NORDIC GROUP LIMITED

(Registration No: 201007399N)

Condensed Interim Consolidated Financial Statements

For the half year ended 30 June 2026

Condensed Interim Consolidated Financial Statements

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Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income
Half Year Ended 30 June 2026

		Group		
	Notes	1H2026	1H2025	Variance
		$'000	$'000	%
Revenue	4	87,237	84,837	3
Cost of sales		(66,653)	(65,636)	2
Gross profit		20,584	19,201	7
Distribution costs		(413)	(971)	(57)
Administrative expenses		(6,972)	(6,700)	4
Other income / (losses)	5	(112)	127	(188)
Operating profits		13,087	11,657	12
Interest income		169	374	(55)
Finance costs	8	(464)	(945)	(51)
Foreign exchange (losses)		(823)	(1,433)	(43)
Profit before tax		11,969	9,653	24
Income tax expense	6	(1,961)	(1,377)	42
Net profit for the period	7	10,008	8,276	21
Other comprehensive profit / (loss):				
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating foreign operations, net of tax		1,085	(883)	(223)
Total comprehensive income for the period		11,093	7,393	50
Profit attributable to owners of the parent:				
Net profit		10,008	8,276	21
Total comprehensive income		11,093	7,393	50
Earnings per share				
Earnings per share currency unit		Cents	Cents	
Basic and diluted	9	2.5	2.1	19

Condensed Interim Statements of Financial Position

		Group		Company	
		30/06/2026	31/12/2025	30/06/2025	31/12/2025
	Notes	$'000	$'000	$'000	$'000
ASSETS					
Non-current assets					
Property, plant and equipment	11	37,850	38,646	4,876	5,024
Right-of-use assets		5,170	5,488	1,355	1,384
Goodwill	12	40,421	40,421	–	–
Intangible assets	13	1,816	2,055	–	–
Investments in subsidiaries		–	–	1,350	1,350
Deferred tax assets		1,450	1,450	–	–
Total non-current assets		86,707	88,060	7,581	7,758
Current assets					
Inventories		21,606	19,869	–	–
Trade receivables	14	57,037	56,150	27,161	23,853
Contract assets	15	12,259	18,304	–	–
Other assets	16	6,744	4,775	38	65
Cash and cash equivalents		46,538	41,806	2,073	4,424
Total current assets		144,184	140,904	29,272	28,342
Total assets		230,891	228,964	36,853	36,100
EQUITY AND LIABILITIES					
Equity attributable to owners of the parent					
Share capital	17	24,864	24,864	24,864	24,864
Treasury shares	17	(863)	(605)	(863)	(605)
Retained earnings		122,385	116,654	4,670	593
Other reserves	18	1,718	633	–	–
Total equity	19	148,104	141,546	28,671	24,852
Non-current liabilities					
Deferred tax liabilities		1,950	2,002	43	43
Loans and borrowings	21	2,691	3,686	2,691	3,686
Financial liabilities – lease liabilities		4,980	5,008	1,460	1,482
Total non-current liabilities		9,621	10,696	4,194	5,211
Current liabilities					
Provisions	20	1,979	1,931	–	–
Income tax payable		3,021	3,342	141	93
Loans and borrowings	21	33,645	33,994	1,920	2,471
Financial liabilities – lease liabilities		707	981	37	36
Trade payables	22	32,063	34,735	1,890	3,437
Other non-financial liabilities	23	1,751	1,739	–	–
Total current liabilities		73,166	76,722	3,988	6,037
Total liabilities		82,787	87,418	8,182	11,248
Total equity and liabilities		230,891	228,964	36,853	36,100

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Condensed Interim Statements of Changes in Equity
Half Year Ended 30 June 2026

Group:	Total Equity $'000	Share Capital $'000	Treasury shares $'000	Retained earnings $'000	Other reserves $'000
Previous period:					
Opening balance at 1 January 2025	129,803	24,864	(331)	104,935	335
Changes in equity:					
Total comprehensive income/(loss) for the period	7,393	–	–	8,276	(883)
Dividends paid (Note 10)	(3,581)	–	–	(3,581)	–
Purchase of treasury shares (Note 17)	(180)	–	(180)	–	–
Closing balance at 30 June 2025	133,435	24,864	(511)	109,630	(548)
Current period:					
Opening balance at 1 January 2026	141,546	24,864	(605)	116,654	633
Changes in equity:					
Total comprehensive income for the period	11,093	–	–	10,008	1,085
Dividends paid (Note 10)	(4,277)	–	–	(4,277)	–
Purchase of treasury shares (Note 17)	(258)	–	(258)	–	–
Closing balance at 30 June 2026	148,104	24,864	(863)	122,385	1,718

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Condensed Interim Statements of Changes in Equity

Half Year Ended 30 June 2026

Company:	Total equity $'000	Share capital $'000	Treasury shares $'000	Retained earnings $'000
Previous period:				
Opening balance at 1 January 2025	29,355	24,864	(331)	4,822
Changes in equity:				
Total comprehensive loss for the period	(284)	–	–	(284)
Dividends paid (Note 10)	(3,581)	–	–	(3,581)
Purchase of treasury shares (Note 17)	(180)	–	(180)	–
Closing balance at 30 June 2025	25,310	24,864	(511)	957
Current period:				
Opening balance at 1 January 2026	24,852	24,864	(605)	593
Changes in equity:				
Total comprehensive income for the period	8,354	–	–	8,354
Dividends paid (Note 10)	(4,277)	–	–	(4,277)
Purchase of treasury shares (Note 17)	(258)	–	(258)	–
Closing balance at 30 June 2026	28,671	24,864	(863)	4,670

Condensed Interim Consolidated Statement of Cash Flows
Half Year Ended 30 June 2026

	1H2026 $'000	1H2025 $'000
Cash flows from operating activities		
Profit before tax	11,969	9,653
Adjustments for:		
Interest expense	464	945
Interest income	(169)	(374)
Loss on disposal of plant and equipment	5	–
Depreciation of property, plant and equipment	1,966	2,024
Depreciation of right-of-use assets	477	441
Amortisation of intangible assets	239	238
Foreign exchange adjustment unrealised gains / (losses)	(71)	726
Operating cash flows before changes in working capital	14,880	13,653
Inventories	(1,737)	(2,487)
Trade receivables	(887)	8,193
Contract assets	6,045	(3,751)
Other assets	(1,969)	(6,616)
Provisions	48	(70)
Trade payables	(2,672)	10,152
Other non-financial liabilities	12	(2,738)
Net cash flows from operations	13,720	16,336
Income taxes paid	(2,334)	(1,566)
Net cash flows from operating activities	11,386	14,770
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,141)	(512)
Disposal of property, plant and equipment	37	13
Interest received	169	374
Net cash flows (used in) investing activities	(935)	(125)
Cash flows from financing activities		
Dividends paid to equity owners	(4,277)	(3,581)
Interest paid	(382)	(859)
Lease liabilities – principal portion and interest paid	(543)	(508)
Repayment of loans and borrowings	(1,344)	(20,575)
Purchase of treasury shares	(258)	(180)
Net cash flows (used in) financing activities	(6,804)	(25,703)
Net increase / (decrease) in cash and cash equivalents	3,647	(11,058)
Effects of exchange rate changes on the balance of cash held in foreign currencies	1,085	1,484
Cash and cash equivalents, statement of cash flows, beginning balance	41,806	43,442
Cash and cash equivalents, statement of cash flows, ending balance	46,538	30,900

Notes to the Condensed Interim Consolidated Financial Statements
30 June 2026

1. General

The company is incorporated in Singapore with limited liability. The condensed interim consolidated financial statements for the half year ended 30 June 2026 ("1H2026") are presented in Singapore dollar and they cover the company and the subsidiaries (collectively, the "group").

The principal activities of the company are those of an investment holding company and providing management and administrative support to its subsidiaries. The company is listed on the Singapore Exchange Securities Trading Limited. The group is a diversified group of companies providing solutions in areas of automation and systems integration; maintenance, repair, overhaul and trading; precision engineering; scaffolding; insulation services; petrochemical and environmental engineering services; cleanroom, air and water engineering services and structural engineering and construction services.

2. Basis of preparation of the financial statements

The condensed interim consolidated financial statements for the half year ended 30 June 2026 have been prepared in accordance with SFRS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the group's financial position and performance of the group since the last annual financial statements for the year ended 31 December 2025.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1. The condensed consolidated financial statements are presented in Singapore dollar which is the company's functional currency.

2.1 New and amended standards adopted by group

A number of amendments to Standards have become applicable for the current reporting period. The group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

2.2 Use of judgements and estimates

In preparing the condensed interim consolidated financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2025.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

3. Seasonal operations

The group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

4. Financial information by operating segments

4A. Information about reportable segment profit or loss, assets and liabilities

Disclosure of information about operating segments, products and services, the geographical areas, and the major customers are made as required by the financial reporting standard on operating segments. This disclosure standard has no impact on the reported financial performance or financial position of the reporting entity.

For management purposes, the reporting entity is organised into the following major strategic operating segments that offer different products and services: (1) Project services, (2) Maintenance services and (3) Others. The results of all other activities, mainly investment holding, which are not included within the two primary segments, are included in the "Others" segment. Such a structural organisation is determined by the nature of risks and returns associated with each business segment and it defines the management structure as well as the internal reporting system. It represents the basis on which the management reports the primary segment information that is available and that is evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing the performance. They are managed separately because each business requires different strategies.

The segments and the types of products and services are as follows:

(1) The Project services segment includes projects that requires engineering, design, procurement, construction, machining, scaffolding works, insulation services and passive fireproofing services.

(2) The Maintenance services segment includes maintenance and repair services, including trading and supply of material, spare parts and components.

(3) The Others segment relates to other revenue streams.

Inter-segment sales are measured on the basis of the amount that the entity actually used to price the transfers. Internal transfer pricing policies of the reporting entity are as far as practicable based on market prices. The accounting policies of the operating segments are the same as those described in the significant accounting policies. The management reporting system evaluates performances based on a number of factors. However, the primary measurement to evaluate segment's operating results is the earnings from operations before depreciation and amortisation, interests and income taxes (called "EBITDA").

The following tables illustrate the information about the reportable segment profit or loss, assets and liabilities.

4. Financial information by operating segments

4B. Profit or loss from continuing operations and reconciliations

	Project services	Maintenance services	Others	Elimination	Group
	$'000	$'000	$'000	$'000	$'000
1H2026					
Revenue by segment					
Total revenue by segment	50,189	43,387	–	(6,339)	87,237
Inter-segment sales	(4,805)	(1,534)	–	6,339	–
Total revenue	45,384	41,853	–	–	87,237
Recurring EBITDA	5,709	7,229	647	1,361	14,946
Inter-segment expenses	612	749	–	(1,361)	–
Adjusted EBITDA	6,321	7,978	647	–	14,946
Finance costs	(147)	(215)	(102)	–	(464)
Amortisation of intangible assets	(84)	(155)	–	–	(239)
	6,032	7,580	543	–	14,243
Unallocated:					
Interest income					169
Depreciation of property, plant and equipment					(1,966)
Depreciation of right-of-use assets					(477)
Income tax expenses					(1,961)
Profit for the period					10,008
1H2025					
Revenue by segment					
Total revenue by segment	47,183	41,861	–	(4,207)	84,837
Inter-segment sales	(2,574)	(1,633)	–	4,207	–
Total revenue	44,609	40,228	–	–	84,837
Recurring EBITDA	5,430	6,510	78	909	12,927
Inter-segment expenses	442	467	–	(909)	–
Adjusted EBITDA	5,872	6,977	78	–	12,927
Finance costs	(274)	(304)	(367)	–	(945)
Amortisation of intangible assets	(83)	(155)	–	–	(238)
	5,515	6,518	(289)	–	11,744
Unallocated:					
Interest income					374
Depreciation of property, plant and equipment					(2,024)
Depreciation of right-of-use assets					(441)
Income tax expenses					(1,377)
Profit for the period					8,276

4. Financial information by operating segments

4C. Assets and reconciliations

	Project services $'000	Maintenance services $'000	Others $'000	Group $'000
As at 30 June 2026				
Reportable segment assets	24,216	7,091	–	31,307
Unallocated:				
Cash and cash equivalents				46,538
Inventories				21,606
Trade receivables, and other assets				44,733
Property, plant and equipment				37,850
Other non-current assets				48,857
Total group assets				230,891
As at 31 December 2025				
Reportable segment assets	26,920	10,141	–	37,061
Unallocated:				
Cash and cash equivalents				41,806
Inventories				19,869
Trade receivables, and other assets				42,168
Property, plant and equipment				38,646
Other non-current assets				49,414
Total group assets				228,964

4D. Liabilities and reconciliations

	Project services $'000	Maintenance services $'000	Others $'000	Group $'000
As at 30 June 2026				
Reportable segment liabilities	1,020	731	–	1,751
Unallocated:				
Provisions				1,979
Trade and other payables				32,063
Loans and borrowings				36,336
Financial liabilities – lease liabilities				5,687
Income tax payable and deferred tax liabilities				4,971
Total group liabilities				82,787

4. Financial information by operating segments

4D. Liabilities and reconciliations

	Project Services $'000	Maintenance services $'000	Others $'000	Group $'000
As at 31 December 2025				
Reportable segment liabilities	553	1,186	–	1,739
Unallocated:				
Provisions				1,931
Trade and other payables				34,735
Loans and borrowings				37,680
Financial liabilities – lease liabilities				5,989
Income tax payable and deferred tax liabilities				5,344
Total group liabilities				87,418

4E. Geographical information

	Revenue		Non-current assets	
	1H2026	1H2025	30/06/2026	31/12/2025
	$'000	$'000	$'000	$'000
Group				
China	13,295	12,126	2,224	1,989
Singapore	66,268	63,246	84,215	84,420
United States	1,852	2,446	–	–
Malaysia	5,785	6,877	358	201
Middle East	37	142	–	–
	87,237	84,837	86,797	86,610

Revenues are attributed to countries on the basis of the customer's location, irrespective of the origin of the goods and services. The non-current assets are analysed by the geographical area in which the assets are located. The non-current assets exclude any financial instruments and deferred tax assets.

4F. Other material items and reconciliations

Capital expenditures of $1,141,000 (30 June 2025: $512,000) are recognised in respect of property, plant and equipment. Segment information is not available for capital expenditures as the information is not available and the cost to allocate to the segment would be excessive.

4G. Disaggregation of revenue

Revenue classified by type of goods or service:

	Group	
	1H2026	1H2025
	$'000	$'000
Engineering solutions and services	87,237	84,837
Revenue classified by timing of revenue recognition:		
Point in time	38,431	30,658
Over time	48,806	54,179
Total revenue	87,237	84,837

4. Financial information by operating segments

4G. Disaggregation of revenue

	Group	
	1H2026	1H2025
	$'000	$'000
Revenue classified by duration of contract:		
Short-term contracts – 12 months or less	73,589	69,636
Long-term contracts – more than 12 months	13,648	15,201
Total revenue	87,237	84,837

5. Other income and gains / (losses)

	Group	
	1H2026	1H2025
	$'000	$'000
Loss on disposal of plant and equipment	(5)	–
Government grant	105	210
Other income	3	4
Reversal for impairment of trade receivables	–	33
Inventories written down	(215)	(120)
Net	(112)	127
Other income and gains	108	247
Other losses	(220)	(120)
Net	(112)	127

6. Income tax expense

The group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated statement of profit or loss are:

	Group	
	1H2026	1H2025
	$'000	$'000
Current tax expense:		
Current tax expense	2,013	1,430
Deferred tax (income)		
Deferred tax (income)	(52)	(53)
Total income tax expense	1,961	1,377

7. Additional information on the condensed interim consolidated statement of profit or loss

	Group	
	1H2026	1H2025
	$'000	$'000
Amortisation of intangible asset	239	238
Depreciation of right-of-use asset	477	441
Depreciation of property, plant and equipment	1,966	2,024

8. Finance costs

	Group	
	1H2026	1H2025
	$'000	$'000
Interest expense	381	859
Interest on lease liabilities	83	86
Total finance costs	464	945

9. Earnings per share

The following table illustrates the numerators and denominators used to calculate basic and diluted earnings per share of no par value:

	Group	
	1H2026	1H2025
	$'000	$'000
Numerators: earnings attributable to equity:		
Profit attributable to equity holders	10,008	8,276
	'000	'000
Denominators: weighted average number of ordinary shares		
Basic and diluted	398,131	399,274

The weighted average number of ordinary shares refers to shares in issue outstanding during the reporting period. It is after the neutralisation by the treasury shares.

The amount per share ratio is based on the weighted average number of ordinary shares outstanding during each reporting period.

Both basic and diluted earnings per share are the same as there are no dilutive ordinary share equivalents outstanding during the reporting periods.

10. Dividends on equity shares

	Group and Company			
	Rate per share			
	1H2026	1H2025	1H2026	1H2025
	cents	cents	$'000	$'000
Final tax exempt (one-tier) dividend paid in respect of previous financial year	1.0745	0.8987	4,277	3,581
Total dividends paid during the period	1.0745	0.8987	4,277	3,581

11. Property, plant and equipment

During the half year ended 30 June 2026, the group acquired assets amounting to $1,141,000 (30 June 2025: $512,000) and disposed of assets with net book value amounting to $42,000 (30 June 2025: $13,000).

12. Goodwill

	Group	
	30/06/2026	31/12/2025
	$'000	$'000
Cost:		
At beginning and end of the period/year	40,421	40,421

Goodwill is allocated to cash-generating units for the purpose of impairment testing as follows:

	Group	
	30/06/2026	31/12/2025
	$'000	$'000
Name of cash generating units:		
Engineering Services Group (comprising Multiheight Scaffolding, Austin Energy (Asia) and Ensure Engineering)	29,552	29,552
Starburst Holdings Limited and its subsidiaries	10,869	10,869
Net book value at end of the period/year	40,421	40,421

During the year, management reassessed the group's cash-generating units ("CGUs"). Based on the integration of operations, utilisation of shared resources and the manner in which cash inflows are generated, management concluded that the cash inflows attributable to Multiheight Scaffolding Pte Ltd and its subsidiary, Austin Energy (Asia) Pte Ltd and its subsidiary, and Ensure Engineering Pte Ltd are no longer largely independent of one another. Accordingly, these operations have been combined into a single CGU, namely the Engineering Services Group, for impairment testing purposes.

Comparative information has been re-presented to reflect the revised allocation of goodwill to CGUs for consistency of presentation.

The goodwill was tested for impairment at the end of each reporting year. No impairment allowance was required because the carrying amounts of all cash-generating units were lower than their estimated recoverable amounts. The recoverable amounts of cash-generating units have been measured based on the value in use method. The value in use was measured by management. The value in use is a recurring fair value measurement (Level 3).

The quantitative information about the value in use measurement using significant unobservable inputs for the cash-generating unit ("CGU") are consistent with those used for the measurement last performed and are as follows:

		Group
		31/12/2025
	Valuation technique:	
	Discounted cash flow method	
	Unobservable inputs:	
1.	Estimated discount rates using pre-tax rates that reflect current market assessments at the risks specific to the CGUs.	
	Engineering Services Group	11%
	Starburst Holdings Limited and subsidiaries	11%
2.	Cash flow forecasts derived from the most recent financial budgets and plans approved by management.	5 years
3.	Growth rates based on industry growth forecasts and not exceeding the average long-term growth rate for the relevant markets.	1.4%

Actual outcomes could vary from these estimates. Management's calculation of value in use took into account projects on hand.

13. Intangible assets

Group	Customer relationship $'000	Order backlog $'000	Total $'000
Cost:			
At 1 January 2025, 31 December 2025 and 30 June 2026	1,164	4,980	6,144
Accumulated amortisation:			
At 1 January 2025	498	3,114	3,612
Amortisation for the year	166	311	477
At 31 December 2025	664	3,425	4,089
Amortisation for the period	83	156	239
At 30 June 2026	747	3,581	4,328
Carrying value:			
At 1 January 2025	666	1,866	2,532
At 31 December 2025	500	1,555	2,055
At 30 June 2026	417	1,399	1,816

The amortisation is charged to administrative expenses.

14. Trade receivables

	Group		Company	
	30/06/2026	31/12/2025	30/06/2026	31/12/2025
	$'000	$'000	$'000	$'000
Trade receivables:				
Outside parties	38,309	37,713	–	–
Less: allowance for impairment	(320)	(320)	–	–
Subsidiaries	–	–	25,791	22,253
Unbilled revenue	13,014	13,052	1,370	1,600
Retention receivables	6,034	5,705	–	–
Net trade receivables	57,037	56,150	27,161	23,853
Movements in above allowance on trade receivables:				
At beginning of the period/year	320	494	–	–
Reversed for trade receivables to profit or loss included in other losses	–	(155)	–	–
Used	–	(19)	–	–
At end of the period/year	320	320	–	–

The unbilled revenue represent revenue recognised for work performed as at the reporting date but not yet billed, measured based on the output method. Unbilled revenue was previously presented within other assets and is now presented within trade receivables to better reflect the nature of the underlying balances. Comparative information has been reclassified accordingly. The reclassification has no impact on the Group's profit, total assets, total liabilities or equity.

14. Trade receivables

The expected credit losses (ECL) on the above trade receivables are based on the simplified approach to measuring expected credit losses (ECL) which uses a lifetime ECL allowance approach for all trade receivables recognised from initial recognition of these assets. These assets are grouped based on shared credit risk characteristics and the days past due for measuring the ECL. The allowance matrix is based on the historical observed default rates (over a period of 36 months) over the expected life of the trade receivables and is adjusted for forward-looking estimates including the impact of the current economic conditions. At every reporting date the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

There is no collateral held as security and other credit enhancements for the trade receivables. As part of the process of setting customer credit limits, different credit terms are used. The average credit period generally granted to trade receivable customers is about 30 to 90 days (2025: 30 to 90 days). But some customers take a longer period to settle the amounts.

Concentration of trade receivable customers as at the end of reporting period/year:

	Group	
	30/06/2026	31/12/2025
	$'000	$'000
Top 1 customer	5,257	3,926
Top 2 customers	7,933	7,640
Top 3 customers	10,393	10,877

15. Contract assets

	Group	
	30/06/2026	31/12/2025
	$'000	$'000
Contract assets	12,259	18,304

Contract assets were previously presented within other assets and are now presented as a separate line item on the condensed interim statements of financial position to better reflect the nature of the underlying balances. Comparative information has been reclassified accordingly. The reclassification has no impact on the Group's profit, total assets, total liabilities or equity.

16. Other assets

	Group		Company	
	30/06/2026	31/12/2025	30/06/2026	31/12/2025
	$'000	$'000	$'000	$'000
Prepayments	891	1,010	18	45
Advances to suppliers	4,366	2,229	–	–
Deposits to secure services	1,487	1,536	20	20
	6,744	4,775	38	65

17. Share capital

Current period:	Number of shares issued '000	Share capital $'000	Treasury shares $'000	Total $'000
Group and Company				
Ordinary shares of no par value:				
Opening balance at 1 January 2026	398,266	24,864	(605)	24,259
Treasury shares purchased	(464)	–	(258)	(258)
At end of the period 30 June 2026	397,802	24,684	(863)	24,001
Previous period:				
Group and Company				
Ordinary shares of no par value:				
Opening balance at 1 January 2025	399,028	24,864	(331)	24,533
Treasury shares purchased	(762)	–	(274)	(274)
At end of the period 31 December 2025	398,266	24,864	(605)	24,259

Pursuant to the share purchase mandate approved at the extraordinary general meeting on 29 April 2015 and last renewed at the annual general meeting on 29 April 2026, and during the reporting period 1H2026, the company acquired 464,100 ordinary shares (2025: 761,500 ordinary shares) on the Singapore Stock Exchange and held them as treasury shares.

There had been no changes in the company's share capital since 31 December 2025, save for the aforesaid purchase of shares.

The company had 397,802,800 issued shares (excluding treasury shares) as at 30 June 2026 (31 December 2025: 398,266,900).

The total number of treasury shares as at 30 June 2026 is 2,197,200, representing 0.55% of the total number of issued shares (30 June 2025: 1,488,100, 0.37%).

There was no sale, transfer, disposal, cancellation and/or use of treasury shares during the half year ended 30 June 2026 and 30 June 2025.

There were no outstanding convertibles issued by the Company and no subsidiary holdings as at 30 June 2026 and 30 June 2025.

18. Other reserves

	Group	
	30/06/2026	31/12/2025
	$'000	$'000
Foreign currency translation reserve (Note 17A)	36	(792)
Statutory reserve (Note 17B)	1,329	1,425
Capital reserve (Note 17C)	353	–
Total at the end of the period/year	1,718	633

18A. Foreign currency translation reserve

	Group	
	30/06/2026	31/12/2025
	$'000	$'000
At beginning of the period/year	(792)	(664)
Exchange differences on translating foreign operations	828	(128)
At end of the period/year	36	(792)

The currency translation reserve accumulates all foreign exchange differences.

18B. Statutory reserve

	Group	
	30/06/2026	31/12/2025
	$'000	$'000
At beginning of the period/year	1,425	999
Transferred from retained earnings	–	426
Foreign currency differences	(96)	–
At end of the period/year	1,329	1,425

The subsidiaries in the People's Republic of China are required by local regulation to appropriate 10% of the profits each year to a non-distributable statutory reserve. Contribution to this reserve is no longer mandatory when the reserve reaches 50% of the registered share capital. The use of the funds in the non-distributable statutory reserve is subject to approval by the relevant authorities in the People's Republic of China.

19. Net asset value per share

The following table illustrates the numerators and denominators used to calculate net asset value per share of no par value:

	Group		Company	
	30/06/2026	31/12/2025	30/06/2026	31/12/2025
	$'000	$'000	$'000	$'000
Numerators: net asset value	148,104	141,546	28,671	24,852
	'000	'000	'000	'000
Denominators: number of ordinary shares (excluding treasury shares)	397,802	398,266	397,802	398,266
Net asset value per share (cents)	37.2	35.5	7.2	6.2

20. Provisions

	Group	
	30/06/2026	31/12/2025
	$'000	$'000
Current:		
Warranties	1,979	1,931

Certain products are covered by product warranty plans of varying periods. If the customer has the option to purchase a warranty separately or the warranty is negotiated separately, the warranty is accounted as a performance obligation and a portion of the transaction price is allocated to that performance obligation and recognised as revenue over the period the warranty services are provided. The warranty obligations are affected by actual product failure rates and by material usage and service delivery costs incurred in correcting a product failure.

21. Loans and borrowings

	Group		Company	
	30/06/2026	31/12/2025	30/06/2026	31/12/2025
	$'000	$'000	$'000	$'000
Non-current:				
Financial instruments with floating interest rates:				
Bank loans (Note 20B)	2,691	3,686	2,691	3,686
Total non-current portion	2,691	3,686	2,691	3,686
Current:				
Financial instruments with floating interest rates:				
Bank loans (secured) (Note 20A)	9,592	10,692	–	400
Bank loans (Note 20B)	3,920	7,071	1,920	2,071
Invoice financing (Note 20B)	20,133	16,231	–	–
Total current portion	33,645	33,994	1,920	2,471
Total non-current and current	36,336	37,680	4,611	6,157
Presented as:				
Secured	9,592	10,692	–	400
Unsecured	26,744	26,988	4,611	5,757
Total loans and borrowings	36,336	37,680	4,611	6,157

The range of floating interest rates paid was as follows:

	Group		Company	
	30/06/2026	31/12/2025	30/06/2026	31/12/2025
	%	%	%	%
Bank loans and invoice financing	1.93 to 2.42	1.87 to 4.05	2.09 to 2.35	2.00 to 3.91

21. Loans and borrowings

21A. Bank loans (secured)

Certain bank loans and other credit facilities are secured by a mortgage over leasehold properties.

The bank loans comprise:

a. Short term borrowings with an average maturity period of 1 to 3 months and which are settled at the end of maturity period.

b. Loan repayable in 30 quarterly instalments of $200,000 from June 2018. Although the loan is for a period of 7.5 years from June 2018, it has been classified as “current” because the borrower does not have an unconditional right to defer settlement of the liability for at least twelve months after the end of the reporting period/year. The loan was fully repaid in February 2026.

c. Loan repayable on demand. Loan is subject to 28 quarterly reductions of $350,000 each or any such reductions as may be specified or fixed by the bank until the limit is reduced to $4 million from May 2023.

21B. Bank loans and invoice financing

Certain bank loans and other credit facilities are secured by a corporate guarantee from the company.

The bank loans comprise:

a. Loan repayable over 4 years from January 2022 with monthly instalment of about $145,000 at floating interest rates. The loan was fully repaid in January 2026.

b. Loan repayable over 48 months from July 2024 with monthly instalment of $166,666.

c. Short term borrowings (invoice financing and money market loans) with an average maturity period of 1 to 3 months and which are settled at the end of maturity period.

The loans and borrowings are secured by corporate guarantee from the company and subject to certain financial covenants such as (a) consolidated net worth of the group being not less than $45 million; (b) gearing ratio not exceeding two times; and (c) minimum debt service coverage ratio of 1.25.

22. Trade payables

	Group		Company	
	30/06/2026	31/12/2025	30/06/2026	31/12/2025
	$’000	$’000	$’000	$’000
Outside parties and accrued liabilities	32,063	34,735	1,890	3,437

23. Other non-financial liabilities

	Group	
	30/06/2026	31/12/2025
	$'000	$'000
Deferred revenue	1,698	1,045
Advances from customers	–	694
Contract liabilities	53	–
Total other non-financial liabilities	1,751	1,739

24. Financial instruments

The following table categorises the carrying amount of financial assets and liabilities recorded at the end of the reporting period/year:

	Group		Company	
	30/06/2026	31/12/2025	30/06/2026	31/12/2025
	$'000	$'000	$'000	$'000
Financial assets:				
Financial assets at amortised cost	103,575	97,956	29,234	28,277
Financial liabilities:				
Financial liabilities at amortised cost	74,086	78,404	7,998	11,112

25. Commitments

	Company	
	30/06/2026	31/12/2025
	$'000	$'000
Corporate guarantee in favour of subsidiaries	32,676	32,469

	Group	
	30/06/2026	31/12/2025
	$'000	$'000
Total commitments on short-term leases at period / year end date	3,001	2,285

26. Subsequent events

There is no significant subsequent event for the reporting period.

NORDIC GROUP LIMITED

Other Information Required by Listing Rule Appendix 7.2

OTHER INFORMATION

1. Review

The condensed interim consolidated financial statements for period ended 30 June 2026 and certain explanatory notes have not been audited or reviewed.

2. Review of performance of the group

Review of performance for half-year ended 30 June 2026 ("1H2026")

Revenue
The group's revenue increased by approximately $2.4 million or 3%, to approximately $87.2 million in 1H2026 from approximately $84.8 million in the half-year ended 30 June 2025 ("1H2025"). This increase was attributable to higher revenue from both Project Services and Maintenance Services.

Business segment	1H2026	1H2025	Change	Change
	$'000	$'000	$'000	%
Project services	45,384	44,609	775	2
Maintenance services	41,853	40,228	1,625	4
Total	**87,237**	**84,837**	**2,400**	3

Gross profit and gross profit margin
Gross profit for 1H2026 increased by approximately $1.4 million or 7% to approximately $20.6 million in 1H2026 from $19.2 million in 1H2025. Gross profit margin increased to 23.6% in 1H2026 from 22.6% in 1H2025.

Distribution costs
Distribution costs decreased by approximately $0.6 million or 57% to approximately $0.4 million in 1H2026 from $1.0 million in 1H2025 mainly due to lower sales related expenses.

Administrative expenses
Administrative expenses increased by approximately $0.3 million or 4% to approximately $7.0 million in 1H2026 from $6.7 million in 1H2025 mainly due to higher staff cost.

Other income / (losses)
Net other income / (losses) decreased by approximately $0.2 million or 188% from approximately $0.1 million income in 1H2025 to $0.1 million loss in 1H2026 mainly due to lower government grant income of $0.1 million and higher inventory written down of $0.1 million.

Operating profits
Operating profits increased $1.4 million or 12% to $13.1 million in 1H2026 from $11.6 million in 1H2025 mainly due to higher revenue.

Finance costs
Net interest income and expense decreased $0.3 million or 48% to approximately $0.3 million in 1H2026 from $0.6 million in 1H2025 mainly due to lower borrowings and interest rates during the period under review.

Foreign exchange (losses) / gains
Lower foreign exchange loss in 1H2026 was due to the strengthening of the United States Dollar against Singapore Dollar. Foreign exchange loss in 1H2025 comprised foreign exchange loss due to weakening of United States Dollar against Singapore Dollar.

2. Review of performance of the group (cont'd)

Income tax expenses

Effective income tax rates were at approximately 16% for 1H2026 and 14% for 1H2025. The effective tax rate is lower than the statutory rate of 17% mainly due to the utilization of merger & acquisition allowance, unutilised capital allowances and tax losses carried forward.

<u>Statement of Financial Position Review (as at 30 June 2026 compared to 31 December 2025)</u>

Non-current assets

Non-current assets decreased by approximately $1.3 million or 2% to approximately $86.7 million as at 30 June 2026 from approximately $88.1 million as at 31 December 2025. The decrease was mainly attributable to the depreciation of property, plant and equipment and right-of-use assets and amortisation of intangible assets.

Current assets

Current assets increased by approximately $3.3 million or 2% to $144.2 million as at 30 June 2026 from approximately $140.9 million as at 31 December 2025. This increase was mainly attributable to higher cash and cash equivalents, trade receivables, other assets and inventories. This increase was offset by lower contract assets.

Equity

Our capital and reserves increased by approximately $6.6 million or 5% as at 30 June 2026 as compared to 31 December 2025. The increase was mainly due to retention of net profit in 1H2026 of approximately $10.0 million. This was partially offset by dividend payment of $4.3 million.

Non-current liabilities

Non-current liabilities decreased by approximately $1.1 million or 10% to approximately $9.6 million as at 30 June 2026 from approximately $10.7 million as at 31 December 2025 mainly due to the repayment of loans and borrowings.

Current liabilities

Current liabilities decreased by approximately $3.6 million or 5%, to approximately $73.2 million as at 30 June 2026 from approximately $76.7 million as at 31 December 2025. The decrease was mainly due to the repayment of loans and borrowings, lower trade and other payables and income tax payable.

<u>Statement of Cash Flows Review</u>

1H2026

In 1H2026, operating cash flows before changes in working capital was approximately $14.9 million. Working capital changes cash outflow was approximately $1.2 million which was mainly due to decrease in contract assets. Cash inflows from the decrease in contract asset was offset by cash outflow from increase in trade receivables, other assets and inventories and decrease in trade payables. Operating cash flow used in operations was $11.4 million after income tax payments of approximately $2.3 million.

Net cash used in investing activities of approximately $0.9 million was mainly due to purchase of plant and equipment which was offset by interest received.

Net cash used in financing activities of approximately $6.8 million was mainly due to repayment of loans and borrowings of approximately $1.3 million, dividend payment of approximately $4.3 million, interest payment of $0.4 million and repayment of lease liabilities of $0.5 million.

3. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results

There is no variance between the prospect statement previously announced and the actual results of the current financial reporting period.

4. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next operating period and the next 12 months

As at 30 June 2026, the group maintained a robust orderbook of S$254.3 million, comprising S$111.3 million from project services and S$143.0 million from maintenance services, including approximately S$71.5 million in new contracts. The contract wins comprise S$12.8 million from maintenance services and S$58.6 million from project services. Deliveries for these orders are expected to be fulfilled mainly over the next 36 months, though they remain subject to possible rescheduling, variation, or cancellation by customers.

In marine sector, China's shipbuilding orderbook rose 54.9% year-on-year to 363.25 million deadweight tonnage as at end-June 2026, representing 71.2% of global outstanding orders[1]. Singapore's Marine & Offshore Energy Industry Plan continues to progress toward transforming Singapore into a global marine and offshore energy hub by 2030[2], presenting further opportunities for Nordic.

In petrochemical and infrastructure sector, Asia Pacific continues to lead the global market, with the regional petrochemical market projected to grow at a compound annual growth rate ("CAGR") of approximately 6% to reach US$674 billion by 2035[3]. Singapore's Sustainable Jurong Island Plan is targeting a fourfold increase in sustainable product output by 2050 from 2019 levels[4], anchoring steady multi-year demand for Nordic's scaffolding, insulation, and petrochemical & environmental engineering services.

In semiconductor sector, Southeast Asia continues to strengthen its role as a key hub for new manufacturing capacity, supported by rising demand for AI infrastructure. The regional market is projected to grow at a CAGR of approximately 9% to exceed US$55 billion by 2033 from the 2024 baseline of US$23.9 billion[5]. Nordic's cleanroom, air and water engineering, precision engineering and structural engineering services are well-placed to serve this rising demand. The Group also established a regional presence in Thailand and India in 2025.

In defence sector, global defence spending hit a record US$2.9 trillion in 2025, the eleventh consecutive year of growth[6]. Nordic's established defence engineering experience across Singapore and the Middle East positions the Group to serve rising defence infrastructure demand in the region.

Geopolitical tensions, inflationary pressures, and currency volatility continue to present near-term headwinds for the group. However, the group remains positive on the long-term prospects of its core markets, including the marine, petrochemical & infrastructure, semiconductor, and defence sectors. With the recent order wins, prudent cost and risk management measures, and continued efforts to explore merger and acquisition opportunities, the group is poised to deliver sustainable value to shareholders over the long run.

[1] Global Times
[2] Association of Singapore Marine & Offshore Energy Industries (ASMI) and Enterprise Singapore, Marine & Offshore Energy Industry Plan
[3] Precedence Research
[4] Ministry of Trade and Industry Singapore
[5] Source of Asia
[6] Stockholm International Peace Research Institute (SIPRI)

5. Dividends

The Board of Directors has declared an interim tax exempt (one-tier) dividend of 1.0008 cents per ordinary share for the period ended 30 June 2026. The interim dividend will be paid on 4 September 2026.

(i) 30 June 2026

Name of Dividend	Dividend type	Dividend per ordinary share	Tax rate	Date payable	Record date
Interim	Cash	1.0008 cents	Tax exempt (One tier)	4 September 2026	21 August 2026

Duly completed registrable transfers received by the Company's Registrar, Tricor Barbinder Share Registration Services (A division of Tricor Singapore Pte Ltd), at 9 Raffles Place, Republic Plaza, Tower I, #26-01, Singapore 048619 up to 5.00 pm on 21 August 2026 will be registered to determine shareholders' entitlement to the dividend.

(ii) 30 June 2025

Name of Dividend	Dividend type	Dividend per ordinary share	Tax rate
Interim	Cash	0.8276 cents	Tax exempt (One tier)

(iii) Breakdown of the total interim dividend (in dollar value)

	1H2026	1H2025
	$'000	$'000
Interim dividend of 1.0008 (2025:0.8276) cents per share	3,981 *	3,298
Total interim dividend	3,981	3,298

*Based on 397,802,800 ordinary shares being total issued shares excluding treasury shares as at 30 June 2026

6. Interested person transactions

The company has not obtained a general mandate from shareholders for interested person transactions. The company did not have any interested person transactions during the period under review (excluding transactions less than $100,000).

7. Confirmation that the issuer has procured undertaking from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1)

The company has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1).

8. Confirmation by the Board pursuant to Rule 705(5) of the Listing Manual

The Board of Directors ("the Board") hereby confirms that, to the best of their knowledge, nothing has come to the attention of the Board which may render the condensed interim consolidated financial statements for the financial period ended 30 June 2026 to be false or misleading in any material aspect.

9. Disclosure of acquisitions and realisations pursuant to Rule 706A

Nil

By Order Of The Board

Chang Yeh Hong
Executive Chairman
7 August 2026