

# PENGUIN



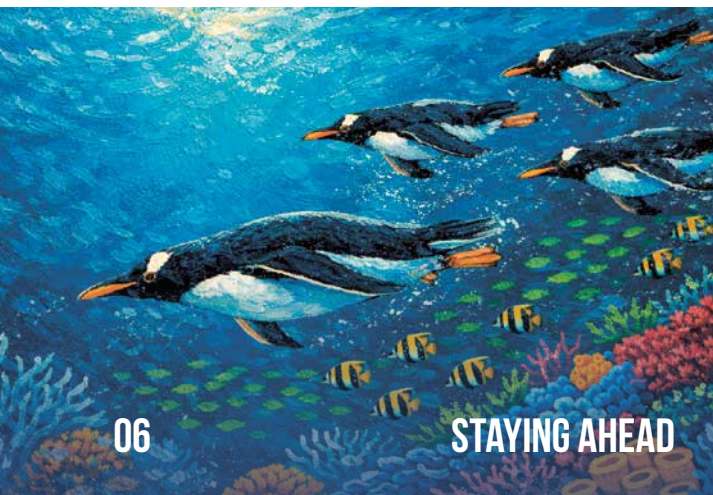
**FROM FOCUS TO STRENGTH:  
50 YEARS FORWARD**





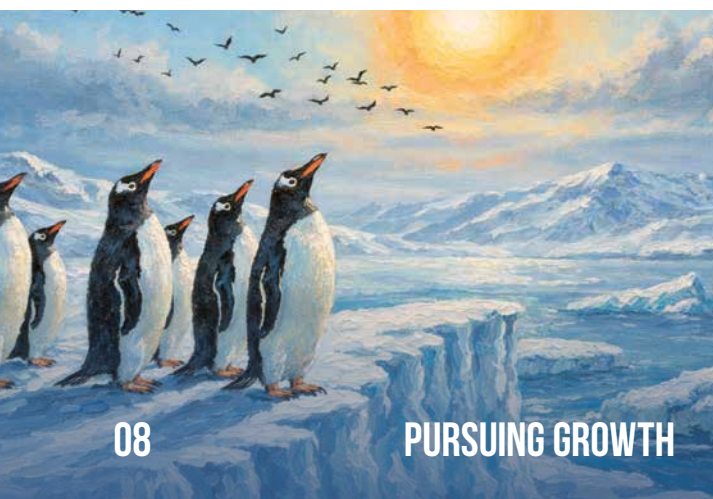
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STANDING STRONG



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PURSUING GROWTH

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# THE FUTURE IS



# PENGUIN AT A GLANCE (1976 TO 2026)

## DESIGNER • BUILDER • OWNER • OPERATOR

Over the past five decades, Singaporean homegrown, publicly listed Penguin International Limited has developed a distinctive operating platform that integrates vessel design, serialised shipbuilding and offshore operations in the **aluminium space**.

This Designer–Builder–Owner–Operator ecosystem enables the Group to capture value across the entire lifecycle of its vessels - from concept and construction, through to global deployment and chartering.



Sustainability in motion: *Pelican Peace*, the world's first full-hybrid oil and gas crewboat.

### 1. DESIGN

#### Proprietary high-speed aluminium crewboats

Penguin builds a variety of aluminium commercial vessels and designs its own series of proprietary crewboats and security boats under its "FLEX" brand.

Key characteristics:

- Optimised for serial production
- Proven operational performance
- Continuous improvement through operational feedback
- High customer recognition and repeat orders

These designs form the intellectual foundation of Penguin's primary production platform.

### 2. BUILD

#### Industrial-scale serialised shipbuilding

Penguin operates shipyards in Singapore and Batam, specialising in aluminium high-speed commercial craft.

Unlike traditional shipyards that rely mainly on bespoke projects, Penguin focuses on serialised production of standardised vessels, allowing the Group to achieve:

- shorter construction cycles
- higher labour productivity
- tighter cost control
- stable yard utilisation

This approach has made Penguin the world's most prolific builder of IMO-registered aluminium commercial vessels\*.

\* According to S&P Global Sea-web (formerly known as HIS Markit). S&P Global is the sole and originating source for the International Maritime Organisation (IMO) Ship, Company and Registered Owner number scheme, with responsibility for assigning and validating these numbers. The numbers are issued from the global maritime databases maintained by S&P Global and consist of a unique seven-digit number. S&P Global manages this Scheme on behalf of the IMO.

### 3. OWN

#### One of the world's youngest crewboat fleets

Penguin is also a significant owner of aluminium oil and gas crewboats, with the following fleet profile as at 31 December 2025:

- 34 crewboats owned and operated
- Average fleet age: 2.4 years
- Deployed across Africa, Middle East and Southeast Asia.

Owning its own fleet of crewboats allows Penguin to capture recurring charter income while maintaining deep operational expertise.

### 4. OPERATE

#### Global offshore logistics services

Penguin deploys its vessels to support offshore energy and maritime security operations worldwide.

Chartering activities provide:

- stable recurring revenue
- operational insights that improve vessel design
- stronger customer relationships

This operational capability creates a powerful feedback loop between design, shipbuilding and fleet operations.

### A SELF-REINFORCING ECOSYSTEM

The integration of these four capabilities creates a self-reinforcing operating model:

**Design → Build → Deploy → Operate → Improve → Scale**

This closed-loop platform enables Penguin to continuously refine its vessels while expanding both production output and chartering activities.



Our biggest yet: The launching of our first of two 56m RoPaxes for Abu Dhabi.



Happy hybrid: One of our 36m hybrid-ready Crew Transfer Vessels for Europe.



Keeping Singapore safe: *Blue Dolphin*, built for the Singapore Civil Defence Force.

**JOIN US. FLEX YOUR FLEET TODAY!**



## STANDING STRONG

Penguins embody resilience, thriving in the most unforgiving conditions — enduring extreme low temperatures and battling relentless winds. Yet, they stand firm, unwavering against nature's fiercest trials. Their quiet strength and tenacity in the face of adversity continue to inspire us all.

At Penguin International Limited, we, too, have weathered formidable challenges, standing resolute against the headwinds of change and uncertainty. Like the steadfast penguin, we have met every trial with courage and determination — emerging stronger, bolder, and ready to forge ahead.

# STAYING AHEAD

In the vast ocean, penguins dive deeper than any other aquatic bird, adapting effortlessly to immense pressure and accessing resources beyond the reach of their competitors. This natural ability to push limits and stay ahead reflects our relentless drive to innovate and lead in a challenging industry.

Our integrated expertise in designing, building, owning and operating high-speed aluminium ships allows us to navigate uncertainty, seize new opportunities, and remain resilient in the face of competition. Our commitment to sustainability fuels our journey forward — like the steadfast penguin, we are prepared for the future, constantly evolving, and always a step ahead.





## PURSUING GROWTH

Penguins are natural navigators, traversing vast landscapes in search of sustenance, yet always finding their way back with precision. Their innate sense of direction ensures they never lose sight of their purpose, even in the most featureless terrain.

At Penguin International Limited, we embody this same clarity and determination. As we push the boundaries of high-speed craft design, we remain steadfast in our pursuit of growth — developing cutting-edge, low-to-zero-emission vessels that drive sustainable progress. Guided by our core values and expertise, we chart a bold course forward, embracing innovation while staying true to who we are.

# WELCOME TO THE HOME OF THE FLEX!



Penguin's 3-hectare shipyard and corporate headquarters in Tuas, fitted out with a solar array that supplies 80% of the yard's power requirements.

## PENGUIN IS A SINGAPOREAN HOMEGROWN, PUBLICLY LISTED DESIGNER, BUILDER, OWNER AND OPERATOR OF HIGH-SPEED ALUMINIUM CRAFT, RANGING FROM STANDARDISED STOCK VESSELS TO COMPLEX BESPOKE DESIGNS.

As designers and builders, we have delivered more than 300 IMO-registered aluminium commercial vessels to ship owners around the world, including over 200 of our proprietary-designed FLEX crewboats and FLEX FIGHTER security boats.

As owners and operators, we manage our own fleet of crewboats, passenger ferries and workboats that serve charterers around the world.

Our vessels are jointly developed by our integrated in-house shipbuilding and ship management teams, backed by close to three decades of experience.

We undertake a variety of build-for-stock and build-to-order projects, including fire fighting search-and-rescue vessels, patrol boats, security vessels, offshore crewboats, windfarm crew transfer vessels and passenger ferries.

Whether you are a ship owner or a charterer, you will enjoy peace of mind with the Penguin brand, which stands for integrity, professionalism and mutual respect.

For more information on sales and charters, please visit [www.penguin.com.sg](http://www.penguin.com.sg) or email [psa@penguin.com.sg](mailto:psa@penguin.com.sg) (for sales) and [chartering@penguin.com.sg](mailto:chartering@penguin.com.sg) (for charters).

## THE FLEX FAMILY OUR RANGE OF HIGH-SPEED COMMERCIAL CRAFT

|  | ENGINE POWER (BHP) | PAX CAPACITY (seats) | CARGO DECK (sqm) | FUEL CAPACITY (kL) |
|--|--------------------|----------------------|------------------|--------------------|
| <b>MULTI-ROLE OFFSHORE CREWBOATS</b>   |                    |                      |                  |                    |
| <b>FLEX-42X</b><br>           | 4350               | 72*                  | 110              | 80                 |
| <b>FLEX-40X</b><br>           | 4350               | 70*                  | 100              | 82                 |
| <b>MULTI-ROLE SECURITY BOATS</b>   |                    |                      |                  |                    |
| <b>FLEX FIGHTER X</b><br>    | 4350               | 12 - 21 berths#      | 110              | 80                 |
| <b>FLEX FIGHTER MAX</b><br> | 4350               | 12 - 21 berths#      | 93               | 82                 |
| <b>PASSENGER FERRIES</b>   |                    |                      |                  |                    |
| <b>FLEX FERRY X</b><br>     | 2900 – 3400        | 35m: 262<br>38m: 360 | -                | 35m: 22<br>38m: 12 |
| <b>WINDFARM CREW TRANSFER VESSELS</b>  |                    |                      |                  |                    |
| <b>WIND FLEX-27</b><br>     | 2760               | 24*                  | 105              | 35.5               |

### Notes

- \* Full business class seating in 2-by-2 arrangement. Customisable.
- # Fully fitted cabins for 12-21 security personnel. Customisable.

# CORPORATE PROFILE



Livin' the *Electric Dream*: Penguin has been running pure electric commuter ferries and rapid DC chargers in Singapore continuously for close to three years now.



Penguin is a Singaporean homegrown, publicly listed designer, builder, owner and operator of high-speed aluminium craft, ranging from standardised stock vessels to complex bespoke designs.

Through a group of wholly owned, integrated subsidiaries, we own and operate a fleet of crewboats, passenger ferries and workboats, and we design and build a variety of high-speed craft at our shipyards in Singapore and Batam, Indonesia. These include fire fighting search-and-rescue vessels, patrol boats, security vessels, offshore crewboats, windfarm crew transfer vessels and passenger ferries.

Our business is backed by a strong balance sheet and led by an experienced hands-on management team. We are committed to maintaining a high standard of public accountability, corporate governance and social responsibility.

We stand for integrity, professionalism and mutual respect.

# CORPORATE STRUCTURE



# A JOINT LETTER FROM OUR CHAIRMAN AND OUR MANAGING DIRECTOR



**MR. JEFFREY HING**  
Executive Chairman

**MR. JAMES THAM**  
Managing Director

## DEAR PENGUIN SHAREHOLDERS,

### HALF A CENTURY OF RESILIENCE

The marine and offshore industry has long been cyclical, capital-intensive and unforgiving to the ill-disciplined.

Over the past half-century, Penguin has navigated these volatile waters with unwavering focus and rigorous financial prudence.

Founded in Singapore on 23 January 1976 as a local ferry operator with just two wooden boats, we steadily built up our capabilities to become an integrated shipbuilder and shipowner.

In the 1990s we identified aluminium high-speed craft as a competitive niche. Our first aluminium boat was delivered in

1996 and our first aluminium oil and gas crewboat entered into service in 1997.

Over time, what began as an educated hunch evolved into our core business, ultimately forging our identity as a focused specialist in aluminium shipbuilding and aluminium vessel operations.

Today, Penguin operates a distinctive **Designer-Builder-Owner-Operator model**. We design and build aluminium commercial vessels in serialised production, sell many of them to repeat customers around the world and operate a growing fleet of our own (mostly crewboats). This integrated platform combines the efficiencies of industrial-scale shipbuilding with the stable, recurring cash flows of offshore chartering.

## GLOBAL MARKET LEADERSHIP IN ALUMINIUM SHIPBUILDING

Our leadership is validated by independent industry data. According to S&P Global Sea-web<sup>1</sup> (formerly known as IHS Markit), Penguin is currently the world's most prolific builder of IMO-registered aluminium commercial vessels.

Over a 25-year period from January 2000 to January 2026, Penguin delivered **308** aluminium commercial vessels. In comparison, well-known international builders, Damen and Austal, delivered 185 and 171 vessels respectively.

The scale of this leadership comes into greater focus over the last decade (January 2015 to January 2026), where our delivery of **210** aluminium commercial vessels exceeded the combined output of Strategic Marine (99) and Damen (85).

Notably, close to 80% of our production consists of our proprietary "FLEX" series of mid-sized crewboats and security boats (30-50m in length).

This high degree of standardisation within a serialised production model enables us to maintain shorter construction cycles, higher labour productivity, competitive costs and more stable margins than traditional project-based shipyards.

Over time, Penguin became the world's most prolific producer of mid-sized aluminium crewboats, with hundreds of "FLEXES" operating globally across offshore energy, maritime security and coastal logistics markets.



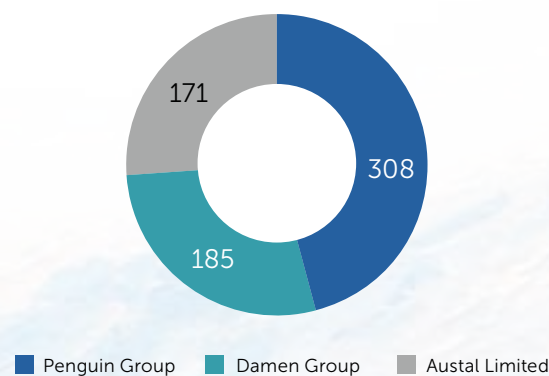
FLEX FIGHTER PATROL: Twin-screw security boat, optimised for escort work.



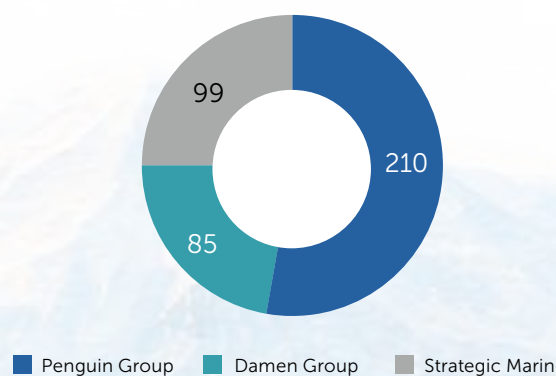
Our Electric Dream ferries getting fast-charged at Bukom island.

<sup>1</sup> S&P Global is the sole and originating source for the International Maritime Organisation (IMO) Ship, Company and Registered Owner number scheme, with responsibility for assigning and validating these numbers. The numbers are issued from the global maritime databases maintained by S&P Global and consist of a unique seven-digit number. S&P Global manages this Scheme on behalf of the IMO.

**Top 3 builders of aluminium commercial craft (Jan 2000 to Jan 2026)**



**Top 3 builders of aluminium commercial craft (Jan 2015 to Jan 2026)**





# WE DON'T JUST BUILD SHIPS, WE OPERATE THEM



## CLIENT RETENTION AND MARKET VALIDATION

Our production dominance is underpinned by unwavering client loyalty and the growing global recognition of our "Penguin" and "FLEX" brands.

Internal data indicates that over the past decade, **more than 70%** of Penguin's shipbuilding sales were generated by repeat customers, spanning both our stock and build-to-order (BTO) vessel programmes.

In FY2025 alone, five out of eight stock vessels were purchased by repeat clients. Notably, two of these clients transitioned from initial acquisition to follow-on order in under 12 months.

One of the strongest validations came via a BTO contract from the world's largest owner-operator of offshore windfarm Crew Transfer Vessels (CTVs), Northern Offshore Services (NOS).

Following the rigorous operational deployment of six Penguin-built CTVs in the demanding waters of Northern Europe for two years, the Gothenburg-based shipowner last year ordered eight hybrid-ready CTVs for delivery in 2026 and 2027.

Such repeat orders from established operators provide strong validation of our design, engineering standards and after-sales support.



Our FLEX-40SC MAX, the essential offshore services provider.

This high rate of recurring business, fortified by our brand equity, provides a stable, predictable platform for disciplined growth as we commence our next half-century of operations.

Our market leadership is not merely a function of production volume. It is the strategic outcome of our unique Designer-Builder-Owner-Operator ecosystem.

By operating the very ships that we design and build, we create a closed-loop feedback mechanism that drives continuous improvement and operational excellence.

In this way, we ensure that our "FLEX" crewboats are "stress-tested" before we hand them over to fellow shipowners.

Since 1998, we have built close to 70 vessels for our own subsidiaries, **making us our own largest repeat customer** and our most demanding client.

Over time, we have systematically renewed our fleet, selling older crewboats and replacing them with newer vessels built by our own shipyards, as part of a rigorous fleet renewal programme.

As of 31 December 2025, Penguin owned and operated a fleet of 34 crewboats with an average age of just 2.4 years. This modern fleet positions us among the world's top three owners of IMO-registered mid-sized oil and gas crewboats, according to S&P Global Sea-web.

Over time, as our production footprint expanded and our charter fleet grew, Penguin evolved from a traditional shipbuilder into a scalable end-to-end offshore logistics vessel platform.

Today, our serialised vessel designs, repeat customer base and integrated Designer-Builder-Owner-Operator model enable us to scale production and fleet deployment without fundamentally altering our operating structure.

This unique combination provides a clear pathway for our Group to expand earnings capacity in the years ahead as demand continues to grow in our four primary market segments – oil and gas, wind, tourism and government.



Security with style: Penguin's latest FLEX FIGHTER X multi-role security boat, based on its flagship FLEX-42X design.

## FY2025 FINANCIAL PERFORMANCE: SCALABILITY AND RESILIENCE

Our financial results for the year ended 31 December 2025 underscore the resilience of our integrated Designer-Builder-Owner-Operator model:

|   | FY2025<br>(\$'000) | FY2024<br>(\$'000) | + / (-)<br>(%) |
|---|--------------------|--------------------|----------------|
| Shipbuilding, ship repair and maintenance revenue | 196,370            | 187,695            | 4.6%           |
| Vessel chartering revenue                         | 70,599             | 48,149             | 46.6%          |
| Total revenue                                     | 266,969            | 235,844            | 13.2%          |
| Cost of sale                                      | (177,504)          | (151,336)          | 17.3%          |
| Gross profit                                      | 89,465             | 84,508             | 5.9%           |
| Gross profit margin                               | 33.5%              | 35.8%              | -              |
| Net profit after tax                              | 35,473             | 35,530             | (0.2%)         |

# A JOINT LETTER FROM OUR CHAIRMAN AND OUR MANAGING DIRECTOR (CONT'D)

**Diverse Revenue Streams:** FY2025 Group revenue increased by 13.2% year-on-year to \$267.0 million, driven by a 46.6% surge in vessel chartering revenue, as we put more of our own crewboats to work in the Middle East and Africa.

This shift in revenue mix toward higher-margin chartering services is a cornerstone of our long-term value creation strategy.

**Strong Core Earnings and Record Dividends:** Our operational strength shielded our bottom line from significant macro volatility. Despite a \$6.7 million year-on-year swing in foreign exchange, our FY2025 net profit after tax remained robust at \$35.5 million, unchanged from the previous year.

Our integrated Designer-Builder-Owner-Operator model enables us to deploy capital across shipbuilding and chartering in a disciplined manner, recycling profits from vessel sales and operations into the expansion of our fleet and production capacity.

The success of this virtuous cycle, coupled with our strong cash position, now allows us to reward our shareholders meaningfully, as we mark our 50th year, with a record final dividend of **5 cents per share**, as recommended by the Board.

**Balance Sheet Strength:** We continue to maintain a strong balance sheet, in line with our commitment to rigorous financial prudence. Cash and cash equivalents at the end of 2025 rose 12.6% annually to \$38.3 million, supported by a conservative 0.22 gearing ratio and 1.68 current ratio. This liquidity provides the “dry powder” to fund our growth while sustaining our commitment to shareholder dividends.

## MARCO POLO MARINE: STRATEGIC CAPITAL RECYCLING

Our approach to capital management is guided by a commitment to value-driven investments and the strategic recycling of capital.

This is best illustrated by our investment in Marco Polo Marine (MPM) back in 2018.

What originated as an \$8.0 million opportunistic “White Knight” investment matured into a \$40.8 million position by 31 December 2025 - representing a **410% return** on investment.

On 5 March 2026, we executed a strategic partial divestment of 60 million shares (approximately 25% of our holding) to Halom Investments for \$7.8 million.

This partial divestment achieves two objectives: It returns our original capital to the balance sheet for redeployment into our core ecosystem, while maintaining meaningful upside participation in MPM’s continued growth.

We will recycle the sale proceeds into our own Designer-Builder-Owner-Operator ecosystem, where we believe it will generate superior risk-adjusted returns for our shareholders.

## TUAS DORMITORY: SENSIBLE PROPERTY FORAY

Complementing our above divestment move is a focused investment in production infrastructure designed to insulate our margins from external cost pressures.

In February 2026, we completed the construction of a proprietary **299-bed migrant worker dormitory** within our Tuas shipyard.

In addition to internalising our labour accommodation costs, this investment is projected to deliver a payback period of less than six years, effectively transforming a necessary operational cost into a high-yield, low-risk asset.



Penguin’s new high-yield property play: A 299-man dormitory in Penguin Shipyard.



Flexing in the wind: Our latest WINDFLEX-27 CTV undergoing owner trials in Singapore.

## STRATEGIC FLEET EXPANSION

In FY2025, we expanded our crewboat fleet from 27 to 34 vessels year-on-year (net of fleet sales) - primarily to meet charter demand in the Middle East and Africa.

This represents our **largest single-year fleet investment** to date. We will continue to expand our fleet selectively in response to healthy charter demand.

## DECARBONISATION WITH PURPOSE: THE ELECTRIC AND HYBRID FRONTIER

Being prudent with capital also means remaining grounded in commercial reality as we pursue decarbonisation.

Our sensible approach is evidenced by our *Electric Dream* fleet. For the past three years, these fully electric ferries have reliably shuttled some 3,000 commuters daily between Pasir Panjang Ferry Terminal and the Aster Bukom Chemicals and Energy Complex, while “eliminating” some 6,000 tons of CO<sub>2</sub> annually from the skies over Singapore.

This unique, privately funded ship-and-shore electrification enterprise is still Singapore’s only “scaled up” maritime electrification project in continuous operation.

While we remain confident of replicating the *Electric Dream* concept globally, we are also in talks with various local parties to develop our DC charging infrastructure on Pulau Bukom into a third-party fast-charging hub.

# A JOINT LETTER FROM OUR CHAIRMAN AND OUR MANAGING DIRECTOR (CONT'D)

Meanwhile, with Sweden's NOS, we delivered four hybrid-ready E-Class CTVs last year, with another eight more in the pipeline over the next two years.

These vessels are effectively "electric-ready" - engineered to allow for the seamless installation of additional batteries and e-motors (and even the eventual removal of main engines and generators) in the future, when the charging infrastructure and market conditions mature.

In our own innovation programme, we recently commissioned the world's first pure-hybrid, mid-sized oil and gas crewboat, "Pelican Peace".

By "pure hybrid", we are talking about a 42m crewboat capable of cruising on pure electric power at 6 knots for 100 minutes straight, before needing a recharge from the main engines.

This solution reduces CO<sub>2</sub> emissions meaningfully in operations with varying profiles, including loitering and low speeds.



Penguin's gift of "Peace": The world's first full-hybrid oil and gas crewboat.

## AFFIRMING OUR TALENTS

A half-century of resilience is not built by a single individual, but by a culture of disciplined leadership and a shared commitment to excellence.

To ensure that Penguin remains "mission-ready" for the next 50 years, we have implemented a structured leadership transition designed to affirm our proven in-house talents for future challenges.

At the start of 2026, we finalised a new executive management structure, appointing four new Deputy General Managers, a new General Manager and a new Chief Operating Officer.

With most of these leaders having risen through our own ranks, we have secured a management team that is deeply

steeped in our values as a Designer-Builder-Owner-Operator and backed by deep operational experience across design and engineering, shipbuilding and fleet operations.

## LONG-TERM INCENTIVE ALIGNMENT: THE PENGUIN SHARE PLAN

To "future-proof" our leadership team and ensure a total alignment of interests between them and our shareholders, we will be tabling our **Penguin Share Plan** for your deliberation at our upcoming Extraordinary General Meeting on 27 April 2026.

The Penguin Share Plan is not just an incentive. It is an invitation for our key leaders to act as owners, ensuring that the entrepreneurial spirit of 1976 is institutionalised for 2026 and beyond.

## THIS IS WHAT RESILIENCE LOOKS LIKE

As we look ahead with our strengthened leadership team, we remain vigilant about external risks.

Notwithstanding the current tensions in the Middle East, Penguin's diversified operating portfolio, strong balance sheet and integrated Designer-Builder-Owner-Operator model provide the Group with a strong degree of operational resilience.

The Board wishes to reiterate that the safety of our personnel remains paramount. We remain in close contact with our staff and crew in the Middle East and we will continue to take all necessary precautions to safeguard our people and assets.

At the same time, the Group's geographically diversified charter operations, globally distributed customer base - with the Middle East accounting for just 12.3% of our FY2025 Group revenue - and secured shipbuilding pipeline allow us to continue operating with minimal disruption at this stage.

The Board will continue to monitor developments closely and will provide further updates should there be any material impact on the Group's operations or financial performance.

Penguin remains committed to navigating this uncertain environment with prudence, discipline and vigilance - just as we have done through previous geopolitical and industry upheavals over the past five decades.

**MR. JEFFREY HING**  
Executive Chairman

**MR. JAMES THAM**  
Managing Director

# BOARD OF DIRECTORS



**MR. JEFFREY HING YIH PEIR**  
Executive Chairman

Mr. Hing was appointed Chairman of Penguin on 24 February 2010 and re-designated as Executive Chairman on 28 April 2011. As Chairman, he is responsible for the development and strategic direction of Penguin, managing the quality, quantity and timeliness of the information flow between Management and the Board, as well as ensuring compliance with Penguin's guidelines on corporate governance.

Prior to his appointment as Chairman, he served as Non-Executive Director from February 2009. He was last re-elected in April 2023. Mr. Hing was appointed a member of the Nominating Committee on 28 April 2015.

Mr. Hing has more than 30 years of experience in the marine and offshore industry in a variety of roles including finance and administration, business development and management. He is the founder and managing director of Trinity Offshore Pte. Ltd., a Singapore-based owner-operator of offshore support/utility vessels.

As an experienced entrepreneur in the marine and offshore industry, Mr. Hing brings to Penguin his business acumen and his global network of industry contacts. An accountant by training, Mr. Hing has served in various roles as auditor, accountant, senior executive and director of diversified corporations.



**MR. JAMES THAM TUCK CHOONG**  
Managing Director

Mr. Tham was appointed Managing Director on 1 October 2008 and was last re-elected on 22 April 2025. He was previously the Chief Operating Officer and an Executive Director from August 2008, responsible for strategic business development, focusing on key overseas markets, mergers and acquisitions, as well as investor relations. Mr. Tham joined Penguin in November 2006 as its Business Development Director.

Prior to joining Penguin, Mr. Tham served in a variety of roles in the offshore oil and gas industry. He previously worked as a Petroleum Correspondent with Upstream, the international oil and gas newspaper; a Business Development Manager with New York-based Seacor Holdings Inc.; and later served as a Corporate Advisor to the group, as well as to several independent petroleum exploration companies in the region.

Mr. Tham also serves on the Industry Advisory Committee (IAC) for the Singapore Institute of Technology-Newcastle University's Naval Architecture and Marine Engineering Degree Programme. Mr. Tham holds a Bachelor of Science Degree in Journalism and a Bachelor of Business Administration Degree.

# BOARD OF DIRECTORS



**MS. JOANNA TUNG MAY FONG**  
Finance and Administration Director

Ms. Tung was appointed Finance and Administration Director in May 2008 and last re-elected on 23 April 2024. She is responsible for the Group's accounting and finance, corporate reporting, management information system and human resources functions.

Ms. Tung joined the Group in 2000 as an Accountant, and was promoted to Group Financial Controller in 2006, and subsequently Finance and Administration Director in 2008. Her duties and responsibilities have, over the years, been expanded to include management of Penguin's accounting and finance activities, as well as corporate reporting and related Group administration.

Prior to joining Penguin, she served as an accountant in a broad range of industries, including electronics and transportation. She was also a regional internal auditor at a major Japanese MNC. Ms. Tung is a member of the Institute of Singapore Chartered Accountants and holds the ACCA professional qualification.



**MR. WINSTON KWEK CHOON LIN**  
Lead Independent Director

Mr. Kwek was appointed a Director of Penguin International Limited on 29 April 2021. He serves as the Lead Independent Director, a member of the Audit and Risk Committee and Remuneration Committee and Chairman of Nominating Committee.

Specialising in international trade and shipping law since 1991, Mr. Kwek is experienced in maritime issues and is a partner in the international Trade and Shipping Practice Group in Rajah & Tann Singapore LLP. Since 2000, he has been nominated by various established legal publications as one of the leading lawyers in the region, especially in areas of shipping and maritime law, and was appointed by the Singapore Academy of Law in 2019 as a Senior Accredited Specialist on its inaugural panel of Maritime and Shipping Specialists. In 2020, Mr Kwek was appointed as a Specialist Mediator (Shipping) by the Singapore International Mediation Centre; and in 2022 was admitted as a Fellow of both the Chartered Institute of Arbitrators and Singapore Institute of Arbitrators and an Accredited Maritime Arbitrator by the Singapore Chamber of Maritime Arbitration. In 2023, Mr Kwek was recognised as one of Asia's Super 50 Dispute Lawyers by Asian Legal Business and in 2024 was appointed to the inaugural panel of Maritime Mediators jointly by the Singapore Chamber of Maritime Arbitration and Singapore International Mediation Centre.

Mr. Kwek graduated with a Bachelor of Law (Honours) from the National University of Singapore in 1990 and was called to the Singapore Bar in March 1991. Between 2003 and 2016, he was an Adjunct Associate Professor in the Faculty of Law at the National University of Singapore, teaching the Law of Marine Insurance.



**MR. HENRY TAN SONG KOK**  
Independent Director

Mr. Henry Tan was appointed as Director of Penguin International Limited on 1 July 2021. He is the Chairman of the Audit and Risk Committee and a member of the Nominating and Remuneration Committees. He is the Group CEO & Chief Innovation Officer of CLA Global TS Group, as well as a Director on the global board of CLA Global Limited. Mr. Tan currently sits as an independent director on the boards of Asia Vets Holdings Ltd, BH Global Corporation Limited and Trans-China Automotive Holdings Limited, companies listed on the SGX.

Mr. Tan is a member of AFA Working Committee 2 of ASEAN Federation of Accountants, Council Member of Singapore-Jiangsu Cooperation Council (SJCC), Member of the Green Skills Committee's Sub-Workgroup on Sustainability Reporting and Assurance and he is also an Accredited Senior Director of Singapore Institute of Directors. He was previously on the EXCO and served as Treasurer of Singapore Fintech Association, and ASEAN Federation of Accountants, President of Spirit of Enterprise, Chapter President of Entrepreneurs' Organisation, Council Member of Institute Singapore Chartered Accountants ("ISCA") and Chairman of Nanyang Business School Alumni Advisory Board.

Mr. Tan holds a Bachelor of Accountancy (First Class Honours) from National University of Singapore. He also attended the Advanced Executive Management Development Program at Beijing Tsinghua University. He is a Fellow of the ISCA, Institute of Chartered Accountants of Australia and New Zealand, CPA Australia, Insolvency Practitioners Association of Singapore Limited and Singapore Institute of Directors. Additionally, he holds the ASEAN CPA designation and the ISCA Financial Forensic Professional Credential.

He is also an Associate Member of Singapore Institute of Internal Auditors and Singapore Chartered Tax Professionals. Mr. Tan is a Chartered Valuer and Appraiser and sits as a Council Member of the Institute of Valuers and Appraiser, Singapore and he is a Global Fintech Institute Industry Fellow. He is an Approved Liquidator registered with the Accounting & Corporate Regulatory Authority (ACRA) and a licensed Insolvency Practitioner by Ministry of Law.

# BOARD OF DIRECTORS



**MR. TAN POH LEE PAUL**  
Independent Director

Mr. Tan was appointed as a Non-Executive Independent Director of Penguin International Limited on 1 May 2025. He is the Chairman of the Remuneration Committee and a member of Audit and Risk Committee and Nominating Committee. Mr. Tan previously served on the Penguin Board as a Non-Executive Independent Director from May 2017 to April 2021.

Mr. Tan was with the Keppel Group for 40 years from 1980 to 2020, during which he held various finance management positions within the Keppel Group. He was the Group Controller of Keppel Corporation from 2006 to 2018. He served as the Chief Financial Controller of Keppel Offshore and Marine from 2017 to 2019 and was appointed Consultant from 1 January 2020. He retired from the Keppel Group on 31 March 2020.

Between April 2023 to March 2024, he took up the role of Acting Group Finance Director to assist with the integration of the finance team of Seatrium Limited, a merger of Sembawang Marine and Keppel Offshore and Marine. Thereafter, he remained at Seatrium Limited in the capacity of Senior Advisor from April 2024 to March 2025.

Mr. Tan also served as a Director on the Boards of k1 Ventures Limited, (from 2014 to 2022), and Dyna-Mac Holding Limited (from 2022 to 2023, companies previously listed on the Singapore Stock Exchange). He was the Chairman of Keppel Philippines Holdings Inc., a company listed on the Philippine Stock Exchange, Inc (2017 to 2019) as well as a director of a number of companies in the Keppel Group.

Mr. Tan has more than 40 years' experience in finance and accounting and is a Fellow of the Association of Chartered and Certified Accountants and a Chartered Accountant, Singapore.



**MR. KEITH TAN KENG SOON**  
Non-Independent Non-Executive Director

Mr. Keith Tan was appointed as a Non-Independent Non-Executive Director of Penguin International Limited on 9 June 2021 and sits as a member of the Audit and Risk and Remuneration Committees.

He is the Chairman of the Dymon Asia Private Equity Investment Committee and a founding partner of Dymon Asia Capital, one of the largest asset management companies in Singapore. Prior to Dymon, he was a Director at Abax Global Capital, a special situations hedge fund based in Hong Kong, where he originated, structured and executed investment transactions across Asia. During his career, Mr. Tan was also a member of the Executive Committee of Standard Chartered Bank (China), Legal Representative and Branch Manager of Standard Chartered Bank's Shanghai Branch.

Mr. Tan graduated with a 2nd Class Honours in Banking and Finance from Nanyang Technological University. He is a Council Member as well as the Vice Chairman of the International Affairs Committee of the 61st Council of Singapore Chinese Chamber Commerce & Industry. He is the Patron of the Chong Pang Citizens' Consultative Committee and a member of The Yellow Ribbon Fund Chairman Fund Allocation Committee.

# KEY MANAGEMENT PERSONNEL



**MR. GEORGE PHILIP**  
Chief Operating Officer  
Penguin International Limited

Mr. George Philip was appointed Chief Operating Officer in April 2026. In this role, he oversees the Group's global commercial, fleet and operational activities, with all business unit heads reporting to him.

Mr. Philip joined the Penguin Group in June 2011 as a Management Trainee in its Ship Management Department. He later moved to the Group's Commercial Department in November 2016, where he played a key role in chartering, client development and fleet deployment across Penguin's international markets. He was promoted to General Manager, Group Commercial and Fleet, in January 2022.

Over the course of his career with the Group, Mr. Philip has developed extensive experience across Penguin's shipowning and shipbuilding businesses, contributing to the growth and operational management of the Group's global fleet.

Mr. Philip holds a Bachelor of Science in Management from the University of Southern California.



**MR. LAW CHWAN YAW**  
Group Financial Controller  
Penguin International Limited

Mr. Law was appointed Group Financial Controller in November 2008. He is responsible for the Group's finance, accounting and risk management functions. Mr. Law joined the Penguin Group as an Accountant in May 2001 and was later promoted to Group Accountant in August 2006, and then Group Finance Manager in July 2008, before being appointed to his current position.

Mr. Law is a member of the Institute of Singapore Chartered Accountants and the Malaysian Institute of Accountants. He graduated from the University of Malaya in 1996 with a Bachelor of Accounting Honours degree.

# KEY MANAGEMENT PERSONNEL



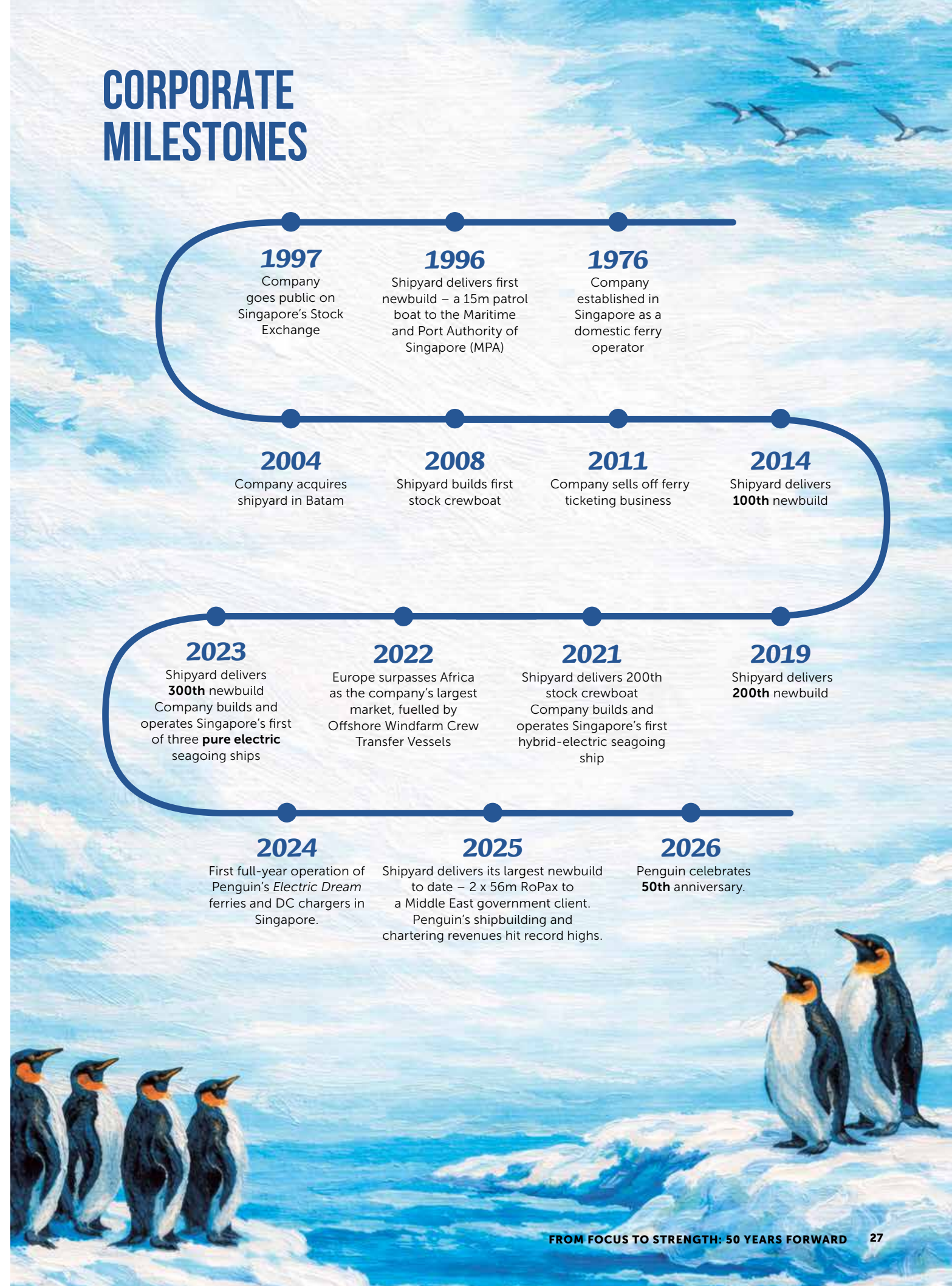
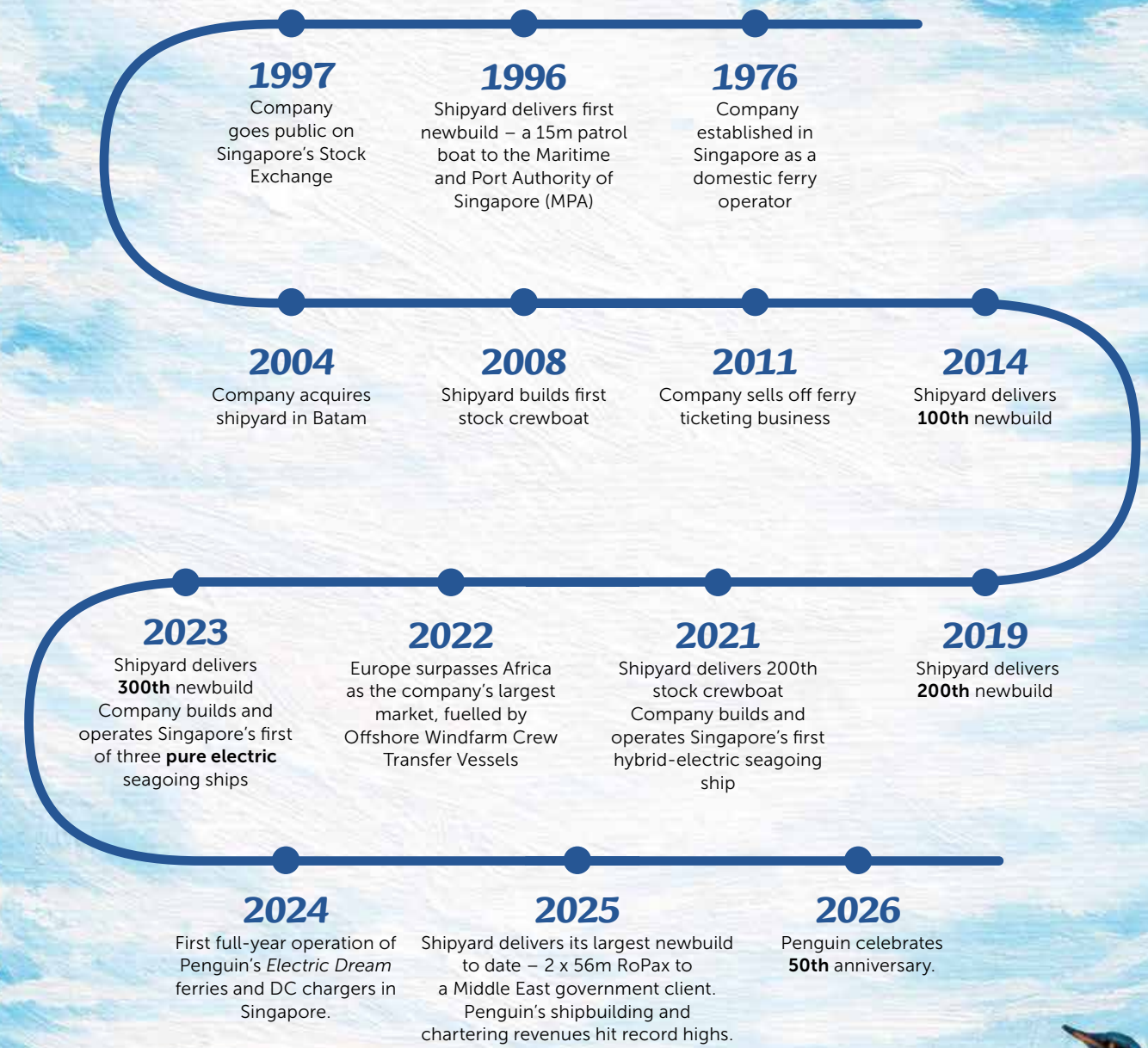
**MR. CHEOW MUN KEONG**  
General Manager  
FLEX Fleet Sdn Bhd

Mr. Cheow joined the Penguin Group in Singapore in March 2014 as Technical Executive at Pelican Ship Management Services Pte Ltd. In October 2014, he was transferred to Penguin's newly established Malaysian ship management unit, FLEX Fleet Sdn Bhd, to serve as a Technical Superintendent for the Group's fleet of crewboats in Malaysia.

Mr. Cheow was promoted to Fleet Manager in May 2016, and subsequently to his current position of General Manager of FLEX Fleet Sdn Bhd in April 2017.

Mr. Cheow holds a Diploma in Marine Engineering and a combined First and Second Class Engineer's Certificate from Malaysia Maritime Academy.

# CORPORATE MILESTONES



# OPERATING AND FINANCIAL REVIEW

## OVERVIEW

As outlined in our letter to shareholders, FY2025 marks an important milestone in Penguin International Limited's **50-year journey** as a Singaporean homegrown company.

Over the past half-century, the Group has steadily evolved from a small ferry operator into a globally recognised specialist in aluminium high-speed craft.

Today, Penguin operates a distinctive **Designer–Builder–Owner–Operator** platform, combining serialised aluminium shipbuilding with a growing fleet of high-speed oil and gas support and security vessels deployed worldwide.

Our past year once again demonstrated the resilience and scalability of this model.

In FY2025, Group revenue increased 13.2% year-on-year to \$267.0 million, driven primarily by strong growth in the chartering segment as the Group deployed additional crewboats into the Middle East and Africa.

Despite significant macroeconomic volatility - including a \$6.7 million year-on-year foreign exchange swing - Penguin maintained stable profitability, posting net profit after tax of \$35.5 million in FY2025, broadly in line with FY2024.

This performance underscores the structural strength of the Group's vertically integrated operating ecosystem, which enables Penguin to generate earnings from both standardised ship production and recurring chartering operations.



"Nautika Pro": Our latest 360-pax FLEX FERRY X, now sailing around the Andaman Islands.



FLEX FIGHTER X: A new and larger series of multi-role security boats.

## OPERATIONAL PERFORMANCE

### SHIPBUILDING

The volume production of aluminium commercial ships remains the cornerstone of Penguin's integrated platform.

In FY2025, revenue from shipbuilding, repair and maintenance grew 4.6% to \$196.4 million, supported by steady global demand for bespoke Build-to-Order (BTO) projects and Penguin's proprietary "FLEX" series of stock aluminium commercial vessels.

Over the period, Penguin delivered 21 vessels, unchanged from FY2024. These comprised a variety of BTOs and stock "FLEX" vessels as follows:

- 6 windfarm CTVs
- 5 oil and gas crewboats
- 5 security boats
- 2 passenger ferries
- 2 RoPaxes
- 1 Fire Fighting SAR boat

Significant BTO newbuilds delivered in FY2025 included four units of 36m "hybrid-ready" CTVs for Northern Offshore Services, two 56m RoPaxes for Abu Dhabi Ports and one Fire Fighting SAR vessel for the Singapore Civil Defence Force.

A defining feature of Penguin's shipbuilding strategy is its serialised stock vessel programme, under which standardised vessels - such as the FLEX-42X crewboat and the FLEX FIGHTER MAX security boat - are constructed without orders, using internal capital, and either sold to shipowners or chartered to offshore operators around the world.

This approach differs fundamentally from traditional project-based shipbuilding and enables Penguin to achieve:

- shorter construction cycles
- higher labour productivity
- tighter cost discipline
- stable yard utilisation

Over time, this model has enabled Penguin to develop one of the most scalable aluminium shipbuilding platforms globally.

Equally important is the Group's strong base of repeat customers. A substantial proportion of shipbuilding sales continues to be generated by returning clients, reflecting growing international recognition of Penguin's engineering reliability, operating efficiency and after-sales support.

### CHARTERING

Penguin's chartering segment, dominated by its own "FLEX" crewboats, delivered the strongest revenue growth in FY2025.

Vessel chartering revenue increased 46.6% year-on-year to \$70.6 million, driven by the continued expansion of the Group's crewboat/security boat fleet and higher deployment across offshore oil and gas markets in the Middle East and Africa.

As at 31 December 2025, Penguin owned and operated 34 crewboats, with an average fleet age of around 2.4 years, making it one of the youngest fleets in the global crewboat market.

The Group's charter fleet operates under standard time charter agreements, in which charterers supply or pay for fuel.

### GEOGRAPHIC DIVERSIFICATION

Penguin maintains a diversified revenue base across four main segments - oil and gas, wind, tourism, government - and multiple global markets.



Big and beautiful: A pair of 56m RoPaxes built for Abu Dhabi Ports by PTKS in Batam.



Praise for the Middle East: One of our own FLEX-42X multi-role crewboats operating in the Middle East.



"KSC Orangina": Our first FLEX FERRY X in Croatia.

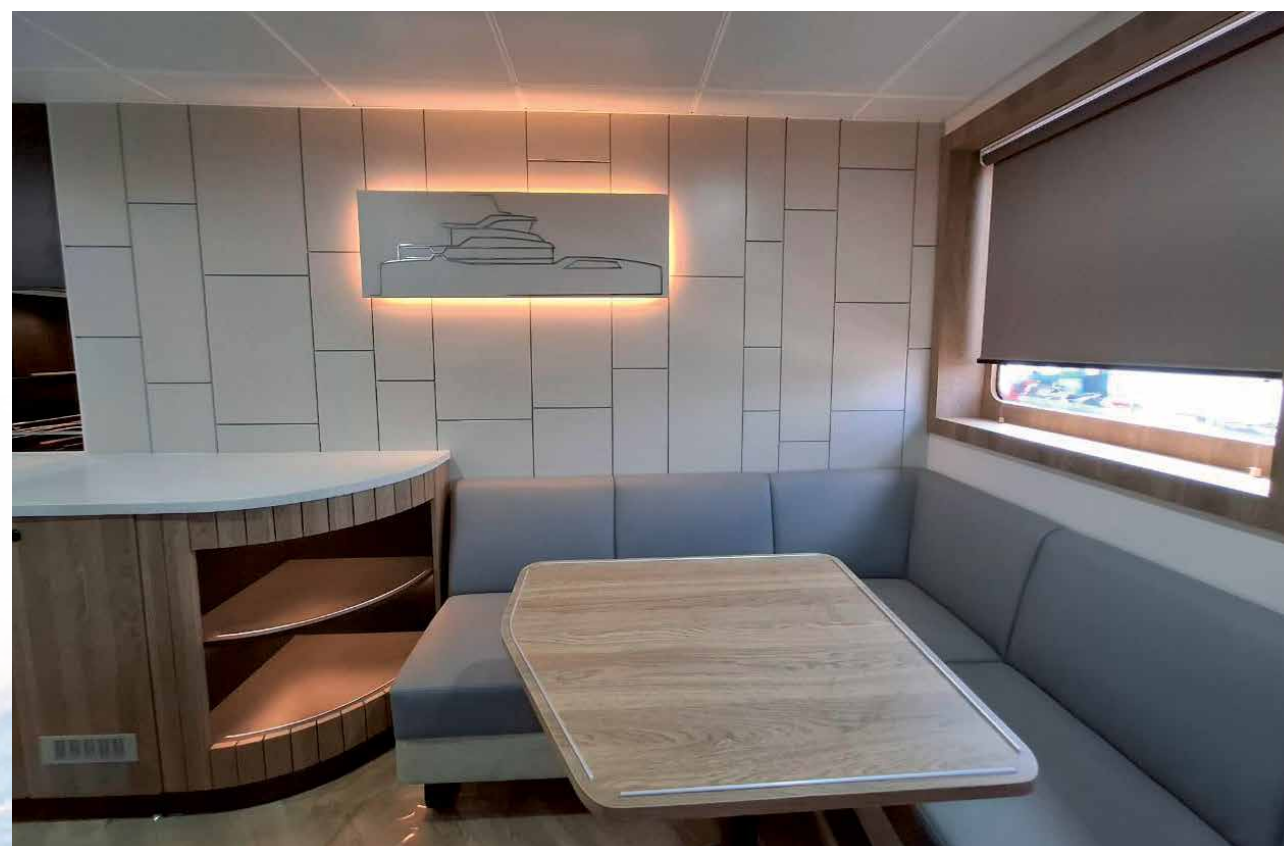
# OPERATING AND FINANCIAL REVIEW

## OPERATIONAL PERFORMANCE

BASED ON FY2025 REVENUE DISTRIBUTION:

| Region                 | Revenue | Share |
|------------------------|---------|-------|
| Europe                 | \$56.3m | 21.1% |
| Africa                 | \$51.3m | 19.2% |
| Singapore              | \$45.8m | 17.2% |
| Rest of Southeast Asia | \$40.0m | 15.0% |
| Middle East            | \$32.9m | 12.3% |

This balanced exposure reduces reliance on any single segment or region, and provides structural resilience against localised geopolitical or economic disruptions.



Scandinavian home quality on board our new 36m E-Class CTV for Europe.

## REVENUE

Group revenue in FY2025 increased 13.2% year-on-year to \$267.0 million, reflecting steady shipbuilding activity and strong expansion in the chartering segment.

The increasing contribution from chartering revenue represents an important step in Penguin's long-term strategy of developing a more balanced earnings base between vessel production and vessel operations.

## PROFITABILITY

Gross profit in FY2025 increased to \$89.5 million, compared with \$84.5 million in FY2024.

Gross profit margin was 33.5%, compared with 35.8% in the previous year, primarily due to foreign exchange losses and cost escalation.

Over the same period, EBITDA rose to \$67 million from \$64 million.

The Group maintained stable bottom-line performance, with net profit after tax of \$35.5 million in FY2025.

## BALANCE SHEET AND LIQUIDITY

Penguin continues to maintain a strong and conservatively structured balance sheet.

As at 31 December 2025:

- Cash and cash equivalents: \$38.3 million (up 12.6% from FY2024)
- Gearing ratio: 0.22 (versus 0.25 in FY2024)
- Current ratio: 1.68 (versus 1.85 in FY2024)

This financial strength provides the Group with the flexibility to:

- expand its charter fleet
- invest in production infrastructure
- pursue strategic opportunities
- sustain shareholder returns

Financial prudence has long been a defining characteristic of Penguin's corporate culture and remains central to its long-term strategy.



Pride of Africa: One of our own FLEX-42X multi-role crewboats operating in Senegal.



Essential connections: Our landing craft "Penguin Tenacity" shuttling between Bukom island and mainland Singapore.

# OPERATING AND FINANCIAL REVIEW

## CAPITAL ALLOCATION



Living the good life at the HOME OF THE FLEX.

### STRATEGIC CAPITAL RECYCLING

Penguin continues to apply a disciplined approach to capital allocation.

Our long-term investment in Marco Polo Marine (MPM) illustrates this philosophy.

Originally initiated as an \$8.0 million “value” investment in 2018, our position grew to \$40.8 million on 31 December 2025.

In March 2026, we executed a partial divestment of 60 million MPM shares. This transaction enabled us to recycle our original capital back into our balance sheet, while remaining vested in MPM for their continued growth.

The share sale proceeds will be redeployed into our core Designer–Builder–Owner–Operator ecosystem, where we believe we can generate superior long-term returns.

### STRATEGIC INFRASTRUCTURE INVESTMENTS

The Group continues to invest in key infrastructure to support long-term operational efficiency and capacity expansion.

#### New Tuas Dormitory

In February 2026, we completed construction of a 299-bed worker dormitory within our Tuas shipyard.

The facility enables Penguin Shipyard to internalise labour accommodation costs while generating an estimated payback period of less than six years, effectively converting a necessary operating expense into a productive asset.

## GEOPOLITICAL RISK ENVIRONMENT

The Group continues to monitor geopolitical developments closely, particularly the evolving situation in the Middle East, which accounted for 12.3% of FY2025 revenue.

As at the date of this report:

- 11 of Penguin’s 34 crewboats are deployed in the Middle East
- all vessels remain operational
- all personnel are safe and accounted for

While the operational impact remains limited for now, the Board recognises that continued escalation could put personnel in harm’s way and affect operations through higher insurance costs and supply chain disruptions.

The Group remains vigilant in managing these risks through proactive supplier diversification and disciplined operational planning.



*Pelican Beauty*: One of our FLEX crewboats on the job in the Middle East.

# OPERATING AND FINANCIAL REVIEW

## LONGER-TERM DEMAND OUTLOOK

### MIDDLE EAST GAS DEVELOPMENTS

In offshore oil and gas, long-term demand for our flagship 40m and 42m "FLEX" crewboats is underpinned by multi-year mega-gas developments in Saudi Arabia, Qatar and the UAE.

In Saudi Arabia, for example, the state oil company Saudi Aramco recently announced plans to raise gas production by 80% in 2030, from 2021 levels, to 6 million barrels of oil equivalent per day of gas and condensate.

Crewboat demand in the region is further strengthened by the stricter enforcement of 15-year vessel age limits by Oil Majors and National Oil Companies, which in turn accelerates fleet renewal.

### GULF OF GUINEA PIRACY CONCERNS

Meanwhile, in West Africa's maritime security sector, demand for our flagship FLEX FIGHTER security boat remains firm, as governments and the private sector step up their collective response to increased piracy incidents.

According to the International Maritime Bureau, West Africa's Gulf of Guinea saw 21 reported piracy incidents in 2025, up 16% year-on-year, while crew kidnappings surged 92% to 23 incidents.

Closer to home, the Singapore Strait recorded 80 incidents of piracy in 2025, up from 43 in 2024, accounting for 58% of global cases.

In a first, Penguin in late 2025 provided security escort services together with a UK security firm to an offshore contractor mobilising high-value cargo along the Strait of Malacca.

Apart from FLEX FIGHTER demand – which is driven primarily by the private sector – government requirements in maritime security and coastal protection is also fuelling demand for specialised aluminium craft used in border protection, emergency response and high-speed logistics.

### OFFSHORE WIND PICKING UP

In the renewables sector, offshore wind in Europe – the world's largest wind market outside China – is showing new signs of growth, as established CTV operators like Northern

Offshore Services renew their fleet in response to new projects coming online.

In this segment, Penguin is well-positioned to tap incremental demand as a pure builder of high-spec, hybrid-ready CTVs.

### TOURISM'S RESILIENCE BEING TESTED

Cross-border tourism is the primary demand driver for passenger ferries and RoPaxes, particularly in Europe, which is the world's largest ferry market by revenue.

The ferry market typically runs counter-cyclically to the oil and gas market.

Persistently high oil prices could dampen newbuild demand among ferry owners, who bear their own fuel costs. It could also result in reduced tourist arrivals due to the higher cost of flying and driving.

### STEADY DEMAND ACROSS MOST SEGMENTS

Global demand for aluminium commercial vessels continues to be supported by several structural drivers across oil and gas, wind and government, as described above.

With a modern charter fleet, a scalable serialised shipbuilding platform and expanding shipyard capacity, Penguin is well-poised to capture new opportunities across these segments.

At the same time, the Group remains committed to the principles that have guided its journey over the past five decades – financial discipline, operational resilience and long-term value creation.



One of our FLEX FIGHTERS under the care of our maintenance team in Takoradi, Ghana.

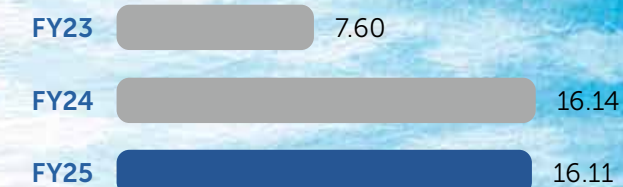
# KEY FINANCIAL HIGHLIGHTS

## FINANCIAL YEAR ENDED 31 DECEMBER 2025

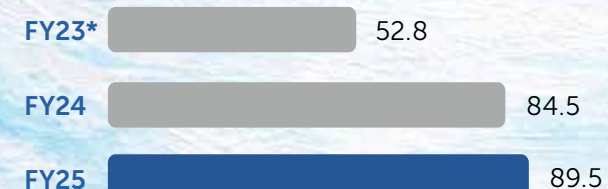
### Revenue S\$ million



### Earnings Per Share Singapore cents



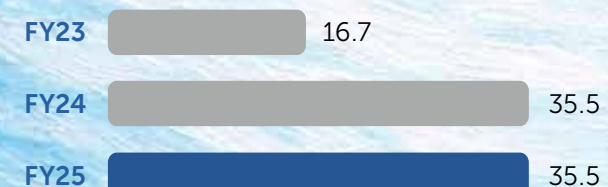
### Gross Profit S\$ million



### NET Asset Value Per Share Singapore cents



### NET Profit Attributable to Shareholders S\$ million



\* For comparison, the revenue and gross profit for year ended 31 December 2023 have been reclassified. The sale of spares of \$2,183,000 and related costs of \$1,688,000 for the year ended 31 December 2023 that was previously classified as other income has been reclassified to revenue and cost of sales to provide a more meaningful comparison of the nature of service.

# CORPORATE INFORMATION

## DIRECTORS

Jeffrey Hing Yih Peir  
James Tham Tuck Choong  
Joanna Tung May Fong  
Winston Kwek Choon Lin  
Henry Tan Song Kok  
Tan Poh Lee Paul  
Keith Tan Keng Soon

## COMPANY SECRETARIES

Lim Guek Hong  
See Kai Li

## REGISTERED OFFICE

21 Tuas Road  
Singapore 638489

## BANKERS

DBS Bank Ltd  
Oversea-Chinese Banking Corporation Limited  
Standard Chartered Bank  
Malayan Banking Berhad

## SHARE REGISTRAR

Boardroom Corporate & Advisory Services Pte Ltd  
1 Harbourfront Avenue  
#14-07 Keppel Bay tower  
Singapore 098632

## AUDITORS

PKF-CAP LLP  
6 Shenton Way OUE Downtown 1 #38-01  
Singapore 068809  
Partner in charge: Chew Wei Jim  
(Since financial year ended 31 December 2024)

# CORPORATE GOVERNANCE REPORT

Penguin International Limited (the "Company") is committed to maintaining high corporate governance standards and sound corporate practices within the Company and its subsidiaries (the "Group") to ensure that effective self-regulation practices are in place to enhance corporate performance and accountability. This report outlines the Company's main corporate governance practices with reference to the principles and provisions of the Code of Corporate Governance 2018 (the "Code").

The Board of Directors (the "Board") is pleased to confirm that for the financial year ended 31 December 2025, the Company has adhered to the principles and provisions as set out in the Code and where the Company's practices vary from any of the provisions of the Code, this is stated with an explanation of the reason for the variation and how the practices it has adopted are consistent with the intent of the relevant principle and/or provisions.

## BOARD MATTERS

### BOARD'S CONDUCT OF AFFAIRS

**Principle 1: The company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the company.**

As at the date of this Annual Report, the Board comprises seven directors, of whom three are independent directors and there is one non-executive director. The composition of the Board and Board committee members are as follows:

Rule 210(5)(c)

|                                     | Board                                     | Audit & Risk Committee "AC" | Nominating Committee "NC" | Remuneration Committee "RC" |
|-------------------------------------|---|-----------------------------|---------------------------|-----------------------------|
| Jeffrey Hing Yih Peir               | Executive Chairman                        | -                           | Member                    | -                           |
| James Tham Tuck Choong              | Managing Director                         | -                           | -                         | -                           |
| Joanna Tung May Fong                | Finance and Administration Director       | -                           | -                         | -                           |
| Winston Kwek Choon Lin <sup>1</sup> | Lead Independent & Non-executive Director | Member                      | Chairman                  | Member                      |
| Keith Tan Keng Soon                 | Non-Independent & Non-executive Director  | Member                      | -                         | Member                      |
| Henry Tan Song Kok                  | Independent & Non-executive Director      | Chairman                    | Member                    | Member                      |
| Tan Poh Lee Paul <sup>2</sup>       | Independent & Non-executive Director      | Member                      | Member                    | Chairman                    |

Rule 1207(10B)

<sup>1</sup> Mr Winston Kwek stepped down as the Chairman of the RC and remain as a member of the RC on 1 May 2025

<sup>2</sup> Mr Paul Tan was appointed as an Independent Non-Executive Director, RC Chairman and member of the AC and NC on 1 May 2025

## CORPORATE GOVERNANCE REPORT (CONT'D)

Details of the directors' qualifications, background and working are set out under the "**Board of Directors**" section of this Annual Report.

The Board oversees the business affairs of the Group, sets strategic directions, approves budgets and reviews the Group's performance. The Board is collectively responsible for the long-term success of the Group. Each director exercises his independent judgement to act in good faith and in the best interest of the Group for the creation of long-term value for shareholders. The Board works with Management to achieve this objective and Management remains accountable to the Board. The directors also shape the culture and the strategic direction of the Group by adopting appropriate "tone-from-the-top" in meetings attended by key management personnel.

Each director is required to promptly disclose any conflict or potential conflict of interest, whether direct or indirect, in relation to a transaction or proposed transaction with the Company, as soon as practicable after the relevant facts have come to his knowledge. Where a director has a conflict or potential conflict of interest in relation to any matter, he should immediately declare his interest and recuse himself and refrain from participating in discussions regarding a transaction or proposed transaction in which he has an interest or is conflicted, unless the Board is of the opinion that his presence and participation is necessary to enhance the efficacy of such discussion. Nonetheless, he shall abstain from voting in relation to the conflict-related matters.

### **Board Orientation, Training and Updates**

Directors understand the Group's business as well as their directorship duties.

The Board strives to ensure that incoming new directors are given proper guidance and orientation (including on-site visits to the Group's operational facilities) to familiarise them with the Group's business, operations, financial performance and key management staff of the Group as well as corporate governance practices upon their appointment to facilitate the effective discharge of their duties. A formal letter is sent to each new director, upon his appointment, setting out the director's statutory duties and obligations.

A newly-appointed director with no prior experience as a director of a company listed on Singapore Exchange Securities Trading Limited ("**SGX-ST**"), will be required to attend the Mandatory Training in the roles and responsibilities of a director of a listed issuer as prescribed by the SGX-ST at the Company's expense in order to acquire the relevant knowledge of what is expected of a director of a listed issuer, unless the NC is of the view that such training is not required because the director has other relevant experience. They will also be encouraged to attend at the Company's expense, courses relating to the Singapore regulatory environment and audit essentials

All directors have the opportunity to visit the Group's operational sites and to meet Management to gain a better understanding of the Group's business operations. They are also encouraged to constantly keep abreast of developments in regulatory, legal and accounting frameworks that are relevant to the Group through the extension of opportunities for participation in relevant training courses, seminars and workshops where applicable, at the Company's expense.

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*Provision*  
1.1

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*Provision*  
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## CORPORATE GOVERNANCE REPORT (CONT'D)

Directors are regularly updated on the business activities of the Group and regulatory and industry specific environments in which the Group operates during the Board meetings. Whilst changes to regulations and accounting standards are monitored closely by Management, the Board as a whole, is updated regularly on risk management, corporate governance and key changes in the relevant regulatory requirements and accounting standards. New releases issued by the SGX-ST and the Accounting and Corporate Regulatory Authority ("**ACRA**") which are relevant to the directors are circulated to the Board so that they are kept up-to-date on pertinent matters relating to the relevant regulatory requirements and their key changes such as listing rules, corporate governance, risk management, financial reporting standards and the Companies Act 1967 (the "**Act**"). Appropriate external trainings will be arranged where necessary.

All Board members have completed the mandated sustainability training course organised by SID to gain a better understanding of Environmental, Social and Governance, climate-related risks and opportunities for businesses, as required under the enhanced SGX sustainability reporting rules.

### **Principal Duties of the Board**

In addition to its statutory duties, the principal functions of the Board are to:

- a) supervise the overall management of the business and affairs of the Group and approve the Group's corporate and strategic policies and direction;
- b) formulate and approve the Group's financial objectives and monitor its performance such as reviewing and approving of results announcements and approving of annual financial statements;
- c) approve the Group's annual budgets, major funding proposals, investment/ divestment proposals and corporate or financial restructuring;
- d) oversee the processes for evaluating the adequacy of internal controls and risk management including the review and approval of interested person transactions;
- e) ensure that necessary financial and human capital resources are available for the Group to meet its objectives;
- f) review and endorse the framework of remuneration for the Board and key management personnel as recommended by the RC;
- g) approve the nominations to the Board of Directors and appointment of key management personnel, as recommended by the NC;
- h) consider sustainability issues e.g. environmental and social factors, as part of its strategic formulation; and

assume responsibility for corporate governance and compliance with the Act and the rules and requirements of relevant regulatory bodies.

### **Matters Requiring Board Approval**

The Board has adopted a set of internal guidelines on matters requiring board approval. Matters that are specifically reserved for the approval of the Board include, among others, any material acquisitions and disposals of assets, corporate or financial restructuring, proposing of dividends, annual budgets, significant legal and financial issues, announceable matters, interested person transactions, appointment of directors and key management staff and other matters as may be considered by the Board from time to time.

*Provision*  
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## CORPORATE GOVERNANCE REPORT (CONT'D)

### Delegation to Board Committees

The Board has delegated specific responsibilities to three committees namely, the AC, the NC and the RC to assist in the execution of its responsibilities. Each committee has its own written terms of reference which clearly sets out its objectives, duties, powers and responsibilities and which has been amended to be in line with the Code. All Board Committees are actively engaged and play an important role in ensuring good corporate governance in the Company and within the Group. Minutes of all Board Committees have been circulated to the Board so that directors are aware of and are kept updated as to the proceedings and matters discussed during the Committee meetings.

While the Board Committees have the authority to examine particular issues and report back to the Board with their decisions and/or recommendations, the ultimate responsibility on all matters still lies with the entire Board.

### Attendance at Board and Committee Meetings

Directors attend and actively participate in Board and Board Committee meetings. The Board conducts regular scheduled meetings on a quarterly basis. The Board and the Board Committees meet based on a meeting schedule planned in advance of each financial year so as to ensure maximum attendance by all participants. Ad-hoc meetings are convened when circumstances require. The Company's Constitution provides for the directors to attend meetings via telephonic or video conference means. Between board meetings, important matters concerning the Company are also put to the Board for its decision by way of circulating resolutions in writing for directors' approval together with supporting memoranda to enable the directors to make informed decisions.

The attendance of the Directors at meetings of the Board and Board Committees during the financial year ended 31 December 2025 ("FY2025") as follows:

| Meetings of:                        | Board    | AC       | NC       | RC       |
|-------------------------------------|----------|----------|----------|----------|
| No. of Meetings held:               | 4        | 4        | 1        | 1        |
| Name of Director:                   | Attended | Attended | Attended | Attended |
| Jeffrey Hing Yih Peir               | 4        | -        | 1        | -        |
| James Tham Tuck Choong              | 4        | -        | -        | -        |
| Joanna Tung May Fong                | 4        | -        | -        | -        |
| Winston Kwek Choon Lin <sup>1</sup> | 3        | 3        | 1        | 1        |
| Keith Tan Keng Soon                 | 4        | 4        | -        | 1        |
| Henry Tan Song Kok                  | 4        | 4        | 1        | 1        |
| Tan Poh Lee Paul <sup>2</sup>       | 3        | 3        | -        | -        |

<sup>1</sup> Mr Winston Kwek stepped down as the Chairman of the RC and remain as a member of the RC on 1 May 2025

<sup>2</sup> Mr Paul Tan was appointed as an Independent Non-Executive Director, RC Chairman and member of the AC and NC on 1 May 2025

Provision  
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Provision  
1.5  
Provision  
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Provision  
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## CORPORATE GOVERNANCE REPORT (CONT'D)

In addition to the above, the non-executive directors had met with the internal auditors and external auditors without the presence of the executive directors or Management at least once in 2025. *Provision 10.5*

During FY2025, the non-executive directors also met amongst themselves and/or with the executive directors and the management team on an ad hoc basis to approve and/or discuss specific issues or matters relating to the Group. Such informal discussion and meetings are not included in the above table.

### Multiple Board Representations

All directors are required to declare their board representations. The NC reviews the multiple board representations held by the directors on an annual basis to ensure that sufficient time and attention is given to the affairs of the Group. *Provision 1.5*

The NC has assessed that each director in the Company is able to and has been adequately carrying out his duties as a director of the Company, taking into consideration the director's number of listed company board representations and other principal commitments. The NC also took into consideration the Company's existing practice of directors being assessed by each other as an additional check and balance on the performance of individual directors and that a director should have self-responsibility to determine whether he is able to discharge his duties properly and effectively as a director when taking on additional listed company board seats.

The NC is of the view that, the issue relating to multiple board representations should be left to the judgement and discretion of each director. The NC noted that based on the attendance at Board and Board Committee meetings during the financial year, all directors were able to participate in all the meetings to carry out their duties as a director of the Company.

### Access to Information

Board members are provided with quarterly management reports and from time to time, they are furnished with all relevant information on material events and transactions to enable them to be fully cognisant of the decisions and actions of the Company's Executive Management. Detailed board papers are prepared for each Board meeting. The board papers include sufficient information from Management on financial, business and corporate issues and are normally circulated in advance of each meeting to enable the directors to obtain further explanations, where necessary, in order to be briefed properly before the meeting. The directors are also regularly updated on the business activities of the Group and when there are significant developments or events relating to the Group's business operations. Board members have separate and independent access to Management and Management has access to the directors for guidance or exchange of views outside of the formal environment of the Board meetings. *Provision 1.6*

The directors have separate and independent access to Management and the Company Secretary at all times and they have been provided with the phone numbers and e-mail particulars of the Company Secretary. Each director has the right to seek independent legal and other professional advice (where necessary), at the Company's expense, concerning any aspect of the Group's operations or undertakings in order to fulfil her/his duties and responsibilities as a Director. *Provision 1.7*

The Company Secretary attends all Board meetings and ensures Board procedures are followed. The Company Secretary is also responsible to ensure that established procedures and all relevant statutes and regulations that are applicable to the Company are complied with. The appointment and removal of the Company Secretary is a matter for the Board as a whole.

## CORPORATE GOVERNANCE REPORT (CONT'D)

### BOARD COMPOSITION & GUIDANCE

**Principle 2: The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the company.**

As at the date of this Annual Report, there are seven directors on the Board, of whom three are independent directors and there is a non-independent, non-executive director. Independent directors comprise at least one-third of the Board and their independence is assessed and reviewed annually by the NC. The NC conducted its annual review of directors' independence and was satisfied that the Company complied with Rule 210(5)(c) of the Listing Manual of SGX-ST.

Rule  
210(5)(c)

There are no alternate directors on the Board.

To discharge its oversight responsibilities, the Board must be an effective board which can lead and control the business of the Group. There is a process of refreshing the Board progressively over time 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 deliberations.

#### Board Independence

Under Provision 2.1 of the Code, an "independent" director is one who is independent in conduct, character and judgement, and has no relationship with the company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the director's independent business judgement in the best interests of the company.

Provision  
2.1

Rule 210(5)(d) of the Listing Manual of the SGX-ST also sets out circumstances under which a director will not be independent. The NC and the Board took into account the existence of relationships or circumstances, including those identified by the SGX-ST Listing Rule 210(5)(d) and the Code's Practice Guidance ("**Practice Guidance**"), that are relevant in determining a director's independence and considered whether a director has business relationships with the Group, its substantial shareholders or its officers and if so, whether such relationships could interfere or be reasonably perceived to interfere, with the exercise of the director's independent business judgement in the interest of the Group. A director will not be considered independent if he is employed by the Company or any of its related corporations for the current or any of the past three (3) financial years or if he has any immediate family members who is employed by the Company or any of its related corporations for the past three (3) financial years and whose remuneration is determined by the RC or if he has been a director of the Company for an aggregate period of more than nine years. Such director may continue to be independent until the conclusion of the next annual general meeting of the Company.

Rule  
210(5)(d)

The composition of the Board and independence of each director is assessed and reviewed annually by the NC to ensure that the Board has the appropriate mix of expertise and experience to govern and manage the Group's affairs.

Provisions  
2.1 and 4.4

Each independent director is required to provide an annual confirmation of his independence based on the guidelines set out in the Code. The directors must also confirm whether they consider themselves independent despite not having any relationship identified in the Code. The Board will determine, taking into account the views of the NC, whether a director is independent in character and judgement and whether there are relationships or circumstances which are likely to affect or could affect the director's judgement.

## CORPORATE GOVERNANCE REPORT (CONT'D)

The Board, with the assistance of NC, assesses the independence of each director on an annual basis. The relevant factors considered by the NC are independence in character and judgement, as well as relationships or circumstances, which are likely to affect, or would appear to affect the director's judgement. Particular attention is given to reviewing and assessing the independence of any director who has served on the Board beyond nine years from the date of appointment, if there are any. The Board is of the view that all independent directors remain independent in the exercise of their judgement on Board matters.

Rule  
210(5)

The Board also recognises that independent directors may over time develop significant insights in the Group's business and operations and can continue to provide noteworthy and valuable contribution objectively to the Board as a whole. The independence of the independent directors must be based on their substance of their professionalism, integrity and objectivity.

Rule  
210(5)

The NC conducted its annual review of the directors' independence and is satisfied that the Company complies with Guideline 2.1 of the Code and Rule 210(5)(c) of the Listing Manual of SGX-ST which requires independent directors to consist of at least one-third of the Board.

Provisions  
2.1, 4.4 and  
Rule 210(5)(c)

The independent directors have each abstained from all NC and Board deliberations and decisions relating to their continued independence.

#### Proportion of Non-executive Independent Directors

Although Provision 2.2 of the Code provides that independent directors should make up a majority of the Board where the Chairman is not independent, the NC and the Board are of the opinion that there is an appropriate level of independence as the Board is able to exercise objective judgment independently from Management as all key issues and strategies are thoroughly reviewed and discussed by all Board members and constructively challenged by the independent directors as well as the non-executive director. The NC and the Board are of the view that the independence of directors must be based on the substance of their professionalism, integrity and objectivity and not merely based on form such as the number of independent directors that must make up a majority of the Board.

Provision  
2.2

No individual or small group of individuals dominate the decisions of the Board.

As at the date of this Annual Report, non-executive directors constitute at least half of the Board. There are three Executive Directors compared to four non-executive directors, three of whom are independent directors. There is also a Lead Independent Director and all Board Committees are chaired by independent directors. Therefore, the NC is of the view that the Board has sufficient independent elements and its composition is appropriate to facilitate effective decision making and to aid in development of the Group's strategic processes, review the performance of the Management in meeting agreed goals and objectives, and monitor the reporting of performance and operations, as an appropriate check and balance.

Provision  
2.3

The non-executive directors have constructively challenged and helped management develop proposals on business strategies for the Company and the Group, taking into consideration the long-term interests of the Group and its stakeholders. Their views and opinions provide different perspectives to the Group's business. The non-executive directors also reviewed the performance of management in achieving agreed goals and objectives for the Company and the Group, and monitored the reporting of performance and ensures objectivity in such deliberations.

The Company is in compliance with Rule 210(5)(c) of the Listing Manual of the SGX-ST, which requires the Board to have at least two non-executive directors who are independent and free of any material business or financial connection with the Company.

Rule 210(5)(c)

## CORPORATE GOVERNANCE REPORT (CONT'D)

### Board Size and Board Diversity

The NC is of the view that the size of the Board and its board committees is appropriate taking into account the nature and scope of the Group's operations, the core competency and broad range of industry knowledge and business experience of the directors to govern and contribute to the effectiveness and success of the Group. The NC reviews the size of the Board as well as opportunities to refresh the Board from time to time. The Company recognises and embraces the benefits of diversity of experience, age, gender, skill sets, industry discipline, tenure of service, and ethnicity on the Board ("**Board Diversity**") and views Board Diversity as an essential element to support the attainment of its strategic objectives and sustainable development.

Provision  
2.4

The Company's Board Diversity Policy sets out its approach to achieve diversity on the Board. In terms of the Board's composition, the Company seeks to have a Board that comprises directors who, as a group, not only provide an appropriate balance and have diversity of professional experience, skills and industry knowledge and independence but also of other aspects such as gender, age, tenure of service and other relevant factors so as to avoid groupthink and foster constructive debate. Gaps identified, if any, will be considered in determining the optimum composition of the Board, and where possible, will be balanced appropriately. Every year, the NC conducts its review of the composition of the Board, which comprises members of both genders and from different backgrounds whose core competencies, qualifications, skills and experiences, meet with the requirements of the Group at the point in time. 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. It will also continue its identification and evaluation of suitable candidates to ensure there is diversity (including gender diversity) on the Board.

Rule 710A(1)  
and Provision  
2.4

The current Board composition reflects the Company's commitment to Board diversity. The Board comprises directors from different backgrounds and whose core competencies, qualifications, skills and experience are extensive. The Board, as a group, provides an appropriate balance and diversity of skills and experience including accounting and financial, legal and business management expertise and collectively possess the necessary core competence to lead and govern the Group effectively. Each director provides a valuable network of industry contacts which are considered essential to the Group and is appointed on the strength of his calibre, experience and stature.

Provision  
2.4

In 2025, the directors were between the ages of 53 to 72 and served on the Board for different tenures. To ensure gender representation, the Company has one female director on the Board. In terms of board independence, with a strong element of oversight on the Board, there are three independent non-executive directors and one non-independent non-executive director out of a total of seven directors.

The non-executive directors, led by the Lead Independent Director, meet and communicate on a need-be basis without the Management's presence to discuss matters such as the Group's financial performance, corporate governance initiatives, board processes, succession planning and the remuneration of the executive directors and key management personnel. The non-executive directors provide feedback to the Board as appropriate.

Provision  
2.5

Details of the directors' qualifications, background and working experience are set out under the "**Board of Directors**" section of this annual report.

## CORPORATE GOVERNANCE REPORT (CONT'D)

The Company aims to achieve a diversity of gender, skills and experience, and any other relevant aspects of diversity.

Rule 710A(1)

The Board is of the view that the current Board composition is of an appropriate size and already comprises directors who, as a group, provide the appropriate balance and mix, with a rich collective experience that spans the marine and offshore industry, accounting and finance, business and management, human resources, legal affairs, risk management, strategic planning, auditing, among other industry-specific expertise. The directors were able to engage in constructive debates and were vocal in expressing their independent opinions on subjects under discussion at meetings and in the email exchanges. This mitigates groupthink and fosters constructive debate, that supports the Company and the Group in the pursuit of its strategic objectives and its sustainable development.

The Board composition enables management to benefit from a diverse and objective external perspective on issues raised before the Board. The directors as a Group provide the appropriate balance and mix of skills, knowledge experience and other aspects of diversity including the following:

Rule 710A(2)

| Diversity of the Board (as at the date of this Annual Report) |                     |                     |
|---|---------------------|---------------------|
| Core Competencies   | Number of Directors | Proportion of Board |
| - Accounting or finance                                       | 5                   | 71.43%              |
| - Business management   | 4                   | 57.14%              |
| - Legal and corporate governance                              | 2                   | 28.57%              |
| - Relevant Industry Knowledge or experience                   | 5                   | 71.43%              |
| - Strategic planning experience                               | 4                   | 57.14%              |

The tenure of each independent director is monitored closely every year so that the process for Board renewal is reviewed and considered ahead of any independent director reaching the nine-year mark to facilitate a smooth transition and to ensure that the Board continues to have an appropriate level of independence. The tenure of service of independent directors as at 31 December 2025 was as follows:

| Years of service | Number of IDs as at the date of this Annual Report | Proportion of IDs |
|------------------|--|-------------------|
| 5 years or less  | 3  | 100%              |

## CORPORATE GOVERNANCE REPORT (CONT'D)

There is no age limit fixed for directors of the Company as weight should be given to suitable candidates with repute and experience notwithstanding their age and the Company will endeavour to promote age diversity when considering the composition of board members for any board appointment. At the same time, the Company continues to value the contribution of its members regardless of age.

| Age as at the date of this Annual Report | Number of Directors | Proportion of Board |
|--|---------------------|---------------------|
| Between 50 to 54 years                   | 2                   | 28.57%              |
| Between 55 to 59 years                   | 1                   | 14.29%              |
| Between 60 to 64 years                   | 2                   | 28.57%              |
| Between 65 to 69 years                   | 0                   | 0%                  |
| Between 70 to 74 years                   | 2                   | 28.57%              |

In support of gender diversity, the Board Diversity Policy requires the NC to include female candidates in the pool for new director appointments, targeting at least one female director on the Board. This goal has been met, with one female out of the seven current board members.

The NC has not set further targets for Board diversity as it may detract from the more fundamental principle that a candidate must be of the right fit and must meet the relevant needs and vision of the Company and the Board. However, the NC and Board will continue to consider how to further enhance diversity on its Board as the scope and nature of the operations of the Company and the requirements of the business change and/or develop over time. Any progress made towards achieving the aforesaid board diversity will be disclosed in the Company's future annual report(s) as appropriate.

The Board has taken the following steps to maintain or enhance its balance and diversity:

- (i) annual review by the NC to assess if the existing attributes and core competencies of the Board are complementary and enhance the efficacy of the Board; and
- (ii) annual evaluation by the directors with a view to understanding the range and level of expertise that may potentially be lacking on the Board.

The NC will consider the results of these exercises in its recommendation for the appointment of new directors and/or the re-appointment of incumbent directors. The NC and Board does not intend pursuant to the Board Diversity Policy to appoint persons as directors by reason of their gender, age, ethnicity etc as token representatives on the Board or simply to meet quotas. In the Board's view, the fundamental principle is that the candidate must be of the right fit, taking into account the needs and future plans of the Group's businesses, and must meet the relevant needs and vision of the Board and the Company at the material time.

In view of the foregoing, the NC and Board are satisfied that the Board Diversity Policy is adequate and that the current Board members is sufficiently diverse and serve the needs and plans of the Company, in accordance with Rule 710A of the SGX-ST Listing Manual.

### CHAIRMAN AND MANAGING DIRECTOR

**Principle 3: There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.**

## CORPORATE GOVERNANCE REPORT (CONT'D)

The Executive Chairman and the Managing Director are separate individuals and are not related. Their roles are segregated to ensure an appropriate balance and separation of power and authority, increased accountability and clear division of responsibilities.

*Provision  
3.1 and Rule  
1207(10A)*

Mr Jeffrey Hing Yih Peir, the Executive Chairman is responsible for the strategic direction of the Group, the workings of the Board and communicating the performance of the Company and the Group to the Board and shareholders. The Chairman encourages active and effective engagement, participation and contribution from all Directors and facilitates constructive relations among and between them and management. Mr James Tham Tuck Choong, the Managing Director, with the assistance of a team of key management personnel, is responsible for the day-to-day management of the Group and executing the Group's strategies and policies.

*Provision  
3.2*

The Board has no dissenting view on the Chairman and Managing Director's Joint Letter to Shareholders for the year under review.

### Lead Independent Director

To enhance the independence of the Board, Mr. Winston Kwek Choon Lin, the Lead Independent Director, provides a non-executive perspective and contributes to a balance of viewpoints on the Board. He is the principal liaison on board issues between the non-executive directors and the executive directors. The Lead Independent Director will be available to shareholders with concerns or issues when contact through the normal channels with the Chairman, the Managing Director or the Finance & Administration Director has failed to provide satisfactory resolution or when there is a conflict of interest in such contact.

*Provision  
3.3*

No queries or requests on any matters which required the Lead Independent Director's attention were received in FY2025.

### BOARD MEMBERSHIP

**Principle 4: The Board has a formal and transparent process for the appointment and re-appointment of directors, taking into account the need for progressive renewal of the Board.**

### NC Composition and Role

As at the date of this Annual Report, the NC comprises the following four directors, which includes the Lead Independent Director who is also the NC Chairman. The majority of the NC members are independent directors:

*Provision  
1.4*

Winston Kwek Choon Lin (Chairman)  
Henry Tan Song Kok  
Jeffrey Hing Yih Peir  
Tan Poh Lee Paul<sup>#</sup>

*Provision  
4.2  
Rule 1207(10B)*

<sup>#</sup> Mr Tan Poh Lee Paul was appointed a member of the NC on 1 May 2025

## CORPORATE GOVERNANCE REPORT (CONT'D)

The NC is guided by written terms of reference approved by the Board and its principal functions are to establish a formal and transparent process on matters relating to and including:

- (a) making recommendations to the Board on relevant matters relating to:
  - (i) the review of succession plans for directors, in particular the appointment and/or replacement of the Chairman, the CEO and key management personnel;
  - (ii) the process and criteria for evaluation of the performance of the Board, its Board Committees and directors;
  - (iii) the review of training and professional development programmes for the Board and its directors;
  - (iv) the appointment and re-appointment of directors (including alternate directors, if any);
- (b) determining annually, and as and when circumstances require, if a director is independent, and providing its views to the Board in relation thereto for the Board's consideration;
- (c) where a director or proposed director has multiple board representations, deciding whether the Director is able to and has been adequately carrying out his duties as a Director taking into consideration the Director's number of listed company board representations and other principal commitments.

### Nomination and selection of Directors

All new appointments and selection of directors are reviewed and proposed by the NC. The NC will first identify the knowledge, skills, experience and background of the candidate being considered for appointment to the Board. Suitable candidates for Board membership are then identified through, inter alia, recommendations from current Board members, searches conducted by external search consultants or the SID and other referrals. The selection criterion includes integrity, diversity of competencies, expertise, industry experience and financial literacy. The NC and the Board will interview short-listed candidates before discussing and approving the final appointment. For existing directors who retire and stand for re-election, the NC will make recommendations for the re-nomination of such directors, if they are eligible, based on the evaluation of these directors.

The directors submit themselves for re-nomination and re-election at regular intervals of at least once every three years. Pursuant to Regulation 92 of the Company's Constitution, one-third of the directors are to retire from office by rotation and be subject to re-election at the Annual General Meeting ("AGM") of the Company. In addition, Regulation 98 requires a newly appointed director to submit himself for retirement and re-election at the AGM immediately following his appointment. Thereafter, he is subject to retirement by rotation at least once every three years.

Key information of each director is set out on pages 21 to 24 of this Annual Report and the dates of their initial appointment and last re-appointment/re-election are set out below:

| Name of Director       | Date of initial appointment | Date of last re-appointment/<br>re-election |
|------------------------|-----------------------------|---|
| Jeffrey Hing Yih Peir  | 2 February 2009             | 27 April 2023                               |
| James Tham Tuck Choong | 15 August 2008              | 22 April 2025                               |
| Joanna Tung May Fong   | 2 May 2008                  | 23 April 2024                               |
| Winston Kwek Choon Lin | 29 April 2021               | 22 April 2025                               |
| Keith Tan Keng Soon    | 9 June 2021                 | 23 April 2024                               |
| Henry Tan Song Kok     | 1 July 2021                 | 23 April 2024                               |
| Tan Poh Lee Paul       | 1 May 2025                  | -   |

Provision  
4.1

Provision  
4.3

Rule 720(5)

## CORPORATE GOVERNANCE REPORT (CONT'D)

Mr Jeffrey Hing Yih Peir and Mr Keith Tan Keng Soon are due for retirement by rotation pursuant to Regulation 92 of the Company's Constitution at the coming 2026 AGM. Mr Tan Poh Lee Paul will also be retiring pursuant to Regulation 98 of the Company's Constitution. The NC has reviewed and having assessed their suitability, has recommended that Mr Jeffrey Hing Yih Peir, Mr Keith Tan Keng Soon and Mr Tan Poh Lee Paul, being eligible, and who have offered themselves up for re-election, be re-elected. The Board has accepted NC's recommendation and is recommending the same for shareholders' approval at the 2026 AGM. Each of the retiring directors has abstained from all NC and Board deliberations and decisions relating to their re-election.

Additional information relating to the directors seeking re-election is set out on pages 156 to 166 of the Annual Report, in accordance with Rule 720(6) of the Listing Manual of the SGX-ST.

### Continuous review of Directors' independence

The NC is charged with determining annually, and as and when circumstances require, the independence of each independent director, having regard to the circumstances set forth in Provision 2.1 of the 2018 Code and Rule 210(5)(d) of the Listing Manual of the SGX-ST.

As described under the section on Board Independence, the Board after taking into consideration the views of the NC, is of the view that the independent directors, namely Mr Winston Kwek Choon Lin, Mr Henry Tan Song Kok and Mr Tan Poh Lee Paul are independent and that no individual or small group of individuals dominate the Board's decision making.

### Directors' time commitments

The NC endeavours to ensure that new directors are aware of their duties and obligations. The NC also decides if a director is able to and has been adequately carrying out his or her duties as a director of the Company. As part of the assessment of the performance of each individual director, there is consideration of whether sufficient time and attention has been given by the director to the affairs of the Company. The NC is satisfied that all directors were able to and have adequately carried out their duties as a director of the Company for FY2025.

The NC also believes that contributions from each director may be reflected in other ways other than merely the reporting of attendances at the Board and Board Committees meetings as well as the frequency of such meetings. A director would have been appointed on the strength of his experience and his potential to contribute to the proper guidance of the Group and its business. To focus on a director's attendance at formal meetings alone may lead to a narrow view of a director's contribution. It may also not do justice to his/her contributions, which can be in many forms, including Management's access to him/her for guidance or exchange of views outside the formal environment of the Board.

The listed company directorships and principal commitments of each director are disclosed on pages 21 to 24 of the Annual Report.

The NC does not encourage the appointment of alternate directors and none of the directors has an alternate director.

### BOARD PERFORMANCE

**Principle 5: The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its board committees and individual directors.**

Provision  
4.4

Provision  
4.5

## CORPORATE GOVERNANCE REPORT (CONT'D)

The NC, has with the approval of the Board, established performance criteria and evaluation procedures for evaluation and assessment of the effectiveness and performance of the Board, the Committees as well as the contribution by the Chairman and for each individual director. The NC evaluates and assesses the effectiveness of the Board taking into consideration appropriate performance criteria and upon its recommendation, the Board makes a formal annual assessment of its effectiveness as a whole, its board committees and each director.

*Provision*  
5.1

Each director submits an assessment of the Board and the Board Committees, and a peer assessment of each of the other directors to assess the contributions by the Chairman and each individual director to the effectiveness of the Board. These detailed forms assess directors in various different areas and competencies, including their attendance and contributions at meetings, preparedness for meetings etc. The evaluation of the Board and the Board Committees focus on a set of performance criteria approved by the Board which includes the size and composition of the Board, Board independence, the Board's access to information and Board's accountability, and Board Committee performance in relation to discharging their responsibilities as set out in their respective terms of reference. The responses are collated by the external Company Secretary and a consolidated report is submitted to the Board. The responses are then discussed by the Board to determine the areas for improvement and enhancement of the effectiveness of the Board and its Board Committees.

*Provision*  
5.2

Following the review in FY2025, the Board is of the view that the Board and its Board Committees operate effectively and that each director is contributing to the overall effectiveness of the Board and its Board Committees.

No external consultant was involved in the Board evaluation process in FY2025.

### REMUNERATION MATTERS

#### PROCEDURES FOR DEVELOPING REMUNERATION POLICIES AND LEVEL AND MIX OF REMUNERATION

***Principle 6: The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her own remuneration.***

***Principle 7: The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the company, taking into account the strategic objectives of the company.***

#### Composition and Role

As at the date of this Annual Report, the RC comprises the following four directors, all of whom are non-executive and the majority are independent, including the RC Chairman: -

Tan Poh Lee Paul (Chairman)<sup>1</sup>  
Winston Kwek Choon Lin<sup>2</sup>  
Henry Tan Song Kok  
Keith Tan Keng Soon

*Provision*  
1.4

*Provision*  
6.2

*Rule 1207(10B)*

<sup>1</sup> Mr Paul Tan was appointed as the RC Chairman on 1 May 2025

<sup>2</sup> Mr Winston Kwek stepped down as the Chairman of the RC and remain as a member of the RC on 1 May 2025

## CORPORATE GOVERNANCE REPORT (CONT'D)

The RC is guided by written terms of reference approved by the Board and its principal responsibilities are:

*Provision*  
6.1

- (a) reviewing and making recommendations to the Board on:
- (i) a framework of remuneration for the Board and key management personnel; and
  - (ii) the specific remuneration packages for each director as well as for the key management personnel,
- and in doing so the RC considers all aspects of remuneration, including termination terms, to ensure they are fair;
- (b) reviewing the Company's obligations arising in the event of termination of the executive directors' and key management personnel's contracts of service;
- (c) where an external remuneration consultant is appointed, reviewing whether the remuneration consultant has any relationship with the Company that could affect his or her independence and objectivity; and
- (d) reviewing annually the remuneration of employees who are substantial shareholders of the Company, or are immediate family members of a Director, the CEO or a substantial shareholder of the Company, and whose remuneration exceeds S\$100,000 during the year.

The RC considers all aspects of remuneration, including termination terms, to ensure they are fair. No director or member of the RC is involved in deciding his or her own remuneration.

*Provision*  
6.3

The RC has explicit authority to seek appropriate expert advice in the field of executive compensation outside the Company on remuneration matters when necessary. During the financial year, the RC engaged the service of an external remuneration consultant, HR Guru Pte Ltd to conduct an assessment on the implementation of the proposed Penguin Share Plan 2026 ("PSP"). The proposed PSP will be administered by the RC.

*Provision*  
6.4

As announced on 1 March 2026, the Company has received the approval in-principle from the SGX-ST for the listing and quotation of the new shares in the issued and paid-up share capital of the Company to be issued under the PSP. Accordingly, the Company will convene an Extraordinary General Meeting ("EGM") on 27 April 2026 to seek shareholders' approval for the adoption of the proposed PSP. Details on the proposed PSP are set out in the circular to shareholders in the notice of EGM dated 10 April 2026. If approved by the shareholders at the EGM, the PSP awards are intended to be granted to the eligible participants at a date to be determined by the RC.

#### Remuneration Framework

The Group adopts a remuneration policy for Executive Directors and key management personnel comprising a fixed component and a variable component. The fixed component is in the form of a base salary. The variable component is in the form of a variable bonus that is linked to the performance of the Group and each individual's performance, which is based on the criteria of the respective key performance indicators allocated to the individual. Staff appraisals are conducted at least once a year. The key performance indicators include the Company's profitability and other financial and operational indicators as determined by the Board.

*Provision*  
7.1

The RC reviews, for recommendation to the Board, the specific remuneration packages of Executive Directors and key management personnel as well as subsequent increments and performance bonuses where these payments are discretionary. There are appropriate and meaningful measures in place for the purposes of assessing the performance of Executives Directors and key management personnel and their respective remuneration packages are based on the performance of the Group and the individual. Each Executive Director has a separate service agreement with the Company and they do not receive Directors' fees.

## CORPORATE GOVERNANCE REPORT (CONT'D)

Non-executive directors are paid Directors' fees, which consist of a basic retainer fee as director and an additional fee for serving on any of the Board Committees. The fees take into consideration the knowledge and expertise of each individual independent non-executive director, the responsibilities vested upon them and the effort and time commitment required from the independent non-executive directors given the complexities of the business and the business structure.

The Board concurred with the RC that the proposed directors' fees for the year ended 31 December 2025 are appropriate and not excessive, taking into consideration the level of contributions by the non-executive directors and factors such as effort and time spent for serving on the board and board committees, as well as the responsibilities and obligations of the non-executive directors. The payment is subject to approval of the shareholders at each AGM. No individual director is involved in deciding his own remuneration.

In performing its function, the RC endeavours to establish an appropriate remuneration policy to attract, retain and motivate key management personnel and Executive Directors, while at the same time ensuring that the reward in each case takes into account, individual performance as well as corporate performance. The corporate and individual performance-related elements of remuneration are designed to align the interests of Executive Directors and key management personnel with those of shareholders and other stakeholders and to promote the long-term success of the Group.

The Company does not use any contractual provisions to reclaim incentive components of remuneration from Executive Directors and key management personnel in exceptional circumstances of misstatement of financial results, or of misconduct resulting in financial loss to the Company. The Executive Directors owe a fiduciary duty to the Company and the Company should be able to avail itself of remedies against the Executive Directors in the event of such breach of fiduciary duty.

Except as disclosed in the Directors' Statement and Financial Statements, no material contracts (including loans) of the Company or its subsidiaries involving the interests of the Executive Chairman, Managing Director or any director or controlling shareholder subsisted at the end of the financial year or had been entered into since the end of the previous financial year.

### DISCLOSURE OF REMUNERATION

**Principle 8: The company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.**

The Group's remuneration policy is to provide remuneration packages which are appropriate to attract, retain and motivate the directors to provide good stewardship of the Company and key management personnel to successfully manage the Company for the long term.

In the assessment of the individual performance of Executive Directors, the factors assessed includes the individual's contribution in connection to the risk management of the Group, including the individual's contribution in identifying, assessing, managing, monitoring and reviewing the Group's risks. The Executive Directors and key management personnel had met their respective key performance indicators in respect of FY2025.

Provision  
7.2

Provision  
7.3

Provision  
8.1

## CORPORATE GOVERNANCE REPORT (CONT'D)

The names, amounts and breakdown of remuneration of each non-executive director during FY2025 are disclosed below.

Provision  
8.1(a)

|  | Directors' Fees<br>% | Salary<br>% | Bonus<br>% | Other benefits<br>% |
|--|----------------------|-------------|------------|---------------------|
| <b>Non-Executive Directors<sup>1</sup></b> |                      |             |            |                     |
| Winston Kwek Choon Lin                     | 61,000 (100%)        | -           | -          | -                   |
| Henry Tan Song Kok                         | 68,000 (100%)        | -           | -          | -                   |
| Keith Tan Keng Soon                        | 53,000 (100%)        | -           | -          | -                   |
| Tan Poh Lee Paul <sup>2</sup>              | 40,000 (100%)        | -           | -          | -                   |

<sup>1</sup> For the non-executive directors, their remuneration is paid solely in the form of Directors' fees to be approved by shareholders at each annual general meeting of the Company.

<sup>2</sup> Mr Paul Tan was appointed as an Independent Non-Executive Director on 1 May 2025.

Rule 1207(10D) of the Listing Manual of the SGX-ST provides that the names, amounts and breakdown of remuneration paid to each individual director and the CEO by the issuer and its subsidiaries should be disclosed in the annual report. Such breakdown must include (in percentage terms) base or fixed salary, variable or performance-related income or bonuses, benefits in kind, stock options granted, share-based incentives and awards, and other long-term incentives. Accordingly, the remuneration of the Executive Directors (which includes the Managing Director) are disclosed below, and the remuneration of the non-executive directors are disclosed above.

|  | Directors' Fees |   | Salary <sup>(2)</sup> |    | Allowance |   | Bonus <sup>(2)</sup> |    | Total     |     |
|--|-----------------|---|-----------------------|----|-----------|---|----------------------|----|-----------|-----|
|  | \$              | % | \$                    | %  | \$        | % | \$                   | %  | \$        | %   |
| <b>Executive Directors<sup>(1)</sup></b> |                 |   |                       |    |           |   |                      |    |           |     |
| Jeffrey Hing Yih Peir                    | -               | - | 243,816               | 41 | -         | - | 356,500              | 59 | 600,316   | 100 |
| James Tham Tuck Choong                   | -               | - | 486,756               | 39 | 36,000    | 3 | 712,999              | 58 | 1,235,755 | 100 |
| Joanna Tung May Fong                     | -               | - | 416,796               | 48 | -         | - | 446,563              | 52 | 863,359   | 100 |

<sup>(1)</sup> There are no termination, retirement and post-employment benefits granted to the Executive Directors. There are also no stock options, share-based incentives and awards, and other long-term incentives granted to the Executive Directors, and they do not receive Directors' Fees.

<sup>(2)</sup> The amounts shown are inclusive of employer's statutory contributions to the Singapore Central Provident Fund.

## CORPORATE GOVERNANCE REPORT (CONT'D)

### Assume PSP is in place and based on full award

|                            | Directors' Fees |   | Salary  |    | Allowance |   | Bonus   |    | PSP                  |                         | Total |           |     |
|----------------------------|-----------------|---|---------|----|-----------|---|---------|----|----------------------|-------------------------|-------|-----------|-----|
|                            |                 |   |         |    |           |   |         |    | No of shares awarded | Value of shares awarded |       |           |     |
|                            | \$              | % | \$      | %  | \$        | % | \$      | %  | \$                   | %                       | \$    | %         |     |
| <b>Executive Directors</b> |                 |   |         |    |           |   |         |    |                      |                         |       |           |     |
| Jeffrey Hing Yih Peir      | -               | - | 243,816 | 41 | -         | - | 356,500 | 59 | -                    | -                       | 0     | 600,316   | 100 |
| James Tham Tuck Choong     | -               | - | 486,756 | 20 | 36,000    | 1 | 712,999 | 29 | 700,000              | 1,227,345               | 50    | 2,463,100 | 100 |
| Joanna Tung May Fong       | -               | - | 416,796 | 20 | -         | - | 446,563 | 21 | 700,000              | 1,227,345               | 59    | 2,090,704 | 100 |

### Assume PSP is in place and based on vested amount

|                            | Directors' Fees |   | Salary  |    | Allowance |   | Bonus   |    | PSP                  |                         | Total |           |     |
|----------------------------|-----------------|---|---------|----|-----------|---|---------|----|----------------------|-------------------------|-------|-----------|-----|
|                            |                 |   |         |    |           |   |         |    | No of shares awarded | Value of shares awarded |       |           |     |
|                            | \$              | % | \$      | %  | \$        | % | \$      | %  | \$                   | %                       | \$    | %         |     |
| <b>Executive Directors</b> |                 |   |         |    |           |   |         |    |                      |                         |       |           |     |
| Jeffrey Hing Yih Peir      | -               | - | 243,816 | 41 | -         | - | 356,500 | 59 | -                    | -                       | 0     | 600,316   | 100 |
| James Tham Tuck Choong     | -               | - | 486,756 | 26 | 36,000    | 2 | 712,999 | 38 | 350,000              | 626,500                 | 34    | 1,862,255 | 100 |
| Joanna Tung May Fong       | -               | - | 416,796 | 28 | -         | - | 446,563 | 30 | 350,000              | 626,500                 | 42    | 1,489,859 | 100 |

### Key Management Personnel

Details of remuneration and benefits (in bands of S\$250,000) of the top five key management personnel (who are not directors or the CEO) for the financial year ended 31 December 2025 are set out below:-

| Remuneration Band               | No. of Key Management Personnel |
|---------------------------------|---------------------------------|
| Between \$250,000 and \$500,000 | 2                               |
| Below \$250,000                 | 3                               |

Provision  
8.1(b)

## CORPORATE GOVERNANCE REPORT (CONT'D)

### Assume PSP is in place and based on full award

| Remuneration Band                   | No. of Key Management Personnel |
|-------------------------------------|---------------------------------|
| Between \$1,500,000 and \$1,750,000 | 1                               |
| Between \$500,000 and \$750,000     | 1                               |
| Between \$250,000 and \$500,000     | 1                               |
| Below \$250,000                     | 2                               |

### Assume PSP is in place and based on vested amount

| Remuneration Band                   | No. of Key Management Personnel |
|-------------------------------------|---------------------------------|
| Between \$1,000,000 and \$1,250,000 | 1                               |
| Between \$250,000 and \$500,000     | 2                               |
| Below \$250,000                     | 2                               |

The Board supports and is aware of the need for transparency. However, after deliberation and debate, the Board is of the view that as the remuneration packages are confidential and sensitive in nature, full disclosure of the specific remuneration of each of the five top key management personnel (who are not directors or the CEO) is not in the best interest of the Company. Inter alia, the Board has taken into account the very sensitive nature of the matter, the relative size of the Group, the highly competitive business environment the Group operates in, the competitive pressures in the talent market and the irrevocable negative impact such disclosure may have on the Group and which would place the Group in a competitively disadvantageous position.

Given the challenging industry conditions, the Company's view on the disclosure in aggregate of the total remuneration paid to these key management personnel is not in the best interest of the Company in light of the competitive business environment that the Group operates in as well as the competitive pressures in the talent market.

Notwithstanding the above, the Company is of the view that the intent of Principle 8 of the 2018 Code was met, and the remuneration information as disclosed above will be sufficient for shareholders to have an adequate appreciation of the remuneration of the key management personnel and wishes to maintain confidentiality of remuneration in the interest of maintaining good morale and a strong spirit of teamwork within the Group.

The profiles of the current top key management personnel are found on pages 25 to 26 of this Annual Report.

Mr Jeffrey Hing Yih Peir, who is the Executive Chairman, is a substantial shareholder of the Company. His remuneration is as described above.

Provision  
8.2

Mr. Tung Tak Wai, who is the brother of Executive Director, Ms. Joanna Tung May Fong, is an employee in a managerial position in the Company. His remuneration was between \$150,000 and \$200,000 for the financial year ended 31 December 2025.

## CORPORATE GOVERNANCE REPORT (CONT'D)

All forms of remuneration and other payments and benefit (if any), paid by the Company and its subsidiaries/ subsidiary companies or subsidiary corporations whose financial statements are consolidated with the Company's financial statements to directors and key management personnel of the Company are disclosed in the tables above.

Provision  
8.3

The Company does not have any employee share option scheme.

Rule  
1207(16)

### ACCOUNTABILITY & AUDIT

#### RISK MANAGEMENT AND INTERNAL CONTROLS

**Principle 9: The Board is responsible for governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the company and its shareholders.**

The Board determines the nature and extent of the significant risks which the Company is willing to take in achieving its strategic objectives and value creation and the AC assumes the duties and responsibilities of the risk management function to specifically address these issues. With the assistance of an external consultant, the Group established an Enterprise Risk Management ("ERM") framework to enable the Group to apply a systematic approach to effectively identify, assess, manage, monitor and review the Group's risks, including financial, operational, compliance and information technology controls. To promote risk awareness among employees at all levels, the Group has put in place an ERM policy that elaborates on the ERM framework, process and governance.

Provision  
9.1

For the financial year under review, assurance has been received from:

- (a) the Managing Director and Finance Director that the financial records have been properly maintained and the financial statements give true and fair view of the Company's operations and finances; and
- (b) the Managing Director and other key management personnel who are responsible regarding the adequacy and effectiveness of the Company's risk management and internal control systems.

Provision  
9.2

The Board recognises the need and is responsible for maintaining a system of internal controls and processes to safeguard shareholders' investments and the Group's assets. The AC monitors the effectiveness of the internal control systems and procedures and risk management systems. During the year, the Board and AC reviewed the effectiveness of the Company's internal control procedures and risk management systems.

The Group promotes the standardisation of policies, processes and control procedures throughout its operations and has upgraded from the SAP Accounting Software System to the Workday platform system in 2024 to improve its operational processes.

The system of internal controls and risk management established by the Company provides reasonable, but not absolute, assurance that the Group will not be adversely affected by any event that can be reasonably foreseen as it strives to achieve its business objectives. While acknowledging their responsibility for the system of internal controls, the Directors recognise that such a system is designed to manage, rather than eliminate risks, and therefore cannot provide absolute assurance in this regard, or absolute assurance against the occurrence of material errors or mis-statements, poor judgment in decision-making, human error, losses, fraud or other irregularities.

## CORPORATE GOVERNANCE REPORT (CONT'D)

Based on the internal controls established and maintained by the Group, work performed by internal audit team, and reviews performed by Management, the Board, with the concurrence of the AC, is of the opinion that the Group's framework of internal controls (including financial, operational, compliance and information technology controls) and risk management systems are adequate and effective to provide reasonable assurance of the integrity and effectiveness of the Group in safeguarding its assets and shareholders' value.

Rule  
1207(10) and  
610(5)

### AUDIT AND RISK COMMITTEE

**Principle 10: The Board has an Audit Committee ("AC") which discharges its duties objectively.**

The AC comprises the following four members, all of whom are non-executive and a majority of whom (including the AC Chairman) are independent directors:

Provision  
1.4;  
Provision  
10.2;  
Rule 1207(10B)

Henry Tan Song Kok (Chairman)  
Winston Kwek Choon Lin  
Keith Tan Keng Soon  
Tan Poh Lee Paul#

# Mr Paul Tan was appointed as an AC member on 1 May 2025

#### AC Composition and Role

The profiles of each AC members are set out on pages 22 to 24 of this Annual Report. The Board is of the view that the members of the AC have recent and relevant accounting or related financial management knowledge, expertise and experience to discharge their responsibilities properly.

Provision  
10.2

None of the AC members are former partners or directors of, or have any financial interests in, the Company's existing auditing firm or auditing corporation.

Provision  
10.3

The role of the AC is to assist the Board in overseeing the adequacy of the overall internal control functions, the internal audit functions within the Group, the relationship of those functions to external audit, the scope of audit by the external auditor as well as their independence.

Provision  
10.1

The AC is guided by written terms of reference approved by the Board and its duties include:

Provision  
10.1

## CORPORATE GOVERNANCE REPORT (CONT'D)

- (a) reviewing the significant financial reporting issues and judgements so as to ensure the integrity of the financial statements of the Company and any announcements relating to the Company's financial performance;
- (b) reviewing at least annually the adequacy and effectiveness of the Company's internal controls and risk management systems;
- (c) reviewing the assurance from the Managing Director and the Finance Director on the financial records and financial statements;
- (d) making recommendations to the Board on: (i) the proposals to the shareholders on the appointment and removal of external auditors; and (ii) the remuneration and terms of engagement of the external auditors;
- (e) reviewing the adequacy, effectiveness, independence, scope and results of the Company's external audit;
- (f) reviewing the adequacy, effectiveness, independence, scope and results of the Company's internal audit function;
- (g) reviewing the policy and arrangements for concerns about possible improprieties in financial reporting or other matters to be safely raised, independently investigated and appropriately followed up on and that the company publicly discloses, and clearly communicates to employees, the existence of a whistle-blowing policy and procedures for raising such concerns;
- (h) deciding on the appointment, termination and remuneration of the head of the internal audit function, as the primary reporting line of the internal audit function is to the AC;
- (i) meeting with the external auditors, and with the internal auditors, in each case without the presence of Management, at least annually;
- (j) reviewing and recommending the nature and extent of the significant risks which the Company is willing to take in achieving its strategic objectives and value creation;
- (k) reviewing any matters relating to suspected fraud or irregularity, or suspected infringement of any Singapore laws or regulations or rules of the SGX-ST or any other regulatory authority in Singapore, which has or is likely to have a material impact on the Company's or Group's operating results and/or financial position, and the findings of any internal investigations, and Management's response thereto, discussing such matters with the external auditor and, at an appropriate time, reporting the matter to the Board;
- (l) carrying out the functions set out in Section 201B of the Companies Act;
- (m) with reference to the Practice Guidance, having explicit authority to investigate any matter within its terms of reference, full access to and co-operation by Management, full discretion to invite any director or executive officer to attend its meetings, and reasonable resources to enable it to discharge its functions; and
- (n) reporting to the Board the significant issues and judgements that the AC considered in relation to the financial statements, and how these issues were addressed.

## CORPORATE GOVERNANCE REPORT (CONT'D)

The AC has been given full access and obtained the co-operation from the Management of the Company. The AC has the explicit authority to investigate any matter within its terms of reference. It also has full discretion to invite any director or executive officer to attend its meetings, and reasonable resources to enable it to discharge its functions properly.

Quarterly (where applicable), half year and full year results are reviewed by the AC prior to their submission to the Board as are interested person transactions that fall within the scope of Chapter 9 of the Listing Manual of the SGX-ST.

### Internal Audit

The primary reporting line of the internal audit function is to the AC, which also approves the hiring, removal, evaluation and compensation of the internal auditors. The internal audit function is outsourced to Crowe Horwath First Trust Risk Advisory Pte Ltd, an external professional firm. They have been tasked to conduct regular audits of internal control systems of the Group's companies, recommend necessary improvements and enhancements, and report to the AC. The AC reviews and approves the annual internal audit plan. The internal auditor has unrestricted access to documents, records and personnel, including the AC and has appropriate standing within the Company.

*Provision  
10.4;  
Rule 719(1)*

The AC is satisfied that the internal audit function is independent, effective and adequately resourced to perform its function and is staffed by suitably qualified and experienced professionals.

*Rule  
1207(10C)*

The internal audit was carried out in accordance with the Standards for the Professional Practice of Internal Auditing. The internal audit process includes, inter alia, the identification of key risk areas and a consideration of the controls managing such risks.

### External Auditors

The Company's external auditor is PKF-CAP LLP ("**PKF**"), an accounting firm registered with ACRA.

The external auditor has full access to the AC which can conduct or authorise investigations into any matters within its terms of reference. Minutes of the AC meetings are regularly submitted to the Board for its information and review.

The AC confirms that it has reviewed the nature and extent of all audit and non-audit services performed by the external auditor in FY2025, to establish if their independence and objectivity had in any way been compromised. The audit and non-audit fees payable to PKF for FY2025 are disclosed on page 107 of this Annual Report. The AC is satisfied that the independence and objectivity of the external auditor have not been impaired by the provision of the non-audit services.

*Rule  
1207(6)(b)*

The AC has also reviewed and confirmed that PKF is a suitable audit firm to meet the Company's audit obligations, having regard to the adequacy of resources and experience of the firm and the assigned audit engagement partner, PKF's other audit engagements, size and complexity of the Penguin Group, the number and experience of supervisory and professional staff assigned to the audit. Accordingly, the AC has recommended to the Board the re-appointment of PKF as External Auditor of the Group for the year ending 31 December 2026. PKF has been engaged to audit the accounts of the Company and its Singapore-incorporated subsidiaries. The accounts of the significant foreign-incorporated subsidiaries are audited by PKF member firms in the respective countries.

*Rules 712 and  
715*

The AC was satisfied that the Company's external auditors and the audit engagement partner assigned to the audit had adequate resources and experience to meet its audit obligations. In this connection, the Company has complied with Rule 712 of the Listing Manual of the SGX-ST.

*Rule 712*

## CORPORATE GOVERNANCE REPORT (CONT'D)

The Company has also complied with Rule 715 which requires that the same auditing firm of the Company audits its Singapore-incorporated subsidiaries and significant associated companies and that a suitable auditing firm be engaged for its significant foreign-incorporated subsidiaries and associated companies.

*Rule 715*

### **AC's Activities in FY 2025**

Provision 1.4 of the Code recommends, inter alia, that a summary of the AC's activities be disclosed in the annual report. The AC performs the functions specified in Section 201B of the Act, the Listing Manual of the SGX-ST and the Code. The AC met four times during FY2025. The AC reviewed and approved the internal audit plan for execution.

*Provision  
1.4*

In FY2025, the internal and external auditors conducted audits that involve testing the effectiveness of the material internal controls systems in the Group. Any material non-compliance or lapses in internal controls together with corrective measures recommended by internal and external auditors were reported to the AC.

The AC also reviewed the effectiveness of the measures taken by Management in response to the recommendations made by the internal and external auditors. The systems of internal controls and risk management are continually being refined by Management, the AC and the Board.

The AC has met with the internal and external auditors separately without the presence of Management for the year in review. In addition, updates on changes in accounting standards and treatment are prepared by the external auditor and circulated to the members of the AC periodically for information.

*Provision  
10.5*

### **Whistle Blowing Policy**

The Company has put in place a Whistle-Blowing Policy for the Penguin Group. The Policy serves to encourage and provide a channel for employees, shareholders, clients, consultants, vendors, contractors and sub-contractors to report in good faith and in confidence, without fear of reprisals, concerns about possible improprieties in financial reporting or other matters. The arrangement also ensures independent investigation of such matters and appropriate follow-up actions.

The AC is responsible for oversight and monitoring of whistleblowing and the AC reviews all whistleblowing complaints, if any, at its quarterly meetings to ensure independence, thorough investigation and appropriate follow-up actions are taken. The Company is committed to ensuring that whistle-blowers will be treated fairly, and protected against detrimental or unfair treatment for whistleblowing in good faith. The details of the Whistle-Blowing Policy are available on the Company's website. During FY2025, there was no incident of concern reported to the AC.

### **Significant financial statement reporting matters**

The significant issues considered by the AC in relation to financial statements during the year ended 31 December 2025 are detailed below, alongside the actions taken by the AC to address these issues.

|                                |   |
|--------------------------------|---|
| Significant matters considered | How these issues were addressed by the AC |
|--------------------------------|---|

|  |  |
|--|--|
| <b>Assessment of impairment of vessels</b> | The AC considered the approach and methodology used by management in assessing the fleet of vessels which was subjected to an impairment test. |
|--|--|

## CORPORATE GOVERNANCE REPORT (CONT'D)

The AC discussed the above with the external auditors and reviewed the reasonableness of key assumptions and methodologies used by management as well as by the independent valuer, and was satisfied that these were appropriate.

The external auditors have included the assessment of impairment of property, plant and equipment as a key audit matter in their report for the year ended 31 December 2025. This is in page 70 of the Annual Report.

### **Revenue recognition measured based on the input method**

The AC considered the approach and methodology applied to the revenue recognition for its shipbuilding contracts which is measured based on the input method to the satisfaction of a performance obligation.

The AC discussed the above with the external auditors and reviewed the reasonableness of estimates and methodology used by management, and was satisfied that these were appropriate.

The external auditors have included revenue recognition using the percentage-of-completion method as a key audit matter in their report for the year ended 31 December 2025. This is in pages 70 to 71 of the Annual Report.

### **Assessment of Tax Recoverable**

In assessing the additional tax assessed on the overseas subsidiary for the years 2018 and 2019, the AC considered Management's approach and assumptions as well as the advice from the subsidiary's external tax professional firm.

The AC discussed the above with the external auditors and reviewed the reasonableness of key assumptions and the approach adopted by management including counsel from external tax professional firm who has advised that it has become virtually certain that an inflow of economic benefits will arise in respect of the recoverability of the tax paid to the tax authorities, and accordingly the tax recoverable is recognised.

The external auditors have included their assessment of provision for taxation as a key audit matter in their report for the year ended 31 December 2025. This is at pages 71 to 72 of the annual report.

## **SHAREHOLDERS' RIGHTS AND ENGAGEMENT SHAREHOLDER RIGHTS, CONDUCT OF SHAREHOLDERS MEETINGS**

**Principle 11: The company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the company. The company gives shareholders a balanced and understandable assessment of its performance, position and prospects.**

### **Conduct of General Meetings and Interaction with Shareholders**

The Company provides shareholders with the opportunity to participate effectively in and vote at general meetings of shareholders. All shareholders are informed through notices of general meetings sent by post and such notices are also advertised in the Business Times and made available on the SGX-ST's website.

*Provision  
11.1*

All registered shareholders of the Company are invited and encouraged to attend and vote at general meetings. At the general meeting, shareholders have the opportunity to vote in person or by proxy and will be informed of voting procedures.

## CORPORATE GOVERNANCE REPORT (CONT'D)

Participation of shareholders is encouraged at the AGM through the open question and answer session. The directors and Management will be available to address any queries or concerns on matters relating to the Company at general meetings of shareholders and the external auditor will also be present to address shareholders' queries about the conduct of audit and the preparation and content of the auditor's report.

*Provision*  
11.1  
*Provision*  
11.3

All Directors attended the AGM that was held in a wholly physical format on 22 April 2025, which was the only general meeting held during the financial year.

The Board has developed several channels, such as the Group's website, email or fax, for shareholders who are not able to attend the AGM to contribute their feedback and inputs regarding the Company and its operations.

Every matter requiring shareholders' approval is proposed as a separate resolution on each substantially separate issue unless the issues are interdependent and linked so as to form one significant proposal. Where resolutions are "bundled" the Company will explain the reasons and material implications in the notice of meeting. Each item of special business included in the notice of meeting is accompanied, where appropriate, by an explanation for the proposed resolution. Proxy forms are sent with the Notice of meeting to all shareholders. Except for a shareholder who is a Relevant Intermediary as defined under Section 181(6) of the Act, a shareholder may appoint up to two proxies to attend and vote on his behalf at the general meeting through proxy forms deposited 72 hours before the meeting.

*Provision*  
11.2

As authentication of shareholder identity information is a concern, the Company has decided, for the time being, not to implement voting in absentia by mail, facsimile or email. The Company will take into account measures and legislations that may be introduced by the relevant authorities as a result of the current environment in formulating the framework and procedures to effect additional methods of voting.

*Provision*  
11.4

To promote greater transparency and effective participation, the Company conducts the voting of all its resolutions by poll at all general meetings. Upon the conclusion of the general meetings, the detailed voting results, including the total number of votes cast for or against each resolution tabled, are announced at the general meetings and via SGX-ST's website.

The Company published the minutes of its AGM held in 2025 on SGXNet and the Company's corporate website including responses to questions raised by shareholders in advance of the 2025 AGM. The minutes record substantial and relevant comments or queries from shareholders relating to the agenda of the general meeting and the responses from the Board, Management and auditors.

*Provision*  
11.5

### **Dividend Policy**

The Company has not formally instituted a dividend policy. In proposing any dividend payout and/or determining the form, frequency and/or the amount of such dividend payout, the Board will take into account, inter alia, the Group's financial position, retained earnings, results of operations and cash flows, the ability of the Company's subsidiaries to make dividend payments to the Company, the Group's expected working capital requirements, the Group's expected capital expenditure and future expansion and investment plans and other funding requirements, general economic conditions and other internal or external factors that may have an impact on the business or financial performance and position of the Group.

*Provision*  
11.6

## CORPORATE GOVERNANCE REPORT (CONT'D)

The Board endeavours to maintain a balance between meeting shareholders' expectations and prudent capital management with a sustainable dividend policy. The Board will continually review the dividend policy and reserves the right in its sole and absolute discretion to update, amend, modify and/or cancel the dividend policy at any time. The declaration and payment of any dividend will be recommended by the directors and the final dividend (if any) will be subject to approval by shareholders.

### **ENGAGEMENT WITH SHAREHOLDERS**

**Principle 12: The company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the company.**

Communication with shareholders and the investment community is maintained through regular dissemination of information such as announcements on half-yearly and full year results, press releases on the SGXNet and the Company's corporate website. To facilitate shareholders' ownership rights, the Company ensures that all material information is disclosed in a comprehensive, accurate and timely basis via SGXNet especially information pertaining to the Company's business development and financial performance which could have a material impact on the price or value of its shares so as to enable shareholders to make informed decisions in respect of their investments in the Company.

*Provision*  
12.1  
*Provision*  
12.2  
*Provision*  
12.3

Although the Company does not have an investor relations policy, it has an Investor Relations Section on its corporate website where shareholders and other stakeholders may contact the Company with feedback or questions and there are procedures in place for following up and responding to stakeholders' queries as soon as applicable.

*Provision*  
12.2

The Company values dialogue with its shareholders and believes in regular, effective and fair communication with its shareholders and is committed to hearing shareholders' views and addressing their concerns where possible.

General meetings have been and are still the principal forum for dialogue with shareholders. Shareholders' views are sought at general meetings and shareholders are given the opportunity to air their views and ask the directors and management questions regarding the Company and the Group.

The Company is committed to treating all shareholders fairly and equitably and keep all shareholders and other stakeholders informed of its corporate activities, including changes in the Company or its business which would be likely to materially affect the price or value of its shares on a timely basis.

### **MANAGING STAKEHOLDERS RELATIONSHIPS ENGAGEMENT WITH STAKEHOLDERS**

**Principle 13: The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the company are served.**

The Company values input from all of its stakeholder groups and uses a variety of channels and platforms, including the Company's website [www.penguin.com.sg](http://www.penguin.com.sg), to engage with them as well as receive their feedback. The Company identifies stakeholders as groups that have an impact or have the potential to be impacted by its business, as well as those external organisations that have expertise in aspects that the Company considers material.

*Provision*  
13.1

## CORPORATE GOVERNANCE REPORT (CONT'D)

The Company's efforts on sustainability are focussed on creating sustainable value for our key stakeholders, which include communities, customers, staff, regulators, shareholders and vendors. More details are set out in the standalone Sustainability Report for FY2025 that will be released on SGXNet by 30 April 2026.

*Provision*  
13.2

The Company does not practice selective disclosure of material information. Price sensitive information is always announced to the SGX-ST through SGXNet after trading hours and in a timely manner. Financial results and annual reports are announced or issued to the SGX-ST within the mandatory periods and the annual reports are also made available on the Company's website – [www.penguin.com.sg](http://www.penguin.com.sg). The Company's website is updated regularly and contains various information on the Company and the Group and serves as an important resource for investors and all stakeholders.

*Provision*  
13.3

### OTHER CORPORATE GOVERNANCE MATTERS

#### DEALINGS IN SECURITIES

The Group has put in place an internal compliance code (the "Compliance Code") which prohibits dealings in the securities of the Company by the Company, directors and employees while in possession of unpublished material price-sensitive information, and during the period beginning one month before the announcement of the half year and full year financial statements results and ending on the date of the announcement.

*Rule*  
1207(19)(A)  
and (C)

The Compliance Code discourages all the directors and employees of the Group to deal in securities on short-term considerations. Directors are required to report securities dealings within two business days of such dealings, to the Company Secretary, who will assist to make the necessary announcements via the SGXNet.

Directors and all officers are cautioned to observe insider trading regulations at all times.

*Rule*  
1207(19)(B)

#### MATERIAL CONTRACTS

Save as disclosed below, there were no material contracts of the Company or any of its subsidiaries involving the interest of any director or controlling shareholder, either still subsisting at the end of the financial year or if not then subsisting, entered into since the end of the previous financial year.

*Rule*  
1207(8)

#### INTERESTED PERSON TRANSACTIONS

The Group has established procedures to ensure that transactions with interested persons are undertaken on an arm's length basis and on normal commercial terms. The AC reviews on a quarterly basis all interested persons transactions to ensure that the prevailing Rules and regulations of the SGX-ST (in particular, Chapter 9 of the SGX-ST Listing Manual) are complied with.

*Rule*  
1207(17)  
1207(18)

The Group does not currently have in place a general mandate for interested person transactions. There were no interested person transactions of \$100,000 or more in FY2025.

## CORPORATE GOVERNANCE REPORT (CONT'D)

### OTHER DISCLOSURE REQUIREMENTS

There are no material developments after the preliminary announcement that would affect the performance of the Group.

### CORPORATE SOCIAL RESPONSIBILITY

In the introduction to the 2018 Code, it is stated that companies that embrace the tenets of good governance, including accountability, transparency and sustainability, are more likely to engender investor confidence and achieve long-term sustainable business performance. The Board strives to align the Group's strategic policies and practices with leading standards in the Environmental, Social and Governance (ESG) themes. Details of the Group's sustainability practices, including the corporate social responsibility initiatives during FY2025 and material ESG factors, are set out in the Company's stand-alone Sustainability Report that will be released on SGXNet by 30 April 2026.

## DIRECTORS' STATEMENT

The Directors are pleased to present their statement to the members together with the audited consolidated financial statements of Penguin International Limited (the "Company") and its subsidiaries (collectively, the "Group") as at 31 December 2025 and the statement of financial position as at 31 December 2025 and statement of changes in equity of the Company for the financial year ended 31 December 2025.

### OPINION OF THE DIRECTORS

In the opinion of the Directors,

- (a) the consolidated financial statements of the Group, and the statement of financial position and statement of changes in equity of the Company are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2025 and the financial performance, changes in equity and cash flows of the Group and changes in equity of the Company for the 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:

Jeffrey Hing Yih Peir  
 James Tham Tuck Choong  
 Joanna Tung May Fong  
 Winston Kwek Choon Lin  
 Henry Tan Song Kok  
 Keith Tan Keng Soon  
 Tan Poh Lee Paul (Appointed on 01 May 2025)

### ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES OR DEBENTURES

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose object is, 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' STATEMENT (CONT'D)

### DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

The Director, who held office at the end of the financial year, had, according to the register of directors' shareholdings required to be kept under Section 164 of the Singapore Companies Act 1967, an interest in shares and share options of the Company and related corporations (other than wholly-owned subsidiaries), as stated below:

| Name of Director                                       | Held in the name of Director       |                                  |                    | Deemed interest                    |                                  |                    |
|--|------------------------------------|----------------------------------|--------------------|------------------------------------|----------------------------------|--------------------|
|  | At the beginning of financial year | At the end of the financial year | At 21 January 2026 | At the beginning of financial year | At the end of the financial year | At 21 January 2026 |
| <b>The Company</b>                                     |                                    |                                  |                    |                                    |                                  |                    |
| <b>Penguin International Limited (Ordinary shares)</b> |                                    |                                  |                    |                                    |                                  |                    |
| Jeffrey Hing Yih Peir                                  | –                                  | –                                | –                  | 195,765,603                        | 195,765,603                      | 195,765,603        |

By virtue of Section 7 of the Companies Act 1967, Jeffrey Hing Yih Peir is deemed to have an interest in the ordinary shares of all the subsidiary companies at the beginning and at the end of the financial year.

Except as disclosed in this statement, no Director who held office at the end of the financial year had interests in shares, share options, warrants or debentures of the Company, or of related corporations, either at the beginning of the financial year, or at date of appointment if later, or at the end of the financial year.

### OPTIONS

No options to take up unissued shares of the Company or its subsidiaries were granted and no shares were issued by virtue of the exercise of options to take up unissued shares of the Company or its subsidiaries. There were no other unissued shares in the Company or its subsidiaries under option at the end of the financial year.

### AUDIT COMMITTEE

The Audit Committee carried out its functions in accordance with Section 201B(5) of the Singapore Companies Act 1967. The functions performed are detailed in the Report on Corporate Governance.

## DIRECTORS' STATEMENT (CONT'D)

### AUDITOR

The auditor, PKF-CAP LLP, has expressed its willingness to accept re-appointment.

On behalf of the Board of Directors,

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James Tham Tuck Choong  
Director

31 March 2026

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Joanna Tung May Fong  
Director

## INDEPENDENT AUDITOR'S REPORT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

*Independent Auditor's Report to the Members of Penguin International Limited*

### REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

#### Opinion

We have audited the financial statements of Penguin International Limited (the "Company") and its subsidiaries (collectively, the "Group"), which comprise the statements of financial position of the Group and the Company as at 31 December 2025, the statements of changes in equity of the Group and the Company and the consolidated statement of profit or loss and other comprehensive income 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 as set out on pages 75 to 147.

In our opinion, the accompanying consolidated financial statements of the Group, the statement of financial position and the statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)s") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2025 and of the consolidated financial performance, changes in equity and consolidated cash flows of the Group and changes in equity of the Company 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 Company 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. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled our responsibilities described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

# INDEPENDENT AUDITOR'S REPORT (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## Key Audit Matters (Cont'd)

### (i) Assessment of impairment of vessels (Refer to Note 13)

The carrying amount of the Group's vessels as at 31 December 2025 amounted to approximately \$156 million as disclosed in Note 13 to the financial statements. For vessels with indication of impairment or impairment provision, the Group had performed impairment test to determine if there is impairment or write back of impairment on the vessels. To determine the recoverable amount of the vessels being tested, management had engaged an independent valuer to determine the fair value of the vessels. We identified this as a key audit matter as the estimation of the recoverable amount involved significant management judgement and estimation.

We designed our audit procedures to be responsive to this risk. As part of our audit:

- We performed an evaluation of the Group's policies and procedures to identify indicators for potential impairment of vessels.
- Checked that management's impairment assessment covered those vessels with indicators of impairment.
- For vessels where the fair value was determined based on the value provided by an independent valuer, we evaluated the work of the independent valuer, considering the independence, objectivity and expertise of the independent valuer.
- Engaged our valuation specialist to assess the appropriateness of the valuation methodology and reasonableness of the assumptions used by independent valuer.
- We also assessed the adequacy of the disclosure in the financial statements.

### (ii) Revenue recognition measured based on the input method (Refer to Note 3.1b)

The Group has shipbuilding revenue amounting to approximately \$73 million for the year ended 31 December 2025 which was recognised over time using the input method to measure the progress of satisfaction of the performance obligation.

The determination of the progress towards complete satisfaction of the performance obligation over time involved significant management judgement and estimates as these shipbuilding contracts were measured by reference to the actual completion rate based on actual inputs at reporting date over expected total inputs required to complete the project to derive the progress of the contract work completed.

Given the magnitude of the amount and that the determination of total expected inputs to satisfy the performance obligation required significant management judgement and estimates, we have identified this as a key audit matter.

# INDEPENDENT AUDITOR'S REPORT (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## Key Audit Matters (Cont'd)

### (ii) Revenue recognition measured based on the input method (Refer to Note 3.1b) (Cont'd)

We designed our audit procedures to be responsive to this risk. As part of our audit:

- We reviewed the shipbuilding contracts recognised over time entered into by the Group in assessing the performance obligations identified by management and the satisfaction of those performance obligations.
- We re-computed revenue recognised for the current financial year based on the respective progress of the entity in satisfying the performance obligation of the contract and traced these to the accounting records.
- We evaluated the appropriateness of management's estimation process for the percentage completed at the reporting date through the following:
  - a) We considered the level of competency, expertise and objectivity of the management personnel who performed the assessment;
  - b) We assessed the objectiveness of the criteria employed by management in measuring the level of completion of the relevant activities;
  - c) We tested the inputs used by management in determining the level of completion of the relevant activities of the shipbuilding contracts recognised over time;
  - d) We tested the expected total inputs to the approved budget and subsequent revisions made throughout the project.
- We considered the adequacy of the Group's disclosures in respect of revenue from shipbuilding contracts recognised over time.

### (iii) Assessment of tax recoverable (Refer to Note 3.2b and Note 19)

An overseas subsidiary of the Group has received notices of tax assessments following tax audits carried out on the subsidiary for the years 2018 and 2019. An additional tax payable of \$2.3 million was required based on the tax assessments received. The foreign subsidiary has paid the additional tax amount in FY2022.

Based on the advice from the subsidiary's external tax professional firm, management believes that it has become virtually certain that an inflow of economic benefits will arise in respect of the recoverability of the above tax paid to the tax authorities, and accordingly this has been recognised as tax recoverable in the financial statements as disclosed in Note 19.

Assessing whether the recognition criteria under SFRS(I) 1-37 for recognising the tax recoverable were met involves significant judgement. The assessment requires management to evaluate complex foreign tax regulations, the merits of an ongoing multi-year tax dispute, and external professional advice. Given the magnitude of the balance, the inherent estimation uncertainty arising from tax litigation, and the level of auditor judgement applied in evaluating management's conclusion, we have identified this as a key audit matter.

# INDEPENDENT AUDITOR'S REPORT (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## Key Audit Matters (Cont'd)

### (iii) **Assessment of tax recoverable (Refer to Note 3.2b and Note 19) (Cont'd)**

We designed our audit procedures to be responsive to this risk. As part of our audit:

- We inquired management and the representatives of the subsidiary's external tax professional firm to understand the basis of their evaluation and assessment of the probability and magnitude of the tax recoverable relating to the tax appeal, and on the conclusion reached in accordance with SFRS(I) 1-37 – Provisions, Contingent Liabilities and Contingent Assets.
- We obtained and reviewed the notice of tax assessments and any other correspondences issued to the subsidiary by the tax authorities;
- We reviewed the audit working papers and discussed with the component auditor on its evaluation and conclusion reached in relation to this matter; and
- We assessed the adequacy of the disclosure in the financial statements.

## Other Information

Management is responsible for 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.

# INDEPENDENT AUDITOR'S REPORT (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## Responsibilities of Management and Directors for the Financial Statements (Cont'd)

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.
- 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.

# INDEPENDENT AUDITOR'S REPORT (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

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

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

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

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current 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 subsidiary corporations incorporated in Singapore of which we are the auditor 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 Chew Wei Jim.

## PKF-CAP LLP

Public Accountants and  
Chartered Accountants

Singapore

31 March 2026

# CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

|   | Note | 2025<br>\$'000 | 2024<br>\$'000 |
|---|------|----------------|----------------|
| Revenue                                       | 4    | 266,969        | 235,844        |
| Cost of sales                                 |      | (177,504)      | (151,336)      |
| <b>Gross profit</b>                           |      | 89,465         | 84,508         |
| Other income                                  | 5    | 14,937         | 7,891          |
| Marketing and distribution costs              |      | (1,271)        | (835)          |
| Administrative expenses                       | 6    | (35,122)       | (30,539)       |
| Other operating expenses                      | 7    | (22,780)       | (13,973)       |
| Trade receivables written off                 |      | –              | (1,378)        |
| Reversal/(provision) for expected credit loss |      | 319            | (595)          |
| Results from operating activities             |      | 45,548         | 45,079         |
| Finance costs                                 | 8    | (2,475)        | (2,823)        |
| Finance income                                | 8    | 945            | 1,247          |
| <b>Profit before tax</b>                      | 10   | 44,018         | 43,503         |
| Income tax expense                            | 11   | (8,545)        | (7,973)        |
| <b>Profit for the year</b>                    |      | 35,473         | 35,530         |
| <b>Attributable to:</b>                       |      |                |                |
| Owners of the Company                         |      | 35,474         | 35,531         |
| Non-controlling interests                     |      | (1)            | (1)            |
| <b>Profit for the year</b>                    |      | 35,473         | 35,530         |
| <b>Earnings per share (cents per share)</b>   |      |                |                |
| - Basic                                       | 12   | 16.11          | 16.14          |
| - Diluted                                     | 12   | 16.11          | 16.14          |

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

# CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

|  | Note | 2025<br>\$'000 | 2024<br>\$'000 |
|--|------|----------------|----------------|
| <b>Profit for the year</b>   |      | 35,473         | 35,530         |
| <b>Other comprehensive income:</b>   |      |                |                |
| <b>Items that may be reclassified subsequently to profit or loss</b>               |      |                |                |
| Net effect of exchange differences arising from quasi capital loan to subsidiaries | 32   | (3,797)        | 2,842          |
| Foreign currency translation   | 32   | (941)          | (285)          |
| Net fair value changes on cash flow hedges   | 32   | (1,304)        | –              |
|  |      | (6,042)        | 2,557          |
| <b>Items that will not be reclassified subsequently to profit or loss</b>          |      |                |                |
| Changes in fair value of equity investment at FVOCI                                | 15   | 27,685         | 729            |
| <b>Other comprehensive income for the year, net of tax</b>                         |      | 21,643         | 3,286          |
| <b>Total comprehensive income for the year</b>                                     |      | 57,116         | 38,816         |
| <b>Attributable to:</b>  |      |                |                |
| Owners of the Company  |      | 57,117         | 38,817         |
| Non-controlling interests  |      | (1)            | (1)            |
| <b>Total comprehensive income for the year</b>                                     |      | 57,116         | 38,816         |

# STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2025

|                                    | Note | Group<br>2025<br>2024<br>\$'000 |         | Company<br>2025<br>2024<br>\$'000 |         |
|------------------------------------|------|---------------------------------|---------|-----------------------------------|---------|
| <b>Non-current assets</b>          |      |                                 |         |                                   |         |
| Property, plant and equipment      | 13   | 204,317                         | 172,807 | 737                               | 1,101   |
| Right-of-use assets                | 28   | 8,124                           | 8,812   | –                                 | –       |
| Investment in subsidiaries         | 14   | –                               | –       | 100,967                           | 99,858  |
| Other investments                  | 15   | 40,799                          | 13,114  | 40,799                            | 13,114  |
| Intangible asset                   | 16   | 78                              | 78      | –                                 | –       |
| Trade receivables                  | 18   | 2,057                           | 7,970   | –                                 | –       |
| Other receivables                  | 19   | 2,467                           | 1,285   | –                                 | –       |
|                                    |      | 257,842                         | 204,066 | 142,503                           | 114,073 |
| <b>Current assets</b>              |      |                                 |         |                                   |         |
| Inventories                        | 17   | 80,152                          | 69,857  | –                                 | –       |
| Trade receivables                  | 18   | 33,252                          | 41,757  | 2,072                             | 5,037   |
| Other receivables and deposits     | 19   | 34,544                          | 26,827  | 389                               | 223     |
| Contract assets                    | 26   | 16,734                          | 22,297  | 2,872                             | 15,821  |
| Prepayments                        |      | 4,206                           | 3,272   | 225                               | 179     |
| Derivatives                        | 21   | 11                              | 952     | –                                 | 952     |
| Loans to subsidiaries              | 20   | –                               | –       | 130,549                           | 82,592  |
| Fixed deposits                     | 22   | 7,281                           | 7,322   | 3,834                             | 3,916   |
| Cash and bank balances             | 22   | 30,997                          | 26,661  | 2,697                             | 1,688   |
|                                    |      | 207,177                         | 198,945 | 142,638                           | 110,408 |
| Assets classified as held for sale |      | –                               | 4,201   | –                                 | –       |
|                                    |      | 207,177                         | 203,146 | 142,638                           | 110,408 |
| <b>Current liabilities</b>         |      |                                 |         |                                   |         |
| Trade payables                     | 23   | 29,231                          | 11,583  | 7                                 | 9       |
| Other payables and accruals        | 24   | 33,069                          | 31,329  | 4,448                             | 4,171   |
| Provisions                         | 25   | 1,982                           | 2,200   | –                                 | –       |
| Contract liabilities               | 26   | 28,021                          | 41,586  | 3                                 | –       |
| Derivatives                        | 21   | 1,334                           | 693     | 963                               | 585     |
| Provision for income tax           |      | 7,405                           | 6,982   | 219                               | 922     |
| Lease liabilities                  | 28   | 1,886                           | 1,579   | –                                 | –       |
| Term loans                         | 27   | 20,241                          | 14,034  | 5,041                             | 8,072   |
| Deposits from subsidiaries         | 20   | –                               | –       | 87,826                            | 48,496  |
|                                    |      | 123,169                         | 109,986 | 98,507                            | 62,255  |
| <b>Net current assets</b>          |      | 84,008                          | 93,160  | 44,131                            | 48,153  |

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

## STATEMENTS OF FINANCIAL POSITION (CONT'D)

AS AT 31 DECEMBER 2025

|                                | Note | Group          |                | Company        |                |
|--------------------------------|------|----------------|----------------|----------------|----------------|
|                                |      | 2025<br>\$'000 | 2024<br>\$'000 | 2025<br>\$'000 | 2024<br>\$'000 |
| <b>Non-current liabilities</b> |      |                |                |                |                |
| Deferred tax liabilities       | 30   | 9,004          | 8,211          | 531            | 688            |
| Provisions                     | 25   | 2,198          | 2,167          | –              | –              |
| Lease liabilities              | 28   | 6,834          | 7,695          | –              | –              |
| Term loans                     | 27   | 34,665         | 36,464         | 12,549         | 14,264         |
|                                |      | 52,701         | 54,537         | 13,080         | 14,952         |
| <b>Net assets</b>              |      | 289,149        | 242,689        | 173,554        | 147,274        |
| <b>Equity</b>                  |      |                |                |                |                |
| Share capital                  | 31   | 94,943         | 94,943         | 94,943         | 94,943         |
| Retained earnings              |      | 175,064        | 150,246        | 45,812         | 47,217         |
| Other reserves                 | 32   | 19,151         | (2,492)        | 32,799         | 5,114          |
|                                |      | 289,158        | 242,697        | 173,554        | 147,274        |
| Non-controlling interests      |      | (9)            | (8)            | –              | –              |
| <b>Total equity</b>            |      | 289,149        | 242,689        | 173,554        | 147,274        |

## STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

|  | Attributable to owners of the Company |                          |                             |                     | Non-controlling interests<br>\$'000 | Total equity<br>\$'000 |
|--|---------------------------------------|--------------------------|-----------------------------|---------------------|-------------------------------------|------------------------|
|  | Share capital<br>\$'000               | Other reserves<br>\$'000 | Retained earnings<br>\$'000 | Sub-total<br>\$'000 |                                     |                        |
| <b>Group</b>   |                                       |                          |                             |                     |                                     |                        |
| <b>2025</b>  |                                       |                          |                             |                     |                                     |                        |
| <b>Opening balance as at 1 January 2025</b>  | 94,943                                | (2,492)                  | 150,246                     | 242,697             | (8)                                 | 242,689                |
| Profit for the year  | –                                     | –                        | 35,474                      | 35,474              | (1)                                 | 35,473                 |
| <u>Other comprehensive income</u>  |                                       |                          |                             |                     |                                     |                        |
| Net effect of exchange differences arising from quasi capital loan to subsidiaries | –                                     | (3,797)                  | –                           | (3,797)             | –                                   | (3,797)                |
| Foreign currency translation   | –                                     | (941)                    | –                           | (941)               | –                                   | (941)                  |
| Net fair value changes in cash flow hedges   | –                                     | (1,304)                  | –                           | (1,304)             | –                                   | (1,304)                |
| Change in fair value of equity investment at FVOCI                                 | –                                     | 27,685                   | –                           | 27,685              | –                                   | 27,685                 |
| Other comprehensive income for the year, net of tax                                | –                                     | 21,643                   | –                           | 21,643              | –                                   | 21,643                 |
| Total comprehensive income for the year  | –                                     | 21,643                   | 35,474                      | 57,117              | (1)                                 | 57,116                 |
| <u>Contributions by and distributions to owners</u>                                |                                       |                          |                             |                     |                                     |                        |
| Dividends paid   | –                                     | –                        | (10,656)                    | (10,656)            | –                                   | (10,656)               |
| Total contributions by and distributions to owners                                 | –                                     | –                        | (10,656)                    | (10,656)            | –                                   | (10,656)               |
| <b>Closing balance at 31 December 2025</b>   | 94,943                                | 19,151                   | 175,064                     | 289,158             | (9)                                 | 289,149                |

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

## STATEMENTS OF CHANGES IN EQUITY (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

| Group  | Attributable to owners of the Company |                          |                             |                     | Non-controlling interests<br>\$'000 | Total equity<br>\$'000 |
|--|---------------------------------------|--------------------------|-----------------------------|---------------------|-------------------------------------|------------------------|
|  | Share capital<br>\$'000               | Other reserves<br>\$'000 | Retained earnings<br>\$'000 | Sub-total<br>\$'000 |                                     |                        |
|  | <b>2024</b>                           |                          |                             |                     |                                     |                        |
| <b>Opening balance as at 1 January 2024</b>  | 94,943                                | (5,778)                  | 122,245                     | 211,410             | (7)                                 | 211,403                |
| Profit for the year  | –                                     | –                        | 35,531                      | 35,531              | (1)                                 | 35,530                 |
| <u>Other comprehensive income</u>  |                                       |                          |                             |                     |                                     |                        |
| Net effect of exchange differences arising from quasi capital loan to subsidiaries | –                                     | 2,842                    | –                           | 2,842               | –                                   | 2,842                  |
| Foreign currency translation   | –                                     | (285)                    | –                           | (285)               | –                                   | (285)                  |
| Change in fair value of equity investment at FVOCI                                 | –                                     | 729                      | –                           | 729                 | –                                   | 729                    |
| Other comprehensive income for the year, net of tax                                | –                                     | 3,286                    | –                           | 3,286               | –                                   | 3,286                  |
| Total comprehensive income for the year  | –                                     | 3,286                    | 35,531                      | 38,817              | (1)                                 | 38,816                 |
| <u>Contributions by and distributions to owners</u>                                |                                       |                          |                             |                     |                                     |                        |
| Dividends paid   | –                                     | –                        | (7,530)                     | (7,530)             | –                                   | (7,530)                |
| Total contributions by and distributions to owners                                 | –                                     | –                        | (7,530)                     | (7,530)             | –                                   | (7,530)                |
| <b>Closing balance at 31 December 2024</b>   | 94,943                                | (2,492)                  | 150,246                     | 242,697             | (8)                                 | 242,689                |

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

## STATEMENTS OF CHANGES IN EQUITY (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

| Company   | Share capital<br>\$'000 | Other reserve<br>\$'000 | Retained earnings<br>\$'000 | Total equity<br>\$'000 |
|---|-------------------------|-------------------------|-----------------------------|------------------------|
|   | <b>2025</b>             |                         |                             |                        |
| <b>Opening balance at 1 January 2025</b>            | 94,943                  | 5,114                   | 47,217                      | 147,274                |
| Profit for the year                                 | –                       | –                       | 9,251                       | 9,251                  |
| <u>Other comprehensive income</u>                   |                         |                         |                             |                        |
| Change in fair value of equity investment at FVOCI  | –                       | 27,685                  | –                           | 27,685                 |
| Total comprehensive income for the year             | –                       | 27,685                  | 9,251                       | 36,936                 |
| <u>Contributions by and distributions to owners</u> |                         |                         |                             |                        |
| Dividends paid                                      | –                       | –                       | (10,656)                    | (10,656)               |
| Total contributions by and distributions to owners  | –                       | –                       | (10,656)                    | (10,656)               |
| <b>Closing balance at 31 December 2025</b>          | 94,943                  | 32,799                  | 45,812                      | 173,554                |

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

## STATEMENTS OF CHANGES IN EQUITY (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

|   | Share<br>capital<br>\$'000 | Other<br>reserve<br>\$'000 | Retained<br>earnings<br>\$'000 | Total<br>equity<br>\$'000 |
|---|----------------------------|----------------------------|--------------------------------|---------------------------|
| <b>Company</b>                                      |                            |                            |                                |                           |
| <b>2024</b>   |                            |                            |                                |                           |
| Opening balance at 1 January 2024                   | 94,943                     | 4,385                      | 48,512                         | 147,840                   |
| Profit for the year                                 | –                          | –                          | 6,235                          | 6,235                     |
| <u>Other comprehensive income</u>                   |                            |                            |                                |                           |
| Change in fair value of equity investment at FVOCI  | –                          | 729                        | –                              | 729                       |
| Total comprehensive income for the year             | –                          | 729                        | 6,235                          | 6,964                     |
| <u>Contributions by and distributions to owners</u> |                            |                            |                                |                           |
| Dividends paid                                      | –                          | –                          | (7,530)                        | (7,530)                   |
| Total contributions by and distributions to owners  | –                          | –                          | (7,530)                        | (7,530)                   |
| <b>Closing balance at 31 December 2024</b>          | <b>94,943</b>              | <b>5,114</b>               | <b>47,217</b>                  | <b>147,274</b>            |

## CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

|  | Note | 2025<br>\$'000 | 2024<br>\$'000 |
|--|------|----------------|----------------|
| <b>Operating activities</b>  |      |                |                |
| Profit before tax  |      | 44,018         | 43,503         |
| Adjustments for:   |      |                |                |
| Depreciation of property, plant and equipment and right-of-use assets              |      | 20,803         | 17,940         |
| Gain on disposal of property, plant and equipment                                  | 5    | (12,154)       | (4,357)        |
| Property, plant and equipment cost used in conversion works on third party vessels |      | –              | 306            |
| Property, plant and equipment written off  |      | 13             | 1              |
| Interest expense   |      | 2,325          | 2,659          |
| Interest income  | 8    | (945)          | (1,247)        |
| Trade receivables written off  |      | –              | 1,378          |
| (Reversal)/ provision for expected credit loss                                     | 18   | (319)          | 595            |
| Reversal of impairment of property, plant and equipment                            |      | –              | (26)           |
| Inventory written off  |      | 1              | –              |
| Provision for employee retirement benefits   |      | 41             | (15)           |
| Net fair value loss/ (gain) on derivatives   |      | 278            | (133)          |
| Provision for warranty claims on shipbuilding contracts, net                       | 25   | 1,121          | 1,111          |
| Currency alignment   |      | 1,303          | (701)          |
| Operating cash flows before changes in working capital                             |      | 56,485         | 61,014         |
| Inventories  |      | (34,195)       | (24,486)       |
| Trade receivables  |      | 14,737         | 2,474          |
| Other receivables, deposits and prepayments  |      | (9,767)        | 10,041         |
| Contract assets  |      | 5,563          | (17,109)       |
| Trade payables   |      | 17,648         | 2,448          |
| Other payables and accruals  |      | 1,740          | (3,526)        |
| Provisions   |      | (1,339)        | (258)          |
| Contract liabilities   |      | (13,565)       | (9,949)        |
| Cash flows generated from operations   |      | 37,307         | 20,649         |
| Interest paid  |      | (2,325)        | (2,659)        |
| Interest received  |      | 945            | 1,247          |
| Income taxes paid, net   |      | (7,460)        | (2,487)        |
| Net cash flows generated from operating activities                                 |      | 28,467         | 16,750         |

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

The accompanying accounting policies and explanatory 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<br>\$'000 | 2024<br>\$'000 |
|--|------|----------------|----------------|
| <b>Investing activities</b>                                  |      |                |                |
| Proceeds from disposal of property, plant and equipment      |      | 33,430         | 12,848         |
| Additions to property, plant and equipment                   |      | (48,185)       | (19,882)       |
| Net cash flows used in investing activities                  |      | (14,755)       | (7,034)        |
| <b>Financing activities</b>                                  |      |                |                |
| Proceeds from term loans                                     |      | 21,955         | 25,260         |
| Repayment of term loans                                      |      | (17,041)       | (19,110)       |
| Dividends paid   | 36   | (10,656)       | (7,530)        |
| Payment of principal portion of lease liabilities            | 28b  | (2,799)        | (1,546)        |
| Increase in pledged deposits with licensed bank              |      | 41             | (592)          |
| Net cash flows used in financing activities                  |      | (8,500)        | (3,518)        |
| <b>Net increase in cash and cash equivalents</b>             |      | 5,212          | 6,198          |
| Effect of exchange rate changes on cash and cash equivalents |      | (876)          | 433            |
| Cash and cash equivalents at 1 January                       |      | 26,417         | 19,786         |
| <b>Cash and cash equivalents at 31 December</b>              | 22   | 30,753         | 26,417         |

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

### 1. CORPORATE INFORMATION

Penguin International Limited (the "Company") is a limited liability company incorporated and domiciled in Singapore and is listed on the Singapore Exchange Securities Trading Limited (SGX-ST).

The registered office and principal place of business of the Company is located at 21 Tuas Road, Singapore 638489.

The principal activities of the Company are to act as: (i) owners and operators of passenger ferries, (ii) designers and builders of search-and-rescue vessels, and (iii) investment holding. The principal activities of the subsidiaries are disclosed in Note 14 to the financial statements.

### 2. MATERIAL ACCOUNTING POLICY INFORMATION

#### 2.1 *Basis of preparation*

The consolidated financial statements of the Group and statement of financial position and statement of changes in equity of the Company have been prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS (I)").

The financial statements have been prepared on a historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in Singapore Dollars ("SGD" or "\$") which are rounded to the nearest thousand ("\$'000") except when otherwise indicated.

#### 2.2 *Adoption of new and amended standards and interpretations*

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Group has adopted all the new and amended standards which are relevant to the Group and are effective for annual financial period beginning on 1 January 2025. The adoption of these standards did not have any material effect on the financial statements of the Group.

*The accompanying accounting policies and explanatory notes form an integral part of the financial statements.*

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

### 2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

#### 2.3 *Standards issued but not yet effective*

A number of new standards and amendments to standard that have been issued are not yet effective and have not been applied in preparing these financial statements.

| Description  | Effective for annual periods beginning on or after |
|--|--|
| Amendments to SFRS(I) 9 and SFRS(I) 7: Classification and Measurement of Financial Instruments                                   | 1 Jan 2026   |
| Annual Improvements to SFRS(I) Volume 11   | 1 Jan 2026   |
| SFRS(I) 18: Presentation and Disclosure in Financial Statements  | 1 Jan 2027   |
| SFRS(I) 19: Subsidiaries without Public Accountability: Disclosures  | 1 Jan 2027   |
| Amendments to SFRS(I) 10 and SFRS(I) 1-28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture | To be determined                                   |

Except for SFRS(I) 18, the directors expect that the adoption of these new and amended standards will have no material impact on the financial statements in the year of initial application.

SFRS(I) 18 introduces new requirements to:

- i) Present specified categories and defined subtotals in the consolidation statement of profit or loss and other comprehensive income;
- ii) Provide disclosures on management-defined performance measures (MPMs) in the notes to the financial statements; and
- iii) Improve aggregation and disaggregation.

An entity is required to apply SFRS(I) 18 for annual reporting periods beginning on or after 1 January 2027, with earlier application permitted. SFRS(I) 18 requires retrospective application with specific transition provisions. The directors are currently evaluating the impact, if any arising from the implementation of SFRS(I) 18.

#### 2.4 *Basis of consolidation and business combinations*

##### (a) *Basis of consolidation*

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the end of the reporting period. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances.

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Losses within a subsidiary are attributed to the non-controlling interest even if that results in a deficit balance.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

### 2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

#### 2.4 *Basis of consolidation and business combinations (cont'd)*

##### (a) *Basis of consolidation (cont'd)*

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost;
- Derecognises the carrying amount of any non-controlling interest;
- Derecognises the cumulative translation differences recorded in equity;
- Recognises the fair value of the consideration received;
- Recognises the fair value of any investment retained;
- Recognises any surplus or deficit in profit or loss;
- Reclassifies the Group's share of components previously recognised in other comprehensive income to profit or loss or retained earnings, as appropriate.

##### (b) *Business combinations*

Business combinations are accounted for by applying the acquisition method. Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred and the services are received.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability, will be recognised in profit or loss.

The Group elects for each individual business combination, whether non-controlling interest in the acquiree (if any), that are present ownership interests and entitle their holders to a proportionate share of net assets in the event of liquidation, is recognised on the acquisition date at fair value, or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets. Other components of non-controlling interests are measured at their acquisition date fair value, unless another measurement basis is required by another SFRS(I).

Any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interest in the acquiree (if any), and the fair value of the Group's previously held equity interest in the acquiree (if any), over the net fair value of the acquiree's identifiable assets and liabilities is recorded as goodwill.

The accounting policy for goodwill is set out in Note 2.8. In instances where the latter amount exceeds the former, the excess is recognised as gain on bargain purchase in profit or loss on the acquisition date.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

### 2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

#### 2.5 *Transactions with non-controlling interests*

Non-controlling interest represents the equity in subsidiaries not attributable, directly or indirectly, to owners of the Company.

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

#### 2.6 *Foreign currency*

The Group's consolidated financial statements are presented in Singapore Dollars, which is also the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

##### (a) *Transactions and balances*

Transactions in foreign currencies are measured in the respective functional currencies of the Company and its subsidiaries and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the end of the reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in profit or loss except for exchange differences arising on monetary items that form part of the Group's net investment in foreign operations, which are recognised initially in other comprehensive income and accumulated under foreign currency translation reserve in equity. The foreign currency translation reserve is reclassified from equity to profit or loss of the Group on disposal of the foreign operation.

##### (b) *Consolidated financial statements*

For consolidation purpose, the assets and liabilities of foreign operations are translated into SGD at the rate of exchange ruling at the end of the reporting period and their profit or loss are translated at the exchange rates prevailing at the date of the transactions. The exchange differences arising on the translation are recognised in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in profit or loss.

#### 2.7 *Subsidiaries*

A subsidiary is an investee that is controlled by the Group. The Group controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

In the Company's separate financial statements, investments in subsidiaries are accounted for at cost less impairment losses.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

### 2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

#### 2.8 *Goodwill*

Goodwill is initially measured at cost. Following initial recognition, goodwill is measured at cost less any accumulated impairment losses.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to the Group's cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

The cash-generating unit to which goodwill has been allocated is tested for impairment annually and whenever there is an indication that the cash-generating unit may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit 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 periods.

Where goodwill forms part of a cash-generating unit and part of the operation within that cash-generating unit 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. Goodwill disposed of in this circumstance is measured based on the relative fair values of the operation disposed of and the portion of the cash-generating unit retained.

#### 2.9 *Property, plant and equipment*

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. The cost includes the cost of replacing part of the property, plant and equipment and borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying property, plant and equipment. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

When significant parts of plant and equipment are required to be replaced in intervals, the Group recognises such parts as individual assets with specific useful lives and depreciation, respectively. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Depreciation is computed on a straight-line basis over the estimated useful lives of the assets as follows:

|                                 |              |
|---------------------------------|--------------|
| Leasehold buildings             | 6 - 30 years |
| Vessels                         | 5 - 20 years |
| Machinery and equipment         | 3 - 15 years |
| Office equipment                | 3 - 10 years |
| Motor vehicles                  | 5 years      |
| Deferred drydocking expenditure | 4 years      |

Assets under construction included in property, plant and equipment are not depreciated as these are not yet available for use.

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

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

### 2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

#### 2.9 *Property, plant and equipment (cont'd)*

The residual value, useful life and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset is included in profit or loss in the year the asset is derecognised.

Deferred drydocking expenditure is carried at cost less accumulated depreciation and any accumulated impairment losses. Depreciation of deferred drydocking expenditure begins when drydocking is completed and the vessels are available for use.

#### 2.10 *Impairment of non-financial assets*

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when an annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

The Group bases its impairment calculation on market valuations, recent comparable sales, detailed budgets and forecast calculations which are prepared separately for each of the Group's cash-generating units to which the individual assets are allocated.

Impairment losses are recognised in profit or loss in those expense categories consistent with the function of the impaired asset.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or cash-generating unit's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss.

#### 2.11 *Financial instruments*

##### (a) *Financial assets*

###### *Initial recognition and measurement*

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

When financial assets are recognised initially, they are measured at fair value plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

### 2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

#### 2.11 *Financial instruments (cont'd)*

##### (a) *Financial assets (cont'd)*

###### *Subsequent measurement*

The subsequent measurement of financial assets depends on their classification as follows:

##### (i) *Financial assets at fair value through profit or loss*

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income.

##### (ii) *Derivatives*

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. Changes in fair value of derivatives are recognised in profit or loss.

##### (iii) *Amortised cost*

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and through amortisation process.

##### (iv) *Fair value through other comprehensive income ("FVOCI")*

###### *Investments in equity instruments*

On initial recognition of an investment in equity instrument that is not held for trading, the Group may irrevocably elect to present subsequent changes in fair value in OCI. Dividends from such investments are to be recognised in profit or loss when the Group's right to receive payments is established. For investments in equity instruments which the Group has not elected to present subsequent changes in fair value in OCI, changes in fair value are recognised in profit or loss.

###### *Derecognition*

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On de-recognition of a financial asset at FVOCI that is an equity instrument, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in retained earnings. On derecognition of a financial asset that is a debt instrument, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss. Any amount previously recognised in other comprehensive income relating to that asset is reclassified to profit or loss.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

### 2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

#### 2.11 *Financial instruments (cont'd)*

##### (b) **Financial liabilities**

###### *Initial recognition and measurement*

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

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

###### *Subsequent measurement*

The measurement of financial liabilities depends on their classification as follows:

##### (i) *Financial liabilities at fair value through profit or loss*

Financial liabilities at fair value through profit or loss include financial liabilities held for trading. Financial liabilities are classified as held for trading if they are acquired for the purpose of selling in the near term. This category includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships.

Subsequent to initial recognition, financial liabilities at fair value through profit or loss are measured at fair value. Any gains or losses arising from changes in fair value of the financial liabilities are recognised in profit or loss.

##### (ii) *Financial liabilities at amortised cost*

After initial recognition, financial liabilities that are not carried at fair value through profit and loss are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the liabilities are de-recognised, and through the amortisation process.

###### *Derecognition*

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

##### (c) **Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is presented in the statement of financial position, when and only when, there is currently enforceable legal right to set off the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

### 2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

#### 2.12 *Derivative financial instruments and hedge accounting*

The Group uses derivative financial instruments such as currency forward contracts to hedge its risks associated with foreign currency. Such derivative financial instruments are initially recognised at fair value on the date the derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in fair value on derivatives that do not qualify for hedge accounting are taken directly to profit or loss for the year.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment
- Hedges of a net investment in a foreign operation

###### *Designation of hedges*

The Group designates certain derivatives as well as non-derivative financial instruments as hedging instruments in qualifying hedging relationships. On initial designation of the hedge, the Group formally documents the relationship between the hedging instrument and the hedged item, including the risk management objective and strategy in undertaking the hedge, the economic relationship between the hedge instrument and the hedged item, the effects of credit risk on the hedge, the hedge ratio and the hedge type (cash flow or fair value).

At the inception of the hedge relationship, the Group makes an assessment of whether the hedging instrument is expected to be highly effective in offsetting the changes in the fair value or cash flows of the respective hedged item during the period for which the hedge is designated. For a cash flow hedge of a forecast transaction, the Group also assesses whether the forecast transaction is highly probable to occur and if it presents an exposure to variations in cash flows that could ultimately affect profit or loss. A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:

- There is an economic relationship between the hedged item and the hedging instrument.
- The effect of credit risk does not dominate the value changes that result from that economic relationship.
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

### 2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

#### 2.12 *Derivative financial instruments and hedge accounting (cont'd)*

Hedges that meet all the qualifying criteria for hedge accounting are accounted for, as described below:

##### *Cash flow hedges*

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit or loss. The cash flow hedge reserve is adjusted to the lower of the cumulative gain or loss on the hedging instrument and the cumulative change in fair value of the hedged item.

The Group uses currency forward contracts as hedges of its exposure to foreign currency risk in forecast transactions and firm commitments. The ineffective portion relating to foreign currency contracts is recognised as other income or expense.

The Group designates whole forward contracts as the hedging instrument. The forward element is recognised in OCI and accumulated in a separate component of equity under cost of hedging reserve.

The amounts accumulated in OCI are accounted for, depending on the nature of the underlying hedged transaction. If the hedged transaction subsequently results in the recognition of a non-financial item, the amount accumulated in equity is removed from the separate component of equity and included in the initial cost or other carrying amount of the hedged asset or liability. This is not a reclassification adjustment and will not be recognised in OCI for the period. This also applies where the hedged forecast transaction of a non-financial asset or non-financial liability subsequently becomes a firm commitment for which fair value hedge accounting is applied.

For any other cash flow hedges, the amount accumulated in OCI is reclassified to profit or loss as a reclassification adjustment in the same period or periods during which the hedged cash flows affect profit or loss.

If cash flow hedge accounting is discontinued, the amount that has been accumulated in OCI must remain in accumulated OCI if the hedged future cash flows are still expected to occur. Otherwise, the amount will be immediately reclassified to profit or loss as a reclassification adjustment. After discontinuation, once the hedged cash flow occurs, any amount remaining in accumulated OCI must be accounted for depending on the nature of the underlying transaction as described above.

#### 2.13 *Impairment of financial assets*

The Group assesses at each reporting date whether there is any objective evidence that a financial asset is impaired.

The Group recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at fair value through profit or loss and financial guarantee contracts. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL).

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

### 2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

#### 2.13 *Impairment of financial assets (cont'd)*

For trade and other receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Group considers a financial asset in default when contractual payments are 365 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

#### 2.14 *Cash and cash equivalents*

Cash and cash equivalents comprise cash at bank, cash on hand, demand deposits and short-term, highly liquid investments readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

#### 2.15 *Inventories*

Inventories are stated at the lower of cost and net realisable value. Costs incurred in bringing the inventories to their present location and condition are accounted for as follows:

- Finished goods and work-in-progress: costs of direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. These costs are assigned on specific identification basis.
- Parts and spares: purchase costs on first-in first-out basis.

Where necessary, allowance is provided for damaged, obsolete and slow-moving items to adjust the carrying value of inventories to the lower of cost and net realisable value. Where there is an increase in net realisable value in subsequent periods, the amount of reversal of any write-down of inventories is recognised in the profit or loss in the period in which the reversal occurs. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs required to make the sale.

Work-in-progress in relation to uncompleted vessels and repairs and maintenance projects are stated at cost.

Cost includes all direct materials and labour costs and those indirect costs related to contract performance, such as indirect labour, supplies and tools. Provision is made for anticipated losses on completed contracts, if any, when the possibility of losses is ascertained.

#### 2.16 *Contract balances*

Contract balances comprise contract assets and contract liabilities presented separately in the statement of financial position.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

### 2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

#### 2.16 *Contract balances (cont'd)*

##### *Contract assets*

Contract assets are recognised when shipbuilding progress has been made based on the percentage of completion in excess of consideration received and progress billings made. Contract assets are subsequently transferred to receivables when progress billings have been made.

##### *Contract liabilities*

Contract liabilities are recognised when progress on shipbuilding has been made based on the percentage of completion in deficit of consideration received and progress billings made. Contract liabilities are subsequently offset when progress on shipbuilding have been made.

A net position of contract asset or contract liability is determined for each contract.

#### 2.17 *Borrowing costs*

Borrowing costs are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of that asset. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the assets are substantially completed for their intended use or sale. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

#### 2.18 *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 an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

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

##### *Liquidated damages*

Provision for liquidated damages is made in respect of anticipated claims from customers on contracts of which deadlines are overdue or not expected to be completed on time in accordance with contractual obligations. The utilisation of provisions is dependent on the timing of claims.

##### *Foreseeable losses*

Provision for foreseeable losses is made for anticipated losses on uncompleted contracts, if any, when the possibility of loss is ascertained.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

### 2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

#### 2.18 *Provisions (cont'd)*

##### *Onerous contracts*

Provision for onerous contract is recognised when the expected benefits from a contract are lower than the unavoidable cost of meeting the obligations under the contract.

##### *Warranty provisions*

Provision for warranty-related costs are recognised when the product is sold in accordance to the terms stipulated in shipbuilding contracts and in respect of anticipated claims from customers. Initial recognition is based on historical experience. The initial estimate of warranty-related cost is revised annually.

##### *Restoration costs*

Provision for restoration costs arose on construction of production facilities on leasehold buildings which are required to be reinstated to their original condition at the end of lease term. Restoration costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognised as part of the cost of leasehold buildings. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the restoration liability. The unwinding of the discount is expensed as incurred and recognised in profit or loss as a finance cost. The estimated future costs of restoration are reviewed annually and adjusted as appropriate. Changes in estimated future costs or in the discount rate applied are added to or deducted from the cost of leasehold buildings.

#### 2.19 *Employee benefits*

##### (a) *Defined contribution plans*

The Group participates in the national pension schemes as defined by the laws of the countries in which it has operations. In particular, the Singapore companies in the Group make contributions to the Central Provident Fund Scheme in Singapore, a defined contribution pension scheme. Contributions to defined contribution pension scheme are recognised as an expense in the period in which the related service is performed.

##### (b) *Defined employee retirement benefits*

The Group provides provision for employee service entitlements in order to meet the minimum benefits required to be paid to qualified employees of a subsidiary, as required under the Indonesian Labour Law No. PP35/2021. The said additional provisions, which are unfunded, are estimated using actuarial calculations based on the report prepared by an independent firm of actuary.

The defined benefit liability is the aggregate of the present value of the defined benefit obligation (derived using a discount rate based on high quality corporate bonds) at the end of the reporting period. The cost of providing benefits under the defined benefit plans is determined separately for each plan using the projected unit credit method.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

### 2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

#### 2.19 *Employee benefits (cont'd)*

##### (b) *Defined employee retirement benefits (cont'd)*

Defined benefit costs comprise the following:

- Service cost
- Interest on the defined benefit liability
- Re-measurements of defined benefit liability

Service costs which include current service costs, past service costs and gains or losses on non-routine settlements are recognised as expense in profit or loss. Past service costs are recognised when plan amendment or curtailment occurs.

Interest on the defined benefit liability is the change during the period in the defined benefit liability that arises from the passage of time which is determined by applying the discount rate based on high quality corporate bonds to the defined benefit liability. Interest on the defined benefit liability is recognised as expense in profit or loss.

Re-measurements comprising actuarial gains and losses are recognised immediately in other comprehensive income in the period in which they arise. Re-measurements are recognised in retained earnings within equity and are not reclassified to profit or loss in subsequent periods.

##### (c) *Employee leave entitlement*

Employee entitlements to annual leave are recognised as a liability when they accrue to employees. The estimated liability for leave is recognised for services rendered by employees up to the end of the reporting period.

#### 2.20 *Leases*

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

##### *As lessee*

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities representing the obligations to make lease payments and right-of-use assets representing the right to use the underlying leased assets.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

### 2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

#### 2.20 *Leases (cont'd)*

##### *Right-of-use assets*

The Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. The accounting policy for impairment is disclosed in Note 2.10.

The Group's right-of-use assets are presented in Note 28.

##### *Lease liabilities*

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Group's lease liabilities are included in Note 28.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

### 2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

#### 2.20 Leases (cont'd)

##### As lessee (cont'd)

*Short-term leases and leases of low-value assets*

The Group applies the short-term lease and lease of low-value assets recognition exemption to its leases of machinery and dormitories (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). Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

#### 2.21 Assets classified as held for sale

Assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. An asset is classified as held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition.

Property, plant and equipment once classified as held for sale are not depreciated.

#### 2.22 Revenue

Revenue is recognised when the Group satisfies a performance obligation, by transferring a promised good, 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.

When the control of the produced good and rendered services is transferred over time to the customer, revenue is recognised over time (i.e. under the percentage of completion method).

The Group transfers control over time when:

- It produces a good with no alternative use and the Group has an irrevocable right to payment (including a reasonable margin) for the work completed to date, in the event of termination of the contract for the convenience of the customer.
- It creates a good which is controlled by the customer as the good is created or enhanced.
- The customer simultaneously receives and consumes the benefits provided by the Group.

When none of the criteria stated above have been met, revenue is recognised at a point in time.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

### 2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

#### 2.22 Revenue (cont'd)

##### (a) Revenue from shipbuilding, ship repairs and maintenance

Revenue from shipbuilding is recognised either over time or at point in time depending on whether any of the above criteria for recognition of the revenue over time has been met. When any of the above criteria has been met, shipbuilding revenue is recognised over time based on the input method. Revenue from repairs/maintenance is recognised over time and at point in time.

The Group's shipbuilding revenue comprises (i) build-to-order and (ii) build-for-stock vessels.

- (i) Build-to-order projects typically refer to client-specific orders for customised vessels placed with the Group and formalised by shipbuilding contracts. Revenue from build-to-order projects is typically tied to discrete project milestones and recognised over time.
- (ii) Build-for-stock projects typically refer to generic vessel types built without orders that target niche markets identified by the Group. Sales of stock vessels are typically formalised by sale and purchase agreements. Revenue is typically recognised at point in time.

##### (b) Revenue from chartering

Revenue from chartering is recognised over time.

##### (c) Interest income

Interest income is recognised using the effective interest method.

#### 2.23 Taxes

##### (a) Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the end of the reporting period, in the countries where the Group operates and generates taxable income.

Current income taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

### 2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

#### 2.23 Taxes (cont'd)

##### (b) Deferred tax

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

Deferred tax liabilities are recognised for all temporary differences, except:

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

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

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

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the end of each reporting period.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

### 2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

#### 2.23 Taxes (cont'd)

##### (c) Sales tax

Revenues, expenses and assets are recognised net of the amount of sales tax except:

- Where the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- Receivables and payables that are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables on the statement of financial position.

#### 2.24 Segment reporting

For management purposes, the Group is organised into operating segments based on their products and services which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge. The segment managers report directly to the management of the Company who regularly reviews the segment results in order to allocate resources to the segments and to assess the segment performance. Additional disclosures on each of these segments are shown in Note 35, including the factors used to identify the reportable segments and the measurement basis of segment information.

#### 2.25 Contingencies

A contingent liability is:

- (a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or
- (b) a present obligation that arises from past events but is not recognised because:
  - (i) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
  - (ii) The amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. If it has become virtually certain that an inflow of economic benefits will arise, the asset and the related income are recognised in the financial statements of the period in which the change occurs.

#### 2.26 Share capital and share issuance expenses

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

### 2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

#### 2.27 Government grants

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

Government grant receivable are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis. Grants related to income are presented as a credit in profit or loss, under "Other income".

### 3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

#### 3.1 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period are discussed below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

##### (a) Impairment of property, plant and equipment

An impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount which is the higher of its fair value less costs to sell and its value in use. Management determines recoverable amount based on fair value less costs to sell which is estimated by an independent valuer based on cost of construction and replacement of a similar asset.

The carrying amount of the Group's property, plant and equipment at 31 December 2025 was \$204,317,000 (2024: \$172,807,000).

Further details of the impairment assessment of property, plant and equipment are disclosed in Note 13 to the financial statements.

##### (b) Revenue recognition using the percentage-of-completion method

Revenue from shipbuilding contracts recognised using the percentage-of-completion ("POC") method, management will determine POC based on the input method to measure the stage of satisfaction of a performance obligation.

Actual costs (input) incurred pertaining to the vessels are matched against the budgeted costs to derive the POC of the vessel.

For the financial year ended 31 December 2025, the Group recorded revenue from shipbuilding contracts using the POC method amounting to \$72,806,000 (2024: \$91,701,000).

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

### 3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

#### 3.1 Key sources of estimation uncertainty (cont'd)

##### (c) Provision for expected credit losses of trade receivables and contract assets

The Group calculates ECLs for trade receivables and contract assets based on the Group's historical observed defaults rates and calibrate with forward-looking information.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. 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 trade receivables and contract assets are disclosed in Note 18 and Note 26 respectively.

#### 3.2 Judgements made in applying accounting policies

In the process of applying the Group's and Company's accounting policies, management has made the following judgements which have the most significant effect on the amounts recognised in the consolidated financial statements.

##### (a) Impairment of non-financial assets

The Group and Company assess whether there are any indicators of impairment for all non-financial assets at each reporting date. Goodwill is tested for impairment annually and at other times when such indicators exist. Other non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. The determination of indicators of impairment requires judgement.

##### (b) Impairment of tax recoverable

Included in the Group's non-current other receivables is an amount of \$2,267,000 (2024 current other receivables: \$2,267,000) which pertains to tax recoverable from the tax authorities of an overseas subsidiary of the Group. Based on advice from the external tax professional firm, management has evaluated and exercised its judgement that it is virtually certain of recovering this amount from the tax authorities. Further details are disclosed in Note 19.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

### 4. REVENUE

Revenue represents income derived from chartering, shipbuilding and ship repairs and maintenance, net of rebates and discounts. Intra-group transactions have been excluded from the Group's revenue.

|  | Group          |                |
|--|----------------|----------------|
|  | 2025           | 2024           |
|  | \$'000         | \$'000         |
| Chartering                                 | 70,599         | 48,149         |
| Shipbuilding, ship repairs and maintenance | 196,370        | 187,695        |
|  | <u>266,969</u> | <u>235,844</u> |

Revenue of \$99,498,000 (2024: \$75,311,000) and \$167,471,000 (2024: \$160,533,000) are recognised at a point in time and over time respectively.

#### **Transaction price allocated to the remaining non-cancellable performance obligations**

The aggregate amount of the transaction price allocated to the remaining non-cancellable performance obligation is \$347,432,000 (2024: \$193,107,000) and the Group expects to recognise this revenue within the next 25 years.

The Group applies the practical expedient in paragraph 121 of SFRS(I) 15 and does not disclose information about its remaining performance obligations if the performance obligation is part of a contract that has an original expected duration of one year or less.

### 5. OTHER INCOME

|  | Group         |              |
|--|---------------|--------------|
|  | 2025          | 2024         |
|  | \$'000        | \$'000       |
| Gain on disposal of property, plant and equipment                              | 12,154        | 4,357        |
| Scrap sales  | 608           | 402          |
| Grant received   | 861           | 80           |
| Reversal of impairment of property, plant and equipment                        | –             | 26           |
| Dividend income  | 243           | 243          |
| Conversion projects income relating to conversion works on third party vessels | –             | 2,112        |
| Others   | 1,071         | 671          |
|  | <u>14,937</u> | <u>7,891</u> |

Included in the gain on disposal of property, plant and equipment is an amount of \$1,351,000 arising from the disposal of a vessel which had been classified as an asset held for sale as at 31 December 2024.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

### 6. ADMINISTRATIVE EXPENSES

|  | Group        |              |
|--|--------------|--------------|
|  | 2025         | 2024         |
|  | \$'000       | \$'000       |
| Included in administrative expenses are the following: |              |              |
| Audit fees:  |              |              |
| - Auditor of the Company                               | (159)        | (155)        |
| - Other auditors                                       | (32)         | (21)         |
| Non-audit fees   |              |              |
| - Other auditor  | (6)          | –            |
| Depreciation of property, plant and equipment          | (2,845)      | (2,700)      |
| Depreciation of right-of-use assets                    | (1,558)      | (621)        |
| Employee benefits expense (Note 9)                     | (23,814)     | (21,578)     |
| Legal and professional fees                            | (1,915)      | (1,368)      |
| Operating lease expense (Note 28(c))                   | (736)        | (266)        |
| Water and electricity                                  | (741)        | (480)        |
| Transportation   | (266)        | (232)        |
|  | <u>(266)</u> | <u>(232)</u> |

### 7. OTHER OPERATING EXPENSES

|   | Group          |                |
|---|----------------|----------------|
|   | 2025           | 2024           |
|   | \$'000         | \$'000         |
| Included in other operating expenses are the following: |                |                |
| Depreciation of property, plant and equipment           | (13,900)       | (12,916)       |
| Net foreign exchange (loss)/gain                        | (4,740)        | 2,021          |
| Insurance expense                                       | (2,875)        | (2,214)        |
|   | <u>(2,875)</u> | <u>(2,214)</u> |

### 8. FINANCE COSTS/ FINANCE INCOME

|   | Group          |                |
|---|----------------|----------------|
|   | 2025           | 2024           |
|   | \$'000         | \$'000         |
| Bank charges  | (174)          | (99)           |
| Interest expense on term loans                                    | (1,873)        | (2,312)        |
| Interest expense on lease liabilities                             | (417)          | (318)          |
| Derivative loss   | (11)           | (94)           |
|   | <u>(2,475)</u> | <u>(2,823)</u> |
| Interest income from short term deposits and bank balances        | 441            | 305            |
| Interest income from customers under deferred payment arrangement | 504            | 942            |
|   | <u>945</u>     | <u>1,247</u>   |

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

### 9. EMPLOYEE BENEFITS EXPENSE

|   | Group          |                |
|---|----------------|----------------|
|   | 2025<br>\$'000 | 2024<br>\$'000 |
| Wages, salaries and bonuses                     | (44,848)       | (32,246)       |
| Central Provident Fund contributions            | (3,450)        | (2,842)        |
| Other short-term benefits                       | (2,768)        | (1,981)        |
|   | (51,066)       | (37,069)       |
| Included in profit or loss:                     |                |                |
| Administrative expenses (Note 6)                | (23,814)       | (21,578)       |
| Cost of sales                                   | (26,108)       | (12,894)       |
|   | (49,922)       | (34,472)       |
| Capitalised in statement of financial position: |                |                |
| Inventories                                     | (1,144)        | (2,597)        |
|   | (51,066)       | (37,069)       |

The above employee benefits expense included key management personnel compensation (other than independent director fees) as disclosed in Note 33(b).

### 10. PROFIT BEFORE TAX

The following items have been included in arriving at profit before tax:

|   | Group          |                |
|---|----------------|----------------|
|   | 2025<br>\$'000 | 2024<br>\$'000 |
| Inventories recognised as an expense in cost of sales (Note 17) | (133,977)      | (128,078)      |
| Provision for warranty claims, net (Note 25)                    | (1,121)        | (1,111)        |
|   | (135,098)      | (129,189)      |

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

### 11. INCOME TAX EXPENSE

Major components of income tax expense

The major components of income tax expense for the years ended 31 December 2025 and 2024 are:

|   | Group          |                |
|---|----------------|----------------|
|   | 2025<br>\$'000 | 2024<br>\$'000 |
| <b>Current income tax</b>                             |                |                |
| - Current year tax expense                            | (7,487)        | (6,820)        |
| - (Under)/over provision in respect of previous years | (345)          | 798            |
| <b>Deferred income tax</b>                            |                |                |
| - Movement in temporary differences                   | (893)          | (2,158)        |
| - Over provision in respect of previous years         | 180            | 207            |
|   | (8,545)        | (7,973)        |
| Income tax expense recognised in the profit or loss   |                |                |

*Relationship between tax expense and accounting profit*

A reconciliation between the tax expense and the product of accounting profit multiplied by the applicable corporate tax rate for the years ended 31 December 2025 and 2024 is as follows:

|   | Group          |                |
|---|----------------|----------------|
|   | 2025<br>\$'000 | 2024<br>\$'000 |
| Profit before taxation                              | 44,018         | 43,503         |
| Tax calculated at a tax rate of 17% (2024: 17%)     | (7,483)        | (7,396)        |
| Tax effect of expenses not deductible               | (1,460)        | (1,188)        |
| Tax effect of income not subject to tax             | 1,249          | 778            |
| Tax effect from different tax rate of subsidiaries  | (420)          | 146            |
| (Under)/over provision in respect of previous years | (166)          | 1,005          |
| Deferred tax asset not recognised                   | (352)          | (1,429)        |
| Effect of partial tax exemption and tax relief      | 87             | 111            |
|   | (8,545)        | (7,973)        |
| Income tax expense recognised in the profit or loss |                |                |

The above reconciliation is prepared by aggregating separate reconciliations for each national jurisdiction.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

### 12. EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the profit for the year attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year.

Diluted earnings per share are calculated by dividing the profit for the year attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

The following table reflects the profit and share data used in the computation of basic and diluted earnings per share for the years ended 31 December:

|  | Group   |         |
|--|---------|---------|
|  | 2025    | 2024    |
| Profit for the year attributable to owners of the Company used in the computation of basic and diluted earnings per share (\$'000) | 35,474  | 35,531  |
| Weighted average number of ordinary shares used in the computation of basic and diluted earnings per share ('000)                  | 220,170 | 220,170 |

### 13. PROPERTY, PLANT AND EQUIPMENT

| Group  | Leasehold buildings | Machinery and equipment | Office equipment | Motor vehicles | Construction in progress | Deferred drydocking expenditure | Total  |          |
|--|---------------------|-------------------------|------------------|----------------|--------------------------|---------------------------------|--------|----------|
|  | \$'000              | \$'000                  | \$'000           | \$'000         | \$'000                   | \$'000                          | \$'000 |          |
| <b>Cost</b>  |                     |                         |                  |                |                          |                                 |        |          |
| At 1 January 2024                                  | 35,581              | 158,919                 | 27,749           | 5,860          | 663                      | 163                             | 3,086  | 232,021  |
| Additions  | 230                 | 29,476                  | 2,112            | 1,400          | 8                        | 1,545                           | 1,172  | 35,943   |
| Transfer   | –                   | –                       | –                | 60             | –                        | (60)                            | –      | –        |
| Reclass  | (234)               | –                       | 234              | –              | –                        | –                               | –      | –        |
| Transfer to conversion work on third party vessels | –                   | –                       | (395)            | –              | –                        | –                               | –      | (395)    |
| Disposals  | –                   | (11,078)                | (6)              | (2)            | –                        | –                               | (142)  | (11,228) |
| Written off  | –                   | –                       | (25)             | (23)           | –                        | –                               | (724)  | (772)    |
| Transfer to asset held for sale                    | –                   | (13,742)                | (68)             | –              | –                        | –                               | 228    | (13,582) |
| Net exchange difference                            | (314)               | 3,831                   | (95)             | (3)            | (1)                      | (2)                             | 150    | 3,566    |
| At 31 December 2024 and 1 January 2025             | 35,263              | 167,406                 | 29,506           | 7,292          | 670                      | 1,646                           | 3,770  | 245,553  |
| Additions  | 902                 | 58,043                  | 2,399            | 339            | 199                      | 6,713                           | 3,902  | 72,497   |
| Reclass  | –                   | 410                     | 30               | –              | –                        | (440)                           | –      | –        |
| Transfer to Inventory                              | –                   | –                       | (413)            | –              | –                        | –                               | –      | (413)    |
| Disposals  | –                   | (21,664)                | (489)            | (18)           | –                        | –                               | (75)   | (22,246) |
| Written off  | –                   | –                       | (93)             | (101)          | –                        | –                               | (272)  | (466)    |
| Net exchange difference                            | (1,585)             | (1,596)                 | (772)            | (66)           | (7)                      | (6)                             | 83     | (3,949)  |
| At 31 December 2025                                | 34,580              | 202,599                 | 30,168           | 7,446          | 862                      | 7,913                           | 7,408  | 290,976  |

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

### 13. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

| Group (cont'd)                                     | Leasehold buildings | Machinery and equipment | Office equipment | Motor vehicles | Construction in progress | Deferred drydocking expenditure | Total  |         |
|--|---------------------|-------------------------|------------------|----------------|--------------------------|---------------------------------|--------|---------|
|  | \$'000              | \$'000                  | \$'000           | \$'000         | \$'000                   | \$'000                          | \$'000 |         |
| <b>Accumulated depreciation and impairment</b>     |                     |                         |                  |                |                          |                                 |        |         |
| At 1 January 2024                                  | 10,532              | 37,720                  | 13,075           | 5,367          | 440                      | –                               | 1,620  | 68,754  |
| Charge for the year                                | 2,153               | 10,985                  | 1,931            | 500            | 47                       | –                               | 646    | 16,262  |
| Write-back of impairment loss                      | –                   | (26)                    | –                | –              | –                        | –                               | –      | (26)    |
| Transfer to conversion work on third party vessels | –                   | –                       | (88)             | –              | –                        | –                               | –      | (88)    |
| Disposals  | –                   | (2,746)                 | (6)              | (1)            | –                        | –                               | –      | (2,753) |
| Written off  | –                   | –                       | (24)             | (23)           | –                        | –                               | (724)  | (771)   |
| Transfer to asset held for sale                    | –                   | (9,602)                 | (27)             | –              | –                        | –                               | 248    | (9,381) |
| Net exchange difference                            | (148)               | 854                     | (47)             | (3)            | (1)                      | –                               | 94     | 749     |
| At 31 December 2024 and 1 January 2025             | 12,537              | 37,185                  | 14,814           | 5,840          | 486                      | –                               | 1,884  | 72,746  |
| Charge for the year                                | 2,113               | 11,985                  | 1,915            | 648            | 84                       | –                               | 1,198  | 17,943  |
| Disposals  | –                   | (4,519)                 | (72)             | (17)           | –                        | –                               | (75)   | (4,683) |
| Written off  | –                   | –                       | (84)             | (97)           | –                        | –                               | (272)  | (453)   |
| Net exchange difference                            | (858)               | 2,370                   | (362)            | (46)           | (8)                      | –                               | 10     | 1,106   |
| At 31 December 2025                                | 13,792              | 47,021                  | 16,211           | 6,328          | 562                      | –                               | 2,745  | 86,659  |
| <b>Net carrying amount</b>                         |                     |                         |                  |                |                          |                                 |        |         |
| At 31 December 2024                                | 22,726              | 130,221                 | 14,692           | 1,452          | 184                      | 1,646                           | 1,886  | 172,807 |
| At 31 December 2025                                | 20,788              | 155,578                 | 13,957           | 1,118          | 300                      | 7,913                           | 4,663  | 204,317 |

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

### 13. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

| Company                                | Vessels | Machinery and equipment | Office equipment | Motor vehicles | Total  |
|--|---------|-------------------------|------------------|----------------|--------|
|  | \$'000  | \$'000                  | \$'000           | \$'000         | \$'000 |
| <b>Cost</b>                            |         |                         |                  |                |        |
| At 1 January 2024                      | 894     | 120                     | 1,965            | 235            | 3,214  |
| Additions                              | –       | 60                      | 1,077            | –              | 1,137  |
| Written off                            | –       | –                       | (10)             | –              | (10)   |
| At 31 December 2024 and 1 January 2025 | 894     | 180                     | 3,032            | 235            | 4,341  |
| Additions                              | –       | 18                      | 61               | –              | 79     |
| Disposals                              | (16)    | –                       | (17)             | –              | (33)   |
| Written off                            | –       | (5)                     | (33)             | –              | (38)   |
| At 31 December 2025                    | 878     | 193                     | 3,043            | 235            | 4,349  |
| <b>Accumulated depreciation</b>        |         |                         |                  |                |        |
| At 1 January 2024                      | 894     | 109                     | 1,889            | 11             | 2,903  |
| Charge for the year                    | –       | 6                       | 294              | 47             | 347    |
| Written off                            | –       | –                       | (10)             | –              | (10)   |
| At 31 December 2024 and 1 January 2025 | 894     | 115                     | 2,173            | 58             | 3,240  |
| Charge for the year                    | –       | 5                       | 389              | 47             | 441    |
| Disposals                              | (16)    | –                       | (17)             | –              | (33)   |
| Written off                            | –       | (3)                     | (33)             | –              | (36)   |
| At 31 December 2025                    | 878     | 117                     | 2,512            | 105            | 3,612  |
| <b>Net carrying amount</b>             |         |                         |                  |                |        |
| At 31 December 2024                    | –       | 65                      | 859              | 177            | 1,101  |
| At 31 December 2025                    | –       | 76                      | 531              | 130            | 737    |

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

### 13. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Assets pledged as security

|   | Group  |        | Company |        |
|---|--------|--------|---------|--------|
|   | 2025   | 2024   | 2025    | 2024   |
|   | \$'000 | \$'000 | \$'000  | \$'000 |
| The carrying amount of property, plant and equipment pledged to secure banking facilities | 70,505 | 77,820 | –       | –      |

As of 31 December 2025, the Group's banking facilities are secured by Group's vessels, leasehold buildings and machinery and equipment.

Impairment assessment of assets

During the year, the Group and the Company carried out a review of the recoverable amount of certain underutilised vessels. The recoverable amounts of the vessels were determined based on valuations performed by an independent valuer.

As at reporting date, in respect of one of the vessels, no reversal of impairment loss was recognised in the current year (2024: reversal of impairment loss of \$26,000) as the recoverable amount of that vessel was determined to be higher than its carrying amount due to changes in market demand and general market conditions.

### 14. INVESTMENT IN SUBSIDIARIES

|                                  | Company  |          |
|----------------------------------|----------|----------|
|                                  | 2025     | 2024     |
|                                  | \$'000   | \$'000   |
| Unquoted equity shares, at cost  | 34,403   | 34,403   |
| Loan to subsidiary               | 84,340   | 84,340   |
| Impairment losses                | (17,776) | (18,885) |
| Total investment in subsidiaries | 100,967  | 99,858   |

During the financial year, the Company's loan to its subsidiary (non-current), which is designated as part of the net investment in the subsidiary and was previously interest-bearing, was converted to an interest-free loan with effect from 1 January 2025 (2024: 5.02% to 5.69%).

The change was made as part of a group-wide review of intercompany financing arrangements to align with the intended long-term capital structure and the commercial substance of the funding. The loan continues to be classified as part of the net investment in the subsidiary, as there is no fixed repayment schedule and settlement is neither planned nor anticipated for as long as the subsidiary remains part of the Group.

The loan is denominated in Singapore Dollar.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

### 14. INVESTMENT IN SUBSIDIARIES (CONT'D)

An analysis of movement in impairment loss on investment in subsidiaries is as follows:

|                             | Company |        |
|-----------------------------|---------|--------|
|                             | 2025    | 2024   |
|                             | \$'000  | \$'000 |
| At beginning of year        | 18,885  | 18,885 |
| Reversal of impairment loss | (1,109) | –      |
| At end of year              | 17,776  | 18,885 |

During the financial year, the Company reassessed the recoverable amount of its investment in a subsidiary following improvements in the subsidiary's financial position and operating performance. In particular, the subsidiary's net assets position as at the reporting date exceeded the cost of investment previously impaired, and the indicators that had supported the prior impairment no longer existed. Based on this reassessment, there was no longer objective evidence that the recoverable amount of the investment was below its carrying amount. Accordingly, the Company reversed S\$1,109,000 (2024: Nil) of the previously recognised impairment loss.

| Name  | Principal activities   | Country of incorporation | Ownership interest held by subsidiaries |      |
|---|--|--------------------------|---|------|
|   |  |                          | 2025                                    | 2024 |
|   |  |                          | %                                       | %    |
| <b>Held by the Company</b>                              |  |                          |   |      |
| Penguin Shipyard International Pte Ltd <sup>(1)</sup>   | Builders of Flex crewboats, passenger ferries and launches and provision of related repairs and maintenance services | Singapore                | 100                                     | 100  |
| Penguin Shipyard Asia Pte Ltd <sup>(1)</sup>            | Builders of Flex crewboats, passenger ferries and launches   | Singapore                | 100                                     | 100  |
| Pelican Offshore Services Pte Ltd <sup>(1)</sup>        | Management and operation of Flex crewboats and fast supply intervention vessels                                      | Singapore                | 100                                     | 100  |
| Penguin Ark Pte Ltd <sup>(6)</sup>                      | Management of dormitories  | Singapore                | 100                                     | 100  |
| Pelican Offshore Worldwide Pte Ltd <sup>(1)</sup>       | Investment holding   | Singapore                | 100                                     | 100  |
| Penguin Marine Services Pte Ltd <sup>(1)</sup>          | Provision of project management services   | Singapore                | 100                                     | 100  |
| Pelican Ship Management Services Pte Ltd <sup>(1)</sup> | Provision of ship management and maintenance services  | Singapore                | 100                                     | 100  |
| Soon Tian Oon Pte Ltd <sup>(4)</sup>                    | Dormant  | Singapore                | 100                                     | 100  |
| Penguin Marine Offshore Services Pte Ltd <sup>(1)</sup> | Management and operation of vessels  | Singapore                | 100                                     | 100  |
| Swissco Offshore (Pte.) Ltd <sup>(1)</sup>              | Provision of shipyard space  | Singapore                | 100                                     | 100  |

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

### 14. INVESTMENT IN SUBSIDIARIES (CONT'D)

| Name   | Principal activities   | Country of incorporation | Ownership interest held by subsidiaries |      |
|--|--|--------------------------|---|------|
|  |  |                          | 2025                                    | 2024 |
|  |  |                          | %                                       | %    |
| <b>Held through subsidiaries</b>                         |  |                          |   |      |
| PKS Shipyard Pte Ltd <sup>(1)</sup>                      | Investment holding   | Singapore                | 100                                     | 100  |
| PT Kim Seah Shipyard Indonesia <sup>(2)</sup>            | Builders of Flex crewboats, passenger ferries and launches and provision of related repairs and maintenance services | Indonesia                | 100                                     | 100  |
| POS Grace Pte Ltd <sup>(1)</sup>                         | Management and operation of Flex crewboats   | Singapore                | 100                                     | 100  |
| Pelican Offshore Malaysia Corp <sup>(2)(3)</sup>         | Management and operation of Flex crewboats   | Malaysia                 | 49                                      | 49   |
| Flex Fleet Sdn Bhd <sup>(2)</sup>                        | Management and operation of Flex crewboats   | Malaysia                 | 100                                     | 100  |
| Flex Fleet Ship Management Services L.L.C <sup>(2)</sup> | Management and operation of Flex crewboats   | United Arab Emirates     | 100                                     | 100  |
| POS Victory Pte Ltd <sup>(1)</sup>                       | Investment holding   | Singapore                | 100                                     | 100  |
| POS Glow Pte Ltd <sup>(4)</sup>                          | Dormant  | Singapore                | 100                                     | 100  |
| Penguin Transporter Pte Ltd <sup>(1)</sup>               | Management and operation of vessels  | Singapore                | 100                                     | 100  |
| POS Fleet Pty Ltd <sup>(5)</sup>                         | Management and operation of vessels  | Australia                | 100                                     | –    |
| Victory Marine Services Sdn Bhd <sup>(2)</sup>           | Dormant  | Malaysia                 | 70                                      | 70   |

<sup>(1)</sup> Audited by PKF-CAP LLP, Singapore.

<sup>(2)</sup> Audited by member firms of PKF International.

<sup>(3)</sup> The Group consolidates 100% of the results of Pelican Offshore Malaysia Corp ("POMC") as it controls and has beneficial interest in all of POMC's results and operations.

<sup>(4)</sup> Not required to be audited under the law of country of incorporation.

<sup>(5)</sup> Incorporated during the financial year.

<sup>(6)</sup> POS Gallant Pte Ltd has been renamed to Penguin Ark Pte Ltd.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

### 15. OTHER INVESTMENTS

|  | Group          |                | Company        |                |
|--|----------------|----------------|----------------|----------------|
|  | 2025<br>\$'000 | 2024<br>\$'000 | 2025<br>\$'000 | 2024<br>\$'000 |
| Unquoted equity shares*  | –              | –              | –              | –              |
| Quoted equity shares   | 8,000          | 8,000          | 8,000          | 8,000          |
| Changes in fair value of equity investment at FVOCI  | 33,742         | 6,057          | 33,742         | 6,057          |
| Issue of Management Award Shares<br>as per the investment agreement<br>with respect to Marco Polo Marine Limited | (943)          | (943)          | (943)          | (943)          |
|  | 40,799         | 13,114         | 40,799         | 13,114         |
| Total other investments  | 40,799         | 13,114         | 40,799         | 13,114         |

Movements in quoted equity shares:

|   | Group          |                | Company        |                |
|---|----------------|----------------|----------------|----------------|
|   | 2025<br>\$'000 | 2024<br>\$'000 | 2025<br>\$'000 | 2024<br>\$'000 |
| As at 1 January                                     | 13,114         | 12,385         | 13,114         | 12,385         |
| Changes in fair value of equity investment at FVOCI | 27,685         | 729            | 27,685         | 729            |
| As at 31 December                                   | 40,799         | 13,114         | 40,799         | 13,114         |

\* The investment in unquoted equity shares amounting to \$287,000 has been fully impaired as it continues to be loss making since prior years.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

### 16. INTANGIBLE ASSET

|  | Goodwill<br>\$'000 |
|--|--------------------|
| <b>Group</b>   |                    |
| <b>Cost</b>  |                    |
| At 1 January 2024, 31 December 2024, 1 January 2025 and 31 December 2025 | 291                |
| <b>Accumulated impairment loss</b>                                       |                    |
| At 1 January 2024, 31 December 2024, 1 January 2025 and 31 December 2025 | (213)              |
| <b>Net carrying amount</b>   |                    |
| At 31 December 2024 and 31 December 2025                                 | 78                 |

Goodwill on consolidation arose from the acquisition of PT Kim Seah Shipyard Indonesia during the financial year ended 31 December 2006. The goodwill amount was determined based on the fair value of the net assets acquired less the purchase consideration paid on the date of purchase. The goodwill has been allocated to PT Kim Seah Shipyard Indonesia as a cash generating unit ("CGU") for impairment testing.

### 17. INVENTORIES

|   | Group          |                |
|---|----------------|----------------|
|   | 2025<br>\$'000 | 2024<br>\$'000 |
| <b>Statement of financial position:</b>               |                |                |
| Parts and spares                                      | 8,729          | 6,284          |
| Work-in-progress                                      | 71,423         | 63,573         |
|   | 80,152         | 69,857         |
| <b>Income statement:</b>                              |                |                |
| Inventories recognised as an expense in cost of sales | (133,977)      | (128,078)      |

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

### 18. TRADE RECEIVABLES

|                               | Group          |                | Company        |                |
|-------------------------------|----------------|----------------|----------------|----------------|
|                               | 2025<br>\$'000 | 2024<br>\$'000 | 2025<br>\$'000 | 2024<br>\$'000 |
| Current:                      |                |                |                |                |
| Trade receivables             | 33,527         | 43,535         | 2,072          | 5,037          |
| Allowance for impairment loss | (275)          | (1,778)        | –              | –              |
|                               | <u>33,252</u>  | <u>41,757</u>  | <u>2,072</u>   | <u>5,037</u>   |
| Non-current:                  |                |                |                |                |
| Trade receivables             | 2,057          | 7,970          | –              | –              |
| Total trade receivables       | <u>35,309</u>  | <u>49,727</u>  | <u>2,072</u>   | <u>5,037</u>   |

Trade receivables are generally on 30 days term and are non-interest bearing, except for trade receivables which pertains to sale of stock vessels under deferred payment arrangement. They are recognised at original invoice amounts which represent their fair values on initial recognition.

Included in Group current trade receivables and non-current trade receivables is an amount of \$6,513,000 (2024: \$6,524,000) and \$2,057,000 (2024: \$7,970,000) respectively which pertains to sale of stock vessels under deferred payment arrangement.

Of the entire deferred payment arrangement, \$3,852,000 (2024: \$7,156,000) is secured against stock vessel sold. The deferred payment arrangement bears interest at 5% (2024: 5%) and is repayable through monthly instalments.

#### Receivables that are impaired

The Group's trade receivables that are impaired at the end of the reporting period and the movement of the allowance account used to record the impairment is as follows:

|                                | Group          |                |
|--------------------------------|----------------|----------------|
|                                | 2025<br>\$'000 | 2024<br>\$'000 |
| Movement in allowance account: |                |                |
| At 1 January                   | 1,778          | 1,158          |
| Additions                      | –              | 595            |
| Reversal                       | (319)          | –              |
| Write off                      | (1,159)        | –              |
| Exchange difference            | (25)           | 25             |
| At 31 December                 | <u>275</u>     | <u>1,778</u>   |

Trade receivables that are individually determined to be impaired at the end of the reporting period relate to debtors that are in significant financial difficulties and have defaulted on payments.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

### 19. OTHER RECEIVABLES AND DEPOSITS

|  | Group          |                | Company        |                |
|--|----------------|----------------|----------------|----------------|
|  | 2025<br>\$'000 | 2024<br>\$'000 | 2025<br>\$'000 | 2024<br>\$'000 |
| Current:                                     |                |                |                |                |
| <i>Financial assets</i>                      |                |                |                |                |
| Other receivables                            | 7,226          | 5,104          | 351            | 164            |
| Deposits                                     | 900            | 1,337          | –              | –              |
| Insurance claims                             | 2,410          | 2,337          | –              | –              |
|  | <u>10,536</u>  | <u>8,778</u>   | <u>351</u>     | <u>164</u>     |
| <i>Non-financial assets</i>                  |                |                |                |                |
| Advance payment to suppliers                 | 24,008         | 17,645         | 38             | 59             |
| Other receivables                            | –              | 404            | –              | –              |
|  | <u>24,008</u>  | <u>18,049</u>  | <u>38</u>      | <u>59</u>      |
| Total current other receivables and deposits | <u>34,544</u>  | <u>26,827</u>  | <u>389</u>     | <u>223</u>     |
| Non-current:                                 |                |                |                |                |
| <i>Financial assets</i>                      |                |                |                |                |
| Other receivables                            | 2,467          | 1,285          | –              | –              |
| Total other receivables and deposits         | <u>37,011</u>  | <u>28,112</u>  | <u>389</u>     | <u>223</u>     |

Included in the Group's current other receivables and non-current other receivables is an amount of \$1,346,000 (2024: \$1,210,000) and \$447,000 (2024: \$1,285,000) respectively which pertains to sale of vessel (property, plant and equipment) under deferred payment arrangement which will end in 2027 (2024: end in 2027).

The entire deferred payment arrangement, \$1,793,000 (2024: \$2,495,000) is secured against fleet vessel sold. The deferred payment arrangement bears interests of 6.30% (2024: 6.30%) and are repayable through monthly instalments.

Included in the Group's non-current other receivables is an amount of \$2,267,000 (2024: current other receivables of \$2,267,000) which pertains to tax recoverable. An overseas subsidiary of the Group has received notices of tax assessments following tax audits carried out on this subsidiary for the years 2018 and 2019. An additional tax payable of \$2.3 million was required based on the tax assessments received. The foreign subsidiary has paid the additional tax amount in FY2022. The subsidiary's external tax professional firm has advised that it does not see any merit to the tax assessments raised by the tax authorities.

Based on the advice of the subsidiary's external tax professional firm, management has assessed that it is virtually certain that the overseas subsidiary can recover the tax paid. Accordingly, the tax paid is recognised as tax recoverable in the financial statements in accordance with SFRS(I) 1-37 - Provisions, Contingent Liabilities and Contingent Assets. The assessment of recoverability involves significant judgement, including the evaluation of the relevant foreign tax regulations, the merits of the tax appeal, and professional advice obtained. While the Group believes that recovery is virtually certain, the matter remains subject to the tax appeal process.

The tax recoverable has been classified as non-current as management does not expect the amount to be recovered within twelve months after the reporting date, taking into consideration the expected timeline of the tax appeal process.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

### 20. LOANS TO SUBSIDIARIES/ DEPOSITS FROM SUBSIDIARIES

|                                      | Company        |                |
|--------------------------------------|----------------|----------------|
|                                      | 2025<br>\$'000 | 2024<br>\$'000 |
| Loans to subsidiaries (current)      | 130,549        | 82,592         |
| Deposits from subsidiaries (current) | (87,826)       | (48,496)       |

Loans to subsidiaries (current) are unsecured; bear interest of 3.15% to 4.71% (2024: 5.02% to 5.69%) per annum and are repayable on demand.

Loans to subsidiaries (current) are stated after deducting an allowance for impairment loss of \$31,333,000 (2024: \$31,333,000).

Movement in allowance account:

|   | Company        |                |
|---|----------------|----------------|
|   | 2025<br>\$'000 | 2024<br>\$'000 |
| At 1 January                              | 31,333         | 31,333         |
| Reversal of over provision in prior years | -              | -              |
| At 31 December                            | 31,333         | 31,333         |

Deposits from subsidiaries are unsecured; bear interest 0.6% to 1.68% (2024: of 2.5% to 3.75%) per annum and are repayable on demand.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

### 21. DERIVATIVES

|                                     | Group                                     |                    |                       |   |                    |                       |
|-------------------------------------|---|--------------------|-----------------------|---|--------------------|-----------------------|
|                                     | Contract/<br>Notional<br>amount<br>\$'000 | 2025<br>Fair value |                       | Contract/<br>Notional<br>amount<br>\$'000 | 2024<br>Fair value |                       |
|                                     |   | Assets<br>\$'000   | Liabilities<br>\$'000 |   | Assets<br>\$'000   | Liabilities<br>\$'000 |
| Derivatives held for hedging:       |   |                    |                       |   |                    |                       |
| Designated as cash flow hedges      |   |                    |                       |   |                    |                       |
| - Currency forward contracts        | 61,977                                    | -                  | (1,304)               | -   | -                  | -                     |
| Not designated for hedge accounting |   |                    |                       |   |                    |                       |
| - Interest rate swaps               | 5,000                                     | -                  | -                     | 5,000                                     | 11                 | -                     |
| - Currency forward contracts        | 8,862                                     | 11                 | (30)                  | 54,389                                    | 941                | (693)                 |
| Total derivatives                   |   | 11                 | (1,334)               |   | 952                | (693)                 |

|                                     | Company                                   |                    |                       |   |                    |                       |
|-------------------------------------|---|--------------------|-----------------------|---|--------------------|-----------------------|
|                                     | Contract/<br>Notional<br>amount<br>\$'000 | 2025<br>Fair value |                       | Contract/<br>Notional<br>amount<br>\$'000 | 2024<br>Fair value |                       |
|                                     |   | Assets<br>\$'000   | Liabilities<br>\$'000 |   | Assets<br>\$'000   | Liabilities<br>\$'000 |
| Not designated for hedge accounting |   |                    |                       |   |                    |                       |
| - Interest rate swaps               | 5,000                                     | -                  | -                     | 5,000                                     | 11                 | -                     |
| - Currency forward contracts        | 46,975                                    | -                  | (963)                 | 41,255                                    | 941                | (585)                 |
| Total derivatives                   |   | -                  | (963)                 |   | 952                | (585)                 |

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

### 21. DERIVATIVES (CONT'D)

Hedging instruments used in Group's hedging strategy in 2025

|   | Carrying amount             |                       | Changes in fair value used for calculating hedge ineffectiveness |                    | Hedge ineffectiveness recognise in P&L | Weighted average hedged rate | Maturity date              |
|---|-----------------------------|-----------------------|--|--------------------|--|------------------------------|----------------------------|
|   | Contractual notional amount | Assets/ (Liabilities) | Financial statement line item                                    | Hedging instrument |  |                              |                            |
|   | \$'000                      | \$'000                |  | \$'000             | \$'000                                 |                              |                            |
| <b>Group</b>  |                             |                       |  |                    |  |                              |                            |
| <b>Cash flow hedge</b>                                  |                             |                       |  |                    |  |                              |                            |
| Foreign exchange risk                                   |                             |                       |  |                    |  |                              |                            |
| Forward contracts to hedge highly probable transactions | 61,977                      | (1,304)               | Derivatives  | (1,304)            | 1,304                                  | EUR \$1: \$1.47              | August 2026 – January 2028 |

The forecast transactions hedged are expected to occur within the maturity period of the respective forward contracts.

### 22. CASH AND BANK BALANCES AND FIXED DEPOSITS

|                        | Group         |               | Company      |              |
|------------------------|---------------|---------------|--------------|--------------|
|                        | 2025          | 2024          | 2025         | 2024         |
|                        | \$'000        | \$'000        | \$'000       | \$'000       |
| Cash and bank balances | 30,997        | 26,661        | 2,697        | 1,688        |
| Fixed deposits         | 7,281         | 7,322         | 3,834        | 3,916        |
|                        | <u>38,278</u> | <u>33,983</u> | <u>6,531</u> | <u>5,604</u> |

Cash at banks earns interest at floating rates based on daily bank deposit rates. Fixed deposits comprising a varying periods of between 1 week and 12 months (2024: 1 week and 12 months), are mostly less than 3 months depending on the immediate cash requirements of the Group and the Company, and earn interest ranging from 0.65% to 3% (2024: 2.15% to 4%) per annum.

Bank balances and fixed deposits of \$7,525,000 (2024: \$7,566,000) are pledged with licensed banks for banking facilities granted to the Group.

For the purpose of the consolidated cash flow statement, cash and cash equivalents comprise the following as at 31 December:

|  | Group         |               |
|--|---------------|---------------|
|  | 2025          | 2024          |
|  | \$'000        | \$'000        |
| Cash and bank balances (excluding pledged bank balances) | 30,737        | 26,401        |
| Fixed deposits (excluding pledged fixed deposits)        | 16            | 16            |
| Cash and cash equivalents                                | <u>30,753</u> | <u>26,417</u> |

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

### 23. TRADE PAYABLES

Trade payables are non-interest bearing and are normally settled on 60 to 90-day terms.

### 24. OTHER PAYABLES AND ACCRUALS

|  | Group         |               | Company      |              |
|--|---------------|---------------|--------------|--------------|
|  | 2025          | 2024          | 2025         | 2024         |
|  | \$'000        | \$'000        | \$'000       | \$'000       |
| <i>Financial liabilities</i>                       |               |               |              |              |
| Accrued operating expenses                         | 30,427        | 30,100        | 4,034        | 3,709        |
| Advance payment and deposits received (refundable) | 2,188         | 586           | –            | 105          |
| Other payables                                     | 430           | 643           | 164          | 154          |
|  | <u>33,045</u> | <u>31,329</u> | <u>4,198</u> | <u>3,968</u> |
| <i>Non-financial liabilities</i>                   |               |               |              |              |
| Other payables                                     | 24            | –             | 250          | 203          |
| Total other payables and accruals                  | <u>33,069</u> | <u>31,329</u> | <u>4,448</u> | <u>4,171</u> |

### 25. PROVISIONS

|  | Group        |              | Company  |          |
|--|--------------|--------------|----------|----------|
|  | 2025         | 2024         | 2025     | 2024     |
|  | \$'000       | \$'000       | \$'000   | \$'000   |
| <i>Current:</i>                            |              |              |          |          |
| Provision for warranty claims              | 1,982        | 2,200        | –        | –        |
| <i>Non-current:</i>                        |              |              |          |          |
| Provision for restoration cost             | 2,080        | 2,080        | –        | –        |
| Provision for employee retirement benefits | 118          | 87           | –        | –        |
|  | <u>2,198</u> | <u>2,167</u> | <u>–</u> | <u>–</u> |

*Provision for warranty claims*

Movement in provision for warranty claims during the year is as follows:

|                | Group        |              |
|----------------|--------------|--------------|
|                | 2025         | 2024         |
|                | \$'000       | \$'000       |
| At 1 January   | 2,200        | 1,347        |
| Additions      | 1,431        | 1,653        |
| Reversals      | (310)        | (542)        |
| Utilisation    | (1,339)      | (258)        |
| At 31 December | <u>1,982</u> | <u>2,200</u> |

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

### 25. PROVISIONS (CONT'D)

#### Provision for warranty claims (cont'd)

The provision for warranty claims is in relation to shipbuilding contracts. The amount for warranty claim is estimated by management based on past experience and expectations of the costs of possible repairs and rectifications.

#### Provision for restoration cost

The provision for restoration cost is recognised for expected cost required to be incurred to reinstate the leased land to their original condition. Management is of the view that the provision recorded is adequate to cover the costs of restoration.

#### Provision for employee retirement benefits

A subsidiary in Indonesia provides defined retirement benefits for its employees who achieve the retirement age based on the provisions of Labour Law No. PP35/2021 in Indonesia dated 2 February 2021. The benefits are unfunded.

The following table summarises the components of defined retirement benefits expense recognised in profit or loss and provision for employee retirement benefits recognised in the statement of financial position as of 31 December 2025, as determined by an independent actuary.

(a) Provision for employee retirement benefit:

|   | Group  |        |
|---|--------|--------|
|   | 2025   | 2024   |
|   | \$'000 | \$'000 |
| Current service cost                      | 40     | 15     |
| Total defined retirement benefits expense | 40     | 15     |
| Presented in profit or loss as:           |        |        |
| Administrative expenses                   | 40     | 15     |

(b) Provision for employee retirement benefits consists of the following:

|   | Group  |        |
|---|--------|--------|
|   | 2025   | 2024   |
|   | \$'000 | \$'000 |
| Present value of employee benefits obligation | 118    | 87     |

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

### 25. PROVISIONS (CONT'D)

(b) Provision for employee retirement benefits consists of the following (cont'd):

The principal assumptions used in determining the employee retirement benefit expense are as follows:

|                | Group                 |                       |
|----------------|-----------------------|-----------------------|
|                | 2025                  | 2024                  |
| Retirement age | 57                    | 55                    |
| Discount rate  | 4.81% -7.01%          | 6.46% -7.12%          |
| Mortality rate | TMI 2019              | TMI 2019              |
| Method         | Projected unit credit | Projected unit credit |

Movement in the provision for employee retirement benefits is as follows:

|                          | Group  |        |
|--------------------------|--------|--------|
|                          | 2025   | 2024   |
|                          | \$'000 | \$'000 |
| At 1 January             | 87     | 101    |
| Movement during the year | 40     | 18     |
| Payment during the year  | –      | (33)   |
| Translation              | (9)    | 1      |
| At 31 December           | 118    | 87     |

### 26. CONTRACT BALANCES

|                      | Group       |          |           | Company     |        |           |
|----------------------|-------------|----------|-----------|-------------|--------|-----------|
|                      | 31 December |          | 1 January | 31 December |        | 1 January |
|                      | 2025        | 2024     | 2024      | 2025        | 2024   | 2024      |
|                      | \$'000      | \$'000   | \$'000    | \$'000      | \$'000 | \$'000    |
| Contract assets      | 16,734      | 22,297   | 5,188     | 2,872       | 15,821 | –         |
| Contract liabilities | (28,021)    | (41,586) | (51,535)  | (3)         | –      | (19,009)  |

Contract assets/(liabilities) refer to progress billings in relation to shipbuilding, chartering and maintenance contracts in deficit/(excess) of their corresponding revenue.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

### 26. CONTRACT BALANCES (CONT'D)

Significant changes in the contract assets and the contract liabilities balances during the year are as follows:

|  | Group                |        | Company              |        |
|--|----------------------|--------|----------------------|--------|
|  | Contract liabilities |        | Contract liabilities |        |
|  | 2025                 | 2024   | 2025                 | 2024   |
|  | \$'000               | \$'000 | \$'000               | \$'000 |
| Revenue and other income recognised that was included in the contract liability balance at the beginning of the year | 30,211               | 51,535 | –                    | 19,009 |
|  |                      |        |                      |        |
|  | Group                |        | Company              |        |
|  | Contract assets      |        | Contract assets      |        |
|  | 2025                 | 2024   | 2025                 | 2024   |
|  | \$'000               | \$'000 | \$'000               | \$'000 |
| Contract asset reclassified to trade receivables   | 22,297               | 5,188  | 15,821               | –      |

### 27. TERM LOANS

|                         | Group  |        | Company |        |
|-------------------------|--------|--------|---------|--------|
|                         | 2025   | 2024   | 2025    | 2024   |
|                         | \$'000 | \$'000 | \$'000  | \$'000 |
| Current:                |        |        |         |        |
| Term loan I (unsecured) | –      | 376    | –       | 376    |
| Term loan II            | 258    | 516    | 258     | 516    |
| Term loan III           | 2,900  | 5,000  | 2,900   | 5,000  |
| Term loan IV            | 780    | 780    | 780     | 780    |
| Term loan V             | 1,103  | 1,400  | 1,103   | 1,400  |
| Term loan VI            | 6,800  | –      | –       | –      |
| Term loan VII           | 984    | 1,079  | –       | –      |
| Term loan VIII          | 636    | 323    | –       | –      |
| Term loan IX            | 780    | 1,560  | –       | –      |
| Term loan X             | 3,000  | 3,000  | –       | –      |
| Term loan XI            | 3,000  | –      | –       | –      |
|                         | 20,241 | 14,034 | 5,041   | 8,072  |

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

### 27. TERM LOANS (CONT'D)

|                         | Group  |        | Company |        |
|-------------------------|--------|--------|---------|--------|
|                         | 2025   | 2024   | 2025    | 2024   |
|                         | \$'000 | \$'000 | \$'000  | \$'000 |
| Non-current:            |        |        |         |        |
| Term loan I (unsecured) | –      | –      | –       | –      |
| Term loan II            | –      | 258    | –       | 258    |
| Term loan III           | –      | –      | –       | –      |
| Term loan IV            | 2,646  | 3,427  | 2,646   | 3,427  |
| Term loan V             | 9,902  | 10,579 | 9,903   | 10,579 |
| Term loan VI            | –      | –      | –       | –      |
| Term loan VII           | 3,278  | 4,673  | –       | –      |
| Term loan VIII          | 868    | 1,557  | –       | –      |
| Term loan IX            | 1,565  | 3,970  | –       | –      |
| Term loan X             | 4,250  | 12,000 | –       | –      |
| Term loan XI            | 12,156 | –      | –       | –      |
|                         | 34,665 | 36,464 | 12,549  | 14,264 |
| Total term loans        | 54,906 | 50,498 | 17,590  | 22,336 |

#### Term loan I

This loan bears interest of 2% (2024: 2%) and is repayable through monthly instalments. The loan is fully repaid in the year.

#### Term loan II

This loan bears interest of 2.48% (2024: 2.48%) and is repayable through monthly instalments.

#### Term loan III

This loan bears interest of 2.77% - 4.52% (2024: 4.43% - 5.39%) and is repayable on demand.

#### Term loan IV

This loan bears interest ranging from 2.60% - 4.38% (2024: 4.49% - 5.25%) and is repayable through monthly instalments.

#### Term loan V

This loan bears interest of 2.87% - 4.61% (2024: 5%) and is repayable through monthly instalments.

#### Term loan VI

This loan bears interest of 2.97% - 2.98% (2024: Nil) and is repayable through monthly instalments.

#### Term loan VII

This loan bears interest of 8.25% (2024: 8.25%) and is repayable through monthly instalments.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

### 27. TERM LOANS (CONT'D)

#### Term loan VIII

These loan bears interest of 2.81% - 4.67% (2024: 4.87% - 5.40%) and is repayable through monthly instalments.

#### Term loan IX

These loan bears interest of 2.41% - 4.41% (2024: 4.87% - 5.40%) and is repayable through monthly instalments.

#### Term loan X

These loan bears interest of 2.25% - 5% (2024: 4.87% - 5.40%) and is repayable through monthly instalments.

#### Term loan XI

These loan bears interest of Nil (2024: Nil), which had not yet been charged as at the reporting date and is repayable through monthly instalments.

#### Reconciliation of liabilities arising from financing activities

|            | 1 January<br>2025<br>\$'000 | Financing<br>cash flows<br>\$'000 | 31 December<br>2025<br>\$'000 |
|------------|-----------------------------|-----------------------------------|-------------------------------|
| Term loans | 50,498                      | 4,408                             | 54,906                        |

|            | 1 January<br>2024<br>\$'000 | Financing<br>cash flows<br>\$'000 | 31 December<br>2024<br>\$'000 |
|------------|-----------------------------|-----------------------------------|-------------------------------|
| Term loans | 44,413                      | 6,085                             | 50,498                        |

The Group's loans from the banks are secured by way of:

- first mortgage over vessels of subsidiaries;
- an assignment of charter earnings in respect of mortgaged vessels;
- an assignment of insurance policies in respect of mortgaged vessels;
- first mortgage over property of subsidiaries;
- first mortgage over plant and equipment of subsidiaries; and
- an assignment of rental proceeds of mortgaged property.

The Group is in compliance with all externally imposed capital requirement for the financial years ended 31 December 2025 and 31 December 2024.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

### 28. LEASES

#### Group as a lessee

The Group has lease contracts for land, office buildings and dormitories. There are several lease contracts that include extension options. The Group also has certain leases of dormitory with lease terms of 12 months or less. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

#### (a) **Movement of right-of-use assets:**

|                         | Group          |                | Company        |                |
|-------------------------|----------------|----------------|----------------|----------------|
|                         | 2025<br>\$'000 | 2024<br>\$'000 | 2025<br>\$'000 | 2024<br>\$'000 |
| At 1 January            | 8,812          | 8,516          | -              | -              |
| Additions               | 2,476          | 1,973          | -              | -              |
| Lease modification      | (231)          | -              | -              | -              |
| Depreciation            | (2,860)        | (1,678)        | -              | -              |
| Net exchange difference | (73)           | 1              | -              | -              |
| At 31 December          | 8,124          | 8,812          | -              | -              |

#### (b) **Lease liabilities**

#### Reconciliation of liabilities arising from financing activities

|                   | 1 January<br>2025<br>\$'000 | Financing<br>cash flows<br>\$'000 | Non-cash changes       |                                    | 31 December<br>2025<br>\$'000 |
|-------------------|-----------------------------|-----------------------------------|------------------------|------------------------------------|-------------------------------|
|                   |                             |                                   | Modification<br>\$'000 | Additions/<br>(transfer)<br>\$'000 |                               |
| Lease liabilities |                             |                                   |                        |                                    |                               |
| - Current         | 1,579                       | (1,234)                           | (231)                  | 1,772                              | 1,886                         |
| - Non-current     | 7,695                       | (1,565)                           | -                      | 704                                | 6,834                         |
|                   | 9,274                       | (2,799)                           | (231)                  | 2,476                              | 8,720                         |

|                   | 1 January<br>2024<br>\$'000 | Financing<br>cash flows<br>\$'000 | Non-cash changes       |                                    | 31 December<br>2024<br>\$'000 |
|-------------------|-----------------------------|-----------------------------------|------------------------|------------------------------------|-------------------------------|
|                   |                             |                                   | Modification<br>\$'000 | Additions/<br>(transfer)<br>\$'000 |                               |
| Lease liabilities |                             |                                   |                        |                                    |                               |
| - Current         | 899                         | (1,127)                           | -                      | 1,807                              | 1,579                         |
| - Non-current     | 7,948                       | (419)                             | -                      | 166                                | 7,695                         |
|                   | 8,847                       | (1,546)                           | -                      | 1,973                              | 9,274                         |

Maturity analysis of lease liabilities is disclosed in Note 38(b).

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

### 28. LEASES (CONT'D)

Group as a lessee (cont'd)

#### (c) Amounts recognised in profit or loss

|   | Group          |                | Company        |                |
|---|----------------|----------------|----------------|----------------|
|   | 2025<br>\$'000 | 2024<br>\$'000 | 2025<br>\$'000 | 2024<br>\$'000 |
| Depreciation of right-of-use assets                 | 2,860          | 1,678          | –              | –              |
| Interest expense on lease liabilities               | 452            | 355            | –              | –              |
| Lease expense not capitalised in lease liabilities: |                |                |                |                |
| Expense relating to low-value and short-term leases |                |                |                |                |
| - included in cost of sales                         | 364            | 326            | –              | –              |
| - included in administrative expenses               | 736            | 266            | –              | –              |
| Total amount recognised in profit or loss           | 4,412          | 2,625          | –              | –              |

#### (d) Total cash outflow

The Group had total cash outflows for leases of \$4,351,000 in 2025 (2024: \$2,493,000).

### 29. COMMITMENTS

#### (a) Capital commitments

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

|   | Group          |                | Company        |                |
|---|----------------|----------------|----------------|----------------|
|   | 2025<br>\$'000 | 2024<br>\$'000 | 2025<br>\$'000 | 2024<br>\$'000 |
| Capital commitments in respect of property, plant and equipment | 2,832          | 5,674          | –              | –              |

#### (b) Other commitments

Expenditure contracted for as at the end of the reporting period but not recognised in the financial statements are as follows:

|  | Group          |                | Company        |                |
|--|----------------|----------------|----------------|----------------|
|  | 2025<br>\$'000 | 2024<br>\$'000 | 2025<br>\$'000 | 2024<br>\$'000 |
| Commitments in respect of shipbuilding costs | 62,749         | 64,326         | –              | –              |

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

### 29. COMMITMENTS (CONT'D)

#### (c) Continuing financial support

The Company has undertaken to provide continuing financial support to thirteen (2024: twelve) of its subsidiaries to enable them to operate as going concerns and to meet their obligations for at least 12 months from the date of their respective directors' report relating to the 31 December 2025 financial statements. The subsidiaries are Penguin Marine Offshore Services Pte Ltd, Penguin Marine Services Pte Ltd, PKS Shipyard Pte Ltd, Penguin Ark Pte Ltd (formerly known as POS Gallant Pte Ltd), Pelican Offshore Worldwide Pte Ltd, Flex Fleet Sdn Bhd, POS Glow Pte Ltd, POS Victory Pte Ltd, Penguin Transporter Pte Ltd, PT Kim Seah Shipyard Indonesia, Victory Marine Services Sdn Bhd, Flex Fleet Ship Management Services L.L.C and Swissco Offshore (Pte.) Ltd.

### 30. DEFERRED TAX LIABILITIES

|                                 | Group                            |                | Consolidated statement of profit or loss and other comprehensive income |                | Company                         |                |
|---------------------------------|----------------------------------|----------------|---|----------------|---------------------------------|----------------|
|                                 | Statements of financial position |                | Statement of financial position   |                | Statement of financial position |                |
|                                 | 2025<br>\$'000                   | 2024<br>\$'000 | 2025<br>\$'000  | 2024<br>\$'000 | 2025<br>\$'000                  | 2024<br>\$'000 |
| <b>Deferred tax liabilities</b> |                                  |                |   |                |                                 |                |
| Differences in depreciation     | (9,004)                          | (8,211)        | (713)   | (1,951)        | (531)                           | (688)          |
| Others                          | –                                | –              | (80)  | 70             | –                               | –              |

During the year, three subsidiaries (2024: one subsidiary) transferred \$11,088,000 (2024: \$10,535,000) of its current year tax losses and capital allowances to be deducted against the assessable income of the Company and two subsidiaries (2024: one subsidiary) pursuant to the Group Relief Scheme, subject to compliance with the relevant rules and procedures and agreement of the Inland Revenue Authority of Singapore. The tax savings arising from the application of Group Relief amounted to approximately \$1,885,000 (2024: \$1,791,000).

At the reporting date, the Group has unutilised tax losses and capital allowances of approximately \$10,167,000 (2024: \$3,298,000) that are available for offset against future taxable profits of the companies in which the losses arose. The use of these tax losses and capital allowances is subject to the agreement of the tax authorities and compliance with certain provisions of the tax legislation of the respective countries in which the companies operate. The tax losses and capital allowances have no expiry date (2024: no expiry date).

#### Tax consequences of proposed dividends

There are no income tax consequences attached to dividends to the shareholders proposed by the Company but not recognised as a liability in the financial statements (Note 36).

#### Unrecognised temporary differences relating to investments in subsidiaries

There is no deferred tax liability (2024: NIL) recognised for taxes that would be payable on the undistributed earnings of certain of the Group's subsidiaries as the Group has determined that undistributed earnings of its subsidiaries will not be distributed in the foreseeable future.

Such temporary differences for which no deferred tax liability has been recognised aggregated to \$28,516,000 (2024: \$24,127,000).

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

### 31. SHARE CAPITAL

|                              | Group and Company |               |               |        |
|------------------------------|-------------------|---------------|---------------|--------|
|                              | 2025              |               | 2024          |        |
| No. of shares                | No. of shares     | No. of shares | No. of shares |        |
| '000                         | '000              | '000          | '000          | '000   |
| <b>Ordinary shares</b>       |                   |               |               |        |
| <b>Issued and fully paid</b> |                   |               |               |        |
| At 1 January and 31 December | 220,170           | 94,943        | 220,170       | 94,943 |

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions. The ordinary shares have no par value.

### 32. OTHER RESERVES

|                                      | Group    |         | Company |        |
|--------------------------------------|----------|---------|---------|--------|
|                                      | 2025     | 2024    | 2025    | 2024   |
|                                      | \$'000   | \$'000  | \$'000  | \$'000 |
| Foreign currency translation reserve | (12,344) | (7,606) | –       | –      |
| Fair value reserve                   | 32,799   | 5,114   | 32,799  | 5,114  |
| Cash flow hedges reserve             | (1,304)  | –       | –       | –      |
|                                      | 19,151   | (2,492) | 32,799  | 5,114  |

#### (a) Foreign currency translation reserve

The foreign currency translation reserve records exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency. It also includes the effect of exchange differences arising on monetary items that form part of the Group's net investment in foreign operations.

|   | Group    |          |
|---|----------|----------|
|   | 2025     | 2024     |
|   | \$'000   | \$'000   |
| At 1 January  | (7,606)  | (10,163) |
| Net effect of exchange differences arising from quasi capital loan to subsidiaries                        | (3,797)  | 2,842    |
| Net effect of exchange differences arising from translation of financial statements of foreign operations | (941)    | (285)    |
| At 31 December  | (12,344) | (7,606)  |

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

### 32. OTHER RESERVES (CONT'D)

#### (b) Fair value reserve

|  | Group and Company |        |
|--|-------------------|--------|
|  | 2025              | 2024   |
|  | \$'000            | \$'000 |
| At 1 January                                       | 5,114             | 4,385  |
| Change in fair value of equity investment at FVOCI | 27,685            | 729    |
| At 31 December                                     | 32,799            | 5,114  |

#### (c) Cash flow hedges reserve

The effective portion of the cumulative net change in the fair value of cash flow hedging instruments related to hedged transactions that have not yet occurred.

|  | Group   |        |
|--|---------|--------|
|  | 2025    | 2024   |
|  | \$'000  | \$'000 |
| At 1 January                             | –       | –      |
| Change in fair value of cash flow hedges | (1,304) | –      |
| At 31 December                           | (1,304) | –      |

No amounts were reclassified from the cash flow hedge reverse to profit or loss during the financial year.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

### 33. RELATED PARTY TRANSACTIONS

#### (a) *Sale and purchase of goods and services*

In addition to related party information disclosed elsewhere in the financial statements, the following significant transactions took place at terms agreed between the parties during the financial year:

|                            | Group          |                | Company        |                |
|----------------------------|----------------|----------------|----------------|----------------|
|                            | 2025<br>\$'000 | 2024<br>\$'000 | 2025<br>\$'000 | 2024<br>\$'000 |
| <b>Income</b>              |                |                |                |                |
| Charter hire fee income    | –              | –              | 21             | 1              |
| Commission income          | –              | –              | 3              | 296            |
| Management fee income      | –              | –              | 4,644          | 2,470          |
| Interest income            | –              | –              | 3,520          | 9,297          |
| Rental income              | 1              | 1              | –              | –              |
| Dividend income            | –              | –              | 8,000          | –              |
| Wharfage charges           | 37             | 37             | –              | –              |
| Ship repair income         | 13             | –              | –              | –              |
| <b>Expense</b>             |                |                |                |                |
| Ship building costs        | –              | –              | (13,500)       | (32,264)       |
| Project management cost    | –              | –              | (7,317)        | (7,248)        |
| Interest expense           | –              | –              | (128)          | (671)          |
| Ship management expense    | –              | –              | (22)           | (26)           |
| Ship repair cost           | –              | –              | (207)          | (33)           |
| Charter hire expense       | –              | –              | (418)          | (153)          |
| Crew accommodation charges | –              | (13)           | –              | –              |
| Vessel maintenance cost    | –              | –              | (4,935)        | (6,412)        |
| Rental expenses            | –              | –              | (96)           | (96)           |

#### (b) *Compensation of key management personnel*

|                                      | Group          |                |
|--------------------------------------|----------------|----------------|
|                                      | 2025<br>\$'000 | 2024<br>\$'000 |
| Short-term employee benefits expense | 4,202          | 4,258          |
| Central Provident Fund contributions | 94             | 106            |
|                                      | <u>4,296</u>   | <u>4,364</u>   |
| Comprise amounts paid to:            |                |                |
| Directors of the Company             | 2,921          | 2,737          |
| Other key management personnel       | 1,375          | 1,627          |
|                                      | <u>4,296</u>   | <u>4,364</u>   |

The remuneration of key management personnel is determined by the remuneration committee having regard to the performance of individuals and market trends.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

### 34. GUARANTEES

The Group and Company had outstanding bank guarantees amounting to approximately \$57,179,000 (2024: \$80,592,000) and \$6,084,000 (2024: \$30,902,000) respectively, in respect of the performance of charter-hire and shipbuilding contracts (2024: charter-hire and shipbuilding contracts).

### 35. SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services, and has two reportable operating segments as follows:

- (a) The chartering segment provides chartering of vessels.
- (b) The shipbuilding and ship repairs and maintenance segment act as a builder of high speed aluminium commercial vessels and contractor for ship repairs and maintenance services.

Except as indicated above, no operating results have been aggregated to form the above reportable operating segments.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which in certain respects, as explained in the table below, is measured differently from operating profit or loss in the consolidated financial statements.

|   | Chartering     |                | Shipbuilding, ship repairs and maintenance |                | Adjustments and eliminations |                 | Notes | Total          |                |
|---|----------------|----------------|--|----------------|------------------------------|-----------------|-------|----------------|----------------|
|   | 2025<br>\$'000 | 2024<br>\$'000 | 2025<br>\$'000                             | 2024<br>\$'000 | 2025<br>\$'000               | 2024<br>\$'000  |       | 2025<br>\$'000 | 2024<br>\$'000 |
| <b>Revenue:</b>   |                |                |  |                |                              |                 |       |                |                |
| Sales to external customers                             | 70,599         | 48,149         | 196,370                                    | 187,695        | –                            | –               |       | 266,969        | 235,844        |
| Inter-segment sales                                     | 431            | 583            | 77,903                                     | 43,855         | (78,334)                     | (44,438)        | A     | –              | –              |
| Total revenue   | <u>71,030</u>  | <u>48,732</u>  | <u>274,273</u>                             | <u>231,550</u> | <u>(78,334)</u>              | <u>(44,438)</u> |       | <u>266,969</u> | <u>235,844</u> |
| <b>Results:</b>   |                |                |  |                |                              |                 |       |                |                |
| Finance income  | 671            | 1,149          | 668  | 1,245          | (394)                        | (1,147)         | B     | 945            | 1,247          |
| Dividend income   | 8,243          | 243            | –  | –              | (8,000)                      | –               |       | 243            | 243            |
| Depreciation  | (17,198)       | (15,044)       | (6,306)                                    | (5,219)        | 2,701                        | 2,323           | B     | (20,803)       | (17,940)       |
| Financial costs   | (1,484)        | (1,883)        | (1,387)                                    | (2,087)        | 396                          | 1,147           | B     | (2,475)        | (2,823)        |
| Reversal of impairment of property, plant and equipment | –              | 26             | –  | –              | –                            | –               |       | –              | 26             |
| Property, plant and machinery written off               | (9)            | –              | (4)  | (1)            | –                            | –               |       | (13)           | (1)            |
| Trade receivables written off                           | –              | –              | –  | (1,378)        | –                            | –               |       | –              | (1,378)        |
| Reversal/ (provision) for expected credit loss          | –              | –              | 319  | (595)          | –                            | –               |       | 319            | (595)          |
| Segment profit before tax                               | <u>9,194</u>   | <u>6,410</u>   | <u>37,180</u>                              | <u>34,589</u>  | <u>(2,356)</u>               | <u>2,504</u>    | C     | <u>44,018</u>  | <u>43,503</u>  |
| Taxation  |                |                |  |                |                              |                 |       | <u>(8,545)</u> | <u>(7,973)</u> |
| Profit for the year                                     |                |                |  |                |                              |                 |       | <u>35,473</u>  | <u>35,530</u>  |

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

### 35. SEGMENT INFORMATION (CONT'D)

The following table presents assets, liabilities and other segment information regarding the Group's business segments for the years ended 31 December 2025 and 2024:

|                                 | Chartering |         | Shipbuilding,<br>ship repairs and<br>maintenance |         | Discontinued<br>operation |        | Adjustments and<br>eliminations |           | Notes | Total   |         |
|---------------------------------|------------|---------|--|---------|---------------------------|--------|---------------------------------|-----------|-------|---------|---------|
|                                 | 2025       | 2024    | 2025   | 2024    | 2025                      | 2024   | 2025                            | 2024      |       | 2025    | 2024    |
|                                 | \$'000     | \$'000  | \$'000   | \$'000  | \$'000                    | \$'000 | \$'000                          | \$'000    |       | \$'000  | \$'000  |
| <b>Assets and liabilities:</b>  |            |         |  |         |                           |        |                                 |           |       |         |         |
| Additions to non-current assets | 80,757     | 41,433  | 8,195  | 3,597   | -                         | -      | (16,455)                        | (9,087)   | D     | 72,497  | 35,943  |
| Goodwill                        | -          | -       | -  | 78      | -                         | -      | -                               | -         |       | -       | 78      |
| Segment assets                  | 473,412    | 272,379 | 387,789  | 272,586 | 367                       | 367    | (396,549)                       | (138,120) | E     | 465,019 | 407,212 |
| Segment liabilities             | 279,716    | 101,430 | 178,712  | 154,678 | -                         | -      | (282,558)                       | (91,585)  | F     | 175,870 | 164,523 |

Notes: Nature of adjustments and eliminations to arrive at amounts reported in the consolidated financial statements

- A. Inter-segment revenues are eliminated on consolidation.
- B. Inter-segment interest income and finance expenses are eliminated on consolidation. Depreciation on mark-up arising from inter-segment sale of vessels are also eliminated on consolidation.
- C. The following items are added to/(deducted from) segment profit/(loss) before tax to arrive at "profit/(loss) before tax" presented in the consolidated income statement:

|                                 | 2025    | 2024   |
|---------------------------------|---------|--------|
|                                 | \$'000  | \$'000 |
| From inter-segment transactions | (2,356) | 2,504  |

- D. The adjustments and eliminations relate to inter-segment sales of vessels.
- E. The following items are added to/(deducted from) segment assets to arrive at total assets reported in the consolidated statement of financial position:

|                      | 2025      | 2024      |
|----------------------|-----------|-----------|
|                      | \$'000    | \$'000    |
| Inter-segment assets | (396,549) | (138,120) |

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

### 35. SEGMENT INFORMATION (CONT'D)

- F. The following items are added to/(deducted from) segment liabilities to arrive at total liabilities reported in the consolidated statement of financial position:

|                           | 2025      | 2024      |
|---------------------------|-----------|-----------|
|                           | \$'000    | \$'000    |
| Inter-segment liabilities | (298,967) | (106,778) |
| Deferred tax liabilities  | 9,004     | 8,211     |
| Current tax liabilities   | 7,405     | 6,982     |
|                           | (282,558) | (91,585)  |

#### Geographical information

Revenue information based on the geographical location of the customers is as follows:

|                        | Vessel Chartering |        | Shipbuilding,<br>ship repairs and<br>maintenance |         | Total   |         |
|------------------------|-------------------|--------|--|---------|---------|---------|
|                        | 2025              | 2024   | 2025   | 2024    | 2025    | 2024    |
|                        | \$'000            | \$'000 | \$'000   | \$'000  | \$'000  | \$'000  |
| Singapore              | 8,651             | 8,396  | 37,198   | 32,743  | 45,849  | 41,139  |
| Rest of Southeast Asia | 18,130            | 23,094 | 21,880   | 14,770  | 40,010  | 37,864  |
| East Asia              | -                 | -      | 14,661   | 88      | 14,661  | 88      |
| Africa                 | 11,856            | 7,434  | 39,485   | 24,220  | 51,341  | 31,654  |
| Europe                 | -                 | -      | 56,270   | 65,771  | 56,270  | 65,771  |
| Middle East            | 15,627            | 9,047  | 17,286   | 49,049  | 32,913  | 58,096  |
| South Asia             | 94                | -      | 9,523  | -       | 9,617   | -       |
| Australia              | 16,241            | -      | 1  | -       | 16,242  | -       |
| Others                 | -                 | 178    | 66   | 1,054   | 66      | 1,232   |
|                        | 70,599            | 48,149 | 196,370  | 187,695 | 266,969 | 235,844 |

Management does not monitor non-current assets and capital expenditure by geographical segment because the non-current assets comprise mainly of vessels which cannot be meaningfully allocated as the vessels can be deployed on different routes.

#### Information about major customers

Revenue from three (2024: three) major customers amounted to \$85,303,000 (2024: \$108,691,000), arising from chartering and shipbuilding, ship repairs and maintenance (2024: chartering and shipbuilding, ship repairs and maintenance) segments.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

### 36. DIVIDENDS

Paid during the financial year

Dividends on ordinary shares:

|  | Group and Company |        |
|--|-------------------|--------|
|  | 2025              | 2024   |
|  | \$'000            | \$'000 |
| - Final exempt (one-tier) dividend for 2024: 4.84 cents (2023: 3.42 cents) per share | 10,656            | 7,530  |

Proposed but not recognised as a liability as at 31 December:

Dividends on ordinary shares, subject to shareholders' approval at the Annual General Meeting:

|   | Group and Company |        |
|---|-------------------|--------|
|   | 2025              | 2024   |
|   | \$'000            | \$'000 |
| - Final exempt (one-tier) dividend for 2025: 5.0 cents (2024: 4.84 cents) per share | 11,008            | 10,656 |

### 37. FAIR VALUE OF FINANCIAL INSTRUMENTS

#### (a) Classification of financial instruments

|                                | Financial assets at amortised cost | Financial assets/liabilities at fair value through profit or loss | Financial assets at fair value through other comprehensive income | Financial liabilities at amortised cost | Total   |
|--------------------------------|------------------------------------|---|---|---|---------|
|                                | \$'000                             | \$'000  | \$'000  | \$'000                                  | \$'000  |
| <b>Group</b>                   |                                    |   |   |   |         |
| <b>2025</b>                    |                                    |   |   |   |         |
| <b>Assets</b>                  |                                    |   |   |   |         |
| Other investments              | -                                  | -   | 40,799  | -                                       | 40,799  |
| Trade receivables              | 35,309                             | -   | -   | -                                       | 35,309  |
| Other receivables and deposits | 13,003                             | -   | -   | -                                       | 13,003  |
| Derivatives                    | -                                  | 11  | -   | -                                       | 11      |
| Fixed deposits                 | 7,281                              | -   | -   | -                                       | 7,281   |
| Cash and bank balances         | 30,997                             | -   | -   | -                                       | 30,997  |
|                                | 86,590                             | 11  | 40,799  | -                                       | 127,400 |
| <b>Liabilities</b>             |                                    |   |   |   |         |
| Trade payables                 | -                                  | -   | -   | 29,231                                  | 29,231  |
| Other payables and accruals    | -                                  | -   | -   | 33,045                                  | 33,045  |
| Term loans                     | -                                  | -   | -   | 54,906                                  | 54,906  |
| Lease liabilities              | -                                  | -   | -   | 8,720                                   | 8,720   |
| Derivatives                    | -                                  | 1,334   | -   | -                                       | 1,334   |
|                                | -                                  | 1,334   | -   | 125,902                                 | 127,236 |

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

### 37. FAIR VALUE OF FINANCIAL INSTRUMENTS (CONT'D)

#### (a) Classification of financial instruments (cont'd)

|                                | Financial assets at amortised cost | Financial assets/liabilities at fair value through profit or loss | Financial assets at fair value through other comprehensive income | Financial liabilities at amortised cost | Total   |
|--------------------------------|------------------------------------|---|---|---|---------|
|                                | \$'000                             | \$'000  | \$'000  | \$'000                                  | \$'000  |
| <b>Group</b>                   |                                    |   |   |   |         |
| <b>2024</b>                    |                                    |   |   |   |         |
| <b>Assets</b>                  |                                    |   |   |   |         |
| Other investments              | -                                  | -   | 13,114  | -                                       | 13,114  |
| Trade receivables              | 49,727                             | -   | -   | -                                       | 49,727  |
| Other receivables and deposits | 10,063                             | -   | -   | -                                       | 10,063  |
| Derivatives                    | -                                  | 952   | -   | -                                       | 952     |
| Fixed deposits                 | 7,322                              | -   | -   | -                                       | 7,322   |
| Cash and bank balances         | 26,661                             | -   | -   | -                                       | 26,661  |
|                                | 93,773                             | 952   | 13,114  | -                                       | 107,839 |
| <b>Liabilities</b>             |                                    |   |   |   |         |
| Trade payables                 | -                                  | -   | -   | 11,583                                  | 11,583  |
| Other payables and accruals    | -                                  | -   | -   | 31,329                                  | 31,329  |
| Term loans                     | -                                  | -   | -   | 50,498                                  | 50,498  |
| Lease liabilities              | -                                  | -   | -   | 9,274                                   | 9,274   |
| Derivatives                    | -                                  | 693   | -   | -                                       | 693     |
|                                | -                                  | 693   | -   | 102,684                                 | 103,377 |

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

### 37. FAIR VALUE OF FINANCIAL INSTRUMENTS (CONT'D)

#### (a) Classification of financial instruments (cont'd)

| Company                        | Financial assets at amortised cost<br>\$'000 | Financial assets/liabilities at fair value through profit or loss<br>\$'000 | Financial assets at fair value through other comprehensive income<br>\$'000 | Financial liabilities at amortised cost<br>\$'000 | Total<br>\$'000 |
|--------------------------------|--|---|---|---|-----------------|
| <b>2025</b>                    |  |   |   |   |                 |
| <b>Assets</b>                  |  |   |   |   |                 |
| Other investments              | –  | –   | 40,799  | –   | 40,799          |
| Trade receivables              | 2,072  | –   | –   | –   | 2,072           |
| Other receivables and deposits | 351  | –   | –   | –   | 351             |
| Derivatives                    | –  | –   | –   | –   | –               |
| Loans to subsidiaries          | 130,549                                      | –   | –   | –   | 130,549         |
| Fixed deposit                  | 3,834  | –   | –   | –   | 3,834           |
| Cash and bank balances         | 2,697  | –   | –   | –   | 2,697           |
|                                | 139,503                                      | –   | 40,799  | –   | 180,302         |
| <b>Liabilities</b>             |  |   |   |   |                 |
| Trade payables                 | –  | –   | –   | 7   | 7               |
| Other payables and accruals    | –  | –   | –   | 4,198   | 4,198           |
| Deposits from subsidiaries     | –  | –   | –   | 87,826  | 87,826          |
| Term loans                     | –  | –   | –   | 17,590  | 17,590          |
| Derivatives                    | –  | 963   | –   | –   | 963             |
|                                | –  | 963   | –   | 109,621   | 110,584         |
| <b>2024</b>                    |  |   |   |   |                 |
| <b>Assets</b>                  |  |   |   |   |                 |
| Other investments              | –  | –   | 13,114  | –   | 13,114          |
| Trade receivables              | 5,037  | –   | –   | –   | 5,037           |
| Other receivables and deposits | 164  | –   | –   | –   | 164             |
| Derivatives                    | –  | 952   | –   | –   | 952             |
| Loans to subsidiaries          | 82,592                                       | –   | –   | –   | 82,592          |
| Fixed deposit                  | 3,916  | –   | –   | –   | 3,916           |
| Cash and bank balances         | 1,688  | –   | –   | –   | 1,688           |
|                                | 93,397                                       | 952   | 13,114  | –   | 107,463         |
| <b>Liabilities</b>             |  |   |   |   |                 |
| Trade payables                 | –  | –   | –   | 9   | 9               |
| Other payables and accruals    | –  | –   | –   | 3,968   | 3,968           |
| Deposits from subsidiaries     | –  | –   | –   | 48,496  | 48,496          |
| Term loans                     | –  | –   | –   | 22,336  | 22,336          |
| Derivatives                    | –  | 585   | –   | –   | 585             |
|                                | –  | 585   | –   | 74,809  | 75,394          |

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

### 37. FAIR VALUE OF FINANCIAL INSTRUMENTS (CONT'D)

#### (b) Fair value of financial instruments that are carried at fair value

Fair value is defined as the amount at which the financial instrument could be exchanged in a current transaction between knowledgeable willing parties in an arm's length transaction, other than in a forced or liquidation sale. Fair values are obtained from quoted market prices, discounted cash flow models and option pricing models as appropriate.

#### Fair value hierarchy

The Group classifies fair value measurement using a fair value hierarchy that is dependent on the valuation inputs used in making the measurements as follows:

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

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

As at 31 December 2025, the Group has investment in quoted equity security representing Level 1 financial asset which is carried at fair value amount of \$40,799,000 (2024: \$13,114,000). The quoted equity security is listed on the SGX-ST in Singapore.

#### (c) Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value

The carrying amounts of trade receivables, other receivables and deposits, loans to subsidiaries, cash and cash equivalents, trade payables, other payables and accruals, term loans, and deposits from subsidiaries are reasonable approximation of fair values, either due to their short-term nature or that they are floating rate instruments that are re-priced to market interest rates on or near the end of the reporting period.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

### 38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group and the Company is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk, foreign currency risk, market price risk and interest rate risk. The Group's overall risk management strategy seeks to minimise any adverse effects from the unpredictability of financial markets on the Group's financial performance. The Group uses financial instruments such as currency forwards and interest rate swaps to hedge certain financial risk exposures.

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

There has been no change to the Group's exposure to the financial risks or the manner in which it manages and measures the risks.

#### (a) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The carrying amount of cash and fixed deposits, trade and other receivables and contract assets represent the Group's maximum exposure to credit risk in relation to financial assets. No other financial assets carry a significant exposure to credit risk.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount.

#### Credit risk concentration profile

The Group determines concentrations of credit risk by monitoring the country and industry sector profile of its trade and other receivables on an on-going basis. The credit risk concentration profile of the Group's trade and other receivables at the reporting date is as follows:

|                                       | Group          |     |                |     |
|---------------------------------------|----------------|-----|----------------|-----|
|                                       | 2025<br>\$'000 | %   | 2024<br>\$'000 | %   |
| <b>By country:</b>                    |                |     |                |     |
| Singapore                             | 6,487          | 14  | 11,473         | 20  |
| Malaysia                              | 10,031         | 22  | 7,490          | 13  |
| Rest of Southeast Asia                | 2,164          | 5   | 2,228          | 4   |
| Africa                                | 3,596          | 8   | 17,652         | 32  |
| South Asia                            | 1,385          | 3   | 2,428          | 5   |
| East Asia                             | 4,737          | 11  | –              | –   |
| Europe                                | 6,807          | 15  | 8,495          | 15  |
| Middle East                           | 6,794          | 15  | 6,350          | 11  |
| Australia                             | 2,992          | 7   | –              | –   |
| Others                                | 9              | –   | –              | –   |
|                                       | 45,002         | 100 | 56,116         | 100 |
| <b>By industry sectors:</b>           |                |     |                |     |
| Chartering                            | 24,585         | 55  | 22,292         | 40  |
| Shipbuilding, repairs and maintenance | 20,417         | 45  | 33,824         | 60  |
|                                       | 45,002         | 100 | 56,116         | 100 |

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

### 38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

#### (a) Credit risk (cont'd)

At the end of the reporting period:

- Approximately 33% (2024: 49%) of the Group's trade receivables were due from three (2024: three) major customers consisting of multi-industry conglomerates located in various countries.
- Approximately 100% (2024: 83%) of the Company's trade receivables were due from two (2024: two) major customers consisting of two multinational corporation (2024: two multinational corporation).

Trade receivables and contract assets

The Group uses a provision matrix to measure the lifetime expected credit loss allowance for trade receivables and contract assets.

In measuring the expected credit loss, trade receivables and contract assets are grouped based on shared credit risk characteristics and days past due, the contract assets relate to unbilled work in progress, which have substantially the same risk characteristics as the trade receivables for the same type of contracts. The group has therefore concluded that the expected credit loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

In calculating the expected credit loss rates, the Group considers historical rates for each category of customers and adjusts to reflect current and forward-looking to settle the receivables. The Group has identified the factors which to be the most relevant and accordingly adjusts the historical loss rate based on expected changes in these factors.

Set out below is the information about the credit risk exposure on the Group's trade receivables and contract assets using a provision matrix:

|  | Trade receivables         |                   |                    |                      |                      |                    |                 |
|--|---------------------------|-------------------|--------------------|----------------------|----------------------|--------------------|-----------------|
|  | Contract assets<br>\$'000 | Current<br>\$'000 | Days past due      |                      |                      |                    | Total<br>\$'000 |
|  |                           |                   | <30 days<br>\$'000 | 30-60 days<br>\$'000 | 61-90 days<br>\$'000 | >91 days<br>\$'000 |                 |
| <b>31 December 2025</b>                          |                           |                   |                    |                      |                      |                    |                 |
| Expected credit loss rate                        | –                         | 0.95%             | –                  | –                    | –                    | –                  | –               |
| Estimated total gross carrying amount at default | 16,734                    | 29,014            | 2,571              | 1,402                | 822                  | 1,775              | 35,584          |
| Expected credit loss                             | –                         | 275               | –                  | –                    | –                    | –                  | 275             |
| <b>31 December 2024</b>                          |                           |                   |                    |                      |                      |                    |                 |
| Expected credit loss rate                        | –                         | 2.09%             | –                  | –                    | –                    | 43.48%             | –               |
| Estimated total gross carrying amount at default | 22,297                    | 28,415            | 17,528             | 434                  | 2,405                | 2,723              | 51,505          |
| Expected credit loss                             | –                         | 594               | –                  | –                    | –                    | 1,184              | 1,778           |

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

### 38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

#### (b) 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 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.

The maturity profile of the Group's and the Company's financial liabilities at the end of the reporting period based on contractual undiscounted payments is as follows.

|  | Within<br>1 year<br>\$'000 | 1 to<br>5 years<br>\$'000 | Over<br>5 years<br>\$'000 | Total<br>\$'000 |
|--|----------------------------|---------------------------|---------------------------|-----------------|
| <b>Group</b>                             |                            |                           |                           |                 |
| <b>2025</b>                              |                            |                           |                           |                 |
| <b>Financial liabilities</b>             |                            |                           |                           |                 |
| Trade payables                           | 29,231                     | –                         | –                         | 29,231          |
| Other payables and accruals              | 33,069                     | –                         | –                         | 33,069          |
| Term loans                               | 22,025                     | 33,599                    | 4,072                     | 59,696          |
| Lease liabilities                        | 2,173                      | 5,303                     | 5,510                     | 12,986          |
| Total undiscounted financial liabilities | 86,498                     | 38,902                    | 9,582                     | 134,982         |
| <b>Group</b>                             |                            |                           |                           |                 |
| <b>2024</b>                              |                            |                           |                           |                 |
| <b>Financial liabilities</b>             |                            |                           |                           |                 |
| Trade payables                           | 11,583                     | –                         | –                         | 11,583          |
| Other payables and accruals              | 31,329                     | –                         | –                         | 31,329          |
| Term loans                               | 14,873                     | 28,819                    | 7,131                     | 50,823          |
| Lease liabilities                        | 2,256                      | 4,343                     | 6,174                     | 12,773          |
| Total undiscounted financial liabilities | 60,041                     | 33,162                    | 13,305                    | 106,508         |

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

### 38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

#### (b) Liquidity risk (cont'd)

|  | Within<br>1 year<br>\$'000 | 1 to<br>5 years<br>\$'000 | Over<br>5 years<br>\$'000 | Total<br>\$'000 |
|--|----------------------------|---------------------------|---------------------------|-----------------|
| <b>Company</b>                           |                            |                           |                           |                 |
| <b>2025</b>                              |                            |                           |                           |                 |
| <b>Financial liabilities</b>             |                            |                           |                           |                 |
| Trade payables                           | 7                          | –                         | –                         | 7               |
| Other payables and accruals              | 4,448                      | –                         | –                         | 4,448           |
| Deposits from subsidiaries               | 88,828                     | –                         | –                         | 88,828          |
| Term loans                               | 5,518                      | 9,785                     | 4,072                     | 19,375          |
| Total undiscounted financial liabilities | 98,801                     | 9,785                     | 4,072                     | 112,658         |
| <b>2024</b>                              |                            |                           |                           |                 |
| <b>Financial liabilities</b>             |                            |                           |                           |                 |
| Trade payables                           | 9                          | –                         | –                         | 9               |
| Other payables and accruals              | 3,968                      | –                         | –                         | 3,968           |
| Deposits from subsidiaries               | 50,012                     | –                         | –                         | 50,012          |
| Term loans                               | 8,914                      | 9,631                     | 7,131                     | 25,676          |
| Total undiscounted financial liabilities | 62,903                     | 9,631                     | 7,131                     | 79,665          |

#### (c) Foreign currency risk

The Group has transactional currency exposures arising from sales or purchases that are denominated in a currency other than the respective functional currencies of Group entities. The foreign currencies in which these transactions are denominated are mainly United States Dollar ("USD") and Euro ("EUR").

The Group and the Company also hold cash and cash equivalents denominated in foreign currencies for working capital purposes. At the end of the reporting period, such foreign currency balances amounted to \$20,444,000 (2024: \$19,117,000) and \$4,067,000 (2024: \$4,068,000) for the Group and the Company respectively.

The Group is also exposed to currency translation risk arising from its net investments in foreign operations, including Malaysia, Indonesia, Australia and United Arab Emirates. The Group's net investments in Malaysia, Indonesia, Australia and United Arab Emirates that are not hedged as currency positions in Ringgit, Rupiah, Australian Dollar and United States Dollar are considered to be long-term in nature.

The foreign currency risk is primarily managed by natural hedges of matching assets and liabilities denominated in foreign currencies. In addition, the Group uses currency forward contracts to reduce the currency exposures on material transactions, as deemed by management for which payment is anticipated more than one month after the Group has entered into a firm commitment for the sale. The Group has also been closely monitoring the foreign currency risk and has considered various hedging options for significant foreign currency exposure as and when the need arises.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

### 38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

#### (c) Foreign currency risk (cont'd)

*Sensitivity analysis for foreign currency risk*

The following table demonstrates the sensitivity to a reasonably possible change in the USD exchange rate (against SGD), with all other variables held constant, of the Group's profit/(loss) before tax.

|                                      | Increase/<br>(decrease)<br>in profit<br>before tax<br>2025<br>\$'000 | Increase/<br>(decrease)<br>in profit<br>before tax<br>2024<br>\$'000 |
|--------------------------------------|--|--|
| USD/SGD – strengthened 3% (2024: 3%) | 773  | 1,263  |
| USD/SGD – weakened 3% (2024: 3%)     | (773)  | (1,263)  |

#### (d) Market price risk

Market price 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 prices (other than interest or exchange rates). The Group is exposed to equity price risks arising from equity investment in quoted equity securities. These securities are quoted on the Singapore Exchange Securities Trading Limited (SGX-ST) in Singapore and are classified as other investments. The Group does not have exposure to commodity price risk.

Sensitivity analysis for equity price risk

At the end of the reporting period, if the price of the shares held had been 5% higher/ lower with all other variables held constant, the Group's other comprehensive income would have been \$2,040,000 (2024: \$656,000) higher/ lower, arising as a result of an increase/ decrease in the fair value of equity securities classified as other investments.

#### (e) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of the Group's financial instruments will fluctuate because of changes in market interest rates. The Group's exposure to interest rate risk arises primarily from their term loan denominated in SGD.

Sensitivity analysis for interest rate risk

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

### 38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

#### (e) Interest rate risk (cont'd)

The following table demonstrates the sensitivity to a reasonably possible change in SGD interest rates with all other variables held constant, of the Group's profit before tax.

|                              | Increase/<br>(decrease)<br>in profit<br>before tax<br>2025<br>\$'000 | Increase/<br>(decrease)<br>in profit<br>before tax<br>2024<br>\$'000 |
|------------------------------|--|--|
| Increase in 100 basis points | (499)  | (399)  |
| Decrease in 100 basis points | 499  | 399  |

The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.

### 39. CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the years ended 31 December 2025 and 31 December 2024.

The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group's policy is to maintain the gearing ratio at less than 50%. The Group includes within net debt loans and borrowings, less cash and fixed deposits. Capital includes equity attributable to the owners of the Company.

### 40. EVENTS OCCURRING AFTER THE REPORTING PERIOD

On 15 January 2026, the Company's subsidiary, POS Victory Pte Ltd incorporated a wholly owned subsidiary, Flex Fleet Offshore Services FZCO in United Arab Emirate. The principal activity of Flex Fleet Offshore Services FZCO is chartering activities.

On 25 March 2026, the Company's subsidiaries, PKS Shipyard Pte Ltd and Penguin Shipyard International Pte Ltd, incorporated PT Maju Batam Shipyard in Indonesia, in which they hold 99.4% and 0.6% equity interests respectively. The principal activity of PT Maju Batam Shipyard is shipbuilding, ship repair and investment holding.

### 41. AUTHORISATION OF FINANCIAL STATEMENTS FOR ISSUE

The financial statements for the year ended 31 December 2025 were authorised for issue in accordance with a resolution of the Directors on 31 March 2026.

## STATISTICS OF SHAREHOLDINGS

AS AT 23 MARCH 2026

|   |                    |
|---|--------------------|
| Number of Issued and Paid up shares (excluding treasury shares and subsidiary holdings) | : 220,169,774      |
| Class of Shares   | : Ordinary Shares  |
| Voting Rights   | : 1 vote per share |
| Treasury Shares   | : Nil              |
| Subsidiary Holdings   | : Nil              |

### DISTRIBUTION OF SHAREHOLDINGS

| SIZE OF SHAREHOLDINGS | NO. OF SHAREHOLDERS | %             | NO. OF SHARES      | %             |
|-----------------------|---------------------|---------------|--------------------|---------------|
| 1 - 99                | 119                 | 8.39          | 5,434              | 0.00          |
| 100 - 1,000           | 767                 | 54.05         | 354,799            | 0.16          |
| 1,001 - 10,000        | 361                 | 25.44         | 1,633,399          | 0.74          |
| 10,001 - 1,000,000    | 166                 | 11.70         | 9,004,230          | 4.09          |
| 1,000,001 AND ABOVE   | 6                   | 0.42          | 209,171,912        | 95.01         |
| <b>TOTAL</b>          | <b>1,419</b>        | <b>100.00</b> | <b>220,169,774</b> | <b>100.00</b> |

### TWENTY LARGEST SHAREHOLDERS

| NO. | NAME                                | NO. OF SHARES      | %            |
|-----|-------------------------------------|--------------------|--------------|
| 1   | DBS NOMINEES (PRIVATE) LIMITED      | 200,681,885        | 91.15        |
| 2   | CITIBANK NOMINEES SINGAPORE PTE LTD | 1,934,631          | 0.88         |
| 3   | UOB KAY HIAN PRIVATE LIMITED        | 1,884,067          | 0.86         |
| 4   | PHILLIP SECURITIES PTE LTD          | 1,814,663          | 0.82         |
| 5   | TEO JIA HAO                         | 1,520,000          | 0.69         |
| 6   | NG KWONG CHONG OR LIU OI FUI IVY    | 1,336,666          | 0.61         |
| 7   | NG KIM GUAT                         | 801,799            | 0.36         |
| 8   | CHEE SEE GIAP @ SIN CHIEN           | 734,899            | 0.33         |
| 9   | WONG TONG LIEW                      | 320,100            | 0.15         |
| 10  | GUAN GUAN INVESTMENTS PTE LTD       | 320,000            | 0.15         |
| 11  | THIO MA LANG                        | 306,000            | 0.14         |
| 12  | WONG CHEUNG CHAI                    | 293,333            | 0.13         |
| 13  | HARRY HALIM @ LIM ENG LIAN          | 233,333            | 0.11         |
| 14  | LIM SIAU CHUA                       | 219,200            | 0.10         |
| 15  | TAN CHONG ENG                       | 187,666            | 0.09         |
| 16  | LOY SIM PIN                         | 179,666            | 0.08         |
| 17  | SOO POH KERN                        | 177,666            | 0.08         |
| 18  | SEAH YEW SIONG                      | 163,000            | 0.07         |
| 19  | NIO TECK SENG                       | 140,700            | 0.06         |
| 20  | CHEONG KIT CHONG                    | 120,000            | 0.05         |
|     |                                     | <b>213,369,274</b> | <b>96.91</b> |

### PERCENTAGE OF SHAREHOLDINGS HELD BY THE PUBLIC AS AT 23 MARCH 2026

Based on the Register of Members and to the best knowledge of the Company, the percentage of shareholdings held in the hands of public is approximately 11.08%. Accordingly, the Company complies with Rule 723 of the Listing Manual.

## STATISTICS OF SUBSTANTIAL SHAREHOLDERS

AS AT 23 MARCH 2026

| Name of Substantial Shareholder  | No. of Shares | Direct Interest |               | Deemed Interest |               |
|--|---------------|-----------------|---------------|-----------------|---------------|
|  |               | %               | No. of Shares | %               | No. of Shares |
| Aleph Tav Ltd  | 195,765,603   | 88.92%          | -             | -               | -             |
| Jeffrey Hing Yih Peir <sup>1</sup>                                     | -             | -               | 195,765,603   | 88.92%          | 195,765,603   |
| Fairy L.P. <sup>2</sup><br>(acting by its general partner, Fairy Ltd.) | -             | -               | 195,765,603   | 88.92%          | 195,765,603   |
| Fairy Ltd. <sup>3</sup>  | -             | -               | 195,765,603   | 88.92%          | 195,765,603   |
| Diamond GP Holdings II Ltd <sup>4</sup>                                | -             | -               | 195,765,603   | 88.92%          | 195,765,603   |
| Dymon Asia Private Equity (S.E. Asia) II Ltd <sup>5</sup>              | -             | -               | 195,765,603   | 88.92%          | 195,765,603   |
| DAPE Ltd <sup>6</sup>  | -             | -               | 195,765,603   | 88.92%          | 195,765,603   |

### Notes:

- By virtue of Jeffrey Hing Yih Peir holding 55% of the issued and paid-up share capital of Aleph Tav Ltd, Jeffrey Hing Yih Peir is deemed to be interested in the shares owned by Aleph Tav Ltd ("Shares").
- By virtue of Fairy L.P. (acting by its general partner, Fairy Ltd) holding 40% of the issued and paid-up share capital of Aleph Tav Ltd, Fairy L.P. (acting by its general partner, Fairy Ltd.) is deemed to be interested in the Shares.
- By virtue of Fairy Ltd. being the general partner of Fairy L.P. and being responsible for managing controlling, operating and making investment decisions on behalf of Fairy L.P., Fairy Ltd. is deemed to be interested in the Shares.
- By virtue of Diamond GP Holdings II Ltd being the sole shareholder of Fairy Ltd, Diamond GP Holdings II Ltd is deemed to be interested in the Shares.
- By virtue of Dymon Asia Private Equity (S.E. Asia) II Ltd being the sole shareholder of Diamond GP Holdings II Ltd, Dymon Asia Private Equity (S.E. Asia) II Ltd is deemed to be interested in the Shares.
- By virtue of DAPE Ltd being the sole shareholder of Dymon Asia Private Equity (S.E. Asia) II Ltd, DAPE Ltd is deemed to be interested in the Shares.

Total number of issued shares as at 23 March 2026: 220,169,774 ordinary shares.

## NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 2026 Annual General Meeting (“**AGM**”) of Penguin International Limited (the “**Company**”) will be held on Monday, 27 April 2026 at 10.00 a.m. at 21 Tuas Road, Singapore 638489, to transact the following business:-

### ORDINARY BUSINESS

- |    |  |                     |
|----|--|---------------------|
| 1. | To receive and adopt the Directors’ Statement and the Audited Financial Statements for the financial year ended 31 December 2025 and the Auditor’s Report thereon. | <b>Resolution 1</b> |
| 2. | To declare and approve a first and final tax exempt (one-tier) dividend of 5 cents per ordinary share for the financial year ended 31 December 2025.               | <b>Resolution 2</b> |
| 3. | To approve the payment of Directors’ fees of S\$222,000.00 for the financial year ended 31 December 2025. (2024: S\$199,000.00).                                   | <b>Resolution 3</b> |
| 4. | To re-elect Mr Jeffrey Hing Yih Peir, a Director retiring pursuant to Regulation 92 of the Company’s Constitution. <i>[See Explanatory Note (a)]</i>               | <b>Resolution 4</b> |
| 5. | To re-elect Mr Keith Tan Keng Soon, a Director retiring pursuant to Regulation 92 of the Company’s Constitution. <i>[See Explanatory Note (b)]</i>                 | <b>Resolution 5</b> |
| 6. | To re-elect Mr Tan Poh Lee Paul, a Director retiring pursuant to Regulation 98 of the Company’s Constitution. <i>[See Explanatory Note (c)]</i>                    | <b>Resolution 6</b> |
| 7. | To re-appoint PKF-CAP LLP as the auditor of the Company for the ensuing year and to authorise the Directors to fix their remuneration.                             | <b>Resolution 7</b> |

### SPECIAL BUSINESS

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

- |     |   |                     |
|-----|---|---------------------|
| 8.  | <b>Share Issue Mandate</b><br>“ <i>That pursuant to Section 161 of the Companies Act 1967 and the Listing Manual (“Listing Manual”) of the Singapore Exchange Securities Trading Limited (“SGX-ST”), authority be and is hereby given to the Directors of the Company to:</i>   | <b>Resolution 8</b> |
| (a) | (i) issue shares in the capital of the Company (“ <b>Shares</b> ”) whether by way of bonus issue, rights issue or otherwise; and/or<br>(ii) make or grant offers, agreements or options (collectively “ <b>Instruments</b> ”) 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; and/or<br>at any time to such persons and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit; and |                     |
| (b) | (notwithstanding 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 is in force,<br>provided that:   |                     |

- (i) 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% of the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) in the capital of the Company at the time of passing of this Resolution, of which the aggregate number of Shares issued other than on a pro rata basis does not exceed 20% of the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) in the capital of the Company.

- (ii) for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (i) above, the total number of issued Shares (excluding treasury shares and subsidiary holdings) shall be based on the total number of issued Shares (excluding treasury shares and subsidiary holdings) as at the time of the passing of this Resolution after adjusting for:

- (aa) new Shares arising from the conversion or exercise of convertible securities;
- (bb) new Shares arising from exercising share options or vesting of share awards provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the Listing Manual of the SGX-ST; and
- (cc) any subsequent bonus issue, consolidation or subdivision of Shares;

and provided also that adjustments in accordance with (aa) or (bb) are 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 this Resolution is passed; and

- (iii) (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 and in this Resolution, “subsidiary holdings” has the meaning given to it in the Listing Manual of the SGX-ST.” *[See Explanatory Note (d)]*

- |    |   |                     |
|----|---|---------------------|
| 9. | <b>The Proposed Renewal of the Share Buy-back Mandate</b> | <b>Resolution 9</b> |
|----|---|---------------------|

“That:

- (a) for the purposes of the Companies Act 1967 (the “**Companies Act**”), the exercise by the Directors of the Company of all the powers of the Company to purchase or otherwise acquire issued Shares (“**Share Buy-Back**”) not exceeding in aggregate the Prescribed Limit (as hereafter defined), at such price(s) as may be determined by the Directors from time to time up to the Maximum Price (as hereafter defined), whether by way of:-
- (i) An on-market Share Buy-Back (“**On-Market Share Buy-back**”), transacted on the SGX-ST’s trading system; and/or
- (ii) An off-market Share Buy-Back (“**Off-Market Equal Access Share Buy-back**”) effected otherwise than on the SGX-ST in accordance with any equal access scheme(s) as may be determined or formulated by the Directors of the Company as they consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act, and otherwise in accordance with all other laws and regulations and rules of the SGX-ST 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 a general meeting, the authority conferred on the Directors of the Company 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 passing of this Resolution and expiring on the earlier of:-
- (i) the date on which the next AGM of the Company is held;
  - (ii) the date on which the Share Buy-backs are carried out to the full extent mandated; or
  - (iii) the date by which next AGM of the Company is required by law to be held;

- (c) In this Resolution:-

**"Prescribed Limit"** means ten per cent (10%) of the total number of Shares issued by the Company (excluding any treasury shares and subsidiary holdings that may be held by the Company) as at the date of passing of this Resolution; and

**"Maximum Price"** in relation to a Share to be purchased or acquired, means an amount (excluding brokerage, commission, stamp duties, applicable goods and services tax, clearance fees and other related expenses) not exceeding:-

- (i) in the case of an On-Market Share Buy-back, 105% of the Average Closing Price of the Shares; and
- (ii) in the case of an Off-Market Equal Access Share Buy-back pursuant to an equal access scheme, 110% of the Average Closing Price of the Shares;

Where:-

**"Average Closing Price"** means the average of the last dealt prices of an ordinary Share for the five consecutive Market Days on which the Shares are transacted on the SGX-ST immediately preceding the date of the On-Market Share Buy-back by the Company or, as the case may be, the date of the making of the offer pursuant to the Off-Market Equal Access Buy-back, and deemed to be adjusted, in accordance with the Listing Manual, for any corporate action that occurs after the relevant five-day period;

**"Market Day"** means a day on which the SGX-ST is open for trading in securities; and

**"Date of the making of the offer"** means the date on which the Company announces its intention to make an offer for an Off-Market Equal Access Share Buy-back, stating the purchase price which shall not be more than 110% of the Average Closing Price of the Shares (excluding related expenses of the purchase or acquisition) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Equal Access Share Buy-back.

- (d) the Directors of the Company and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they and/or he may consider expedient or necessary to give effect to the transactions contemplated by this Resolution." [See Explanatory Note (e)]

**NOTICE IS HEREBY GIVEN** that the Share Transfer Books and Register of Members of the Company will be closed on 21 May 2026 at 5.00 p.m. for the purpose of determining members' entitlement to the proposed first and final tax exempt (one-tier) dividend of 5 cents per ordinary share for the financial year ended 31 December 2025 (the **"Proposed Dividend"**).

Duly completed transfers received by the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., of 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632, up to 5.00 p.m. on 21 May 2026 (the **"Record Date"**) will be registered to determine members' entitlement to the Proposed Dividend.

Members (being depositors) whose securities accounts with The Central Depository (Pte) Limited are credited with ordinary shares of the Company as at 5.00 p.m. on the Record Date will be entitled to the Proposed Dividend.

The Proposed Dividend, if approved at the 2026 AGM, will be paid on 29 May 2026.

#### By Order Of The Board

Lim Guek Hong/See Kai Li  
Company Secretaries  
10 April 2026

#### Explanatory Notes:

- (a) Detailed information pursuant to Rule 720(6) of the Listing Manual of the SGX-ST on Mr Jeffrey Hing Yih Peir can be found under the section entitled "Additional Information on Directors Seeking Re-Election".
- (b) Mr Keith Tan Keng Soon, a Non-Executive Non-Independent Director, if re-elected, will continue to serve as a Member of the Audit and Risk and Remuneration Committees. For further information on Mr Keith Tan Keng Soon, please refer to the section on the "Board of Directors" in the Annual Report 2025. Detailed information pursuant to Rule 720(6) of the Listing Manual of the SGX-ST on Mr Keith Tan Keng Soon can be found under the section entitled "Additional Information on Directors Seeking Re-Election".
- (c) Mr Tan Poh Lee Paul, an Independent Director, if re-elected, will continue to serve as Chairman of the Remuneration Committee and a Member of the Audit and Risk and Nominating Committees. He is considered an independent director for purposes of Rule 704(8) of the Listing Manual of the SGX-ST. For further information on Mr Tan Poh Lee Paul, please refer to the section on the "Board of Directors" in the Annual Report 2025. Detailed information pursuant to Rule 720(6) of the Listing Manual of the SGX-ST on Mr Tan Poh Lee Paul can be found under the section entitled "Additional Information on Directors Seeking Re-Election".
- (d) The Ordinary Resolution No. 8, if passed, will empower the Directors from the date of this AGM to allot and issue shares and convertible securities in the Company up to an amount not exceeding 50% of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company, of which up to 20% may be issued other than on a pro rata basis. This authority will, unless previously revoked or varied at a general meeting, expire at the next AGM of the Company.

For the purpose of this resolution, the total number of issued shares (excluding treasury shares and subsidiary holdings) is based on the Company's total number of issued shares (excluding treasury shares and subsidiary holdings) at the time that this proposed Ordinary Resolution is passed after adjusting for new shares arising from the conversion or exercise of convertible securities, the exercise of share options or the vesting of share awards outstanding or subsisting at the time when this proposed Ordinary Resolution is passed and any subsequent bonus issue, consolidation or subdivision of shares.

- (e) The Ordinary Resolution No. 9, if passed, will empower the Directors to make purchases (whether by way of market purchases or off-market purchases on an equal access scheme) from time to time of up to 10% of the total number of issued ordinary shares (excluding treasury shares and subsidiary holdings) in the capital of the Company, at the price up to but not exceeding the Maximum Price. The rationale for the Share Buy-back Mandate, the source of funds to be used for the Share Buy-back Mandate, the impact of the Share Buy-back Mandate on the Company's financial position, the implications arising as a result of the Share Buy-back Mandate under The Singapore Code on Take-overs and Mergers and on the listing of the Company's Shares on the SGX-ST are set out in the Letter to Shareholders dated 10 April 2026.

#### Notes:

1. The AGM will be held, in a wholly physical format, at the venue, date and time stated above. There will be no option for shareholders to participate virtually.
2. Printed copies of this Notice of AGM and the accompanying proxy form will be sent by post to members. These documents will also be published on the Company's corporate website at URL: <http://www.penguin.com.sg/about-us/investor-relations/> and will also be made available on the SGX website at <https://www.sgx.com/securities/company-announcements>.
3. Authenticated members, including CPF and SRS investors, and proxy(ies) will be able to ask questions and vote at the AGM by attending the AGM in person. Arrangements have also been put in place to permit members to submit their questions ahead of the AGM. Please refer to Notes 11 and 12 below for further details.
4. (a) A member who is not a relevant intermediary is entitled to appoint not more than two proxies to attend, speak and vote at the AGM. Where such member's form of proxy appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy.  
(b) A member who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's form of proxy appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.

"Relevant intermediary" has the meaning ascribed to it in Section 181(6) of the Companies Act 1967.

#### Voting by Proxy

5. A proxy need not be a member of the Company.
6. Completion and return of the instrument appointing a proxy(ies) by a member will not prevent him/her from attending, speaking and voting at the AGM if he/she so wishes. The appointment of the proxy(ies) for the AGM will be deemed to be revoked if the member attends the AGM in person and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the relevant instrument appointing a proxy(ies) to the AGM.
7. The proxy form must be executed under the hand of the appointor or of his attorney duly authorised in writing. Where the proxy form is executed by a corporation, it must be executed either under its common seal (or by the signatures of authorised persons in the manner as set out under the Companies Act as an alternative to sealing) or under the hand of an attorney or a duly authorised officer of the corporation.
8. In the case of a member whose shares are entered against his/her name in the depository register (as defined in Section 81SF of the Securities and Futures Act 2001), the Company may reject any Proxy Form lodged if such member is not shown to have Shares entered against his/her/its name in the depository register as at 72 hours before the time appointed for the AGM, as certified by The Central Depository (Pte) Limited to the Company. The Company shall also be entitled to reject the Proxy Form if it is incomplete, improperly completed, or illegible (such as in the case where the appointor submits more than one Proxy Form).
9. The instrument appointing the proxy(ies) must be submitted to the Company in the following manner:
  - (a) if submitted by post, be lodged at the office of the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632; or
  - (b) if submitted electronically, be submitted via email to the Company at [agm@penguin.com.sg](mailto:agm@penguin.com.sg).in either case, by **10.00 a.m. on Friday, 24 April 2026**, being at least 72 hours before the time appointed for the AGM.  
A member who wishes to submit an instrument of proxy must complete and sign the proxy form, before scanning and

sending it by email to the email address provided above or submitting it by post to the address provided above.

#### Members are strongly encouraged to submit completed proxy forms electronically via email.

10. CPF/SRS investors who hold the Company's shares:
  - (a) may vote at the AGM if they are appointed as proxies by their respective CPF Agent Banks or SRS Operators, and should contact their respective CPF Agent Banks or SRS Operators if they have any queries regarding their appointment as proxies; or
  - (b) may appoint the Chairman of the AGM as proxy to vote on their behalf at the AGM, in which case they should approach their CPF Agent Banks/SRS Operators to submit their votes by **5 p.m. on Wednesday, 15 April 2026**.

#### Submission of Written Questions prior to the AGM

11. Members, including CPF and SRS investors, may submit substantial and relevant questions relating to the business of the AGM in advance and in any case, not later than by **5 p.m. on Friday, 17 April 2026** through any of the following means:
  - (a) If submitted by email, to be received by the Company at [agm@penguin.com.sg](mailto:agm@penguin.com.sg); or
  - (b) If submitted by post, to be deposited at the office of the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632.When submitting questions by post or via email, members should also provide the following details: (i) the member's full name; (ii) the member's address; and (iii) the manner in which the member holds shares in the Company (e.g., via CDP, CPF, SRS and/or scrip), for verification purposes.
12. The Company will endeavour to address all substantial and relevant questions (which are related to the resolutions to be tabled for approval at the AGM) received from members either before the AGM on the Company's corporate website at URL: <http://www.penguin.com.sg/about-us/investor-relations/> and SGX website at URL: <https://www.sgx.com/securities/company-announcements> or during the AGM. Should there be subsequent clarification sought or follow-up questions after the deadline of the submission of questions, the Company will address those substantial and relevant questions prior to the AGM through publication on SGXNet, or at the AGM.
13. The Company's Annual Report 2025 and the Letter to Shareholders have been published on the Company's corporate website and may be accessed at URL: <http://www.penguin.com.sg/about-us/investor-relations/> by clicking on the hyperlink for "Annual Report 2025" and "Letter to Shareholders" respectively. The Annual Report 2025 and Letter to Shareholders will also be made available on the SGX website at URL: <https://www.sgx.com/securities/company-announcements>.
14. Members may request for printed copies of the Company's Annual Report 2025 and/or the Letter to Shareholders by completing and submitting the Request Form sent to them by post together with printed copies of this Notice of AGM and the accompanying proxy form to the Company to 21 Tuas Road, Singapore 638489 or by email to: [agm@penguin.com.sg](mailto:agm@penguin.com.sg) no later than **Friday, 17 April 2026**.

#### Personal Data Privacy

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, 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 the processing, administration and analysis by the Company (or its agents or service providers) of proxies and/or representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, take-over 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 in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

## ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Mr Jeffrey Hing Yih Peir, Mr Keith Tan Keng Soon and Mr Tan Poh Lee Paul are the Directors seeking re-election at the annual general meeting of the Company on 27 April 2026 (“AGM”) (collectively, the “Retiring Directors” and each a “Retiring Director”).

Pursuant to Rule 720(6) of the Listing Manual of the SGX-ST, the information relating to the Retiring Directors as set out in Appendix 7.4.1 to the Listing Manual of the SGX-ST for Mr Jeffrey Hing Yih Peir, Mr Keith Tan Keng Soon and Mr Tan Poh Lee Paul is set out below:

| Name of Director  | Jeffrey Hing Yih Peir  | Keith Tan Keng Soon  | Tan Poh Lee Paul   |
|---|--|--|--|
| Date of appointment   | 2 February 2009  | 9 June 2021  | 1 May 2025   |
| Date of last re-appointment (if applicable)   | 27 April 2023  | 23 April 2024  | N.A.   |
| Age   | 70 years old   | 54 years old   | 72 years old   |
| Country of principal residence  | Singapore  | Singapore  | Singapore  |
| The Board's comments on this re-appointment (including rationale, selection criteria, board diversity considerations and the search and nomination process) | <p>The Board has considered, among others, the recommendation of the Nominating Committee (“NC”) and has reviewed and considered the performance, contributions, qualifications, expertise, work experience and suitability of Mr Jeffrey Hing Yih Peir for re-election as the Executive Chairman of the Company.</p> <p>The Board has accepted the NC's recommendation and concluded that Mr Jeffrey Hing Yih Peir possesses the experience, expertise, knowledge and skills to contribute towards the core competencies of the Board. His leadership will continue to enhance Board deliberations and set the direction for the Group. With his in-depth knowledge of the Group's operations, Mr Hing is in a good position to oversee the management of the Group's operations in Singapore and overseas.</p> | <p>The Board has considered, among others, the recommendation of the NC and has reviewed and considered the performance, contributions, qualifications, expertise, work experience and suitability of Mr Keith Tan Keng Soon for re-election as a Non-Executive Non-Independent Director of the Company.</p> <p>The Board has accepted the NC's recommendation and concluded that Mr Keith Tan Keng Soon possesses the experience, expertise, knowledge and skills to contribute towards the core competencies of the Board. With his credentials and experience in asset management, he is in a good position to provide guidance to the Board and management and contribute positively to the Board discussions.</p> | <p>The Board has considered, among others, the recommendation of the NC and has reviewed and considered the performance, contributions, qualifications, expertise, work experience and suitability of Mr Tan Poh Lee Paul for re-election as an Independent Director of the Company.</p> <p>The Board has accepted the NC's recommendation and concluded that Mr Tan Poh Lee Paul possesses the experience, expertise, knowledge and skills to contribute towards the core competencies of the Board. With his credentials and expertise in accountancy and related fields, he is in a good position to provide guidance to the Board and management and contribute positively to the Board discussions.</p> |

## ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

| Name of Director  | Jeffrey Hing Yih Peir  | Keith Tan Keng Soon  | Tan Poh Lee Paul   |
|---|--|--|--|
| Whether Board appointment is executive, and if so, the area of responsibility | Executive Chairman - responsible for the development and strategic direction of Penguin, managing the quality, quantity and timeliness of the information flow between Management and the Board, as well as ensuring compliance with Penguin's guidelines on corporate governance. | Non-Executive Non-Independent  | Non-Executive  |
| Job Title (e.g. Lead ID, AC Chairman, AC Member)                              | Executive Chairman and NC Member   | Non-Executive Non-Independent Director, Member of the Audit and Risk and the Remuneration Committees | Non-Executive Director, Chairman of the Remuneration Committee and a member of the NC and the Audit and Risk Committees  |
| Academic / professional qualifications  | Chartered Institute of Management Accountants Graduate   | 2nd Class Honours in Banking and Finance from Nanyang Technological University                       | Fellow of Association of Chartered and Certified Accountants Chartered Accountants (Singapore)   |
| Working experience and occupation(s) during the past 10 years                 | Trinity Offshore Pte Ltd & Agensea Pte Ltd – Managing Director (June 1991 to present)  | Co-Founder and Managing Partner, Dymon Asia Capital (July 2008 to Present)                           | <p>Seatrium Limited - Senior Advisor (Finance) (April 2024 to March 2025)</p> <p>- Acting Group Finance Director (April 2023 to March 2024)</p> <p>Keppel Offshore &amp; Marine Ltd - Consultant (January 2020 to March 2020)</p> <p>- Chief Financial Controller (2017 to 2019)</p> <p>Keppel Corporation Limited - Group Controller (2006 to 2018)</p> |
| Shareholding interest in the listed issuer and its subsidiaries               | Deemed interest: 195,765,603 shares  | Nil  | Nil  |

## ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

| Name of Director   | Jeffrey Hing Yih Peir                          | Keith Tan Keng Soon  | Tan Poh Lee Paul  |
|--|--|--|---|
| Any relationship (including immediate family relationships) with any existing director/existing executive officer of the Company or any of its principal subsidiaries and/or substantial shareholder | No   | No   | No  |
| Conflict of interest (including any competing business)  | No   | No   | No  |
| Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the Company  | Yes  | Yes  | Yes   |
| Other Principal Commitments including Directorships: Past 5 years:   | Marco Polo Marine Ltd - Non-Executive Director | <ol style="list-style-type: none"> <li>Dymon Asia Capital (S) Pte Ltd</li> <li>LYC SOG Mother &amp; Child Sdn Bhd</li> <li>Newark Engineering Pte Ltd</li> <li>UOB-SMU Asian Enterprise Institute</li> <li>Digileap Capital Limited</li> <li>Emet Grace Ltd.</li> <li>Select Group Pte. Ltd.</li> <li>Amethyst Assets Pte. Ltd.</li> <li>Delish Ltd</li> <li>Factorie Ltd</li> <li>The Yellow Ribbon Fund (Member Main Committee)</li> </ol> | <ol style="list-style-type: none"> <li>Seatrium Limited - Senior Advisor (Finance)</li> <li>Seatrium Limited - Acting Group Finance Director</li> <li>k1 Ventures Limited - Director</li> <li>Penguin International Limited- Director</li> <li>Dyna-Mac Holdings Ltd - Director</li> <li>PT Nongsa Point Marina (Indonesia) - Director</li> </ol> |

## ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

| Name of Director | Jeffrey Hing Yih Peir  | Keith Tan Keng Soon  | Tan Poh Lee Paul                         |
|------------------|--|--|--|
| Present:         | <ol style="list-style-type: none"> <li>Penguin International Limited – Executive Chairman</li> <li>Trinity Offshore Pte Ltd –Director</li> <li>Agensea Pte Ltd – Director</li> <li>Singapore Christian Foundation Ltd – Director</li> <li>PT Trinity Offshore Indonesia – Director</li> <li>Team Engineering and Marine Pte. Ltd. – Director</li> <li>PT Trinity Offshore Services – Director</li> <li>Emet Grace Ltd. – Director</li> <li>Watchman’s Home Community Services Ltd – Treasurer</li> <li>Aleph Tav Ltd – Director</li> <li>Trinity Enviros Global Marine Pte Ltd - Director</li> </ol> | <p><b>Founder and Managing Partner:</b></p> <ol style="list-style-type: none"> <li>Dymon Asia Private Equity (Singapore) Pte. Ltd.</li> </ol> <p><b>Director:</b></p> <ol style="list-style-type: none"> <li>Dymon Asia Capital Ltd</li> <li>Lotto Investment Pte. Ltd.</li> <li>DAPE Ltd.</li> <li>International Culinary Management Ltd</li> <li>Dymon Asia Private Equity Management Consulting (Malaysia) Sdn. Bhd.</li> <li>Dymon Asia Private Equity (S.E. Asia) Ltd</li> <li>Dymon Asia Private Equity (S.E. Asia) 2012 Ltd</li> <li>Dymon Asia Private Equity (S.E. Asia) II Ltd</li> <li>Dymon Asia Private Equity (S.E. Asia) Fund II Pte. Ltd</li> <li>Dymon Asia Private Equity (S.E. Asia) III Ltd.</li> <li>Dymon Asia Private Equity (S.E. Asia) Fund III Pte. Ltd.</li> <li>Penguin International Limited</li> <li>Chye Thiam Maintenance Pte. Ltd.</li> <li>Challenger Technologies Limited</li> <li>Hanaan Health Group Ltd.</li> <li>NewMedCo Group Ltd.</li> <li>SL Vista Group Ltd.</li> <li>Aleph Tav Ltd</li> <li>DigiTech Holding Limited</li> <li>RMC Health Limited</li> <li>Ascensus Health Group Pte. Ltd. (Formerly known as SOG Health Pte. Ltd.)</li> <li>RAM Lifting Technologies Pte. Ltd.</li> <li>Global Lifter Infrastructure Pte. Ltd.</li> <li>RAM Engineering (Changsu) Co. Ltd.</li> </ol> | Penguin International Limited - Director |

## ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

| Name of Director | Jeffrey Hing Yih Peir | Keith Tan Keng Soon  | Tan Poh Lee Paul |
|------------------|-----------------------|--|------------------|
| Present:         |                       | 26. RAM Lifting Technologies (UK) Ltd.<br>27. Asia Consumer Electronics Limited<br>28. Fairy Ltd<br>29. Global Infra-Equipment Ltd<br>30. Global Lifter Ltd.<br>31. Magnetar Limited<br>32. Newark Engineering Pte Ltd<br>33. Stork Health Holdings Ltd.<br>34. Concordia United Ltd<br>35. Juniper Capital Holdings Ltd.<br>36. Mind Stretcher Education Pte Ltd.<br>37. Mind Stretcher Group Holdings Pte. Ltd.<br>38. Mind Stretcher Publications Pte. Ltd.<br>39. Neutron Edu Holdings Ltd (Formerly known as Global Hijauan Group Ltd)<br>40. Neutron Education Holdings Ltd (Formerly known as Global Hijauan Holdings Ltd.)<br>41. Tiara Holdings Ltd<br>42. Trinity Ventures Holdings Ltd<br>43. TS Group Pte. Ltd.<br>44. CLA Global TS Holdings Pte. Ltd.<br>45. Arcturus Professional Services Pte. Ltd.<br>46. Arcturus PS Holdings Pte. Ltd.<br>47. Cool Fire Holdings Pte. Ltd.<br>48. Langit Makmur Sdn. Bhd.<br>49. Rico Cap Holdings Pte. Ltd.<br><b>Member:</b><br>1. Singapore Chinese Chamber of Commerce & Industry ("SCCCI") (62nd Council)<br>2. SCCCI, Youth Business Affairs Committee (Chairman) |                  |

## ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

| Name of Director   | Jeffrey Hing Yih Peir | Keith Tan Keng Soon   | Tan Poh Lee Paul |
|--|-----------------------|---|------------------|
| Present:   |                       | 3. The Yellow Ribbon Fund (Chairman Fund Allocation Committee)<br>4. Singapore Hokkien Huay Kuan (Council Members)<br>5. Chong Pang Citizens' Consultative Committee (Patron) |                  |
| <b>Disclose the following matters concerning appointment/re-appointment of director, chief executive officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is "yes", full details must be given</b>   |                       |   |                  |
| (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 me or against a partnership of which I was a partner at the time when I was a partner or at any time within 2 years from the date I ceased to be a partner?  | 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 I was a director or an equivalent person or a key executive, at the time when I was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date I 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               |

## ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

| Name of Director  | Jeffrey Hing Yih Peir | Keith Tan Keng Soon | Tan Poh Lee Paul |
|---|-----------------------|---------------------|------------------|
| (c) Whether there is any unsatisfied judgment against me?   | No                    | No                  | No               |
| (d) Whether I have ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or have been the subject of any criminal proceedings (including any pending criminal proceedings of which I am aware) for such purpose?  | No                    | No                  | No               |
| (e) Whether I have 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 I am aware) for such breach? | No                    | No                  | No               |

## ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

| Name of Director   | Jeffrey Hing Yih Peir | Keith Tan Keng Soon | Tan Poh Lee Paul |
|--|-----------------------|---------------------|------------------|
| (f) Whether at any time during the last 10 years, judgment has been entered against me 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 my part, or I have been the subject of any civil proceedings (including any pending civil proceedings of which I am aware) involving an allegation of fraud, misrepresentation or dishonesty on my part? | No                    | No                  | No               |
| (g) Whether I have 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               |
| (h) Whether I have 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               |

## ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

| Name of Director  | Jeffrey Hing Yih Peir | Keith Tan Keng Soon | Tan Poh Lee Paul  |
|---|-----------------------|---------------------|---|
| (i) Whether I have ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining me from engaging in any type of business practice or activity?  | No                    | No                  | No  |
| (j) Whether I have ever, to my knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:-<br>(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                  | <p>Yes. Keppel Corporation Limited had previously announced that investigations had been conducted by authorities in the United States, Brazil and Singapore in relation to corrupt payments made by former agent of Keppel Offshore &amp; Marine Ltd ("KOM") in relation to certain KOM projects in Brazil.</p> <p>During the relevant period between 2000 to 2015 when the matters giving rise to the investigations had occurred, Mr Tan was not an executive nor a director of KOM. Mr Tan was appointed Chief Financial Controller of KOM in 2017, and had no personal involvement in the facts relating to the relevant matters and was not a personal subject of the investigations.</p> |

## ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

| Name of Director   | Jeffrey Hing Yih Peir | Keith Tan Keng Soon | Tan Poh Lee Paul |
|--|-----------------------|---------------------|------------------|
| (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               |
| (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               |
| (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 I was so concerned with the entity or business trust? | No                    | No                  | No               |

## ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

| Name of Director   | Jeffrey Hing Yih Peir | Keith Tan Keng Soon | Tan Poh Lee Paul |
|--|-----------------------|---------------------|------------------|
| (k) Whether I have been the subject of any current or past investigation or disciplinary proceedings, or have 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                    | No                  | No               |
| <b>Disclosure applicable to the appointment of Director only</b>   |                       |                     |                  |
| Any prior experience as a director of an issuer listed on the Exchange? (Yes/No)<br>If yes, please provide details of prior experience.  | N.A.                  | N.A.                | N.A.             |



**PENGUIN**

### PENGUIN INTERNATIONAL LIMITED

(UEN : 197600165Z)  
(Incorporated in the Republic of Singapore)

## PROXY FORM

Please read notes overleaf before completing this Form

#### Important

- The annual general meeting ("AGM" or "Meeting") will be held, in a wholly physical format, at the venue, date and time stated below. There will be no option for members to participate virtually.
- Pursuant to Section 181(1C) of the Companies Act 1967 (the "Act"), relevant intermediaries may appoint more than two proxies to attend, speak and vote at the AGM.
- For investors who have used their Central Provident Fund or Supplementary Retirement Scheme monies to buy Shares in the Company (the "CPF Investors" or "SRS Investors"), this Proxy Form is not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by them.
- CPF or SRS Investors who wish to appoint proxy or proxies should approach their respective CPF Agent Banks or SRS Operators and submit their instructions by **5 p.m. on 15 April 2026**.

#### Personal Data Privacy

By submitting an instrument appointing proxy(ies), the member accepts and agrees to the personal data privacy terms set out in the Notice of AGM dated 10 April 2026.

I/We \_\_\_\_\_ (Name)

\_\_\_\_\_ (NRIC No./Passport No./Company Registration No.)

of \_\_\_\_\_ (Address)

being a \*member/members of **PENGUIN INTERNATIONAL LIMITED** (the "Company"), hereby appoint:

| Name | Address | *NRIC/Passport No. | Proportion of Shareholdings (%) |
|------|---------|--------------------|---------------------------------|
|      |         |                    |                                 |

\*and/or

| Name | Address | *NRIC/Passport No. | Proportion of Shareholdings (%) |
|------|---------|--------------------|---------------------------------|
|      |         |                    |                                 |

or failing the person, or either or both the persons, referred to above, the Chairman of the Meeting as \*my/our proxy/proxies to attend and vote for \*me/us on \*my/our behalf at the AGM of the Company to be held at 21 Tuas Road, Singapore 638489 on Monday, 27 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 to be proposed at the Meeting as indicated hereunder. If no specific direction as to voting is given, the proxy/proxies will vote or abstain from voting at his/their discretion, as he/they will on any other matter arising at the Meeting

| NO.                      | ORDINARY RESOLUTIONS  | For* | Against* | Abstain* |
|--------------------------|---|------|----------|----------|
| <b>ORDINARY BUSINESS</b> |   |      |          |          |
| 1.                       | Adoption of Directors' Statement and Audited Financial Statements |      |          |          |
| 2.                       | Declaration and Approval of First and Final Dividend              |      |          |          |
| 3.                       | Approval of Directors' Fees                                       |      |          |          |
| 4.                       | Re-election of Mr. Jeffrey Hing Yih Peir as Director              |      |          |          |
| 5.                       | Re-election of Mr. Keith Tan Keng Soon as Director                |      |          |          |
| 6.                       | Re-election of Mr. Tan Poh Lee Paul as Director                   |      |          |          |
| 7.                       | Re-appointment of PKF-CAP LLP as Auditor                          |      |          |          |
| <b>SPECIAL BUSINESS</b>  |   |      |          |          |
| 8.                       | Authority to issue shares pursuant to Share Issue Mandate         |      |          |          |
| 9.                       | Renewal of Share Buy-back Mandate                                 |      |          |          |

(\*Please indicate your vote "For", "Against" or "Abstain" with an "X" within the box provided. Alternatively, please indicate the number of votes "For" or "Against" within the box provided. If you wish your proxy to "Abstain" from voting on a resolution, please indicate "X" in the "Abstain" box in respect of that resolution. Alternatively, please indicate the number of shares that your proxy(ies) is/are directed to abstain from voting in that resolution. In any other case, the proxy(ies) may vote or abstain as the proxy(ies) deem(s) fit on any of the above resolutions if no voting instruction is specified, and on any other matter arising at the AGM.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2026

**Total Number of Shares Held:** \_\_\_\_\_

\_\_\_\_\_  
Signature(s) of Member(s)/Common Seal

\* Please delete accordingly

**IMPORTANT: PLEASE READ NOTES OVERLEAF**

**IMPORTANT: PLEASE READ NOTES BEFORE COMPLETING THIS PROXY FORM**

**NOTES:**

1. (a) A member who is not a relevant intermediary is entitled to appoint not more than two proxies to attend, speak and vote at the Meeting. Where such member's form of proxy appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy.
- (b) A member who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the Meeting, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's form of proxy appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.

**"Relevant intermediary"** has the meaning ascribed to it in Section 181(6) of the Companies Act 1967.

A member who wishes to submit an instrument of proxy must complete and sign the proxy form, before submitting it in the manner set out below.

2. A proxy need not be a member of the Company. A member may choose to appoint the Chairman of the Meeting as his/her/its proxy. If no name is inserted in the space for the name of your proxy on the form of proxy, the Chairman of the Meeting will act as your proxy.
3. The instrument appointing a proxy(ies) must be submitted to the Company in the following manner:
  - (a) if submitted by post, be lodged at the office of the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632; or
  - (b) if submitted electronically, be submitted via email to the Company at [agm@penguin.com.sg](mailto:agm@penguin.com.sg).

in either case, by **10.00 a.m. on Friday, 24 April 2026**, being at least 72 hours before the time appointed for the AGM.

**Members are strongly encouraged to submit completed proxy forms electronically via email.**

4. Completion and return of this instrument appointing a proxy or proxies shall not preclude a member from attending, speaking and voting at the Meeting. Any appointment of a 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.
5. A member should insert the total number of shares held. If the member has shares entered against his name in the Depository Register (maintained by The Central Depository (Pte) Limited), he should insert that number of shares. If the member has shares registered in his name in the Register of Members (maintained by or on behalf of the Company), he should insert that number of shares. If the member has shares entered against his name in the Depository Register and registered in his name in the Register of Members, he should insert the aggregate number of shares. If no number is inserted, this form of proxy will be deemed to relate to all the shares held by the member.
6. The instrument appointing a proxy(ies) must be deposited at the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632 not less than 72 hours before the time appointed for holding the Meeting or any adjournment thereof.
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 its attorney or a duly authorised officer.
8. Where the instrument appointing a proxy or proxies is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged together with the instrument, failing which the instrument may be treated as invalid.
9. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the Meeting, in accordance with Section 179 of the Companies Act 1967.
10. The Company shall be entitled to reject an instrument appointing the Chairman of the Meeting as proxy if it is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument of proxy appointing the Chairman of the Meeting as proxy (including any related attachment). In addition, in the case of shares entered in the Depository Register, the Company may reject any instrument appointing the Chairman of the Meeting as proxy if the member, being the appointor, is not shown to have shares entered against his name in the Depository Register as at seventy-two (72) hours before the time appointed for holding the AGM, as certified by The Central Depository (Pte) Limited to the Company.

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6 knots 100 mins

8 knots 60 mins



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