. The Company recognises that the release of timely, regular and relevant information regarding the Company's performance, progress and prospects aids shareholders in their investment decisions.

Shareholders are entitled to attend the general meetings and are accorded the opportunity to participate effectively in and vote at general meetings (including through the appointment of up to two proxies, if they are unable to attend in person or in the case of a corporate shareholder, through its appointed representative). Shareholders are also informed of the rules, including the voting procedures that govern the general meetings. Indirect investors who hold the Company's shares through a nominee company or custodian bank or through a CPF agent bank may attend and vote at the AGM.

Conduct of General Meetings

Shareholders are informed of general meetings through notices sent to all shareholders or at the shareholder's election, made available electronically. Shareholders may download the Annual Report and Notice of AGM from SGXNet/Bursa Link as well as the Company's IR Website. The general meeting procedures provide shareholders the opportunity to raise questions relating to each resolution tabled for approval.

Shareholders or their appointed proxies are given the opportunity to vote at the general meetings of shareholders. The Company has been conducting electronic poll voting for all the resolutions passed at the general meetings of shareholders for greater transparency in the voting process. An independent external consultant is also appointed as scrutineer for the electronic poll voting process. Prior to the commencement of the general meeting of shareholders, the scrutineer would review the proxies and the proxy process. A proxy verification process agreed upon with the scrutineer is also in place. Votes cast for, or against, each resolution will be tallied and displayed live-on-screen to shareholders or their appointed proxies immediately after each poll conducted at the meeting. The Company maintains an audit trail of all votes cast at the general meeting of shareholders. The outcome of the general meeting of shareholders (including total numbers and percentage of votes cast for or against the resolutions) are also promptly disclosed on SGXNet/Bursa Link on the same day after the general meeting. Each share is entitled to 1 vote. The Company currently does not provide for voting in absentia.

CORPORATE GOVERNANCE REPORT

All Directors, including the Chairman of each of the AC, NC, RC and SRC, external auditors, senior management and legal adviser (where necessary), are present at general meetings to address queries from the meeting attendees.

The Board noted that there should be separate resolutions on each substantially separate issue that may be tabled at the general meeting. Notices of general meetings are dispatched to shareholders, together with explanatory notes or a circular on items of special business (if necessary), at least 14 clear calendar days before the meeting for ordinary resolutions and/or at least 21 clear calendar days before the meeting for special resolutions.

The Company Secretaries prepare minutes of the general meetings, which capture the essence of the comments or queries from meeting attendees and responses from the Board and Management. These minutes will not be published on the Corporate website but will be made available to shareholders upon their requests.

Shareholders were also given the opportunities to submit their questions related to the resolutions to be tabled for approval in advance of the AGM. The responses to those substantial and relevant questions received from shareholders were published via SGXNet/Bursa Link before the AGM. In addition, the Company will publish the minutes of the forthcoming AGM on SGXNet/Bursa Link within one month from the AGM.

The Company will hold physical AGM for FY2025, all Directors, external auditors, senior management and legal adviser (where necessary) will endeavor to be physically present at the AGM for FY2025 to address to the shareholders' questions.

Disclosure of Information on a Timely Basis

The Company is committed to disclosing to its shareholders as much relevant information as is possible, in a timely, accurate, fair and transparent manner.

In addition to comprehensive, accurate and timely disclosure of information that is material or that may influence the price of the Company shares on SGXNet/Bursa Link in compliance with the requirements of the Listing Manual, the Company adopts the practice of regularly communicating major developments in its businesses and operations through the appropriate media. Such channels include news releases, annual reports, shareholder circulars, shareholders' meetings, and direct announcements.

The Company released its results for the first three quarters to shareholders no later than 45 days from the end of the quarter. Full-year results are released within 60 days from the financial year-end.

Briefings to present quarterly and full-year results are held for the media and analysts.

Interaction with Shareholders

At each AGM, the Directors (including the Chairman of the respective Board committees), are in attendance to address queries and concerns about the Company. The Company's external auditors also attends to address shareholders' queries relating to the conduct of the audit and the preparation and content of the external auditor's report.

Dividend Policy

The Company has adopted a dividend policy since 15 May 2012 to declare dividends on a quarterly basis. The form, frequency, the amount of any dividend will depend on the Group's earnings and financial position, results of operation, capital expenditure requirements, future expansion and investment plans, profit after tax position, other funding requirements, and other factors. The Directors will continually review the dividend policy and reserve the right to update, amend, modify or cancel this dividend policy.

Over the past five years, the Group has declared total annual dividends at the rate of approximately 34% to 95% of the net profit after tax based on the audited consolidated financial statements. Any dividend payments are clearly communicated to shareholders via announcements on SGXNET/Bursa Link.

CORPORATE GOVERNANCE REPORT

The dividend policy of the Company aims to provide shareholders with a sustainable and progressive dividend that is consistent with the Company's long term growth.

Corporate Website

The Group adopts transparent, accountable and effective communication practices as a key means to enhance standards of corporate governance. We aim to provide clear and continuous disclosure of our corporate governance practices through efficient use of technology. The following information is made available on SGX's corporate website and Bursa's corporate website:

- (a) Board of Directors profiles;
- (b) Notice of AGM and Proxy Forms;
- (c) Annual Report;
- (d) Letter/Circular to Shareholders;
- (e) Company announcements;
- (f) Press releases; and
- (g) Financial Results.

The latest Annual Report, financial and company announcements are posted on the website following their release to the market, to ensure fair dissemination to shareholders.

The Company's corporate website (www.umsgroup.com.sg) has a dedicated 'Investor Relations' link. The contact details of the Investor Relations team are available on the dedicated link to enable shareholders to contact the Company easily. Investor Relations has procedures in place for addressing investors' queries or complaints as soon as possible.

Managing Stakeholder Relationships

The Company has in place an Investor Relations Policy which sets out the process and mechanism to engage its stakeholders, including the channel of communication (as described above) for questions to be posed by shareholders and through which the Company may respond accordingly.

Through the Investor Relations team, the Company engages its shareholders, investors and analysts through investor roadshows, and participation in major investor conferences. The Company is committed to actively engaging the investment community to convey its investment proposition, as well as obtain feedback on its expectations.

The Company's approach to the engagement with key stakeholders and materiality assessment will be disclosed in the Company's Sustainability Report for FY2025, which will be uploaded on the SGXNet and Bursa Link at the same time as the publication of this Annual Report.

Please refer to the section on "Stakeholder Engagement" in the sustainability report for more information on how the Company manages its stakeholder relationships.

Dealing in Company's Securities

An internal Code on Dealings in Securities is also in place to prescribe the internal regulations pertaining to the securities of the Company and its listed subsidiaries. The code prohibits securities dealings by Directors and employees while in possession of unpublished price-sensitive information of the Group. The Company, all Directors and employees are also prohibited from dealing in the securities of the Company during the period beginning two weeks before the announcement of the Company's financial statements for each of the first three quarters of its financial year and one month before the announcement of the Company's full year financial statements and ending on the date of the announcement of the financial results. Directors and officers are also advised not to deal in the Company's securities for short term considerations and they are expected to observe insider-trading laws at all times. The Company issues regular internal memorandums to the Directors and officers of the Group to remind them of the aforementioned prohibitions.

CORPORATE GOVERNANCE REPORT

Interested Person Transactions and Material Contracts

The Company defines a transaction as material if its value exceeds 5% of the Group's latest audited net tangible assets or S\$20 million, whichever is lower. In addition, transactions that may have a significant impact on the Group's strategy, reputation, or regulatory standing will also be treated as material, regardless of transaction value. All material transactions are subject to review and approval by the Board, and where required under SGX Listing Rules, by shareholders. The Company has an internal policy to deal with interested person transactions. All interested person transactions will be documented and submitted to the AC on a quarterly basis for their review and approval to ensure that the transactions are carried out at arm's length.

During the current year, there were interested person transactions involving Mr Luong Andy and Sure Achieve Consultant Pte Ltd, a company in which Mr Luong's wife, Mrs Sylvia SY Lee Luong is a shareholder and Director. All interested person transactions were conducted on arm's length basis and on normal commercial terms within the regulatory guidelines. The Company has established procedures to ensure that all transactions with interested persons are reported on a timely manner to the Audit Committee and the transactions are carried out on normal commercial terms and will not be prejudicial to the interest of the Company and its minority shareholders. Details of the interested person transactions are found on the supplementary financial information disclosures page of this Annual Report.

Except as disclosed in the interested person transactions note found on the supplementary financial information disclosures page of this Annual Report, there was no material contract or loan entered into between the Company and any of its subsidiaries involving interests of any of the CEO, Director or controlling shareholder, either still subsisting at the end of FY2025 or if not then subsisting, entered into since the end of the previous financial year.

Use of proceeds

The Company raised net proceeds of approximately S\$49,918,000 from the placement of 40,000,000 shares pursuant to Proposed Subscription. The Proposed Subscription was completed on 31 January 2024. As at the date of annual report, all the net proceeds have been utilized as follows:

	Allocation of net proceeds	Amount utilized	Balance
	S\$'000	S\$'000	S\$'000
Capital expenditure for the growth of the Group's business	29,950	(29,950)	–
General working capital purposes (including meeting general overheads and other operating expenses of the Group)	9,984	(9,984)	–
Future business developments through potential investments, acquisitions, joint ventures and collaborations	9,984	(9,984)	–
Total	49,918	(49,918)	–

CORPORATE GOVERNANCE REPORT

Risk Management

Key Risks of the Group

The Board, and its Committees oversee Senior Management's actions regarding key risks. The following table highlights the key focus areas and risks for the Group.

- Strategic risks – risks arising from changes in market demand and global industry cycles.
- Operational risks – risks relating to production disruptions, supply chain dependencies, labour constraints, and quality assurance.
- Financial risks – risks relating to capital adequacy foreign exchange and credit exposure.
- Compliance risks – risks associated with legal, regulatory, and corporate governance requirements.
- Technology risks – risks relating to cybersecurity threats and IT system reliability.

Risk Assessment and Management

Risks are assessed based on their likelihood of occurrence, potential impact, and velocity of effect. Management regularly evaluates and prioritises risks, implements mitigating measures, and monitors their effectiveness.

Strategic risks

We regularly monitor international developments. When evaluating current and potential investments, it is essential that we consider factors such as customer and country concentration or exposure to higher-risk regions. The Group remains highly cognisant of the impact of an evolving and often volatile macroeconomic environment, including heightened geopolitical tensions, effects from tariffs and the potential for persistent inflation, among other factors.

Operational Risks

UMS monitors and mitigates risks from political and geopolitical uncertainties, including global supply chain disruptions, increased energy prices, and resulting inflationary pressures. Senior Management has determined that the direct impact on business has not been material but will continue to monitor the situation.

Financial risks

The Group recognises the need for a comprehensive financial risk management system, given the globalised and diversified nature of the Group's businesses. Its overall philosophy to financial risk management is to manage the effects of economic uncertainty on the Group's financial performance, with its policies subject to regular Board reviews. Currently, foreign currency, credit and liquidity risks form the main areas of concern for UMS's financial risk management.

To uphold the integrity and reliability of financial reporting, UMS has in place financial controls that includes clear approval processes, segregation of duties and regular reconciliations to ensure accountability and accuracy in financial transactions. Independent audits further validate the effectiveness of these controls, ensuring compliance with regulatory requirements and internal control policies.

Compliance Risks

UMS has in place an ethics and compliance programme and has implemented a comprehensive set of procedures to ensure that legal and industry regulations are monitored and complied with, thus mitigating as far as practicable the occurrence and impact of these risks as they arise.

Technology Risks

UMS adopts comprehensive, multi-layered strategies to address critical technology risks and use of artificial intelligence and related risks, particularly focusing on cybersecurity, data protection, and operational continuity. To mitigate the vulnerability of intellectual property (IP) and sensitive client data, we are implementing robust network segmentation to isolate legacy CNC machinery from corporate networks, alongside using data encryption for information both at rest and in transit. To counter the high risk of human error, we are investing in regular employee training on phishing, while simultaneously adopting advanced threat detection systems and 24/7 monitoring to identify anomalies.

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DIRECTORS' STATEMENT

For the financial year ended 31 December 2025

The directors present their statement to the members together with the audited consolidated financial statements of UMS Integration Limited (the "Company") and its subsidiaries (collectively the "Group") for the financial year ended 31 December 2025, and the statement of financial position 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 of the Company 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 for the financial year ended on that date; 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.

Directors

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

Mr Luong Andy	Executive Director
Mr Loh Meng Chong, Stanley	Executive Director
Datuk Phang Ah Tong	Independent Director
Mr Chua Siong Kiat	Independent Director
Datin Poon Lee Fah (Appointed on 14 May 2025)	Independent Director
Ms Xie Xingbei, Pearlyn (Appointed on 14 May 2025)	Independent Director

Arrangements to Enable Directors to Acquire Shares or Debentures

Except as described in this statement, neither at the end of nor at any time during the financial year was, the Company a party to 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.

Directors' Interests in Shares or Debentures

The directors of the Company holding office at the end of the financial year had no interests in the shares, share options, performance shares or debentures of the Company and related corporations (other than wholly-owned subsidiaries) as recorded in the register of directors' shareholdings kept by the Company under section 164 of the Singapore Companies Act 1967 (the "Act"), except as follows:

Names of directors and companies in which interests are held

	Shareholdings registered in name of director			Shareholdings in which director is deemed to have an interest		
	As at 1 January 2025	As at 31 December 2025	As at 21 January 2026	As at 1 January 2025	As at 31 December 2025	As at 21 January 2026

The Company

Mr Luong Andy						
- Ordinary shares	—	—	—	108,963,286	99,763,086	124,703,857
Mr Loh Meng Chong, Stanley						
- Ordinary shares	950,000	950,000	1,187,500	—	—	—

DIRECTORS' STATEMENT

For the financial year ended 31 December 2025

Options to Take Up Unissued Shares

During the financial year, no option to take up unissued shares in the Company or any corporation in the Group was granted.

Options Exercised

During the financial year, there were no shares of the Company or any corporation in the Group issued by virtue of the exercise of options to take up unissued shares.

Unissued Shares Under Option

At the end of the financial year, there were no unissued shares of the Company or any corporation in the Group under option.

Audit Committee

The Audit Committee ("AC") comprises all independent directors. The members of the AC at the date of this statement are as follows:

Mr Chua Siong Kiat (Chairman)
Datin Poon Lee Fah
Ms Xie Xingbei, Pearlyn

The AC carried out its functions in accordance with Section 201B (5) of the Act, including the following:

- (a) Reviewed the audit plans of the internal and external auditors of the Group and the Company, and reviewed the internal auditor's evaluation of the adequacy of the Company's system of internal accounting controls and the assistance given by the Group's and the Company's management to the external and internal auditors;
- (b) Reviewed the quarterly financial information and annual financial statements and the auditor's report on the annual financial statements of the Group and the Company before their submission to the board of directors;
- (c) Reviewed the effectiveness of the Group's and the Company's material internal controls, including financial, operational and compliance controls and risk management via reviews carried out by the internal auditor;
- (d) Met with the internal and external auditors, other committees, and management in separate executive sessions to discuss any matters that these groups believe should be discussed privately with the AC;
- (e) Reviewed legal and regulatory matters that may have a material impact on the financial statements, related compliance policies and programmes and any reports received from regulators;
- (f) Reviewed the cost effectiveness and the independence and objectivity of the external auditor; and the nature and extent of non-audit services provided by the external auditor;
- (g) Recommended to the board of directors the external auditor to be nominated, approved the compensation of the external auditor, and reviewed the scope and results of the audit;
- (h) Reported actions and minutes of the AC to the board of directors with such recommendations as the AC considered appropriate; and
- (i) Reviewed interested person transactions in accordance with the requirements of the Singapore Exchange Securities Trading Limited's Listing Manual.

DIRECTORS' STATEMENT

For the financial year ended 31 December 2025

Audit Committee (cont'd)

The AC having reviewed the external auditors' non-audit services, was of the opinion that there were no non-audit services rendered that would affect the independence and objectivity of the external auditors.

The AC has held four meetings since the last directors' statement with full attendance from all members. In performing its functions, the AC has also met with the Company's internal and external auditors, without the presence of the Company's management, at least once a year.

The Company confirms that Rules 712 and 715 of the Singapore Exchange Securities Trading Limited's Listing Manual have been complied with.

Further information regarding the AC are detailed in the Corporate Governance Report set out in the Annual Report of the Company.

Independent Auditors

The independent auditors, Moore Stephens LLP, have expressed their willingness to accept re-appointment as auditors.

On behalf of the Board of Directors,

LUONG ANDY

LOH MENG CHONG, STANLEY

Singapore
19 March 2026

INDEPENDENT AUDITOR'S REPORT

To the Members of UMS Integration Limited
(Incorporated in Singapore)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of UMS Integration Limited (the "Company") and its subsidiaries (collectively 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 income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position 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 for the 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 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 current period. 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 UMS Integration Limited
(Incorporated in Singapore)

Key Audit Matters (cont'd)

Key Audit Matter	How our audit addressed the key audit matter
<p>Allowance for inventory obsolescence</p> <p>We refer to Note 3(f), Note 4(a) and Note 15 to the financial statements.</p> <p>The carrying value of inventories amounted to S\$152.0 million (2024: S\$109.2 million), which accounted for 29% of the Group's total assets as at 31 December 2025.</p> <p>As at 31 December 2025, the Group has made an allowance for inventory obsolescence amounting to S\$20.4 million (2024: S\$18.7 million).</p> <p>Inventories are carried in the consolidated financial statements at the lower of cost and net realisable value. The Group writes down the cost of inventories whenever the net realisable value of inventories becomes lower than cost due to damage, physical deterioration, obsolescence, changes in price levels or other causes.</p>	<p>Our response</p> <p>We focused on this area because of the high degree of management judgement required in determining the allowance for inventory obsolescence.</p> <p>We designed and performed the following key procedures, among others:</p> <ul style="list-style-type: none"> - Evaluated the appropriateness of the Group's accounting policies on the valuation of its inventories. - Checked and analysed the ageing of the inventories. - Evaluated and tested management's assessment of inventories to state them at the lower of cost and net realisable value. - Reviewed management's assessment of the allowance for inventory obsolescence, taking into consideration inventory ageing, physical condition of the inventories, past and expected future sales. <p>Our findings</p> <p>We found management's assessment of inventory obsolescence to be reasonable and in accordance with the Group's accounting policies.</p>

INDEPENDENT AUDITOR'S REPORT

To the Members of UMS Integration Limited
(Incorporated in Singapore)

Key Audit Matters (cont'd)

Key Audit Matter	How our audit addressed the key audit matter
<p>Impairment review of goodwill</p> <p>We refer to Note 3(b), Note 4(a) and Note 19 to the financial statements.</p> <p>As at 31 December 2025, the carrying amount of goodwill amounted to S\$86.4 million (2024: S\$86.4 million).</p> <p>The Group is required to perform an impairment test on goodwill of the cash generating unit ("CGU") by comparing its carrying amount with its recoverable amount as at the current year end. The recoverable amount is determined based on value-in-use calculations which includes discounted cash flow projections of the CGU to which the goodwill is allocated to.</p> <p>The impairment test involves significant judgement in determining the allocation of goodwill to the relevant CGU and in estimating the underlying assumptions to be applied in the discounted cash flow projections. The recoverable amounts are highly sensitive to key assumptions applied in respect of gross margin, long term growth rate and discount rate. A small change in the assumptions can have a significant impact to the estimation of the recoverable amounts.</p> <p>Based on the impairment test performed by management, no impairment loss was recognised during the current financial year.</p>	<p>Our response</p> <p>We designed and performed the following key procedures, among others:</p> <ul style="list-style-type: none"> - Conducted a detailed discussion with the Group's key management and finance personnel and reviewed the impairment assessment process over the determination of the relevant cash generating units and estimates for forecasted revenues, growth rates, profit margin, tax rates and discount rates. - Challenged management's estimates applied in the value-in-use models based on our knowledge of the Group's business activities and trends, and compared them against historical forecasts and performance, management plans and industry benchmarks. - Evaluated the Group's planned strategies around revenue growth and cost controls and the sensitivity analysis of the possible increase or decrease in the estimated growth rates and discount rates used in the value-in-use models. <p>Our findings</p> <p>We concluded that the identification of cash generating units was appropriate.</p> <p>Based on the procedures performed, we found the estimated future cash flows and the rates used to be reasonable.</p> <p>Based on our procedures, we noted that management's analysis and assessment, including sensitivity analysis, on the recoverability of goodwill can be supported.</p> <p>Furthermore, we evaluated the adequacy of the Group's disclosures regarding the impairment testing of goodwill. We found the disclosures included in Note 19 to the financial statements to be appropriate in describing the impairment assessment performed in relation to goodwill.</p>

INDEPENDENT AUDITOR'S REPORT

To the Members of UMS Integration Limited
(Incorporated in Singapore)

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

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 a 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 financial statements.

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

- 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.
- 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.
- 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 UMS Integration Limited
(Incorporated in Singapore)

Auditor's Responsibilities for the Audit of the Financial Statements (cont'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.
- 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.
- 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 group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes 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, related safeguards.

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 period 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 subsidiaries incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Ms Chong Jia Yun, Michelle.

Moore Stephens LLP
Public Accountants and
Chartered Accountants

Singapore
19 March 2026

CONSOLIDATED INCOME STATEMENT

For the financial year ended 31 December 2025

	Note	2025 S\$'000	2024 S\$'000
Revenue	5	251,063	242,115
Changes in inventories		42,786	(1,589)
Raw material purchases and subcontractor charges		(157,432)	(116,928)
Employee benefits expense	6	(34,181)	(35,797)
Depreciation expense	17,17(a)	(24,917)	(19,799)
Amortisation of intangible asset	19	(300)	(300)
Other expenses	7	(24,875)	(25,105)
Other (charges)/credit	8	(2,372)	2,645
Finance income	9	962	2,208
Finance expense	10	(480)	(679)
Profit before income tax		50,254	46,771
Income tax	11	(6,637)	(5,195)
Net profit for the year		43,617	41,576
Profit attributable to:			
Owners of the Company		41,596	40,607
Non-controlling interests		2,021	969
Total		43,617	41,576
Earnings per share			
- Basic	12	5.85 cents	5.74 cents
- Diluted	12	5.85 cents	5.74 cents

The accompanying notes form an integral part of the financial statements

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 December 2025

	2025	2024
	S\$'000	S\$'000
Net profit for the year	43,617	41,576
Other comprehensive income, net of income tax:		
<i>Items that may be reclassified subsequently to profit or loss:</i>		
Exchange differences on translation of foreign operations	4,502	8,036
Total comprehensive income for the year	48,119	49,612
Total comprehensive income attributable to:		
Owners of the Company	45,972	48,724
Non-controlling interests	2,147	888
	48,119	49,612

The accompanying notes form an integral part of the financial statements

STATEMENTS OF FINANCIAL POSITION

As at 31 December 2025

	Note	Group		Company	
		2025 S\$'000	2024 S\$'000	2025 S\$'000	2024 S\$'000
ASSETS					
Current Assets					
Cash and bank balances	13	43,063	79,928	458	942
Trade receivables and other current assets	14	42,812	56,724	47,840	53,701
Loan to subsidiaries	18	–	–	1,873	7,930
Inventories	15	151,957	109,171	–	–
Total Current Assets		237,832	245,823	50,171	62,573
Non-Current Assets					
Investments in subsidiaries	16	–	–	270,724	270,724
Property, plant and equipment	17	194,370	165,986	–	–
Right-of-use assets	17(a)	8,832	9,345	–	–
Intangible assets	19	87,351	87,651	–	–
Loan to a subsidiary	18	–	–	9,639	9,882
Deferred tax assets	11	159	162	–	–
Total Non-Current Assets		290,712	263,144	280,363	280,606
Total Assets		528,544	508,967	330,534	343,179
LIABILITIES AND EQUITY					
Current Liabilities					
Borrowings	20	–	754	–	–
Trade and other payables	21	47,044	39,600	10,081	109,970
Lease liabilities	26	1,831	652	–	–
Income tax payable		4,586	4,475	219	253
Total Current Liabilities		53,461	45,481	10,300	110,223
Non-Current Liabilities					
Lease liabilities	26	7,740	9,296	–	–
Deferred tax liabilities	11	10,432	9,866	–	–
Long-term provision	22	405	405	–	–
Total Non-Current Liabilities		18,577	19,567	–	–
Total Liabilities		72,038	65,048	10,300	110,223
Capital and Reserves					
Share capital	23	186,541	186,541	186,541	186,541
Treasury shares	24	(145)	(145)	–	–
Reserves	25	(8,978)	(13,354)	–	–
Retained earnings		251,268	245,204	133,693	46,415
		428,686	418,246	320,234	232,956
Non-controlling interests	16	27,820	25,673	–	–
Total Equity		456,506	443,919	320,234	232,956
Total Liabilities and Equity		528,544	508,967	330,534	343,179

The accompanying notes form an integral part of the financial statements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the financial year ended 31 December 2025

	← Attributable to owners of the Company →						Total equity S\$'000
	Share capital	Treasury shares	Foreign exchange translation reserve	Retained earnings	Total	Non-controlling interests	
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	
Balance at 1 January 2025	186,541	(145)	(13,354)	245,204	418,246	25,673	443,919
Net profit for the year	–	–	–	41,596	41,596	2,021	43,617
Other comprehensive income							
- Exchange differences on translation of foreign operations	–	–	4,376	–	4,376	126	4,502
Total comprehensive income for the year	–	–	4,376	41,596	45,972	2,147	48,119
Dividends (Note 27)	–	–	–	(35,532)	(35,532)	–	(35,532)
Balance at 31 December 2025	186,541	(145)	(8,978)	251,268	428,686	27,820	456,506
Balance at 1 January 2024	136,623	(145)	(21,471)	244,830	359,837	27,089	386,926
Net profit for the year	–	–	–	40,607	40,607	969	41,576
Other comprehensive income							
- Exchange differences on translation of foreign operations	–	–	8,117	–	8,117	(81)	8,036
Total comprehensive income for the year	–	–	8,117	40,607	48,724	888	49,612
Dividends (Note 27)	–	–	–	(38,369)	(38,369)	–	(38,369)
Acquisition of non-controlling interests (Note 16)	–	–	–	(1,864)	(1,864)	(2,304)	(4,168)
Issue of ordinary shares (Note 23)	51,600	–	–	–	51,600	–	51,600
Share issue costs (Note 23)	(1,682)	–	–	–	(1,682)	–	(1,682)
Balance at 31 December 2024	186,541	(145)	(13,354)	245,204	418,246	25,673	443,919

The accompanying notes form an integral part of the financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 December 2025

	Note	2025 S\$'000	2024 S\$'000
Cash Flows from Operating Activities			
Profit before income tax		50,254	46,771
Adjustments for:			
Depreciation expense	17,17(a)	24,917	19,799
Amortisation of intangible assets	19	300	300
Property, plant and equipment written off	8	35	32
Reversal of non-trade debts	8	–	(7)
Allowance for trade debts	8	–	8
Gain on disposal of property, plant and equipment	8	(967)	(220)
Inventories written off	8	1,164	–
Allowance for inventories obsolescence	8	1,752	1,684
Interest income	9	(962)	(2,208)
Interest expense	10	480	679
Gain on disposal of financial assets through profit or loss	8	–	(726)
Unrealised foreign exchange gain		(1,222)	(1,193)
Operating cash flows before working capital changes		75,751	64,919
Change in working capital:			
Decrease in trade receivables and other current assets		7,667	9,834
Increase in inventories		(45,700)	(95)
Increase/(decrease) in trade and other payables		7,161	(11,173)
Cash generated from operations		44,879	63,485
Income tax paid		(5,217)	(8,238)
Net cash generated from operating activities		39,662	55,247
Cash Flows from Investing Activities			
Proceeds from disposal of property, plant and equipment (Note A)		1,072	1,124
Purchase of property, plant and equipment (Note B)		(38,620)	(33,434)
Proceeds from disposal of financial assets through profit or loss		–	1,312
Improvement to investment property		–	(25)
Interest received		962	2,208
Net cash used in investing activities		(36,586)	(28,815)

The accompanying notes form an integral part of the financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS (cont'd)

For the financial year ended 31 December 2025

	Note	2025 S\$'000	2024 S\$'000
Cash Flows from Financing Activities			
Repayment of bank borrowings		(754)	(21,787)
Interest paid	10	(6)	(180)
		(760)	(21,967)
Payment of lease liabilities		(670)	(1,118)
Interest paid	10	(474)	(499)
		(1,144)	(1,617)
Consideration paid for acquisition of non-controlling interests	16	–	(4,168)
Dividends paid	27	(35,532)	(38,369)
Proceeds from issues of ordinary shares	23	–	51,600
Payment for share issue costs	23	–	(1,682)
Net cash used in financing activities		(37,436)	(16,203)
Net (decrease)/increase in cash and cash equivalents		(34,360)	10,229
Cash and cash equivalents at the beginning of the year		79,928	67,458
Net effect of exchange rate changes on the balances of cash and cash equivalents held in foreign currencies		(2,505)	2,241
Cash and cash equivalents at the end of the year	13	43,063	79,928

Reconciliations of purchase of property, plant and equipment and proceeds from disposal of property, plant and equipment are presented below:

	Group	
	2025 S\$'000	2024 S\$'000
<u>Note A: Proceeds from disposal of property, plant and equipment</u>		
Total net book value of disposal and write-off (Note 17)	140	936
Property, plant and equipment written off	(35)	(32)
Add: Gain on disposal of property, plant and equipment	967	220
Net cash inflow in the financial year	1,072	1,124
<u>Note B: Purchase of property, plant and equipment</u>		
Total additions (Note 17)	48,247	25,853
Add: Movement in down-payment to suppliers of property, plant and equipment	(9,627)	7,581
Net cash outflow in the financial year	38,620	33,434

The accompanying notes form an integral part of the financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS (cont'd)

For the financial year ended 31 December 2025

The reconciliation of movements of liabilities to cash flows arising from financing activities is presented below:

	Cash flows		Non-cash changes			31 December S\$'000
	1 January S\$'000	Repayment S\$'000	Other changes S\$'000	Interest expense S\$'000	Addition/ modification S\$'000	
<u>2025</u>						
Borrowings (Note 20)	754	(760)	–	6	–	–
Lease liabilities (Note 26)	9,948	(1,144)	(35)	474	328	9,571
	10,702	(1,904)	(35)	480	328	9,571
<u>2024</u>						
Borrowings (Note 20)	22,541	(21,967)	–	180	–	754
Lease liabilities (Note 26)	9,931	(1,617)	387	499	748	9,948
	32,472	(23,584)	387	679	748	10,702

The accompanying notes form an integral part of the 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 statement.

1 General Information

UMS Integration Limited (the “Company”) is a public limited company incorporated and domiciled in Singapore, and is listed on the Mainboard of the Singapore Exchange Securities Trading Limited (“SGX-ST”) and with a secondary listing on the Main Market of Bursa Malaysia Securities Berhad (“Bursa Malaysia”). The controlling shareholder of the Company is Mr Luong Andy.

The principal activity of the Company is investment holding. The principal activities of the subsidiaries are disclosed in Note 16 to the financial statements.

The registered office address and principal place of business of the Company is at 23 Changi North Crescent, Singapore 499616.

The financial statements for the financial year ended 31 December 2025 were approved and authorised for issue by the board of directors in accordance with a resolution of the directors on the date of the Directors’ Statement.

2 Basis of Preparation

The financial statements have been prepared in accordance with the provisions of the Companies Act 1967 and Singapore Financial Reporting Standards (International) (“SFRS(I”).

The financial statements, which are expressed in Singapore Dollars (“S\$”), are rounded to the nearest thousand dollar (S\$’000), except as otherwise indicated. The financial statements have been prepared on a historical cost basis, except as disclosed in the material accounting policies set out in Note 3 to the financial statements.

The preparation of financial statements in conformity with SFRS(I) requires management to exercise its judgement in the process of applying the Group’s accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4 to the financial statements.

3 Material Accounting Policies

(a) Basis of Consolidation

Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

3 Material Accounting Policies (cont'd)

(a) Basis of Consolidation (cont'd)

Subsidiaries (cont'd)

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 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 agreements; 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.

The Group applies the acquisition method to account for business combinations when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group. In determining whether an integrated set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process that together significantly contribute to the ability to create output. A business can exist without including all of the inputs and processes needed to create output. The Group has an option to apply a 'fair value concentration test' that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The concentration test can be applied on a transaction-by-transaction basis. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets. If the test is met, the set of activities and assets is determined not to be a business and no further assessment is needed. If the test is not met, or if the Group elects not to apply the test, a detailed assessment must be performed applying the normal requirements in SFRS(I) 3.

The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in profit or loss.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with SFRS(I) 9 *Financial Instruments* either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

3 Material Accounting Policies (cont'd)

(a) Basis of Consolidation (cont'd)

Subsidiaries (cont'd)

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in profit or loss.

Inter-company transactions, balances and unrealised gains on transactions between the group companies are eliminated. Unrealised losses are also eliminated. When necessary, amounts reported by subsidiaries have been adjusted to conform with the Group's accounting policies.

Disposal of subsidiaries

When the Group ceases to have control, any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

(b) Goodwill on Consolidation

Goodwill on acquisitions of subsidiaries and businesses, represents the excess of (i) the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous held equity interest in the acquiree over (ii) the fair value of the investee's identifiable net assets acquired. Goodwill on acquisitions of subsidiaries is initially measured at cost. Following initial recognition, goodwill is measured at cost less any accumulated impairment loss. Goodwill is reviewed for impairment annually or more frequently if events or changes in circumstances indicate that the carrying amount may be impaired.

For the purpose of impairment testing, goodwill acquired is allocated to each of the Group's cash-generating units that are expected to benefit from the synergies of the combination. The cash-generating unit ("CGU") to which goodwill has been allocated is tested for impairment annually and whenever there is an indication that the CGU may be impaired, by comparing the carrying amount of the CGU, including the allocated goodwill, with the recoverable amount of the CGU. Where the recoverable amount of the CGU is less than the carrying amount, an impairment loss is recognised in profit or loss. Impairment losses recognised for goodwill are not reversed in subsequent years.

When goodwill forms part of a CGU and part of the operation within that CGU is disposed of, the goodwill associated with the operation disposed of, is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. In this circumstance, goodwill disposed of is measured based on the relative fair values of the operations disposed of, and the portion of the CGU retained.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

3 Material Accounting Policies (cont'd)

(c) Investments in Subsidiaries

In the Company's separate financial statements, the investments in subsidiaries are stated at cost less any accumulated impairment losses. An assessment of the investments in subsidiaries is performed when there is an indication that the investments may have been impaired.

On disposal of the investments in subsidiaries, the difference between the net disposal proceeds and the carrying amount of the investments is recognised in the profit or loss.

(d) Property, Plant and Equipment

Measurement

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment losses.

Depreciation

Depreciation is calculated on a straight-line method to write off the cost of the property, plant and equipment over their estimated useful lives. The estimated useful lives are as follows:

Freehold buildings	-	50 years
Leasehold properties	-	3 to 60 years or the term of the lease, whichever is shorter
Plant and equipment	-	1 to 12 years

Freehold land has an unlimited useful life and therefore is not depreciated.

Construction-in-progress is stated at cost less any accumulated impairment losses and include any borrowing cost incurred during the period of construction. No depreciation is provided on construction-in-progress and upon completion of construction, the cost will be transferred to property, plant and equipment.

The carrying amounts of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable.

The estimated residual values, useful lives and depreciation method are reviewed annually, with the effect of any changes in estimate accounted for on a prospective basis. This ensures that the method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the item of property, plant and equipment.

Subsequent expenditure

Subsequent expenditure relating to property, plant and equipment that has already been recognised, is added to the carrying amount of the asset when it is probable that future economic benefits, in excess of the standard performance of the asset before the expenditure was made, will flow to the Group and the cost of the item can be reliably measured. Other subsequent expenditure is recognised as an expense during the year in which it is incurred.

Disposal

Property, plant and equipment are derecognised upon disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds (if any) 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

3 Material Accounting Policies (cont'd)

(e) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand and deposits with financial institutions that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents consist of cash and cash equivalents (as defined above) less any restricted deposit balances that are pledged to secure banking facilities.

(f) Inventories

Inventories are measured at the lower of cost and net realisable value. Cost is determined on the weighted average method. The cost of finished goods and work-in-progress comprises raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity) but excludes borrowing costs. Net realisable value represents the estimated selling price in the ordinary course of business less all estimated costs of completion and costs necessary to make the sale.

(g) Impairment of Non-financial Assets Excluding Goodwill

Non-financial assets excluding goodwill are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If such indication exists, the recoverable amount (i.e. the higher of the fair value less costs to sell and value-in-use) of the asset is estimated to determine the amount of impairment loss.

For the purpose of impairment testing of these assets, recoverable amount is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the cash-generating unit ("CGU") to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. The impairment loss is recognised in profit or loss unless the asset is carried at revalued amount. In this case, such impairment loss of a revalued asset is treated as a revaluation decrease.

An impairment loss for an asset is reversed if, and only if, there has been a change in the estimates used to determine the assets' recoverable amount since the last impairment loss was recognised. The carrying amount of an asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss for an asset is recognised in profit or loss, unless the asset is carried at revalued amount, in which case, such reversal is treated as a revaluation increase. However, to the extent that an impairment loss on the same revalued asset was previously recognised in profit or loss, a reversal of that impairment is also recognised in profit or loss.

(h) Offsetting Financial Instruments

Financial assets and financial liabilities are offset and net amount reported in the balance sheets, when and only when, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the financial assets and settle the financial liabilities simultaneously.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

3 Material Accounting Policies (cont'd)

(i) Financial Assets

(i) Classification and measurement

The Group classifies its financial assets in the following measurement categories:

- Amortised cost;
- Fair value through other comprehensive income ("FVOCI"); and
- Fair value through profit or loss ("FVPL").

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

(ii) Initial Recognition

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

Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets measured at amortised costs are presented as "cash and bank balances", "trade receivables and other current assets (excluding prepayments, advance to suppliers, down-payment to suppliers of property, plant and equipment and tax recoverable)" and "loan to subsidiaries" on the statements of financial position.

(iii) Subsequent Measurement

i. Debt instruments

Debt instruments mainly comprise cash and bank balances and trade and other receivables (including loan to subsidiaries).

There is one subsequent measurement category, depending on the Group's business model for managing the asset and the cash flow characteristics of the asset:

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

ii. Equity instruments

The Group subsequently measures all its equity investments at their fair values. Equity investments are classified as FVPL with movements in their fair values recognised in profit or loss in the period in which the changes arise and presented in "other (charges)/credits", except for those equity securities which are not held for trading.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

3 Material Accounting Policies (cont'd)

(i) Financial Assets (cont'd)

(iv) Recognition and derecognition

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

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

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

On disposal of an equity investment, the difference between the carrying amount and sales proceed is recognised in profit or loss if there was no election made to recognise fair value changes in other comprehensive income.

(v) Impairment

The Group assesses on a forward-looking basis the expected credit losses ("ECL") associated with its debt financial assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. ECL are probability-weighted estimates of credit losses. Credit losses are measured at the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive). ECL are discounted at the effective interest rate of the financial asset.

For trade and other receivables, lease receivables, if any, and contract assets, if any, the Group applies the simplified approach permitted by SFRS(I) 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(vi) 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 the financial asset have occurred. At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired.

Evidence that a financial asset is credit-impaired includes the observable data about the following events:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or past due;
- the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower or a concession(s) that the lender(s) would not otherwise consider (e.g. the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise);
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

3 Material Accounting Policies (cont'd)

(i) Financial Assets (cont'd)

(vii) 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 income statement.

(j) Borrowing Costs

Borrowing costs 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 using the effective interest method in which they are incurred.

(k) Financial Liabilities

An entity shall recognise a financial liability on its balance sheets when, and only when, the entity becomes a party to the contractual provisions of the instrument.

Financial liabilities, which include borrowings, trade and other payables and lease liabilities are initially measured at fair value, plus transaction costs and 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 integrated 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 net carrying amount on initial recognition.

Borrowings are presented as current liabilities unless the Group has an unconditional right to defer settlement for at least 12 months after the reporting period.

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expired. The difference between the carrying amount of the financial liabilities derecognised and the consideration paid and payable is recognised in profit or loss.

(l) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the 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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

3 Material Accounting Policies (cont'd)

(m) Employee Benefits

Employee benefits are recognised as an expense, unless the cost qualifies to be capitalised as an asset.

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

Employee entitlements to annual leave are recognised as a liability when they accrue to the employees. The estimated liability for leave is recognised for services rendered by employees up to the balance sheet date.

(n) 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.

(o) Treasury Shares

When any entity within the Group purchases the Company's ordinary shares ("treasury shares"), the carrying amount which includes the consideration paid including any directly attributable incremental cost is presented as a component within equity attributable to the Company's equity holders, until they are cancelled, sold or re-issued.

When treasury shares are subsequently cancelled, the cost of treasury shares are deducted against the share capital account if the shares are purchased out of capital of the Company, or against the retained earnings of the Company if the shares are purchased out of the earnings of the Company.

When treasury shares are subsequently sold or re-issued, the cost of treasury shares is reversed from the treasury share account and the realised gain or loss on sale or re-issue, net of any directly attributable incremental transaction costs and related income tax, is recognised in the capital reserve.

(p) Dividends to Company's Shareholders

Dividends to the Company's shareholders are recognised when the dividends are approved for payment.

(q) Revenue Recognition

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

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

3 Material Accounting Policies (cont'd)

(q) Revenue Recognition (cont'd)

(i) Sale of goods and services

Revenue from sale of goods and services in the ordinary course of business is recognised when the Group satisfies a performance obligation ("PO") by transferring control of a promised good or service to the customer. The amount of revenue recognised is the amount of the transaction price allocated to the satisfied PO.

Transaction price is the amount of consideration in the contract to which the Group expects to be entitled in exchange for transferring the promised goods or services. The transaction price is allocated to each PO in the contract on the basis of the relative stand-alone selling prices of the promised goods or services. The individual standalone selling price of a good or service that has not previously been sold on a stand-alone basis, or has a highly variable selling price, is determined based on the residual portion of the transaction price after allocating the transaction price to goods and/or services with observable stand-alone selling prices.

Revenue is recognised at a point in time upon satisfaction of the PO, which generally coincides with the delivery of goods and when services are rendered. The transaction price allocated is recognised as a contract liability at the time of the initial sales transaction and is released upon satisfaction of the PO.

(ii) Rental income

Rental income from operating leases (net of any incentives given to the lessees) is recognised on a straight-line basis over the lease term as set out in specific rental agreements.

(iii) Interest income

Interest income is recognised on a time proportion basis using the effective interest method.

(r) Leases

(i) When the Group is the lessor:

Leases of investment properties where the Group retains substantially all risks and rewards incidental to ownership are classified as operating leases. Rental income from operating leases (net of any incentives given to the lessees) is recognised in income on a straight-line basis over the lease term. Initial direct costs incurred by the Group in negotiating and arranging operating leases are added to the carrying amount of the leased assets and recognised as an expense in profit or loss over the lease term on the same basis as the lease income. Contingent rents are recognised as income in profit or loss when earned.

Sub-lease arrangements where the Group acts as an intermediate lessor are classified as finance or operating lease with reference to the right-of-use asset arising from the head lease, rather than the underlying asset. Where the Group has applied the short-term exemptions to the head lease, then the sub-lease will be classified as an operating lease.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

3 Material Accounting Policies (cont'd)

(r) Leases (cont'd)

(ii) When the Group is the lessee:

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

The Group recognises right-of-use assets and lease liabilities at the date which the underlying assets become available for use. Right-of-use assets are measured at cost, which comprises the initial measurement of lease liabilities adjusted for any lease payments made at or before the commencement dates, plus any initial direct costs incurred and an estimate of restoration costs, less any lease incentives received. Any initial direct costs that would not have been incurred if the lease had not been obtained are added to the carrying amount of the right-of-use assets.

Right-of-use assets are subsequently depreciated using the straight-line method from the commencement dates to the earlier of the end of the useful lives of the right-of-use assets or the end of the lease terms. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment with average tenure of between 2 and 60 years. In addition, the right-of-use assets are periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the corresponding lease liabilities.

The Group presents its right-of-use assets on the face of the statements of financial position.

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

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

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

For contracts that contain both lease and non-lease components, the Group allocates the consideration to each lease component on the basis of the relative stand-alone price of the lease and non-lease components. The Group has elected not to separate lease and non-lease components for property leases; instead, these are accounted for as one single lease component.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

3 Material Accounting Policies (cont'd)

(r) Leases (cont'd)

(ii) When the Group is the lessee: (cont'd)

Lease liabilities are measured at amortised cost, and are remeasured when:

- There is a change in future lease payments arising from changes in an index or rate;
- There is a change in the Group's assessment of whether it will exercise lease extension and termination options;
- There is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee; or
- There is a modification to the lease term.

When lease liabilities are remeasured, corresponding adjustments are made against the right-of-use assets. If the carrying amounts of the right-of-use assets have been reduced to zero, the adjustments are recorded in profit or loss. The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have lease terms of 12 months or less, as well as leases of low value assets, except in the case of sub-lease arrangements. Lease payments relating to these leases are expensed to profit or loss on a straight-line basis over the lease term.

Variable lease payments that are based on an index or a rate are included in the measurement of the corresponding right-of-use assets and lease liabilities. Other variable lease payments are recognised in profit or loss when incurred.

Short-term lease and lease of low-value assets

The Group applies the short-term leases recognition exemption to its short-term leases (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payment on short-term leases and leases of low-value assets are recognised as an expense on a straight-line basis over the lease term.

(s) Income Tax

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

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the profit or loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

In October 2024, Singapore has introduced new tax provisions for in-scope multinational enterprise groups, which are defined as those with annual group consolidated revenue of at least EUR 750 million in two or more of the four preceding financial years, and with at least one entity or permanent establishment that is not located in the jurisdiction of the parent entity ("Pillar Two tax legislation"). The Group is not in scope of the new regulations.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

3 Material Accounting Policies (cont'd)

(s) Income Tax (cont'd)

Deferred tax

Deferred tax is recognised on temporary 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. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

Such deferred tax assets and liabilities are not recognised if the temporary difference arises 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 and does not give rise to equal taxable and deductible temporary differences.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, 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 balance sheet date 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 assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on 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 tax assets and liabilities.

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.

The Group will recognise a previously unrecognised deferred tax asset to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at the date, would be recognised subsequently if new information about facts and circumstances changed. The adjustment would either be treated as a reduction to goodwill (as long as it does not exceed goodwill) if it is incurred during the measurement period or in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

3 Material Accounting Policies (cont'd)

(s) Income Tax (cont'd)

Current and deferred tax for the year

Current and deferred tax are recognised as an expense or income in profit or loss, except when they relate to items that are recognised outside profit or loss (whether in other comprehensive income or directly in equity), in which case the tax is also recognised outside profit or loss, 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 the accounting for the business combination.

(t) Foreign Currencies

Functional and presentation currency

The individual financial statements of each entity in the Group are presented in the currency of the primary economic environment in which the entity operates ("functional currency"). For the purposes of the consolidated financial statements, the results and financial position of each entity in the Group are expressed in S\$, which is the functional currency of the Company and the presentation currency for the consolidated financial statements.

Transactions and balances

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency ("foreign currencies") are recognised at the rates of exchange prevailing at the dates of the transactions.

At the end of reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date.

Currency translation differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the balance sheet date are recognised in profit or loss, unless they arise from borrowings in foreign currencies and other currency instruments designated and qualifying as net investment hedges and net investment in foreign operations.

Those currency translation differences are recognised in the foreign currency translation reserve in the consolidated financial statements and transferred to profit or loss as part of the gain or loss on disposal of the foreign operation.

Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at 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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

3 Material Accounting Policies (cont'd)

(t) Foreign Currencies (cont'd)

Translation of Group entities' financial statements

The results and financial position of each group entity that has a functional currency different from the presentation currency is translated into the presentation currency as follows:

- Assets and liabilities are translated at the closing exchange rate at the balance sheet date;
- Income and expenses are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated using the exchange rates at the dates of transactions); and
- All resulting exchange differences are recognised in other comprehensive income and accumulated in the 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 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.

In the case of a partial disposal (i.e. no loss of control) of a subsidiary that includes a foreign operation, the proportionate share of accumulated exchange differences is re-attributed to non-controlling interests and are not recognised in profit or loss.

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 at the balance sheet date. Exchange differences arising are recognised in other comprehensive income.

(u) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the executive personnel whose members are responsible for allocating resources and assessing performance of the operating segments.

(v) Related Parties

A related party is defined as follows:

A related party is a person or entity that is related to the entity that is preparing its financial statements (referred to as the "reporting entity").

- a. A person or a close member of that person's family is related to a reporting entity if that person:
 - i. has control or joint control over the reporting entity;
 - ii. has significant influence over the reporting entity; or
 - iii. is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

3 Material Accounting Policies (cont'd)

(v) Related Parties (cont'd)

b. An entity is related to a reporting entity if any of the following conditions applies:

- i. the entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
- ii. one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
- iii. both entities are joint ventures of the same third party;
- iv. one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
- v. the entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity;
- vi. the entity is controlled or jointly controlled by a person identified in (a);
- vii. a person identified in (a) (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); or
- viii. the entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

(w) Intangible Assets

Intangible assets acquired in a business combination are identified and recognised separately from goodwill. The cost of such intangible assets is their fair value at the acquisition date.

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets acquired separately.

The intangible asset pertains to customer relationship acquired through acquisition of a subsidiary. It is amortised on a straight-line basis over its useful life. Management has assessed the estimated useful life to be 8 years. The estimated useful life and amortisation method are reviewed at the end of each annual reporting period, with the effect of any changes in estimate being accounted for on a prospective basis, in the profit or loss.

4 Critical Accounting Estimates and Judgements

In the application of the Group's accounting policies, which are described in Note 3 to the financial statements, management are 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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

4 Critical Accounting Estimates and Judgements (cont'd)

(a) Key Sources of Estimation Uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of 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.

Useful lives of property, plant and equipment

The Group determines the estimated useful lives and related depreciation charges for its property, plant and equipment. This estimate is based on the historical experience of the actual useful lives of property, plant and equipment of a similar nature and function. It could change significantly as a result of technical innovations and competitor actions. Management will increase the depreciation charge where the useful lives are less than previously estimated, or it will write-off or write-down technically obsolete assets that have been abandoned or sold.

There is no change in the estimated useful lives of property, plant and equipment during the financial year. The carrying amounts of property, plant and equipment of the Group as at 31 December 2025 amounted to S\$194,370,000 (2024: S\$165,986,000). A 5% (2024: 5%) difference in the expected useful lives of these assets from management's estimates would result in an approximate 3% (2024: 2%) change in the Group's net profit for the year. Further details are disclosed in Note 17 to the financial statements.

Impairment of goodwill

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value-in-use of the cash-generating unit to which goodwill has been allocated. Estimating the value-in-use requires the Group to make an estimate of the expected future cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

No impairment on goodwill is recognised during the financial years ended 31 December 2025 and 2024. The carrying amount of goodwill amounted to S\$86,351,000 (2024: S\$86,351,000) as at 31 December 2025. Further details are disclosed in Note 19 to the financial statements.

Impairment of investments in subsidiaries

The Company follows the guidance of SFRS(I) 1-36 in determining the recoverability of its investments in subsidiaries.

This requires assessment as to whether the carrying amount of its investments in subsidiaries can be supported by the net present value of future cash flows derived from such investments using cash flow projections which have been discounted at an appropriate rate. This determination requires significant judgement and the Company determines forecasts of future cash flows based on its estimates of future revenues and operating expenses using historical and industry trends, general market conditions, forecasts and other available information.

No impairment loss for investments in subsidiaries is recognised during the financial years ended 31 December 2025 and 2024. Further details are disclosed in Note 16 to the financial statements.

Impairment of loans and receivables

As at 31 December 2025, trade and other receivables (excluding prepayments, advance to suppliers, down-payment to suppliers of property, plant and equipment and tax recoverable) of the Group amounted to S\$34,641,000 (2024: S\$39,914,000) and the Company's trade and other receivables (including loan to subsidiaries) amounted to S\$59,319,000 (2024: S\$71,478,000) (Notes 14 and 18).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

4 Critical Accounting Estimates and Judgements (cont'd)

(a) Key Sources of Estimation Uncertainty (cont'd)

Impairment of loans and receivables (cont'd)

The Group measures the loss allowance for trade receivables at an amount equal to lifetime ECL. The ECLs on trade receivables are estimated using a provision matrix which involves grouping receivables according to historical loss patterns (e.g. customer rating or product or by geographical location) and applying a historic provision rate which is based on days past due for groupings of various customer segments that have similar loss patterns. In devising such a provision matrix, the Group uses its historical credit loss experience with forward-looking information (adjusted as necessary to reflect current conditions and forecast economic conditions) to estimate the lifetime expected credit losses on the trade receivables. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Group's and the Company's loans and receivables are disclosed in Notes 14 and 18 to the financial statements respectively.

No reversal of allowance for non-trade debts is recognised during the current financial year (2024: S\$7,000) (Note 14).

No allowance for trade debts is recognised during the current financial year (2024: S\$8,000) (Note 14).

The Group's and the Company's credit risk exposure for loans and receivables are set out in Note 32(a)(ii) to the financial statements.

Allowance for inventories obsolescence

Reviews are made periodically by management on inventories for excess inventories, obsolescence and decline in net realisable value below cost. The Group writes down the cost of inventories whenever the net realisable value of inventories becomes lower than cost due to damage, physical deterioration, obsolescence, changes in price levels or other causes. Allowances are recorded against the inventories based on historical obsolescence of slow-moving inventories.

During the financial year ended 31 December 2025, the Group recognised an allowance for stock obsolescence of S\$1,752,000 (2024: S\$1,684,000) and inventories written off of S\$1,164,000 (2024: Nil).

(b) Critical Judgements in applying Accounting Policies

In the process of applying the Group's accounting policies, there was no application of critical judgements that are expected to have a significant effect on the amounts recognised in the financial statements.

5 Revenue

	Group	
	2025	2024
	S\$'000	S\$'000
Sale of goods and services – Point in time	250,371	241,393
Rental income – Over time	692	722
	251,063	242,115

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

5 Revenue (cont'd)

Disaggregation of revenue from contracts with customers

The Group generates revenue across the following major geographical regions. Revenue is attributed to countries based on the location of the customers.

	Group	
	2025	2024
	S\$'000	S\$'000
Singapore	156,591	163,060
United States of America ("USA")	25,644	32,618
Taiwan	18,137	16,541
Malaysia	33,289	17,457
Others	17,402	12,439
Total	<u>251,063</u>	<u>242,115</u>

	31 December 2025 S\$'000	31 December 2024 S\$'000	1 January 2024 S\$'000
<u>Contract liabilities</u>			
- Customised equipment contracts (Note 21)	<u>1,595</u>	848	4,385

Significant change in the contract liabilities balance during the reporting period is disclosed as follows:

	Group	
	2025	2024
	S\$'000	S\$'000
Revenue recognised in the current financial year that was included in the contract liabilities balance at the beginning of the year	(74)	(3,634)
Cash received, excluding amounts recognised as revenue during the year	<u>821</u>	<u>97</u>

No significant revenue is recognised during the financial year ended 31 December 2025 from performance obligations satisfied (or partially satisfied) in the previous periods, due to changes in transaction price.

There is no contract which includes a significant financing component.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

5 Revenue (cont'd)

Transaction price allocated to contracts with remaining performance obligations

	Group	
	2025	2024
	S\$'000	S\$'000
Aggregate amount of the transaction price allocated to contracts that are partially or fully unsatisfied as at 31 December	1,239	2,755

Management expects the transaction price of S\$1,239,000 (2024: S\$2,150,000) allocated to the unsatisfied performance obligations as at 31 December 2025 to be recognised as revenue in the financial year 2026 and Nil (2024: S\$605,000) in financial year 2027. The amount disclosed above does not include variable consideration which is subject to significant risk of reversal, if any.

As permitted under SFRS(I) 15, the aggregated transaction price allocated to unsatisfied contracts of periods one year or less, or are billed based on time incurred, is not disclosed.

6 Employee Benefits Expense

	Group	
	2025	2024
	S\$'000	S\$'000
Salaries, wages and bonuses	(26,851)	(28,378)
Expenses on executive bonus plan to key management personnel	(4,389)	(4,455)
Contributions to defined contribution plans	(2,941)	(2,964)
	(34,181)	(35,797)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

7 Other Expenses

	Group	
	2025	2024
	S\$'000	S\$'000
The major components include the following:		
Utilities	(8,459)	(7,917)
Upkeep of machinery	(3,648)	(3,905)
Freight charges	(1,370)	(1,441)
Legal and professional fees	(1,356)	(1,641)
Consultancy fees	(2,295)	(2,386)
Audit fees paid/payable to:		
- Company's auditors	(360)	(353)
- Other auditors (network firm)	(40)	(35)
Non-audit fees paid/payable to:		
- Company's auditors	-	(80)
- Other auditors (network firm)*	-	(162)
- Other auditors (non-network firm)	(47)	(37)
Tax fees	(82)	(77)
Travelling expenses	(242)	(288)
Staff welfare	(1,330)	(1,204)
Upkeep of properties	(1,731)	(1,943)
Insurance	(794)	(828)
Property tax	(818)	(779)
Others	(2,303)	(2,029)
	(24,875)	(25,105)

* Audit-related services of S\$162,000 had been included in the non-audit fees paid to its network firm during the previous financial year.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

8 Other (Charges)/Credits

	Group	
	2025	2024
	S\$'000	S\$'000
Reversal of non-trade debts (Note 14)	–	7
Allowance for trade debts (Note 14)	–	(8)
Property, plant and equipment written off	(35)	(32)
Allowance for inventories obsolescence	(1,752)	(1,684)
Inventories written off	(1,164)	–
Foreign exchange (losses)/gains – net	(725)	3,020
Gain on disposal of property, plant and equipment	967	220
Gain on disposal of financial assets through profit or loss	–	726
Government grants	96	110
Others	241	286
	(2,372)	2,645

9 Finance Income

	Group	
	2025	2024
	S\$'000	S\$'000
Interest income from cash and cash equivalents	962	2,208

10 Finance Expense

	Group	
	2025	2024
	S\$'000	S\$'000
Interest expense		
- bank borrowings	(6)	(180)
- lease liabilities (Note 17(a))	(474)	(499)
	(480)	(679)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

11 Income Tax

	Group	
	2025 S\$'000	2024 S\$'000
Current income tax:		
- current year	6,227	5,406
- (over)/under provision in respect of prior years	(159)	52
	6,068	5,458
Deferred taxation:		
- current year	539	16
- under/(over) provision in respect of prior years	30	(279)
	569	(263)
	6,637	5,195

A reconciliation of the applicable tax rate to the Group's effective tax rate applicable to profit before income tax for the financial years are as follows:

	Group	
	2025 S\$'000	2024 S\$'000
Profit before income tax	50,254	46,771
Tax at the applicable tax rate of 17%	8,543	7,951
Tax effect of non-deductible items*	2,808	1,683
Income not subject to taxation*	(2,018)	(1,444)
(Over)/under provision of income tax in respect of prior years	(159)	52
Under/(over) provision of deferred tax in respect of prior years	30	(279)
Deferred tax assets not recognised	3,023	4,864
Tax exemption	(7,022)	(8,920)
Singapore statutory stepped exemption	(35)	(35)
Effect of different tax rates operating in other jurisdictions	1,467	1,323
	6,637	5,195

* Mainly relates to expenses of / income derived by those entities of the Group, whose principal activities are those of investment holding that do not qualify for deduction / are not taxable as they are capital in nature, in accordance with the relevant tax regulation.

The applicable tax rate used for the reconciliation above is the corporate tax rate of 17% (2024: 17%) payable by corporate entities in Singapore on taxable profits under tax law in that jurisdiction.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

11 Income Tax (cont'd)

Pioneer Status Incentive

Ultimate Manufacturing Solutions (M) Sdn. Bhd.

Ultimate Manufacturing Solutions (M) Sdn. Bhd. ("UMSM") has been granted pioneer status tax incentive with a 100% tax exemption from income tax for a period of 10 years commencing from 11 August 2017 to 10 August 2027 by the Malaysian Investment Development Authority ("MIDA").

The statutory tax rate in Malaysia is 24% (2024: 24%) for the current financial year ended 31 December 2025.

The deferred tax assets and liabilities as at the end of the reporting period are as follows:

	At the beginning of the year S\$'000	Charged/ (credited) to income statement S\$'000	At the end of the year S\$'000
Group			
<u>2025</u>			
Deferred tax liabilities:			
- Excess of net book value of property, plant and equipment	10,355	554	10,909
Deferred tax assets:			
- Provisions	(489)	12	(477)
Net deferred tax liabilities	<u>9,866</u>	<u>566</u>	<u>10,432</u>
Deferred tax assets			
- Capital allowances	<u>(162)</u>	<u>3</u>	<u>(159)</u>
<u>2024</u>			
Deferred tax liabilities:			
- Excess of net book value of property, plant and equipment	9,945	410	10,355
Deferred tax assets:			
- Provisions	191	(680)	(489)
Net deferred tax liabilities	<u>10,136</u>	<u>(270)</u>	<u>9,866</u>
Deferred tax assets			
- Capital allowances	<u>(169)</u>	<u>7</u>	<u>(162)</u>

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

11 Income Tax (cont'd)

As at 31 December 2025, the Group has unutilised tax losses and unutilised capital allowances of approximately S\$80,305,000 (2024: S\$62,526,000) available for offset against future taxable income, subject to agreement with the tax authorities on the relevant tax regulations. The tax losses have no expiry date. The deferred tax assets arising from these unutilised tax losses and unutilised capital allowances totalling approximately S\$13,652,000 (2024: S\$10,629,000) have not been recognised in accordance with the accounting policy in Note 3(s).

As at 31 December 2025 and 31 December 2024, no deferred tax liability has been recognised for taxes that would be payable on the undistributed earnings of the Group's overseas subsidiaries as:

- No withholding tax is imposed on dividends from Malaysia subsidiaries due to the double tax agreement between Malaysia and Singapore.
- The USA subsidiary has minimal undistributed earnings, thus the Group does not foresee any distribution of earnings.

12 Earnings Per Share

The earnings per share is calculated by dividing the Group's net profit for the year attributable to the owners of the Company by the weighted average number of ordinary shares outstanding during the financial year:

	Group	
	2025	2024
Net profit attributable to the owners of the Company (S\$'000)	41,596	40,607
Number of ordinary shares:		
Weighted average number of ordinary shares for the purpose of computation of basic and diluted earnings per share*	710,535,941	707,147,963
Basic earnings per share (S\$ cents per share)	5.85	5.74
Diluted earnings per share (S\$ cents per share)	5.85	5.74

Diluted earnings per share is the same as basic earnings per share as there were no dilutive potential ordinary shares outstanding as at 31 December 2025 and 2024.

* excludes treasury shares

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

13 Cash and Bank Balances

	Group		Company	
	2025 S\$'000	2024 S\$'000	2025 S\$'000	2024 S\$'000
Cash on hand and at banks	40,823	64,259	458	942
Fixed deposits	2,240	15,669	–	–
	43,063	79,928	458	942

Fixed deposits are mainly for a tenure of one month and earn interest at rates ranging from 1.50% to 4.28% (2024: from 2.30% to 5.40%) per annum.

14 Trade Receivables and Other Current Assets

	Group		Company	
	2025 S\$'000	2024 S\$'000	2025 S\$'000	2024 S\$'000
Trade receivables - Third parties	31,608	36,089	–	–
Less: Loss allowance for trade debts	(69)	(69)	–	–
Net trade receivables	31,539	36,020	–	–
Other receivables:				
- Subsidiaries	–	–	47,540	52,030
- Third parties	2,309	3,358	267	1,636
Deposits	1,151	894	–	–
Less:				
Loss allowance for non-trade debts	(358)	(358)	–	–
	3,102	3,894	47,807	53,666
Prepayments	1,398	646	33	35
Tax recoverable	32	46	–	–
Down-payment to suppliers of property, plant and equipment	4,675	14,302	–	–
Advance to suppliers	2,066	1,816	–	–
Trade receivables and other current assets	42,812	56,724	47,840	53,701

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

14 Trade Receivables and Other Current Assets (cont'd)

The movement in credit loss allowance is as follows:

	Group	
	2025	2024
	S\$'000	S\$'000
<u>Trade debts</u>		
At 1 January	(69)	(61)
Provision for loss allowance	–	(8)
At 31 December	<u>(69)</u>	<u>(69)</u>
<u>Non-trade debts</u>		
At 1 January	(358)	(365)
Reversal of loss allowance	–	7
At 31 December	<u>(358)</u>	<u>(358)</u>

The average credit period generally granted for trade receivables is between 30 and 90 days (2024: between 30 and 90 days).

Trade receivables

Loss allowance for impairment for trade receivables has always been measured at an amount equal to lifetime expected credit losses ("ECL") as disclosed in the accounting policy in Note 3(i). The Group regards as defaulted and recognises a loss allowance of 100% against certain receivables (credit-impaired) when historical experience has indicated that these receivables are generally not recoverable. There has been no change in the estimation techniques or significant assumptions made during the current reporting year. None of the trade receivables that have been written off is subject to recovery process.

The Group uses a provision matrix to measure the lifetime expected credit loss allowance for trade receivables. In measuring the expected credit losses, trade receivables are grouped based on shared credit risk characteristics and days past due.

In calculating the expected credit loss rates, the Group considers historical loss rates for each category of customers and adjusts to reflect current and forward-looking macroeconomic factors affecting the ability of the customers to settle the receivables.

The Group's credit risk in relation to trade receivables under SFRS(I) 9 as at 31 December 2025 are set out in the provision matrix as presented in Note 32(a)(ii).

The Group's trade receivables due from third parties include an outstanding receivable which amounted to approximately S\$11.0 million (2024: S\$10.4 million) from a key customer which accounted for more than 50% (2024: more than 50%) of the Group's total revenue for the current financial year. Management has considered these facts and assessed that the Group's exposure to this key customer would not have an impact on the Group's financial performance and its ability to continue as a going concern in the foreseeable future. Management has assessed this key customer as low credit risk.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

14 Trade Receivables and Other Current Assets (cont'd)

Other receivables

The Company's non-trade receivables from subsidiaries are unsecured, interest-free and repayable in cash. The Group's and the Company's other receivables from third parties 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 receivables since initial recognition.

For the purpose of impairment assessment, the Company's non-trade receivable due from subsidiaries are considered to have low credit risk as the timing of payment is controlled by the Company taking into account cash flow management within the Group and there has been no significant increase in risk of default on the amounts due from subsidiaries since initial recognition.

In determining the ECL, management has taken into account the historical default experience and the financial positions of the subsidiaries, adjusted for factors that are specific to the subsidiaries and general economic conditions of the industry in which the subsidiaries 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.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period in assessing the loss allowance for amounts due from subsidiaries. The above assessment is after taking into account the current financial positions of the entities.

Accordingly, for the purpose of impairment assessment for subsidiaries, including non-trade third parties' receivables, the loss allowance is measured at an amount equal to 12-month ECL.

Please refer to Note 32(a)(ii) for ageing analysis of trade receivables of the Group.

Based on historical default rates, the Group believes that no impairment allowance is necessary in respect of trade and other receivables past due but not impaired except for specific debts assessed to be not recoverable. These receivables that are not impaired are mainly arising by customers that have a good credit record with the Group.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

15 Inventories

	Group	
	2025 S\$'000	2024 S\$'000
Lower of cost and net realisable values:		
Finished goods and goods for resale	39,475	28,259
Work-in-progress	43,545	37,972
Raw materials	68,937	42,940
	151,957	109,171
Cost of inventories sold recognised as cost of sales in the consolidated income statement	114,646	118,517
Movement in the allowance for inventories obsolescence:		
Balance at the beginning of the year	18,695	18,399
Allowance recognised in income statement during the year	1,752	1,684
Write-off of allowance for inventories obsolescence	–	(1,412)
Exchange differences	(63)	24
Balance at the end of the year	20,384	18,695

As at 31 December 2025, the Group has made allowance for inventories obsolescence amounting to S\$20,384,000 (2024: S\$18,695,000).

16 Investments in Subsidiaries

	Company	
	2025 S\$'000	2024 S\$'000
Unquoted equity shares, at cost	295,512	295,512
Less: Allowance for impairment loss	(24,788)	(24,788)
	270,724	270,724
Movements in the allowance for impairment loss of investments in subsidiaries:		
Balance at the beginning and end of the year	24,788	24,788

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

16 Investments in Subsidiaries (cont'd)

The subsidiaries held by the Company and its subsidiaries as at the end of reporting period are listed below:

Name of subsidiaries, place of business and incorporation	Principal activities	Effective percentage of equity held by Group		Company's cost of investment	
		2025	2024	2025	2024
		%	%	S\$'000	S\$'000
<i>Held by the Company</i>					
UMS Systems Pte. Ltd. (Singapore)	Assembly and integration of equipment and automated assembly lines	100	100	9,561	9,561
UMS International Pte. Ltd. (Singapore)	Investment holding	100	100	800	800
UMS Pte. Ltd. (Singapore)	Investment holding and precision machining of medical and wafer fabrication equipment parts manufacturers and providing electroplating and anodising services	100	100	127,081	127,081
UMS Aerospace Pte. Ltd. (Singapore)	Precision machining of machine parts for oilfield precision component manufacturers and other industries	100	100	20,000	20,000
Integrated Manufacturing Technologies Pte. Ltd. (Singapore)	Stainless steel gaslines and weldment manufacturing and assembly	100	100	19,803	19,803
Ultimate Machining Solutions (M) Sdn. Bhd. (Malaysia) ²	Manufacture of precision machining components, assembly and integration of equipment and automated assembly lines	100	100	30,772	30,772

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

16 Investments in Subsidiaries (cont'd)

Name of subsidiaries, place of business and incorporation	Principal activities	Effective percentage of equity held by Group		Company's cost of investment	
		2025	2024	2025	2024
		%	%	S\$'000	S\$'000
<i>Held by the Company</i> (cont'd)					
Kalf Engineering Pte. Ltd. (Singapore)	Manufacturing and repairing of waste water treatment equipment and supply of environmentally-friendly, electrolyte water disinfection system and other related products	51	51	990	990
Starke Singapore Pte. Ltd. (Singapore)	Trading of non-ferrous metal alloys	70	70	7,076	7,076
Ultimate Mechanical System Sdn. Bhd. (Malaysia) ²	Inactive	100	100	7,643	7,643
JEP Holdings Limited (Singapore)	Investment holding and the provision of management services to its subsidiaries	80	80	71,786	71,786
				295,512	295,512

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

16 Investments in Subsidiaries (cont'd)

Name of subsidiaries, place of business and incorporation	Principal activities	Effective percentage of equity held by Group	
		2025 %	2024 %
<i>Held through UMS International Pte. Ltd.</i>			
Ultimate Manufacturing Solutions (M) Sdn. Bhd. (Malaysia) ²	Manufacture of precision machining components, assembly and integration of equipment and automated assembly lines	100	100
<i>Held through UMS Pte. Ltd.</i>			
UMS Solutions Pte. Ltd. (Singapore)	Holder of investment property	100	100
<i>Held through Kalf Engineering Pte. Ltd.</i>			
浙江凯富环境治理工程有限公司 (People's Republic of China) ³	Inactive	51	51
<i>Held through Starke Singapore Pte. Ltd.</i>			
Starke Asia Sdn. Bhd. (Malaysia) ²	Trading of metal products	70	70
<i>Held through Ultimate Machining Solutions (M) Sdn. Bhd.</i>			
Allstar Manufacturing Sdn. Bhd. (Malaysia) ²	Inactive	100	100
<i>Held through UMS Aerospace Pte. Ltd.</i>			
Integrated Manufacturing Technologies, LLC (United States) ¹	Stainless steel gaslines and weldment manufacturing and assembly	100	100
<i>Held through JEP Holdings Limited</i>			
JEP Precision Engineering Pte. Ltd. (Singapore)	Precision engineering works for parts used mainly in the aerospace, oil and gas industries, and other general engineering and machinery works	80	80
JEP Industrades Pte. Ltd. (Singapore)	Manufacturer, importers and exporters, traders, agents, repairs of precision machineries, carbide cutting tools, hardware, industrial equipment and engineering works	80	80
JEP Engineering Pte. Ltd. (Singapore)	Specialises in plastic fabrication, with capabilities in producing Computer Numerical Control ("CNC") machined plastic parts and providing precision engineering services	80	80
JEP Precision Engineering (M) Sdn. Bhd. (Malaysia) ²	Steel structure fabrication and high precision machining for Aerospace, Semiconductor and Oil and Gas industries	80	80

All the above subsidiaries are audited by Moore Stephens LLP, Singapore except the following:

¹ Statutory audit is not required in the country of incorporation but reviewed by Moore Stephens LLP for consolidation purposes.

² Audited by Moore Stephens Associates PLT, Malaysia.

³ No paid-up share capital contributed as at 31 December 2025 and 2024.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

16 Investments in Subsidiaries (cont'd)

The Group has nine non-wholly-owned subsidiaries of which the non-controlling interests of JEP Holdings Limited and its subsidiaries are considered material.

Interests in subsidiaries with material non-controlling interests:

Name of subsidiary	Country of incorporation/ principal place of business	Proportion of ownership and voting rights held by non-controlling interests		Total comprehensive income allocated to non-controlling interests		Accumulated non-controlling interests	
		2025	2024	2025	2024	2025	2024
		%	%	S\$'000	S\$'000	S\$'000	S\$'000
JEP Holdings Limited and its subsidiaries	Singapore	20	20	686	639	19,227	18,541
Individual subsidiaries with non-material non-controlling interests				1,461	249	8,593	7,132
Total				2,147	888	27,820	25,673

JEP Holdings Limited is an investment holding company and listed on the Singapore Exchange Securities Trading Limited.

The summarised financial information for JEP Holdings Limited and its subsidiaries is set out below. The summarised financial information below represents amounts before intragroup eliminations.

Summarised consolidated statement of financial position

	2025 S\$'000	2024 S\$'000
Current		
Assets	46,368	58,079
Liabilities	(13,499)	(16,916)
Net current assets	32,869	41,163
Non-current		
Assets	86,119	74,066
Liabilities	(24,968)	(24,564)
Net non-current assets	61,151	49,502
Net assets	94,020	90,665

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

16 Investments in Subsidiaries (cont'd)

The summarised financial information for JEP Holdings Limited and its subsidiaries is set out below. The summarised financial information below represents amounts before intragroup eliminations. (cont'd)

Summarised consolidated statement of comprehensive income

	2025	2024
	S\$'000	S\$'000
Revenue	53,812	56,910
Profit before income tax	3,851	3,649
Income tax	(806)	(523)
Profit after tax	3,045	3,126
Total comprehensive income	3,355	3,570
<u>Other summarised information</u>		
Cash flow generated from operating activities	15,502	6,043
Cash flow used in investing activities	(18,515)	(6,149)
Cash flow used in financing activities	(2,385)	(6,461)

Increase in shareholdings in JEP Holdings Limited ("JEP")

During the previous financial year, the Company acquired an additional 12,297,300 shares in JEP from the open market for S\$4.2 million and increase its ownership of JEP to 79.55%.

The effect of the change in the Group's ownership interest in JEP on the equity attributable to the owners of the Company was summarised below:

	Group	
	2025	2024
	S\$'000	S\$'000
Consideration paid for acquisition of non-controlling interests	–	4,168
Decrease in equity attributable to non-controlling interests	–	(2,304)
Decrease in equity attributable to owners of the Company	–	1,864

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

17 Property, Plant and Equipment

	Freehold land S\$'000	Freehold buildings S\$'000	Leasehold land and properties S\$'000	Plant and equipment S\$'000	Construction-in-progress S\$'000	Total S\$'000
Group						
2025						
<u>Cost</u>						
At the beginning of the year	4,073	14,637	67,980	254,258	12,071	353,019
Effect of foreign currency exchange differences	352	689	229	5,330	524	7,124
Additions	–	2,763	5,188	40,296	–	48,247
Disposals/Write-off	–	–	–	(6,594)	–	(6,594)
Transfers	–	–	10,598	1,997	(12,595)	–
At the end of the year	4,425	18,089	83,995	295,287	–	401,796
<u>Accumulated depreciation</u>						
At the beginning of the year	–	4,178	12,414	170,441	–	187,033
Effect of foreign currency exchange differences	–	165	22	2,553	–	2,740
Depreciation for the year	–	100	3,179	20,828	–	24,107
Disposals/Write-off	–	–	–	(6,454)	–	(6,454)
At the end of the year	–	4,443	15,615	187,368	–	207,426
<u>Net book value</u>						
At the end of the year	4,425	13,646	68,380	107,919	–	194,370

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

17 Property, Plant and Equipment (cont'd)

	Freehold land S\$'000	Freehold buildings S\$'000	Leasehold properties S\$'000	Plant and equipment S\$'000	Construction- in-progress S\$'000	Total S\$'000
Group						
2024						
<u>Cost</u>						
At the beginning of the year	3,835	13,795	59,411	228,341	18,168	323,550
Effect of foreign currency exchange differences	238	842	65	6,769	538	8,452
Additions	–	–	599	25,214	40	25,853
Disposals/Write-off	–	–	–	(6,468)	–	(6,468)
Transfers	–	–	6,675	–	(6,675)	–
Reclassified from investment property	–	–	1,230	–	–	1,230
Reclassified from right-of-use assets (Note 17(a))	–	–	–	402	–	402
At the end of the year	4,073	14,637	67,980	254,258	12,071	353,019
<u>Accumulated depreciation</u>						
At the beginning of the year	–	3,484	10,123	157,224	–	170,831
Effect of foreign currency exchange differences	–	223	–	2,818	–	3,041
Depreciation for the year	–	471	2,291	15,931	–	18,693
Disposals/Write-off	–	–	–	(5,532)	–	(5,532)
At the end of the year	–	4,178	12,414	170,441	–	187,033
<u>Net book value</u>						
At the end of the year	4,073	10,459	55,566	83,817	12,071	165,986

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

17 Property, Plant and Equipment (cont'd)

The details of the freehold buildings and leasehold land and properties held by the Group are as follows:

Description and location	Tenure
1058, Jalan Kebun Baru, Juru and Lot 20020, Pecahan Lot 702 Mukim 13 14100 Simpang Ampat Seberang Perai Tengah Pulau Pinang, Malaysia	Freehold
23 Changi North Crescent Singapore 499616	30 years lease from 16 August 1997, with an option to extend for a further 30 years
25 Changi North Crescent Singapore 499617	30 years lease from 1 February 2003
32 Gul Lane Singapore 629426	30 years lease from 1 January 1993, with an option to extend for a further 30 years
34 Gul Lane Singapore 629428	30 years lease from 1 October 2000 and ending 30 September 2030
1 Tuas South Tuas South Ave 6 #06-15, The Westcom Singapore 637021	60 years lease from 9 July 1996 and ending 8 July 2056
No. 16 Seletar Aerospace Crescent Singapore 797567 ⁽¹⁾	30 years commencing 1 February 2015
No. 2 Loyang Way 4 Singapore 507098 ⁽¹⁾ (Erected 2-storey factory with a mezzanine level and a single-storey rear extension)	30 years commencing 1 June 2007
No. 2 Loyang Way 4 Singapore 507098 ⁽¹⁾ (Erected 4-storey factory building with provision of secondary workers' dormitory)	23 years 10 months commencing 1 August 2013
1281, Lorong PSPN 9, Penang Science Park North, Mukim 13 14100 Simpang Ampat Seberang Perai Tengah Pulau Pinang, Malaysia	60 years leasehold commencing 13 March 2022
1282, Lorong PSPN 9, Penang Science Park North, Mukim 13 14100 Simpang Ampat Seberang Perai Tengah Pulau Pinang, Malaysia	60 years leasehold commencing 16 April 2022
P30B, Lorong PSPN 9, Penang Science Park North, Mukim 13 14100 Simpang Ampat Seberang Perai Tengah Pulau Pinang, Malaysia	60 years leasehold commencing 3 July 2025

⁽¹⁾ As at 31 December 2025, the Group's factory buildings with a net carrying amount of S\$15,847,000 (2024: S\$16,732,000) are pledged as security for banking facilities granted to the Group (Note 20).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

17(a) Right-of-Use Assets

The Group as a lessee

Nature of the Group's leasing activities

Leasehold land and buildings

The Group entered into leases and makes annual lease payments for the leasehold land and buildings in respect of its offices and factories. There is no externally imposed covenant on these lease arrangements. As at 31 December 2025, right-of-use assets acquired under leasing arrangements comprise:

	2025 S\$'000	2024 S\$'000
Group		
Leasehold land	8,042	8,609
Buildings	759	725
Office equipment	31	11
	8,832	9,345
<u>Cost</u>		
At the beginning of the financial year	9,420	9,006
Effect of foreign currency exchange differences	(62)	68
Additions	328	1,055
Lease reassessment	–	(307)
Reclassified to property, plant and equipment (Note 17)	–	(402)
Write-off	(10)	–
At the end of the financial year	9,676	9,420
<u>Accumulated depreciation</u>		
At the beginning of the financial year	75	(909)
Effect of foreign currency exchange differences	(31)	41
Depreciation for the year	810	943
Write-off	(10)	–
At the end of the financial year	844	75
<u>Net book value</u>		
At the end of the financial year	8,832	9,345

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

17(a) Right-of-Use Assets (cont'd)

The Group as a lessee (cont'd)

The Group has lease contracts for leasehold land and buildings with average tenure of between 2 and 60 years.

The leasing arrangements of the leasehold land at 23 Changi North Crescent, Singapore 499616 and 32 Gul Lane, Singapore 629426 have an option to extend for a further 30 years till 16 August 2057 and 31 December 2052 respectively. The Group is reasonably certain to exercise these options. The right-of-use assets are depreciated over the period of the lease terms. Depreciation starts at the commencement date of the leases.

Amount recognised in profit or loss:

	2025 S\$'000	2024 S\$'000
Depreciation expense on right-of-use assets	810	943
Expenses relating to short-term and low value leases	191	238
Interest expense on lease liabilities (Note 10)	474	499
Total cash outflow for all leases	1,335	1,855

18 Loan to Subsidiaries

	Company	
	2025 S\$'000	2024 S\$'000
Loan I (a)	3,201	3,673
Less: Allowance for impairment loss	(2,300)	(2,300)
	901	1,373
Loan II (b)	–	4,563
Loan III (c)	10,611	11,876
	11,512	17,812
Non-current	9,639	9,882
Current	1,873	7,930
	11,512	17,812

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

18 Loan to Subsidiaries (cont'd)

(a) Loan I

The loans to a subsidiary are unsecured and repayable on demand. The loans are denominated in United States Dollar and Singapore Dollar which bear interest rate ranging from 0.81% to 2.77% (2024: 0.81% to 5.55%) per annum.

For the purpose of impairment assessment, the loans to a subsidiary have significant increase in risk of default since initial recognition and accordingly, the loss allowance is measured at an amount equal to lifetime ECL.

As at 31 December 2025, the Company recognised an allowance for impairment loss of loans to a subsidiary of S\$2,300,000 (2024: S\$2,300,000).

(b) Loan II

The loans to a subsidiary were unsecured and are repayable over 2 years at a fixed interest rate ranging from 4.16% to 6.14% per annum. The loans were fully repaid during current financial year.

(c) Loan III

The loan to a subsidiary is unsecured and bears interest at a fixed rate of 3.70% per annum for the first 12 months from the date of disbursement, after which the interest rate is subject to annual review.

During the current financial year, the interest rate is revised to 2.25% per annum. The loan is repayable over 138 months (2024: 72 months) from the date of disbursement, with monthly instalments revised to S\$100,000 (2024: S\$200,000).

For the purpose of impairment assessment, the loan to a subsidiary for loan III is considered to have low credit risk as the timing of payment is controlled by the Company taking into account cash flow management within the Group and the loan is not due for repayment at the end of the reporting period. There has been no significant increase in the risk of default on the receivables since initial recognition.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

19 Intangible Assets

	Goodwill S\$'000	Group Customer relationship* S\$'000	Total S\$'000
<u>Cost</u>			
At 1 January 2024, 31 December 2024 and 31 December 2025	88,469	2,400	90,869
<u>Accumulated amortisation</u>			
At 1 January 2024	–	(800)	(800)
Amortisation for the year	–	(300)	(300)
At 31 December 2024	–	(1,100)	(1,100)
Amortisation for the year	–	(300)	(300)
At 31 December 2025	–	(1,400)	(1,400)
<u>Accumulated impairment</u>			
At 1 January 2024, 31 December 2024 and 31 December 2025	(2,118)	–	(2,118)
<u>Net book value</u>			
At 31 December 2024	86,351	1,300	87,651
At 31 December 2025	86,351	1,000	87,351

* The customer relationship is as a result of the acquisition of JEP Holdings Limited. The estimated useful life of the customer relationship is 8 years which has an average remaining amortisation period of 3 years (2024: 4 years). In the opinion of the directors of the Company, there is no indication that the carrying value cannot be recovered from the business operations in the future periods.

(a) Allocation of goodwill to cash-generating units

Goodwill acquired through business combinations has been allocated for impairment testing purposes to the following cash-generating units ("CGUs"):

- Welding – United States of America (Welding-USA)
- Welding – Singapore (Welding-SG)
- Semiconductor
- Aerospace and complex equipment

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

19 Intangible Assets (cont'd)

(a) Allocation of goodwill to cash-generating units (cont'd)

The goodwill arising on consolidation relates to the excess of the Group's share of net identifiable assets acquired in the following CGUs as set out below:

	Group	
	2025	2024
	S\$'000	S\$'000
Welding – USA	1,586	1,586
Welding – SG	17,795	17,795
Semiconductor	60,702	60,702
Aerospace and complex equipment	6,268	6,268
	86,351	86,351

(b) Impairment testing of goodwill

The recoverable amounts of the CGUs have been determined based on value-in-use calculations using cash flow projections from financial budgets approved by management covering a five-year period. The post-tax discount rate applied to the cash flow projections, budgeted gross margins, and the forecasted growth rates used to extrapolate cash flow projections beyond the five-year period are as follows:

	2025	2024
Gross margin	(12%) – 56%	7% – 51%
Long term growth rate used for terminal value	–	–
Discount rates	11.8% – 16.5%	12.7% – 18.7%

Further information on the significant CGUs are as follows:

	Semiconductor		Welding SG	
	2025	2024	2025	2024
Gross margin	56%	51%	31%	49%
Long term growth rate used for terminal value	–	–	–	–
Discount rates	12.5%	12.7%	16.5%	16.6%

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

19 Intangible Assets (cont'd)

(b) Impairment testing of goodwill (cont'd)

The budgeted gross margin is based on past performance and expectations of market developments. The discount rates reflect specific risks relating to the relevant segments.

These assumptions were used for the analysis of the CGU. Management recognises the speed of technological change and the possibility of new entrants that can have a significant impact on the growth rate assumptions. The effect of new entrants is not expected to have a significant adverse impact on the forecasts included in the budget.

(c) Sensitivity analysis

Management considered that any reasonable possible changes in the above key assumptions applied are not likely to materially cause the recoverable amounts of the CGUs to be lower than their respective carrying amounts.

20 Borrowings

	Group		Company	
	2025 S\$'000	2024 S\$'000	2025 S\$'000	2024 S\$'000
Secured				
Term loan - current	-	754	-	-

A 5-year temporary bridging loan was granted to a subsidiary in 2020. The secured term loan granted to the subsidiary was repayable over 48 monthly instalments starting from the 13th month from the drawdown date of 30 July 2020. The first monthly instalment was on 30 August 2021. The term loan was fully repaid during the current financial year.

As at 31 December 2025, the factory buildings on leasehold land with a net carrying amount of S\$15,847,000 (2024: S\$16,732,000) remained pledged as security to a bank.

The legal discharge of the security over the factory buildings on leasehold land is pending as at the reporting date.

As at 31 December 2024, the weighted average effective interest rate was between 1.50% and 5.56% per annum.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

21 Trade and Other Payables

	Group		Company	
	2025 S\$'000	2024 S\$'000	2025 S\$'000	2024 S\$'000
Trade payables - Third parties	20,599	17,836	–	–
Other payables:				
- Subsidiaries	–	–	2,172	104,391
- Third parties	8,336	5,282	610	611
Accrued operating expenses	16,174	15,288	7,299	4,968
Employees and rental deposits	340	330	–	–
	45,449	38,736	10,081	109,970
Deferred income	–	16	–	–
Contract liabilities (Note 5)	1,595	848	–	–
Trade and other payables	47,044	39,600	10,081	109,970

The average credit period generally taken to settle trade payables is approximately 60 days (2024: 60 days).

The non-trade amount due to subsidiaries are unsecured, interest-free and repayable on demand.

Contract liabilities mainly represent amounts of consideration received for the customised equipment billed in advance to the Group's customers.

22 Long-Term Provision

	Group	
	2025 S\$'000	2024 S\$'000
Provision for dismantling and removing the item and restoring the site relating to leasehold properties	405	405
Balance at the beginning and end of the year	405	405

The long-term provision is recognised as part of the initial cost of the right-of-use assets and property, plant and equipment.

The Group makes full provision for the future cost of dismantling and removing the items and restoring the site relating to leasehold properties on a discounted basis. The long-term provision represents the present value of the restoration costs relating to the two office/factory premises held by the Group.

As per the lease agreements, the Group is required to bear the cost of dismantling and removing the items and restoring the factory premises to its original state at the end of the lease period in year 2057 for 23 Changi North Crescent and year 2033 for 25 Changi North Crescent.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

23 Share Capital

	2025		2024	
	No. of ordinary shares	S\$'000	No. of ordinary shares	S\$'000
Group and Company				
Issued and fully paid:				
At the beginning of the year	710,535,941	186,541	670,535,941	136,623
Issue of ordinary shares	–	–	40,000,000	51,600
Share issue costs	–	–	–	(1,682)
At the end of the year	710,535,941	186,541	710,535,941	186,541

These ordinary shares have no par value, carry one vote per share and carry a right to dividend, as and when declared by then Company.

During the previous financial year, the Company issued 40,000,000 ordinary shares as part of a placement for a total consideration of S\$51,600,000, for the purpose of funding capital expenditures for the growth of the Group's business general working capital and future business developments through potential investments, acquisition, joint ventures and collaborations.

24 Treasury Shares

	2025		2024	
	No. of ordinary shares	S\$'000	No. of ordinary shares	S\$'000
Group				
At the beginning and the end of the year	664,837	145	664,837	145

These buy-backs are generally carried out for strategic capital management purposes, such as optimising capital structure, managing the number of shares in circulation, or holding shares for potential future use. The shares have remained in treasury and have not been cancelled or otherwise disposed of in subsequent periods.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

25 Reserves

	Group	
	2025	2024
	S\$'000	S\$'000
Foreign exchange translation reserve	8,978	13,354

Movement in foreign exchange translation reserve for the Group is set out in the consolidated statement of changes in equity.

The foreign exchange translation reserve is used to record foreign exchange differences arising from the translation of the financial statements of foreign subsidiaries whose functional currencies are different from that of the Group's presentation currency.

26 Lease Liabilities

Extension option

The leases of the leasehold land at 23 Changi North Crescent and 32 Gul Lane include a term extension option for 30 years till 2057 and 2052 respectively, of which the Group has the rights and expects to exercise these options. Accordingly, lease payments in the extension period have been capitalised in the Group's right-of-use assets and lease liabilities. The Group is restricted from assigning and subleasing the leased assets.

	Group	
	2025	2024
	S\$'000	S\$'000
Minimum lease payments due:		
- Not later than 1 year	1,090	1,120
- Later than 1 year but within 5 years	3,646	3,851
- Later than 5 years	9,992	10,524
	14,728	15,495
Less:		
Future finance charges	(5,157)	(5,547)
Present value of financial lease liabilities	9,571	9,948

The present value of lease liabilities is analysed as follows:

	Group	
	2025	2024
	S\$'000	S\$'000
Not later than 1 year	1,831	652
Later than 1 year but within 5 years	1,071	2,320
Later than 5 years	6,669	6,976
	7,740	9,296
	9,571	9,948

The effective interest rates range between 2.25% and 6.70% (2024: 3.04% and 6.70%) per annum as at the end of the financial year.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

27 Dividends

	Group	
	2025	2024
	S\$'000	S\$'000
<u>Declared and paid during the financial year</u>		
Dividends on ordinary shares:		
- Final exempt (one-tier) dividend for 2024: 2.0 cents (for 2023: 2.2 cents) per share	14,211	15,632
- Interim exempt (one-tier) dividend for 2025: 3.0 cents (for 2024: 3.2 cents) per share	21,321	22,737
	35,532	38,369
<u>Proposed but not recognised as a liability as at 31 December</u>		
Dividends on ordinary shares, subject to shareholders' approval at the Company's Annual General Meeting:		
- Final exempt (one-tier) dividend for 2025: 2.0 cents (for 2024: 2.0 cents) per share	17,763*	14,211
	17,763	14,211

* Includes 177,631,915 bonus shares

28 Related Party Transactions

A related party is an entity or person that directly or indirectly through one or more intermediaries' controls, is controlled by, or is under common or joint control with, the entity in governing the financial and operating policies, or that has an interest in the entity that gives it significant influence over the entity in financial and operating decisions. It also includes members of the key management personnel or close members of the family of any individual referred to herein and others who have the ability to control, jointly control or significantly influence by or for which significant voting power in such entity resides with, directly or indirectly, any such individual.

There are transactions and arrangements between the Group and related parties and the effects of these on the basis determined between the parties are reflected in these financial statements. In addition to the transactions and balances disclosed elsewhere in the consolidated financial statements, related party transactions include the following expenses:

	Group	
	2025	2024
	S\$'000	S\$'000
<u>Transactions with related parties</u>		
Consultancy services charges and commission	2,295	2,386

Related parties comprise mainly companies which are controlled by the Group's key management personnel and their close family members.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

28 Related Party Transactions (cont'd)

Key Management Compensation

Key management personnel are directors and those persons having authority and responsibility for planning, directing and controlling the activities of the company, directly or indirectly. The below amounts for key management compensation are for all directors and five (2024: five) other key management personnel. Included in the above amounts are the following items:

	Group	
	2025	2024
	S\$'000	S\$'000
Salaries, bonuses and related benefits	7,849	8,253
Defined contribution plans	122	133
Fees to directors	220	200
	8,191	8,586
Comprised amounts paid/payable to:		
Directors of the Company	6,219	6,421
Other key management personnel	1,972	2,165
	8,191	8,586

29 Capital Commitments

Capital expenditure contracted for at the end of reporting period but not recognised in the financial statements is as follows:

	Group	
	2025	2024
	S\$'000	S\$'000
Authorised and contracted but not provided for	5,072	33,837

30 Short-term Lease

For lease term that ends within 12 months of the date of initial application of SFRS(I) 16, the Group has elected to account for the lease in the same way as short-term lease and included the cost associated with the lease within the disclosure of short-term lease expense in the reporting period that includes the date of initial application.

31 Financial Information by Segments

The Group's businesses are organised into three main business segments, namely semiconductor, aerospace and others. The semiconductor segment provides precision machining components and equipment modules for semiconductor equipment manufacturers. The aerospace segment provides precision machining services for aerospace, electronics and automotive industry. The others segment mainly provides shipment of water disinfection systems, trading of non-ferrous metal alloys and machine sales and customised cutting tools.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

31 Financial Information by Segments (cont'd)

The accounting policies of the reportable segments are the same as the Group's accounting policies described in Note 3(u) to the financial statements.

Intersegment sales and results include transfers between business segments. Such transfers are accounted for at competitive prices charged to external parties for similar goods. Those transfers are eliminated on consolidation. The revenue from external parties is measured in a manner consistent with that in the consolidated statement of comprehensive income.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Segment assets consist principally of receivables and inventories. Segment liabilities include trade payables and accrued liabilities.

Segment information about these businesses is presented below:

Business Segments

	Semiconductor		Aerospace		Others		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Group								
Sales to external parties	214,735	204,556	24,592	26,320	11,736	11,239	251,063	242,115
Segment results	44,025	43,287	3,403	2,600	2,826	884	50,254	46,771
Material non-cash items include:								
Depreciation expense	21,997	16,757	1,918	2,175	1,002	867	24,917	19,799
Allowance for non-trade debts	-	(7)	-	-	-	-	-	(7)
Allowance for trade debts	-	-	-	8	-	-	-	8
Allowance for inventories obsolescence	1,509	1,664	-	-	243	20	1,752	1,684
Inventories written off	1,164	-	-	-	-	-	1,164	-
Property, plant and equipment written off	35	32	-	-	-	-	35	32
Gain on disposal of property, plant and equipment	(817)	(30)	(148)	(180)	(2)	(10)	(967)	(220)
Total assets	882,657	921,063	46,751	50,254	60,028	49,538	989,436	1,020,855
Total assets include:								
Additions to property, plant and equipment	44,185	25,557	1,140	205	2,922	91	48,247	25,853
Improvement to investment property	-	25	-	-	-	-	-	25
Total liabilities	293,677	346,806	13,611	14,633	19,712	12,629	327,000	374,068

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

31 Financial Information by Segments (cont'd)

Business Segments (cont'd)

A reconciliation of total assets for reportable segments to total assets is as follows:

	Group	
	2025	2024
	S\$'000	S\$'000
Semiconductor	882,657	921,063
Aerospace	46,751	50,254
Others	60,028	49,538
Total assets for reportable segments	989,436	1,020,855
Elimination of inter-segment assets	(460,892)	(511,888)
Total assets	528,544	508,967

A reconciliation of total liabilities for reportable segments to total liabilities is as follows:

	Group	
	2025	2024
	S\$'000	S\$'000
Semiconductor	293,677	346,806
Aerospace	13,611	14,633
Others	19,712	12,629
Total liabilities for reportable segments	327,000	374,068
Elimination of inter-segment liabilities	(254,962)	(309,020)
Total liabilities	72,038	65,048

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

31 Financial Information by Segments (cont'd)

Geographical Segments

The Group operates in four principal geographical areas - Singapore, Malaysia, Taiwan and USA. Other key geographical areas include People's Republic of China and South Korea. Sales to external parties in the individual country grouped under "others" did not contribute more than 5% of the total sales of the Group.

In presenting information on the basis of geographical segments, segment revenue is based on the countries of domicile of the customers. Segment assets are based on the geographical location of the assets.

Revenue and non-current assets information based on the geographical location of customers and assets respectively are as follows:

	Singapore		USA		Taiwan		Malaysia		Others		Total	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Group												
Total sales to external parties	156,591	163,060	25,644	32,618	18,137	16,541	33,289	17,457	17,402	12,439	251,063	242,115
Other geographical information:												
Non-current assets:												
Property, plant and equipment	88,772	77,638	99	71	-	-	105,499	88,277	-	-	194,370	165,986
Intangible asset	1,000	1,300	-	-	-	-	-	-	-	-	1,000	1,300
Goodwill	85,427	85,427	-	-	-	-	924	924	-	-	86,351	86,351
Right-of-use assets	8,306	8,621	523	714	-	-	3	10	-	-	8,832	9,345

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

31 Financial Information by Segments (cont'd)

Geographical Segments (cont'd)

Information about major customers

Included in revenue arising from semiconductor segment of S\$214.7 million (2024: S\$204.6 million) is revenue of more than 50% (2024: more than 50%) which arose from sales to the Group's largest customer.

32 Financial Instruments

(a) Financial Risk Management Policies and Objectives

The Group and the Company are exposed to financial risks arising from its operation and the use of financial instruments. The main risks include capital risk, credit risk, interest rate risk, liquidity risk and foreign currency risk. Management reviews and monitors policies for managing each of these risks.

The following sections provide details regarding the Group's and the Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

(i) *Capital risk*

When managing capital, the objectives of the Group and the Company are: (a) to safeguard the Group's and the Company's ability to continue as going concerns so that they can continue to provide returns for shareholders and benefits for other stakeholders, and (b) to provide an adequate return to shareholders by pricing products and services commensurate with the level of risk. The Group's and the Company's overall strategy remains unchanged from 2024.

The Group and the Company set the amount of capital in proportion to risk. The Group and the Company manage the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group and the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

The Group and the Company monitor capital on the basis of net debt-to-total equity ratio. This ratio is calculated as net debt divided by total equity. Net debt is calculated as total liabilities (exclude income tax payable, deferred tax liabilities and long-term provision) less cash and bank balances. The total equity comprises all components of equity (i.e. share capital, treasury shares, reserves, retained earnings and non-controlling interests).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

32 Financial Instruments (cont'd)

(a) Financial Risk Management Policies and Objectives (cont'd)

(i) Capital risk (cont'd)

	Group		Company	
	2025 S\$'000	2024 S\$'000	2025 S\$'000	2024 S\$'000
Net debt/(cash)	13,552	(29,626)	9,623	109,028
Total equity	456,506	443,919	320,234	232,956
Debt-to-adjusted capital ratio	0.030	N.M.	0.030	0.468

N.M. - Not meaningful as the Group is in a net cash position.

The Group and the Company are not subject to any externally imposed capital requirements for the financial years ended 31 December 2025 and 2024.

(ii) Credit risk

Credit risk is the risk of financial loss to the Group and the Company should there be a counterparty default on its contractual obligations. The Group's and the Company's exposure to credit risk arises primarily from trade and other receivables. For other financial assets, the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties and/or obtain sufficient security where appropriate to mitigate credit risk. The Group mainly transacts with high credit quality counterparties which are considered to have low credit risk for the purpose of impairment assessment. The credit rating information is supplied by independent rating agencies where available and, if not available, the Group uses other publicly available financial information and its own trading records to rate its major customers. 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. Credit exposure is controlled by counterparty limits that are reviewed and approved by management annually.

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subjected to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis. An ongoing credit evaluation is performed of the receivables' financial conditions.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

32 Financial Instruments (cont'd)

(a) Financial Risk Management Policies and Objectives (cont'd)

(ii) *Credit risk* (cont'd)

The carrying amount of cash and bank balances, trade receivables and other current assets and loan to subsidiaries represents the Group's maximum exposure to credit risk. Cash and bank balances are placed with banks of good standing. The Group performs ongoing credit evaluation of its customers' financial conditions and maintains a loss allowance where necessary.

As disclosed in Note 14 to the financial statements, the Group uses a provision matrix to measure the lifetime expected credit loss allowance for trade receivables. In measuring the expected credit losses, trade receivables are grouped based on their shared credit risk characteristics and numbers of days past due. The expected credit losses on trade receivables 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.

Credit risk grading guideline

Management has established the Group's internal credit risk grading to the different exposures according to their degree of default risk. The internal credit risk grading which are used to report the Group's credit risk exposure to key management personnel for credit risk management purposes are as follows:

Internal rating grades	Definition	Basis of recognition of ECL
i. Performing	The counterparty has a low risk of default and does not have any past-due amounts.	12-month ECL
ii. Under-performing	There has been a significant increase in credit risk since initial recognition (i.e. interest and/or principal repayment are more than 30 days past due).	Lifetime ECL (not credit-impaired)
iii. Non-performing	There is evidence indicating that the asset is credit-impaired (i.e. interest and/or principal repayments are more than 90 days past due).	Lifetime ECL (credit-impaired)
iv. Write-off	There is evidence indicating that there is no reasonable expectation of recovery as the debtor is in severe financial difficulty.	Asset is written off

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

32 Financial Instruments (cont'd)

(a) Financial Risk Management Policies and Objectives (cont'd)

(ii) Credit risk (cont'd)

The Group's provision for loss allowance is based on past due as the Group's historical credit loss experience does not show significantly different loss patterns for different customer segments. The Group's credit risk exposure in relation to trade receivables under SFRS(I) 9 as at 31 December 2025 and 31 December 2024 are set out in the provision matrix as follows:

	Current S\$'000	Past due				Total S\$'000
		Within 30 days S\$'000	30 to 60 days S\$'000	60 to 90 days S\$'000	More than 90 days S\$'000	
Group						
2025						
<u>Semiconductor</u>						
Expected loss rate	0.05%	0.05%	0.09%	0.83%	6.36%	
Trade receivables	19,531	1,765	69	184	255	21,804
Allowance for impairment	— [^]	— [^]	— [^]	— [^]	— [^]	— [^]
<u>Aerospace</u>						
Expected loss rate	0.09%	0.09%	0.21%	0.21%	0.21%	
Trade receivables	3,259	514	23	12	39	3,847
Allowance for impairment	— [^]	— [^]	— [^]	— [^]	— [^]	— [^]
<u>Other segments</u>						
Expected loss rate	0.28%	0.28%	0.59%	0.59%	4.15%	
Trade receivables	3,325	318	328	321	1,665	5,957
Allowance for impairment	— [^]	— [^]	— [^]	— [^]	(69)	(69)
						<u>31,539</u>
2024						
<u>Semiconductor</u>						
Expected loss rate	0.05%	0.05%	0.09%	0.87%	6.44%	
Trade receivables	20,380	1,583	68	21	272	22,324
Allowance for impairment	— [^]	— [^]	— [^]	— [^]	— [^]	— [^]
<u>Aerospace</u>						
Expected loss rate	0.09%	0.09%	0.21%	0.21%	0.21%	
Trade receivables	5,154	1,946	1,575	313	459	9,447
Allowance for impairment	— [^]	— [^]	— [^]	— [^]	— [^]	— [^]
<u>Other segments</u>						
Expected loss rate	0.28%	0.28%	0.45%	0.45%	6.50%	
Trade receivables	2,293	560	338	65	1,062	4,318
Allowance for impairment	— [^]	— [^]	— [^]	— [^]	(69)	(69)
						<u>36,020</u>

[^] The expected credit loss is not material.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

32 Financial Instruments (cont'd)

(a) Financial Risk Management Policies and Objectives (cont'd)

(ii) *Credit risk* (cont'd)

The Group's credit risk exposure in relation to other receivables under SFRS(I) 9 as at 31 December 2025 are set out in the credit risk rating grades as follows:

	Internal credit rating	ECL	Gross carrying amount S\$'000	Loss allowance S\$'000	Net carrying amount S\$'000
Group					
<u>2025</u>					
Other receivables and deposits	Performing	12-month ECL	3,094	–	3,094
Other receivables and deposits	Non-performing	Lifetime ECL (credit-impaired)	366	(358)	8
<u>2024</u>					
Other receivables and deposits	Performing	12-month ECL	3,886	–	3,886
Other receivables and deposits	Non-performing	Lifetime ECL (credit-impaired)	366	(358)	8

Management has assessed other receivables and deposits to have low credit risk as they are generally not due for payment yet. Management has periodically assessed for any significant increase in the risk of default on the receivables since initial recognition, with a rebuttable presumption that credit risk has increased for debts more than 30 days past due. A financial instrument is determined to have low credit risk if i) the financial instrument has a low risk of default, ii) the borrower 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. The Group considers a financial asset to have low credit risk when it has an internal or external credit rating that is typically equivalent to the investment grade market convention. Accordingly, the 12-month expected credit loss is not material.

Cash and bank balances, including fixed deposits, are subject to immaterial credit loss as they are entered into banks that are high credit ratings.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

32 Financial Instruments (cont'd)

(a) Financial Risk Management Policies and Objectives (cont'd)

(ii) *Credit risk* (cont'd)

The Company's credit risk exposure in relation to other receivables under SFRS(I) 9 as at 31 December 2025 are set out in the credit risk rating grades as follows:

	Internal credit rating	ECL	Gross carrying amount S\$'000	Loss allowance S\$'000	Net carrying amount S\$'000
Company					
<u>2025</u>					
Loan to subsidiaries	Non-performing	Lifetime ECL (credit-impaired)	2,300	(2,300)	–
Loan to subsidiaries	Performing	12-month ECL	11,512	–	11,512
			13,812	(2,300)	11,512
Non-trade receivables from subsidiaries	Performing	12-month ECL	47,540	–	47,540
Other receivables and deposits	Performing	12-month ECL	267	–	267
<u>2024</u>					
Loan to subsidiaries	Non-performing	Lifetime ECL (credit-impaired)	2,300	(2,300)	–
Loan to subsidiaries	Performing	12-month ECL	17,812	–	17,812
			20,112	(2,300)	17,812
Non-trade receivables from subsidiaries	Performing	12-month ECL	52,030	–	52,030
Other receivables and deposits	Performing	12-month ECL	1,636	–	1,636

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

32 Financial Instruments (cont'd)

(a) Financial Risk Management Policies and Objectives (cont'd)

(ii) *Credit risk* (cont'd)

In determining the ECL, management has taken into account the historical default experience and the financial positions of the subsidiaries, adjusted for factors that are specific to the subsidiaries and general economic conditions of the industry in which the subsidiaries 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.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period in assessing the loss allowance for amounts due from subsidiaries. The above assessment is after taking into account the current financial positions of the entities.

(iii) *Interest rate risk*

Interest rate risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market interest rate. The Group's exposure to interest rates arises primarily from interest-earning financial assets and interest-bearing financial liabilities.

The sensitivity analyses below have been determined based on the exposure to interest rates for non-derivative instruments at the end of the reporting period and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period in the case of instruments that have floating rates. A 0.5% increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

The Group has no exposure to interest rate risk as at 31 December 2025. Accordingly, no interest rate sensitivity analysis has been presented.

(iv) *Liquidity risk*

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. 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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

32 Financial Instruments (cont'd)

(a) Financial Risk Management Policies and Objectives (cont'd)

(iv) *Liquidity risk* (cont'd)

The table below analyses the maturity profile of the Group's and the Company's financial liabilities based on contractual undiscounted cash flows.

	Carrying amount S\$'000	Contractual cash flows S\$'000	Within 1 year S\$'000	Within 2 to 5 years S\$'000	Over 5 years S\$'000
Group					
<u>2025</u>					
Trade and other payables (excluding contract liabilities and deferred income)	45,449	45,449	45,449	–	–
Lease liabilities	9,571	14,728	1,090	3,646	9,992
	55,020	60,177	46,539	3,646	9,992
<u>2024</u>					
Borrowings	754	759	759	–	–
Trade and other payables (excluding contract liabilities and deferred income)	38,736	38,736	38,736	–	–
Lease liabilities	9,948	15,495	1,120	3,851	10,524
	49,438	54,990	40,615	3,851	10,524

The carrying amounts of the Company's financial liabilities with a maturity of less than one year are appropriate to the contractual undiscounted cash flow amounts.

(v) *Foreign currency risk*

The Group is exposed to foreign currency risk on sales and purchases that are denominated in a currency other than the respective functional currencies of the entities of the Group. The currency giving rise to this risk is primarily the United States Dollar ("USD").

To manage the aforesaid foreign currency risk, the Group maintains a natural hedge, whenever possible, by depositing foreign currency proceeds from sales into foreign currency bank accounts which are primarily used for payments of purchases in the same currency denomination.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

32 Financial Instruments (cont'd)

(a) Financial Risk Management Policies and Objectives (cont'd)

(v) Foreign currency risk (cont'd)

The Group's and the Company's exposures to foreign currency risk are as follows:

	Singapore Dollar S\$'000	Japanese Yen S\$'000	Euro S\$'000	Malaysian Ringgit S\$'000	United States Dollar S\$'000	Chinese Renminbi S\$'000	Total S\$'000
Group							
<u>2025</u>							
<u>Financial assets</u>							
Cash and bank balances	5,442	501	525	5,099	31,452	44	43,063
Trade receivables and other current assets (excluding prepayments, advance to suppliers, down-payment to suppliers of property, plant and equipment and tax recoverable)	7,165	215	21	682	26,484	74	34,641
	12,607	716	546	5,781	57,936	118	77,704
<u>Financial liabilities</u>							
Trade and other payables (excluding contract liabilities and deferred income)	(20,022)	(111)	(431)	(5,922)	(18,959)	(4)	(45,449)
Lease liabilities	(8,971)	-	-	(3)	(597)	-	(9,571)
	(28,993)	(111)	(431)	(5,925)	(19,556)	(4)	(55,020)
Net financial (liabilities)/ assets	(16,386)	605	115	(144)	38,380	114	22,684
Less: Net financial liabilities/ (assets) denominated in the respective entities' functional currencies	15,147	-	-	393	(655)	-	14,885
Currency exposure	(1,239)	605	115	249	37,725	114	37,569

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

32 Financial Instruments (cont'd)

(a) Financial Risk Management Policies and Objectives (cont'd)

(v) Foreign currency risk (cont'd)

The Group's and the Company's exposures to foreign currency risk are as follows: (cont'd)

	Singapore Dollar S\$'000	Japanese Yen S\$'000	Euro S\$'000	Malaysian Ringgit S\$'000	United States Dollar S\$'000	Chinese Renminbi S\$'000	Total S\$'000
Group							
<u>2024</u>							
<u>Financial assets</u>							
Cash and bank balances	19,849	3,363	4,441	1,758	50,472	45	79,928
Trade receivables and other current assets (excluding prepayments, advance to suppliers, down-payment to suppliers of property, plant and equipment and tax recoverable)	5,817	561	41	921	32,476	98	39,914
	25,666	3,924	4,482	2,679	82,948	143	119,842
<u>Financial liabilities</u>							
Borrowings	(754)	–	–	–	–	–	(754)
Trade and other payables (excluding contract liabilities and deferred income)	(18,616)	(1,705)	(1,137)	(5,374)	(11,900)	(4)	(38,736)
Lease liabilities	(9,168)	–	–	(11)	(769)	–	(9,948)
	(28,538)	(1,705)	(1,137)	(5,385)	(12,669)	(4)	(49,438)
Net financial (liabilities)/ assets	(2,872)	2,219	3,345	(2,706)	70,279	139	70,404
Less: Net financial liabilities/ (assets) denominated in the respective entities' functional currencies	2,043	–	–	2,280	(3,887)	–	436
Currency exposure	(829)	2,219	3,345	(426)	66,392	139	70,840

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

32 Financial Instruments (cont'd)

(a) Financial Risk Management Policies and Objectives (cont'd)

(v) Foreign currency risk (cont'd)

The Group's and the Company's exposures to foreign currency risk are as follows: (cont'd)

	Singapore Dollar S\$'000	United States Dollar S\$'000	Malaysian Ringgit S\$'000	Total S\$'000
Company				
<u>2025</u>				
<u>Financial assets</u>				
Cash and bank balances	424	34	–	458
Loan to subsidiaries	11,414	98	–	11,512
Trade receivables and other current assets (excluding prepayments)	36,568	11,239	–	47,807
	48,406	11,371	–	59,777
<u>Financial liabilities</u>				
Trade and other payables	(8,754)	(1,300)	(27)	(10,081)
Net financial assets/(liabilities)	39,652	10,071	(27)	49,696
Less: Net financial assets denominated in the Company's functional currency	(39,652)	–	–	(39,652)
Currency exposure	–	10,071	(27)	10,044
<u>2024</u>				
<u>Financial assets</u>				
Cash and bank balances	679	263	–	942
Loan to subsidiaries	12,621	5,191	–	17,812
Trade receivables and other current assets (excluding prepayments)	50,713	2,953	–	53,666
	64,013	8,407	–	72,420
<u>Financial liabilities</u>				
Trade and other payables	(109,456)	(215)	(299)	(109,970)
Net financial (liabilities)/assets	(45,443)	8,192	(299)	(37,550)
Less: Net financial liabilities denominated in the Company's functional currency	45,443	–	–	45,443
Currency exposure	–	8,192	(299)	7,893

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

32 Financial Instruments (cont'd)

(a) Financial Risk Management Policies and Objectives (cont'd)

(v) *Foreign currency risk* (cont'd)

If the following currency strengthens by 1% (2024: 1%) against S\$ as at the end of reporting period, with all other variables being held constant, the effect arising from the net financial assets position will be as follows:

	Group Increase profit before income tax S\$'000	Company Increase profit before income tax S\$'000
<hr/>		
<u>2025</u>		
United States dollar	377	101
<hr/>		
<u>2024</u>		
United States dollar	664	82
<hr/>		

A 1% weakening of the above currency against the S\$ as at the end of reporting period would have had the equal but opposite effect on the amounts shown above, on the basis that all other variables remain constant.

(b) Fair Value

Fair Value of the Group's and the Company's financial assets and financial liabilities that are not measured at fair value on a recurring basis

The carrying amounts of financial assets and financial liabilities with a maturity of less than one year (including cash and bank balances, trade receivables and other current assets, loan to subsidiaries, and trade and other payables) approximate their fair values due to the relatively short-term maturity of these financial instruments.

33 Adoption of New Standards

On 1 January 2025, the Group has adopted the new and revised SFRS(I) and SFRS(I) Interpretations ("SFRS(I) INTs") that are mandatory for application for the financial year. The adoption of these new and revised SFRS(I) and SFRS(I) INTs did not result in substantial changes to the Group's accounting policies and had no material effect on the amounts reported for the current or prior financial years.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

34 SFRS(I)s and SFRS(I) INTs issued but not yet effective

At the date of authorisation of these financial statements, the following standards that have been issued and are relevant to the Group and the Company but not yet effective:

	Effective for annual financial periods beginning on or after
<i>Annual Improvements to SFRS(I)s - Volume 11</i>	1 January 2026
<i>Amendments to SFRS(I) 9 Financial Instruments and SFRS(I) 7 Financial Instruments: Disclosures: Amendments to the Classification and Measurement of Financial Instruments</i>	1 January 2026
<i>Amendments to SFRS(I) 9 Financial Instruments and SFRS(I) 7 Financial Instruments: Disclosures: Contracts Referencing Nature- dependent Electricity</i>	1 January 2026
<i>SFRS(I) 18 Presentation and Disclosure in Financial Statements</i>	1 January 2027
<i>SFRS(I) 19 Subsidiaries without Public Accountability: Disclosures</i>	1 January 2027
<i>Amendments to SFRS(I) 10 Consolidated Financial Statements and SFRS(I) 1-28 Investments in Associates and Joint Ventures: Sale or contribution of assets between an investor and its associate or joint venture</i>	Deferred indefinitely, early application is still permitted

SFRS(I) 18: Presentation and Disclosure in Financial Statements

This standard will replace SFRS(I)1-1 *Presentation of Financial Statements*. Whilst many of the requirements will remain consistent, the new standard will have impacts on the presentation of the Consolidated Statement of Profit or Loss and consequential impacts on the Consolidated Statement of Cash Flows. It will also require the disclosure of the non-SFRS(I) management performance measures and may impact the level of aggregation and disaggregation throughout the primary financial statements and the notes.

An entity is required to apply the amendments to SFRS(I) 1-1 for annual reporting periods beginning on or after 1 January 2027. Earlier application is permitted. SFRS(I) 18 requires retrospective application with specific transition provisions.

The directors will determine the impact on the presentation of the Consolidated Income Statement and Consolidated Statement of Cash Flows when effective.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

35 Subsequent Events

(i) Bonus issue of shares

On 15 January 2026, the Company allotted and issued 177,631,915 bonus shares to shareholders.

The bonus shares rank pari passu in all respects with the existing issued shares, except that they are not entitled to any dividends, rights, allotments or other distributions with a record date falling before 12 January 2026.

Following the issuance of the bonus shares, the total number of issued shares increased from 710,535,941 shares to 888,167,856 shares. The bonus shares were listed and quoted on the Mainboard of the Singapore Exchange Securities Trading Limited on 19 January 2026.

(ii) Acquisition of 30% of the issued and paid-up shares in Starke Singapore Pte. Ltd.

On 2 March 2026, the Company entered into a sale and purchase agreement with non-controlling interests to acquire the remaining 30% equity interest in Starke Singapore Pte. Ltd. for a consideration of S\$8,219,782, based on the net book value of the entity as at 31 August 2025. The acquisition was completed on the same date, resulting in Starke Singapore Pte. Ltd. becoming a wholly owned subsidiary of the Company. The acquisition will be funded through the Group's internal resources and/or bank borrowings and is not expected to have a material impact on the Group's net tangible assets or earnings per share for the financial year ending 31 December 2026.

SUPPLEMENTARY FINANCIAL INFORMATION

Disclosures Required by SGX-ST Listing Manual

1. Interested Person Transactions

The transactions entered into with interested person during the financial year which fall under Rule 907 of the Listing Manual of the SGX-ST are:-

Name of interested person	Nature of Relationship	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920 of the SGX Listing Manual)	
		2025 S\$'000	2024 S\$'000
Sure Achieve Consultant Pte Ltd			
Consultancy Services charges and commission	Transaction above is with Sure Achieve Consultant Pte Ltd in which Mrs. Sylvia SY Lee Luong is a director and shareholder. She is the wife of the CEO of the Group, Mr. Luong Andy. The aggregate value of IPT entered into between the Group and Sure Achieve Consultant Pte Ltd for the year ended 31 December 2025 amounted to S\$2,295,000 which represents approximately 0.64% of the Group's latest audited net tangible assets as at 31 December 2024.	2,295	2,386

SUPPLEMENTARY FINANCIAL INFORMATION

Disclosures Required by SGX-ST Listing Manual

2. Properties

As required by Rule 1207 (11) of the SGX-ST Listing Manual, the description of properties held by the group are as follows:

Location	Description	Tenure	Net Book Value	
			2025 S\$'000	2024 S\$'000
23 Changi North Crescent Changi North Industrial Estate Singapore 499616	Office cum factory building	30 + 30 years lease commencing 16 August 1997 and ending 16 August 2057	3,559	3,681
25 Changi North Crescent Changi North Industrial Estate Singapore 499617	Leased	30 years lease commencing 1 February 2003 and ending 31 January 2033	1,082	1,230
1058, Jalan Kebun Baru, Juru and Lot 20020, Pecahan Lot 702 Mukim 13 14100 Simpang Ampat Seberang Perai Tengah Pulau Pinang, Malaysia	Freehold land and office cum factory	Freehold	13,466	13,226
1281, Lorong PSPN 9, Penang Science Park North, Mukim 13 14100 Simpang Ampat Seberang Perai Tengah Pulau Pinang, Malaysia	Leasehold land and office cum factory building	60 years lease commencing 13 March 2022 and ending 12 March 2082	10,695	10,563
1282, Lorong PSPN 9, Penang Science Park North, Mukim 13 14100 Simpang Ampat Seberang Perai Tengah Pulau Pinang, Malaysia	Leasehold land and office cum factory building	60 years lease commencing 16 April 2022 and ending 15 April 2082	7,406	7,245
P30B, Lorong PSPN 9, Penang Science Park North, Mukim 13 14100 Simpang Ampat Seberang Perai Tengah Pulau Pinang, Malaysia	Leasehold land and office cum factory building	60 years lease commencing 3 July 2025 and ending 2 July 2085	4,984	–
34 Gul Lane Singapore 629428	Office cum factory building	30 years lease commencing 1 October 2000 and ending 30 September 2030	1,207	1,449
32 Gul Lane Singapore 629426	Office cum factory building	30 + 30 years lease commencing 1 January 1993 and ending 31 December 2052	2,882	2,989
1 Tuas South Avenue 6, #06-15 Singapore 637021	Logistic	60 years lease commencing 9 July 1996 and ending 8 July 2056	462	555

SUPPLEMENTARY FINANCIAL INFORMATION

Disclosures Required by SGX-ST Listing Manual

Location	Description	Tenure	Net Book Value	
			2025 S\$'000	2024 S\$'000
No. 16 Seletar Aerospace Crescent Singapore 797567	Leasehold land with an erected 4-storey single-user industrial development factory	30 years commencing 1 February 2015	29,464	31,005
No. 2 Loyang Way 4 Singapore 507098	Leasehold land with an erected 2-storey factory with a mezzanine level and a single-storey rear extension	30 years commencing 1 June 2007	5,881	6,366
	Leasehold land with an erected 4-storey factory building with provision of secondary workers' dormitory	23 years 10 months commencing 1 August 2013		
			81,088	78,310

STATISTICS OF SHAREHOLDINGS

As at 19 March 2026

Number of Issued Shares (excluding treasury shares and subsidiary holdings)	:	888,167,856
Number/Percentage of treasury shares and subsidiary holdings	:	–
Voting Rights	:	One vote per share
Class of Shares	:	Ordinary Shares

Distribution of shareholdings

Size of Shareholdings	Number of Shareholders	%	Number of Shares	%
1 – 99	560	6.20	32,469	0.00
100 – 1,000	605	6.69	308,404	0.04
1,001 – 10,000	3,373	37.31	17,878,792	2.01
10,001 – 1,000,000	4,444	49.15	243,390,734	27.40
1,000,001 and above	59	0.65	626,557,457	70.55
Total	9,041	100.00	888,167,856	100.00

Based on the information provided to the Company as at 19 March 2026, approximately 80.71% of the issued ordinary shares of the Company is held by the public, and therefore, Rule 723 of the Listing Manual is complied with.

Twenty Largest Shareholders

No.	Name of Shareholders	Number of Shares	%
1	CITIBANK NOMS SPORE PTE LTD	193,207,029	21.75
2	DBS NOMINEES PTE LTD	55,297,114	6.23
3	DBSN SERVICES PTE LTD	44,048,027	4.96
4	HSBC (SINGAPORE) NOMINEES PTE LTD	42,805,079	4.82
5	BPSS NOMINEES SINGAPORE (PTE.) LTD.	39,483,146	4.45
6	PHILLIP SECURITIES PTE LTD	35,207,550	3.96
7	RAFFLES NOMINEES(PTE) LIMITED	17,245,394	1.94
8	UNITED OVERSEAS BANK NOMINEES P L	16,750,770	1.89
9	CGS INTL SECURITIES SINGAPORE PL	14,867,012	1.67
10	OCBC SECURITIES PRIVATE LTD	13,908,620	1.57
11	CGS INTERNATIONAL NOMINEES MALAYSIA (ASING) SDN. BHD. – PLEDGED SECURITIES ACCOUNT FOR LUONG ANDY	12,500,000	1.41
12	LIM AND TAN SECURITIES PTE LTD	10,294,723	1.16
13	IFAST FINANCIAL PTE LTD	9,064,823	1.02
14	SAN TAI CONSTRUCTION (S) PTE LTD	8,750,000	0.99
15	CITIGROUP NOMINEES (ASING) SDN BHD - EXEMPT AN FOR CITIBANK NEW YORK (NORGES BANK 14)	8,589,000	0.97
16	OCBC NOMINEES SINGAPORE PTE LTD	7,749,312	0.87
17	MOOMOO FINANCIAL SINGAPORE PTE. LTD.	6,305,867	0.71
18	TAN BOON KHAK HOLDINGS PTE LTD	6,109,375	0.69
19	CITIGROUP NOMINEES (TEMPATAN) SDN BHD - EMPLOYEES PROVIDENT FUND BOARD (ABERDEEN)	5,304,700	0.60
20	MAYBANK SECURITIES PTE. LTD.	5,151,735	0.58
Total		552,639,276	62.24

STATISTICS OF SHAREHOLDINGS

As at 19 March 2026

Substantial Shareholders

(As recorded in the Register of Substantial Shareholders)

Name of substantial shareholder	Number of shares registered in the name of substantial shareholder	Number of shares in which substantial shareholder is deemed to have an interest	Total	Percentage (%)
Luong Andy ⁽¹⁾	–	124,703,857	124,703,857	14.04
Catcher Technology Co. Ltd	–	45,437,500	45,437,500	5.12

Notes:

[^] Based on the total issued and paid-up ordinary share capital (excluding treasury shares and subsidiary holdings) of the Company comprising 888,167,856 Shares.

(1) Pursuant to Section 4 of the SFA, Mr Luong Andy is deemed to have an interested in:

- a) 21,911,422 Shares registered in the name of UBS AG Singapore;
- b) 58,162,535 Shares registered in the name of 71 Trust LLC (held through UBS AG Singapore);
- c) 19,004,900 Shares registered in the name of SY Private Trust LLC (held through UBS AG Singapore);
- d) 13,125,000 Shares registered in the name of CGS International Securities Singapore Pte. Ltd.; and
- e) 12,500,000 Shares registered in the name of CGS International Nominees Malaysia (Asing) Sdn Bhd.

FURTHER INFORMATION ON DIRECTORS

Name of Director	Date of Initial Appointment in UMS Integration Limited	Date of Last Re-election in UMS Integration Limited	Present and Past Directorship in other Listed Companies	Other Principal Commitments/ Major Appointments
Luong Andy	1 April 2004	24 April 2025	JEP Holdings Limited (appointed on 22 February 2018)	–
Loh Meng Chong, Stanley	30 June 2010	26 April 2023	–	–
Chua Siong Kiat	6 May 2024	24 April 2025	Ever Glory United Holdings Ltd. (appointed on 20 April 2023) Memiontec Holdings Ltd (appointed on 26 April 2025) Olive Tree Estates Limited (appointed on 13 February 2026) VCI Global Limited (resigned on 28 February 2026) Coolan Group Limited (resigned on 31 October 2025) Heatec Jietong Holdings Limited (resigned on 1 September 2024) China Yuanbang Property Holdings Limited (resigned on 11 January 2024) Nutryfarm International Limited (resigned on 4 April 2023) JES International Holdings Limited (resigned on 4 April 2023)	CEO and Director Lighthouse Business Consulting Pte Ltd
Xie Xingbei, Pearlyn	14 May 2025	–	New Wave Holdings Ltd (appointed on 26 June 2024)	Partner of Shook Lin & Bok LLP
Datin Poon Lee Fah	14 May 2025	–	–	Managing Partner of Messrs. Poon, Asyraq & Lisa

FURTHER INFORMATION ON DIRECTORS

Name of Director	Date of Initial Appointment in UMS Integration Limited	Date of Last Re-election in UMS Integration Limited	Present and Past Directorship in other Listed Companies	Other Principal Commitments/ Major Appointments
Datuk Phang Ah Tong	1 October 2017	26 April 2023	–	Non-executive Chairman of Malaysia Automotive, Robotics and Internet of Things Institute (resigned on 31 May 2022)
			JF Technology Bhd (appointed on 1 January 2018)	–
			Inari Amerton Bhd (appointed on 8 February 2018)	–
			Apex Healthcare Berhad (resigned on 11 February 2026)	–
			–	Non- Executive Chairman of Novugen Pharma (Malaysia) Sdn Bhd (appointed on 1 March 2018)
			–	Non- Executive Chairman of Oncogen Pharma Malaysia Sdn Bhd (appointed on 1 March 2018)
			Cosmos Technology International Berhad (resigned on 20 May 2025)	–
			Jerasia Capital Berhad (resigned on 26 April 2022)	–
			Media Prima Berhad (appointed on 3 June 2022)	–
			–	Independent Director of United Overseas Bank Malaysia (resigned on 14 February 2023)
			–	Director of Malaysia Investment Development Authority (appointed on 13 February 2026)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of UMS Integration Limited (“the **Company**”) will be held at 16 Seletar Aerospace Crescent Singapore 797567 on Thursday, 30 April 2026 at 10.00 a.m. for the purpose of considering and, if thought fit, passing with or without modifications, the resolutions as set out below:

ORDINARY BUSINESS:

1. To receive and adopt the Directors’ Statement and Audited Financial Statements for the financial year ended 31 December 2025 together with the Auditors’ Report thereon.

Resolution 1

2. To approve the payment of a final tax-exempt (one-tier) dividend of 2.0 cents per ordinary share in respect of the financial year ended 31 December 2025.

Resolution 2

3. To re-elect Mr Loh Meng Chong, Stanley, who is retiring by rotation in accordance with Regulation 89 of the Company’s Constitution, as Director of the Company.

[Mr Loh Meng Chong, Stanley, will, upon re-election as a Director of the Company, remain as an Executive Director of the Company. Please refer to Corporate Governance Report on pages 24 to 32 in the Annual Report for the detailed information required pursuant to Rule 720(6) of the SGX-ST.]

Resolution 3

4. To re-elect Datuk Phang Ah Tong, who is retiring by rotation in accordance with Regulation 89 of the Company’s Constitution, as Director of the Company.

[Datuk Phang Ah Tong will, upon re-election as a Director of the Company, remain as the Chairman and Lead Independent Director of the Company. Please refer to Corporate Governance Report on pages 24 to 32 in the Annual Report for the detailed information required pursuant to Rule 720(6) of the SGX-ST.]

Resolution 4

5. To re-elect Datin Poon Lee Fah, who is retiring by rotation in accordance with Regulation 88 of the Company’s Constitution, as Director of the Company.

[Datin Poon Lee Fah, will, upon re-election as a Director of the Company, remain as the Chairman of the Nominating Committee, a member of the Audit Committee, Sustainability and Risk Committee and the Remuneration Committee and will be considered independent for the purpose of Rule 704(8) of the Listing Manual of the Singapore Exchange Securities Trading Limited. Please refer to Corporate Governance Report on pages 24 to 32 in the Annual Report for the detailed information required pursuant to Rule 720(6) of the SGX-ST.]

Resolution 5

6. To re-elect Ms Xie Xingbei, Pearlyn, who is retiring by rotation in accordance with Regulation 88 of the Company’s Constitution, as Director of the Company.

[Ms Xie Xingbei, Pearlyn, will, upon re-election as a Director of the Company, remain as the Chairman of the Remuneration Committee, a member of the Audit Committee, Sustainability and Risk Committee and the Nominating Committee and will be considered independent for the purpose of Rule 704(8) of the Listing Manual of the Singapore Exchange Securities Trading Limited. Please refer to Corporate Governance Report on pages 24 to 32 in the Annual Report for the detailed information required pursuant to Rule 720(6) of the SGX-ST.]

Resolution 6

NOTICE OF ANNUAL GENERAL MEETING

7. To approve the payment of additional Directors' fees of S\$14,685 for the financial year ended 31 December 2025.

[At the last Annual General Meeting of the Company held on 24 April 2025, shareholders approved payment of Directors' fees of up to S\$220,000 for the financial year ended 31 December 2025.

The additional Directors' fees of S\$14,685 proposed for shareholders' approval arise from the appointment of Datin Poon Lee Fah and Ms Xie Xingbei, Pearlyn as Independent Directors of the Company on 14 May 2025, during the financial year ended 31 December 2025. Their Directors' fees are pro-rated based on the length of their service during the financial year ended 31 December 2025.]

Resolution 7

8. To approve the payment of Directors' fees of up to S\$270,000 for the financial year ending 31 December 2026, to be paid quarterly in arrears. (FY2025: S\$220,000)

Resolution 8

9. To re-appoint Moore Stephens LLP as Independent Auditors and to authorise the Directors to fix their remuneration.

Resolution 9

10. To transact any other ordinary business which may properly be transacted at an Annual General Meeting.

SPECIAL BUSINESS:

To consider, and if thought fit, to pass with or without any modifications, the following resolutions as Ordinary Resolutions:-

11. **Authority to allot and issue shares up to fifty per centum (50%) of the issued shares in the capital of the Company**

"That authority be and is hereby given to the Directors of the Company to:

- (a) (i) issue shares in the capital of the Company ("**shares**") whether by way of rights, bonus or otherwise; and/or
- (ii) make or grant offers, agreements or options (collectively "**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) 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; and

- (b) (notwithstanding that the authority conferred by this Resolution may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors while this Resolution was in force,

provided that:

- (1) the aggregate number of shares to be issued pursuant to this Resolution (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed 50 per cent of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with paragraph (2) below), of which the aggregate number of shares to be issued other than on a pro rata basis to shareholders of the Company (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed 20 per cent of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with paragraph (2) below);

NOTICE OF ANNUAL GENERAL MEETING

- (2) (subject to such manner of calculation as may be prescribed by the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (1) above, the percentage of issued shares shall be based on the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company at the time this Resolution is passed, after adjusting for:-
- (i) new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards, provided the options or awards were granted in compliance with Part VIII of Chapter 8; and
 - (ii) any subsequent bonus issue, consolidation or subdivision of shares;
- adjustments in accordance with (2)(i) is only to be made in respect of new shares arising from convertible securities, share options or share awards which were issued and outstanding or subsisting at the time of passing of this Resolution.
- (3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the SGX-ST from the time being in force (unless such compliance has been waived by the SGX-ST), all applicable legal requirements under the Companies Act and otherwise, and the Constitution for the time being of the Company; and
- (4) (unless revoked or varied by the Company in General Meeting), the authority conferred by this Resolution shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier.”

Resolution 10

12. The Proposed Renewal of the Share Buy-Back Mandate

“That:

- (a) for the purposes of the Companies Act 1967 of Singapore (the “**Companies Act**”), the exercise by the Directors of all the powers of the Company to purchase or otherwise acquire issued ordinary shares in the capital of the Company (the “**Shares**”) not exceeding in aggregate the Maximum Limit (as hereafter defined), at such price or prices as may be determined by the Directors from time to time up to the Maximum Price (as hereafter defined), whether by way of:
- (i) on-market purchases on the SGX-ST or, as the case may be, any other stock exchange on which the Shares may for the time being be listed and quoted (the “**Other Exchange**”) (“**On-Market Purchases**”); and/or
 - (ii) off-market purchases (if effected otherwise than on the SGX-ST or, as the case may be, the Other Exchange) in accordance with any equal access scheme(s) as may be determined or formulated by the Directors as they consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act (“**Off-Market Purchases**”),
- and otherwise in accordance with all other laws, regulations and rules of the SGX-ST or, as the case may be, the Other Exchange as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the “**Share Buy-Back Mandate**”);
- (b) unless varied or revoked by the Company in general meeting, the authority conferred on the Directors pursuant to the Share Buy-Back Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the date of the passing of this Resolution and expiring on the earliest of:
- (i) the date on which the next Annual General Meeting of the Company is held;
 - (ii) the date by which the next Annual General Meeting of the Company is required by law to be held; or
 - (iii) the date on which the purchases or acquisitions of Shares pursuant to the Share Buy-Back Mandate are carried out to the full extent mandated;

NOTICE OF ANNUAL GENERAL MEETING

(c) in this Resolution:

“Average Closing Price” means the average of the closing market prices of a Share over the last five (5) market days on which transactions in the Shares were recorded, immediately preceding the date of the On-Market Purchase by the Company or, as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted, in accordance with the rules of the SGX-ST, for any corporate action that occurs during the relevant five (5)-market day period and the date of the On-Market Purchase by the Company or, as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase;

“date of the making of the offer” means the date on which the Company announces its intention to make an offer for the purchase or acquisition of Shares from shareholders, stating therein the purchase price (which shall not be more than the Maximum Price) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase;

“market day” means a day on which the SGX-ST is open for the trading of securities;

“Maximum Limit” means that number of issued Shares representing not more than ten per cent. (10%) of the total number of issued Shares as at the date of the passing of this Resolution (excluding treasury shares and subsidiary holdings); and

“Maximum Price” in relation to a Share to be purchased or otherwise acquired, means the purchase price (excluding brokerage, commission, applicable goods and services tax, stamp duties, clearance fees and other related expenses) which shall not exceed:

- (i) in the case of an On-Market Purchase, 105% of the Average Closing Price of the Shares; and
- (ii) in the case of an Off-Market Purchase, 120% of the Average Closing Price of the Shares; and

(d) the Directors and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as they and/or he may consider expedient or necessary or in the interests of the Company to give effect to the transactions contemplated and/or authorised by this Resolution.”

Resolution 11

Explanatory Notes:

Resolution 10 is to authorise the Directors to issue shares in the capital of the Company and to make or grant instruments (such as warrants or debentures) convertible into shares, and to issue shares in pursuance of such instruments, up to a number not exceeding in total 50% of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company, with a sub-limit of 20% for issues other than on a pro rata basis to shareholders. For the purpose of determining the aggregate number of shares that may be issued, the percentage of issued shares shall be based on the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company at the time that Resolution 10 is passed, after adjusting for (a) new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time that Resolution 10 is passed, and (b) any subsequent consolidation or subdivision of shares.

Resolution 11, if passed, will empower the Directors to exercise the power of the Company to purchase or otherwise acquire Shares by way of On-Market Purchases or Off-Market Purchases, provided that the aggregate number of Shares to be purchased or acquired pursuant to the Share Buy-Back Mandate does not exceed the Maximum Limit, and at such price(s) as may be determined by the Directors from time to time, up to but not exceeding the Maximum Price. Information relating to Resolution 11 is set out in the Appendix dated 14 April 2026 to this Notice of Annual General Meeting.

BY ORDER OF THE BOARD

Lee Wei Hsiung
Chin Yee Seng
Company Secretaries

Singapore
14 April 2026

NOTICE OF ANNUAL GENERAL MEETING

Notes:

1. The members of the Company are invited to attend physically at the AGM. There will be no option for shareholders to participate virtually.
2. The Annual Report 2025, Notice of Annual General Meeting, Appendix to the Notice of Annual General Meeting relating to the proposed renewal of the share buy-back mandate (the “**Appendix**”) and Proxy Form will be published on the Company’s website at URL <http://www.umsgroup.com.sg/ir.html>, on SGXNet at the URL <https://www.sgx.com/securities/company-announcements> and also on Bursa Malaysia at the URL https://www.bursamalaysia.com/bm/market_information/announcements/company_announcement.

A member who wishes to request for printed copies of the Annual Report 2025 and the Appendix may do so by completing and returning the Request Form which is sent to him/her/it by post to the Company, c/o In.Corp Corporate Services Pte. Ltd. (for Singapore Shareholders) at shareregistry@incorp.asia or at 36 Robinson Road, #20-01 City House, Singapore 068877, or c/o Securities Services (Holdings) Sdn. Bhd. (for Malaysia Shareholders) at info@sshhsb.com.my or via <https://www.sshhsb.com.my/new/requestarep.aspx>, by 20 April 2026.

3. Members may submit questions related to the resolutions which will be tabled for approval at the AGM, in advance of the AGM by email to the Company at UMSAGM300426@umsgroup.com.sg.

When submitting the questions, please provide the Company with the following details, for verification purpose:-

- (i) Full name;
- (ii) NRIC number;
- (iii) Current address;
- (iv) Contact number; and
- (v) Number of shares held.

Please also indicate the manner in which you hold shares in the Company (e.g. via CDP, CPF or SRS).

Shareholders are encouraged to submit their questions before **22 April 2026**, as this will allow the Company sufficient time to address and respond to these questions on or before **24 April 2026** (forty-eight (48) hours prior to the closing date and time for the lodgement of the proxy forms).

4. The Company will respond to substantial and relevant questions received from members on the Company’s website at URL <http://www.umsgroup.com.sg/ir.html>, on SGXNet at URL <https://www.sgx.com/securities/company-announcements> and on Bursa Malaysia at URL https://www.bursamalaysia.com/bm/market_information/announcements/company_announcement by **24 April 2026**, after trading hours.
5. A member of the Company (other than a Relevant Intermediary*) entitled to attend and vote at the AGM of the Company may appoint not more than two proxies to attend, speak and vote in his/her stead. Where a member appoints more than one proxy, he/she shall specify the proportion of his/her shareholding to be represented by each proxy in the proxy form. A member of the Company, which is a corporation, is entitled to appoint its authorised representative or proxy to vote on its behalf. A proxy need not be a member of the Company.
6. An investor who holds shares under the Central Provident Fund Investment Scheme (“**CPF Investor**”) and/or the Supplementary Retirement Scheme (“**SRS Investor**”) (as may be applicable) may attend and cast his vote(s) at the Meeting in person. CPF and SRS Investors who are unable to attend the Meeting but would like to vote, may inform their CPF and/or SRS Approved Nominees to appoint the Chairman of the Meeting to act as their proxy and submit their votes at least 7 working days before the Meeting, in which case, the CPF and SRS Investors shall be precluded from attending the Meeting.
7. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of an attorney or duly authorised officer. Where the instrument appointing a proxy or proxies is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument, failing which the instrument may be treated as invalid.
8. The instrument appointing a proxy must: (i) if sent personally or by post, be deposited at the registered office of the Company at 23 Changi North Crescent, Singapore 499616 (for Singapore Shareholders), or at the office of the Company’s Share Registrar in Malaysia, Securities Services (Holdings) Sdn. Bhd. at Level 7, Menara Milenium Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights 50490 Kuala Lumpur, Malaysia (for Malaysia Shareholders); or (ii) if submitted electronically, be submitted via email to the Company at UMSAGM300426@umsgroup.com.sg, and in either case, by no later than 72 hours before the time appointed for the Annual General Meeting, and in default the instrument of proxy shall not be treated as valid.

Members are strongly encouraged to submit completed proxy forms electronically by email to the Company at requested UMSAGM300426@umsgroup.com.sg.

9. The Annual Report 2025 may be accessed on the Company’s website at the URL <http://www.umsgroup.com.sg/ir.html> and is also available on the SGXNet at the URL <https://www.sgx.com/securities/company-announcements>.

* A Relevant Intermediary is:

- (a) a banking corporation licensed under the Banking Act 1970 or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity; or
- (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act 2001 and who holds shares in that capacity; or
- (c) the Central Provident Fund Board established by the Central Provident Fund Act 1953, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

NOTICE OF ANNUAL GENERAL MEETING

PERSONAL DATA PRIVACY:

By (a) attending, speaking or voting at the AGM and/or adjournment thereof; (b) submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof; or (c) submitting any questions prior to, or at, the AGM, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of processing and administration by the Company (or its agents or service providers) of proxies and representatives appointed for the AGM (including any adjournment thereof), addressing substantive and relevant questions from members received prior to, or at, the AGM, 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 or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company (or its agents or service providers) in connection with any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of the representation and warranty

NOTICE OF RECORD DATE FOR THE PROPOSED FINAL DIVIDEND

NOTICE IS HEREBY GIVEN THAT the Share Transfer Books and Register of Members of the Company will be closed on 7 May 2026, for the purpose of determining members' entitlements to the Proposed Final Dividend of 2.0 cents per ordinary share (tax-exempt one-tier) for the financial year ended 31 December 2025.

Duly completed registrable transfers received by the Company's Share Registrar, In.Corp Corporate Services Pte. Ltd., at 36 Robinson Road #20-01 City House Singapore 068877 up to the close of business at 5.00 p.m. on 8 May 2026 will be registered before entitlement to the Proposed Final Dividend is determined. Members whose Securities Accounts with The Central Depository (Pte) Limited are credited with shares at 5.00 p.m. on 8 May 2026 will be entitled to the Proposed Final Dividend.

Duly completed registrable transfers of Shares received by the Company's share registrar in Malaysia, Securities Services (Holdings) Sdn. Bhd., Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights 50490 Kuala Lumpur, Malaysia, no later than 5.00 p.m. on 8 May 2026 will be registered before entitlements to the Proposed Final Dividend are determined.

For the purpose of determining the Shareholders registered under the register of members in Singapore and the register of members in Malaysia for receiving the Proposed Final Dividend in Singapore dollar or Malaysia Ringgit respectively, any removal of the Shares between the register of members in Singapore and the register of members in Malaysia has to be made by the Shareholders no later than 5:00 p.m. on 22 April 2026 in order to be effected before the payment of the Proposed Final Dividend.

The exchange rate for converting Singapore Dollars into Malaysian Ringgit for the purpose of payment to the Shareholders registered under the register of members in Malaysia will be based on the official exchange rate of SGD 1 to MYR 3.08, as quoted by the Central Bank of Malaysia. Accordingly, the Proposed Final Dividend payable to Shareholders registered under the register of members in Malaysia will be MYR 6.16 cents per ordinary share.

The Proposed Final Dividend, if approved at the forthcoming Annual General Meeting of the Company, will be paid on 22 May 2026.

IMPORTANT:

1. An investor who holds shares under the Central Provident Fund Investment Scheme ("CPF Investor") and/or the Supplementary Retirement Scheme ("SRS Investor") (as may be applicable) may attend and cast his vote(s) at the Meeting in person. CPF and SRS Investors who are unable to attend the Meeting but would like to vote, may inform their CPF and/or SRS Approved Nominees to appoint the Chairman of the Meeting to act as their proxy and submit their votes at least 7 working days before the Meeting, in which case, the CPF and SRS Investors shall be precluded from attending the Meeting.
2. This Proxy Form is not valid for use by CPF and SRS Investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

UMS INTEGRATION LIMITED

(Incorporated in the Republic of Singapore)
(Registration No. 200100340R)
[Malaysian Registration No. 202402000027 (995911-D)]

PROXY FORM
ANNUAL GENERAL MEETING

I/We*, _____ (Name) _____ (NRIC/Passport No./Company Regn. No.)

of _____ (Address)

being a member/members* of **UMS INTEGRATION LIMITED** (the "**Company**"), hereby appoint:

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

and/or* failing him/her* (delete as appropriate)

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

or failing him/her/them*, the Chairman of the Meeting as my/our* proxy/proxies* to attend and vote for me/us* on my/our* behalf at the Annual General Meeting ("**AGM**") of the Company to be held at 16 Seletar Aerospace Crescent Singapore 797567 on Thursday, 30 April 2026 at 10.00 a.m. and at any adjournment thereof. I/We* direct my/our* proxy/proxies* to vote for or against the Resolutions proposed at the AGM as indicated hereunder. If no specific direction as to voting is given or in the event of any other matter arising at the AGM and at any adjournment thereof, the proxy/proxies* will vote or abstain from voting at his/her/their* discretion.

(If you wish to exercise all your votes "For", "Against" or to "Abstain" from voting, please indicate with a tick (✓) within the box provided. Alternatively, please indicate the number of votes as appropriate. If you mark the abstain box for a particular resolution, you are directing your proxy not to vote on that resolution on a poll and your votes will not be counted in computing the required majority on a poll.)

No.	Resolutions relating to:	For	Against	Abstain
	Ordinary Business			
1	To receive and adopt the Directors' Statement and Audited Financial Statements for the financial year ended 31 December 2025 and the Auditors' Report thereon			
2	To approve a final tax-exempt (one-tier) dividend			
3	To re-elect Mr Loh Meng Chong, Stanley as Director			
4	To re-elect Datuk Phang Ah Tong as Director			
5	To re-elect Datin Poon Lee Fah as Director			
6	To re-elect Ms Xie Xingbei, Pearlyn as Director			
7	To approve additional Directors' fees for the financial year ended 31 December 2025			
8	To approve Directors' fees for the year ending 31 December 2026			
9	To re-appoint Auditors and authorise the Directors to fix their remuneration			
	Special Business			
10	To authorise the Directors to allot and issue shares			
11	To approve the renewal of the share buy-back mandate			

Dated this _____ day of _____ 2026

Signature(s) of Shareholder(s)
and/or Common Seal of Corporate Shareholder

Total No. of Shares in:	No. of Shares
(a) CDP Register	
(b) Bursa Register	
(c) Register of Members in Singapore and/or Malaysia	

IMPORTANT: PLEASE READ NOTES OVERLEAF



Notes :

The Proxy Form will be published on the Company's website at the URL <https://www.umsgroup.com.sg> and will also be made available on the SGXNet at the URL <https://www.sgx.com/securities/company-announcements> and Bursa Malaysia at the URL [https://www.bursamalaysia.com/bm/market information/announcements/company announcement](https://www.bursamalaysia.com/bm/market_information/announcements/company_announcement).

1. Please insert the total number of Shares held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act 2001), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members of the Company, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument shall be deemed to relate to all the Shares held by you.
2. A member of the Company (other than a Relevant Intermediary*) entitled to vote at the Meeting of the Company is entitled to appoint not more than two proxies to attend and vote in his/her stead. A proxy need not be a member of the Company.
3. Where a member (other than a Relevant Intermediary*) appoints two proxies, the appointments shall be invalid unless he/she specifies the proportion of his/her shareholding (expressed as a percentage of the whole) to be represented by each proxy.
4. A Relevant Intermediary* may appoint more than two proxies, but each proxy must be appointed to exercise the rights attached to a different share or shares held by him/her (which number or class of shares shall be specified).
5. Subject to note 6, completion and return of this instrument appointing a proxy shall not preclude a Member from attending and voting at the Meeting. Any appointment of proxy or proxies shall be deemed to be revoked if a Member attends the Meeting in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument of proxy to the Meeting.
6. An investor who holds shares under the Central Provident Fund Investment Scheme ("CPF Investor") and/or Supplementary Retirement Scheme ("SRS Investor") (as may be applicable) may attend and cast his/her vote(s) at the Meeting in person. CPF and SRS Investors who are unable to attend the Meeting but would like to vote, may inform their CPF and/or SRS Approved Nominees to appoint the Chairman of the Meeting to act as his/her proxy, in which case, the CPF and SRS Investors shall be precluded from attending the Meeting.
7. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of an attorney or duly authorised officer. Where the instrument appointing a proxy or proxies is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument, failing which the instrument may be treated as invalid.
8. The instrument appointing a proxy or proxies must (i) if sent personally or by post, be deposited at the registered office of the Company at 23 Changi North Crescent, Singapore 499616 (for Singapore Shareholders), or at the office of the Company's Share Registrar in Malaysia, Securities Services (Holdings) Sdn. Bhd. at Level 7, Menara Milenium Jalan Damania, Pusat Bandar Damansara, Damansara Heights 50490 Kuala Lumpur, Malaysia (for Malaysia Shareholders); or (ii) if submitted electronically, be submitted via email to the Company at UMSAGM300426@umsgroup.com.sg, and in either case, not less than 72 hours before the time appointed for the Meeting, and in default the instrument of proxy shall not be treated as valid.

Members are strongly encouraged to submit completed proxy forms electronically by email to the Company at UMSAGM300426@umsgroup.com.sg.

Personal Data Privacy:

By submitting this proxy form, the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 14 April 2026.

General:

The Company shall be entitled to reject an instrument appointing a proxy or proxies which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the instrument appointing a proxy or proxies. In addition, in the case of shares entered in the Depository Register, the Company may reject an instrument appointing a proxy or proxies lodged if the member, being the appointor, is not shown to have shares entered against his/her name in the Depository Register as at 72 hours before the time appointed for holding the Meeting, as certified by The Central Depository (Pte) Limited to the Company.

* A Relevant Intermediary is:

- (a) a banking corporation licensed under the Banking Act 1970 or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity; or
- (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act 2001 and who holds shares in that capacity; or
- (c) the Central Provident Fund Board established by the Central Provident Fund Act 1953, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.



UMS Integration Limited

Company Registration No : 200100340R
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Singapore 499616
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