



ANNUAL REPORT 2024

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	PROXY FORM

Reliable and Consistent Solutions that Make a Difference

Listed on the Singapore Exchange Mainboard in 2010, we are a global solutions provider in areas of System 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. Our System Integration division turns systems into solutions by providing Flow, Automation and Navigation solutions for the marine industry and also offers services such as electrical and instrumentation, engineering, procurement, installation and commissioning for conversion, upgrading, factory and infrastructure automation while the Maintenance, Repair, Overhaul and Trading division provides after-sales service support for the marine, oil & gas and infrastructure industries. Our Precision Engineering division designs and builds tooling systems, and provides turnkey production solutions for the aerospace, marine, medical, oil and gas, optical imaging and semiconductor industries. Our Scaffolding Services division provides scaffolding and alternative access solutions for the oil & gas, petrochemical, construction and marine industries. Our Insulation Services division specialises in thermal and cryogenic insulation, thermal spray aluminium and passive fireproofing services in the petrochemical, pharmaceutical, marine, and oil & gas industries. Our Petrochemical and Engineering services division specialises in a wide range of services: pre and post commissioning

cleaning, heat exchanger cleaning, tank cleaning, process, plant recovery work, temporary intervention activities in process plants, on line cleaning processes, turnaround work and support, decontamination services, temporary equipment support services, product filtering services and support in operation of utility plants in the petrochemical, manufacturing, and infrastructure industries. Our Cleanroom, Air and Water Solutions Engineering Services provides a holistic suite of services in facilities engineering services, maintenance, engineering, project management and construction for air pollution control systems, water and waste treatment systems to semiconductor, pharmaceutical, oil and gas, power plant and municipal sectors. Our Structural and Construction Services encompass the design, fabrication, installation, and maintenance of anti- ricochet ballistic protection systems for tactical facilities specifically tailored to meet the needs of security agencies. Additionally, it provides fuel refuelling hydrants and systems for refuelling and dispensing. These services cater to both military and commercial customers.

Our Precision Engineering operation is located in Singapore and Suzhou, People's Republic of China. Our Cleanroom, Air and Water Solutions Engineering Services is located in Singapore and Malaysia. Our Structural and Construction Services is located in Singapore and Abu Dhabi. Our head office and other businesses are located in Singapore.

OUR BUSINESSES



System Integration

We turn systems into solutions by providing Flow, Automation and Navigation solutions that includes valve remote control systems and tank gauging systems. We also offer services such as electrical and instrumentation for the petrochemical industry and engineering, procurement, installation, and commissioning ("EPIC") for conversion, upgrading, factory and infrastructure automation.



Maintenance, Overhaul and Trading

With our extensive network of service centres spanning across the globe, our dedicated team of consultants readily provides prompt service support round the clock as part of our after-sales service. To date, over 1,000 vessels have been fitted with our systems, with the number steadily increasing with every vessel newly fitted with our Flow Automation and Navigation solutions, creating more opportunities for conversion and retrofitting of existing vessels.



Precision Engineering

Featuring 5-axis CNC machines at our production facilities in Suzhou, PRC and Singapore, we specialise in designing and building of tooling systems, and providing turnkey production solutions in high mix, low volume niche industries, servicing customers mainly from the marine, oil & gas, aerospace, medical, optical imaging and semiconductor industries.



Scaffolding Services

We provide scaffolding and alternative access solutions for the oil & gas, petrochemical, construction, marine and semiconductor industries in Singapore. We have the requisite technical capabilities, expertise and infrastructure to execute complex projects. As testament to our strong customer base and longstanding relationships, we are the resident contractor for many major local and multinational companies.

OUR BUSINESSES



Insulation Services

We specialise in supplying thermal, cryogenic, acoustic, clean room insulation, passive fireproofing services and industrial coatings such as thermal spray aluminium. With a skilled workforce and technical expertise, we have established a strong presence in several industries including the marine, oil & gas, petrochemical and pharmaceutical industries.



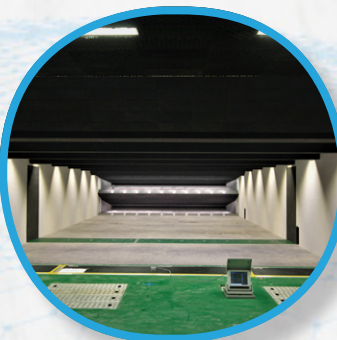
Petrochemical and Environment Engineering Services

We specialise in a wide range of services: pre and post commissioning cleaning, heat exchanger cleaning, tank cleaning, process plant recovery work, temporary intervention activities in process plants, on line cleaning process, turnaround work and support, decontamination services, temporary equipment support services, product filtering services and support in the operation of utility plants. We serve the petrochemical, manufacturing, and infrastructure industries.



Cleanroom Air and Water Engineering Solutions

We provide a holistic suite of services in facilities engineering services, maintenance, engineering, project management and construction for air pollution control systems, odour abatement, water and waste water treatment systems to semiconductor, pharmaceutical, oil & gas, power plant and municipal sectors.



Structural Engineering and Construction Services

We provide design, fabrication, installation and maintenance of anti-ricochet ballistic protection systems. These systems are used in tactical training facilities by security and agencies. Additionally, we provide fuel refuelling hydrants and systems for refuelling and dispensing. These services cater to both military and commercial customers.

SALES & SERVICES NETWORK

Covering Singapore and various locations globally, our system integration division sales and services network provides prompt and proficient service support.



 NORDIC FACTORY / OFFICE

 SALES & SERVICE OFFICE

AWARDS & ACCREDITATIONS

System Integration

All systems, associated equipment and parts offered to customers are accredited by various marine classification bodies such as ABS, China Classification Society, Germanischer Lloyd, Indian Register of Shipping, Korean Registry of Shipping, Lloyd's Register, Nippon Kaiji Kyokai and Polski Rejestr Statkow. Attaining certifications, such as ISO 9001:2015 Quality Management System, ISO 14001:2015 Environmental Management System, ISO 45001:2018 Occupational Health and Safety Management System and the WSH bizSAFE Star award reinforces our steadfast dedication to quality and safety excellence.

Insulation Services

Our Insulation Services division is committed to providing quality products and solutions to customers. Besides having the quality certification ISO 9001:2015, we are also ISO 14001:2015 Environmental Management System and ISO 45001:2018 Occupational Health & Safety Management System certified. We are awarded bizSAFE Star certification from the Workplace Safety and Health Council (WSH).

Scaffolding Services

Our Scaffolding Services division was one of the first in its industry to obtain the ISO 9001:2015 (previously known as ISO 9002) certification in 1997. Multiheight has also received the ISO14001:2015 Environmental Management System and ISO 45001:2018 Occupational Health & Safety Management System and for the Erection & Dismantling of Metal Scaffolding. Multiheight is a WSH bizSAFE Star certified organisation. These are testament to our achievements in meeting stringent quality and safety requirements over the years.

Petrochemical & Environment Engineering Services

Our Petrochemical & Environmental Engineering Services division is certified with the valued Integrated Management System (IMS), which encompasses 3 systems, namely the ISO 9001:2015 Quality Management System, ISO 14001:2015 Environmental Management System

and ISO 45001:2018 Occupational Health & Safety Management System. Ensure is awarded WSH bizSAFE Star certification for our commendable work safety. We are also an official blood donation center for the Singapore Red Cross Society.

Precision Engineering

Our commitment to quality is evident as we attained certification for AS 9100:D and ISO 9001:2015 Quality Management System, and ISO 14001:2015 Environmental Management System.

Cleanroom Air & Water Engineering Solutions

Our Cleanroom Air & Water Engineering Solutions division is able to meet the stringent requirements of the industry by attaining and implementing the ISO: 9001:2015 Quality Management System, ISO 14001:2015 Environmental Management System and ISO 45001:2018 Occupational Health and Safety Management System. Envipure is also a WSH bizSAFE Star certified organisation.

Specialist Structural Engineering Services

Our Structural Engineering Services division is certified with the ISO 9001:2015 Quality Management System, ISO 14001:2015 Environmental Management System and ISO 45001:2018 Occupational Health & Safety Management System. Starburst and Avon are WSH bizSAFE Star certified organisation and Starburst is also a S3 Accredited Structural Steel Fabricator by the Singapore Structural Steel Society.

Others

Austin Energy Offshore Pte Ltd (AEO) is an ITE-approved workplace training center (WTC). We develop skills in the Process, Construction, and Maintenance (PCM) sector through the Certificate of Competency (CoC) programme. AEO trains and assesses workers in Thermal Insulation and Metal Scaffolding using industry-standard materials and tools. Our goal is to improve skills, boost productivity, and ensure safety in the industry.

AWARDS & ACCREDITATIONS

2018

- ExxonMobil Zero Recordable Injury for >250k Man-Hours Award for 3 consecutive years
- GSK Good safety and Health Performance Award during the Jurong Plant Shutdown in January 2019
- Sembcorp Marine WSH Performance Award 2019 Gold Certificate
- Pfizer Asia Pacific Commendation for Good Safety Performance 2019
- JFE Engineering Corporation Certificate of Appreciation to certain employees for their contribution to the Design & Build of NTU-NEA

2019

- bizSAFE Enterprise Exemplary Award 2019
- ExxonMobil APRPC Safety Observation Champion for the Month – January 2019
- ExxonMobil Outstanding Supervisor Award 2019
- PUB Good Safety Award by Jurong Water Reclamation Plant (JWRP)
- Croda Business Partner of the Year Award
- Chevron Oronite Bronze Award for Achieving Good Safety Performance in the year 2019

2020

- Pfizer Good Safety Performance Award 2020
- REC Certificate of Appreciation in recognition of excellent support and commitment towards Health, Safety and Environment
- PIPENET-APECO Certificate of Appreciation in recognition for our contribution to Health, Safety and Environment at Jurong Rock Caverns, Jurong Island
- Air Liquide Certificate of Appreciation in recognition to their contribution to Micron 10A project for 500,000 safe man hours
- Air Liquide Award for winning the inter-company 2nd Runner Up for Behaviour Safety
- Chevron Oronite in recognition for our excellent support for an incident, injury and infection free year
- Sembcorp Marine WSH Performance Award 2020 for Zero Lost Time Injury from January to March 2020
- ExxonMobil Safety Performance for an Injury-Free 2020

2021

- Vopak AMS project, completion of project Tank 112 and 114 with Zero Lost Time Injury
- Air Liquide Certificate of Appreciation in recognition to their contribution to Micron 10A Gas yard project for 300,000 Safe Man hours
- Air Liquide Certificate of Appreciation in recognition to their contribution to Micron 10A Gas yard project for 500,000 Safe Man hours
- Air Liquide Certificate of Appreciation in recognition to their contribution to Micron 10A project for 1,000,000 Safe Man hours
- Chevron Oronite FEP wave 1 project in recognition for their contribution to 1 million Safe Man hours
- Keppel Energy Nexus-Apeco in recognition of outstanding and exceptional Workplace Safety and
- Health practices for achieving 900,000 accident free man hours at Jurong Rock caverns, Jurong Island
- Sembcorp Marine Hornsea II for achieving Zero for Lost Time Incidents for the entire project
- Chevron Oronite Best Contractor Gold Award

2022

- Included in Forbes Asia's "Best Under A Billion" list of public companies
- Workplace Safety and Health Council bizSAFE Enterprise Exemplary Award 2022
- Wood's token of appreciation for strong commitment and remarkable contribution towards achieving 3,000,000 and 5,000,000 Safe Man-hours in Arkema Symphony Project Jurong Island.
- JEL's token of appreciation for strong commitment and remarkable contribution towards completion of COPL-Future Expansion Project (FEP-Wave-2) 2021-2022
- ExxonMobil's token of appreciation for safety performance for an injury-free 2022
- Chevron Oronite Bronze Award for Business Partner Safety Performance
- Public Utilities Board's certificate of appreciation for the support of and participation in Jurong Water Reclamation Plant Safety Day 2022
- Sembcorp Marine in recognition of outstanding achievements in Zero Lost Time Injury from January 2022 to June 2022 (Bronze), January 2022 to September 2022 (Silver) and January to December 2022 (Gold)
- Sembcorp Marine – WSH Star Award For Excellent Performance without Total Hurt Injury for continuous period of 12 months

AWARDS & ACCREDITATIONS

2023 Business Entities Award

- Included in Forbes Asia's "Best Under A Billion" list of public companies - Nordic Group Limited
- Workplace Safety and Health Council bizSAFE Enterprise Exemplary Award 2023- Austin Energy
- Workplace Safety and Health Council bizSAFE Enterprise Exemplary Award 2023- Envipure
- Workplace Safety and Health Council WSH Tech Award 2023- Austin Energy
- Public Utilities Board's certificate of Plant Safety Award- Ensure
- Public Utilities Board's certificate of Plant Safety Award- Envipure
- National Fire And Emergency Preparedness Council Certificate of Appreciation for participating in the NEFC Mass Fire
- Evacuation Drill 2023 – Starburst
- Pfizer Asia Manufacturing Pte Ltd In appreciation of your effort to improve safety performance-- Austin Energy
- ExxonMobil President's SSH&E Award for 2023- Nordic Flow Control
- ExxonMobil in recognition of your valuable contribution for SCP2 Turnaround 2023 – MHS
- Chevron Oronite Chairman of the Contractors' Environment, Safety & Health Committee for 2023- MHS
- Chevron Oronite Contribution to the Contractors' Environment, Safety & Health Committee for 2023-MHS
- Chevron Oronite Contribution to the Contractors' Environment, Safety & Health Committee for 2023-Austin Energy
- Micron In recognition of dedication and commitment to the 2023 F10 Facilities Safety Committee-Envipure
- China Construction (South pacific) Development Co Pte Ltd In recognition of support and efforts contributing to Safety,
- Heath & Environment / Green Gracious Practices. HTTC2A -2023 -Starburst
- Chevron Oronite Business Partner Safety Performance Award – Silver - MHS

2023 Individual Safety Awards

- Workplace Safety and Health Council Individual bizSAFE Champion award 2023- Vanapalli Venkanna (Austin Energy)
- Workplace Safety and Health Council Individual bizSAFE Champion award 2023- Abdul Alauddin Bin Abdul Rahim (Envipure)
- Water Reclamation (Plants)

2024 Safety Awards

Business Entities Awards

Workplace Safety and Health Council
bizSAFE Enterprise Exemplary (Gold)
Award 2024

Austin Energy

Workplace Safety and Health Council
bizSAFE Enterprise Exemplary Award
2024

Envipure

Workplace Safety and Health Council
bizSAFE Enterprise Exemplary Award
2024

Nordic Flow Control

National Fire and Emergency
Preparedness Council Certificate of
Appreciation for participating in the
NEFC Mass Fire Evacuation Drill 2024

Starburst

Chevron Singapore Pte Ltd - General
Contractor Operational Excellence
Award 2024

Multiheight Scaffolding

ExxonMobil – Recognition of Safety
Performance for Injury - Free 2024

Multiheight Scaffolding

PUB Changi Water Reclamation Plant
- Accident-Free Days from Oct 2023 to
Oct 2024

Ensure Engineering

PUB Jurong Water Reclamation Plant –
Good Safety Award

**Ensure Engineering (Poomalai
Sakthuvel)**

CHAIRMAN'S STATEMENT

Dear Shareholders,

On behalf of the Board of Directors ("**Board**") of Nordic Group Limited ("**Nordic**", or together with its subsidiaries, the "**Group**"), I am pleased to present our Annual Report for the financial year ended 31 December 2024 ("**FY2024**").

The operating landscape in 2024 remained challenging, with short-term headwinds carrying on from 2023 into early 2024, such as the completion of large projects and a slower rollout of new projects. However, the Group managed to navigate these challenges through strategic execution, disciplined cost management, and a focus on replenishing project service contracts to drive profitability growth.

With steady contributions from the maintenance segment and notable recovery in project services ("**PS**"), the Group not only sustained stable financial performance but also achieved a 10% increase in net profit. These encouraging results underscore the Group's resilience on the back of a growing

maintenance services base while signalling a promising growth potential from replenished, higher-margin project services.

Orderbook Strength

The Group successfully replenished and maintained its orderbook throughout FY2024, which stood at S\$201.6 million as of 31 December 2024. This provides strong earnings visibility for the next 36 months. In addition, we are encouraged by the progress made by Avon Industries - our latest acquisition completed in 2023 - which has secured one major long-term project contract amounting to approximately S\$24 million in 2024. This is a testament to our capabilities to acquire value accretive businesses to strengthen our business portfolio and drive long-term growth.

The Maintenance Services ("**MS**") segment continues to be the Group's focus as we make a strategic shift towards enhancing revenue stability. This segment contributed 49.6% of the total revenue in FY2024, up from 45.2% in FY2023. The Group aims to maintain its contributions at 40-50%, reinforcing our move towards a more predictable and sustainable revenue stream, while capitalising on growth opportunities from projects.

“Our management will continue to practise meticulous cost and risk management so as to protect our stakeholders’ interest and to grow our shareholders’ value. We also want to reiterate to our shareholders that we will continue to look at feasible organic and inorganic opportunities to grow further and the recent acquisition of Avon is a testament to that.”



CHAIRMAN'S STATEMENT

Strong Recovery Signs From Financial Performance

Revenue in FY2024 remained flat at S\$158.4 million, with a marginal 1% decline year-on-year ("yoy") from S\$160.6 million in FY2023. The revenue was mainly affected by the completion of certain projects as well as the delay in other projects in Singapore and Malaysia.

As a result of higher revenue from projects following orderbook replenishment, the Group recorded a 1% increase in gross profit in FY2024. This, compounded with our improved cost efficiencies, led to a 10% yoy growth in net profit to S\$17.5 million and a 1.2 ppts expansion in net profit margin to 11.1%. Looking ahead, our strong orderbook provides the necessary foundation to maintain earnings visibility and support our ongoing business recovery.

As of year-end, the Group maintained a robust balance sheet with cash and cash equivalents of S\$43.4 million, providing the financial flexibility necessary for both strategic investments and working capital. This resilience in our financial position enables us to capitalise on future opportunities while maintaining a disciplined approach to managing risk.

Business Outlook

The broader macroeconomic environment remains uncertain, with ongoing geopolitical instability, high interest rates, and global cost pressures continuing to present difficulties.

The United States of America ("United States") announced on 2 April 2025 that it will impose individualised reciprocal higher tariff on countries with which the United States has the largest trade deficits. All other countries will also be subjected to a 10% baseline tariff. The threat of the tariffs has created massive uncertainty in the world's economy and could potentially result in widespread inflation and severe economic downturn. Management has assessed that the tariff would have a negative effect on the reporting entity's revenue from the customers in United States, and this could adversely impact the entity's financial position, financial performance, cash flows for the next reporting year. The extent of impact will depend on the extent and duration of the economic downturn.

In spite of this, we continue to ensure that Nordic's business fundamentals remain strong. We are positive of the prospects within our diversified portfolio of services. Our focus on growing the MS segment provides a stable revenue base and mitigates cyclical risks, while we actively secure projects to enhance profitability. At the same time, we continue to explore opportunities for strategic expansion leveraging potential mergers and acquisitions that align with our long-term objectives.

Nordic will also continue to prioritise prudent cost management, maintaining financial discipline to defend our margins as we look for sustainable growth. Capitalising on these initiatives, the Group is dedicated to delivering sustainable value to its shareholders.

Commitment to Shareholders

The Group remains committed to delivering returns to shareholders. In light of the increased net profit recorded in FY2024, the Board has proposed a final dividend of 0.8987 Singapore cents per ordinary share, bringing the total dividend for FY2024 to 1.7513 Singapore cents per share. This represents a payout ratio of 40%, in line with our dividend policy.

Words of Appreciation

Thank you to our Board of Directors, especially Ms Lee Kim Lian Juliana (who retired in AGM 2024) for her contribution and advice since FY2010. We also welcome Yeo Chuan Seng Victor who became our Independent Director on 1 May 2024.

I would also like to sincerely thank our employees for their dedication and perseverance, which have been vital to the Group's progress. My appreciation also goes to our customers, business partners, and shareholders for their trust and support. Your confidence in Nordic will continue to drive us forward.

As we look ahead amidst the uncertainty, we remain committed to strengthening our business, seizing new opportunities, and delivering long-term value for our shareholders.

CHANG YEH HONG
Group Executive Chairman

BOARD OF DIRECTORS



CHANG YEH HONG
Executive Chairman

Chang Yeh Hong is our Executive Chairman. He was appointed to our Board on 8 April 2010 and was last re-elected at the Company's Annual General Meeting ("AGM") on 29 April 2024. He is responsible for the working of the Board; the reviewing of business plans, strategic positioning and business expansion of the Group. He is a member of our Nominating Committee. He has more than 18 years of experience in the banking industry. From 1999 to 2000, he was the regional managing director of Asia Pacific with Citibank, and from 2000 to 2002, he was the global head of a product group with Standard Chartered Bank. Since he took an executive role with us in 2004, he has played a pivotal role in the growth and development of our Group. Mr Chang holds a Bachelor of Arts degree majoring in Economics from National University of Singapore and has completed the Standard Chartered International Management Programme in INSEAD Fountainebleau, France and the Business Financial Management Programme with Manchester Business School, United Kingdom.



TEO LING LING DORCAS
*Executive Director & Chief
Executive Officer,
Nordic Flow Control*

Teo Ling Ling Dorcas is our Executive Director. She was appointed to our Board on 30 June 2010 and was last re-elected at the Company's AGM on 24 April 2023. She has been with us since 2003 and was appointed Chief Executive Officer of Nordic Flow Control in 2012. She is responsible for the overall operations, sales and business development and profit and loss management of Nordic Flow Control. She has more than 25 years of experience in the marine and offshore valve remote control industry. From 1994 to 2003, she was with Tyco Flow Control Pte Ltd where she eventually took on the position of sales manager. Ms Teo holds a Bachelor of Commerce degree with major studies in Management from The University of Western Sydney, a Diploma in Sales and Marketing from the Marketing Institute of Singapore as well as a Diploma in Electrical Engineering from the Singapore Polytechnic. In 2006, Ms Teo was awarded the Spirit of Enterprise Award in recognition of her inspiring her fellow Singaporeans to achieve greater entrepreneurial excellence.



**LEE KOK KENG
ANDREW**
Independent Director

Lee Kok Keng Andrew is our Independent Director. He was appointed to our Board on 29 April 2019 and was last re-elected at the Company's Annual General Meeting ("AGM") on 25 April 2022. He is currently the Chairman of our Remuneration Committee, and a member of our Audit Committee and Nominating Committee. Mr Lee also serves as an independent director of Overseas-Chinese Banking Corp. Ltd., Bank of Singapore and Great Eastern Holdings Limited. He has more than 30 years of financial services experience in OCBC Bank, Great Eastern Life Assurance, BCS Information Systems as its Executive Chairman and Standard Chartered Bank. Mr Lee holds a Bachelor of Social Science (Honours in Economics) from the University of Singapore and has attended the Stanford Executive Programme at Stanford University.

BOARD OF DIRECTORS



SIAU KAI BING

Independent Director

Siau Kai Bing is our Independent Director. He was appointed to our Board on 27 April 2020 and was last re-elected at the Company's AGM on 24 April 2023. He is currently the Chairman of our Audit Committee, and a member of our Remuneration Committee and Nominating Committee. Mr Siau also serves as an Independent Director at Econ Healthcare (Asia) Limited. He has more than 40 years of experience in accounting and audit and has held various senior appointments in finance in the past including Chief Financial Officer and Independent Director in public listed companies. Mr Siau holds a Bachelor of Accountancy from the National University of Singapore and he is a Fellow Chartered Accountant with the Institute of Singapore Chartered Accountants.



YEO CHUAN SENG VICTOR

Independent Director

Yeo Chuan Seng Victor is our Independent Director. He was appointed to our Board on 1 May 2024. He is currently the Chairman of our Nominating Committee, and a member of our Remuneration Committee and Nominating Committee. Associate Professor Yeo joined Nanyang Technological University (NTU) in 1992 after spending several years in private legal practice doing general commercial and corporate litigation at a leading law firm. He is an Associate Professor of Business Law and teaches in the University's undergraduate and post-graduate programmes. He has held several administrative positions, including that of Programme Director of the Nanyang MBA (Business Law), Head, Division of Business Law and Associate Dean at the Nanyang Business School. He is currently Associate Provost (Student Life), NTU. He has also served in various other administrative capacities at the University and was awarded the Public Administration Medal (Bronze) in 2013 and Public Service Administration Medal (Silver) in 2022. Throughout his academic career, Professor Yeo has also served as trainer, advisor and consultant to numerous organizations on corporate law and governance issues. Professor Yeo is also an Advocate and Solicitor of the Supreme Court of Singapore and is concurrently Associate Director with Aptus Law Corporation. His areas of professional expertise are in corporate law, governance and securities regulation. He is a Fellow of the Singapore Institute of Directors.

SENIOR MANAGEMENT



CHIA MENG RU
Group Chief Financial Officer

Chia Meng Ru was appointed as our Group Chief Financial Officer on 17 August 2017 and Company Secretary on 17 October 2017. She is responsible for the Group's back office functions which includes finance, human resource, payroll, legal and compliance, office administration and information technology. She supports our Executive Chairman in the Group's strategic business planning process and participates in all major investment initiatives and decisions, providing financing options and optimal structuring of major projects, apart from building and enhancing shareholder and investor relations. Prior to joining our Group, she was an audit partner in RSM Chio Lim LLP (now known as RSM SG Assurance LLP). Ms Chia holds a Bachelor of Accountancy (Honours) degree from Nanyang Technological University. She is a member of the Institute of Singapore Chartered Accountants and a Fellow Member of Chartered Accountants Australia and New Zealand.



LIN CHOON HIN ERIC
Executive Director, Ensure

Lin Choon Hin Eric is the Executive Director of Ensure. He is also the founder of Nordic Flow Control. Eric has more than 25 years of experience in the marine, offshore and automation industries. Mr Lin holds a Diploma in Manufacturing Engineering from Singapore Polytechnic.



TANG YEW QUAN
Senior Executive, Group Office

Tang Yew Quan is a senior executive in the group office. He left our Group as the Chief Financial Officer in April 2014 and rejoined 12 months later and since then held various positions in our Group. In April 2020, he assumed current position. He has more than 30 years of experience in the banking industry. He held local and regional positions from 1977 to 2008 in Standard Chartered Bank. Prior to joining our Group in December 2009, he was the Country Head of Credit for Small & Medium Enterprises at the Taiwan branch of Standard Chartered Bank. Mr Tang holds a Bachelor of Business Administration degree from the then University of Singapore and a Master of Business Administration (Banking and Finance) degree from Nanyang Technological University.

SENIOR MANAGEMENT



KOH WEI MING RODNEY

*Chief Executive Officer, Avitools
Group and Country Head, China*

Koh Wei Ming Rodney is the Chief Executive Officer of Avitools Group and Country Head of China. He is responsible for the overall operations, sales and business development and profit and loss management of Avitools Group. He reports to our Executive Chairman for regulatory, governance and compliance matters for China entities. Mr Koh was a senior repair development engineer at Pratt & Whitney Services Pte Ltd (SPRO) from 1999 to 2001, and an engineering manager from 2002 to 2005. From 2005 to 2006, he was the Operations Manager of Avitools Singapore. Mr Koh holds a Bachelor of Engineering degree from the University of Aberdeen and a Diploma in Mechanical Engineering from Ngee Ann Polytechnic.



TENG POH LIANG

*Chief Executive Officer,
Austin Energy and
Ensure Engineering*

Teng Poh Liang is the Chief Executive Officer of Austin Energy and Ensure Engineering. He is responsible for the overall operations, sales and business development and profit and loss management of Austin Energy and Ensure Engineering. He joined the Group as Group Head of Business Excellence and Corporate Development in March 2017. He was appointed as the Chief Operating Officer in October 2017 and Chief Executive Officer in January 2020 of Austin Energy and Chief Executive Officer of Ensure Engineering in 2024. Prior to joining us, he held various positions in small medium enterprises to multinational companies as project engineer, project manager and general manager. Mr Teng holds a Bachelor of Engineering (Mechanical & Production Engineering) degree from the Nanyang Technological University and a Diploma in Marketing Management from Singapore Institute of Management.



LEE MEI HUE JEANETTE

Chief Executive Officer, Envipure

Lee Mei Hue Jeanette was appointed the Chief Executive Officer of Envipure from 1 March 2022. She is responsible for the overall operations, sales and business development and profit and loss management of Envipure Group. She joined our Group in 2003. Prior to joining Envipure Group, she was our General Manager, Sales in Nordic Flow Control. Ms Lee holds a Bachelor of Electrical and Electronics Engineering degree from University of Sunderland and Diploma in Electrical Engineering from Singapore Polytechnic.

SENIOR MANAGEMENT



CHANG YEH FUNG ASTRO

*Chief Executive Officer,
Starburst and Avon*

Chang Yeh Fung Astro was appointed the Chief Executive Officer of Starburst on 1 March 2022 and Avon Industries Pte Ltd ("Avon") in 2024. He is responsible for the overall operations, sales and business development and profit and loss management of Starburst and Avon. He joined our Group as Group Head, Strategic Investments and Projects from 1 December 2021 and was responsible for the Group's Investments and Projects including M&A. Prior to joining us, he was Director and Head of Forex, Fixed Income and Derivatives Integration, Asia ex-Japan in IHS Markit. Mr Chang holds a Bachelor of Science in Economics (Honours) from University of London and a Masters in Applied Finance from the University of Melbourne, Australia.



CHOU CHEE FATT

*Chief Operating Officer,
Nordic Flow Control*

Chou Chee Fatt is the Chief Operating Officer of Nordic Flow Control and is responsible for the management of the overall operations of Nordic Flow Control. This includes resource management, planning, project execution, budget and cost control. He is also responsible for the continuous improvement in process and overall productivity of the team. Prior to becoming Nordic Flow Control's Chief Operating Officer, he was our General Manager, Design Software, Technical Support. From 1997 to 2001, he was a project engineer at Flexlink Systems Pte Ltd. From 2002 to 2003, he was a project engineer at Spraying System Pte Ltd. Prior to joining us in 2003, he was a project engineer at Tyco Building Services Pte Ltd. Mr Chou holds a Bachelor of Engineering (Electrical & Electronic Engineering) degree and a Master of Science (Communication Software & Networks) degree from the Nanyang Technological University.



LIM BEE HONG SAMANTHA

*Chief Operating Officer, Avitools
Suzhou and General Manager,
Nordic Suzhou and Deputy
Country Head, China*

Lim Bee Hong Samantha is the Chief Operating Officer of Avitools Suzhou, General Manager of Nordic Suzhou and Deputy Country Head, China. She is responsible for all aspects relating to internal controls, risk management and business process improvement of our China subsidiaries as well as serving as deputy country head for China. From 1995 to 1999, she was an account executive at Planet Hollywood (Asia) Pte Ltd. From 2001 to 2004, Samantha was an account supervisor at International Refinery Services Pte Ltd. From 2004 to 2007, she was our Group accountant, and from 2007 to 2008, she was a senior accountant at CapitaLand Limited. From 2008 to 2009, she was Head, Business Control of Nordic Flow Control. Ms Lim holds a Bachelor of Commerce Degree in Accounting and Banking from Curtin University of Technology.

SENIOR MANAGEMENT



JAMIL BIN PUNGOT

*Chief Operating Officer,
Multiheight*

Jamil Bin Pungot is the Chief Operating Officer of Multiheight. He is responsible for the management of the overall operations of Multiheight. This includes resource management, planning, project execution, budget and cost control. He is also responsible for the continuous improvement in process and overall productivity of the Multiheight team. Prior to becoming our Chief Operating Officer in January 2020, he was our Operations Manager and he joined our Group in 2007. Mr Pungot holds a Diploma in Marine Engineering from Singapore Polytechnic.



**ANDY MASAGUS BIN
MASDUKI**

*Chief Operating Officer, Austin
Energy and Ensure Engineering*

Andy Masagus Bin Masduki was appointed the Chief Operating Officer of Austin Energy and Ensure Engineering Pte Ltd on 1 December 2024. He is responsible for the management of overall operations of Austin Energy and Ensure Engineering. This includes resource management, planning, project execution, budget and cost control. He is also responsible for continuous improvement in process and overall productivity of the Austin Energy and Ensure Engineering team. Andy Masagus joined the group in 2013 as a Health, Safety and Environment Coordinator and work his way up to be the Group Health, Safety and Environment Manager in 2019. He switched to the Operations side of the business in 2021 as an Operations Manager for Austin Energy. Andy Masagus holds a Bachelor Degree in Environmental & Occupational Health and Safety from University of Newcastle Australia and Diploma in Mechanical Engineering from Ngee Ann Polytechnic.



**TAN PENG HOCK
STANLEY**

*Chief Operating Officer,
Envipure*

Tan Peng Hock Stanley was appointed the Chief Operating Officer of Envipure on 1 March 2022. He is responsible for the management of the overall operations of Envipure. This includes resource management, planning, project execution, budget and cost control. He is also responsible for continuous improvement in process and overall productivity of the Envipure Team. He joined Envipure in 2006 as a project engineer. Mr Tan holds a Bachelor of Engineering (Civil Engineering) - Major Modules related to Environmental Engineering from National University of Singapore. He is a certified Project Management Professional (PMP)®, the world's leading project management certification by the Project Management Institute (PMI®), USA.

SENIOR MANAGEMENT



BONG BOON HEAN

*Chief Operating Officer,
Starburst*

Bong Boon Hean is the Chief Operating Officer of Starburst and Avon Industries Pte Ltd ("Avon") and is responsible for the management of the overall operations of Starburst Group. This includes resource management, planning, project execution, budget and cost control. He is also responsible for the continuous improvement in process and overall productivity of the team. He joined our Group in 2004. Prior to becoming Starburst's Chief Operating Officer, he was our General Manager, Sales in Nordic Flow Control. Mr Bong holds a Bachelor of Science with Psychology from UniSIM and Diploma in Mechatronic from Ngee Ann Polytechnic.



LEE ENG SOON

*General Manager, Envipure
Malaysia and Country
Head, Malaysia*

Lee Eng Soon is the General Manager of Envipure Malaysia and the Country Head of Malaysia. He is responsible for the sales, administrative, business continuity and sustainability of Envipure Malaysia. He reports to our Executive Chairman for regulatory, governance and compliance matters for Malaysia entity. He joined Envipure Malaysia in 2011 as an engineer in project and sales department. Mr. Lee holds a Bachelor of Technology degree from the National University of Singapore.

FINANCIAL HIGHLIGHTS AND INVESTMENT SCORECARD



Revenue

\$158.4 million

FY2023: \$160.6 million



Earnings Per Share

4.4 cents

FY2023: 4.0 cents



Net Asset Value Per Share

32.5 cents

FY2023: 29.4 cents



Net Profit

\$17.5 million

FY2023: \$16.0 million



Market Capitalisation³ as at 31 December 2024

\$138 million

FY2023: \$134 million



EBITDA

\$28.6 million

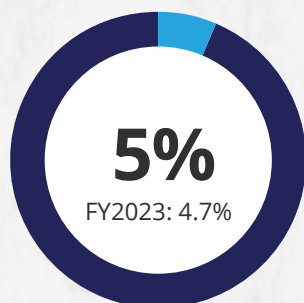
FY2023: \$27.5 million



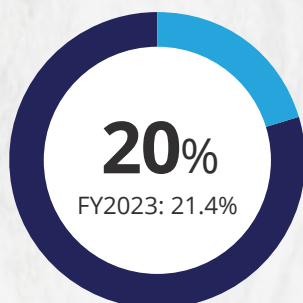
Order Book as at 31 December 2024

\$201.6 million

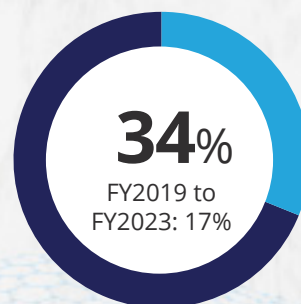
FY2023: \$187.1 million



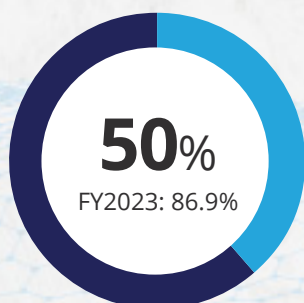
RETURN ON ASSET³



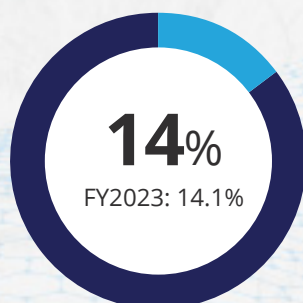
RETURN ON INVESTED CAPITAL¹



NET PROFIT CAGR FROM FY2020 TO FY2024



TOTAL DEBT TO EQUITY^{2 3}



RETURN ON EQUITY³

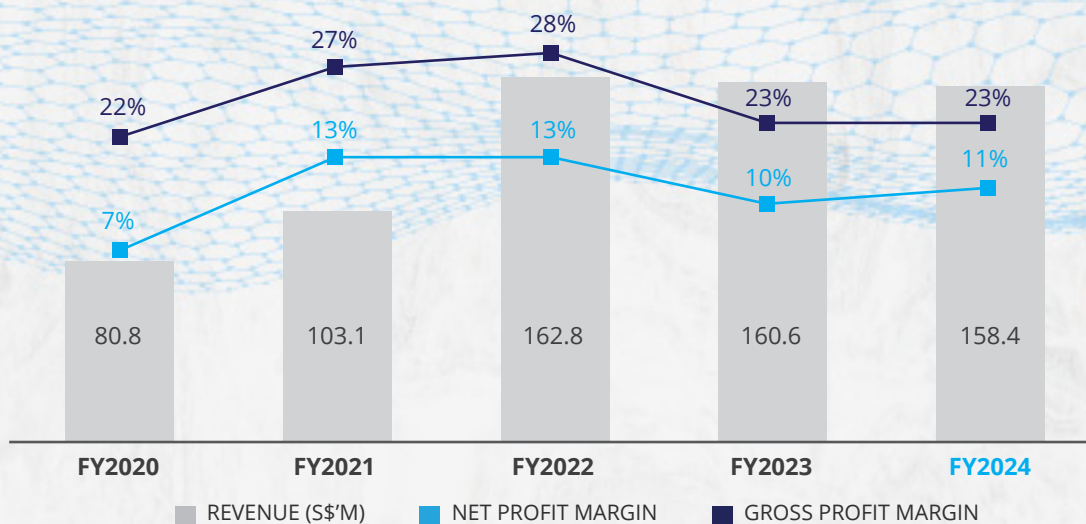
¹ Means that for every \$1 of capital invested in the business, the Company earned about \$0.20 in profit. Calculated based on profit before interest and tax/intangible capital employed which is tangible non-current asset + current asset - current liabilities (trade and other payables, other liabilities, income tax payable) - excess cash.

² If calculated base on (total borrowings less cash)/equity, total debt to equity would be net debt of 15% for FY2022, 19% for FY2023 and 13% for FY2024.

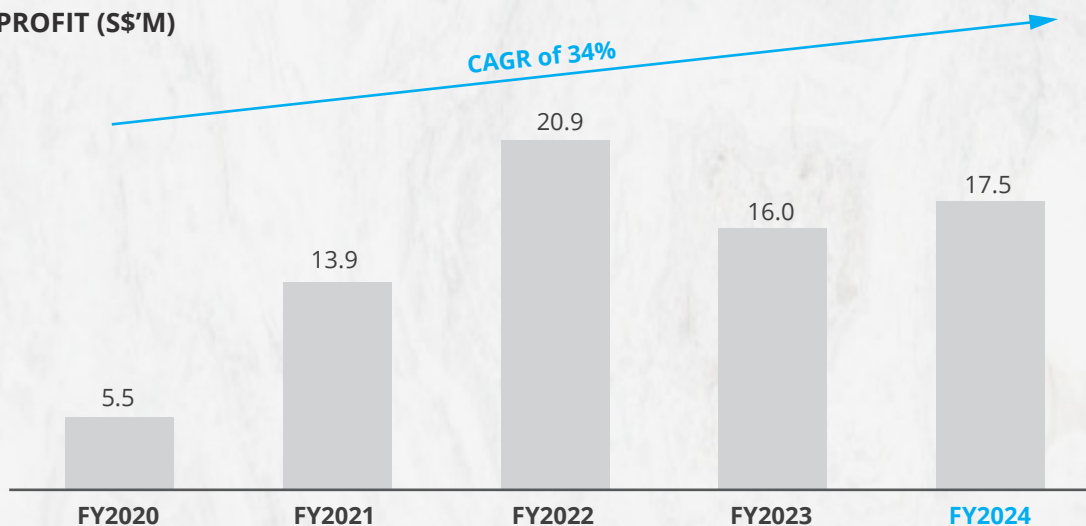
³ Source: Yahoo! Finance, FY2024: 31 March 2025; FY2023: 25 March 2024.

FINANCIAL HIGHLIGHTS

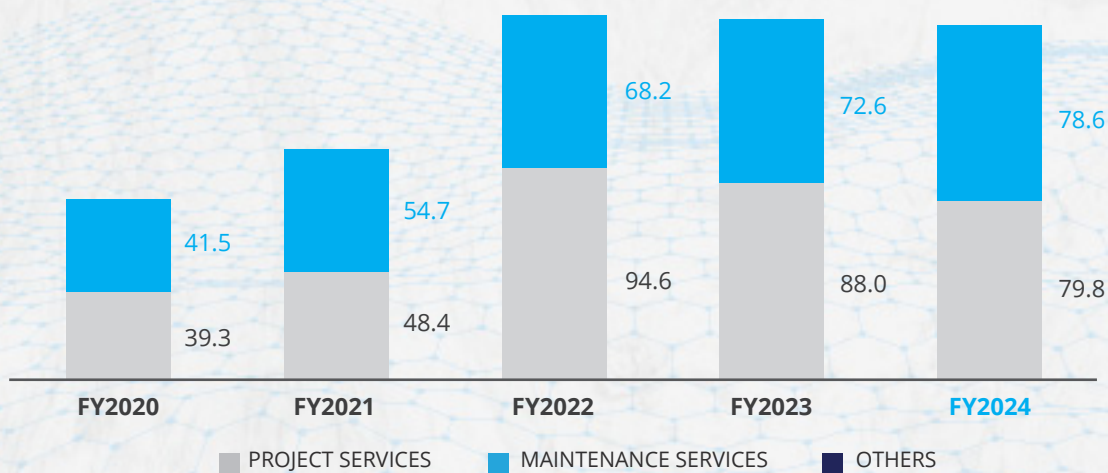
REVENUE AND PROFIT MARGIN



NET PROFIT (\$'M)



REVENUE BY PROJECT AND MAINTENANCE SEGMENT



FINANCIAL AND OPERATION REVIEW

Service Portfolio at a Glance

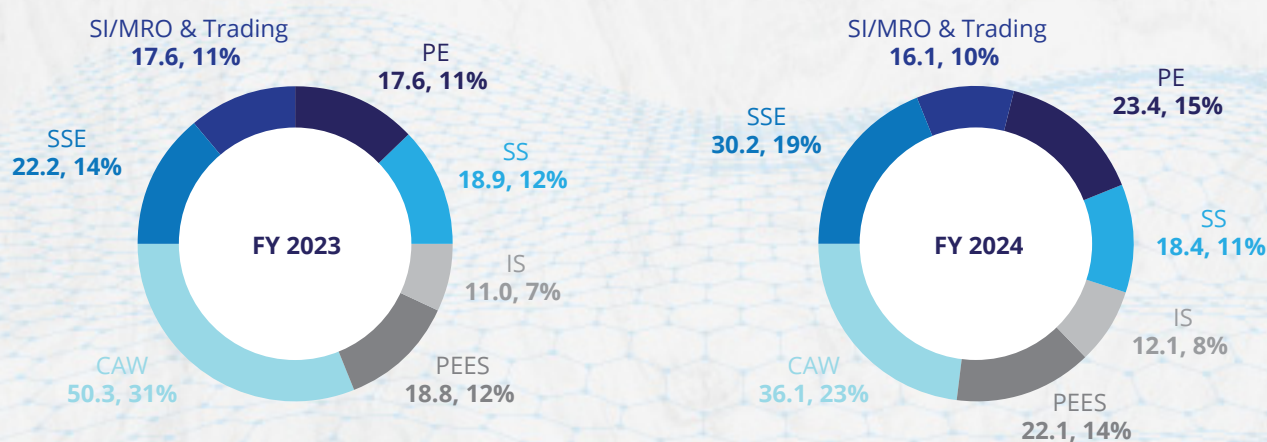
Maximising Growth and Enhancing Customer Loyalty through One-stop Solutions.

Service Portfolio	System Integration ("SI")	SI – Maintenance, Repair and Overhaul, and Trading ("MRO")	Precision Engineering ("PE")	Scaffolding Services ("SS")
Service Scope	Integrated Control and Management System <ul style="list-style-type: none"> • Flow Systems • Automation Systems • Navigation Systems 	Round-the-clock Aftersales Services for the SI Division <ul style="list-style-type: none"> • Consultation and Service support 	Design and Build Tooling Systems and Provision of Turnkey Solutions	Full Suite of Safety-certified Metal Scaffolding Systems
Target Market	<ul style="list-style-type: none"> • Marine Sector, particularly for vessels 	<ul style="list-style-type: none"> • Marine Sector, particularly for vessels 	<ul style="list-style-type: none"> • Semiconductor Sector • Marine Sector • Oil and Gas Sector • Aerospace Sector • Medical and Electronic Manufacturing Services Sector • Optical imaging sector 	<ul style="list-style-type: none"> • Petrochemical Sector • Construction Sector • Marine, Oil and Gas Sector

FINANCIAL AND OPERATION REVIEW

Service Portfolio	Insulation Services ("IS")	Petrochemical & Environmental Engineering Services ("PEES")	Cleanroom, Air, and Water Solutions ("CAW")	Structural Engineering and Construction Services ("SSE")
Service Scope	Insulation Primarily Thermal and Cryogenic Insulation and Passive Fireproofing Services	Full Suite of In-house Engineering Services (From Project Management to Plant Operation and Process Enhancement)	<ul style="list-style-type: none"> Facilities Engineering Services Full Suite of Air Pollution Control System, Water and Waste Treatment Systems 	<ul style="list-style-type: none"> Full Suite of Anti-ricochet Ballistic Protection Systems for Tactical Training Facilities Fuel Dispensing Systems
Target Market	<ul style="list-style-type: none"> Petrochemical Sector Pharmaceutical Sector Marine Sector Oil and Gas Sector 	<ul style="list-style-type: none"> Petrochemical Sector Manufacturing Sector Infrastructure Sector 	<ul style="list-style-type: none"> Semiconductor Sector Pharmaceutical Sector Oil and Gas Sector Power Plant Sector Municipal Sector 	<ul style="list-style-type: none"> Security Agencies Aviation Sector Commercial Sector

Revenue Contribution by Services (\$million)



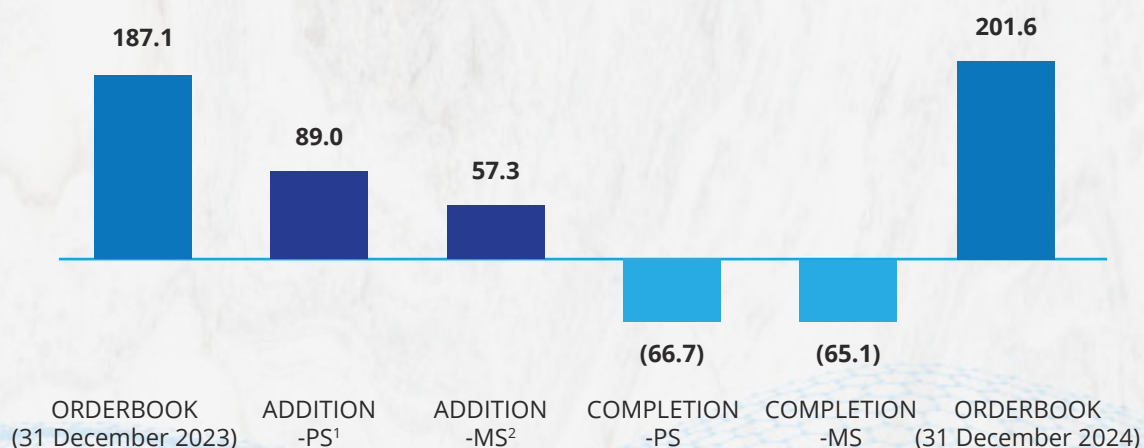
FINANCIAL AND OPERATION REVIEW

Business Segment

Enhancing business resilience by strategically prioritising maintenance services.

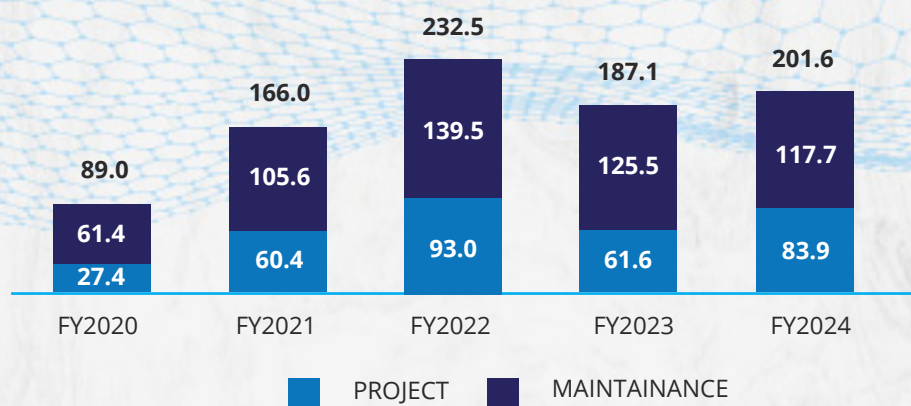
	Project Services ("PS")	Maintenance Services ("MS")
Segment Scope	Inclusion of projects that require: <ul style="list-style-type: none"> • Engineering • Design • Procurement • Construction • Machining • Scaffolding Works • Insulation Services • Passive Fireproofing Services 	Inclusion of services: <ul style="list-style-type: none"> • Maintenance and Repair Services • Trading • Supply of Material, Spare Parts, and Components
Type of Revenue Stream	Typically non-recurring in nature	Recurring basis with a contract period ranging from 1 to 10 years

Orderbook Replenishment Driven Primarily by the PS Segment (\$'million)

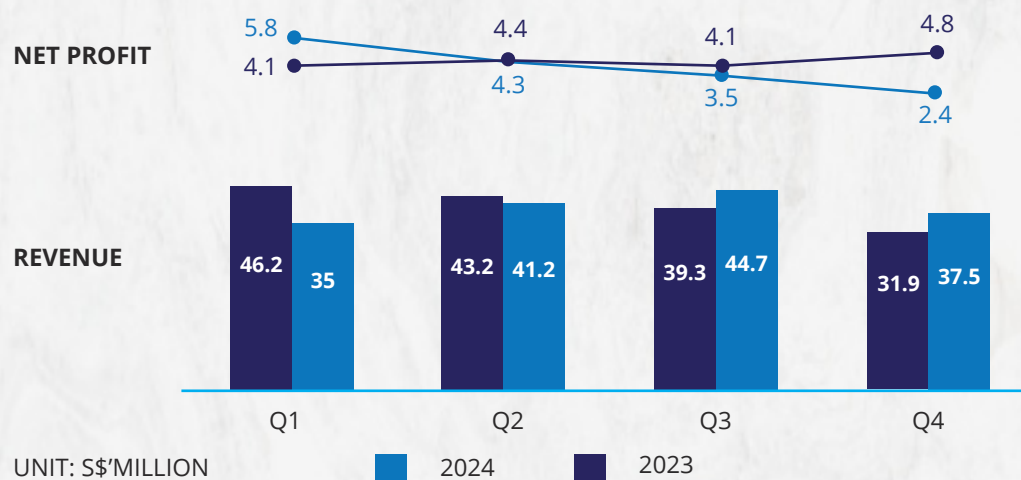


FINANCIAL AND OPERATION REVIEW

Orderbook : Improved Product Mix Drove Higher Profitability

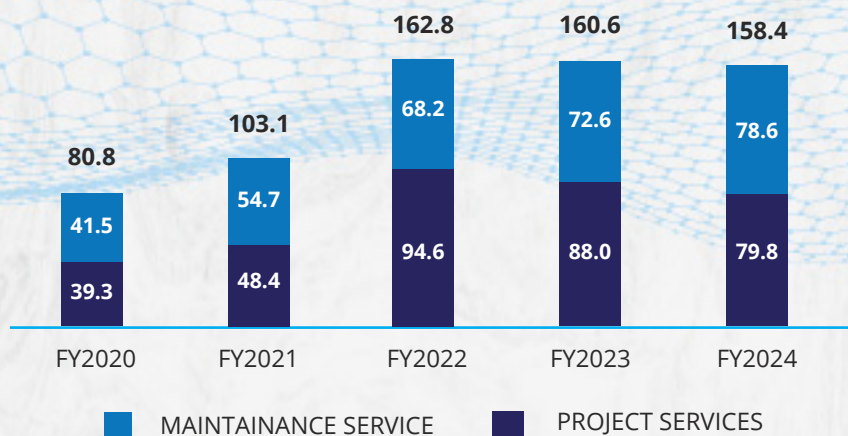


Stable Revenue and Improving Profitability in FY2024 (S\$'million)



FINANCIAL AND OPERATION REVIEW

Revenue Contribution by Business Segment (S\$million)



Financial Review for FY2024 vs FY2023

In 2024, the Group recorded a revenue of S\$158.4 million, a small dip of 1% year-on-year (“yoy”) from S\$160.6 million in FY2023. The decrease was mainly due to completion of certain projects as well as the delay in other projects in Singapore and Malaysia. This was partially offset by steady growth in maintenance services throughout the year and a strong rebound in project services in 2H2024, following the successful orderbook replenishment in 1H2024.

Despite the decrease in revenue, gross profit increased 1% yoy to S\$36.7 million in FY2024 as compared to S\$36.4 million in FY2023, reflecting the higher revenues from projects and improved cost efficiencies. Other income and gains decreased by 25% yoy to S\$3.9 million in FY2024 from approximately S\$5.2 million in FY2023. This decrease was mainly attributed to the absence of a one-off S\$1.5 million write-back of contingent liabilities arising from the acquisition of Starburst Group and S\$1.5 million in property disposal gains. These were partially offset by foreign exchange gains from United States Dollar vs Singapore Dollar of S\$1.9 million and an increase in interest income of S\$0.5 million.

Distribution costs dropped by approximately 26% yoy to S\$1.3 million and administrative expenses decreased by 7% yoy to S\$14.6 million in FY2024, primarily due to lower staff cost.

Net interest expenses (less interest income) decreased by approximately 4% to S\$2.6 million in FY2024 from S\$2.7 million in FY2023, as a result of lower loans and borrowings, in addition to lower interest rates.

Other losses decreased by approximately S\$0.5 million or 42% from approximately S\$1.1 million in FY2023 to S\$0.6 million in FY2024 largely due to the absence of foreign exchange loss of S\$1.0 million. This was partially offset by an increase in impairment of inventories of S\$0.4 million and increase in impairment of trade receivables of S\$0.1 million.

Effective income tax rates were at approximately 13% for FY2024 and 18% for FY2023. The effective tax rate in FY2024 was lower than the statutory rate of 17% mainly due to the utilization of merger & acquisition allowance, unutilised capital allowances carried forward and over recognition of income tax expense. The effective tax rate in FY2023 was close to the statutory tax rate of 17%

FINANCIAL AND OPERATION REVIEW

Balance Sheet Highlights

The Group continued to maintain a strong balance sheet position with net asset value per share growing 10.5% yoy to 32.5 Singapore cents. This is driven by a reduction in current liabilities of approximately S\$44.6 million due to repayments of loans and borrowings, as well as payments to suppliers. Consequently, the Group's cash and cash equivalents declined to S\$43.3 million in FY2024, down from S\$73.7 million in the preceding year.

Total equity grew by approximately S\$12.3 million or 10% to S\$129.8 million as of 31 December 2024, mainly due to increased retained earnings and other reserves. This was offset by dividend payment of S\$5.8 million.

With lower borrowings and higher total equity, the Group's net gearing ratio decreased by 6 percentage points ("ppts") yoy to 13% as of 31 December 2024.

S\$'000	31 December 2024	31 December 2023
Current Assets	143,500	170,080
Non-current Assets	91,306	95,505
Current Liabilities	91,739	136,372
Non-current Liabilities	13,264	11,742
Total Equity	129,803	117,471
Net Asset Value per share	32.5	29.4

S\$'000	31 December 2024	31 December 2023
Total Borrowings	59,780	95,989
Cash and Cash Equivalents	43,442	73,739
Net Debt*	16,338	22,250
Net Gearing Ratio**	13%	19%

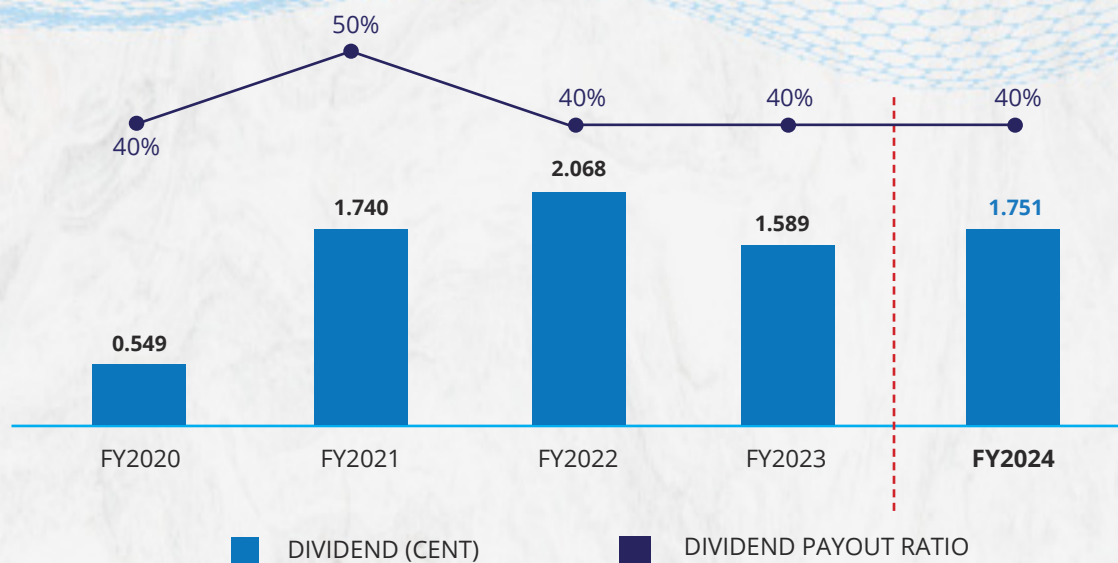
*Net debt = total borrowings – cash and cash equivalents

**Net gearing ratio = net debt/total equity

FINANCIAL AND OPERATION REVIEW

Dividends for FY2024

For FY2024, the Group will be declaring a total dividend of 1.7513 Singapore cents, comprising an already paid interim dividend of 0.8526 Singapore cents per ordinary share and a final dividend of 0.8987 Singapore cents which is subject to shareholders' approval in the forthcoming Annual General Meeting. The total dividend for FY2024 reflects a dividend payout ratio of 40%, aligned with the Group's dividend policy.



OUR COMMITMENT TO CORPORATE SOCIAL RESPONSIBILITY

At Nordic Group, we remain dedicated to corporate social responsibility (“CSR”), integrating ethical business practices, sustainability efforts, and community engagement into our operations. Our CSR framework is guided by our core values of Nurture, Ownership, Respect, Discipline, Integrity, and Collaboration, ensuring that our efforts create lasting value for both internal and external stakeholders.

In FY2024, our focus continued to be on internal staff welfare events, sustainable growth, community engagement, and corporate transparency. Through proactive initiatives and responsible governance, we strengthened our contributions to economic development, shareholder value, and environmental stewardship. We remain committed to upholding high standards of business integrity while fostering a positive impact on society.

STAFF DINNER & DANCE

Nordic’s annual dinner and dance was held on 9 November 2024 at Singapore Recreation Club. More than 200 staff across all subsidiaries gathered for a night of networking, team building, fun, food and camaraderie.

The event served as a platform to honour achievements, including the presentation of “Long Service Awards” to loyal employees. Adding to the excitement were the interactive team-building activities, where there was no distinction between superiors and subordinates. The grand finale was the grand prize for the lucky draw which was a trip to Sydney.

ANNUAL FRUIT PARTY

Nordic’s annual fruit party is a beloved tradition that unites more than 200 management and staff from all subsidiaries, coming together to celebrate their shared love for the King of Fruits – Durian.

Subsidiaries collaborated to prepare for the festivities, showcasing their expertise in scaffolding and tentage skills and electrical works for the PA system and fans to facilitate ventilation which made the event a success.

The highlight of the event was the “live” opening of durians by a skilled vendor, who shared insights into the different varieties and other interesting facts about the King of Fruits.

OUR COMMITMENT TO CORPORATE SOCIAL RESPONSIBILITY

RUNNING TO SUPPORT COMMUNITY ENGAGEMENT

Yellow Ribbon Prison Run 2024

As part of our ongoing commitment to social impact, Nordic Group continued its annual participation in the Yellow Ribbon Prison Run ("YRPR") in 2024. This initiative promotes the rehabilitation and reintegration of ex-offenders into society by raising awareness and fostering a culture of second chances.

On 1 September 2024, Nordic Group rallied approximately 118 employees to join the YRPR, demonstrating our collective support for this meaningful cause. Participants had the opportunity to take part in either a 10km Competitive Run or a 5km Non-Competitive Run, symbolising the journey of ex-offenders toward reintegration.

Through corporate contributions and employee fundraising efforts, the event successfully raised a total of S\$557,370, the highest ever since the event was introduced, in support of our commitment to driving positive societal change.



OUR COMMITMENT TO CORPORATE SOCIAL RESPONSIBILITY

LONG-TERM COMMITMENT TO ECONOMIC CONTRIBUTIONS

Nordic Group remains committed to delivering sustainable economic contributions, reflected in our healthy financial performance in FY2024. The Group reported S\$158.4 million in revenue, a marginal decline of 1% from the previous year, mainly due to the completion of certain projects as well as the delay in other projects in Singapore and Malaysia.

Thanks to our team's dedicated efforts, the Group successfully replenished its orderbook in 2024, particularly in higher-margin project services. The improved product mix contributed to a 10% year-on-year ("**yo**y") increase in net profit after tax to S\$17.5 million. The Group continued to maintain a strong balance sheet position as of 31 December 2024, with net asset value per share growing to 32.5 Singapore cents and cash and cash equivalents sitting at S\$43.4 million.

As of 31 December 2024, Nordic Group's outstanding orderbook stood at S\$201.6 million, ensuring strong revenue visibility over the next 36 months.

The Group also remains focused on maintaining its diversified business while expanding its maintenance services to enhance the recurring portion of revenue, mitigating cyclical risks, and securing long-term growth. In the meantime, the Group is proactively seeking new projects to enhance top-line growth

LONG-TERM COMMITMENT TO SUSTAINABLE RETURNS FOR OUR SHAREHOLDERS

For FY2024, the Board has proposed a final dividend of 0.8987 Singapore cents, which brings the total dividends for FY2024 to 1.7513 cents, translating to a payout ratio of 40% and a dividend yield of 5%¹. This aligns with the Group's dividend policy of distributing 40% of net profit.

TRANSPARENT AND PROACTIVE COMMUNICATION

Nordic Group prioritises transparency and proactive engagement with shareholders and the broader investment community. Our commitment to open communication is demonstrated through timely disclosures on SGXNET.

By providing accurate and comprehensive financial updates, we empower investors with the necessary insights to make informed decisions. This commitment to clarity and accountability reinforces investor confidence and strengthens our corporate governance framework.

¹ Calculated based on share price of S\$0.33 as of 24 February 2025

OUR COMMITMENT TO CORPORATE SOCIAL RESPONSIBILITY

MULTIPLE COMMUNICATION CHANNELS

The Group also engages multiple communication channels to regularly and actively engage with the global investment community. The Group hosts hybrid investor briefings on a quarterly basis, with presentations on the latest business performance done by our core management team. This is followed by a Q&A session facilitated by our Group Executive Chairman Mr Chang. Access is open to all shareholders.

In summary, the Group's information and latest announcements are available via the following channels:

1. The Group's profile, business structure, corporate history, and latest announcements are well presented on its corporate website - <https://nordicgrouplimited.com/>
2. All our corporate announcements, including financial results, business updates, corporate presentations, and sustainability reports, are uploaded to SGXNET.
3. For further information related to briefings, site visits, investor queries, media interviews, and requests for a meeting with the management, please feel free to email ir@nordicgrouplimited.com. The Group's IR team will reply and coordinate accordingly.
4. The Group's annual general meeting is conducted in April; shareholders are welcome to join and communicate with the management directly. We believe that proactive communications with our shareholders will deepen our relationships with investors over time and create long-term value for shareholders.

LONG-TERM COMMITMENT TO THE ENVIRONMENT

While delivering high-quality solutions on a global scale, our Group is actively implementing measures to diminish its environmental impact across all subsidiaries. We enforce stringent operating protocols to manage waste treatment and disposal and take great pride in consistently embracing greener solutions in our day-to-day activities to mitigate environmental pollution. Comprehensive policies are developed to ensure the Group's commitment towards environmental protection. These policies are designed to reduce carbon emissions, prevent pollution, minimise waste, and enhance resource efficiency in our daily operations and in every project that we undertake. To gauge our environmental performance, we adhere to ISO Standards, particularly ISO 14001:2015 Environmental Management System. In our 2024 Group Sustainability report, specific targets were established to address Environmental ESG criteria.

- To achieve zero non-compliance with environmental regulations
- To achieve zero environmental incidents
- Water consumption per employee: < 8.0 cubic meters/ month
- Electricity consumption per employee: <350kWh/ month

CORPORATE INFORMATION

BOARD OF DIRECTORS

Chang Yeh Hong
Executive Chairman

Teo Ling Ling
Executive Director and Chief Executive Officer
of Nordic Flow Control Pte Ltd

Lee Kok Keng Andrew
Independent Director

Siau Kai Bing
Independent Director

Yeo Chuan Seng Victor
Independent Director

AUDIT COMMITTEE

Siau Kai Bing (*Chairman*)
Lee Kok Keng Andrew
Yeo Chuan Seng Victor

REMUNERATION COMMITTEE

Lee Kok Keng Andrew (*Chairman*)
Siau Kai Bing
Yeo Chuan Seng Victor

NOMINATING COMMITTEE

Yeo Chuan Seng Victor (*Chairman*)
Chang Yeh Hong
Lee Kok Keng Andrew
Siau Kai Bing

REGISTERED OFFICE

2 Tuas Ave 10
Singapore 639126

CORPORATE DIRECTORY

Company Registration NO.: 201007399N
Website: www.nordicgrouplimited.com

SHARE REGISTRAR AND SHARE TRANSFER OFFICE

Tricor Barbinder Share Registration Services
(A division of Tricor Singapore Pte. Ltd.)
9 Raffles Place, #26-01, Republic Plaza
Tower 1, Singapore 048619

COMPANY SECRETARY

Chia Meng Ru, CA (Singapore)
Wee Mae Ann, LLB (Hons)

AUDITORS

RSM SG Assurance LLP
Public Accountants and Chartered Accountants
8 Wilkie Road #03-08
Wilkie Edge, Singapore 228095
Partner-in-charge: Lee Guoyong
(A member of the Institute of Singapore Chartered
Accountants)
(Effective from the year ended 31 December 2023)

PRINCIPAL BANKERS

Bank of China
4 Battery Road
Bank of China Building, Singapore 049908

CIMB Bank Berhad
50 Raffles Place #09-01
Singapore Land Tower, Singapore 048623

Citibank N.A.
8 Marina View #21-00
Asia Square Tower 1, Singapore 018960

DBS Bank Ltd.
12 Marina Boulevard
Marina Bay Financial Centre Tower 3, Singapore
018982

Emirates NBD Bank (PJSC)
Baniyas Road, Deira, PO Box 777, Dubai, UAE

Malayan Banking Berhad
2 Battery Road #15-01
Maybank Tower, Singapore 049907

Oversea-Chinese Banking Corporation Limited
65 Chulia Street #10-00
OCBC Centre East, Singapore 049514

RHB Bank Berhad
90 Cecil Street #12-00
RHB Bank Building, Singapore 069531

Standard Chartered Bank
8 Marina Boulevard #27-01
Marina Bay Financial Centre Tower 1,
Singapore 018981

The Hongkong and Shanghai Banking
Corporation Limited
21 Collyer Quay #08-01
HSBC Building, Singapore 049320

United Overseas Bank Ltd
80 Raffles Place UOB Plaza, Singapore 048624

CORPORATE GOVERNANCE REPORT

The Board of Directors (the “Board”) of Nordic Group Limited (the “Company”) and its subsidiaries (the “Group”) is committed to achieving high standards of corporate governance to ensure investor confidence in the Company as a trusted business enterprise. The Board and management of the Group (the “Management”) will continue to uphold good corporate governance practices to enhance long-term value and returns for shareholders and protect shareholders’ interests.

This report (the “Report”) describes the Group’s corporate governance structures and practices that were in place during the financial year ended 31 December 2024 (“FY2024”) with reference made to the principles and provisions of the Code of Corporate Governance 2018 (as last amended on 11 January 2023, the “Code”).

The Board is pleased to report on the compliance of the Group with the Code. Such compliance is regularly reviewed to ensure transparency and accountability. Where there are deviations from the provisions of the Code, appropriate explanations have been provided.

BOARD OF DIRECTORS

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

The Board provides stewardship to Management, conferring with them regularly. There is objective decision making which allows exercise of independent judgement. The internal guidelines set out authorisation and approval limits for capital expenditure, investments and divestments as well as requisitions and expenditures. In addition to statutory duties and in accordance with the provisions of the Code, the Board has a reserved list of key matters for approval. The following is an extract of some of these matters:

- Approval of broad policies, strategies and financial objectives of the Group and ensuring that the necessary financial and human resources are in place for the Group to meet its objectives;
- Approval and release of financial results and disclosure of material information, including recommendation of dividend payout.
- Approval of annual budgets, capital expenditure or contracts exceeding certain material limits, major funding proposals, investment and divestment proposals;
- Oversee the processes for evaluating the adequacy of internal controls, risk management, financial reporting and compliance to enable risks to be assessed and managed including safeguarding of shareholders’ interest and the assets of the Group;
- Review performance of the management and approving the nominations of directors of the Company and appointment of key management personnel;

The Board sets the Group’s values and standards (including ethical standards) and ensure that the obligations to the shareholders and other stakeholders are met; and assume overall responsibility for corporate governance.

CORPORATE GOVERNANCE REPORT

The Directors are cognisant of their fiduciary duties at law. Directors undertake to apply their best endeavours, including complying with the requirements of the listing rules of the Singapore Exchange Securities Trading Limited (the “Listing Rules”), the Companies Act 1967 of Singapore, the Company’s internal guidelines and policies, and other applicable laws and regulations. In the exercise of their powers and duties, the Directors act in good faith and in the interests of the Company by exercising due care and diligence, and avoiding conflicts of interest. When actual or potential conflicts of interests arise, the conflicted Director will recuse himself/herself from the conflict-related discussions unless other Directors are of the opinion that his/her participation is necessary. In any event, the conflicted Director will abstain from the decision-making.

A Director declares his/her interests in all transactions with the Group, if any, and provides details on the nature of such interests as soon as practicable after the relevant facts have come to his/her knowledge.

The Board has established a number of Board Committees to assist in the discharging of its responsibilities. These Board Committees operate under clearly defined terms of reference. The three (3) Board Committees are:

- Audit Committee (the “AC”)
- Nominating Committee (the “NC”)
- Remuneration Committee (the “RC”)

The Board delegates specific areas of responsibilities to these Board Committees but accepts that while the Board Committees have the authority to examine specific issues and report back to the Board with their decisions and/or recommendations, the ultimate responsibility on all matters lies with the Board.

The Board meets at least four (4) times a year to review and approve, inter alia, the quarterly financial results of the Company, including the half-year and full year financial results announcements. The Board also meets as warranted by circumstances to deliberate on material developments and specific matters as deemed appropriate by the Board or Board Committees. Apart from Board meetings, where necessary, some matters are also put to the Board for approval by way of resolutions in writing. Telephonic attendance and conference via audio communication at Board and Board Committee meetings are allowed by the Company’s Constitution.

CORPORATE GOVERNANCE REPORT

The attendances of the Directors at meetings of the Board and Board Committees, as well as the frequency of such meetings during FY2024 are as follows:

	Board and Board Committees			
	Board	Audit	Nominating	Remuneration
No. of Meetings Held	4	4	1	1
Board/ Committee Members				
Chang Yeh Hong	4 ^(a)	–	1	–
Teo Ling Ling	4	–	–	–
Lee Kim Lian Juliana ^(b)	1	1	1 ^(a)	1
Lee Kok Keng Andrew	3	3	0	0 ^(a)
Siau Kai Bing	4	4 ^(a)	1	1
Yeo Chuan Seng Victor ^(c)	3	3	–	–

Notes:

- (a) Chairman of the Board or Board Committees
- (b) Ms Lee Kim Lian Juliana retired as Independent Director on 29 April 2024. She also ceased to be Chairman of NC and a member of AC and RC on the same date.
- (c) Mr Yeo Chuan Seng Victor was appointed as an Independent Director, Chairman of NC, member of RC and AC on 1 May 2024.

During the year, Management kept the Directors up-to-date on pertinent developments in the business, financial reporting standards and industry-related matters. Such periodic updates were provided to the Directors to facilitate the discharge of their duties. The Directors are also encouraged to constantly keep abreast of developments in regulatory, legal and accounting frameworks that are of relevance to the Group through the extension of opportunities for participation in the relevant training courses, seminars and workshops as relevant and/or applicable. At each Board meeting, the Chief Executive Officers (“CEO”) and/ or Chief Operating Officers (“COO”) of the Group’s respective business divisions update the Board on the business and strategic developments of their respective business divisions.

An incoming Director is briefed on his/her roles, duties, obligations and responsibilities; and on the Group’s business and corporate governance policies by senior management, to familiarise the new Director with business and governance policies. Familiarisation visits, including to overseas offices, are organised, if necessary, to facilitate a better understanding of the Group’s operations. The sessions also allow the new Director to get acquainted with senior management, thereby facilitating Board interaction and independent access to senior management.

Board members are encouraged to attend seminars and receive training to improve themselves in the discharge of their duties as Directors. The Company works closely with professionals to provide its Directors with updates on changes to relevant laws, regulations and accounting standards.

Newly appointed Directors will be provided with a formal letter setting out their roles, duties, obligations and responsibilities as a member of the Board. Mr Yeo Chuan Seng Victor was appointed as Independent Director during the year.

CORPORATE GOVERNANCE REPORT

Access to Information

The members of the Board in their individual capacity have access to complete information on a timely basis in the form and quality necessary for the discharge of their duties and responsibilities. Prior to each Board meeting, the Directors are each provided with the relevant documents and information to enable them to obtain a comprehensive understanding of the issues to be deliberated upon to enable them to arrive at an informed decision. Senior management attends Board meetings to answer any queries from the Directors. The Directors also have unrestricted access to the Company's senior management at all times.

To allow Directors sufficient time to prepare for the meetings, all Board and Board Committee papers are distributed to Directors in advance of the meeting. Any additional material or information requested by the Directors is promptly furnished.

In order to ensure that the Board is able to fulfil its responsibilities, Management provides the Board with regular updates on the financial position of the Group. The Directors have been provided with the phone numbers and email particulars of the Company's key management personnel to facilitate separate and independent access.

In furtherance of their duties, Directors, whether individually or collectively, may seek independent professional advice as and when the need arises. The cost of such professional advice will be borne by the Company.

The Company Secretary attends all Board and Board Committee meetings and is responsible for ensuring that the Board procedures and applicable rules and regulations are complied with, and provides guidance and updates on best practices of corporate governance, administrative and regulatory compliance matters.

As secretary for all the Board Committees, the Company Secretary assists in ensuring coordination and liaison between the Board, Board Committees and Management. The Company Secretary assists the Board Chairman, Chairman of each Board Committee and Management in the development of the agendas for the various Board and Board Committee meetings.

The decision relating to the appointment and removal of the Company Secretary rests with the Board.

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

The Board comprises five members: the Executive Chairman, an Executive Director and three Independent Directors. This composition is in compliance with the Rule 210(5)(c) of the Listing Rules, which requires independent directors to make up at least one-third of the Board, and the relevant provisions of the Code which require independent directors to make up a majority of the Board where the Chairman is not independent and for non-executive directors to make up a majority of the Board. Each Director has been appointed on the strength of his/her calibre, expertise and experience and the current Board composition also reflects the Company's commitment to Board diversity.

CORPORATE GOVERNANCE REPORT

The Independent Directors have each confirmed in writing that they do not have any relationship with the Company, its related corporations, its officers or its shareholders with interests of 5% or more in the voting shares of the Company that could interfere, or be reasonably perceived to interfere, with the exercise of their independent business judgement in the best interests of the Company.

The NC, in its deliberation as to the independence of each Director, has reviewed, determined and confirmed the independence of the Independent Directors, with each member abstaining while his/her own independence was considered.

Ms Lee Kim Lian Juliana was appointed as an Independent Director of the Company on 16 September 2010 and had served as a Board member beyond 9 years. Pursuant to Rule 210(5)(d)(iv) of the Listing Rules, Ms Lee ceased to be deemed independent at the conclusion of the annual general meeting ("AGM") of the Company on 29 April 2024. She did not seek re-election and ceased to be a Director at the AGM. The Board, with the recommendations of the NC, has identified and appointed a new Independent Director, Mr Yeo Chuan Seng Victor, in place of Ms Lee to ensure that the Company complies with the Board composition requirements under the Code and the Listing Rules.

The Company has adopted a board diversity policy, recognizing the importance of diversity in various areas including professional qualifications, skills, business experience, industry knowledge, gender and age and other distinguishing qualities. The NC reviews the size and composition of the Board and Board Committees and the skills and core competencies, as well as gender and age of the members to ensure appropriate balance of skills, experience and diversity. These competencies include accounting and finance, business acumen, management experience, industry knowledge, strategic planning experience, familiarity with regulatory requirements and knowledge of risk management.

The Board includes one female Director in recognition of the importance and value of gender diversity and three Directors have recent and relevant accounting or related financial management expertise or experience while one Director has legal expertise. The NC acknowledges that improvements to Board diversity are an ongoing process and will take greater diversity in skills, experience and other aspects into consideration when there is a need to appoint new or additional Board members. The NC is satisfied that the current size and composition of the Board and Board Committees are appropriate for effective decision making, having taken into consideration the nature and scope of the Group's operations. The NC is also of the view that the Directors possess the necessary competencies and knowledge to lead and govern the Group effectively.

The strong independent element of the Board enables it to engage in robust decision making, monitor results and assess and remunerate Management on its performance. The Independent Directors meet with the External Auditor and Internal Auditor, separately and without Management's presence. The chairman of such meetings will provide feedback to the Board and/or the Executive Chairman, as appropriate.

CORPORATE GOVERNANCE REPORT

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

There is a clear division of responsibilities between the Executive Chairman and the CEOs of each of the Group's business divisions who are separate persons so as to ensure an appropriate balance and separation of power and authority, and clear division of responsibilities and accountability.

The Executive Chairman's responsibility is to lead and ensure the effectiveness of the Board and, together with the AC, ensures the integrity and effectiveness of the governance process of the Board. The Executive Chairman plays a pivotal role in steering the strategic direction of the Group while the respective subsidiary CEOs manage the business of the subsidiaries, drive the growth and performance; and are accountable to the Board for the performance of their business segment, and ensure the execution of the Board's decisions.

Each Independent Director is available to shareholders of the Company where they have concerns and for which contact through the normal channels of communication with the Executive Chairman or Management are inappropriate or inadequate.

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

NOMINATING COMMITTEE

The NC comprises four (4) members, a majority of whom including the Chairman are independent.

Chairman:	Yeo Chuan Seng Victor	(Independent Director)
Members:	Lee Kok Keng Andrew	(Independent Director)
	Siau Kai Bing	(Independent Director)
	Chang Yeh Hong	(Executive Chairman)

The main role of the NC is to ensure that the process of Board appointments and re-appointments is transparent and to assess the effectiveness of the Board as a whole and the contribution of individual Directors to the effectiveness of the Board. When a vacancy arises under any circumstances, or where it is considered that the Board would benefit from the services of a new Director with a particular skill, the NC, in consultation with the Board, determines the selection criteria and selects the candidates with the appropriate expertise and experience for the position. The NC also ensures that new Directors are aware of their duties and obligations.

The NC performs the following functions:

- review of succession plans for directors, in particular the appointment and/or replacement of the Chairman, the Chief Executive Officer and key management personnel.
- make recommendations to the Board on the appointment and re-appointment of directors (including alternate directors, if applicable).
- regularly review the Board structure, size and composition and make recommendations to the Board with regard to any adjustments that are deemed necessary.

CORPORATE GOVERNANCE REPORT

- determine the process for the search, nomination, selection and appointment of new Board members and assess nominees or candidates for appointment or election to the Board, determining whether or not such nominee has the requisite experience and qualification and whether or not he/she is independent.
- develop a process for the evaluation of performance of the Board, its Board Committees and Directors.
- determine how the Board's performance may be evaluated and propose objective performance criteria.
- assess the effectiveness of the Board as a whole and its Board Committees and to assess the contribution by the Chairman and each individual Director to the effectiveness of the Board.
- review training and professional development programmes for the Board.
- determine, on an annual basis, if a Director is independent.
- recommend Directors who are retiring by rotation or are newly appointed to be put forward for re-election.

The NC is responsible for determining annually, and as and when circumstances require, the independence of each Director in line with Rule 210(5)(d) of the Listing Rules and the relevant guidelines set out under the Code. For FY2024, the NC has assessed and determined that the Independent Directors of the Company are independent.

The Constitution of the Company requires one-third of the Directors to retire and subject themselves to re-election by the shareholders at every AGM. In addition, all Directors of the Company shall retire from office at least once every three years.

The Board, acting on the recommendation of the NC and considering the composition of the Board and the Director's integrity, independent-mindedness, contributions and performance, proposes the re-election of Directors retiring by rotation at each AGM.

The Directors who are retiring by rotation at the forthcoming AGM are Mr Lee Kok Keng Andrew and Mr Yeo Chuan Seng Victor (pursuant to Regulations 106 and 116 of the Constitution of the Company, respectively). Mr Lee and Mr Yeo will be seeking re-election at the AGM.

The NC is satisfied that Mr Lee and Mr Yeo who are retiring in accordance with Regulations 106 and 116, respectively, of the Company's Constitution at the forthcoming AGM are properly qualified for re-appointment by virtue of their skills, experience and contribution in terms of guidance and time devoted to Board affairs. Mr Lee and Mr Yeo, being a member and Chairman, respectively, of the NC, abstained from deliberation and voting in respect of his own nomination for re-election.

As at the date of this Report, the Company does not have any alternate Director.

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The Company has established the following process for the selection and appointment of new Directors:

- The NC determines a suitable size for the Board and evaluates the balance of diversity in skills, knowledge, gender and age, and experience of members of the Board required to add value and facilitate effective decision-making, after taking into consideration the scope and nature of the Group's operations;
- The NC considers various sources of seeking suitable candidate(s) or recommendations from, among others, Directors, professional search firms, business associates and advisors;
- The selection criteria include integrity, diversity of competencies, expertise, industry experience and financial literacy;
- Short-listed candidate(s) will be required to furnish their curriculum vitae stating in detail, amongst others, their qualification, working experiences and employment history;
- The NC evaluates candidate(s) in areas of academic and professional qualifications, knowledge and experiences in relation to the business of the Group, independence status and other present and past directorships;
- The NC meets the shortlisted potential candidates to assess suitability; and
- The NC then makes a recommendation to the Board for approval. The Board is to ensure that the candidate is aware of the expectations and the level of commitment required.

The NC decides if each Director is able to and has been adequately carrying out his/her duties as a Director of the Company. Key information of each member of the Board including other directorships and chairmanships, both present and those held over the preceding three (3) years, in other listed companies and other major appointments, academic/ professional qualifications, membership/ chairmanship in the Board Committees can be found on pages 10 and 11 of this Annual Report.

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

The NC has established an appraisal process to assess the performance and effectiveness of the Board as a whole as well as to assess the contribution of individual Directors. The objective of the annual appraisal is to identify areas for improvement and to implement appropriate action. The appraisal process focuses on a set of performance criteria which includes qualitative and quantitative factors such as principal functions, fiduciary duties, attendance record, level of participation at meetings, and guidance provided to the Management. In view of the size and composition of the Board, the Board deems it unnecessary for the NC to assess the effectiveness of each Board Committee separately.

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All Directors are required to complete a Board Assessment Checklist and an Individual Director Assessment Form designed to seek their views on the performance criteria so as to assess the overall performance and effectiveness of the Board (including Board Committees) and individual Directors. The checklists and forms were completed and submitted to the Company Secretary for collation and the consolidated responses were presented to the NC for review and discussion before making any recommendations to the Board. The NC has reviewed the overall performance and effectiveness of the Board and is of the view that the performance and effectiveness of the Board as a whole has been satisfactory. The NC is also of the view that each Director has been adequately carrying out his/her duties as a Director of the Company.

The NC has not engaged any external facilitator in conducting the assessment of the Board's performance. Where necessary, the NC will consider such an engagement.

REMUNERATION COMMITTEE

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

The RC comprises three members, all of whom including the Chairman are independent.

Chairman:	Lee Kok Keng Andrew	(Independent Director)
Members:	Siau Kai Bing	(Independent Director)
	Yeo Chuan Seng Victor	(Independent Director)

The Company may also engage an external consultant to advise on all remuneration and related matters of Directors and senior management, as and when circumstances require, to ensure that such remuneration is fair and reasonable, and benchmarked against comparable companies.

The remuneration packages of the Executive Directors and certain key executive officers are based on their respective service agreements. These include a profit sharing scheme that is performance related to align their interests with those of the shareholders.

Independent Directors are paid Directors' fees of an agreed amount and these fees are subject to shareholders' approval at the AGM.

The principal terms of reference of the RC are as follows:

- review and recommend to the Board a general framework of remuneration for the Board and key management personnel and to review and recommend to the Board the specific remuneration package for each Director, key management personnel of the Group and employees who are substantial shareholders of the Company, or are immediate family members of a director, the Chief Executive Officer or a substantial shareholder of the Company.
- consider all aspects of remuneration, including termination terms, to ensure they are fair.

CORPORATE GOVERNANCE REPORT

- review whether the Executive Directors and key management personnel should be eligible for benefits under any long-term incentive schemes which may be set up from time to time and to do all acts necessary in connection therewith.
- administer the performance-based bonus scheme and any other share option scheme or share plan established from time to time for the Directors and key management personnel.
- carry out its duties in the manner that it deems expedient, subject always to any regulations or restrictions that may be imposed upon the RC by the Board.

The recommendations of the RC are submitted to the Board for endorsement. All aspects of remuneration, including but not limited to directors' fees, salaries, allowances, bonuses, options and benefits in kind are reviewed by the RC.

The RC has access to expert professional advice on human resource matters whenever there is a need to consult externally. In its deliberations, the RC will take into consideration industry practices and norms in compensation in addition to the Company's relative performance to the industry and the performance of the individual Director.

To minimise the risk of any potential conflict of interest, each member of the RC shall abstain from deliberation and voting on any resolution in respect of his/her own remuneration package. No individual Director is involved in deciding his/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

The remuneration package of the Executive Chairman, Executive Director and key executive officers generally comprise two components. One component is fixed in the form of a base salary, car allowance and handphone allowance. The other component is variable consisting of incentive or performance bonuses. The remuneration package is appropriate to attract, retain and motivate the Directors to provide good stewardship of the Company and key executive officers to successfully manage the Company for the long term. The performance of the Executive Directors and key executive officers is reviewed periodically by the RC and the Board to ensure that their remuneration packages remain appropriate

The incentive and performance bonuses are dependent on the financial performance of the Group or business segments as the RC strongly supports and endorses the flexible wage system which gives the Group more flexibility to ride through economic downturns. The RC has adopted set profitability levels to be achieved before incentive bonuses are payable.

In structuring the compensation framework, the RC also takes into consideration the risk policies of the Group, the need for the compensation to be symmetric with the risk outcomes and be sensitive to the time horizon of risks.

The Independent Directors are paid Directors' fees for their efforts and time spent, responsibilities and contributions to the Board, subject to the approval of shareholders at the AGM.

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There are no termination or retirement benefits that are granted to the Directors. The Company has contractual provisions to allow the Company to reclaim performance-based components of remuneration from the Executive Chairman, Executive Director and key executive officers in exceptional circumstances of restatement of financial results. The Executive Chairman and Directors owe a fiduciary duty to the Company and the Company should be able to avail itself to remedies against the Executive Chairman and Directors in the event of such breach of fiduciary duties.

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 Board exercises its discretion and independent judgment in ensuring that the amount and mix of compensation are aligned with the interests of shareholders and promote the long-term success of the Group. Total compensation is pegged to the achievement of organisational and individual performance objectives, and is benchmarked against relevant and comparative compensation in the market.

Directors' Remuneration for FY2024

The total remuneration including amount and breakdown of remuneration (in percentage terms) of the Directors for FY2024 is as follows:

Name	Total Remuneration⁽²⁾ (\$'000)	Fee⁽¹⁾	Salary	Bonus	Allowance⁽³⁾	Total
Chang Yeh Hong	1,286	–	28%	68%	4%	100%
Teo Ling Ling Dorcas	270	–	75%	7%	18%	100%
Lee Kim Lian Juliana	15	100%	–	–	–	100%
Lee Kok Keng Andrew	45	100%	–	–	–	100%
Siau Kai Bing	47	100%	–	–	–	100%
Yeo Chuan Seng Victor	30	100%	–	–	–	100%

Notes:

- (1) Directors' fees of \$137,000 for FY2024 have been approved by the shareholders at the AGM on 29 April 2024. Additional fees of \$8,625 will be tabled for approval by the shareholders at the forthcoming AGM on 29 April 2025.
- (2) The total remuneration of each Director shown above is inclusive of applicable employer Central Provident Fund (CPF) contributions.
- (3) The allowance includes transport and handphone benefits.

No share options have been granted to the above Directors.

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Remuneration of Key Executives for FY2024

The amount and breakdown of remuneration (in percentage terms) of the Group's top five key executives (who are not Directors) for FY2024, in bands of \$250,000, are as follows:

Name	Salary	Bonus	Allowance ⁽²⁾	Total ⁽¹⁾
<u>Between \$0 and \$250,000</u>				
Koh Wei Ming Rodney	74%	7%	19%	100%
<u>Between \$250,001 and \$500,000</u>				
Chang Yeh Fung ⁽³⁾	50%	37%	13%	100%
Chia Meng Ru	61%	25%	14%	100%
Lee Mei Hue Jeanette	49%	34%	17%	100%
Teng Poh Liang	54%	30%	16%	100%

Notes:

- (1) The total remuneration shown above is inclusive of applicable employer CPF contributions.
- (2) The allowance includes transport and handphone benefits.
- (3) Chang Yeh Fung, CEO of Starburst Group, is a brother of the Executive Chairman, Chang Yeh Hong.

The total remuneration paid to the above top five key executives (who are not Directors) for FY2024 was \$1,464,000.

In considering the disclosure of remuneration of key executives, the Board has regarded the industry conditions in which the Group operates as well as the confidential nature of such remuneration. For the same reason, the remuneration of Chang Yeh Fung, who is a brother of the Executive Chairman, Chang Yeh Hong, is disclosed above in a band of \$250,000.

No options, termination or retirement benefits have been granted to the above key executives.

Remuneration of Employee who is a substantial shareholder

The amount and breakdown of remuneration (in percentage terms) of the employee who is a substantial shareholder of the Company for FY2024, in bands of \$100,000, are as follows:

Name	Salary	Bonus	Allowance ⁽²⁾	Total ⁽¹⁾
<u>Between \$100,001 and \$200,000</u>				
Lin Choon Hin	80%	5%	15%	100%

Notes:

- (1) The total remuneration shown above is inclusive of applicable employer CPF contributions.
- (2) The allowance includes transport and handphone benefits.

Save as disclosed above, there is no other employee who is a substantial shareholder or is an immediate family member of a Director, the CEO or substantial shareholder of the Company and whose remuneration exceeded \$100,000 during FY2024.

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The Company does not have any employee share schemes.

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

The Board acknowledges that it is responsible for maintaining a sound system of internal controls to safeguard shareholders' interests and maintain accountability of its assets but acknowledges that no cost-effective risk management and internal controls system will preclude all errors and irregularities. While no cost effective internal control system can provide absolute assurance against loss or misstatement, the Group's internal controls and systems have been designed to provide reasonable assurance that assets are safeguarded, operational controls are in place, business risks are suitably protected, proper accounting records are maintained and financial information used within the business and for publication, are reasonable and accurate.

The Group has in place an Enterprise Risk Management ("ERM") Framework, which governs the risk management processes of the Group. Risk management capabilities and competencies are continuously enhanced through this Framework. The ERM Framework also enables the identification, prioritisation, assessment, management and monitoring of key risks and associated key controls in the Group's businesses. The key risks of the Group are deliberated by Management and reported to the AC at least once a year. The AC reviews the adequacy and effectiveness of the ERM Framework against leading practices in risk management and vis-à-vis the external and internal environments in which the Group operates.

Complementing the ERM framework is a Group-wide system of internal controls, which includes documented policies and procedures, proper segregation of duties, approval procedures and authorisations, as well as checks- and-balances built into the business processes. The Group has in place a risk management process that requires business units to perform regular assessments of the effectiveness of applicable internal controls. In addition to ensuring that internal controls and risk management processes are adequate and effective, the AC is assisted by various independent professional service providers. The external auditor provided assurance over the risk of material misstatements in the Group's financial statements. The Internal auditor conducted audit reviews based on the approved internal audit plans. All audit reports detailing audit findings and recommendations are provided to Management who respond in a timely manner with actions to be taken. The AC performs close and timely monitoring to ensure proper implementation of the required corrective action plans undertaken by Management.

Management has established the Group's risk profile which identifies the material risks faced by the Group and the counter measures that are in place to manage or mitigate those risks. As the Group does not have a risk management committee, the Board and the Management assume the responsibility of the risk management function. The Group's risk profile is reviewed by the AC and the Board annually to ensure regular assessment and update of the Group's key risks, how they are managed, the key personnel responsible for each identified risk type and the various assurance mechanisms in place. It allows the Group to address the on-going changes and the challenges in the business environment, reduces uncertainties and facilitates the shareholder value creation process. In addition, the Board reviews and determines the Group's level of risk tolerance and risk policies, and oversees the design, implementation and monitoring of the risk management and internal control systems.

CORPORATE GOVERNANCE REPORT

The internal auditor carried out internal audit on the system of internal controls and reported their findings to the AC. The external auditor has also carried out, in the course of their statutory audit, an understanding of the internal accounting controls assessed to be relevant to the statutory audit. In this respect, the AC has reviewed the findings of both the external auditor and internal auditor and will ensure that the Group follows up on the auditors' recommendations raised during the audit process.

Based on the Group's framework of management controls in place, the internal control policies and procedures established and maintained by the Group, as well as the reviews performed by the external and internal auditors, the Board, with the concurrence of the AC, is of the opinion that the risk management and internal control systems of the Group, addressing the financial, operational, compliance and information technology risks, and the risk management systems are adequate and effective as at 31 December 2024 to address the risks that the Group considers relevant and material to its operations.

The Board and the AC have also received assurances from the Executive Chairman and Group Chief Financial Officer that (a) the Company's internal control and risk management systems in place are adequate and effective in addressing the material risks of the Company in its current business environment including financial, operational, compliance and information technology risks; and (b) that the financial records have been properly maintained and the financial statements give a true and fair view of the Group's business operations and finances.

Principle 10: The Board has an Audit Committee which discharges its duties objectively

The AC comprises three members, all of whom including the Chairman are independent.

Chairman:	Siau Kai Bing	(Independent Director)
Members:	Lee Kok Keng Andrew	(Independent Director)
	Yeo Chuan Seng Victor	(Independent Director)

The Board is of the view that the AC has the requisite financial management expertise and experience to discharge its responsibilities properly. The terms of reference of the AC are as follows:

- review significant financial reporting issues and judgments to ensure integrity of the financial statements of the Company and any announcements relating to the Company's financial performance.
- review and report to the Board at least annually the adequacy and effectiveness of the Company's internal controls (including financial, operational, compliance and information technology controls) and risk management systems (such reviews can be carried out internally or with the assistance of any competent third parties).
- review at least annually the adequacy and effectiveness of the Company's internal audit function including ensuring it is staffed with persons with the relevant qualifications and experience.
- ensure that the internal auditor carries out its function according to the standards set by nationally or internationally recognised professional bodies including the standards for the Professional Practice of Internal Auditing set by The Institute of Internal Auditors.
- ensure that the internal audit function is adequately resourced and has appropriate standing within the Company.

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- review the internal audit programme and ensure co-ordination between the internal auditor and Management.
- review the adequacy, effectiveness, independence, scope and results of the Company's internal audit functions.
- review the adequacy, effectiveness, independence, scope and results of the Company's external audit functions.
- approve the hiring, removal, evaluation and compensation of the Head of the Internal Audit function, or accounting/auditing firm or corporation if the internal audit function is outsourced.
- make recommendations to the Board on (i) the proposals to shareholders on the appointment, re- appointment, resignation and removal of the external auditor, and (ii) approving the remuneration and terms of engagement of the external auditor.
- ensure co-ordination where more than one auditing firm or corporation is involved.
- review with the internal and external auditors:
 - (a) their audit plans, including the nature and scope of the audit before the audit commences;
 - (b) their evaluation of the system of internal controls that are relevant to their audit;
 - (c) their audit reports; and
 - (d) their management letters and management's responses.
- review interested person transactions (IPTs) falling within the scope of the SGX-ST Listing Manual on a quarterly basis.
- review the half yearly and full year financial statements of the Company before submission to the Board for approval, focusing in particular, on:
 - (a) changes in accounting policies and practices;
 - (b) major risk areas;
 - (c) significant adjustments resulting from the audit;
 - (d) the going concern statement;
 - (e) compliance with accounting standards;
 - (f) compliance with stock exchange and statutory/regulatory requirements;
- review the audited financial statements of the Company and of the Group, before approval by the Board.

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- discuss problems and concerns, if any, arising from the full year audits, in consultation with the external and internal auditors, where necessary.
- meet with the external and internal auditors without the presence of Management, at least annually, to discuss any problems or concerns they may have.
- ensure where deficiencies in internal controls have been identified, appropriate and prompt remedial action is taken by Management.
- review the assistance given by Management to the internal and external auditors.
- review annually the independence of the external auditor, the aggregate amount of fees paid to the external auditor for the financial year and the breakdown of the fees paid in total for audit and non-audit services respectively; where the external auditor also provides non-audit services to the Company, the nature and extent of such services would be reviewed in order to balance the maintenance of objectivity and value for money, and to ensure that the independence of the auditor would not be compromised.
- review and discuss with the internal and external auditors, any suspected fraud or irregularity, or suspected infringement of any applicable law, rules or regulations, which has or is likely to have a material impact on the Company's operating results or financial position, and management's response.
- review the policy and arrangements by which staff of the Company or of the Group and any other persons may, in confidence, raise concerns about possible improprieties in matters of financial reporting or any other matters and conduct an independent investigation of such matters for appropriate follow-up action pursuant to the Company's whistle-blowing program.
- investigate any matter within the terms of reference, with full access to and cooperation by Management and full discretion to invite any Director or Executive Officer to attend its meetings, and reasonable resources to enable it to discharge its function properly.
- report to the Board its findings from time to time on matters arising and requiring the attention of the AC.
- undertake such other reviews and projects as may be requested by the Board.
- undertake such other functions and duties as may be required by statute or the Listing Rules, and by such amendments made thereto from time to time.

Summary of the Audit Committee's Activities

The AC met at least four times during the year under review. Details of members and their attendance at meetings are provided on page 33. The Group Chief Financial Officer, internal auditor and external auditor are invited to these meetings. Other members of senior management are also invited to attend as appropriate to present reports.

The AC has explicit authority to investigate any matter within its terms of reference. It has full access to and has the full cooperation of the Management and employees. It also has the full discretion to invite any Director or any member of Management to attend its meetings.

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During FY2024, the AC has separately met the external auditor as well as the internal auditor, without the presence of the Company's Management. These meetings enabled the external auditor and internal auditor to raise issues encountered in the course of their work directly to the AC.

The AC has reviewed the amount of non-audit related services rendered to the Group by the external auditor, RSM SG Assurance LLP. During FY2024, RSM SG Assurance LLP did not provide non-audit related services to the Group. Being satisfied with the independence and objectivity of the external auditor, the AC has recommended the nomination of RSM SG Assurance LLP for re-appointment as external auditor of the Company to the Board.

The Company confirms that it is in compliance with Rule 712 and Rule 715 of the Listing Rules.

The Company has put in place a whistle-blowing framework ("Speaking Up Policy"), endorsed and with oversight by the AC where the employees of the Group or any other person may, in confidence, raise concerns about possible corporate improprieties in matters of financial reporting or other matters.

Details of the Speaking Up Policy and arrangements have been made available to all employees of the Group. It has a well-defined process which ensures independent investigation of issues/concerns raised and appropriate follow-up action, and provides assurance that whistle blowers will be protected from reprisal within the limits of the law and their identities will be kept confidential. The Speak Up Policy and procedures are reviewed by the AC from time to time to ensure that they remain relevant.

The AC reports to the Board on such matters at the Board meetings. Should the AC receive reports relating to serious offences and/or criminal activities in the Group, the AC and the Board have access to appropriate external advice where necessary.

In FY2024, there were no incidents reported via the Speaking Up Policy.

Financial reporting and significant financial issues

The AC has considered whether accounting standards are consistently applied across the Group and whether disclosures to the financial statements are clear and sufficient. For FY2024, the AC reviewed and approved the scope of the audit plans of the external auditor. In its recommendation to the Board to approve the full year financial statements, the AC reviewed the results of the audit, significant findings or areas of emphasis and audit recommendations. The AC also discussed with Management the basis of the assumptions and methodologies used by Management in relation to matters of significant impact. In particular, the following key audit matters identified by the external auditor were discussed with Management and reviewed by the AC:

Assessment of impairment of goodwill

Goodwill is required to be assessed annually for impairment. The AC has reviewed the methodology used by Management to determine the recoverable amount of goodwill for impairment assessment. In addition, the AC discussed with the external auditor on their review of the reasonableness and relevance of the assumptions used in the impairment assessment and the sensitivity analysis performed. The AC concurred with the Management's conclusion that as at the reporting year end, the Group had goodwill of \$40,421,000, which accounted for approximately 17% of the Group's total assets.

CORPORATE GOVERNANCE REPORT

Assessment of adequacy of inventories obsolescence

Inventory obsolescence was assessed at year end. The carrying amount of inventories amounted to \$17,328,000, which accounted for approximately 7% of the Group's total assets as at the reporting year end. Inventories are stated after impairment allowance of \$2,434,000 based on Management's assessment. This assessment was based on Management's knowledge of the Group's operations and the industries, and their technical assessment of the inventories.

Revenue from long term engineering solutions and services

For the reporting year ended 31 December 2024, revenue from long term engineering solutions and services of \$23,188,000 had been recognised over time by using the input method based on the efforts or inputs to the satisfaction of a performance obligation such as costs incurred relative to the total expected inputs to the satisfaction of that performance obligation.

The AC discussed with the external auditor on their review of the reasonableness and relevance of the assumptions used in the revenue recognition of long term engineering solutions and services contracts and concurred with Management on the assumptions and estimates in the determination of amongst others the stage of completion of a project, estimates of cost to complete and estimates of variation orders that can be recognised.

ACCOUNTABILITY AND AUDIT

Accountability

The Board is accountable to the shareholders and is mindful of its obligations to furnish timely information and to ensure full disclosure of material information to shareholders in compliance with statutory requirements and the Listing Rules.

The Board reviews and approves the results as well as any announcements before its release. In presenting the annual financial statements and half yearly and full year financial results announcements to shareholders, it is the aim of the Board to provide the shareholders with detailed analysis and a balanced and understandable assessment of the Group's performance, position and prospects. This responsibility is extended to regulators.

Financial reports and other price-sensitive information are disseminated to shareholders through announcement via SGXNET.

The Board also reviews legislation and regulatory compliance with management to ensure that the Group complies with the relevant regulatory requirements.

CORPORATE GOVERNANCE REPORT

Internal Audit

The AC approves the hiring, removal, evaluation and compensation of the internal auditor. The internal audit function ("IA") of the Company is out-sourced to In.Corp Business Advisory Pte. Ltd. The IA reviews the effectiveness of key internal controls, including financial, operational and compliance controls for selected scope of review annually, as approved by the AC. Procedures are in place for the IA to report independently on their findings and recommendations to the AC for review. The IA reports primarily to the Chairman of the AC and has full access to the documents, records properties and personnel of the Group, including access to AC.

The primary functions of internal audit are to assist in the following:-

- (a) assess if adequate systems of internal controls are in place to protect the assets of the Group and to ascertain whether control procedures are complied with;
- (b) assess if operations of the business processes under review are conducted efficiently and effectively;
- (c) identify and recommend improvement to internal control procedures, where required; and
- (d) to conduct an internal review on sustainability reporting process.

The AC is satisfied that the internal audit function has adequate resources to perform its function effectively. The AC is satisfied that the internal audit function is staffed by suitably qualified and experienced professionals with the relevant qualifications and experience.

The Company's IA function is independent of the external audit. The IA is a member of the Institute of Internal Auditors Singapore ("IIA"), a professional internal auditing body affiliated to the Institute of Internal Auditors, Inc. The audit work carried out is guided by the International Standards for the Professional Practice of Internal Auditing laid down in the International Professional Practices Framework and Global Internal Audit Standards issued by the IIA. The IA continues to meet or exceed the IIA Standards in all key aspects. In.Corp Business Advisory Pte Ltd has confirmed their independence to the AC.

During the year, the IA adopted a risk-based audit approach that focused on material internal controls, including financial, operational, compliance and information technology controls. Audits were carried out on all significant business units in the Group. All Group Internal Audit reports are submitted to the AC for deliberation with copies of these reports extended to the Executive Chairman, Directors and the relevant key management personnel.

The AC has reviewed the Company's internal control assessment and based on the internal auditor's and external auditor's reports and the internal controls in place, it is satisfied that there are adequate and effective internal controls to meet the needs of the Group in its current business environment. The AC is satisfied that the internal audit function is independent, effective and adequately resourced.

The AC reviews the adequacy and effectiveness of the internal audit function of the Company annually. No former partner or director of the Group's external auditor or internal auditor is a member of the AC.

CORPORATE GOVERNANCE REPORT

SHAREHOLDER RIGHTS AND RESPONSIBILITIES

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

The Company's corporate governance practices promote the fair and equitable treatment to all shareholders. To facilitate shareholders' ownership rights, the Company ensures that all material information is disclosed on a comprehensive, accurate and timely basis via SGXNET, especially information pertaining to the Group's business development and financial performance which could have a material impact on the share price of the Company, so as to enable shareholders to make informed decisions in respect of their investments in our Company.

Shareholders are given opportunity to participate effectively and vote at general meetings of the Company, where relevant rules and procedures governing such meetings are clearly communicated through the annual report or circular to shareholders.

Conduct of Shareholder Meetings

The Company supports active shareholder participation at general meetings. The shareholders are encouraged to attend the general meetings to ensure high level of accountability and to stay informed of the Group's strategies and visions.

If shareholders are unable to attend the meetings, the Company's Constitution allows a shareholder of the Company to appoint up to two proxies to attend, speak and vote in place of the shareholder. Shareholders who are relevant intermediaries (as defined in the Companies Act) are allowed to appoint more than two proxies to attend, speak and vote at the Company's general meetings.

The Company has implemented poll voting for all resolutions tabled at the Company's general meetings. Independent scrutineers are appointed to review the poll voting procedure and verify the results of the poll.

The Board takes note that there should be separate resolutions at general meetings on each substantially separate issue and supports the Code's principle as regards to "bundling" of resolutions.

Resolutions are as far as possible, structured separately and are voted on independently.

All Directors including Chairpersons of the Board, AC, RC and NC and senior management are in attendance at the AGMs and extraordinary general meetings to allow shareholders the opportunity to air their views and ask Directors or Management questions regarding the Company. The external auditor is also invited to attend the AGMs and are available to assist the Directors in addressing any relevant queries by the shareholders relating to the conduct of the audit, and the preparation and contents of the independent auditors' report.

CORPORATE GOVERNANCE REPORT

In FY2024, the AGM of the Company was conducted in person. The shareholders were invited to submit their questions for the AGM in advance of the meeting and the Company provided its responses via SGXNet and on the corporate website prior to the commencement of the AGM. The Executive Chairman, all the Directors and the external auditor, RSM SG Assurance LLP, were present at the AGM held at Singapore Recreation Club, B Connaught Drive, Singapore 179682 at 10.00 a.m. on 29 April 2024.

Minutes of the general meetings, including substantial and relevant comments or queries from shareholders and responses from the Board and/or Management will be published via SGXNet and on the Company's website within one month after the relevant general meeting.

Dividend and Dividend Policy

The Company's dividend policy is to pay out 40% of the annual net profit, payable every half yearly.

For FY2024, the Company paid an interim dividend of 0.8526 Singapore cent per ordinary share. The Board has also proposed a final one-tier tax exempt dividend of 0.8987 Singapore cent per ordinary share, which will be subject to shareholders' approval at the forthcoming AGM.

COMMUNICATION 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

The Group is committed to maintaining high standards of corporate disclosure and transparency through timely communication of material and price sensitive information to shareholders and the public. It is the Company's policy that all shareholders and the public be informed of all major developments that impact the Group on a timely basis. Communication is made through:

- Annual reports which can be accessed through the SGX website and Company's website;
- Announcement of half-yearly and full-year financial results via SGXNet;
- Disclosure of price sensitive material information via SGXNet;
- Press releases on major developments of the Company; and
- Shareholders' briefings.

Investor Relations

The Company's corporate website (www.nordicgrouplimited.com) has a dedicated "Investor Relations" link which features the latest and past financial results and related information as well as other announcements released via SGXNet. The contact details of the Investor Relations team are available on the website. The Investor Relations team has procedures in place for addressing investor's queries or complaints as soon as possible.

CORPORATE GOVERNANCE REPORT

The Company's Investor Relations Policy sets out the mechanism through which shareholders may contact the Company with questions and through which the Company may respond accordingly. To enable shareholder to contact the Company easily, shareholders may send email to ir@nordicgrouplimited.com.

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 Group has identified stakeholders as those who are impacted by the Group's business and operations as well as those who have a material impact on the Group's business and operations. Such stakeholders include customers, employees, contractors and suppliers, government and regulators, community, and shareholders and investors. The Company engages its stakeholders through various channels to ensure that the business interests of the Group are balanced against the needs and interests of its stakeholders.

The Group maintains a corporate website at www.nordicgrouplimited.com to communicate and engage with stakeholders.

Interested Persons Transactions

The Group has established internal control policies to ensure that transactions with interested persons are properly reviewed and approved, and are conducted at an arm's length basis.

The Group does not have a general mandate from shareholders for interested person transactions pursuant to Rule 920 of the Listing Rules. For FY2024, there were no interested person transactions of value above \$100,000.

Securities Transaction

The Group has adopted a policy whereby the Directors and employees are prohibited from dealing in the securities of the Company while in possession of price-sensitive information as well as during the period commencing one month before the announcement of the Company's half year and full year results until the said results announcement has been made. The Directors and employees of the Group are to refrain from dealing in the Company's securities on short-term considerations.

Directors and employees of the Group are also expected to observe insider trading laws at all times even when dealing with securities within the permitted trading period.

Material Contracts

Pursuant to Rule 1207(8) of the Listing Rules, the Company confirms that there were no material contracts entered into by the Company or any of its subsidiaries involving the interest of any Director or controlling shareholder, either still subsisting at the end of FY2024 or if not then subsisting, entered into since the end of the previous financial year ended 31 December 2023.

STATEMENT BY DIRECTORS

The directors of the company are pleased to present the accompanying financial statements of the company and of the group for the reporting year ended 31 December 2024.

1. Opinion of the directors

In the opinion of the directors,

- (a) the accompanying consolidated financial statements of the group and 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 and performance of the company and, of the financial position and performance of the group for the reporting year covered by the financial statements or consolidated financial statements; and
- (b) at the date of the statements, there are reasonable grounds to believe that the company will be able to pay its debts as and when they fall due.

The board of directors approved and authorised these financial statements for issue.

2. Directors

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

Executive Directors:

Chang Yeh Hong

Teo Ling Ling

Independent Directors:

Lee Kok Keng Andrew

Siau Kai Bing

Yeo Chuan Seng Victor (appointed on 1 May 2024)

3. Directors' interests in shares and debentures

The directors of the company holding office at the end of the reporting year had no interests in shares in or debentures of the company or other related body corporate as recorded in the register of directors' shareholdings kept by the company under section 164 of the Companies Act 1967 ("the Act") except as follows:

Name of directors and companies in which interests are held	Direct		Deemed	
	At beginning of the reporting year	At end of the reporting year	At beginning of the reporting year	At end of the reporting year
The company – Nordic Group Limited	Number of shares of no par value			
Chang Yeh Hong	218,190,325	218,190,325	–	–
Teo Ling Ling	32,419,500	32,419,500	–	–
Lee Kok Keng Andrew	467,000	467,000	594,800	594,800

STATEMENT BY DIRECTORS

3. Directors' interests in shares and debentures

By virtue of section 7 of the Act, Chang Yeh Hong is deemed to have an interest in all the related body corporate of the company.

The directors' interests as at 21 January 2025 were the same as those at the end of the reporting year.

4. Arrangements to enable directors to acquire benefits by means of the acquisition of shares and debentures

Neither at the end of the reporting year nor at any time during the reporting year did there subsist arrangements to which the company is a party, being arrangements whose objects are, or one of whose objects is, to enable 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.

5. Options

During the reporting year, no option to take up unissued shares of the company or other body corporate in the group was granted.

During the reporting year, there were no shares issued by virtue of the exercise of an option to take up unissued shares.

At the end of the reporting year, there were no unissued shares under option.

6. Independent auditor

RSM SG Assurance LLP has expressed willingness to accept re-appointment.

7. Report of audit committee

The members of the audit committee at the date of this report are as follows:

Siau Kai Bing	(Chairman of the audit committee)
Lee Kok Keng Andrew	
Yeo Chuan Seng Victor	

The audit committee performs the functions specified by section 201B (5) of the Act. Among other functions, it reviewed the following, where relevant, with management, the external auditors and the internal auditors:

- The audit plan of the independent external auditor.
- The independent external auditor's evaluation of the company's internal accounting controls relevant to the statutory audit, the audit report on the financial statements and the assistance given by management to the auditor.

STATEMENT BY DIRECTORS

7. Report of audit committee

- The scope and results of the internal audit procedures (including those relating to financial, operational and compliance controls and risk management) and the assistance given by the management to the internal auditor.
- The financial statements of the group and the company prior to their submission to the directors of the company for adoption.
- The interested person transactions (as defined in Chapter 9 of the Singapore Exchange Securities Trading Limited's Listing Manual).

Other functions performed by the audit committee are described in the report on corporate governance included in the annual report of the company. It also includes an explanation of how independent auditor objectivity and independence is safeguarded where the independent auditor provides non-audit services.

The audit committee has recommended to the board of directors that the independent auditor, RSM SG Assurance LLP, be nominated for re-appointment as the independent auditor at the forthcoming annual general meeting of the company.

8. Directors' opinion on the adequacy of internal controls

Based on the internal controls established and maintained by the company, work performed by the internal and external auditors, and reviews performed by management, other committees of the board and the board, with the concurrence of the audit committee, is of the opinion that the company's internal controls (including financial, operational, compliance and information technology controls), and risk management systems were adequate and effective as at 31 December 2024 to address the risks that the company considers relevant and material to its operations.

9. Subsequent developments

There are no significant developments subsequent to the release of the group's and the company's preliminary financial statements, as announced on 27 February 2025, which would materially affect the group's and the company's operating and financial performance as of the date of this report.

On behalf of the directors

Chang Yeh Hong
Director

Teo Ling Ling
Director

14 April 2025

INDEPENDENT AUDITOR'S REPORT

To the Member of Nordic Group Limited

Report on the audit of the financial statements

Opinion

We have audited the accompanying financial statements of Nordic Group Limited (the "company") and its subsidiaries (the "group"), which comprise the consolidated statement of financial position of the group and the statement of financial position of the company as at 31 December 2024, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the group, and statement of changes in equity of the company for the reporting year then ended, and notes to the financial statements, including material accounting information.

In our opinion, the accompanying consolidated financial statements of the group and the statement of financial position and statement of changes in equity of the company are properly drawn up in accordance with the provisions of the Companies Act 1967 ("the Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)") 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 2024 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the group and the changes in equity of the company for the reporting 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") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have 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 reporting year. 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.

- Assessment of impairment of goodwill

Refer to Note 2A for the relevant accounting policy; Note 2B on judgements and sources of estimation uncertainties, Note 15 on goodwill and the annual report section on the audit committee's views and responses to the reported key audit matters.

INDEPENDENT AUDITOR'S REPORT

To the Member of Nordic Group Limited

Key audit matters

- Assessment of impairment of goodwill

As at 31 December 2024, the group had goodwill arising from acquisitions of businesses amounting to \$40,421,000, which accounted for approximately 17% of the group's total assets as at the reporting year end. Goodwill is tested for impairment annually and whenever there is an indication that it may be impaired. Management used the value in use method to determine the recoverable amount of goodwill. The value in use method required management to exercise judgement in estimating the future cash flows expected to arise from each of the cash-generating units and in determining a suitable discount rate to measure the recoverable amount. In estimating the future cash flows of the cash-generating units, management forecasted the revenue growth and profit margins based on presently available information. Following management's assessment, no impairment loss has been recognised against goodwill as the estimated recoverable amount was higher than the carrying value of goodwill.

The rising interest rates, geopolitical tensions and inflationary pressures globally posed forecasting of the underlying cash flows challenging. There are also estimation uncertainties over the appropriate terminal growth rate and discount rate applied to the projected cashflows.

With the assistance of our in-house valuation specialists, we reviewed the appropriateness of management's methodology used in the impairment test. We evaluated the key inputs used by management in the value in use calculation through discussions with management such as revenue margin forecasts, growth rates and capital expenditure. We checked to supporting documents where applicable as well as compared the key inputs against available industry data and performed sensitivity analysis on the outcome of the calculations. Our valuation specialist assessed the reasonableness of the discount rates and performed mechanical accuracy checks.

We evaluated the adequacy of the disclosures included in the financial statements.

- Assessment of allowance for inventories obsolescence

Refer to Note 2A for the relevant accounting policy; Note 2B on judgements and sources of estimation uncertainties, Note 19 for the breakdown of inventories balance and the annual report section on the audit committee's views and responses to the reported key audit matters.

As at 31 December 2024, the carrying amount of inventories amounted to \$17,328,000, which accounted for approximately 7% of the group's total assets as at the reporting year end. Inventories are stated after impairment allowance of \$2,434,000.

In determining the adequacy of allowance for inventories obsolescence, management exercised judgement in identifying obsolete inventories and made estimates of net realisable values the inventories held by the group based on their knowledge of the group's operations and the industry, the anticipated demand of the group's customers, and their technical assessment of the inventories.

INDEPENDENT AUDITOR'S REPORT

To the Member of Nordic Group Limited

Key audit matters

- Assessment of allowance for inventories obsolescence

We obtained an understanding of the group's accounting policy on the valuation of its inventories and management's basis in determining the allowance for inventories obsolescence. We discussed with management on the appropriateness of their basis and approach towards identifying obsolete inventories and determining allowance for obsolescence. On a sample basis, we verified management's assessment of inventories to state the inventories at the lower of cost and net realisable value by comparing the carrying amount of the inventories to recent sales. We discussed with management on the appropriateness of their basis and approach towards determining allowance for inventories obsolescence.

We evaluated the adequacy of the disclosures included in the financial statements.

- Revenue from long term engineering solutions and services

Refer to Note 2A for the relevant accounting policy; Note 2B on critical judgements, assumptions and estimation uncertainties, Note 5 on revenue and the annual report section on the audit committee's views and responses to the reported key audit matters.

For the reporting year ended 31 December 2024, the group recognised revenue from long term engineering solutions and services of \$23,188,000. Such revenue has been recognised over time by using the input method based on the efforts or inputs to the satisfaction of a performance obligation such as costs incurred relative to the total expected costs to satisfy the performance obligation.

Management exercised significant judgements in making assumptions relating to the measurement and timing of revenue recognition and the recognition of related balances in the statement of financial position, such as contract assets, capitalisation of costs to obtain a contract, trade receivables, and contract liabilities that result from the performance of the contracts. Management also made assumptions for certain contracts relating to contract extensions and amendment. These judgements are inherently subjective and may cover future events such as the achievement of contractual milestones and performance levels.

We performed audit procedures on individually significant projects. Our procedures included discussions with project managers on the terms of the contracts and on the status of the projects to understand the basis for the key assumptions used in forming the project completion timelines and the estimated contract costs. We evaluated management's assumptions and estimates in the determination of amongst others the stage of completion of a project, estimates of cost to complete, and estimates of variation orders. If any, that can be recognised. Where relevant, we agreed to third party contracts for work contracted or to supporting documents. We also recalculated the stage of completion based on the total costs incurred to date compared to the total budgeted costs and performed re-computation of revenue recognised in the reporting year.

We evaluated the adequacy of the disclosure included in the financial statements.

INDEPENDENT AUDITOR'S REPORT

To the Member of Nordic Group Limited

Other information

Management is responsible for the other information. The other information comprises the information included in the statement by directors and 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 the financial reporting standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

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

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

Auditor's responsibilities for the audit of the financial statements

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

INDEPENDENT AUDITOR'S REPORT

To the Member of Nordic Group Limited

Auditor's responsibilities for the audit of the financial statements

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

- a) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control.
- c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group to cease to continue as a going concern.
- e) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- f) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

INDEPENDENT AUDITOR'S REPORT

To the Member of Nordic Group Limited

Auditor's responsibilities for the audit of the financial statements

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

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

Report on other legal and regulatory requirements

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

The engagement partner on the audit resulting in this independent auditor's report is Lee Guoyong.

RSM SG Assurance LLP
Public Accountants and
Chartered Accountants
Singapore

14 April 2025

Engagement partner – effective from reporting year ended 31 December 2023

CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME

Year ended 31 December 2024

		Group	
	Notes	2024	2023
		\$'000	\$'000
Revenue	5	158,386	160,644
Cost of sales		(121,712)	(124,232)
Gross profit		36,674	36,412
Other income and gains	6	3,851	5,162
Distribution costs		(1,256)	(1,705)
Administrative expenses	7	(14,590)	(15,616)
Finance costs	8	(3,859)	(3,586)
Other losses	6	(637)	(1,095)
Profit before tax		20,183	19,572
Income tax expense	10	(2,670)	(3,595)
Profit for the year		17,513	15,977
<u>Other comprehensive income (loss):</u>			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translating foreign operations, net of tax		794	(899)
Other comprehensive income (loss) for the year, net of tax		794	(899)
Total comprehensive income for the year		18,307	15,078
Earnings per share			
Earnings per share currency unit		Cents	Cents
Basic and diluted	11	4.4	4.0

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF FINANCIAL POSITION

As at 31 December 2024

		Group		Company	
	Notes	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
ASSETS					
Non-current assets					
Property, plant and equipment	13	41,711	43,683	5,246	5,507
Right-of-use assets	14	5,297	5,749	1,442	1,499
Goodwill	15	40,421	40,421	-	-
Intangible assets	16	2,532	3,009	-	-
Investments in subsidiaries	17	-	-	1,350	1,350
Deferred tax assets	10C	1,345	1,171	-	-
Other financial assets, non-current	18	-	1,472	-	-
Total non-current assets		91,306	95,505	8,038	8,356
Current assets					
Inventories	19	17,328	21,862	-	-
Trade and other receivables	20	45,787	48,219	31,063	10,753
Other assets	21	35,471	26,260	1,566	935
Other financial assets, current	18	1,472	-	-	-
Cash and cash equivalents	22	43,442	73,739	16,010	28,741
Total current assets		143,500	170,080	48,639	40,429
Total assets		234,806	265,585	56,677	48,785
EQUITY AND LIABILITIES					
Equity attributable to owners of the parent					
Share capital	23	24,864	24,864	24,864	24,864
Treasury shares	23	(331)	(112)	(331)	(112)
Retained earnings		104,935	93,299	4,822	955
Other reserves	24	335	(580)	-	-
Total equity		129,803	117,471	29,355	25,707
Non-current liabilities					
Deferred tax liabilities	10C	2,285	2,433	43	43
Loans and borrowings	26	5,774	3,785	5,774	2,119
Financial liabilities – lease liabilities	14	5,205	5,524	1,525	1,566
Total non-current liabilities		13,264	11,742	7,342	3,728
Current liabilities					
Provisions	25	1,617	1,533	-	-
Income tax payable		2,937	3,672	110	116
Loans and borrowings	26	54,006	92,204	16,478	16,456
Financial liabilities – lease liabilities	14	549	607	36	36
Trade and other payables	27	28,719	33,630	3,356	2,742
Other non-financial liabilities	28	3,911	4,726	-	-
Total current liabilities		91,739	136,372	19,980	19,350
Total liabilities		105,003	148,114	27,322	23,078
Total equity and liabilities		234,806	265,585	56,677	48,785

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY

Year ended 31 December 2024

	Total equity \$'000	Share capital \$'000	Treasury shares \$'000	Retained earnings \$'000	Other reserves \$'000
Group:					
Current year:					
Opening balance at 1 January 2024	117,471	24,864	(112)	93,299	(580)
Changes in equity:					
Total comprehensive income for the year	18,307	-	-	17,513	794
Transferred from retained earnings	-	-	-	(121)	121
Dividends paid (Note 12)	(5,756)	-	-	(5,756)	-
Purchase of treasury shares (Note 23)	(219)	-	(219)	-	-
Closing balance at 31 December 2024	129,803	24,864	(331)	104,935	335
Previous year:					
Opening balance at 1 January 2023	110,016	24,864	(112)	84,945	319
Changes in equity:					
Total comprehensive income for the year	15,078	-	-	15,977	(899)
Dividends paid (Note 12)	(7,623)	-	-	(7,623)	-
Closing balance at 31 December 2023	117,471	24,864	(112)	93,299	(580)
	Total equity \$'000	Share capital \$'000	Treasury shares \$'000	Retained earnings \$'000	
Company:					
Current year:					
Opening balance at 1 January 2024	25,707	24,864	(112)	955	
Changes in equity:					
Total comprehensive income for the year	9,623	-	-	9,623	
Dividends paid (Note 12)	(5,756)	-	-	(5,756)	
Purchase of treasury shares (Note 23)	(219)	-	(219)	-	
Closing balance at 31 December 2024	29,355	24,864	(331)	4,822	
Previous year:					
Opening balance at 1 January 2023	33,652	24,864	(112)	8,900	
Changes in equity:					
Total comprehensive loss for the year	(322)	-	-	(322)	
Dividends paid (Note 12)	(7,623)	-	-	(7,623)	
Closing balance at 31 December 2023	25,707	24,864	(112)	955	

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended 31 December 2024

	2024 \$'000	2023 \$'000
<u>Cash flows from operating activities</u>		
Profit before tax	20,183	19,572
Adjustments for:		
Interest expense	3,859	3,586
Interest income	(1,303)	(848)
Gain on disposal of plant and equipment	(6)	(1,541)
Depreciation of property, plant and equipment	4,038	4,061
Depreciation of right-of-use assets	1,324	609
Amortisation of intangible assets	477	478
Foreign exchange adjustments unrealised (gains) losses	(1,127)	405
Operating cash flows before changes in working capital	27,445	26,322
Inventories	4,534	(737)
Trade and other receivables	2,432	(4,988)
Other assets	(9,211)	(1,365)
Provisions	84	301
Trade payables	(2,411)	(1,914)
Other non-financial liabilities	(815)	(4,022)
Net cash flows from operations	22,058	13,597
Income taxes paid	(3,727)	(2,303)
Net cash flows from operating activities	18,331	11,294
<u>Cash flows used in investing activities</u>		
Acquisition of subsidiaries (Note 29)	-	(1,243)
Other payables due to previous shareholders of Eratech Pte Ltd	-	(3,000)
Other payables due to previous shareholders of Avon Industries Pte Ltd	(2,500)	-
Increase in key men insurance	-	(1,472)
Purchase of property, plant and equipment	(1,997)	(1,118)
Disposal of property, plant and equipment	103	783
Interest received	1,303	848
Net cash flows used in investing activities	(3,091)	(5,202)
<u>Cash flows (used in) from financing activities</u>		
Dividends paid to equity owners	(5,756)	(7,623)
Increase in loans and borrowings	8,000	39,379
Cash restricted in use	643	2,881
Interest paid	(3,656)	(3,460)
Lease liabilities – principal and interest portion paid	(1,452)	(722)
Loans and borrowings paid	(44,209)	(15,497)
Purchase of treasury shares	(219)	-
Net cash flows (used in) from financing activities	(46,649)	14,958
Net (decrease) increase in cash and cash equivalents	(31,409)	21,050
Effects of exchange rate changes on the balance of cash held in foreign currencies	1,755	(988)
Cash and cash equivalents, statement of cash flows, beginning balance	73,096	53,034
Cash and cash equivalents, statement of cash flows, ending balance (Note 22A)	43,442	73,096

The accompanying notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

1. General information

Nordic Group Limited (the “company”) is incorporated in Singapore with limited liability. The company is listed on the Singapore Exchange Securities Trading Limited.

The financial statements are presented in Singapore Dollar (\$) and they cover the company and the subsidiaries (collectively, the “group”). All financial information in these financial statements are rounded to the nearest thousand (“\$’000”), except where otherwise indicated.

The board of directors approved and authorised these financial statements for issue on the date of the statement by directors. The directors have the power to amend and reissue the financial statements.

The principal activities of the company are those of an investment holding company and providing management and administrative support to its subsidiaries.

The principal activities of the subsidiaries are described in the notes to the financial statements below.

The registered office is located at 2 Tuas Avenue 10, Singapore 639126. The principal place of business is in Singapore.

Macroeconomic conditions related

The United States of America (“United States”) announced on 2 April 2025 that it will impose individualised reciprocal higher tariff on countries with which the United States has the largest trade deficits. All other countries will also be subjected to a 10% baseline tariff. The threat of the tariffs has created massive uncertainty in the world’s economy and could potentially result in widespread inflation and severe economic downturn. Management has assessed that the tariff would have a negative effect on the reporting entity’s revenue from the customers in United States, and this could adversely impact the entity’s financial position, financial performance, cash flows for the next reporting year. The extent of impact will depend on the extent and duration of the economic downturn.

Statement of compliance with financial reporting standards

These financial statements have been prepared in accordance with the Singapore Financial Reporting Standards (International) (“SFRS(I)s”) and the related Interpretations to SFRS (I) (“SFRS(I) INT”) as issued by the Accounting Standards Committee under ACRA (“ASC”). They comply with the provisions of the Companies Act 1967 and with the International Financial Reporting Standards (“IFRSs”) issued by the International Accounting Standards Board (“IASB”).

Basis of preparation of the financial statements

The financial statements are prepared on a going concern basis under the historical cost convention except where a financial reporting standard requires an alternative treatment (such as fair values) as disclosed where appropriate in these financial statements. The accounting policies in the financial reporting standards may not be applied when the effect of applying them is not material. The disclosures required by financial reporting standards may not be provided if the information resulting from that disclosure is not material.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

1. General information

Basis of presentation and principles of consolidated

The consolidated financial statements of the group include the financial statements made up to the end of the reporting year of the company and all of its subsidiaries, presented as those of a single economic entity and are prepared using uniform accounting policies for like transactions and other events in similar circumstances. All significant intragroup balances and transactions are eliminated on consolidation. Subsidiaries are consolidated from the date the reporting entity obtains control of the investee. They are de-consolidated from the date that control ceases.

Changes in the group's ownership interest in a subsidiary that do not result in the loss of control are accounted for within equity as transactions with owners in their capacity as owners. The carrying amounts of the group's and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. When the group loses control of a subsidiary it derecognises the assets and liabilities and related equity components of the former subsidiary. Any gain or loss is recognised in profit or loss. Any investment retained in the former subsidiary is measured at fair value at the date when control is lost and is subsequently accounted as equity investments financial assets in accordance with the financial reporting standard on financial instruments.

2. Material accounting policy information and other explanatory information

2A. Material accounting policy information

Foreign currency transactions

The functional currency is the Singapore Dollar as it reflects the primary economic environment in which the entity operates. Transactions in foreign currencies are recorded in the functional currency at the rates ruling at the dates of the transactions. At each end of the reporting year, recorded monetary balances and balances measured at fair value that are denominated in non-functional currencies are reported at the rates ruling at the end of the reporting year and fair value measurement dates respectively. All realised and unrealised exchange adjustment gains and losses are dealt with in profit or loss. The presentation is in the functional currency.

Translation of financial statements of other entities

Each component in the group determines the appropriate functional currency as it reflects the primary economic environment in which the relevant reporting entity operates. In translating the financial statements of such an entity for incorporation in the consolidated financial statements in the presentation currency the assets and liabilities denominated in other currencies are translated at end of the reporting year rates of exchange and the income and expense items for each statement presenting profit or loss and other comprehensive income are translated at average rates of exchange for the reporting year. The resulting translation adjustments (if any) are recognised in other comprehensive income and accumulated in a separate component of equity until the disposal of that relevant reporting entity.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

2. Material accounting policy information and other explanatory information

2A. Material accounting policy information

Fair value measurement

The fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When measuring the fair value of an asset or a liability, market observable data to the extent possible is used. If the fair value of an asset or a liability is not directly observable, an estimate is made using valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs (eg by use of the market comparable approach that reflects recent transaction prices for similar items, discounted cash flow analysis, or option pricing models refined to reflect the issuer's specific circumstances). Inputs used are consistent with the characteristics of the asset or liability that market participants would take into account. The entity's intention to hold an asset or to settle or otherwise fulfil a liability is not taken into account as relevant when measuring fair value.

Fair values are categorised into different levels in a fair value hierarchy based on the degree to which the inputs to the measurement are observable and the significance of the inputs to the fair value measurement in its entirety: Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (ie as prices) or indirectly (ie derived from prices). Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs). Transfers between levels of the fair value hierarchy are recognised at the end of the reporting period during which the change occurred.

The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments and the disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value. The fair values of non-current financial instruments may not be disclosed separately unless there are material differences at the end of the reporting year and in the event the fair values are disclosed in the relevant notes to the financial statements. The recurring measurements are made at each reporting year end date.

Revenue and income recognition

Revenue is recognised at an amount that reflects the consideration to which the entity expects to be entitled in exchange for transferring goods or services to a customer (which excludes estimates of variable consideration that are subject to constraints), net of any related taxes and excluding any amounts collected on behalf of third parties. An asset (goods or services) is transferred when or as the customer obtains control of that asset. As a practical expedient the effects of any significant financing component is not adjusted if the payment for the good or service will be within one year.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

2. Material accounting policy information and other explanatory information

2A. Material accounting policy information

Revenue and income recognition

Revenue from sale of goods is recognised at a point in time when the performance obligation is satisfied by transferring a promised good to the customer. Control of the goods is transferred to the customer, generally on delivery of the goods (in this respect, incoterms are considered).

Revenue from service orders and term projects is recognised when the entity satisfies the performance obligation at a point in time generally when the significant acts have been completed and when transfer of control occurs. For services that are not material transactions revenue is recognised as the services are provided.

Distinct goods or services in a series such as routine or recurring service contracts where the promise under the contract is for a specified quantity of goods or services that meets the over time criteria or is a stand-ready or single continuous service and if the nature of each good or service is distinct, substantially the same and has the same pattern of transfer or each time increment is distinct, then revenue is recognised at the amount that the entity has the right to bill a fixed amount for each unit of goods or service provided.

For long-term service contracts and projects for constructing, or developing an asset the customer value is created over time during the contract period and it is accounted for as a single performance obligation that is satisfied over time. This is because the customer simultaneously receives and consumes the benefits of the entity's performance in processing each transaction as and when each transaction is processed; the performance creates or enhances an asset (for example, work in progress) that the customer controls as the asset is created or enhanced; or the performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date. The revenue is recognised over time by using the output or input method for different performance obligation. For the output method the revenue is recognised based on direct measurements of the value to the customer of the goods or services transferred to date relative to the remaining goods or services promised under the contract. Output methods include methods such as surveys of performance completed to date and units produced or units delivered. For the output method, as a practical expedient for a performance obligation satisfied over time, if the entity has a right to invoice the customer at an amount that corresponds directly with the value to the customer of the entity's performance to date, revenue is recognised at that amount (for example, in a goods or services contract an entity may have the right to bill a fixed amount for each unit of goods or service provided). For the input method the revenue is recognised on the basis of the efforts or inputs to the satisfaction of a performance obligation such as costs incurred, relative to the total expected inputs to the satisfaction of that performance obligation.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

2. Material accounting policy information and other explanatory information

2A. Material accounting policy information

Revenue and income recognition

Provisions for losses on contracts – When the current estimates of the total amount of consideration expected to be received in exchange for transferring promised goods or services to the customer, and contract cost indicate a loss, a provision for the entire loss on the contract is made as soon as the loss becomes evident. An adjustment is also made to reflect the effects of the customer's credit risk. The loss on a contract including both the incremental costs of fulfilling that contract and an allocation of other costs that relate directly to fulfilling that contract is reported as an additional contract cost (an operating expense), and not as a reduction of revenue or a non-operating expense.

Interest income is recognised using the effective interest method.

Government grants are recognised at fair value when there is reasonable assurance that the conditions attaching to them will be complied with and that the grants will be received. Grants in recognition of specific expenses are recognised in profit or loss on a systematic basis over the periods necessary to match them with the related costs that they are intended to compensate.

Employee benefits

Contributions to a defined contribution retirement benefit plan are recorded as an expense as they fall due. The entity's legal or constructive obligation is limited to the amount that it is obligated to contribute to an independently administered fund (such as the Central Provident Fund in Singapore, a government managed defined contribution retirement benefit plan). For employee leave entitlement the expected cost of short-term employee benefits in the form of compensated absences is recognised in the case of accumulating compensated absences, when the employees render service that increases their entitlement to future compensated absences; and in the case of non-accumulating compensated absences, when the absences occur. A liability for bonuses is recognised where the entity is contractually obliged or where there is constructive obligation based on past practice.

Borrowing costs

Borrowing costs are interest and other costs incurred in connection with the borrowings. Interest expense is calculated using the effective interest method. Borrowing costs are recognised as an expense in the period in which they are incurred.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

2. Material accounting policy information and other explanatory information

2A. Material accounting policy information

Income tax

Tax expense (tax income) is the aggregate amount included in the determination of profit or loss for the reporting year in respect of current tax and deferred tax. Current income tax is the expected tax payable on the taxable income for the reporting year; calculated using rates enacted or substantively enacted at the statements of financial position date; and inclusive of any adjustment to income tax payable or recoverable in respect of previous reporting years. Deferred tax is recognised using the liability method; based on temporary differences between the carrying amounts of assets and liabilities in the financial statements and their respective income tax bases; and determined using tax rates that have been enacted or substantively enacted by the reporting year end date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. A deferred tax amount is recognised for all temporary differences, unless the deferred tax amount arises from the initial recognition of an asset or liability in a transaction which (i) is not a business combination; and (ii) at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

A deferred tax liability or asset is recognised for all taxable temporary differences associated with investments in subsidiaries except where the reporting entity is able to control the timing of the reversal of the taxable temporary difference and it is probable that the taxable temporary difference will not reverse in the foreseeable future or for deductible temporary differences, they will not reverse in the foreseeable future and they cannot be utilised against taxable profits.

Property, plant and equipment

Property, plant and equipment are carried at cost on initial recognition and after initial recognition at cost less accumulated depreciation and any accumulated impairment losses.

Cost also includes acquisition cost, borrowing cost capitalised and any cost directly attributable to bringing the asset or component to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is provided on a straight-line method to allocate the gross carrying amounts of the assets less their residual values over their estimated useful lives of each part of an item of these assets (or, for certain leased assets, the shorter lease term). An asset is depreciated when it is available for use until it is derecognised even if during that period the item is idle.

The annual rates of depreciation are as follows:

Leasehold improvements	–	3%
Plant and equipment	–	6% to 33%

The residual values, useful lives and recognised impairment losses of assets are reviewed, and adjusted if appropriate, whenever events or circumstances indicate that a revision is warranted.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

2. Material accounting policy information and other explanatory information

2A. Material accounting policy information

Property, plant and equipment

The gain or loss arising from the derecognition of an item of property, plant and equipment is recognised in profit or loss. The residual value and the useful life of an asset is reviewed at least at each end of the reporting year and, if expectations differ significantly from previous estimates, the changes are accounted for as a change in an accounting estimate, and the depreciation charge for the current and future periods are adjusted.

Right-of-use assets

The right-of-use assets are accounted and presented as if they were owned such as property, plant and equipment.

The annual rates of depreciation are as follows:

Leasehold properties	–	3% (over the lease term)
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Leases of lessee

A lease conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration. Where a lease arrangement is identified, a liability to the lessor is recognised as a lease obligation calculated at the present value of minimum unavoidable lease payments. A corresponding right-of-use asset is recorded. Lease payments are apportioned between finance costs and reduction of the lease liability so as to reflect the interest on the remaining balance of the liability. Finance charges are recorded as a finance cost. Leases with a term of 12 months or less and leases for low value are not recorded as a liability and lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term.

Intangible assets

An identifiable non-monetary asset without physical substance is recognised as an intangible asset at acquisition cost if it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the cost of the asset can be measured reliably. After initial recognition, an intangible asset with finite useful life is carried at cost less any accumulated amortisation and any accumulated impairment losses. An intangible asset with an indefinite useful life is not amortised. An intangible asset is regarded as having an indefinite useful life when, based on an analysis of all of the relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows for the entity.

The amortisable amount of an intangible asset with finite useful life is allocated on a systematic basis over the best estimate of its useful life from the point at which the asset is ready for use.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

2. Material accounting policy information and other explanatory information

2A. Material accounting policy information

Intangible assets

The useful lives are as follows:

Order backlog	–	2 to 8 years
Customer relationship	–	7 years

Identifiable intangible assets acquired as part of a business combination are initially recognised separately from goodwill if the asset's fair value can be measured reliably, irrespective of whether the asset had been recognised by the acquiree before the business combination. An intangible asset is considered identifiable only if it is separable or if it arises from contractual or other legal rights, regardless of whether those rights are transferable or separable from the entity or from other rights and obligations.

Subsidiaries

A subsidiary is an entity including unincorporated and special purpose entity that is controlled by the reporting entity and the reporting entity 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. The existence and effect of substantive potential voting rights that the reporting entity has the practical ability to exercise (that is, substantive rights) are considered when assessing whether the reporting entity controls another entity. The investment in a subsidiary is accounted for at cost less any allowance for impairment in value. Impairment loss recognised in profit or loss for a subsidiary 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. The carrying value and the net book value of the investment in a subsidiary are not necessarily indicative of the amount that would be realised in a current market exchange.

Goodwill

Goodwill is an asset representing the future economic benefits arising from other assets acquired in a business combination that are not individually identified and separately recognised. Goodwill is recognised as of the acquisition date measured as the excess of (a) over (b); (a) being the aggregate of: (i) the consideration transferred which generally requires acquisition-date fair value; (ii) the amount of any non-controlling interest in the acquiree measured in accordance with the financial reporting standard on business combinations (measured either at fair value or as the non-controlling interest's proportionate share of the acquiree's net identifiable assets); and (iii) in a business combination achieved in stages, the acquisition-date fair value of the acquirer's previously held equity interest in the acquiree; and (b) being the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed measured in accordance with the financial reporting standard on business combinations. Irrespective of whether there is any indication of impairment, an annual impairment test is performed at about the same time every year on goodwill. An impairment loss recognised for goodwill is not reversed in a subsequent period.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

2. Material accounting policy information and other explanatory information

2A. Material accounting policy information

Goodwill

For the purpose of impairment testing and since the acquisition date of the business combination, goodwill is allocated to each cash-generating unit, or groups of cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquiree were assigned to those units or groups of units. Each unit or group of units to which the goodwill is so allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes and is not larger than a segment.

Inventories

Inventories are stated at the lower of cost and selling price less costs to complete and sell. Cost is calculated using the weighted average method and first-in-first-out method. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. In the case of manufactured inventories and work-in-progress, cost includes an appropriate share of overheads based on normal operating capacity.

Carrying amounts of non-financial assets

The amounts of the non-current non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised in the statement of profit or loss whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount.

When the fair value less costs of disposal method is used, any available recent market transactions are taken into consideration. When the value in use method is adopted, in assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). At each end of the reporting year non-financial assets other than goodwill with impairment loss recognised in prior periods are assessed for possible reversal of the impairment. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been measured, net of depreciation or amortisation, if no impairment loss had been recognised.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

2. Material accounting policy information and other explanatory information

2A. Material accounting policy information

Financial instruments

Recognition and derecognition of financial instruments:

A financial asset or a financial liability is recognised when, and only when, the entity becomes party to the contractual provisions of the instrument. All other financial instruments (including regular-way purchases and sales of financial assets) are recognised and derecognised, as applicable, using trade date accounting or settlement date accounting. At initial recognition the financial asset or financial liability is measured at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability. A financial asset is derecognised when the contractual rights to the cash flows from the financial asset expire or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the entity neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. A financial liability is removed from the statement of financial position when, and only when, it is extinguished, that is, when the obligation specified in the contract is discharged or cancelled or expires.

Classification of financial assets and financial liabilities and subsequent measurement:

The financial reporting standard on financial instruments requires the certain classification of financial assets and financial liabilities. At the end of the reporting year, the reporting entity had the following classes:

- Financial asset classified as measured at amortised cost: A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at fair value through profit or loss (FVTPL), that is (a) the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and (b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Typically trade and other receivables, bank and cash balances are in this class.
- Financial liabilities are classified as at FVTPL in either of the following circumstances: (1) the liabilities are managed, evaluated and reported internally on a fair value basis; or (2) the designation eliminates or significantly reduces an accounting mismatch that would otherwise arise. All other financial liabilities are carried at amortised cost using the effective interest method. Reclassification of any financial liability is not permitted.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

2. Material accounting policy information and other explanatory information

2A. Material accounting policy information

Cash and cash equivalents

For the statement of cash flows, cash and cash equivalents includes cash and cash equivalents less cash subject to restriction and bank overdrafts payable on demand that form an integral part of cash management. Cash equivalents are short-term (three months or less), highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Cash flows are reported using the indirect method, whereby profit or loss is adjusted for the effects of transactions of a non-cash nature, and items of income or expense associated with investing or financing cash flows.

Segment reporting

The group discloses financial and descriptive information about its consolidated reportable segments. Reportable segments are operating segments or aggregations of operating segments that meet specified criteria.

Operating segments are components about which separate financial information is available that is evaluated regularly by the chief operating decision maker to allocate resources and in assessing performance. Generally, financial information on segments is reported on the same basis as is used internally for evaluating operating segment performance and deciding how to allocate resources to operating segments. 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 group.

Treasury shares

Where the entity reacquires its own equity instruments as treasury shares, the consideration paid, including any directly attributable incremental cost is deducted from equity attributable to the entity's owners until the shares are cancelled, reissued or disposed of. Where such shares are subsequently sold or reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the entity's owners and no gain or loss is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

2. Material accounting policy information and other explanatory information

2B. Judgements and sources of estimation uncertainties

Disclosures on material information about the assumptions management made about the future, and other major sources of estimation uncertainty at the end of the reporting year, that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below or in the in the corresponding notes to these financial statements. These estimates and assumptions are periodically monitored to ensure they incorporate all relevant information available at the date when financial statements are prepared. However, this does not prevent actual figures differing from estimates.

Assessing the impairment of goodwill:

The amount of goodwill is tested annually for impairment. This annual impairment test is material and the process is complex and highly judgmental and is based on assumptions that are affected by expected future market or economic conditions. As a result, judgement is required in evaluating the assumptions and methodologies used by management, in particular those relating to the forecasted revenue growth and profit margins. Small changes in the key assumptions used could give rise to an impairment of the goodwill balance in the future. Actual outcomes could vary from these estimates. The disclosures about goodwill are included in Note 15.

Assessing loss allowance on inventories:

The assessment of the allowance for impairment loss on inventories requires a degree of estimation and judgement. The level of the loss allowance is assessed by taking into account the recent sales experience, the ageing of inventories, other factors that affect inventory obsolescence and subsequent events. Possible changes in these estimates could result in revisions to the stated value of the inventories. The carrying amount of inventories at the end of the reporting year is disclosed in Note 19.

Assessing expected credit loss allowance on trade receivables:

The assessment of the expected credit losses ("ECL") requires a degree of estimation and judgement. In measuring the ECL, management considers all reasonable and supportable information such as the reporting entity's past experience at collecting receipts, any increase in the number of delayed receipts in the portfolio past the average credit period, and forward looking information such as forecasts of future economic conditions. The carrying amounts might change materially within the next reporting year but these changes may not arise from assumptions or other sources of estimation uncertainty at the end of the reporting year. The carrying amount of trade receivables at the end of the reporting year is disclosed in Note 20.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

2. Material accounting policy information and other explanatory information

2B. Judgements and sources of estimation uncertainties

Revenue from long-term engineering solutions and services:

For revenue recognition arising from contracts with customers and the consequential financial performance of the reporting entity, there are significant judgements exercised and assumptions made by management relating to the measurement and timing of revenue recognition and the recognition of related balances in the statement of financial position, such as contract assets, capitalisation of costs to obtain a contract, trade receivables, and contract liabilities, that result from the performance of the contracts. These judgements are inherently subjective and may cover future events such as the achievement of contractual milestones and performance levels. Assumptions are made for certain contracts relating to contract extensions and amendments. The related account balances at the end of the reporting year are disclosed in Note 5 and Note 21A on revenues and contract assets / contract liabilities respectively.

3. Related party relationships and transactions

The financial reporting standard on related party disclosures requires the reporting entity to disclose: (a) related party relationships, transactions and outstanding balances, including commitments, including (b) relationships between parents and subsidiaries irrespective of whether there have been transactions between those related parties. A party is related to a party if the party controls, or is controlled by, or can significantly influence or is significantly influenced by the other party.

The ultimate controlling party is Chang Yeh Hong, a director and significant shareholder of the company.

3A. Related party transactions and balances

There are transactions and arrangements between the reporting entity and its related parties and the effects of these on the basis determined between the parties are reflected in these financial statements. The related party balances and transfer of resources, services or obligations if any are unsecured, without fixed repayment terms and interest or charge unless stated otherwise.

Intragroup transactions and balances that have been eliminated in these consolidated financial statements are not disclosed as related party transactions and balances below.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

3. Related party relationships and transactions

3B. Key management compensation

	Group	
	2024	2023
	\$'000	\$'000
Salaries and other short-term employee benefits	3,127	3,040
Contributions to defined contribution plans	114	111
	3,241	3,151

The above amounts are included under employee benefits expense.

Other fees to key management:

	Group	
	2024	2023
	\$'000	\$'000
Remuneration of directors of the company	1,701	1,675
Fees to directors of the company	146	152

Key management personnel includes the directors and those persons having authority and responsibility for planning, directing and controlling the activities of the group, directly or indirectly.

Further information about the remuneration of individual directors is provided in the report on corporate governance.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

4. Financial information by operating segments

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.

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

For management purposes, the group 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, fabrication, 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.

4B. Profit or loss from continuing operations and reconciliations

Inter-segment sales are measured on the basis 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").

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

4. Financial information by operating segments

4B. Profit or loss from continuing operations and reconciliations

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

	Project services \$'000	Maintenance services \$'000	Others \$'000	Elimination \$'000	Group \$'000
2024					
Revenue by segment					
Total revenue by segment	82,099	81,847	-	(5,560)	158,386
Inter-segment sales	(2,345)	(3,215)	-	5,560	-
Total revenue	<u>79,754</u>	<u>78,632</u>	<u>-</u>	<u>-</u>	<u>158,386</u>
Recurring EBITDA	6,820	17,121	1,987	2,650	28,578
Inter-segment expenses	917	1,733	-	(2,650)	-
Adjusted EBITDA	<u>7,737</u>	<u>18,854</u>	<u>1,987</u>	<u>-</u>	<u>28,578</u>
Finance costs	(585)	(2,401)	(873)	-	(3,859)
Amortisation of intangible assets	(232)	(245)	-	-	(477)
	<u>6,920</u>	<u>16,208</u>	<u>1,114</u>	<u>-</u>	<u>24,242</u>
Unallocated:					
Interest income					1,303
Depreciation of property, plant and equipment					(4,038)
Depreciation of right-of-use assets					(1,324)
Profit before tax					<u>20,183</u>
Income tax expense					(2,670)
Profit for the year					<u><u>17,513</u></u>

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

4. Financial information by operating segments

4B. Profit or loss from continuing operations and reconciliations

	Project services \$'000	Maintenance services \$'000	Others \$'000	Elimination \$'000	Group \$'000
2023					
Revenue by segment					
Total revenue by segment	89,277	76,125	–	(4,758)	160,644
Inter-segment sales	(1,247)	(3,511)	–	4,758	–
Total revenue	88,030	72,614	–	–	160,644
Recurring EBITDA	8,006	15,133	2,010	2,309	27,458
Inter-segment expenses	717	1,592	–	(2,309)	–
Adjusted EBITDA	8,723	16,725	2,010	–	27,458
Finance costs	(411)	(2,316)	(859)	–	(3,586)
Amortisation of intangible assets	(167)	(311)	–	–	(478)
	8,145	14,098	1,151	–	23,394
Unallocated:					
Interest income					848
Depreciation of property, plant and equipment					(4,061)
Depreciation of right-of-use assets					(609)
Profit before tax					19,572
Income tax expense					(3,595)
Profit for the year					15,977

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

4. Financial information by operating segments

4C. Assets and reconciliations

	Project services \$'000	Maintenance services \$'000	Others \$'000	Group \$'000
2024				
Reportable segment assets	<u>22,952</u>	<u>10,712</u>	<u>-</u>	<u>33,664</u>
Unallocated:				
Cash and cash equivalents				43,442
Inventories				17,328
Trade and other receivables, and other assets				47,594
Other financial asset, current				1,472
Property, plant and equipment				41,711
Other non-current assets				49,595
Total group assets				<u><u>234,806</u></u>
2023				
Reportable segment assets	<u>21,283</u>	<u>7,020</u>	<u>-</u>	<u>28,303</u>
Unallocated:				
Cash and cash equivalents				73,739
Inventories				21,862
Trade and other receivables, and other assets				46,176
Property, plant and equipment				43,683
Other non-current assets				51,822
Total group assets				<u><u>265,585</u></u>

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

4. Financial information by operating segments

4D. Liabilities and reconciliations

	Project Services \$'000	Maintenance services \$'000	Others \$'000	Group \$'000
2024				
Reportable segment liabilities	<u>2,248</u>	<u>1,663</u>	<u>-</u>	<u>3,911</u>
Unallocated:				
Provisions				1,617
Trade and other payables				28,719
Loans and borrowings				59,780
Financial liabilities – lease liabilities				5,754
Income tax payable and deferred tax liabilities				5,222
Total group liabilities				<u><u>105,003</u></u>
2023				
Reportable segment liabilities	<u>1,516</u>	<u>3,210</u>	<u>-</u>	<u>4,726</u>
Unallocated:				
Provisions				1,533
Trade and other payables				33,630
Loans and borrowings				95,989
Financial liabilities – lease liabilities				6,131
Income tax payable and deferred tax liabilities				6,105
Total group liabilities				<u><u>148,114</u></u>

4E. Geographical information

	Revenue		Non-current assets	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
<u>Group</u>				
China	14,055	19,831	2,242	2,565
Singapore	116,649	101,974	87,473	91,672
Malaysia	19,154	29,983	246	97
United States	7,300	3,916	-	-
Middle East	1,228	4,940	-	-
	<u>158,386</u>	<u>160,644</u>	<u>89,961</u>	<u>94,334</u>

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.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

4. Financial information by operating segments

4F. Other material items and reconciliations

Capital expenditures of \$1,997,000 (2023: \$1,118,000) have been 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. Information about major customers

	Group	
	2024	2023
	\$'000	\$'000
Top 1 customer in more than one segment	14,055	16,197
Top 2 customers in more than one segment	25,462	27,438
Top 3 customers in more than one segment	35,201	36,990

5. Revenue and income

Revenue from contracts with customers

A. Revenue classified by type of good or service:

	Group	
	2024	2023
	\$'000	\$'000
Engineering solutions and services	158,386	160,644

B. Revenue classified by duration of contract:

	Group	
	2024	2023
	\$'000	\$'000
Short-term contracts – less than 12 months	125,459	113,938
Long-term contracts – more than 12 months	32,927	46,706
Total revenue	158,386	160,644

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

5. Revenue and income

C. Revenue classified by timing of revenue recognition:

	Group	
	2024	2023
	\$'000	\$'000
Point in time	39,544	29,891
Over time	118,842	130,753
Total revenue	158,386	160,644

D. Other information on revenue:

Distinct goods or services created over time and in a series – For service contracts and projects for constructing, or developing an asset include the following:

The group's Scaffolding Services ("SS") division specialises in metal scaffold works servicing the process, construction and marine industries, offering a full suite of scaffolding services including design, erection, modification and dismantling, sales and rental.

The group's Insulation Services ("IS") division specialises in thermal and cryogenic insulation, thermal spray aluminium and passive fireproofing services in the petrochemical, pharmaceutical, marine, oil and gas industries.

The group's Petrochemical and Engineering services division specialises in a wide range of services: pre and post commissioning cleaning, heat exchanger cleaning, tank cleaning, process plant recovery work, temporary intervention activities in process plants, on line cleaning process, turnaround work and support, decontamination services, temporary equipment support services, product filtering services and support in operation of utility plants. We serve the petrochemical, manufacturing, and infrastructure industries.

The group's Cleanroom, Air and Water Solutions Engineering Services provides holistic suite of services in facilities engineering services, maintenance, engineering, project management and construction for air pollution control system, water and waste treatment system to semiconductor, pharmaceutical, oil and gas, power plant and municipal sectors.

The group's Structural Engineering and Construction Services division offers a range of services. These include design, fabrication, installation and maintenance of anti-ricochet ballistic protection systems. These systems are used in tactical training facilities by security agencies. Additionally, it provides fuel refuelling hydrants and systems for refuelling and dispensing. These services cater to both military and commercial customers.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

5. Revenue and income

D. Other information on revenue:

Sale of goods or services recognised at a point in time include the following:

The group's System Integration ("SI") division offers integrated control and management systems for newly built ships as well as ships that require upgrades or conversions. SI division designs, procures, develops and manufactures actuators, valves and other components for assembly and integration into valve remote control systems, tank gauging systems, anti-heeling systems, alarm monitoring and power management systems used by customers in their vessels.

The group's Precision Engineering ("PE") division designs and builds tooling systems, and provides turnkey production solutions to customers in the marine, oil and gas, aerospace, medical and electronic manufacturing services industries.

The group's Maintenance, Repair and Overhaul ("MRO") and Trading division provides customers with after-sales requests for maintenance, repairs and overhauls for the vessels. MRO division includes maintenance and repair services, trading and supply of materials, spare parts and components.

6. Other income and gains and (other losses)

	Group	
	2024	2023
	\$'000	\$'000
Allowance for impairment on trade receivables (Note 20)	(244)	(124)
Foreign exchange adjustment gains (losses), net	1,881	(971)
Gain on disposal of plant and equipment	6	1,541
Government grant income	349	587
Interest income	1,303	848
Inventories written down (Note 19)	(393)	-
Trade payable written back	-	127
Other income ^(a)	312	2,059
Net	3,214	4,067
<u>Presented in profit or loss as:</u>		
Other income and gains	3,851	5,162
Other losses	(637)	(1,095)
	3,214	4,067

- (a) For the reporting year ended 31 December 2023, other income included a \$1.5 million derecognition of contingent consideration liability arose from the acquisition of Starburst Holdings Limited group ("Starburst") in 2022. Prior to the acquisition, Starburst had purchased key men insurance for its former directors/shareholders ("key men"). As part of the acquisition, the key men insurance was to be transferred to the key men after 2 years upon the handover of the operations of Starburst. The key men insurance and the corresponding contingent consideration liability of \$1.5 million was not recorded in 2022 for the purchase price allocation as the amounts were not material to the group. In 2023, due to certain unforeseen events, the key men were no longer entitled to the key men insurance and the company no longer has any obligation to settle the contingent consideration liability.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

7. Administrative expenses

The major component includes the following:

	Group	
	2024	2023
	\$'000	\$'000
Employee benefits expense (Note 9)	7,855	8,061

8. Finance costs

	Group	
	2024	2023
	\$'000	\$'000
Interest expense	3,656	3,460
Interest on lease liabilities	203	126
Total finance costs	3,859	3,586

9. Employee benefits expense

	Group	
	2024	2023
	\$'000	\$'000
Short term employee benefits expense	44,200	42,362
Other benefits	8,046	6,906
Contributions to defined contribution plan	2,255	2,181
Total employee benefits expense	54,501	51,449
Allocation of employee benefits expense:		
Administrative expenses (Note 7)	7,855	8,061
Cost of sales	46,050	42,535
Distribution costs	496	853
Total employee benefits expense	54,501	51,449

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

10. Income tax

10A. Components of tax expense recognised in profit or loss

	Group	
	2024	2023
	\$'000	\$'000
<u>Current tax expense:</u>		
Current tax expense	3,329	2,759
(Over) under adjustments in respect of prior periods	(337)	689
Subtotal	2,992	3,448
<u>Deferred tax (income) expense:</u>		
Deferred tax (income) expense	(322)	147
Subtotal	(322)	147
Total income tax expense	2,670	3,595

The income tax in profit or loss varied from the amount determined by applying the Singapore income tax rate of 17% (2023: 17%) to profit or loss before income tax as a result of the following differences:

	Group	
	2024	2023
	\$'000	\$'000
Profit before tax	20,183	19,572
Income tax expense at the above rate	3,431	3,327
Effect of different tax rates in different countries	354	389
Income not subject to tax	(481)	(409)
Expenses not deductible for tax purposes	564	541
(Over) under adjustments to tax in respect of prior periods	(337)	689
Stepped income exemption and tax rebate	(170)	(136)
Previously unrecognised tax assets recognised this year	(235)	(335)
Merger and acquisition allowances	(139)	(506)
Others	(317)	35
Total income tax expense	2,670	3,595

There are no income tax consequences of dividends to owners of the company.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

10. Income tax

10B. Deferred tax (income) expense recognised in profit or loss

	Group	
	2024	2023
	\$'000	\$'000
Excess of carrying value over tax value of plant and equipment	(8)	(627)
Capital allowances carryforwards	(86)	213
Merger and acquisition allowances	(139)	(506)
Deferred tax associated with right-of-use assets	(77)	40
Deferred tax associated with lease liabilities	64	(43)
Provisions	37	(2)
Tax losses carryforwards	(149)	1,145
Others	36	(73)
Total deferred income tax (income) expense recognised in profit or loss	(322)	147

10C. Deferred tax balance in the statements of financial position

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Excess of carrying value over tax value of plant and equipment	(2,507)	(2,515)	(43)	(43)
Capital allowances carryforwards	86	-	-	-
Merger and acquisition allowances carryforwards	1,059	920	-	-
Deferred tax associated with right-of-use assets	(900)	(977)	-	-
Deferred tax associated with lease liabilities	978	1,042	-	-
Provisions	221	258	-	-
Tax losses carryforwards	149	-	-	-
Others	(26)	10	-	-
Net balance	(940)	(1,262)	(43)	(43)

Presented in the statement of financial position as follows:

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Deferred tax asset	1,345	1,171	-	-
Deferred tax liabilities	(2,285)	(2,433)	(43)	(43)
Net balance	(940)	(1,262)	(43)	(43)

It is impracticable to estimate the amount expected to be settled or used within one year.

Temporary differences arising in connection with interests in subsidiaries are insignificant.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

11. 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	
	2024	2023
	\$'000	\$'000
Numerators: earnings attributable to equity:		
Profit attributable to equity holders	17,513	15,977
	'000	'000
Denominators: weighted average number of equity shares		
Basic and diluted	399,367	399,736

The weighted average number of ordinary shares refers to shares in issue outstanding during the reporting period.

The basic amount per share ratio is based on the weighted average number of ordinary shares outstanding during each reporting year. It is after the neutralisation by the treasury shares.

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

12. Dividends on equity shares

	Group and Company			
	Rate per share			
	2024	2023	2024	2023
	cents	cents	\$'000	\$'000
Final tax exempt (one-tier) dividend paid	0.588	0.906	2,350	3,622
Interim tax exempt (one-tier) dividend paid	0.853	1.001	3,406	4,001
Total dividends paid in the year	1.441	1.907	5,756	7,623

In respect of the current reporting year, the directors have proposed that a final dividend of 0.899 cents per share with an approximately total of \$3,586,000 be paid to shareholders after the annual general meeting to be held on 29 April 2025. There are no income tax consequences on the reporting entity. This dividend is subject to approval by shareholders at the next annual general meeting and has not been included as a liability in these financial statements. The proposed dividend is payable in respect of all ordinary shares in issue at the end of the reporting year and including the new qualifying shares issued up to the date the dividend becomes payable.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

13. Property, plant and equipment

Group	Leasehold properties \$'000	Plant and equipment \$'000	Total \$'000
<u>Cost:</u>			
At 1 January 2023	44,766	55,587	100,353
Arising from acquisition of subsidiaries (Note 29)	1,313	226	1,539
Foreign exchange adjustments	–	(661)	(661)
Additions	–	1,118	1,118
Disposals	(7,694)	(1,437)	(9,131)
At 31 December 2023	38,385	54,833	93,218
Foreign exchange adjustments	–	210	210
Additions	–	1,997	1,997
Disposals	–	(847)	(847)
At 31 December 2024	38,385	56,193	94,578
<u>Accumulated depreciation:</u>			
At 1 January 2023	10,767	41,985	52,752
Foreign exchange adjustments	–	(348)	(348)
Depreciation for the year	1,723	2,338	4,061
Disposals	(5,110)	(1,820)	(6,930)
At 31 December 2023	7,380	42,155	49,535
Foreign exchange adjustments	–	44	44
Depreciation for the year	1,590	2,448	4,038
Disposals	–	(750)	(750)
At 31 December 2024	8,970	43,897	52,867
<u>Carrying value:</u>			
At 1 January 2023	33,999	13,602	47,601
At 31 December 2023	31,005	12,678	43,683
At 31 December 2024	29,415	12,296	41,711

Allocation of the depreciation expense:

	Group	
	2024 \$'000	2023 \$'000
Cost of sales	1,521	1,867
Administrative expenses	2,517	2,194
Total	4,038	4,061

The leasehold properties are mortgaged or pledged as security for bank facilities (see Note 26A).

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

13. Property, plant and equipment

Company	Leasehold properties \$'000	Plant and equipment \$'000	Total \$'000
<u>Cost:</u>			
At 1 January 2023	6,280	551	6,831
Additions	–	38	38
At 31 December 2023	6,280	589	6,869
Additions	–	13	13
At 31 December 2024	6,280	602	6,882
<u>Accumulated depreciation:</u>			
At 1 January 2023	948	126	1,074
Depreciation for the year	107	181	288
At 31 December 2023	1,055	307	1,362
Depreciation for the year	201	73	274
At 31 December 2024	1,256	380	1,636
<u>Carrying value:</u>			
At 1 January 2023	5,332	425	5,757
At 31 December 2023	5,225	282	5,507
At 31 December 2024	5,024	222	5,246

14. Right-of-use assets and lease liabilities

The leases are for office space and land use rights. The lease contracts are usually for fixed periods of 5 to 36 years but may have extension options. Lease terms contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liabilities.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

14. Right-of-use assets and lease liabilities

The right-of-use assets and lease liabilities are in the statement of financial position. The movements are as follows:

	Group		Company	
	Right-of- use assets	Lease liabilities	Right-of- use assets	Lease liabilities
	\$'000	\$'000	\$'000	\$'000
<u>Cost:</u>				
At 1 January 2023	6,628	5,876	1,788	1,643
Arising from acquisition of subsidiaries (Note 29)	157	161	-	-
Accretion of interest	-	126	-	47
Additions	690	690	-	-
Lease payment – principal and interest portion paid	-	(722)	-	(88)
Foreign exchange adjustments	(6)	-	-	-
At 31 December 2023	7,469	6,131	1,788	1,602
Accretion of interest	-	203	-	47
Additions	857	857	-	-
Lease payment – principal and interest portion paid	-	(1,452)	-	(88)
Foreign exchange adjustments	41	15	-	-
At 31 December 2024	8,393	5,754	1,788	1,561
<u>Accumulated depreciation:</u>				
At 1 January 2023	1,114	-	231	-
Depreciation for the year	609	-	58	-
Foreign exchange adjustments	(3)	-	-	-
At 31 December 2023	1,720	-	289	-
Depreciation for the year	1,324	-	57	-
Foreign exchange adjustments	52	-	-	-
At 31 December 2024	3,096	-	346	-
<u>Carrying value:</u>				
At 1 January 2023	5,514	5,876	1,557	1,643
At 31 December 2023	5,749	6,131	1,499	1,602
At 31 December 2024	5,297	5,754	1,442	1,561

The depreciation is charged to administrative expenses.

Right-of-use assets included land use rights for land located at 1 Tuas Avenue 10, 2 Tuas Avenue 10, and 6 Tuas View Circuit in Singapore which are for office and factory space. The land use rights are amortised over the periods of the lease term on the straight-line method and expire in August 2035, December 2049 and October 2058 respectively. They are not transferable.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

14. Right-of-use assets and lease liabilities

Lease liabilities are presented in the statement of financial position as follows:

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Lease liabilities, current	549	607	36	36
Lease liabilities, non-current	5,205	5,524	1,525	1,566
	5,754	6,131	1,561	1,602

A summary of the maturity analysis of lease liabilities is disclosed in Note 30E. Total cash outflows from leases are shown in the statement of cash flows.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is re-measured to reflect any reassessment or modification, or if there are changes to in-substance fixed payments. When the lease liability is re-measured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

There were no future cash outflows to which the lessee is potentially exposed that are not reflected in the measurement of lease liabilities above.

The weighted average incremental borrowing rate applied to lease liabilities recognised is 3% (2023: 3%) per year.

Apart from the disclosures made in other notes to the financial statements, amounts relating to leases include the following:

	Group	
	2024 \$'000	2023 \$'000
Expense relating to short-term leases included in cost of sales	6,105	4,819
Total commitments on short-term leases at year end date	1,175	1,276

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

15. Goodwill

	Group	
	2024	2023
	\$'000	\$'000
Cost at beginning and at end of the year	40,421	40,421

Goodwill is allocated to cash-generating units for the purpose of impairment testing. Each of those cash-generating units represents the group's investment by each subsidiary as follows:

	Group	
	2024	2023
	\$'000	\$'000
<u>Name of subsidiary:</u>		
Multiheight Scaffolding Pte Ltd and its subsidiary	12,292	12,292
Austin Energy (Asia) Pte Ltd and its subsidiary	10,159	10,159
Ensure Engineering Pte Ltd	7,101	7,101
Starburst Holdings Limited and its subsidiaries	10,869	10,869
Net book value at end of the year	40,421	40,421

Goodwill was tested for impairment at the end of the 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 is a recurring fair value measurement (Level 3).

The value in use was measured by management. The key assumptions for the value in use calculations are disclosed below.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

15. Goodwill

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	
		2024	2023
1.	Valuation techniques	Discounted cash flow method	
<u>Unobservable inputs:</u>			
2.	Estimated discount rates using pre-tax rates that reflect current market assessments at the risks specific to the CGUs.		
	● Multiheight Scaffolding Pte Ltd and its subsidiary	13%	13%
	● Austin Energy (Asia) Pte Ltd and its subsidiary	13%	13%
	● Ensure Engineering Pte Ltd	13%	13%
	● Starburst Holdings Limited and its subsidiaries	13%	13%
3.	Cash flow forecasts derived from the most recent financial budgets and plans approved by management.	5 years	5 years
4.	Growth rates based on industry growth forecasts and not exceeding the average long-term growth rate for the relevant markets.	1.4%	1.4%

Multiheight Scaffolding Pte Ltd and its subsidiary

Actual outcomes could vary from these estimates. If the assumptions would adversely change (all changes taken in isolation), by the following rates the recoverable amount would be equal to the carrying amount: revenue growth 46% (2023: 137%); discount rate 107% (2023: 50%).

Austin Energy (Asia) Pte Ltd and its subsidiary

Actual outcomes could vary from these estimates. If the assumptions would adversely change (all changes taken in isolation), by the following rates the recoverable amount would be equal to the carrying amount: revenue growth 44% (2023: 44%); discount rate 55% (2023: 40%).

Ensure Engineering Pte Ltd

Actual outcomes could vary from these estimates. If the assumptions would adversely change (all changes taken in isolation), by the following rates the recoverable amount would be equal to the carrying amount: revenue growth 62% (2023: 52%); discount rate 43% (2023: 46%).

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

15. Goodwill

Starburst Holdings Limited and its subsidiaries

Actual outcomes could vary from these estimates. If the assumptions would adversely change (all changes taken in isolation), by the following rates the recoverable amount would be equal to the carrying amount: revenue growth 27% (2023: 9%); discount rate 2% (2023: 2%).

Management's calculation of value in use took into account projects on hand.

16. Intangible assets

Group	Customer relationship \$'000	Order backlog \$'000	Total \$'000
<u>Cost:</u>			
At 1 January 2023	1,164	6,039	7,203
Written off	–	(1,059)	(1,059)
At 31 December 2023 and 31 December 2024	1,164	4,980	6,144
<u>Accumulated amortisation:</u>			
At 1 January 2023	166	3,550	3,716
Amortisation for the year	166	312	478
Written off	–	(1,059)	(1,059)
At 31 December 2023	332	2,803	3,135
Amortisation for the year	166	311	477
At 31 December 2024	498	3,114	3,612
<u>Carrying value:</u>			
At 1 January 2023	998	2,489	3,487
At 31 December 2023	832	2,177	3,009
At 31 December 2024	666	1,866	2,532

The amortisation is charged to administrative expenses.

17. Investments in subsidiaries

	Company	
	2024	2023
	\$'000	\$'000
Unquoted equity shares at cost	1,350	1,350
Movements in cost during the year:		
At beginning and end of the year	1,350	1,350

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

17. Investments in subsidiaries

The listing of and information on the subsidiaries are given below.

All subsidiaries are wholly owned by the group:

Name of subsidiaries, country of incorporation, place of operations and principal activities (and independent auditor)	Cost	
	2024 \$'000	2023 \$'000
Nordic Flow Control Pte. Ltd. ^(a) Singapore Integration, assembly, trading, importing and exporting of hydraulic systems and marine components	1,350	1,350
<i>Held by Nordic Flow Control Pte. Ltd.:</i>		
Avitools (Suzhou) Co., Ltd ^(b) The People's Republic of China Engineering works and manufacturing of aircraft components and hydraulic actuators for the marine, oil and gas industry (Suzhou Allpro Certified Public Accountants Co., Ltd.)	7,788	7,788
Nordic Flow Control (Suzhou) Co., Ltd ^(b) The People's Republic of China Integration, assembly, trading, importing and exporting of hydraulic systems and marine components (Suzhou Allpro Certified Public Accountants Co., Ltd.)	1,347	1,347
Austin Energy (Asia) Pte Ltd ^(a) Singapore Provision of construction, scaffolding, insulation, painting and fireproofing services	25,747	25,747
Multiheight Scaffolding Pte Ltd ^(a) Singapore Scaffolding works for refinery, marine and construction industries and sales and rental of tubular frames and aluminium scaffolds	28,945	28,945
Envipure Pte. Ltd. ^(a) Singapore Providers of facilities engineering services, undertaking projects for air pollution control systems, water and waste water treatment systems	14,800	14,800
Starburst Holdings Limited ^(b) Singapore Dormant (KBW Assurance LLP)	59,135	59,135
Avitools Singapore Pte Ltd ^(a) Singapore Manufacture of precision components and electro-mechanical assembly business	10	10

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

17. Investments in subsidiaries

Name of subsidiaries, country of incorporation, place of operations and principal activities (and independent auditor)	Cost	
	2024 \$'000	2023 \$'000
<i>Held by Austin Energy (Asia) Pte Ltd:</i>		
Austin Energy Offshore Pte Ltd ^(b) Singapore Building construction specialist (insulation and fireproofing) contractor in process plan construction and general wholesale trade (KBW Assurance LLP)	1,350	1,350
<i>Held by Multiheight Scaffolding Pte Ltd:</i>		
Multiheight Marine Pte Ltd ^(b) Singapore Repairing ships, tankers and other ocean going vessels and providing scaffolding works (KBW Assurance LLP)	204	204
Ensure Engineering Pte Ltd ^(a) Singapore Chemical and engineering activities for marine, manufacturing refineries, utilities and petrochemical industries	16,325	16,325
<i>Held by Envipure Pte. Ltd.:</i>		
Envipure Sdn Bhd ^(b) Malaysia Integration, assembly, trading, importing and exporting of hydraulic systems and marine components (TJS & Co) 49% is held in trust by an employee	2,781	2,781
Pollution Control Pte Ltd ^(b) Singapore Manufacture and repair of marine engine and ship parts and scaffolding works (KBW Assurance LLP)	143	143
<i>Held by Avitools Singapore Pte Ltd:</i>		
Eratech Pte Ltd ^(a) Singapore Provision of precision machining and turnkey manufacturing services	10,000	10,000

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

17. Investments in subsidiaries

Name of subsidiaries, country of incorporation, place of operations and principal activities (and independent auditor)	Cost	
	2024 \$'000	2023 \$'000

Held by Starburst Holdings Limited:

Starburst Engineering Pte Ltd ^(a) Singapore	30,437	30,437
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Design, fabrication, installation and maintenance of anti-ricochet ballistic protection systems for shooting ranges and tactical training mock-ups

Starburst Risk Consulting Pte Ltd ^(b) Singapore Dormant (KBW Assurance LLP)	200	200
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Starburst Engineering (M) Sdn Bhd Malaysia Struck off on 8 August 2024	-	40
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Held by Starburst Engineering Pte Ltd:

Avon Industries Pte Ltd ^(a) Singapore	5,000	5,000
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Design, fabrication, installation and maintenance of fuel refuelling hydrants and systems for refuelling and dispensing

(a) Audited by RSM SG Assurance LLP in Singapore.

(b) Audited by firms of accountants other than member firms of RSM International of which RSM SG Assurance LLP in Singapore is a member. Their names are indicated above.

As is required by Rule 716 of the Listing Manual of The Singapore Exchange Securities Trading Limited, the audit committee and the board of directors of the company have satisfied themselves that the appointment of different auditor for certain of its overseas subsidiaries would not compromise the standard and effectiveness of the audit of the group.

18. Other financial assets

	Group	
	2024 \$	2023 \$
<u>Key men insurance</u>		
Non-current	-	1,472
Current	1,472	-

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

18. Other financial assets

Key men insurance asset (life insurance settlement contract, which is a financial instrument) is accounted under the amortised cost method. The initial investment at the transaction price plus all the direct external costs, the policy premiums and direct external costs to keep the policy in force are capitalised. The reporting entity does not recognise a gain on the value of the policy until the policy is terminated, at which time the reporting entity recognise in profit or loss the difference between the carrying amount of a life settlement contract and the life insurance proceeds of the underlying life insurance policy. A test for impairment is made if there is new or updated information that indicates that the expected proceeds (based on current interest rates) from the insurance policy will not be sufficient to recover the carrying amount of the investment plus anticipated undiscounted future premiums and capitalisable direct external costs, when the policy terminates. The impairment allowance is charged to profit or loss.

The key men insurance policies relate to life insurance policy purchased by Starburst Group for two of its former directors/shareholders ("key men"). The total insured amount is for US\$1,200,000 (equivalent to approximately \$1,500,000). The policies will mature on the date when the insured person reaches the age of 100 or death of the insured person whichever is earlier. At time of death of the insured person, 100% of the insured amount plus the accumulated dividends bonus will be payable to the group.

The group may be subject to a surrender charge amounting to US\$89,000 (equivalent to approximately \$119,000) if the policies are surrendered before their maturities.

As at 31 December 2024, the amount has been classified as "current" as management plans to surrender the policies within the next twelve months.

19. Inventories

	Group	
	2024	2023
	\$'000	\$'000
Raw materials, consumables and supplies	9,789	12,342
Work in progress	5,935	6,541
Finished goods	1,604	2,979
	17,328	21,862
Inventories are stated after allowance as follows:		
At beginning of the year	2,041	2,047
Charged to profit or loss included in other losses (Note 6)	393	-
Foreign exchange adjustments	-	(6)
At end of the year	2,434	2,041
Included in profit or loss:		
Raw materials, consumables and supplies used	45,684	59,695

There are no inventories pledged as security for liabilities.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

20. Trade and other receivables

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
<u>Trade receivables:</u>				
Outside parties	42,684	40,281	-	-
Less allowance for impairment	(494)	(250)	-	-
Subsidiaries (Note 3)	-	-	31,063	10,753
Retention receivables	3,597	5,229	-	-
Net trade receivables – subtotal	45,787	45,260	31,063	10,753
<u>Other receivables:</u>				
Receivable from sale of property	-	2,959	-	-
Net other receivables – subtotal	-	2,959	-	-
Total trade and other receivables	45,787	48,219	31,063	10,753
<u>Movements in above allowance on trade receivables:</u>				
At beginning of the year	250	130	-	-
Charge for trade receivables to profit or loss included in other losses (Note 6)	244	124	-	-
Used	-	(4)	-	-
At end of the year	494	250	-	-

The expected credit losses ("ECL") on the above trade receivables are based on the simplified approach to measuring expected credit losses 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.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

20. Trade and other receivables

The ageing of trade receivables are as follows:

	Gross amount		Loss allowance	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
<u>Group</u>				
Within due date	22,513	21,253	-	-
1 to 30 days past due	5,761	5,581	-	-
31 to 60 days past due	4,633	3,811	-	-
61 to 90 days past due	1,955	2,177	-	-
Over 90 days past due	11,419	12,688	494	250
Total	46,281	45,510	494	250
<u>Company</u>				
Over 90 days past due	31,063	10,753	-	-

The loss allowance disclosed above totalling \$494,000 (2023: \$250,000) is based on individual accounts that are determined to be impaired at the end of the reporting year.

The amounts are written off when there are indications that there is no reasonable expectation of recovery or the failure of a debtor to make contractual payments over an extended period.

There are no collaterals 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 (2023: 30 to 90 days). But some customers take a longer period to settle the amounts.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

20. Trade and other receivables

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

	Group	
	2024 \$'000	2023 \$'000
Top 1 customer	8,367	5,418
Top 2 customers	13,381	8,460
Top 3 customers	15,125	11,310

21. Other assets

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Contract assets (Note 21A)	16,816	9,621	-	-
Unbilled revenue	13,252	13,453	1,411	821
Prepayments	1,101	749	145	91
Advances to suppliers	3,126	1,030	-	-
Deposits to secure services	1,176	1,407	10	23
	35,471	26,260	1,566	935

21A. Contract assets / contract liabilities

	Group	
	2024 \$'000	2023 \$'000
Contract assets (Note 21)	16,816	9,621
Contract liabilities (Note 28)	(1,772)	(820)
Net	15,044	8,801

Contract assets shown above are subject to the expected credit loss model under the financial reporting standard on financial instruments. No loss allowance is necessary.

The contract assets are for: entity's rights to consideration for work completed but not billed at the reporting date on the contracts; costs incurred to obtain or fulfil a contract with a customer; costs to obtain contracts with customers; pre-contract costs and setup costs; and the amount of amortisation and any impairment losses recognised in the reporting year. The contract assets are transferred to the receivables when the rights become unconditional.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

21. Other assets

21A. Contract assets / contract liabilities

The contract liabilities primarily relate to the advance consideration received from customers for which transfer of control have not occur, and therefore revenue is not recognised. The entity recognises revenue for each respective performance obligation when control of the product or service transfers to the customer.

Movements in contract assets / contract liabilities are as follows:

	Group	
	2024	2023
	\$'000	\$'000
At beginning of the year	8,801	8,617
Arising from acquisition of subsidiaries (Note 29)	–	(841)
Consideration received or receivable	(26,684)	(44,901)
Performance obligation satisfied – revenue recognised	32,927	45,926
At end of the year	15,044	8,801

The aggregate amount of transaction price allocated to the unsatisfied (or partially unsatisfied) performance obligations as at the end of the reporting year is \$63,704,000 (2023: \$39,759,000). This will be recognised as revenue by reference to percentage of completion of the contracts, which are expected to complete over the next 3 years (2023: 3 years). The amount disclosed above does not include any estimated amounts of variable consideration that is constrained.

22. Cash and cash equivalents

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Not restricted in use	43,442	73,096	16,010	28,741
Cash pledged for bank facilities ^(a)	–	643	–	–
	43,442	73,739	16,010	28,741

The interest earning balances are not material.

(a) This was for amounts held by a bank to cover the bank facilities issued.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

22. Cash and cash equivalents

22A. Cash and cash equivalents in the consolidated statement of cash flows

	Group	
	2024 \$'000	2023 \$'000
Amount as shown above	43,442	73,739
Cash pledged for bank facilities	-	(643)
	43,442	73,096

22B. Reconciliation of movement of liabilities to cash flows arising from financing activities

Group	At the beginning of the year \$'000	Cash flows \$'000	Non-cash changes \$'000	At the end of the year \$'000
<u>2024</u>				
Lease liabilities	6,131	(1,452)	1,075 ^(a)	5,754
Loans and borrowings	95,989	(36,209) [*]	-	59,780
Total liabilities from financing activities	102,120	(37,661)	1,075	65,534
Group	At the beginning of the year \$'000	Cash flows \$'000	Non-cash changes \$'000	At the end of the year \$'000
<u>2023</u>				
Lease liabilities	5,876	(722)	977 ^(b)	6,131
Loans and borrowings	72,107	23,882 [#]	-	95,989
Total liabilities from financing activities	77,983	23,160	977	102,120

* Reflected in consolidated statement of cash flows as loans and borrowings paid \$44,209,000 and increase in loans and borrowings of \$8,000,000.

Reflected in consolidated statement of cash flows as increase in loans and borrowings \$39,379,000 and loans and borrowings paid \$15,497,000.

(a) Arising from additions and accretion of interest (see Note 14).

(b) Arising from acquisition of subsidiaries, additions and accretion of interest (see Note 14).

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

23. Share capital

Group and Company	Number of shares issued '000	Share capital \$'000	Treasury shares \$'000	Total \$'000
Ordinary shares of no par value:				
At beginning and at end of the year 31 December 2023	388,736	24,864	(112)	24,752
Treasury shares purchased ^(a)	(708)	–	(219)	(219)
At 31 December 2024	399,028	24,864	(331)	24,533

The ordinary shares of no par value are fully paid, carry one vote each and have no right to fixed income. The company is not subject to any externally imposed capital requirements.

- (a) Shares purchased and held as treasury shares pursuant to the share purchase mandate approved at the extraordinary general meeting on 29 April 2015 and renewed at the annual general meeting on 29 April 2024. During the reporting year, the company acquired 708,000 ordinary shares (2023: Nil) on the Singapore Exchange and hold them as treasury shares.

The company had 399,028,400 issued shares (excluding treasury shares) as at 31 December 2024 (31 December 2023: 399,736,100). The company held 971,600 treasury shares as at 31 December 2024 (31 December 2023: 263,900), representing 0.24% of the total number of issued shares (31 December 2023: 0.07%).

Capital management:

The objectives when managing capital are: to safeguard the reporting entity's ability to continue as a going concern, so that it can continue to provide returns for owners and benefits for other stakeholders, and to provide an adequate return to owners by pricing the sales commensurately with the level of risk. The management sets the amount of capital to meet its requirements and the risk taken. There were no changes in the approach to capital management during the reporting year. The management manages the capital structure and makes adjustments to it where necessary or possible in the light of changes in conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the management may adjust the amount of dividends paid to owners, return capital to owners, issue new shares, or sell assets to reduce debt. Adjusted capital comprises all components of equity (that is, share capital and reserves).

In order to maintain its listing on the Singapore Exchange it has to have share capital with a free float of at least 10% of the shares. The company met the capital requirement on its initial listing and the rules limiting treasury share purchases mean it will continue to satisfy that requirement, as it did throughout the reporting year. Management receives a report from the share registrars frequently on substantial share interests showing the non-free float to ensure continuing compliance with the 10% limit throughout the reporting year.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

23. Share capital

Capital management:

The management does not set a target level of gearing but uses capital opportunistically to support its business and to add value for shareholders. The key discipline adopted is to widen the margin between the return on capital employed and the cost of that capital.

The management monitors the capital on the basis of the debt-to-adjusted capital ratio. This ratio is calculated as net debt / adjusted capital (as shown below). Net debt is calculated as total borrowings less cash and cash equivalents.

	Group	
	2024	2023
	\$'000	\$'000
Net debt:		
All current and non-current borrowings excluding lease liabilities	59,780	95,989
Less cash and cash equivalents	(43,442)	(73,739)
Net debt	16,338	22,250
Adjusted capital (less goodwill and intangible assets)	86,850	74,041
Debt-to-adjusted capital ratio	19%	30%

The favourable change as shown by the decrease in the debt-to-adjusted capital ratio for the reporting year resulted primarily from the decrease in debt.

24. Other reserves

	Group	
	2024	2023
	\$'000	\$'000
Foreign currency translation reserve (Note 24A)	(664)	(1,458)
Statutory reserve (Note 24B)	999	878
	335	(580)

All the reserves classified on the face of the statements of financial position as retained earnings represents past accumulated earnings and are distributable as cash dividends. The other reserves are not available for cash dividends unless realised.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

24A. Foreign currency translation reserve

	Group	
	2024	2023
	\$'000	\$'000
At beginning of the year	(1,458)	(559)
Exchange differences on translating foreign operations	794	(899)
At end of the year	(664)	(1,458)

The currency translation reserve accumulates all foreign exchange differences on translating foreign operations.

24B. Statutory reserve

	Group	
	2024	2023
	\$'000	\$'000
At beginning of the year	878	878
Transferred from retained earnings	121	–
At end of the year	999	878

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.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

25. Provision

	Group	
	2024	2023
	\$'000	\$'000
Warranties	1,617	1,533
Movements in above provision:		
At beginning of the year	1,533	1,232
Charge to profit or loss included in cost of sales	237	731
Reversed to profit or loss included in cost of sales	(187)	(396)
Used	-	(34)
Foreign exchange adjustment	34	-
At end of the year	1,617	1,533

Certain products are covered by product warranty plans of varying periods. If the customer has the option to purchase a warranty separately or 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.

26. Loans and borrowings

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
<u>Non-current:</u>				
Financial instruments with floating interest rates:				
Bank loans (Note 26B)	5,774	3,785	5,774	2,119
Total non-current portion	5,774	3,785	5,774	2,119
<u>Current:</u>				
Financial instruments with floating interest rates:				
Bank loans (secured) (Note 26A)	19,392	27,392	7,700	9,800
Bank loans (Note 26B)	15,647	46,823	8,778	6,656
Invoice financing (Note 26B)	18,967	17,989	-	-
Total current portion	54,006	92,204	16,478	16,456
Total non-current and current	59,780	95,989	22,252	18,575

The non-current loans and borrowings are repayable between 2 and 5 years.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

26. Loans and borrowings

The range of floating interest rates per annum was as follows:

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Bank loans and invoice financing	3.83% to 4.91%	4.23% to 5.46%	3.83% to 4.91%	4.27% to 5.07%

26A. Bank loans (secured)

The bank loans comprise:

- a) Short term borrowings with an average maturity period of 1 to 3 months and 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 12 months after the end of the reporting year.
- c) Loan repayable over 28 quarterly reductions of \$350,000 each or any such reductions as maybe specified or fixed by the bank until the limit is reduced to \$4 million from May 2023.

The agreements for certain of the bank loans and other credit facilities provide among other matters for the following:

- (i) Corporate guarantee from the company.
- (ii) Legal mortgage over leasehold properties (Note 13).
- (iii) Subject to certain financial covenants such as that (a) the consolidated networth of the group shall not be less than \$40 million; (b) the gearing ratio shall not exceed two times; (c) minimum debt service coverage ratio of 1.25.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

26. Loans and borrowings

26B. Bank loans and invoice financing

The agreements for certain of the bank loans and other credit facilities provide among other matters for the following:

- (i) Corporate guarantee from the company.
- (ii) Loan repayable over 4 years from January 2022 with monthly instalment of about \$145,000 at floating interest rates.
- (iii) Loan repayable over 36 months from January 2023 with monthly instalment of \$138,888. This loan was fully repaid in 2024.
- (iv) Loan repayable over 48 months from July 2024 with monthly instalment of \$166,666.
- (v) Short term borrowings (invoice financing and money market loans) with an average maturity period of 1 to 6 months and are settled at the end of maturity period.
- (vi) Subject to certain financial covenants such as that (a) the consolidated networth of the group shall not be less than \$40 million; (b) the gearing ratio shall not exceed two times; (c) minimum debt service coverage ratio of 1.25.

27. Trade and other payables

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
<u>Trade payables:</u>				
Outside parties and accrued liabilities	28,719	31,130	3,356	2,742
<u>Other payables:</u>				
Outside parties – previous shareholders of Avon Industries Pte Ltd (Note 29)	-	2,500	-	-
Total trade and other payables	28,719	33,630	3,356	2,742

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

28. Other non-financial liabilities

	Group	
	2024	2023
	\$'000	\$'000
Deferred revenue	1,325	836
Advances from customers	814	3,070
Contract liabilities (Note 21A)	1,772	820
Total other non-financial liabilities	3,911	4,726

29. Acquisition of subsidiaries in 2023

On 22 December 2023, the group acquired 100% of the share capital in Avon Industries Pte Ltd ("Avon") (incorporated in Singapore) and from that date the group gained control. Avon became a subsidiary.

As at 31 December 2023, the fair values of identifiable assets acquired and liabilities assumed from the acquisition were recorded on a provisional basis and were subject to change upon completion of the purchase price allocation exercise as required under SFRS(I) 3 Business Combination. The purchase price allocation exercise was completed on 12 April 2024.

The fair values of the Avon's identifiable assets acquired and liabilities assumed are shown below:

	Provisional fair values \$'000	Fair values \$'000
Property, plant and equipment	1,539	1,539
Right-of-use asset	157	157
Inventories	1,685	1,685
Trade receivables	883	883
Other assets	556	556
Cash and cash equivalents	1,257	1,257
Restricted cash	643	643
Trade payables	(579)	(579)
Lease liabilities	(161)	(161)
Deferred tax liabilities	(36)	(36)
Contract liabilities	(841)	(841)
Income tax payable	(103)	(103)
Net identifiable assets	5,000	5,000
Less: consideration transferred	(5,000)	(5,000)
Goodwill arising on acquisition	-	-

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

29. Acquisition of subsidiaries in 2023

The contributions from the acquired subsidiaries for the period between the date of acquisition and the end of the reporting year were as follows:

	From date of acquisition in 2023 \$'000	For the reporting year 2023 \$'000
Revenue	–	8,650
Profit before income tax	–	490

Effect of cash flows of the group:

	For the reporting year 2023 \$'000
Fair value of purchase consideration	5,000
Amount payable to vendor (Note 27)	(2,500)
Less: cash and cash equivalents in subsidiary acquired	(1,257)
Net cash outflow on acquisition	1,243

30. Financial instruments: information on financial risks and other explanatory information

30A. Categories of financial assets and financial liabilities

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

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Financial assets at amortised cost	90,701	123,430	47,073	39,494
Financial liabilities at amortised cost	94,253	135,750	27,169	22,919

Further quantitative disclosures are included throughout these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

30. Financial instruments: information on financial risks and other explanatory information

30B. Financial risk management

The main purpose for holding or issuing financial instruments is to raise and manage the finances for the entity's operating, investing and financing activities. There are exposures to the financial risks on the financial instruments such as credit risk, liquidity risk and market risk comprising interest rate, currency risk and price risk exposures. Management has certain practices for the management of financial risks.

However, these are not formally documented in written form. The guidelines include the following:

- (i) Minimise interest rate, currency, credit and market risks for all kinds of transactions.
- (ii) Maximise the use of "natural hedge": favouring as much as possible the natural off-setting of sales and costs and payables and receivables denominated in the same currency and therefore put in place hedging strategies only for the excess balance (if necessary). The same strategy is pursued with regard to interest rate risk.
- (iii) All financial risk management activities are carried out and monitored by senior staff.
- (iv) All financial risk management activities are carried out following acceptable market practices.

There have been no changes to the exposures to risk; the objectives, policies and processes for managing the risk and the methods used to measure the risk.

30C. Fair values of financial instruments

The analyses of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 are disclosed in the relevant notes to the financial statements. These include the material financial instruments stated at amortised cost and at fair value in the statement of financial position. The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments. The disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

30. Financial instruments: information on financial risks and other explanatory information

30D. Credit risk on financial assets

Financial assets subject to concentrations of credit risk and failures by counterparties to discharge their obligations in full or in a timely manner arise principally from cash balances with banks, receivables and other financial assets.

The general approach in the financial reporting standard on financial instruments is applied to measure expected credit losses (ECL) allowance on financial assets. On initial recognition, a day-1 loss is recorded equal to the 12 month ECL unless the assets are considered credit impaired. The ECL allowance for debt assets is recognised at an amount equal to the lifetime ECL if the credit risk on that financial instrument has increased significantly since initial recognition. However, for trade receivables that do not contain a material financing component or when the reporting entity applies the practical expedient of not adjusting the effect of a material financing component, the simplified approach in calculating ECL is applied. Under the simplified approach, the loss allowance is recognised at an amount equal to lifetime ECL at each reporting date using historical loss rates for the respective risk categories and incorporating forward-looking estimates. Lifetime ECL may be estimated individually or collectively.

For the credit risk on the financial assets an ongoing credit evaluation is performed on the financial condition of the debtors and any loss is recognised in profit or loss. Reviews and assessments of credit exposures in excess of designated limits are made. Renewals and reviews of credits limits are subject to the same review process.

Note 22 discloses the cash balances. There was no identified impairment loss.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

30. Financial instruments: information on financial risks and other explanatory information

30E. Liquidity risk – financial liabilities maturity analysis

The liquidity risk refers to the difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. It is expected that all the liabilities will be settled at their contractual maturity.

The following table analyses the financial liabilities at the end of the reporting year by remaining contractual maturity (contractual undiscounted cash flows):

	Less than 1 year \$'000	2 to 5 years \$'000	More than 5 years \$'000	Total \$'000
<u>Group</u>				
<u>2024:</u>				
Gross loans and borrowings	55,626	5,947	-	61,573
Gross lease liabilities	592	1,714	5,539	7,845
Trade and other payables	28,719	-	-	28,719
	84,937	7,661	5,539	98,137
<u>2023:</u>				
Gross loans and borrowings	94,970	3,899	-	98,869
Gross lease liabilities	790	1,462	6,171	8,423
Trade and other payables	33,630	-	-	33,630
	129,390	5,361	6,171	140,922
<u>Company</u>				
<u>2024:</u>				
Gross loans and borrowings	16,972	5,947	-	22,919
Gross lease liabilities	89	531	1,590	2,210
Trade payables	3,356	-	-	3,356
	20,417	6,478	1,590	28,485
<u>2023:</u>				
Gross loans and borrowings	16,950	2,183	-	19,133
Gross lease liabilities	89	354	1,855	2,298
Trade payables	2,742	-	-	2,742
	19,781	2,537	1,855	24,173

The undiscounted amounts on the borrowings with fixed and floating interest rates are determined by reference to the conditions existing at the reporting date.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

30. Financial instruments: information on financial risks and other explanatory information

30E. Liquidity risk – financial liabilities maturity analysis

The above amounts disclosed in the maturity analysis are the contractual undiscounted cash flows and such undiscounted cash flows differ from the amount included in the statement of financial position. When the counterparty has a choice of when an amount is paid, the liability is included on the basis of the earliest date on which it can be required to pay.

The average credit period taken to settle current trade payables is about 30 to 60 days (2023: 30 to 60 days). The classification of the financial assets is shown in the statement of financial position as they may be available to meet liquidity needs and no further analysis is deemed necessary.

For issued financial guarantee contracts the maximum amount of the guarantee is allocated to the earliest period in which the guarantee could be called, i.e. within 1 year. During the reporting year, the company provided financial guarantees to various banks in connection with the bank loans and other banking facilities granted to its subsidiaries. At the end of the reporting year no claims on the financial guarantees are expected to be payable.

	Company	
	2024	2023
	\$'000	\$'000
Corporate guarantee in favour of subsidiaries	38,656	79,737

30F. Interest rate risk

Interest rate risk arises on interest-bearing financial instruments. The interest from financial assets is not material.

The following table analyses the breakdown of the material financial instruments by type of interest rate:

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
<u>Financial liabilities with interest:</u>				
Fixed rates	5,754	6,131	1,561	1,602
Floating rates	59,780	95,989	22,252	18,575
	65,534	102,120	23,813	20,177

The floating rate debt liabilities instruments are with interest rates that are re-set at regular intervals. The interest rates are disclosed in the respective notes.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

30. Financial instruments: information on financial risks and other explanatory information

30F. Interest rate risk

Sensitivity analysis:

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
A hypothetical variation in floating interest rates at the end of reporting year by 100 basis points with all other variables held constant, would have an increase / decrease in pre-tax profit for the year by the following amounts:				
Financial liabilities	598	960	223	186

30G. Foreign currency risk

Foreign exchange risk arises on financial instruments that are denominated in a foreign currency that is a currency other than the functional currency in which they are measured. Currency risk does not arise from financial instruments that are non-monetary items or from financial instruments denominated in the functional currency as defined in the financial reporting standard on financial instruments.

Analysis of amounts at the end of the reporting year denominated in non-functional currencies is as follows:

	United States dollar	China RMB	Total
	\$'000	\$'000	\$'000
<u>Group</u>			
<u>2024:</u>			
<u>Financial assets:</u>			
Cash	23,821	1,190	25,011
Loans and receivables	6,803	-	6,803
Total financial assets	30,624	1,190	31,814
<u>2023:</u>			
<u>Financial assets:</u>			
Cash	26,470	6,161	32,631
Loans and receivables	5,180	-	5,180
Total financial assets	31,650	6,161	37,811

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

30. Financial instruments: information on financial risks and other explanatory information

30G. Foreign currency risk

	United States dollar \$'000	China RMB \$'000	Total \$'000
<u>Company</u>			
<u>2024:</u>			
<u>Financial assets:</u>			
Cash	15,359	-	15,359
Total financial assets	15,359	-	15,359
<u>2023:</u>			
<u>Financial assets:</u>			
Cash	18,785	6,091	24,876
Total financial assets	18,785	6,091	24,876

There is exposure to foreign currency risk as part of normal business.

Sensitivity analysis:

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
A hypothetical 10% strengthening in the exchange rate of the functional currency \$ against all non-functional currencies with all other variables held constant would have an adverse effect on pre-tax profit of the following amounts:				
Against US\$	(2,784)	(2,877)	(1,396)	(1,707)
Against China RMB	(108)	(560)	-	(554)

The above table shows sensitivity to the hypothetical percentage variations in the functional currency against the relevant non-functional foreign currencies. The sensitivity rate used is the reasonably possible change in foreign exchange rates. For similar rate weakening of the functional currency against the relevant foreign currencies above, there would be comparable impacts in the opposite direction.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

30. Financial instruments: information on financial risks and other explanatory information

30G. Foreign currency risk

The hypothetical changes in exchange rates are not based on observable market data (unobservable inputs). The sensitivity analysis is disclosed for each non-functional currency to which the entity has significant exposure at end of the reporting year. The analysis above has been carried out on the basis that there are no hedged transactions.

In management's opinion, the above sensitivity analysis is unrepresentative of the foreign currency risks as the historical exposure does not reflect the exposure in future.

31. Items in profit or loss

In addition to the profit and loss line items disclosed elsewhere in the notes to the financial statements, this item includes the following expenses:

	Group	
	2024	2023
	\$'000	\$'000
Audit fees to the independent auditor of the company	315	343
Audit fees to the other independent auditors – non-network firms	27	28

32. Changes and adoption of financial reporting standards

For the current reporting year the ASC issued certain new or revised financial reporting standards. Those applicable to the group are listed below.

SFRS(I) No.	Title
SFRS(I) 1- 1	Presentation of Financial Statements – amendment relating to Non-current Liabilities with Covenants
SFRS(I) 1-1	Presentation of Financial Statements – amendment relating to Classification of Liabilities as Current or Non-current
SFRS(I) PS 2	SFRS(I) Practice Statement 2 Making Materiality Judgements

None had a material impact on the group.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

33. New or amended standards in issue but not yet effective

The ASC issued certain new or revised financial reporting standards for the future reporting years. Those applicable to the group for future reporting years are listed below.

SFRS(I) No.	Title	Effective date for periods beginning on or after
SFRS(I) 9 and 7	Classification and Measurement of Financial Instruments – Amendments	1 January 2026
SFRS(I) 18	Presentation and disclosures in financial statements	1 January 2027
SFRS(I) 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027

SFRS(I) 18 Presentation and Disclosure in Financial Statements replaces SFRS(I) 1-1. The new version includes (a) revised presentation of specified categories and defined subtotals in the statement of profit or loss; (b) new disclosures on management-defined performance measures in the notes to the financial statements; and (c) improved disclosures of aggregation and disaggregation of balances.

Adoption of the applicable new or revised standards are expected to have some impact on the reporting entity financial statements presentation and disclosure based on its current operations.

SHAREHOLDINGS STATISTICS

As at 20 March 2025

Issued and paid-up capital	:	\$23,350,000.00
Number of issued shares	:	400,000,000
Number of voting shares	:	399,028,400
Class of shares	:	Ordinary shares
Voting rights	:	One vote per share

The Company holds 971,600 treasury shares and there are no subsidiary holdings. The treasury shares constitute 0.24% of the total number of issued shares of the Company.

DISTRIBUTION OF SHAREHOLDERS BY SIZE OF SHAREHOLDINGS

As at 20 March 2025

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 - 99	0	0.00	0	0.00
100 - 1,000	90	11.33	51,275	0.01
1,001 - 10,000	292	36.78	1,728,500	0.44
10,001 - 1,000,000	394	49.62	29,495,410	7.39
1,000,001 and above	18	2.27	367,753,215	92.16
Total	794	100.00	399,028,400	100.00

SUBSTANTIAL SHAREHOLDERS

As recorded in the Register of Substantial Shareholders as at 20 March 2025

NAME OF SHAREHOLDERS	DIRECT INTEREST		DEEMED INTEREST	
	NO. OF SHARES	%	NO. OF SHARES	%
Chang Yeh Hong	218,190,325	54.68	-	-
Lim Choon Hin	44,050,000	11.04	-	-
Teo Ling Ling	32,419,500 ⁽¹⁾	8.12	-	-

Note:

- (1) Ms Teo Ling Ling holds 335,000 Shares in her own name, and the balance 32,084,500 Shares are held through DBS Nominees Pte Ltd.

SHAREHOLDINGS STATISTICS

As at 20 March 2025

TWENTY LARGEST SHAREHOLDERS

As at 20 March 2025

	NAME OF SHAREHOLDER	NO. OF SHARES	% OF SHAREHOLDINGS
1	CHANG YEH HONG	218,190,325	54.68
2	LIN CHOON HIN	44,050,000	11.04
3	DBS NOMINEES PTE LTD	42,499,000	10.65
4	OCBC SECURITIES PRIVATE LTD	12,581,000	3.15
5	RAFFLES NOMINEES (PTE) LIMITED	10,184,330	2.55
6	CITIBANK NOMINEES SINGAPORE PTE LTD	10,050,860	2.52
7	YAP TIN FOO	5,000,000	1.25
8	CHOU CHEE FATT	4,877,000	1.22
9	PHILLIP SECURITIES PTE LTD	4,115,100	1.03
10	CHANG YEH FUNG	3,524,800	0.88
11	QUEK HUILING JOANNE	2,437,800	0.61
12	CHIA MENG RU	1,871,600	0.47
13	UNITED OVERSEAS BANK NOMINEES PTE LTD	1,852,500	0.46
14	MAYBANK SECURITIES PTE. LTD.	1,572,600	0.39
15	OCBC NOMINEES SINGAPORE PTE LTD	1,535,000	0.38
16	CHANG HUI MIN MARISSA	1,269,000	0.32
17	ABN AMRO CLREARING BANK N.V.	1,101,500	0.28
18	IFAST FINANCIAL PTE LTD	1,040,800	0.26
19	LIM WEE CHOON	940,000	0.24
20	LEE HENG SWEE	903,000	0.23
	TOTAL	369,596,215	92.61

PERCENTAGE OF SHAREHOLDING HELD BY THE PUBLIC

Based on the information provided to the Company as at 20 March 2025, approximately 91,823,375 of the issued ordinary shares of the Company are held by the public, representing 23.01% of the total number of issued shares (excluding treasury shares) of the Company. Accordingly, Rule 723 of the SGX Listing Manual has been complied with.

NOTICE OF ANNUAL GENERAL MEETING NORDIC GROUP LIMITED

(Incorporated in Singapore)
(Registration No. 201007399N)

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Nordic Group Limited (the “**Company**”) will be held at Singapore Recreation Club, B Connaught Drive, Singapore 179682 on Tuesday, 29 April 2025 at 10.00 a.m. (Singapore time) to transact the following business:

ROUTINE BUSINESS

- | | | |
|----|---|---------------------|
| 1. | To receive and adopt the Directors’ statement and audited financial statements of the Company for the financial year ended 31 December 2024 together with the Auditor’s Report thereon. | Resolution 1 |
| 2. | To declare a final one-tier tax exempt dividend of 0.8987 Singapore cents per ordinary share for the financial year ended 31 December 2024. | Resolution 2 |
| 3. | To re-elect Mr Lee Kok Keng Andrew, who is retiring pursuant to Regulation 106 of the Constitution of the Company, as a Director of the Company.
(See Explanatory Note (i)) | Resolution 3 |
| 4. | To re-elect Mr Yeo Chuan Seng Victor, who is retiring pursuant to Regulation 116 of the Constitution of the Company, as a Director of the Company.
(See Explanatory Note (i)) | Resolution 4 |
| 5. | To approve additional Directors’ fees of S\$8,652 for financial year ended 31 December 2024.
(See Explanatory Note (ii)) | Resolution 5 |
| 6. | To approve Directors’ fees of S\$137,000 for the financial year ending 31 December 2025, payable half-yearly in arrears. | Resolution 6 |
| 7. | To re-appoint Messrs RSM SG Assurance LLP as Auditor of the Company and to authorise the Directors to fix their remuneration. | Resolution 7 |

SPECIAL BUSINESS

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

- | | | |
|----|--|---|
| 8. | Authority to allot and issue shares | Resolution 8 |
| | That pursuant to Section 161 of the Companies Act 1967 and Rule 806 of the Listing Manual of the Singapore Exchange Securities Trading Limited (“ SGX-ST ”), the Directors of the Company be authorised and empowered to: | |
| | (a) (i) | allot and issue shares in the Company (“ Shares ”) whether by way of rights, bonus or otherwise; and/or |
| | (ii) | make or grant offers, agreements or options (collectively, “ Instruments ”) that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into Shares, |

NOTICE OF ANNUAL GENERAL MEETING NORDIC GROUP LIMITED

(Incorporated in Singapore)
(Registration No. 201007399N)

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors of the Company 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 Instruments made or granted by the Directors of the Company while such authority was in force,

provided that:

- (1) the aggregate number of Shares to be issued pursuant to this authority (including Shares to be issued in pursuance of Instruments made or granted pursuant to this authority) shall not exceed fifty per centum (50%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below) ("**Issued Shares**"), of which the aggregate number of Shares to be issued other than on a *pro-rata* basis to the existing shareholders of the Company (including Shares to be issued in pursuance of Instruments made or granted pursuant to this authority) shall not exceed twenty per centum (20%) of the total number of Issued Shares;
- (2) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (1) above, the percentage of Issued Shares shall be based on the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company at the time of the passing of this Resolution, after adjusting for:
 - (a) new Shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which were issued and outstanding or subsisting at the time this Resolution is passed, provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the Listing Manual of the SGX-ST; and
 - (b) any subsequent bonus issue, consolidation or subdivision of Shares;
- (3) in exercising the authority conferred by this Resolution, the Directors shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Constitution for the time being of the Company; and
- (4) unless revoked or varied by the Company in a general meeting, this authority 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.

(See Explanatory Note (iii))

NOTICE OF ANNUAL GENERAL MEETING NORDIC GROUP LIMITED

(Incorporated in Singapore)
(Registration No. 201007399N)

9. Renewal of Share Purchase Mandate

Resolution 9

That:

- (a) for the purposes of Sections 76C and 76E of the Companies Act 1967 (the “**Companies Act**”), the Directors of the Company be and are hereby authorised to exercise all the powers of the Company to purchase or otherwise acquire ordinary shares in the capital of the Company (“**Shares**”) not exceeding in aggregate the Maximum Limit (as hereinafter defined), at such price(s) as may be determined by the Directors of the Company from time to time up to the Maximum Price (as hereinafter defined), whether by way of:

- (i) on-market purchases (each a “**Market Purchase**”) transacted through the trading system of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”), through one or more duly licensed stockbrokers appointed by the Company for that purpose; and/or
- (ii) off-market purchases (each an “**Off-Market Purchase**”) pursuant to an 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 be in accordance with all other laws, regulations and rules of the SGX-ST as may for the time being be applicable (the “**Share Purchase Mandate**”);

- (b) any Share that is purchased or otherwise acquired by the Company pursuant to the Share Purchase Mandate shall, at the discretion of the Directors of the Company, either be cancelled or held in treasury and dealt with in accordance with the Companies Act;
- (c) unless varied or revoked by the Company in general meeting, the authority conferred on the Directors of the Company pursuant to the Share Purchase 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 earliest of:
- (i) the date on which the next annual general meeting of the Company is held or is required by law to be held;
 - (ii) the date on which Share purchases have been carried out to the full extent mandated; or
 - (iii) the date on which the authority conferred by the Share Purchase Mandate is varied or revoked by an ordinary resolution of shareholders of the Company in general meeting;

NOTICE OF ANNUAL GENERAL MEETING NORDIC GROUP LIMITED

(Incorporated in Singapore)
(Registration No. 201007399N)

- (d) for purposes of this Resolution:

"Maximum Limit" means 10% of the total number of issued Shares (excluding any treasury shares and subsidiary holdings) of the Company as at the date of passing of this Resolution, unless the Company has reduced its share capital in accordance with the applicable provisions of the Companies Act, at any time during the Relevant Period (as hereinafter defined), in which event the total number of issued Shares of the Company shall be taken to be the total number of issued Shares as altered (excluding any treasury shares and subsidiary holdings);

"Relevant Period" means the period commencing from the date of the passing of this Resolution and expiring on the date on which the next annual general meeting of the Company is held or required by law to be held, whichever is the earlier;

"Maximum Price" in relation to a Share to be purchased, means the purchase price (excluding brokerage, commission, applicable goods and services tax and other related expenses) not exceeding:-

- (i) in the case of a Market Purchase, 105% of the Average Closing Price of the Shares; and
- (ii) in the case of an Off-Market Purchase pursuant to an equal access scheme, 120% of the Average Closing Price of the Shares,

where:

"Average Closing Price" means the average of the closing market prices of a Share over the last five Market Days on which the Shares are transacted on the SGX-ST or, as the case may be, such securities exchange on which the Shares are listed or quoted, immediately preceding the day of the Market Purchase by the Company or, as the case may be, the day of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted, in accordance with the rules of the SGX-ST, for any corporate action that occurs during the relevant five-day period and the day on which the Market Purchase is made or, as the case may be, the day of the making of the offer pursuant to the Off-Market Purchase;

"day of the making of the offer" means the day on which the Company makes an offer for the purchase or acquisition of Shares from holder of Shares, stating therein the relevant terms of the equal access scheme for effecting the Off-Market Purchase; and

"Market Day" means a day on which the SGX-ST is open for trading in securities; and

- (e) any of the Directors of the Company be and are hereby authorised to complete and do all such acts and things (including without limitation, to execute all such documents as may be required and to approve any amendments, alterations or modifications to any documents), as they or he may consider desirable, expedient or necessary to give effect to the transactions contemplated by this Resolution.

(See Explanatory Note (iv))

NOTICE OF ANNUAL GENERAL MEETING NORDIC GROUP LIMITED

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

Explanatory Notes:

- (i) Information on Mr Lee Kok Keng Andrew and Mr Yeo Chuan Seng Victor can be found under the section entitled "Additional Information on Directors Seeking Re-election at the Annual General Meeting" in the Company's Annual Report 2024.
- (ii) Directors' fees of S\$137,000 for financial year ended 31 December 2024 have been approved by the shareholders at the annual general meeting held on 29 April 2024. The Board has recommended additional fees of S\$8,652 to be paid to the Independent Directors for financial year ended 31 December 2024.
- (iii) The proposed Resolution 8, if passed, will empower the Directors of the Company to allot and issue Shares and convertible securities in the Company. The number of Shares and convertible securities, which the Directors may allot and issue under this Resolution shall not exceed 50% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) of the Company at the time of passing this Resolution. For allotment and issue of Shares and convertible securities other than on a *pro-rata* basis to all shareholders of the Company, the aggregate number of Shares and convertible securities to be allotted and issued shall not exceed 20% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) of the Company. This authority will, unless previously revoked or varied at a general meeting, expire at the next annual general meeting or the date by which the next annual general meeting is required by law to be held, which is the earlier.
- (iv) The proposed Resolution 9, if passed, will empower the Directors of the Company, from the date of the annual general meeting until the date on which the next annual general meeting is held or is required by law to be held, whichever is the earlier, to repurchase (whether by way of Market Purchases or Off-Market Purchases on an equal access scheme) from time to time, up to 10% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) at prices up to but not exceeding the Maximum Price.

NOTICE OF RECORD DATE AND DIVIDEND PAYMENT DATE

NOTICE IS HEREBY GIVEN that the Share Transfer Books and Register of Members of the Company will be closed from 5.00 p.m. on 9 May 2025 for the purpose of determining members' entitlements to the final one-tier tax exempt dividend (the "**Final Dividend**") to be proposed at the Annual General Meeting of the Company to be held on 29 April 2025.

Duly completed registrable transfers in respect of the shares in the Company received up to 5.00 p.m. on 9 May 2025 by the Company's Share Registrar, Tricor Barbinder Share Registration Services 9 Raffles Place, #26-01, Republic Plaza Tower 1 Singapore 048619 will be registered to determine members' entitlements to the proposed Final Dividend. Members whose Securities Accounts with The Central Depository (Pte) Limited are credited with shares in the Company as at 5.00 p.m. on 9 May 2025 will be entitled to such proposed Final Dividend.

The proposed Final Dividend, if approved at the Annual General Meeting, will be paid on 19 May 2025.

By Order Of the Board

Chia Meng Ru
Company Secretary

14 April 2025

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Notes:

1. The Annual General Meeting (“AGM”) will be held in a **wholly physical format** at Singapore Recreation Club, B Connaught Drive, Singapore 179682 on Tuesday, 29 April 2025 at 10.00 a.m.. There will be no option for members to participate virtually.
2. This Notice of AGM and the accompanying Proxy Form, the Annual Report 2024 and the Letter to Shareholders dated 14 April 2025 have been published and may be accessed at the Company's website at <https://nordicgrouplimited.com/investor-relations/annual-and-sustainability-reports/> and the SGX website at <https://www.sgx.com/securities/company-announcements>. Printed copies of this Notice of AGM and the accompanying Proxy Form as well as a Request Form will be sent to members by post. Members who wish to receive a printed copy of the Annual Report 2024 and the Letter to Shareholders dated 14 April 2025 may complete and return the Request Form.
3. Arrangements relating to attendance at the AGM by members, including CPF and SRS investors, submission of questions relating to the resolutions to be tabled for approval at the AGM in advance of the AGM, and asking questions or voting at the AGM by members, including CPF and SRS investors, or (where applicable) duly appointed proxy(ies), are set out in the **Appendix** to this Notice of AGM.
4. (a) A member who is not a relevant intermediary (as defined in Section 181 of the Companies Act 1967) is entitled to appoint not more than two proxies. Where a member appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the Proxy Form.
(b) A member who is a relevant intermediary is entitled to appoint more than two proxies, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member 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 Proxy Form.

A member can appoint the Chairman of the Meeting as his/her/its proxy, but this is not mandatory. CPF and SRS investors who wish to appoint the Chairman of the Meeting as proxy to vote on their behalf at the AGM, should approach their respective CPF Agent Banks or SRS Operators to submit their votes at least seven working days before the date of the AGM.

5. A proxy need not be a member of the Company.
6. The Proxy Form, duly executed in accordance with the instructions on the Proxy Form, must be submitted to the Company in the following manner:
 - (a) via email to ir@nordicgrouplimited.com; or
 - (b) by post to the Company's Share Registrar, Tricor Barbinder Share Registration Services at 9 Raffles Place, #26-01, Republic Plaza Tower 1 Singapore 048619,

in either case, to be received by 10.00 a.m. on 26 April 2025, being no later than 72 hours before the time set for the AGM.

Members are strongly encouraged to submit completed Proxy Forms electronically via email to ir@nordicgrouplimited.com to ensure that they are received by the Company by the stipulated deadline.

Personal Data Privacy

By submitting an instrument appointing a proxy(ies) and/or representatives to attend, speak and vote at the Annual General Meeting of the Company 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) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the Annual General Meeting of the Company (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Annual General Meeting of the Company (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (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), 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) 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.

NOTICE OF ANNUAL GENERAL MEETING NORDIC GROUP LIMITED

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APPENDIX

Steps for registration, submission of questions and voting at the AGM

No.	Steps	Details
1.	Register to attend the AGM in person	<p>Shareholders, including CPF and SRS investors, and (where applicable) duly appointed proxies can attend the AGM in person.</p> <p>To do so, they will need to register in person at the registration counter(s) outside the AGM venue on the day of the event. Registration will commence at 9.00 a.m. on that day. Please bring along your NRIC/ passport to enable the Company to verify your identity.</p>
2.	Submit questions in advance of the AGM or ask questions at the AGM	<p>Shareholders, including CPF and SRS investors, can submit questions in advance of the AGM or ask questions at the AGM.</p> <p>Submission of questions relating to the resolutions to be tabled for approval at the AGM in advance of the AGM. Shareholders can submit questions related to the resolutions to be tabled for approval at the AGM in advance of the AGM, in the following manner:</p> <p>(a) via email to the Company at ir@nordicgrouplimited.com; or</p> <p>(b) by post to the Company's Share Registrar, Tricor Barbinder Share Registration Services at 9 Raffles Place, #26-01, Republic Plaza Tower 1 Singapore 048619.</p> <p>To ensure that questions are received by the Company by the stipulated deadline, shareholders are strongly encouraged to submit questions by email.</p> <p>When submitting questions by email or by post, shareholders should also provide us with the following details:</p> <ul style="list-style-type: none"> • your full name • your address ; and • the manner in which you hold shares in the Company (e.g. via CDP, CPF or SRS). <p>Deadline to submit questions in advance of the AGM. All questions submitted in advance of the AGM via any of the above channels must be received by 5.00 p.m. on 22 April 2025.</p> <p>Asking questions at the AGM. Shareholders, including CPF and SRS investors, and (where applicable) duly appointed proxies can also ask questions related to the resolutions to be tabled for approval at the AGM, at the AGM itself.</p> <p>Addressing questions. The Company will endeavour to address substantial and relevant questions received from shareholders by the submission deadline in advance of the AGM by publishing its response to such questions on the Company's website at www.nordicgrouplimited.com and the SGX website at www.sgx.com by 10.00 a.m. on 24 April 2025. The Company will address any subsequent clarifications sought, or substantial and relevant questions received after the submission deadline, as well as substantial and relevant questions received at the AGM, at the AGM itself.</p>

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No.	Steps	Details
3.	Vote, or submit proxy forms appointing a proxy(ies), to vote at the AGM	<p>Shareholders can vote at the AGM themselves or through duly appointed proxy(ies). Shareholders who wish to appoint a proxy(ies) <u>must</u> submit a proxy form in accordance with the instructions on the proxy form.</p> <p>Submission of proxy form. Shareholders who wish to submit proxy forms must do so in the following manner:</p> <ul style="list-style-type: none"> (a) if submitted by post, the proxy form must be sent to the Company's Share Registrar, Tricor Barbinder Share Registration Services at 9 Raffles Place, #26-01, Republic Plaza Tower 1 Singapore 048619; or (b) if submitted electronically, the proxy form must be submitted via email to the Company at ir@nordicgrouplimited.com, <p>in each case, to be received by 10.00 a.m. on 26 April 2025.</p> <p>Deemed revocation of proxy appointment if shareholder attends the AGM in person. Completion and submission of the proxy form by a shareholder 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 shareholder 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 proxy form to the AGM.</p> <p>CPF and SRS investors:</p> <ul style="list-style-type: none"> (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 Meeting as proxy to vote on their behalf at the AGM, in which case they should approach their respective CPF Agent Banks or SRS Operators to submit their votes at least seven working days before the date of the AGM.

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION AT THE ANNUAL GENERAL MEETING

Details	Name of Director	
	Lee Kok Keng Andrew	Yeo Chuan Seng Victor
Date of Appointment	29 April 2019	1 May 2024
Date of last re-appointment (if applicable)	25 April 2022	NA
Age	72	60
Country of principal residence	Singapore	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The Board had considered the Nominating Committee's recommendation and assessment on Mr Lee's background, experience, independence and commitment in the discharge of his duties as a Director of Nordic Group Limited, and is satisfied that he will continue to contribute to the Board.	The Board had considered the Nominating Committee's recommendation and assessment on Mr Yeo's background, experience, independence and commitment in the discharge of his duties as a Director of Nordic Group Limited, and is satisfied that he will continue to contribute to the Board.
Whether appointment is executive, and if so, the area of responsibility	Non-Executive	Non-Executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Independent Director, Chairman of the Remuneration Committee and member of the Audit Committee and Nominating Committee.	Independent Director, Chairman of the Nominating Committee and member of the Audit Committee and Remuneration Committee.
Professional qualifications	Bachelor of Social Science (Honours in Economics) from the National University of Singapore	Advocate and Solicitor of the Supreme Court of Singapore
Working experience and occupation(s) during the past 10 years	<ul style="list-style-type: none"> - Senior executive vice president, head, global consumer financial services of OCBC Bank - Executive chairman, BCS (Bank Clearing System) Information System Pte Ltd - Group Chief Marketing Officer, Great Eastern Life Assurance Co Ltd - Nordic Group Limited's independent director, Board Director 	<ul style="list-style-type: none"> - Associate Provost (Student Life), Nanyang Technological University - Associate Professor, Division of Business Law, Nanyang Business School, Nanyang Technological University - Associate Director, Aptus Law Corporation

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION AT THE ANNUAL GENERAL MEETING

Details	Name of Director	
	Lee Kok Keng Andrew	Yeo Chuan Seng Victor
	<ul style="list-style-type: none"> - Independent director of Overseas-Chinese Banking Corp. Ltd. - Independent director of Great Eastern Holdings Limited. - Independent director of Bank of Singapore. - Independent director of OCBC Al-Amin Bank Bhd 	
Shareholding interest in the listed issuer and its subsidiaries	Yes – 467,000 ordinary shares in Nordic Group Limited and deemed interest in 594,800 ordinary shares in Nordic Group Limited held through his spouse	Nil
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/ or substantial shareholder of the listed issuer of any of its principal subsidiaries	Nil	Nil
Conflict of interest (including any competing business)	Nil	Nil
Undertaking (in the format set out in Appendix 7.7 under Rule 720(1) has been submitted to the listed issuer	Yes	Yes
Other Principal Commitments Including Directorship		
Past (for the last 5 years)	- OCBC Al-Amin Bank Berhad	Isetan (Singapore) Limited, Board Director
Present	<ul style="list-style-type: none"> - Bank of Singapore Limited, Board Chairman - Great Eastern Holdings Limited, Board Director - OCBC Management Services Private Limited, Board Director - Oversea-Chinese Banking Corporation Limited, Board Director 	<ul style="list-style-type: none"> - Nanyang Technological University, Associate Provost (Student Life) - Division of Business Law, Nanyang Business School, Nanyang Technological University, Associate Professor - Aptus Law Corporation, Associate Director

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION AT THE ANNUAL GENERAL MEETING

Details	Name of Director	
	Lee Kok Keng Andrew	Yeo Chuan Seng Victor
Information required under items (a) to (k) of Appendix 7.4.1 of the SGX-ST Listing Manual	There is no change to the responses previously disclosed by Mr Lee under items (a) to (k) of Appendix 7.4.1 of the SGX-ST Listing Manual which were all “No”. The Appendix 7.4.1 information in respect of Mr Lee’s appointment as Director was announced on 29 April 2019.	There is no change to the responses previously disclosed by Mr Yeo under items (a) to (k) of Appendix 7.4.1 of the SGX-ST Listing Manual which were all “No”. The Appendix 7.4.1 information in respect of Mr Yeo’s appointment as Director was announced on 1 May 2024.

NORDIC GROUP LIMITED

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ANNUAL GENERAL MEETING PROXY FORM

Important:

This Proxy Form is not valid for use by CPF and SRS investors and shall be ineffective for all intents and purposes if used or purported to be used by them. CPF and SRS investors should contact their respective CPF Agent Banks or SRS Operators if they have any queries regarding their appointment as proxies. Such investors who wish to appoint the Chairman of the Meeting as proxy to vote on their behalf should approach their respective CPF Agent Banks or SRS Operators to submit their votes at least seven working days before the date of the AGM.

I/We _____ (Name), NRIC/Passport number _____

of _____ (Address)

being a member/members of Nordic Group Limited (the “Company”) hereby appoint:

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

and/or (delete as appropriate)

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

or failing whom, the Chairman of the Meeting as my/our proxy/proxies to vote for me/us on my/our behalf at the Annual General Meeting (“AGM”) of the Company to be held at Singapore Recreation Club, B Connaught Drive, Singapore 179682 on Tuesday, 29 April 2025 at 10.00 a.m. and at any adjournment thereof.

I/We direct my/our proxy/proxies to vote for or against the resolutions proposed at the AGM or to abstain from voting, as indicated hereunder. If no specific direction as to voting is given or in the event of any other matter arising at the AGM and at any adjournment thereof, the proxy/proxies will vote or abstain from voting at his/her/their discretion.

No.	ORDINARY RESOLUTIONS	Number of Votes For ⁽¹⁾	Number of Votes Against ⁽¹⁾	Number of Votes Abstain ⁽¹⁾
ROUTINE BUSINESS				
1.	To receive and adopt the Directors’ statement and audited financial statements of the Company for the financial year ended 31 December 2024 together with the auditor’s report thereon.			
2.	To declare a final one-tier tax exempt dividend of 0.8987 Singapore cents per ordinary share for the financial year ended 31 December 2024.			
3.	To re-elect Mr Lee Kok Keng Andrew as a Director of the Company.			
4.	To re-elect Mr Yeo Chuan Seng Victor as a Director of the Company.			
5.	To approve additional Directors’ fees of S\$8,652 for the financial year ended 31 December 2024.			
6.	To approve Directors’ fees of S\$137,000 for the financial year ending 31 December 2025, payable half-yearly in arrears.			
7.	To re-appoint RSM SG Assurance LLP as Auditor of the Company.			
SPECIAL BUSINESS				
8.	To authorise the Directors to allot and issue shares			
9.	To approve the renewal of Share Purchase Mandate.			

(1) Voting will be conducted by poll. If you wish to exercise all your votes “For” or “Against” or to abstain from voting on the resolution in respect of all your votes, please tick “V” in the relevant box provided. Alternatively, please indicate the number of votes “For”, “Against” or “Abstain” in the relevant boxes provided.

Dated this _____ day of _____ 2025

Total number of Shares in:	No. of Shares
(a) CDP Register	
(b) Register of Members	

Signature (s) of Member(s)
or, Common Seal of Corporate Member(s)

Contact Number/ Email Address of Member(s)



Notes:

1. Please insert the total number of shares held by you. If you have shares entered against your name in the Depository Register (maintained by The Central Depository (Pte) Limited), you should insert that number of shares. If you have shares registered in your name in the Register of Members, you should insert that number of shares. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number of shares. If no number is inserted, the proxy form shall be deemed to relate to all the shares held by you.
2. A member who is not a relevant intermediary (as defined in Section 181 of the Companies Act 1967) is entitled to appoint not more than two (2) proxies to attend, speak and vote on his behalf at the AGM. A member of the Company which is a corporation is entitled to appoint its authorised representative or proxy to vote on its behalf. Where such member appoints two (2) proxies, the proportion of his shareholding to be represented by each proxy shall be specified. If no proportion is specified, the Company shall be entitled to treat the first named proxy as representing the entire number of shares entered against his name in the Depository Register and any second named proxy as an alternate to the first named.
3. A member who is a relevant intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the AGM but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy. Please note that if any of a member's shareholdings is not specified in the list provided by the intermediary to the Company, the Company may have the sole discretion to disallow the participation of the proxy at the AGM. A member can appoint the Chairman of the Meeting as his proxy but this is not mandatory.

CPF/SRS investors who wish to appoint the Chairman of the Meeting as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes not less than seven (7) working days before the AGM.

4. A proxy need not be a member of the Company.
5. The proxy form, duly executed in accordance with the instructions on the proxy form, must be submitted to the Company in the following manner:
 - (a) by email to ir@nordicgrouplimited.com; or
 - (b) by post to the Company's Share Registrar, Tricor Barbinder Share Registration Services at 9 Raffles Place, #26-01, Republic Plaza Tower 1 Singapore 048619,

in either case, to be received by 10.00 a.m. on 26 April 2025, being no later than 72 hours before the time set for the AGM.

Members are strongly encouraged to submit completed proxy forms electronically via email to ir@nordicgrouplimited.com to ensure that they are received by the Company by the stipulated deadline.

6. 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 seal or under the hand of an officer or attorney duly authorised. Where the proxy form is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the proxy form.
7. 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 AGM, in accordance with Section 179 of the Companies Act 1967.
8. Completion and return of the proxy form by a member will not prevent him from attending, speaking and voting at the AGM if he 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 proxy form to the AGM.

General:

The Company shall be entitled to reject a proxy form which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointer specified in the proxy form (including any related attachment). In addition, in the case of a member whose shares are entered in the Depository Register, the Company may reject a proxy form if the member, being the appointer, is not shown to have shares entered against his name in the Depository Register as at 72 hours before the time appointed for holding the AGM, as certified by The Central Depository (Pte) Limited to the Company.

Personal Data Privacy:

By submitting a proxy form, the member accepts and agrees to the personal data privacy terms set out in the Notice of AGM dated 14 April 2025.



NORDIC
Group Limited

(Incorporated in the Republic of Singapore on 8 April 2010)

Company Registration
Number: 201007399N