

**TR Example Group**  
***Annual financial reporting - for the year ended***  
**31 December 2024**

Generic Company Number XXX XXX XXX

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## Directors' report

The Company is principally engaged in <insert description of the business activities>. Information on the Company's structure is provided in Note 6. Information on other related party relationships of the Company is provided in Note 33.

ON BEHALF OF THE BOARD

.....  
Director 1

## Independent auditor's report

**Statement of profit or loss  
for the year ended 31 December 2024**

		<b>2024</b>	<b>2023</b>
	<b>Notes</b>	<b>\$000</b>	<b>\$000</b>
<b>Continuing operations</b>			
Revenue from contracts with customers	4	118,505	106,166
Rental income	16	936	918
<b>Revenue</b>		<b>119,441</b>	<b>107,084</b>
Cost of sales		(91,047)	(85,591)
<b>Gross profit</b>		<b>28,394</b>	<b>21,493</b>
Other operating income	12.1	1,624	1,699
Selling and distribution expenses		(9,334)	(8,643)
Administrative expenses	12.9	(11,820)	(8,007)
Other operating expenses	12.2	(1,702)	(236)
<b>Operating profit</b>		<b>7,162</b>	<b>6,306</b>
Finance costs	12.3	(886)	(845)
Finance income	12.4	134	97
Other income	12.5	65	44
Share of profit of an associate and a joint venture	9, 10	447	425
<b>Profit before tax from continuing operations</b>		<b>6,922</b>	<b>6,027</b>
Income tax expense	14	(2,061)	(1,489)
<b>Profit for the year from continuing operations</b>		<b>4,861</b>	<b>4,538</b>
<b>Discontinued operations</b>			
Profit/(loss) after tax for the year from discontinued operations	13	147	(126)
<b>Profit for the year</b>		<b>5,008</b>	<b>4,412</b>

**Statement of comprehensive income  
for the year ended 31 December 2024**

		<b>2024</b>	<b>2023</b>
	<b>Notes</b>	<b>\$000</b>	<b>\$000</b>
<b>Profit for the year</b>		<b>5,008</b>	<b>4,412</b>
<b>Other comprehensive income</b>			
<i>Other comprehensive income that may be reclassified to profit or loss in subsequent periods:</i>			
Net gain on hedge of a net investment		130	-
Exchange differences on translation of foreign operations	18.3, 23	(164)	(78)
Net gain/(loss) on cash flow hedges	18.3, 23	(412)	16
Net change in costs of hedging	18.3, 23	(15)	-
Net loss on debt instruments at fair value through other comprehensive income	18.3, 23	(10)	(1)
Share of other comprehensive loss of an associate	10	(20)	-
<b>Income tax effect relating to the components of OCI</b>		<b>-</b>	<b>-</b>
<b>Net other comprehensive loss that may be reclassified to profit or loss in subsequent periods</b>		<b>(491)</b>	<b>(63)</b>
<i>Other comprehensive income that will not be reclassified to profit or loss in subsequent periods:</i>			
Net gain/(loss) on equity instruments designated at fair value through other comprehensive income	23	(12)	5
Remeasurement gain/(loss) on defined benefit plans	30	171	(182)
Revaluation of office properties in <insert country>	15	395	-
Share of other comprehensive income of an associate	10	20	-
<b>Income tax effect relating to the components of OCI</b>		<b>-</b>	<b>-</b>
<b>Net other comprehensive income/(loss) that will not be reclassified to profit or loss in subsequent periods</b>		<b>574</b>	<b>(177)</b>
<b>Other comprehensive income/(loss) for the year, net of tax</b>		<b>83</b>	<b>(240)</b>
<b>Total comprehensive income for the year, net of tax</b>		<b>5,091</b>	<b>4,172</b>

**Statement of financial position  
as at 31 December 2024**

		<b>2024</b>	<b>2023</b>	<b>2022</b>
	<b>Notes</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
<b>Assets</b>				
<b>Non-current assets</b>				
Property, plant and equipment	15	16,438	15,366	12,627
Investment properties	16	5,929	5,322	4,727
Intangible assets	17	1,692	1,474	1,330
Right-of-use assets	29	1,773	1,821	1,943
Investment in subsidiaries	8	6,053	1,141	-
Investment in an associate and a joint venture	9, 10	2,124	1,677	1,252
Non-current financial assets	18	2,508	1,876	1,515
Deferred tax assets	14	259	243	214
Non-current trade and other receivables		-	-	-
Non-current assets held for sale		-	-	-
Non-current contract assets		-	-	-
Other non-current assets		-	-	-
		<b>36,776</b>	<b>28,920</b>	<b>23,608</b>
<b>Current assets</b>				
Inventories	19	14,622	15,376	16,197
Right of return assets	4	749	619	571
Trade receivables	4, 20	15,402	14,292	17,025
Contract assets	4, 20	3,027	3,453	2,300
Prepayments	21	163	110	151
Other current financial assets	18	367	102	91
Cash and short-term deposits	22	11,499	9,911	7,377
Other current assets		-	-	-
		<b>45,829</b>	<b>43,863</b>	<b>43,712</b>
Assets held for sale	13	9,036	-	-
		<b>54,865</b>	<b>43,863</b>	<b>43,712</b>
<b>Total assets</b>		<b>91,641</b>	<b>72,783</b>	<b>67,320</b>
<b>Equity and liabilities</b>				
<b>Equity</b>				
Issued capital	23	14,592	12,925	12,925
Share premium	23	3,187	53	-
Treasury shares	23	(339)	(436)	(516)
Other capital reserves	23	781	576	377
Retained earnings		21,257	17,610	14,447
Other components of equity		(428)	(337)	(279)
Reserves of a disposal group held for sale	13	31	-	-
<b>Equity</b>		<b>39,081</b>	<b>30,391</b>	<b>26,954</b>
Non-controlling interests		-	-	-
<b>Total equity</b>		<b>39,081</b>	<b>30,391</b>	<b>26,954</b>

**Statement of financial position (continued)**  
**as at 31 December 2024**

		<b>2024</b>	<b>2023</b>	<b>2022</b>
	<b>Notes</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
<b>Non-current liabilities</b>				
Interest-bearing loans and borrowing	18	14,764	15,543	14,239
Other non-current financial liabilities	18	203	-	-
Provisions	25	87	13	10
Government grants	26	2,200	933	867
Contract liabilities	4, 27	1,975	592	461
Net employee defined benefit liabilities	30	2,033	1,985	1,684
Deferred tax liabilities	14	375	151	520
Non-current trade and other payables		-	-	-
Liabilities directly associated with the non-current assets held for sale		-	-	-
Other non-current liabilities		-	-	-
		<b>21,637</b>	<b>19,217</b>	<b>17,781</b>
<b>Current liabilities</b>				
Trade and other payables	28	9,508	12,811	12,165
Contract liabilities	4, 27	1,635	1,658	1,224
Refund liabilities	4	4,161	3,896	2,531
Interest-bearing loans and borrowings	18	1,746	2,095	3,223
Other current financial liabilities	18	1,589	169	202
Government grants	26	99	101	100
Income tax payable		3,055	2,375	3,083
Provisions	25	107	70	57
Dividends payable	24	273	-	-
Other current liabilities		-	-	-
		<b>22,173</b>	<b>23,175</b>	<b>22,585</b>
Liabilities directly associated with the assets held for sale	13	8,750	-	-
		<b>30,923</b>	<b>23,175</b>	<b>22,585</b>
<b>Total liabilities</b>		<b>52,560</b>	<b>42,392</b>	<b>40,366</b>
<b>Total equity and liabilities</b>		<b>91,641</b>	<b>72,783</b>	<b>67,320</b>

.....  
Director 1



**Statement of financial position (continued)**  
**as at 31 December 2024**

.....  
Director 1

**Statement of changes in equity  
for the year ended 31 December 2024**

	Issued capital (Note 23)	Share premium (Note 23)	Treasury shares (Note 23)	Other capital reserves (Note 23)	Retained earnings	Cash flow hedge reserve	Cost of hedging reserve	Fair value reserve of financial assets at FVOCI	Foreign currency translation reserve
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>As at 1 January 2024</b>	12,925	53	(436)	576	17,613	(47)	-	6	(296)
Effect of adoption of IFRS XX	-	-	-	-	-	-	-	-	-
Adjustment on correction of error (net of tax)	-	-	-	-	-	-	-	-	-
<b>As at 1 January 2024 as restated</b>	12,925	53	(436)	576	17,613	(47)	-	6	(296)
Profit for the period	-	-	-	-	5,008	-	-	-	-
Other comprehensive income (Note 23)	-	-	-	-	171	(412)	(15)	(42)	(34)
<b>Total comprehensive income</b>	-	-	-	-	5,179	(412)	(15)	(42)	(34)
Depreciation transfer for office properties in <insert country>	-	-	-	-	53	-	-	-	-
Discontinued operations (Note 13)	-	-	-	-	-	-	-	(30)	-
Issue of share capital (Note 23)	1,667	3,136	-	-	-	-	-	-	-
Exercise of options (Note 23)	-	19	97	-	-	-	-	-	-
Share based payments (Note 31)	-	-	-	205	-	-	-	-	-
Transaction costs (Note 7)	-	(21)	-	-	-	-	-	-	-
Cash dividends (Note 24)	-	-	-	-	(1,593)	-	-	-	-
<b>Dividends (Note 24)</b>	-	-	-	-	-	-	-	-	-
Transfer of fair value reserve of equity instruments designated at FVOCI	-	-	-	-	5	-	2	-	-
Transfer of cash flow hedge reserve to inventories	-	-	-	-	-	84	-	(5)	-
<b>Acquisition of a subsidiary (Note 7)</b>	-	-	-	-	-	-	-	-	-
<b>Purchase of treasury shares</b>	-	-	-	-	-	-	-	-	-
<b>Acquisition of non-controlling interests (Note 7)</b>	-	-	-	-	-	-	-	-	-
<b>Non-controlling interests arising on a business combination (Note 7)</b>	-	-	-	-	-	-	-	-	-
<b>At 31 December 2024</b>	<b>14,592</b>	<b>3,187</b>	<b>(339)</b>	<b>781</b>	<b>21,257</b>	<b>(375)</b>	<b>(13)</b>	<b>(71)</b>	<b>(330)</b>

**Statement of changes in equity (continued)**  
**for the year ended 31 December 2024**

**As at 1 January 2024**

Effect of adoption of IFRS XX

Adjustment on correction of error (net of tax)

**As at 1 January 2024 as restated**

Profit for the period

Other comprehensive income (Note 23)

**Total comprehensive income**

Depreciation transfer for office properties in <insert country>

Discontinued operations (Note 13)

Issue of share capital (Note 23)

Exercise of options (Note 23)

Share based payments (Note 31)

Transaction costs (Note 7)

Cash dividends (Note 24)

Dividends (Note 24)

Transfer of fair value reserve of equity instruments designated at FVOCI

Transfer of cash flow hedge reserve to inventories

Acquisition of a subsidiary (Note 7)

Purchase of treasury shares

Acquisition of non-controlling interests (Note 7)

Non-controlling interests arising on a business combination (Note 7)

**At 31 December 2024**

	Asset revaluation surplus	Reserve of disposal group held for sale	Total
	\$000	\$000	\$000
As at 1 January 2024	-	-	30,394
Effect of adoption of IFRS XX	-	-	-
Adjustment on correction of error (net of tax)	-	-	-
As at 1 January 2024 as restated	-	-	30,394
Profit for the period	-	-	5,008
Other comprehensive income (Note 23)	415	-	83
<b>Total comprehensive income</b>	<b>415</b>	<b>-</b>	<b>5,091</b>
Depreciation transfer for office properties in <insert country>	(54)	-	(1)
Discontinued operations (Note 13)	-	31	1
Issue of share capital (Note 23)	-	-	4,803
Exercise of options (Note 23)	-	-	116
Share based payments (Note 31)	-	-	205
Transaction costs (Note 7)	-	-	(21)
Cash dividends (Note 24)	-	-	(1,593)
Dividends (Note 24)	-	-	-
Transfer of fair value reserve of equity instruments designated at FVOCI	-	-	7
Transfer of cash flow hedge reserve to inventories	-	-	79
Acquisition of a subsidiary (Note 7)	-	-	-
Purchase of treasury shares	-	-	-
Acquisition of non-controlling interests (Note 7)	-	-	-
Non-controlling interests arising on a business combination (Note 7)	-	-	-
<b>At 31 December 2024</b>	<b>361</b>	<b>31</b>	<b>39,081</b>

**Statement of changes in equity (continued)**  
**for the year ended 31 December 2024**

	Issued capital (Note 23)	Share premium (Note 23)	Treasury shares (Note 23)	Other capital reserves (Note 23)	Retained earnings	Cash-flow hedge reserve	Cost-of hedging reserve	Fair-value reserve-of financial assets-at FVOCI	Foreign currency translation reserve
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>At 31 December 2024</b>	<b>14,592</b>	<b>3,187</b>	<b>(339)</b>	<b>781</b>	<b>21,257</b>	<b>(375)</b>	<b>(13)</b>	<b>(71)</b>	<b>(330)</b>

Statement of changes in equity (continued)  
for the year ended 31 December 2024

							Asset revaluation surplus	Reserve of disposal group held for sale	Total
							\$000	\$000	\$000
							361	31	39,081
	Issued capital (Note 23)	Share premium (Note 23)	Treasury shares (Note 23)	Other capital reserves (Note 23)	Retained earnings	Cash flow hedge reserve	Fair value reserve of financial assets at FVOCI	Foreign currency translation reserve	Total
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
As at 1 January 2023	12,925	-	(516)	377	14,447	(63)	2	(218)	26,954
Effect of adoption of IFRS XX									
Adjustment on correction of error (net of tax)									
As at 1 January 2023 (restated)	12,925	-	(516)	377	14,447	(63)	2	(218)	26,954
Profit for the period	-	-	-	-	4,412	-	-	-	4,412
Other comprehensive income (Note 23)	-	-	-	-	(182)	16	4	(78)	(240)
<b>Total comprehensive income</b>	-	-	-	-	<b>4,230</b>	<b>16</b>	<b>4</b>	<b>(78)</b>	<b>4,172</b>
Depreciation transfer for office properties in <insert country>									
Discontinued operations (Note 13)									
Issue of share capital (Note 23)									
Exercise of options (Note 23)	-	53	80	-	-	-	-	-	133
Share based payments (Note 31)	-	-	-	199	-	-	-	-	199
Transaction costs (Note 7)									
Cash dividends (Note 24)									
Dividends (Note 24)	-	-	-	-	(1,067)	-	-	-	(1,067)
Transfer of fair value reserve of equity instruments designated at FVOCI									

**Statement of changes in equity (continued)**  
**for the year ended 31 December 2023**

	Issued capital (Note 23)	Share premium (Note 23)	Treasury shares (Note 23)	Other capital reserves (Note 23)	Retained earnings	Cash flow hedge reserve	Fair value reserve of financial assets at FVOCI	Foreign currency translation reserve	Total
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Transfer of cash flow hedge reserve to inventories	-	-	-	-	-	-	-	-	-
Acquisition of a subsidiary (Note 7)	-	-	-	-	-	-	-	-	-
Purchase of treasury shares	-	-	-	-	-	-	-	-	-
Acquisition of non-controlling interests (Note 7)	-	-	-	-	-	-	-	-	-
Non-controlling interests arising on a business combination (Note 7)	-	-	-	-	-	-	-	-	-
<b>At 31 December 2023</b>	<b>12,925</b>	<b>53</b>	<b>(436)</b>	<b>576</b>	<b>17,610</b>	<b>(47)</b>	<b>6</b>	<b>(296)</b>	<b>30,391</b>

**Statement of cash flows  
for the year ended 31 December 2024**

		<b>2024</b>	<b>2023</b>
	<b>Notes</b>	<b>\$000</b>	<b>\$000</b>
<b>Operating activities</b>			
Profit before tax from continuing operations		6,922	6,027
Profit/(loss) before tax from discontinued operations	13	142	(129)
<b>Profit before tax</b>		<b>7,064</b>	<b>5,898</b>
Adjustments to reconcile profit before tax to net cash flows:			
Depreciation and impairment of property, plant and equipment and right-of-use assets	15, 29	2,894	2,530
Amortisation and impairment of intangible assets	17	217	116
Equipment received from customers	15	(127)	(100)
Share-based payment expense	31	275	328
Decrease in fair value of investment properties	16	204	200
Net foreign exchange differences		(243)	(160)
Gain on disposal of property, plant and equipment	12.1	(355)	(1,338)
Fair value adjustment of a contingent consideration	7	-	-
Finance income	12.4	(135)	(97)
Finance costs	12.3	911	845
Other income	12.5	(65)	(44)
Net loss on derivative instruments at fair value through profit or loss		435	-
Share of profit of an associate and a joint venture	9, 10	-	-
Movements in provisions, pensions and government grants		(557)	(43)
Working capital changes:			
(Increase)/decrease in trade receivables, contract assets and prepayments		(4,735)	1,621
Decrease in inventories and right of return assets		753	741
Increase/(decrease) in trade and other payables, contract liabilities and refund liabilities		1,334	(1,206)
		<b>7,870</b>	<b>9,291</b>
Interest received		167	147
Interest paid		(711)	(782)
Income tax paid		(1,957)	(2,666)
<b>Net cash flows from operating activities</b>		<b>5,369</b>	<b>5,990</b>
<b>Investing activities</b>			
Proceeds from sale of property, plant and equipment		1,327	1,546
Purchase of property, plant and equipment	15	(6,778)	(5,054)
Purchase of investment properties	16	(811)	(795)
Purchase of financial instruments		(181)	(150)
Proceeds from sale of financial instruments		219	97
Development expenditures	17	-	-
Acquisition of a subsidiary, net of cash acquired	7	-	-
Investment in associates and joint venture		-	-
Receipt of government grants	26	1,967	428
<b>Net cash flows used in investing activities</b>		<b>(4,257)</b>	<b>(3,928)</b>

**Statement of cash flows (continued)**  
**for the year ended 31 December 2024**

		<b>2024</b>	<b>2023</b>
	<b>Notes</b>	<b>\$000</b>	<b>\$000</b>
<b>Financing activities</b>			
Proceeds from issuance of shares		-	-
Other components of equity		-	-
Purchase of treasury shares		-	-
Proceeds from exercise of share options		117	133
Acquisition of non-controlling interests	7	-	-
Transaction costs on issue of shares	23	(21)	-
Payment of principal portion of lease liabilities	29	(271)	(227)
Proceeds from borrowings		3,766	3,248
Repayment of borrowings		(1,355)	(2,833)
Dividends paid to equity holders of the parent	24	-	-
Dividends paid to non-controlling interests		-	-
<b>Net cash flows from financing activities</b>		<b>2,236</b>	<b>321</b>
<b>Net increase in cash and cash equivalents</b>		<b>3,348</b>	<b>2,383</b>
Net foreign exchange difference		226	217
Cash and cash equivalents at 1 January		8,144	5,544
<b>Cash and cash equivalents at 31 December</b>	<b>22</b>	<b>11,718</b>	<b>8,144</b>

		<b>2024</b>	<b>2023</b>
	<b>Notes</b>	<b>\$000</b>	<b>\$000</b>
<b>Operating activities</b>			
Receipts from customers		118,353	105,528
Payments to suppliers		(87,984)	(76,803)
Payments to employees		(22,499)	(19,434)
Interest received		167	147
Interest paid		(711)	(782)
Income tax paid		(1,957)	(2,666)
<b>Net cash flows from operating activities</b>		<b>5,369</b>	<b>5,990</b>
<b>Investing activities</b>			
Proceeds from sale of property, plant and equipment		1,327	1,546
Purchase of property, plant and equipment	15	(6,778)	(5,054)
Purchase of investment properties	16	(811)	(795)
Purchase of financial instruments		(181)	(150)
Proceeds from sale of financial instruments		219	97
Development expenditures	17	-	-
Acquisition of a subsidiary, net of cash acquired	7	-	-
Investment in associates and joint venture		-	-
Receipt of government grants	26	1,967	428
<b>Net cash flows used in investing activities</b>		<b>(4,257)</b>	<b>(3,928)</b>



**Statement of cash flows (continued)**  
**for the year ended 31 December 2024**

		<b>2024</b>	<b>2023</b>
	<b>Notes</b>	<b>\$000</b>	<b>\$000</b>
<b>Financing activities</b>			
Proceeds from issuance of shares		-	-
Other components of equity		-	-
Purchase of treasury shares		-	-
Proceeds from exercise of share options		117	133
Acquisition of non-controlling interests	7	-	-
Transaction costs on issue of shares	23	(21)	-
Payment of principal portion of lease liabilities	29	(271)	(227)
Proceeds from borrowings		3,766	3,248
Repayment of borrowings		(1,355)	(2,833)
Dividends paid to equity holders of the parent	24	-	-
Dividends paid to non-controlling interests		-	-
<b>Net cash flows from financing activities</b>		<b>2,236</b>	<b>321</b>
<b>Net increase in cash and cash equivalents</b>		<b>3,348</b>	<b>2,383</b>
Net foreign exchange difference		226	217
Cash and cash equivalents at 1 January		8,144	5,544
<b>Cash and cash equivalents at 31 December</b>	<b>22</b>	<b>11,718</b>	<b>8,144</b>

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**Notes to financial statements (continued)  
for the year ended 31 December 2024**

**1 Corporate information**

The financial statements of TR Example Group (hereafter, the Company) for the year ended 31 December 2024 were authorised for issue in accordance with a resolution of the directors on XX XXXX 20XX. TR Example Group is a limited company incorporated and domiciled in <insert country>. The registered office is located at <Registered office's address>.

The Company is principally engaged in <insert description of the business activities>. Information on the Company's structure is provided in Note 6. Information on other related party relationships of the Company is provided in Note 33.

**2 Accounting policies**

**2.1 Basis of preparation**

The financial statements of the Company have been prepared in accordance with ~~International Financial Reporting Standards~~ (IFRS ~~accounting standards~~ ~~Accounting Standards~~) as issued by the International Accounting Standards Board (IASB).

The financial statements have been prepared on a historical cost basis, except for investment properties, certain office properties (classified as property, plant and equipment), derivative financial instruments, debt and equity financial assets and contingent consideration that have been measured at fair value. The carrying values of recognised assets and liabilities that are designated as hedged items in fair value hedges that would otherwise be carried at amortised cost are adjusted to recognise changes in the fair values attributable to the risks that are being hedged in effective hedge relationships. The financial statements are presented in US Dollars and all values are rounded to the nearest thousand (\$000), except when otherwise indicated.

The Company has prepared the financial statements on the basis that it will continue to operate as a going concern.

The financial statements provide comparative information in respect of the previous period. In addition, the Company presents an additional statement of financial position at the beginning of the preceding period when there is a retrospective application of an accounting policy, a retrospective restatement, or a reclassification of items in financial statements. See Note 2.2

**2.2 Summary of accounting policies**

**a) Business combinations and goodwill**

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the Company elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

The Company determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

**Notes to financial statements (continued)  
for the year ended 31 December 2024**

**2 Accounting policies (continued)**

**2.2 Summary of accounting policies (continued)**

**a) Business combinations and goodwill (continued)**

When the Company acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of IFRS 9 *Financial Instruments*, is measured at fair value with the changes in fair value recognised in the statement of profit or loss in accordance with IFRS 9. Other contingent consideration that is not within the scope of IFRS 9 is measured at fair value at each reporting date with changes in fair value recognised in profit or loss.

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed). If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Company re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Company's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit (CGU) and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

**b) Investment in associates and joint ventures**

The company holds an interest in a joint venture, <insert company> and an interest in an associate, <insert company>.

The financial statements of <insert company> and <insert company> are prepared for the same reporting period as the Company. The accounting policies of both companies are aligned with those of the Company. Therefore, no adjustments are made when measuring and recognising the Company's share of the profit or loss of the investees after the date of acquisition.

An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

**Notes to financial statements (continued)**  
**for the year ended 31 December 2024**

**2 Accounting policies (continued)**

**2.2 Summary of accounting policies (continued)**

**b) Investment in associates and joint ventures (continued)**

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The considerations made in determining significant influence or joint control are similar to those necessary to determine control over subsidiaries. The Company's investment in its associate and joint venture are accounted for using the equity method.

The aggregate of the Company's share of profit or loss of an associate and a joint venture is shown on the face of the statement of profit or loss outside operating profit and represents profit or loss after tax and non-controlling interests in the subsidiaries of the associate or joint venture.

Under the equity method, the investment in an associate or a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Company's share of net assets of the associate or joint venture since the acquisition date. Thus, reversals of impairments may effectively include reversal of goodwill impairments. Impairments and reversals are presented within 'Share of profit of an associate and a joint venture' in the statement of profit or loss.

The statement of profit or loss reflects the Company's share of the results of operations of the associate or joint venture. Any change in OCI of those investees is presented as part of the Company's OCI. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Company recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Company and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture.

The aggregate of the Company's share of profit or loss of an associate and a joint venture is shown on the face of the statement of profit or loss outside operating profit and represents profit or loss after tax and non-controlling interests in the subsidiaries of the associate or joint venture.

The financial statements of the associate or joint venture are prepared for the same reporting period as the Company. When necessary, adjustments are made to bring the accounting policies in line with those of the Company.

After application of the equity method, the Company determines whether it is necessary to recognise an impairment loss on its investment in its associate or joint venture. At each reporting date, the Company determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, the Company calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, and then recognises the loss within 'Share of profit of an associate and a joint venture' in the statement of profit or loss.

Upon loss of significant influence over the associate or joint control over the joint venture, the Company measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

**Notes to financial statements (continued)**  
**for the year ended 31 December 2024**

**2 Accounting policies (continued)**

**2.2 Summary of accounting policies (continued)**

**c) Fair value measurement**

The Company measures financial instruments such as derivatives, and non-financial assets such as investment properties, at fair value at each balance sheet date.

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability
- Or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's Valuation Committee determines the policies and procedures for both recurring fair value measurement, such as investment properties and unquoted financial assets, and for non-recurring measurement, such as assets held for sale in discontinued operations. The Valuation Committee is comprised of the head of the investment properties segment, heads of the Company's internal mergers and acquisitions team, the head of the risk management department, chief finance officers and the managers of each property.

**Notes to financial statements (continued)**  
**for the year ended 31 December 2024**

**2 Accounting policies (continued)**

**2.2 Summary of accounting policies (continued)**

**c) Fair value measurement (continued)**

External valuers are involved for valuation of significant assets, such as investment properties and unquoted financial assets, and significant liabilities, such as contingent consideration. Involvement of external valuers is determined annually by the Valuation Committee after discussion with and approval by the Company's Audit Committee. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. Valuers are normally rotated every three years. The Valuation Committee decides, after discussions with the Company's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the Valuation Committee analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the Valuation Committee verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The Valuation Committee also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

On an interim basis, the Valuation Committee and the GroupCompany's external valuers presents the valuation results to the Audit Committee and the Company's independent auditors. This includes a discussion of the major assumptions used in the valuations.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

Fair-value related disclosures for financial instruments and non-financial assets that are measured at fair value or where fair values are disclosed, are summarised in the following notes:

- |  |                       |
|--|-----------------------|
| • Disclosures for valuation methods, significant estimates and assumptions | Notes 3, 157 and 18.4 |
| • Quantitative disclosures of fair value measurement hierarchy             | Note 11               |
| • Investment in non-listed equity shares (discontinued operations)         | Note 13               |
| • Property, plant and equipment under revaluation model                    | Note 15               |
| • Investment properties  | Note 16               |
| • Financial instruments (including those carried at amortised cost)        | Note 18.4             |

The Company is in the business of <insert description of the business>. Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements, except for the procurement services below, because it typically controls the goods or services before transferring them to the customer.



**Notes to financial statements (continued)  
for the year ended 31 December 2024**

**2 Accounting policies (continued)**

**2.2 Summary of accounting policies (continued)**

**d) Revenue from contracts with customers**

**Sale of <insert description of products sold>**

Revenue from sale of <insert description of products sold> is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the equipment at the customer's location. The normal credit term is XX to XX days upon delivery.

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated (e.g., warranties, customer loyalty points). In determining the transaction price for the sale of <insert description of products sold>, the Company considers the effects of variable consideration, existence of a significant financing component, noncash consideration, and consideration payable to the customer (if any).

**(i) Variable consideration**

If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. Some contracts for the sale of <insert description of products sold>, provide customers with a right to return the goods within a specified period. The Company also provides retrospective volume rebates to certain customers once the quantity of <insert description of products sold>, purchased during the period exceeds the threshold specified in the contract. The rights of return and volume rebates give rise to variable consideration.

*Rights of return*

The Company uses the expected value method to estimate the variable consideration given the large number of contracts that have similar characteristics. The Company then applies the requirements on constraining estimates of variable consideration in order to determine the amount of variable consideration that can be included in the transaction price and recognised as revenue. A refund liability is recognised for the goods that are expected to be returned (i.e., the amount not included in the transaction price). A right of return asset (and corresponding adjustment to cost of sales) is also recognised for the right to recover the goods from the customer.

*Volume rebates*

The Company applies either the most likely amount method or the expected value method to estimate the variable consideration in the contract. The selected method that best predicts the amount of variable consideration is primarily driven by the number of volume thresholds contained in the contract. The most likely amount is used for those contracts with a single volume threshold, while the expected value method is used for those with more than one volume threshold. The Company then applies the requirements on constraining estimates of variable consideration in order to determine the amount of variable consideration that can be included in the transaction price and recognised as revenue. A refund liability is recognised for the expected future rebates (i.e., the amount not included in the transaction price).

The disclosures of significant estimates and assumptions relating to the estimation of variable consideration for returns and volume rebates are provided in Note 3.

**Notes to financial statements (continued)  
for the year ended 31 December 2024**

**2 Accounting policies (continued)**

**2.2 Summary of accounting policies (continued)**

**d) Revenue from contracts with customers (continued)**

***(ii) Significant financing component***

The Company receives advance payments from customers for the sale of <insert description of products sold> with a manufacturing lead time of <insert lead time if applicable> after signing the contract and receipt of payment. There is a significant financing component for these contracts considering the length of time between the customers' payment and the transfer of the equipment, as well as the prevailing interest rate in the market. As such, the transaction price for these contracts is discounted, using the interest rate implicit in the contract (i.e., the interest rate that discounts the cash selling price of the equipment to the amount paid in advance). This rate is commensurate with the rate that would be reflected in a separate financing transaction between the Company and the customer at contract inception.

The Company applies the practical expedient for short-term advances received from customers. That is, the promised amount of consideration is not adjusted for the effects of a significant financing component if the period between the transfer of the promised good or service and the payment is one year or less.

***(iii) Non-cash consideration***

The Company receives <inputs that might be used in manufacturing of goods sold> from certain customers to be used in manufacturing <insert description of products sold> to be sold to them. The fair value of such non-cash consideration received from the customer is included in the transaction price and measured when the Company obtains control of the equipment.

The Company estimates the fair value of the non-cash consideration by reference to its market price. If the fair value cannot be reasonably estimated, the non-cash consideration is measured indirectly by reference to the stand-alone selling price of the <insert description of products sold>.

**Warranty obligations**

The Company typically provides warranties for general repairs of defects that existed at the time of sale, as required by law. These assurance-type warranties are accounted for as warranty provisions. Refer to the accounting policy on warranty provisions in section (v) Provisions.

The Company also provides a warranty beyond fixing defects that existed at the time of sale. These service-type warranties are sold either separately or bundled together with the sale of <insert description of products sold>. Contracts for bundled sales of equipment and service-type warranty comprise two performance obligations because the equipment and service-type warranty are both sold on a stand-alone basis and are distinct within the context of the contract. Using the relative stand-alone selling price method, a portion of the transaction price is allocated to the service-type warranty and recognised as a contract liability. Revenue for service-type warranties is recognised over the period in which the service is provided based on the time elapsed.

**Notes to financial statements (continued)  
for the year ended 31 December 2024**

**2 Accounting policies (continued)**

**2.2 Summary of accounting policies (continued)**

**d) Revenue from contracts with customers (continued)**

**Loyalty points programme**

The Company has a loyalty points programme, <name of the programme>, which allows customers to accumulate points that can be redeemed for free products. The loyalty points give rise to a separate performance obligation as they provide a material right to the customer.

A portion of the transaction price is allocated to the loyalty points awarded to customers based on relative stand-alone selling price and recognised as a contract liability until the points are redeemed. Revenue is recognised upon redemption of products by the customer.

When estimating the stand-alone selling price of the loyalty points, the Company considers the likelihood that the customer will redeem the points. The Company updates its estimates of the points that will be redeemed on a quarterly basis and any adjustments to the contract liability balance are charged against revenue.

The disclosures of significant estimates and assumptions relating to the estimation of the stand-alone selling price of the loyalty points are provided in Note 3.

**Installation services**

The Company provides installation services that are either sold separately or bundled together with the sale of equipment to a customer. The installation services do not significantly customise or modify the <insert description of products sold>.

Contracts for bundled sales of equipment and installation services are comprised of two performance obligations because the equipment and installation services are both sold on a stand-alone basis and are distinct within the context of the contract. Accordingly, the Company allocates the transaction price based on the relative stand-alone selling prices of the equipment and installation services.

The Company recognises revenue from installation services over time because the customer simultaneously receives and consumes the benefits provided to them. The Company uses an input method in measuring progress of the installation services because there is a direct relationship between the Company's effort (i.e., based on the labour hours incurred) and the transfer of service to the customer. The Company recognises revenue on the basis of the labour hours expended relative to the total expected labour hours to complete the service.

**Procurement services**

The Company has contracts with customers to acquire, on their behalf, <insert description of products sold> produced by foreign suppliers. Under these contracts, the Company provides procurement services (i.e., coordinating the selection of suitable suppliers and managing the ordering and delivery of the imported equipment). The Company does not have control of the equipment before it is being transferred to the customer. The Company is acting as an agent and recognises revenue at the net amount that is retained for these arrangements. Revenue is recognised at a point in time (i.e., upon receipt of the customer of the equipment) because this is when the customer benefits from the Company's procurement services.

**Notes to financial statements (continued)  
for the year ended 31 December 2024**

**2 Accounting policies (continued)**

**2.2 Summary of accounting policies (continued)**

**d) Revenue from contracts with customers (continued)**

**Contract assets**

A contract asset is initially recognised for revenue earned from installation services because the receipt of consideration is conditional on successful completion of the installation. Upon completion of the installation and acceptance by the customer, the amount recognised as contract assets is reclassified to trade receivables.

Contract assets are subject to impairment assessment. Refer to accounting policies on impairment of financial assets in section (o) Financial instruments – initial recognition and subsequent measurement.

**Trade receivables**

A receivable is recognised if an amount of consideration that is unconditional is due from the customer (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (o) Financial instruments – initial recognition and subsequent measurement.

**Contract liabilities**

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Company transfers the related goods or services. Contract liabilities are recognised as revenue when the Company performs under the contract (i.e., transfers control of the related goods or services to the customer).

**Assets and liabilities arising from rights of return**

***Right of return assets***

A right-of-return asset is recognised for the right to recover the goods expected to be returned by customers. The asset is measured at the former carrying amount of the inventory, less any expected costs to recover the goods and any potential decreases in value. The Company updates the measurement of the asset for any revisions to the expected level of returns and any additional decreases in the value of the returned products.

***Refund liabilities***

A refund liability is recognised for the obligation to refund some or all of the consideration received (or receivable) from a customer. The Company's refund liabilities arise from customers' right of return and volume rebates. The liability is measured at the amount the Company ultimately expects it will have to return to the customer. The Company updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

**Cost to obtain a contract**

The Company pays sales commission to its employees for each contract that they obtain for bundled sales of equipment and installation services. The Company applies the optional practical expedient to immediately expense costs to obtain a contract if the amortisation period of the asset that would have been recognised is one year or less. As such, sales commissions are immediately recognised as an expense and included as part of employee benefits.

**Notes to financial statements (continued)  
for the year ended 31 December 2024**

**2 Accounting policies (continued)**

**2.2 Summary of accounting policies (continued)**

**e) Government grants**

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at nominal amounts and released to profit or loss over the expected useful life of the asset, based on the pattern of consumption of the benefits of the underlying asset by equal annual instalments.

**f) Taxes**

***Current income tax***

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

***Deferred tax***

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

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

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

**Notes to financial statements (continued)  
for the year ended 31 December 2024**

**2 Accounting policies (continued)**

**2.2 Summary of accounting policies (continued)**

**f) Taxes (continued)**

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

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

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

In assessing the recoverability of deferred tax assets, the Company relies on the same forecast assumptions used elsewhere in the financial statements and in other management reports, which, among other things, reflect the potential impact of climate-related development on the business, such as increased cost of production as a result of measures to reduce carbon emission.

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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

The Company offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

**Notes to financial statements (continued)  
for the year ended 31 December 2024**

**2 Accounting policies (continued)**

**2.2 Summary of accounting policies (continued)**

**f) Taxes (continued)**

***Sales tax***

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

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

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

***g) Foreign currencies***

The Company's financial statements are presented in US Dollars.

***(i) Transactions and balances***

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Differences arising on settlement or translation of monetary items are recognised in profit or loss with the exception of monetary items that are designated as part of the hedge of the Company's net investment in a foreign operation. These are recognised in OCI until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss. Tax charges and credits attributable to exchange differences on those monetary items are also recognised in OCI.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

In determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Company initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Company determines the transaction date for each payment or receipt of advance consideration.



**Notes to financial statements (continued)  
for the year ended 31 December 2024**

**2 Accounting policies (continued)**

**2.2 Summary of accounting policies (continued)**

**h) Non-current assets held for sale and discontinued operations**

The Company classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset (disposal group), excluding finance costs and income tax expense.

The criteria for held for sale classification is regarded as met only when the sale is highly probable and the asset or disposal group is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the plan to sell the asset and the sale expected to be completed within one year from the date of the classification.

Property, plant and equipment and intangible assets are not depreciated or amortised once classified as held for sale.

Assets and liabilities classified as held for sale are presented separately as current items in the statement of financial position.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit or loss.

Cash flows from discontinued operations are included in the consolidated statement of cash flows and are disclosed separately in Note 13. The Company includes proceeds from disposal in cash flows from discontinued operations.

Additional disclosures are provided in Note 13. All other notes to the financial statements include amounts for continuing operations, unless indicated otherwise.

**i) Cash dividend**

The Company recognises a liability to pay a dividend when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws of <insert country>, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

**j) Property, plant and equipment**

Construction in progress is stated at cost, net of accumulated impairment losses, if any. Plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met. Refer to significant accounting judgements, estimates and assumptions (Note 3) and provisions (Note 25) for further information about the recognised decommissioning provision.



Property, plant and equipment transferred from customers are initially measured at fair value at the date on which control is obtained.

**Notes to financial statements (continued)  
for the year ended 31 December 2024**

**2 Accounting policies (continued)**

**2.2 Summary of accounting policies (continued)**

**j) Property, plant and equipment (continued)**

Office properties in <insert country> are measured at fair value less accumulated depreciation and impairment losses recognised after the date of revaluation. Valuations are performed with sufficient frequency to ensure that the carrying amount of a revalued asset does not differ materially from its fair value.

A revaluation surplus is recorded in OCI and credited to the asset revaluation surplus in equity. However, to the extent that it reverses a revaluation deficit of the same asset previously recognised in profit or loss, the increase is recognised in profit or loss. A revaluation deficit is recognised in the statement of profit or loss, except to the extent that it offsets an existing surplus on the same asset recognised in the asset revaluation surplus.

An annual transfer from the asset revaluation surplus to retained earnings is made for the difference between depreciation based on the revalued carrying amount of the asset and depreciation based on the asset's original cost. Additionally, accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Upon disposal, any revaluation surplus relating to the particular asset being sold is transferred to retained earnings.

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

- |   |                |
|---|----------------|
| • Buildings                             | 15 to 20 years |
| • Plant, machinery and equipment        | 5 to 15 years  |
| • Office properties in <insert country> | 15 to 20 years |

~~The Company reviews the estimated residual values and expected useful lives of assets at least annually. In particular, the Company considers the impact of health, safety and environmental legislation in its assessment of expected useful lives and estimated residual values. Furthermore, the Company considers climate-related matters, including physical and transition risks. Specifically, the Company determines whether climate-related legislation and regulations might impact either the useful life or residual values, e.g., by banning or restricting the use of the Company's fossil fuel-driven machinery and equipment or imposing additional energy efficiency requirements on the Company's buildings and office properties.~~

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

**k) Leases**

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

***Company as a lessee***

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

**Notes to financial statements (continued)  
for the year ended 31 December 2024**

**2 Accounting policies (continued)**

**2.2 Summary of accounting policies (continued)**

**k) Leases (continued)**

***(i) Right-of-use assets***

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

- Plant and machinery 3 to 15 years
- Motor vehicles and other equipment 3 to 5 years

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (r) Impairment of non-financial assets

***(ii) Lease liabilities***

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

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

The Company's lease liabilities are included in Interest-bearing loans and borrowings (see Note 18.2).

**Notes to financial statements (continued)  
for the year ended 31 December 2024**

**2 Accounting policies (continued)**

**2.2 Summary of accounting policies (continued)**

**k) Leases (continued)**

***(iii) Short-term leases and leases of low-value assets***

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

***Company as a lessor***

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease ~~term~~<sup>terms</sup> and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

**l) Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

**m) Investment properties**

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the reporting date. Gains or losses arising from changes in the fair values of investment properties are included in profit or loss in the period in which they arise, including the corresponding tax effect. Fair values are determined based on an annual valuation performed by an accredited external independent valuer applying a valuation model recommended by the <insert applicable valuation standards board/council>.

Investment properties are derecognised either when they have been disposed of (i.e., at the date the recipient obtains control) or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition. In determining the amount of consideration from the derecognition of investment property the Company considers the effects of variable consideration, existence of a significant financing component, non-cash consideration, and consideration payable to the buyer (if any).

Transfers are made to (or from) investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. If owner-occupied property becomes an investment property, the Company accounts for such property in accordance with the policy stated under property, plant and equipment up to the date of change in use.

**Notes to financial statements (continued)  
for the year ended 31 December 2024**

**2 Accounting policies (continued)**

**2.2 Summary of accounting policies (continued)**

**n) Intangible assets**

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit or loss in the expense category that is consistent with the function of the intangible assets.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss.

***Research and development costs***

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Company can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation is recorded in cost of sales. During the period of development, the asset is tested for impairment annually.

Notes to financial statements (continued)  
for the year ended 31 December 2024

2 Accounting policies (continued)

2.2 Summary of accounting policies (continued)

n) [Intangible assets \(continued\)](#)

**Patents and licences**

The Company made upfront payments to acquire patents and licences. The patents have been granted for a period of XX years by the relevant government agency with the option of renewal at the end of this period. Licences for the use of intellectual property are granted for periods ranging between five and ten years depending on the specific licences. The licences may be renewed at little or no cost to the Company. As a result, those licences are assessed as having an indefinite useful life.

A summary of the policies applied to the Company’s intangible assets is, as follows:

	Licences	Patents	Development costs
Useful lives	Indefinite	Finite (XX years)	Finite (XX-XX years)
Amortisation method used	No amortisation	Amortised on a straight-line basis over the period of the patent	Amortised on a straight-line basis over the period of expected future sales from the related project
Internally generated or acquired	Acquired	Acquired	Internally generated

o) Financial instruments – initial recognition and subsequent measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) **Financial assets**

**Initial recognition and measurement**

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset’s contractual cash flow characteristics and the Company’s business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price as disclosed in section (d) Revenue from contracts with customers

**Notes to financial statements (continued)  
for the year ended 31 December 2024**

**2 Accounting policies (continued)**

**2.2 Summary of accounting policies (continued)**

**o) Financial instruments – initial recognition and subsequent measurement (continued)**

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

**Subsequent measurement**

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

***Financial assets at amortised cost (debt instruments)***

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Company's financial assets at amortised cost includes trade receivables, and loan to a director included under other non-current financial assets.

***Financial assets at fair value through OCI (debt instruments)***

For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the statement of profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value change recognised in OCI is recycled to profit or loss.

The Company's debt instruments at fair value through OCI includes investments in quoted debt instruments included under other non-current financial assets.



**Notes to financial statements (continued)  
for the year ended 31 December 2024**

**2 Accounting policies (continued)**

**2.2 Summary of accounting policies (continued)**

**o) Financial instruments – initial recognition and subsequent measurement (continued)**

***Financial assets designated at fair value through OCI (equity instruments)***

Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under IAS 32 *Financial Instruments: Presentation* and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit or loss when the right of payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The Company elected to classify irrevocably its non-listed equity investments under this category.

***Financial assets at fair value through profit or loss***

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

This category includes derivative instruments and listed equity investments which the Company had not irrevocably elected to classify at fair value through OCI. Dividends on listed equity investments are recognised as other income in the statement of profit or loss when the right of payment has been established.

A derivative embedded in a hybrid contract, with a financial liability or non-financial host, is separated from the host and accounted for as a separate derivative if: the economic characteristics and risks are not closely related to the host; a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured at fair value through profit or loss. Embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss category.

**Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Company's statement of financial position) when:

- The rights to receive cash flows from the asset have expired
- Or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

**Notes to financial statements (continued)  
for the year ended 31 December 2024**

**2 Accounting policies (continued)**

**2.2 Summary of accounting policies (continued)**

**o) Financial instruments – initial recognition and subsequent measurement (continued)**

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

**Impairment**

Further disclosures relating to impairment of financial assets are also provided in the following notes:

- |  |         |
|--|---------|
| • Disclosures for significant assumptions      | Note 3  |
| • Debt instruments at fair value through OCI   | Note 18 |
| • Trade receivables, including contract assets | Note 18 |

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

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

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

For debt instruments at fair value through OCI, the Company applies the low credit risk simplification. At every reporting date, the Company evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Company reassesses the internal credit rating of the debt instrument. In addition, the Company considers that there has been a significant increase in credit risk when contractual payments are more than XX days past due.

**Notes to financial statements (continued)  
for the year ended 31 December 2024**

**2 Accounting policies (continued)**

**2.2 Summary of accounting policies (continued)**

**o) Financial instruments – initial recognition and subsequent measurement (continued)**

The Company's debt instruments at fair value through OCI comprise solely of quoted bonds that are graded in the top investment category (Very Good and Good) by the <insert Credit Rating Agency name> and, therefore, are considered to be low credit risk investments. It is the Company's policy to measure ECLs on such instruments on a XX-month basis. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL. The Company uses the ratings from the <insert Credit Rating Agency name> both to determine whether the debt instrument has significantly increased in credit risk and to estimate ECLs.

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

***(ii) Financial liabilities***

**Initial recognition, ~~and measurement~~ and presentation**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

The Company classifies financial liabilities that arise from supplier finance arrangement within Trade and other payables in the statement of financial position if they have a similar nature and function to trade payables. This is the case if the supplier finance arrangement is part of the working capital used in the Company's normal operating cycle, the level of security provided is similar to trade payables and the terms of the liabilities that are part of the supply chain finance arrangement are not substantially different from the terms of trade payables that are not part of the arrangement. Cash flows related to liabilities arising from supplier finance arrangements that are classified in Trade and other payables in the statement of financial position are included in operating activities in the statement of cash flows.

**Subsequent measurement**

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortised cost (loans and borrowings)

Notes to financial statements (continued)  
for the year ended 31 December 2024

2 Accounting policies (continued)

2.2 Summary of accounting policies (continued)

o) Financial instruments – initial recognition and subsequent measurement (continued)

**Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by IFRS 9. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the statement of profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied. The Company has not designated any financial liability as at fair value through profit or loss.

**Financial liabilities at amortised cost (loans and borrowings)**

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

This category generally applies to interest-bearing loans and borrowings. For more information, refer to Note 18.

**Derecognition**

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

**(iii) Offsetting financial instruments**

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

**Notes to financial statements (continued)  
for the year ended 31 December 2024**

**2 Accounting policies (continued)**

**2.2 Summary of accounting policies (continued)**

**[o\) Financial instruments – initial recognition and subsequent measurement \(continued\)](#)**

**p) Derivative financial instruments and hedge accounting**

***Initial recognition and subsequent measurement***

The Company uses derivative financial instruments, such as forward currency contracts, interest rate swaps and forward commodity contracts, to hedge its foreign currency risks, interest rate risks and commodity price risks, respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

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

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

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which it wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Company will assess whether the hedging relationship meets the hedge effectiveness requirements (including the analysis of sources of hedge ineffectiveness and how the hedge ratio is determined). A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:

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

**Notes to financial statements (continued)  
for the year ended 31 December 2024**

**2 Accounting policies (continued)**

**2.2 Summary of accounting policies (continued)**

**p) Derivative financial instruments and hedge accounting (continued)**

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

***Fair value hedges***

The change in the fair value of a hedging instrument is recognised in the statement of profit or loss as other expense. The change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item and is also recognised in the statement of profit or loss as other expense.

For fair value hedges relating to items carried at amortised cost, any adjustment to carrying value is amortised through profit or loss over the remaining term of the hedge using the EIR method. The EIR amortisation may begin as soon as an adjustment exists and no later than when the hedged item ceases to be adjusted for changes in its fair value attributable to the risk being hedged.

If the hedged item is derecognised, the unamortised fair value is recognised immediately in profit or loss.

When an unrecognised firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognised as an asset or liability with a corresponding gain or loss recognised in profit or loss.

***Cash flow hedges***

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

The Company uses forward currency contracts as hedges of its exposure to foreign currency risk in forecast transactions and firm commitments, as well as forward commodity contracts for its exposure to volatility in the commodity prices. The ineffective portion relating to foreign currency contracts is recognised as other expense and the ineffective portion relating to commodity contracts is recognised in other operating income or expenses. Refer to Note 18.3 for more details.

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

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

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

**Notes to financial statements (continued)  
for the year ended 31 December 2024**

**2 Accounting policies (continued)**

**2.2 Summary of accounting policies (continued)**

**p) Derivative financial instruments and hedge accounting (continued)**

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

***Hedges of a net investment***

Hedges of a net investment in a foreign operation, including a hedge of a monetary item that is accounted for as part of the net investment, are accounted for in a way similar to cash flow hedges. Gains or losses on the hedging instrument relating to the effective portion of the hedge are recognised as OCI while any gains or losses relating to the ineffective portion are recognised in the statement of profit or loss. On disposal of the foreign operation, the cumulative value of any such gains or losses recorded in equity is transferred to the statement of profit or loss.

The Company uses a loan as a hedge of its exposure to foreign exchange risk on its investments in foreign subsidiaries. Refer to Note 18.3 for more details.

**q) Inventories**

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for, as follows:

- Raw materials: purchase cost on a first-in/first-out basis
- Finished goods and work in progress: cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs

Initial cost of inventories includes the transfer of gains and losses on qualifying cash flow hedges, recognised in OCI, in respect of the purchases of raw materials.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

**r) Impairment of non-financial assets**

Further disclosures relating to impairment of non-financial assets are also provided in the following notes:

- |   |         |
|---|---------|
| • Disclosures for significant assumptions | Note 3  |
| • Property, plant and equipment           | Note 15 |
| • Intangible assets                       | Note 17 |



**Notes to financial statements (continued)  
for the year ended 31 December 2024**

**2 Accounting policies (continued)**

**2.2 Summary of accounting policies (continued)**

**r) Impairment of non-financial assets (continued)**

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on most recent budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. A long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations are recognised in the statement of profit or loss in expense categories consistent with the function of the impaired asset, except for properties previously revalued with the revaluation taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Intangible assets with indefinite useful lives are also tested for impairment annually as at XX XXXX at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired. The Company assesses where climate risks, including physical risks and transition risks could have a significant impact. If so, these risks are included in the cash-flow forecasts in assessing value-in-use amounts. See Note XX for further discussion of the impact of climate-related risks on the value in use.



**Notes to financial statements (continued)  
for the year ended 31 December 2024**

**2 Accounting policies (continued)**

**2.2 Summary of accounting policies (continued)**

**s) Cash and short-term deposits**

Cash and short-term deposits in the statement of financial position comprise cash at banks and on hand and short-term highly liquid deposits with a maturity of three months or less, that are held for the purpose of meeting short-term cash commitments and are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

**t) Convertible preference shares**

Convertible preference shares are separated into liability and equity components based on the terms of the contract.

On issuance of the convertible preference shares, the fair value of the liability component is determined using a market rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on conversion or redemption.

The remainder of the proceeds is allocated to the conversion option that is recognised and included in equity. Transaction costs are deducted from equity, net of associated income tax. The carrying amount of the conversion option is not remeasured in subsequent years.

Transaction costs are apportioned between the liability and equity components of the convertible preference shares, based on the allocation of proceeds to the liability and equity components when the instruments are initially recognised.

**u) Treasury shares**

Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in the share premium.

**v) Provisions**

***General***

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

**Notes to financial statements (continued)  
for the year ended 31 December 2024**

**2 Accounting policies (continued)**

**2.2 Summary of accounting policies (continued)**

**v) Provisions (continued)**

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

***Warranty provisions***

The Company provides warranties for general repairs of defects that existed at the time of sale, as required by law. Provisions related to these assurance-type warranties are recognised when the product is sold or the service is provided to the customer. Initial recognition is based on historical experience. The estimate of warranty-related costs is revised annually.

***Restructuring provisions***

Restructuring provisions are recognised only when the Company has a constructive obligation, which is when: (i) there is a detailed formal plan that identifies the business or part of the business concerned, the location and number of employees affected, the detailed estimate of the associated costs, and the timeline; and (ii) the employees affected have been notified of the plan's main features.

***Decommissioning liability***

The Company records a provision for decommissioning costs to remediate the environmental damage of a manufacturing facility for the production of <insert product>. Decommissioning costs are provided for at the present value of expected costs to settle the obligation using estimated cash flows and are recognised as part of the cost of the relevant asset.

The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the decommissioning liability. The unwinding of the discount is expensed as incurred and recognised in the statement of profit or loss as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. The impact of climate-related matters, such as changes in environmental regulations and other relevant legislation, is considered by the Company in estimating the decommissioning liability on the manufacturing facility. Changes in the estimated future costs, or in the discount rate applied, are added to or deducted from the cost of the asset.

The impact of climate-related matters on remediation of environmental damage is considered with determining the decommissioning liability on the manufacturing facility which has been disclosed in Note 25.

***Greenhouse gas emissions***

The Company receives free emission rights in certain countries. The rights are received on an annual basis and, in return, the Company is required to remit rights equal to its actual emissions. The Company has adopted the net liability approach to the emission rights granted. The Company recognises the received emission rights at the nominal amount (i.e., nil). The Company recognises a provision as emissions are made. As the Company intends to keep the emission rights received to settle its emission liability, the Company takes into consideration the value of received emission rights on a first-in first-out basis when measuring a provision. Therefore, until the emission limit is exceeded, there is no impact on the statement of financial position and the statement of profit or loss. The emission costs are recognised as other operating expenses. Where emission rights are purchased from other parties, the cost of obtaining the allowances determine the measurement of the provision.

**Notes to financial statements (continued)  
for the year ended 31 December 2024**

**2 Accounting policies (continued)**

**2.2 Summary of accounting policies (continued)**

**v) Provisions (continued)**

***Onerous contracts***

If the Company has a contract that is onerous, the present obligation under the contract is recognised and measured as a provision. However, before a separate provision for an onerous contract is established, the Company recognises any impairment loss that has occurred on assets dedicated to that contract.

An onerous contract is a contract under which the unavoidable costs (i.e., the costs that the Company cannot avoid because it has the contract) of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it. The cost of fulfilling a contract comprises the costs that relate directly to the contract (i.e., both incremental costs and an allocation of costs directly related to contract activities).

***Waste Electrical and Electronic Equipment (WEEE)***

The Company is a provider of <include specifications, if needed> equipment that falls under the <insert governance on WEEE> on Waste Electrical and Electronic Equipment. The <insert governance on WEEE> distinguishes between waste management of equipment sold to private households prior to a date, as determined by each Member State (historical waste), and waste management of equipment sold to private households after that date (new waste). A provision for the expected costs of management of historical waste is recognised when the Company participates in the market during the measurement period, as determined by each Member State, and the costs can be reliably measured. These costs are recognised as other operating expenses in the statement of profit or loss.

With respect to new waste, a provision for the expected costs is recognised when products that fall within the directive are sold and the disposal costs can be reliably measured. Derecognition takes place when the obligation expires, is settled or is transferred. These costs are recognised as part of costs of sales.

With respect to equipment sold to entities other than private households, a provision is recognised when the Company becomes responsible for the costs of this waste management, with the costs recognised as other operating expenses or cost of sales, as appropriate.

***w) Pensions and other post-employment benefits***

The Company operates a defined benefit pension plan in <insert country>, which requires contributions to be made to a separately administered fund. The Company also provides certain additional post employment healthcare benefits to employees in the <insert country>. These benefits are unfunded. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the statement of financial position with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

**Notes to financial statements (continued)  
for the year ended 31 December 2024**

**2 Accounting policies (continued)**

**2.2 Summary of accounting policies (continued)**

**w) Pensions and other post-employment benefits (continued)**

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation under 'cost of sales', 'administration expenses' and 'selling and distribution expenses' in the ~~consolidated~~ statement of profit or loss (by function):

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements
- Net interest expense or income

**x) Share-based payments**

Employees (including senior executives) of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions). Employees working in the business development group are granted share appreciation rights, which are settled in cash (cash-settled transactions).

**Equity-settled transactions**

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model, further details of which are given in Note 29.

That cost is recognised in employee benefits expense (Note 12.7), together with a corresponding increase in equity (other capital reserves), over the period in which the service and, where applicable, the performance conditions are fulfilled (the vesting period). The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the statement of profit or loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

**Notes to financial statements (continued)  
for the year ended 31 December 2024**

**2 Accounting policies (continued)**

**2.2 Summary of accounting policies (continued)**

**x) Share-based payments (continued)**

When the terms of an equity-settled award are modified, the minimum expense recognised is the grant date fair value of the unmodified award, provided the original vesting terms of the award are met. An additional expense, measured as at the date of modification, is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

**Cash-settled transactions**

A liability is recognised for the fair value of cash-settled transactions. The fair value is measured initially and at each reporting date up to and including the settlement date, with changes in fair value recognised in employee benefits expense (see Note 12.7). The fair value is expensed over the period until the vesting date with recognition of a corresponding liability. The fair value is determined using a binomial model, further details of which are given in Note 29. The approach used to account for vesting conditions when measuring equity-settled transactions also applies to cash-settled transactions.

**y) Events after the reporting period**

If the Company receives information after the reporting period, but prior to the date of authorisation for issue, about conditions that existed at the end of the reporting period, it will assess whether the information affects the amounts that it recognises in its financial statements. The Company will adjust the amounts recognised in its financial statements to reflect any adjusting events after the reporting period and update the disclosures that relate to those conditions in light of the new information. For non-adjusting events after the reporting period, the Company will not change the amounts recognised in its financial statements, but will disclose the nature of the non-adjusting event and an estimate of its financial effect, or a statement that such an estimate cannot be made, if applicable.

**2.3 Changes in accounting policies and disclosures**

**Revaluation of office properties in <insert country> (property, plant and equipment)**

The Company re-assessed its accounting for property, plant and equipment with respect to measurement of a certain class of property, plant and equipment after initial recognition. The Company had previously measured all property, plant and equipment using the cost model whereby, after initial recognition of the asset classified as property, plant and equipment, the asset was carried at cost less accumulated depreciation and accumulated impairment losses.

**Notes to financial statements (continued)  
for the year ended 31 December 2024**

**2 Accounting policies (continued)**

**2.3 Changes in accounting policies and disclosures (continued)**

On 1 January 2024, the Company elected to change the method of accounting for office properties in <insert country> classified as property, plant and equipment, as the Company believes that the revaluation model provides more relevant information to the users of its financial statements as it is more aligned to practices adopted by its competitors. In addition, available valuation techniques provide reliable estimates of the office properties' fair value. The Company applied the revaluation model prospectively.

After initial recognition, office properties in <insert country> are measured at fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. For details refer to Note 15.

**New and amended standards and interpretations**

The Company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2024 (unless otherwise stated). The Company has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

**New and amended standards and interpretations (continued)**

**IFRS 17 Insurance Contracts**

~~IFRS 17 Insurance Contracts is a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. IFRS 17 replaces IFRS 4 Insurance Contracts. IFRS 17 applies to all types of insurance contracts (i.e., life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them as well as to certain guarantees and financial instruments with discretionary participation features; a few scope exceptions will apply. The overall objective of IFRS 17 is to provide a comprehensive accounting model for insurance contracts that is more useful and consistent for insurers, covering all relevant accounting aspects. IFRS 17 is based on a general model, supplemented by:~~

- ~~▪ A specific adaptation for contracts with direct participation features (the variable fee approach)~~
- ~~▪ A simplified approach (the premium allocation approach) mainly for short-duration contracts~~

~~The new standard had no impact on the Company's financial statements.~~

**Definition of Accounting Estimates – Amendments to IAS 8**

~~The amendments to IAS 8.18 exempt this change clarify the distinction between changes in accounting estimates, changes in accounting policies and the correction of errors. They also clarify how entities use measurement techniques and inputs to develop accounting estimates.~~

~~The amendments had no impact on the Company's financial statements.~~

**Disclosure of Accounting Policies – Amendments to IAS 1 and IFRS Practice Statement 2**

~~The amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgements provide guidance and examples to help entities apply materiality judgements to accounting policy from disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement to retrospectively apply the policy and to provide detailed disclosure as outlined in IAS 8.28 to IAS 8.31. Hence, the Company has applied its change for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting.~~

~~policy for the measurement of office properties in <insert country> to the revaluation model prospectively disclosures.~~

~~The amendments have had an impact on the Company's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Company's financial statements.~~

**~~Deferred Tax related to Assets and Liabilities arising from a Single Transaction — Amendments to IAS 12~~**

~~The amendments to IAS 12 Income Tax narrow the scope of the initial recognition exception, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases and decommissioning liabilities.~~

~~The amendments had no impact on the Company's financial statements.~~

**Notes to financial statements (continued)  
for the year ended 31 December 2024**

**2 Accounting policies (continued)**

**2.3 Changes in accounting policies and disclosures (continued)**

**New and amended standards and interpretations (continued)**

**International Tax Reform—Pillar Two Model Rules—Amendments to IAS 12**

The amendments to IAS 12 have been introduced in response to the OECD's BEPS Pillar Two rules and include:

- A mandatory temporary exception to the recognition and disclosure of deferred taxes arising from the jurisdictional implementation of the Pillar Two model rules; and
- Disclosure requirements for affected entities to help users of the financial statements better understand an entity's exposure to Pillar Two income taxes arising from that legislation, particularly before its effective date.

The mandatory temporary exception – the use of which is required to be disclosed – applies immediately. The remaining disclosure requirements apply for annual reporting periods beginning on or after 1 January 2023, but not for any interim periods ending on or before 31 December 2023.

The amendments had no impact on the Company's financial statements as the Company is not in scope of the Pillar Two model rules as its revenue is less than EUR 750 million/year.

**Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7**

The amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

As a result of implementing the amendments, the Company has provided additional disclosures about its supplier finance arrangement. Please refer to Note 18.6 and Note 28.

**2.4 Climate-related matters**

The Company considers climate-related matters in estimates and assumptions, where appropriate. This assessment includes a wide range of possible impacts on the Company due to both physical and transition risks. Even though the Company believes its business model and products will still be viable after the transition to a low-carbon economy, climate-related matters increase the uncertainty in estimates and assumptions underpinning several items in the financial statements. Even though climate-related risks might not currently have a significant impact on measurement, the Company is closely monitoring relevant changes and developments, such as new climate-related legislation. The items and considerations that are most directly impacted by climate-related matters are:

- Useful life of property, plant and equipment. When reviewing the residual values and expected useful lives of assets, the Company considers climate-related matters, such as climate-related legislation and regulations that may restrict the use of assets or require significant capital expenditures. See Note 2.2 j) for further information.
- Impairment of non-financial assets. The value-in-use may be impacted in several different ways by transition risk in particular, such as climate-related legislation and regulations and changes in demand for the Company's products. Even though the Company has concluded that no single



climate-related assumption is a key assumption for the 2024 test of goodwill, the Company considered expectations for increased costs of emissions, increased demand for goods sold by the Company's <insert CGU> and cost increases due to stricter recycling requirements in the cash-flow forecasts in assessing value-in-use amounts. See Note XX for further information.

**Notes to financial statements (continued)  
for the year ended 31 December 2024**

**2 Accounting policies (continued)**

**2.4 Climate-related matters (continued)**

- Fair value measurement. For investment properties and revalued office properties, the Company considers the effect of physical and transition risks and whether investors would consider those risks in their valuation. The Company believes it is not currently exposed to severe physical risks, but believes that investors, to some extent, would consider impacts of transition risks in their valuation, such as increasing requirements for energy efficiency of buildings due to climate-related legislation and regulations as well as tenants' increasing demands for low-emission buildings. See Note 12 for further information.
- Decommissioning liability. The impact of climate-related legislation and regulations is considered in estimating the timing and future costs of decommissioning one of the Company's manufacturing facilities. See Note 2.2 v) for further disclosures.
- Emission rights. The Company receives free emission rights on an annual basis and, in return, it is required to remit rights equal to its actual emissions. The Company has adopted the net liability approach to the emission rights granted. See Note 2.2 v) for further information.

**3 Significant accounting judgements, estimates and assumptions**

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Other disclosures relating to the Company's exposure to risks and uncertainties includes:

- |  |                                 |
|--|---------------------------------|
| • Capital management                                 | Note 5                          |
| • Financial instruments risk management and policies | Note 18.5                       |
| • Sensitivity analyses disclosures                   | Notes 15, 16, 18.4, 18.5 and 30 |

**Judgements**

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

***Determining the lease term of contracts with renewal and termination options – Company as lessee***

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

**Notes to financial statements (continued)  
for the year ended 31 December 2024**

**3 Significant accounting judgements, estimates and assumptions (continued)**

**Judgements (continued)**

The Company has several lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

The Company included the renewal period as part of the lease term for leases of plant and machinery with shorter non-cancellable period (i.e., three to five years). The Company typically exercises its option to renew for these leases because there will be a significant negative effect on production if a replacement asset is not readily available. The renewal periods for leases of plant and machinery with longer non-cancellable periods (i.e., 10 to 15 years) are not included as part of the lease term as these are not reasonably certain to be exercised. In addition, the renewal options for leases of motor vehicles are not included as part of the lease term because the Company typically leases motor vehicles for not more than five years and, hence, is not exercising any renewal options. Furthermore, the periods covered by termination options are included as part of the lease term only when they are reasonably certain not to be exercised.

Refer to Note 29 for information on potential future rental payments relating to periods following the exercise date of extension and termination options that are not included in the lease term.

***Property lease classification – Company as lessor***

The Company has entered into commercial property leases on its investment property portfolio. The Company has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the commercial property and the present value of the minimum lease payments not amounting to substantially all of the fair value of the commercial property, that it retains substantially all the risks and rewards incidental to ownership of these properties and accounts for the contracts as operating leases.

***Assets held for sale***

On X XXXX 2024, the Board of Directors announced its decision to discontinue <insert Segment/Division>. ~~Operations of <insert Segment/Division> are classified as a disposal group held for sale.~~ The Board considered <insert Segment/Division> to meet the criteria to be classified as held for sale at that date for the following reasons:

- <insert Segment/Division> ~~is~~was available for immediate sale and ~~could~~can be sold to the buyer in its current condition
- The actions to complete the sale were initiated and expected to be completed within one year from the date of initial classification
- A potential buyer ~~had~~has been identified and negotiations ~~were~~are at an ~~advanced~~advance stage, with a letter of intent having been agreed between the two parties as of 1 October 2024
- ~~The shareholders approved the plan to sell on XX XXXX 2024~~

For more details on the discontinued operation, refer to Note 13.

**Notes to financial statements (continued)**  
**for the year ended 31 December 2024**

**3 Significant accounting judgements, estimates and assumptions (continued)**

**Judgements (continued)**

**Taxes**

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits, together with future tax planning strategies.

The Company has \$XXX,XXX (2023: \$XXX,XXX) of tax losses carried forward. These losses relate to losses that do not expire and may not be used to offset taxable income elsewhere in the Company~~These losses relate to subsidiaries that have a history of losses, do not expire, and may not be used to offset taxable income elsewhere in the Group. The subsidiaries~~Company have neither any taxable temporary difference nor any tax planning opportunities available that could partly support the recognition of these losses as deferred tax assets. On this basis, the Company has determined that it cannot recognise deferred tax assets on the tax losses carried forward.

If the Company had been able to recognise all unrecognised deferred tax assets, profit and equity would have increased by \$XXX,XXX. Further details on taxes are disclosed in Note 14.

~~Notes to financial statements (continued)  
for the year ended 31 December 2024~~

~~3 Significant accounting judgements, estimates and assumptions (continued)~~

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

***Revaluation of property, plant and equipment and investment properties***

The Company carries its investment properties at fair value, with changes in fair value being recognised in the statement of profit or loss. For investment properties, a valuation methodology based on a discounted cash flow (DCF) model was used, as there is a lack of comparable market data because of the nature of the properties. In addition, ~~the Company~~<sup>it</sup> measures the office properties in <insert country> at revalued amounts, with changes in fair value being recognised in OCI. The office properties were valued by reference to transactions involving properties of a similar nature, location and condition. The Company engaged an independent valuation specialist to assess fair values as at 31 December 2024 for the investment properties and at 1 January and 31 December 2024 for the office properties in <insert country>.

The key assumptions used to determine the fair value of the properties and sensitivity analyses are provided in Notes 15 and 16.

### **3 Significant accounting judgements, estimates and assumptions (continued)**

#### **Estimates and assumptions (continued)**

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

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs of disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the performance of the assets of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

##### ***Provision for expected credit losses of trade receivables and contract assets***

The Company uses a provision matrix to calculate ECLs for trade receivables and contract assets. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by geography, product type, customer type and rating, and coverage by letters of credit and other forms of credit insurance).

The provision matrix is initially based on the Company's historical observed default rates. The Company will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic product) are expected to deteriorate over the next year which can lead to an increased number of defaults in the manufacturing sector, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Company's trade receivables and contract assets is disclosed in Note 18.

##### ***Share-based payments***

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which depends on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option or appreciation right, volatility and dividend yield and making assumptions about them. The Company initially measures the cost of cash-settled transactions with employees using a binomial model to determine the fair value of the liability incurred. For cash-settled share-based payment transactions, the liability needs to be remeasured at the end of each reporting period up to the date of settlement, with any changes in fair value recognised in profit or loss. This requires a reassessment of the estimates used at the end of each reporting period. For the measurement of the fair value of equity-settled transactions with employees at the grant date, the Company uses a binomial model for <name of the plan> and a Monte-Carlo simulation model for <name of the share option plan>. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 31.

Notes to financial statements (continued)  
for the year ended 31 December 2024

3 Significant accounting judgements, estimates and assumptions (continued)

Estimates and assumptions (continued)

***Taxes***

~~Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits, together with future tax planning strategies.~~

~~The Company has \$XXX,XXX (2023: \$X,XXX,XXX) of tax losses carried forward. These losses relate to losses that do not expire and may not be used to offset taxable income elsewhere in the Company. The Company neither has any taxable temporary difference nor any tax planning opportunities available that could partly support the recognition of these losses as deferred tax assets. On this basis, the Company has determined that it cannot recognise deferred tax assets on the tax losses carried forward.~~

~~If the Company was able to recognise all unrecognised deferred tax assets, profit and equity would have increased by \$XXX,XXX. Further details on taxes are disclosed in Note 14.~~

***Defined benefit plans (pension benefits)***

The cost of the defined benefit pension plan and other post-employment medical benefits and the present value of the pension obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

**Notes to financial statements (continued)  
for the year ended 31 December 2024**

**3 Significant accounting judgements, estimates and assumptions (continued)**

The ~~calculation is parameter~~ most ~~subjective subject~~ to changes ~~in is~~ the discount rate. In determining the appropriate discount rate, management considers the interest rates of corporate bonds in currencies consistent with the currencies of the post-employment benefit obligation with at least an 'AA' rating or above, as set by an internationally acknowledged rating agency, and extrapolated as needed along the yield curve to correspond with the expected term of the defined benefit obligation. The underlying bonds are further reviewed for quality. Those having excessive credit spreads are excluded from the analysis of bonds on which the discount rate is based, on the basis that they do not represent high quality corporate bonds.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at intervals in response to demographic changes. Future salary increases and pension increases are based on expected future inflation rates for the respective countries.

Further details about pension obligations are provided in Note 30.

***Fair value measurement of financial instruments***

When the fair values of financial assets and financial liabilities recorded in the statement of financial position cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions relating to these factors could affect the reported fair value of financial instruments. See Note 18.4 for further disclosures.

***Development costs***

The Company capitalises costs for product development projects. Initial capitalisation of costs is based on management's judgement that technological and economic feasibility is confirmed, usually when a product development project has reached a defined milestone according to an established project management model. In determining the amounts to be capitalised, management makes assumptions regarding the expected future cash generation of the project, discount rates to be applied and the expected period of benefits. At 31 December 2024, the carrying amount of capitalised development costs was \$2,178,000 (2023: \$1,686,000).

This amount includes significant investment in the development of an <insert description>. Prior to being marketed, it will need to obtain an approval from the relevant regulatory authorities. The innovative nature of the product gives rise to some uncertainty as to whether the approval will be obtained.



**Notes to financial statements (continued)**  
**for the year ended 31 December 2024**

**3 Significant accounting judgements, estimates and assumptions (continued)**

**Estimates and assumptions (continued)**

**Useful lives and residual values of property, plant and equipment**

The Company reviews the estimated residual values and expected useful lives of property, plant and equipment at least annually. In particular, it considers the impact of health, safety and environmental legislation in its assessment of expected useful lives and estimated residual values. Furthermore, the Company considers climate-related matters, including physical and transition risks. Specifically, it determines whether climate-related legislation and regulations might impact either the useful life or residual values, e.g., by banning or restricting the use of the Company's fossil fuel-driven machinery and equipment or imposing additional energy efficiency requirements on its buildings and office properties.

***Provision for decommissioning***

In 2024, the Company has recognised a provision for decommissioning obligations associated with a factory in <insert Country>. In determining the fair value of the provision, assumptions and estimates are made in relation to discount rates, the expected cost to dismantle and remove the plant from the site in order to remediate the environmental damage caused and the expected timing of those costs. In estimating the expected cost, the Company takes into account changes in environmental legislation and regulations that may impact the process for dismantling and removing the plant. The carrying amount of the provision as at 31 December 2024 was \$1,221,000 (2023: \$-). The Company estimates that the costs would be realised in 15 years' time and calculates the provision using the DCF method based on the following assumptions:

- Estimated range of cost per sqm - \$XX - \$XX (\$XX)
- Discount rate - XX%

If the estimated pre-tax discount rate used in the calculation had been X% higher than management's estimate, the carrying amount of the provision would have been \$XX,XXX lower.

***Revenue recognition - Estimating variable consideration for returns and volume rebates***

The Company estimates variable considerations to be included in the transaction price for the sale of <insert description of products sold> with rights of return and volume rebates.

The Company has developed a statistical model for forecasting sales returns. The model uses the historical return data of each product to ~~estimate come up with~~ expected return percentages. These percentages are applied to determine the expected value of the variable consideration. Any significant changes in experience as compared to historical return pattern will impact the expected return percentages estimated by the Company.

The Company's expected volume rebates are analysed on a per customer basis for contracts that are subject to a single volume threshold. Determining whether a customer ~~is will be~~ likely ~~to be~~ entitled to rebate will depend on the customer's historical rebates entitlement and accumulated purchases to date.

The Company applied the statistical model for estimating expected volume rebates for contracts with more than one volume threshold. The model uses the historical purchasing patterns and rebates entitlement of customers to determine the expected rebate percentages and the expected value of the variable consideration. Any significant changes in experience as compared to historical purchasing patterns and rebate entitlements of customers will impact the expected rebate percentages estimated by the Company.

**Notes to financial statements (continued)  
for the year ended 31 December 2024**

**3 Significant accounting judgements, estimates and assumptions (continued)**

**Estimates and assumptions (continued)**

**Provision for decommissioning (continued)**

The Company updates its assessment of expected returns and volume rebates quarterly and the refund liabilities are adjusted accordingly. Estimates of expected returns and volume rebates are sensitive to changes in circumstances and the Company's past experience regarding returns and rebate entitlements may not be representative of customers' actual returns and rebate entitlements in the future. As at 31 December 2024, the amount recognised as refund liabilities for the expected returns and volume rebates was \$6,242,000 (2019: \$5,844,000).

***Revenue recognition - Estimating stand-alone selling price – loyalty programme***

The Company estimates the stand-alone selling price of the loyalty points awarded under the loyalty programme. The stand-alone selling price of the loyalty points issued is calculated by multiplying the estimated redemption rate and to the monetary value assigned to the loyalty points. In estimating the redemption rate, the Company considers breakage which represents the portion of the points issued that will never be redeemed. The Company applies statistical projection methods in its estimation using customers' historical redemption patterns as the main input. The redemption rate is updated quarterly and the liability for the unredeemed points is adjusted accordingly. In estimating the value of the points issued, the Company considers the mix of products that will be available in the future in exchange for loyalty points and customers' preferences. The Company ensures that the value assigned to the loyalty points is commensurate to the stand-alone selling price of the products eligible for redemption (i.e., the value of each point is equivalent to the stand-alone selling price of any products eligible for redemption divided by number of points required).

As points issued under the programme do not expire, estimates of the stand-alone selling price are subject to significant uncertainty. Any significant changes in customers' redemption patterns will impact the estimated redemption rate. As at 31 December 2024, the estimated liability for unredeemed points was \$XXX,XXX (2023: \$XXX,XXX). If the estimated redemption rate used had been higher by X% than management's estimate, the carrying amount of the estimated liability for unredeemed points as at 31 December 2024 would have been higher by \$X,XXX (2023: \$X,XXX).

***Leases - Estimating the incremental borrowing rate***

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Company estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

**Notes to financial statements (continued)**  
**for the year ended 31 December 2024**

**4 Revenue from contracts with customers**

**4.1 Disaggregated revenue information**

Set out below is the disaggregation of the Company's revenue from contracts with customers:

Segments	For the year ended 31 December 2024		
	<insert product 1>	<insert product 2>	Total
	\$000	\$000	\$000
<b>Type of goods or service</b>			
Sale of <insert product>	56,959	-	<b>56,959</b>
Sale of <insert product>	-	46,175	<b>46,175</b>
Installation services	11,421	-	<b>11,421</b>
Others*	4,817	-	<b>4,817</b>
<b>Total revenue from contracts with customers</b>	<b>73,197</b>	<b>46,175</b>	<b>119,372</b>
<b>Geographical markets</b>			
<insert country/region>	50,942	33,614	<b>84,556</b>
<insert country/region>	22,255	12,561	<b>34,816</b>
<b>Total revenue from contracts with customers</b>	<b>73,197</b>	<b>46,175</b>	<b>119,372</b>
<b>Timing of revenue recognition</b>			
Goods and services transferred at a point in time	60,094	46,175	<b>106,269</b>
<del>Services</del> <del>Goods and services</del> transferred over time	13,103	-	<b>13,103</b>
<b>Total revenue from contracts with customers</b>	<b>73,197</b>	<b>46,175</b>	<b>119,372</b>

\*Includes revenue from procurement services and service-type warranties.

Segments	For the year ended 31 December 2023		
	<insert product 1>	<insert product 2>	Total
	\$000	\$000	\$000
<b>Type of goods or service</b>			
Sale of <insert product>	46,071	-	<b>46,071</b>
Sale of <insert product>	-	44,414	<b>44,414</b>
Installation services	11,025	-	<b>11,025</b>
Others*	4,549	-	<b>4,549</b>
<b>Total revenue from contracts with customers</b>	<b>61,645</b>	<b>44,414</b>	<b>106,059</b>
<b>Geographical markets</b>			
<insert country/region>	41,493	32,645	<b>74,138</b>
<insert country/region>	20,152	11,769	<b>31,921</b>
<b>Total revenue from contracts with customers</b>	<b>61,645</b>	<b>44,414</b>	<b>106,059</b>
<b>Timing of revenue recognition</b>			
Goods and services transferred at a point in time	49,131	44,414	<b>93,545</b>
<del>Services</del> <del>Goods and services</del> transferred over time	12,514	-	<b>12,514</b>
<b>Total revenue from contracts with customers</b>	<b>61,645</b>	<b>44,414</b>	<b>106,059</b>

\*Includes revenue from procurement services and service-type warranties.

**Notes to financial statements (continued)  
for the year ended 31 December 2024**

**4 Revenue from contracts with customers (continued)**

**4.1 Disaggregated revenue information (continued)**

Set out below, is the reconciliation of the revenue from contracts with customers to the amounts per type of product line:

	For the years ended 31 December			
	2024		2023	
	<insert product 1>	<insert product 2>	<insert product 1>	<insert product 2>
	\$000	\$000	\$000	\$000
<b>Revenue</b>				
External customer	93,228	46,175	81,270	44,414
Inter-segment	-	4,977	-	4,879
	<b>93,228</b>	<b>51,152</b>	<b>81,270</b>	<b>49,293</b>
Inter-segment adjustments and eliminations	(20,031)	(4,977)	(19,625)	(4,879)
<b>Total revenue from contracts with customers</b>	<b>73,197</b>	<b>46,175</b>	<b>61,645</b>	<b>44,414</b>

**4.2 Contract balances**

**4.2 Contract balances (continued)**

	31 December		1 January
	2024	2023	2023
	\$000	\$000	\$000
Trade receivables (Note 20)	15,402	14,292	17,025
Contract assets	3,027	3,453	2,300
Contract liabilities (Note 27)	3,610	2,250	1,685

<Insert event> resulted in an increase in trade receivables of \$X,XXX,XXX in 2024 (2023: \$XXX,XXX) (Note 7). In 2024, \$XXX,XXX (2023: \$XX,XXX) was recognised as provision for expected credit losses on trade receivables.

Contract assets relate to revenue earned from ongoing installation services. As such, the balances of this account vary and depend on the number of ongoing installation services at the end of the year. In 2024, \$X,XXX (2023: \$X,XXX) was recognised as provision for expected credit losses on contract assets.

Contract liabilities include long-term advances received to deliver <insert product> and short-term advances received to render installation services as well as transaction price allocated to unexpired service warranties, and loyalty points not yet redeemed. The outstanding balances of these accounts increased in 2024 and 2023 due to the continuous increase in the Company's customer base (Note 27).

The significant increase in contract liabilities in 2024 was mainly due to the \$X,XXX,XXX long-term advances received from customers during the year. In 2024, \$XXX,XXX (2023: \$XX,XXX) was recognised as interest on long-term advances increasing the contract liabilities' balance (Note 12.3). <Insert event> also resulted in an increase in contract liabilities of \$XXX,XXX in 2024 (2023: \$Nil).

Set out below is the amount of revenue recognised from:

	2024	2023
	\$000	\$000
Amounts included in contract liabilities at the beginning of the year	1,657	1,224
Performance obligations satisfied in previous years	344	168

Notes to financial statements (continued)  
for the year ended 31 December 2024

4 Revenue from contracts with customers (continued)

4.3 Right of return assets and refund liabilities

	2024	2023
	\$000	\$000
Right of return assets	749	619
Refund liabilities		
Arising from retrospective volume rebates	3,105	3,003
Arising from rights of return	1,056	893
	4,161	3,896

4.4 Performance obligations

Information about the Company’s performance obligations are summarised below:

<insert product>

The performance obligation is satisfied upon delivery of the equipment and payment is generally due within XX to XX days from delivery.

The performance obligation to deliver <insert product> with a manufacturing lead time of XX years has two alternative payment options. The customer can pay the transaction price equal to the cash selling price upon delivery of the equipment or pay a lower transaction price upon signing the contract. There is a significant financing component for those contracts where the customer elected to pay in advance.

In some contracts, a one-year warranty beyond fixing the defects that existed at the time of sale is provided to customers. The warranty is accounted for as a separate performance obligation and a portion of the transaction price is allocated. The performance obligation for the warranty service is satisfied over the coverage period based on time elapsed.

<insert product>

The performance obligation is satisfied upon delivery of the <insert description of products sold> and payment is generally due within XX to XX days from delivery. Some contracts provide customers with a right of return and volume rebates which give rise to variable consideration subject to constraint.

Customers are entitled to loyalty points which results in allocation of a portion of the transaction price to the loyalty points. Revenue is recognised when the points are redeemed.

In addition, the Company updates its estimates of the points that will be redeemed on a quarterly basis and any adjustments to the contract liability balance are charged against revenue.

Installation services

The performance obligation is satisfied over-time and payment is generally due upon completion of installation and acceptance of the customer. In some contracts, short-term advances are required before the installation service is provided.

**Notes to financial statements (continued)  
for the year ended 31 December 2024**

**4 Revenue from contracts with customers (continued)**

**4.4 Performance obligations (continued)**

***Procurement services***

There are contracts with customers to acquire, on their behalf, <insert product> produced by foreign suppliers. The Company is acting as agent in these arrangements. The performance obligation is satisfied and payment is due upon receipt of the equipment by the customer.

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31 December are, as follows:

	<b>2024</b>	<b>2023</b>
	<b>\$000</b>	<b>\$000</b>
Within one year	8,610	5,862
More than one year	4,811	1,435
	<b>13,421</b>	<b>7,297</b>

The remaining performance obligations expected to be recognised in more than one year relate to the delivery of <insert product> that is to be satisfied within two years and the customer loyalty programme. The customer loyalty points have no expiration and redemptions can go beyond two years (Note 27). All the other remaining performance obligations are expected to be recognised within one year.

**5 Capital management**

For the purpose of the Company's capital management, capital includes issued capital, convertible preference shares, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is 'net debt' divided by total capital plus net debt. The Company's policy is to keep the gearing ratio between XX% and XX%. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and short-term deposits, excluding discontinued operations. The Company has established a supplier finance arrangement to manage its working capital. See Note 18.5 and Note 28 for further details.

	<b>2024</b>	<b>2023</b>
	<b>\$000</b>	<b>\$000</b>
Interest-bearing loans and borrowings other than convertible preference shares (Note 18.2)	14,658	15,875
Trade and other payables (Note 28)	9,508	12,811
Less: cash and short-term deposits (Note 22)	(11,499)	(9,911)
<b>Net debt</b>	<b>12,667</b>	<b>18,775</b>
Convertible preference shares (Note 18.2)	1,852	1,763
Equity	38,849	30,068
<b>Total capital</b>	<b>40,701</b>	<b>31,831</b>
<b>Capital and net debt</b>	<b>53,368</b>	<b>50,606</b>
Gearing ratio	17%	25%

Notes to financial statements (continued)  
for the year ended 31 December 2024

5 Capital management (continued)

In order to achieve this overall objective, the Company’s capital management, among other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches of the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 December 2024 and 2023.

6 Company information

*The holding company*

The immediate and ultimate holding company of the TR Example Group is Parent Limited which owns XX.XX% (2023: XX.XX%) of its ordinary shares is based and listed in <insert country>.

*Entity with significant influence over the Company*

<insert Company name> owns XX.XX% of the ordinary shares in TR Example Group (2023: XX.XX%).

7 Business combinations

Acquisitions in 2024

*Acquisition of <insert name>*

On X XXX 2024, the Company acquired XX% of the voting shares of <insert name>, a non-listed company based in <insert country> and specialising in the manufacture of <insert product>, in exchange for the Company’s shares. The Company acquired <insert Company name> because it significantly enlarges the range of products in the <insert explanation of type of product> that can be offered to its clients.

*Acquisition of additional interest in <insert name>*

On X XXXX 2024, the Company acquired an additional X.X% interest in the voting shares of <insert name>, increasing its ownership interest to XX.X%.

Acquisitions in 2023

On X XXXX 2023, the Company acquired XX% of the voting shares of <insert name>, a company based in <insert country>, specialising in the production and distribution of <insert product>. The Company acquired this business to <insert reason for the purchase>.

8 Investment in subsidiaries

Company’s investments in subsidiaries comprise of the following:

Subsidiaries	Nature of business	Proportion held	Profit/(loss) for the year \$000	Shareholders’ equity \$000	Country of incorporation	Registered office
XX	XX	1%	1	1	XX	XX
XX	XX	1%	1	1	XX	XX

Movement in the investments in subsidiaries balance during the reporting periods was as following:

Notes to financial statements (continued)  
for the year ended 31 December 2024

8 Investment in subsidiaries (continued)

	2024	2023
	\$000	\$000
Cost		
As at 1 January	17,110	-
Capital contributions made	73,680	17,110
Share-based compensation	-	-
As at 31 December	90,790	17,110
Accumulated impairment		
As at 1 January	-	-
Impairment loss during the year	-	-
As at 31 December	-	-
Net book amount at 1 January	17,110	-
Net book amount at 31 December	90,790	17,110

The recoverable amount of investment in subsidiaries as at the reporting dates was determined based on a <insert description of valuation process and assumptions used>. No impairment loss was recognised during the reporting periods.

9 Interest in a joint venture

The Company has a XX% interest in <insert Company name>, a joint venture involved in the manufacture of some of the Company’s main product lines in <insert product lines> in <insert country>. The Company’s interest in <insert Company name> is accounted for using the equity method in the financial statements. Summarised financial information of the joint venture, based on its ~~IFRS~~ financial statements prepared in accordance with IFRS accounting standards, and reconciliation with the carrying amount of the investment in the financial statements are set out below:

Summarised statement of financial position of <insert Company name>:

	2024	2023
	\$000	\$000
Current assets, including cash and cash equivalents \$XXX,XXX (2023: \$XXX,XXX) and prepayments \$X,XXX,XXX (2023: Nil)	2,151	1,872
Non-current assets	1,909	1,976
Current liabilities, including tax payable \$XX,XXX (2023: \$XXX,XXX)	(149)	(735)
Non-current liabilities, including deferred tax liabilities \$XXX,XXX (2023: \$XXX,XXX) and long-term borrowing \$XXX,XXX (2023: \$XXX,XXX)	(680)	(667)
Equity	3,231	2,446
Company’s share in equity - XX% (2023: XX%)	1,615	1,223
Goodwill	-	-
Company’s carrying amount of the investment	1,615	1,223

Summarised statement of profit or loss of <insert Company name>:



**Notes to financial statements (continued)  
for the year ended 31 December 2024**

**9 Interest in a joint venture (continued)**

**Summarised statement of profit or loss of <insert Company name>: (continued)**

	<b>2024</b>	<b>2023</b>
	<b>\$000</b>	<b>\$000</b>
Revenue from contracts with customers	40,063	39,251
Cost of sales	(36,325)	(35,613)
Administrative expenses, including depreciation of \$X,XXX,XXX (2023: \$X,XXX,XXX)	(1,759)	(1,724)
Finance costs, including interest expense \$XXX,XXX (2023: \$XXX,XXX)	(136)	(133)
<b>Profit before tax</b>	<b>1,843</b>	<b>1,781</b>
Income tax expense	(1,059)	(1,037)
<b>Profit for the year (continuing operations)</b>	<b>784</b>	<b>744</b>
<b>Total comprehensive income for the year (continuing operations)</b>	<b>784</b>	<b>744</b>
<b>Company's share of profit for the year</b>	<b>392</b>	<b>371</b>

The joint venture had no other contingent liabilities or commitments as at 31 December 2024 and 2023, except trade purchase commitments of \$XXX,XXX (2023: \$X,XXX,XXX), for which the Company has a corresponding commitment, as disclosed in Note 32. <insert Company name> cannot distribute its profits without the consent from the two venture partners.

**10 Investment in an associate**

The Company has a XX% interest in <insert Company name>, which is involved in the manufacture of <insert product> in <insert country>. <insert Company name> is a private entity that is not listed on any public exchange. The Company's interest in <insert Company name> is accounted for using the equity method in the financial statements. The following table illustrates the summarised financial information of the Company's investment in <insert Company name>:

	<b>2024</b>	<b>2023</b>
	<b>\$000</b>	<b>\$000</b>
Current assets	4,349	4,216
Non-current assets	9,109	8,552
Current liabilities	(2,992)	(2,603)
Non-current liabilities	(8,429)	(8,349)
<b>Equity</b>	<b>2,037</b>	<b>1,816</b>
Company's share in equity - XX% (2023: XX%)	509	454
Goodwill	-	-
<b>Company's carrying amount of the investment</b>	<b>509</b>	<b>454</b>

	<b>2024</b>	<b>2023</b>
	<b>\$000</b>	<b>\$000</b>
Revenue from contracts with customers	22,195	21,760
Cost of sales	(18,199)	(17,843)
Administrative expenses	(1,110)	(1,088)
Finance costs	(1,997)	(1,959)
<b>Profit before tax</b>	<b>889</b>	<b>870</b>

**Notes to financial statements (continued)  
for the year ended 31 December 2024**

**10 Investment in an associate (continued)**

	<b>2024</b>	<b>2023</b>
	<b>\$000</b>	<b>\$000</b>
Income tax expense	(667)	(654)
<b>Profit for the year (continuing operations)</b>	<b>222</b>	<b>216</b>
Other comprehensive loss that may be reclassified to profit or loss in subsequent periods, net of tax	(80)	-
Other comprehensive income that will not be reclassified to profit or loss in the subsequent periods, net of tax	80	-
<b>Total comprehensive income for the year (continuing operations)</b>	<b>222</b>	<b>216</b>
<b>Company's share of profit for the year</b>	<b>55</b>	<b>54</b>

The associate requires the Company's consent to distribute its profits. The Company does not foresee giving such consent at the reporting date.

The associate had no contingent liabilities or capital commitments as at 31 December 2024 and 2023.

**11 Fair value measurement**

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

**Fair value measurement hierarchy for assets as at 31 December 2024:**

		Fair value measurement using			
		Quoted prices in Significant Significant			
		active observableunobservab			
		markets inputs le inputs			
		(Level 1) (Level 2) (Level 3)			
Date of valuation	Total	\$000	\$000	\$000	\$000
<b>Assets measured at fair value:</b>					
<b>Investment properties (Note 16):</b>					
Office properties	31 December 2024	2,840	-	-	2,840
Retail properties	31 December 2024	3,089	-	-	3,089
<b>Derivative financial assets (Note 18.4):</b>					
Foreign exchange forward contracts <insert currency>	31 December 2024	328	-	328	-
Foreign exchange forward contracts <insert currency>	31 December 2024	267	-	267	-
Embedded foreign exchange derivatives <insert currency>	31 December 2024	140	-	-	140
<b>Listed equity investments (Note 18.4):</b>					
<insert sector>	31 December 2024	146	146	-	-
<insert sector>	31 December 2024	79	79	-	-

**Notes to financial statements (continued)  
for the year ended 31 December 2024**

**11 Fair value measurement (continued)**

**Fair value measurement hierarchy for assets as at 31 December 2024: (continued)**

	Date of valuation	Fair value measurement using			
		Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
		\$000	\$000	\$000	\$000
<b>Non-listed equity investments (Note 18.4):</b>					
<insert sector>	31 December 2024	450	-	-	450
<insert sector>	31 December 2024	242	-	-	242
<b>Quoted debt instruments (Note 18.4):</b>					
<insert country> government bonds	31 December 2024	919	919	-	-
Corporate bonds <insert sector>	31 December 2024	61	61	-	-
Corporate bonds <insert sector>	31 December 2024	101	101	-	-
<b>Revalued property, plant and equipment (Note 15)*:</b>					
Office properties in <insert country>	31 December 2024	1,166	-	-	1,166
<b>Discontinued operations (Note 13)</b>					
	1 October 2024	1,834	-	-	1,834
<b>Assets for which fair values are disclosed (Note 18.4):</b>					
Loan at amortised cost					
Loan to an associate	31 December 2024	131	-	-	131
Loan to a director	31 December 2024	7	-	-	7

There were no transfers between Level 1 and Level 2 during 2024.

\*Due to a change in accounting policy, revaluations of property, plant and equipment were recognised in Level 3 for the first time. Refer to Note 15 for more information.

**Fair value measurement hierarchy for liabilities as at 31 December 2024:**

	Date of valuation	Fair value measurement using			
		Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
		\$000	\$000	\$000	\$000
<b>Liabilities measured at fair value:</b>					

**Notes to financial statements (continued)  
for the year ended 31 December 2024**

**11 Fair value measurement (continued)**

**Fair value measurement hierarchy for liabilities as at 31 December 2024: (continued)**

	Date of valuation	Fair value measurement using			
		Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
		\$000	\$000	\$000	\$000
<b>Derivative financial liabilities (Note 18.4):</b>					
Interest rate swaps	31 December 2024	23	-	23	-
Foreign exchange forward contracts (<insert currency>)	31 December 2024	533	-	533	-
Embedded commodity derivatives (<insert commodity>)	31 December 2024	400	-	-	400
Embedded commodity derivatives (<insert commodity>)	31 December 2024	121	-	-	121
Foreign exchange forward contracts (<insert currency>)	31 December 2024	60	-	60	-
Commodity derivative (<insert commodity>)	31 December 2024	653	-	653	-
<b>Contingent consideration liability (Note 7)</b>	<b>31 December 2024</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Liabilities for which fair values are disclosed (Note 18.4):</b>					
Interest-bearing loans and borrowings:					
Floating rate borrowings (<insert country>)	31 December 2024	6,947	-	6,947	-
Floating rate borrowings (<insert country>)	31 December 2024	1,497	-	1,497	-
Convertible preference shares	31 December 2024	1,844	-	1,844	-
Fixed rate borrowing	31 December 2024	4,214	-	4,214	-

There were no transfers between Level 1 and Level 2 during 2024.

**~~Fair value measurement hierarchy for assets as at 31 December 2023:~~**

Notes to financial statements (continued)  
for the year ended 31 December 2024

11 Fair value measurement (continued)

Fair value measurement hierarchy for assets as at 31 December 2023: (continued)

	Date of valuation	Fair value measurement using			
		Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
		\$000	\$000	\$000	\$000
<b>Assets measured at fair value:</b>					
<b>Investment properties (Note 16):</b>					
Office properties	31 December 2023	2,549	-	-	2,549
Retail properties	31 December 2023	2,773	-	-	2,773
<b>Derivative financial assets (Note 18.4):</b>					
Foreign exchange forward contracts <insert currency>	31 December 2023	67	-	67	-
Foreign exchange forward contracts <insert currency>	31 December 2023	35	-	35	-
Embedded foreign exchange derivatives <insert currency>	31 December 2023	-	-	-	-
<b>Listed equity investments (Note 18.4):</b>					
<insert sector>	31 December 2023	133	133	-	-
<insert sector>	31 December 2023	67	67	-	-
<b>Non-listed equity investments (Note 18.4):</b>					
<insert sector>	31 December 2023	260	-	-	260
<insert sector>	31 December 2023	339	-	-	339
<b>Quoted debt instruments (Note 18.4):</b>					
<insert country> government bonds	31 December 2023	807	807	-	-
Corporate bonds <insert sector>	31 December 2023	267	267	-	-
Corporate bonds <insert sector>	31 December 2023	-	-	-	-
<b>Revalued property, plant and equipment (Note 15)*:</b>					
Office properties in <insert country>	31 December 2023	-	-	-	-
<b>Discontinued operations (Note 13)</b>					
	1 October 2023	-	-	-	-
<b>Assets for which fair values are disclosed (Note 18.4):</b>					
Loan at amortised cost					
Loan to an associate	31 December 2023	-	-	-	-
Loan to a director	31 December 2023	6	-	-	6

**Notes to financial statements (continued)  
for the year ended 31 December 2024**

**11 Fair value measurement (continued)**

**Fair value measurement hierarchy for assets as at 31 December 2023: (continued)**

There were no transfers between Level 1 and Level 2 during 2023.

**Fair value measurement hierarchy for liabilities as at 31 December 2023:**

	Date of valuation	Fair value measurement using			
		Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
		\$000	\$000	\$000	\$000
<b>Liabilities measured at fair value:</b>					
<b>Derivative financial liabilities</b>					
<b>(Note 18.4):</b>					
Interest rate swaps	31 December 2023	-	-	-	-
Foreign exchange forward contracts (<insert currency>)	31 December 2023	-	-	-	-
Embedded commodity derivatives (<insert commodity>)	31 December 2023	-	-	-	-
Embedded commodity derivatives (<insert commodity>)	31 December 2023	-	-	-	-
Foreign exchange forward contracts (<insert currency>)	31 December 2023	169	-	169	-
Commodity derivative (<insert commodity>)	31 December 2023	-	-	-	-
<b>Contingent consideration liability (Note 7)</b>	31 December 2023	-	-	-	-
<b>Liabilities for which fair values are disclosed (Note 18.4):</b>					
Interest-bearing loans and borrowings:					
Floating rate borrowings (<insert country>)	31 December 2023	7,918	-	7,918	-
Floating rate borrowings (<insert country>)	31 December 2023	-	-	-	-
Convertible preference shares	31 December 2023	1,747	-	1,747	-
Fixed rate borrowing	31 December 2023	5,963	-	5,963	-

There were no transfers between Level 1 and Level 2 during 2023.

**Notes to financial statements (continued)  
for the year ended 31 December 2024**

**11 Fair value measurement (continued)**

In determining fair value measurement, the impact of potential climate-related matters, including legislation, which may affect the fair value measurement of assets and liabilities in the financial statements has been considered. For investment properties and revalued office properties, the Company considers the effect of physical and transition risks and whether investors would consider those risks in their valuation. The company has assessed whether its properties are exposed to physical risks, such as flooding and increasing wildfires, but believes that this is currently not the case. However, the Company believes it is, to some extent, impacted by transition risks, and, more specifically, increasing requirements for energy efficiency of buildings due to climate-related legislation and regulations as well as tenants' increasing demands for low-emission buildings. The Company, therefore, takes into account necessary upgrades required to ensure future compliance with those requirements when measuring the fair value of investment properties and revalued office properties.

**12 Other income/expenses**

**12.1 Other operating income**

	<b>2024</b>	<b>2023</b>
	<b>\$000</b>	<b>\$000</b>
Government grants (Note 26)	702	361
Gain on derivative instruments at fair value through profit or loss	567	-
Net gain on disposal of property, plant and equipment	355	1,338
<b>Total other operating income</b>	<b>1,624</b>	<b>1,699</b>

The net gain on derivative instruments at fair value through profit or loss relates to foreign exchange forward contracts that did not qualify for hedge accounting and embedded derivatives which have been separated.

**12.2 Other operating expenses**

	<b>2024</b>	<b>2023</b>
	<b>\$000</b>	<b>\$000</b>
Bid defence costs	386	21
Cost of WEEE (Note 25)	68	15
Change in fair value of investment properties (Note 16)	204	200
Loss on derivative instruments at fair value through profit or loss	1,001	-
Ineffectiveness on forward commodity contracts designated as cash flow hedges (Note 18.3)	43	-
<b>Total other operating expenses</b>	<b>1,702</b>	<b>236</b>

Bid defence costs were incurred in respect of obtaining advice in defending a hostile takeover bid by a competitor. The competitor did not proceed with the bid.

Net loss on derivative instruments at fair value through profit or loss relates to foreign exchange forward contracts that did not qualify for hedge accounting and embedded derivatives which have been separated.

**12.3 Finance costs**

**Notes to financial statements (continued)  
for the year ended 31 December 2024**

**12 Other income/expenses (continued)**

**12.3 Finance costs ~~(continued)~~**

	<b>2024</b>	<b>2023</b>
	<b>\$000</b>	<b>\$000</b>
Interest on debt and borrowings	691	680
Interest arising from revenue contracts	73	41
Interest on lease liabilities (Note 29)	119	123
<b>Total interest expense</b>	<b>883</b>	<b>844</b>
Unwinding of discount and effect of changes in discount rate on provisions (Note 25)	3	1
<b>Total finance costs</b>	<b>886</b>	<b>845</b>

**12.4 Finance income**

	<b>2024</b>	<b>2023</b>
	<b>\$000</b>	<b>\$000</b>
Interest income on a loan to a joint venture	-	-
Interest income on a loan to an associate	11	-
Interest income from debt instruments at fair value through OCI	123	97
<b>Total finance income</b>	<b>134</b>	<b>97</b>

**12.5 Other income**

	<b>2024</b>	<b>2023</b>
	<b>\$000</b>	<b>\$000</b>
Foreign exchange gains on interest-bearing loans and borrowings	38	45
Fair value gain on equity instruments at fair value through profit or loss	25	6
Gain (loss) on sale of debt instruments at fair value through OCI	5	(3)
Dividend income from equity instruments at fair value through OCI	2	-
Impairment loss on debt instruments at fair value through OCI	(5)	(4)
<b>Total other income</b>	<b>65</b>	<b>44</b>

**12.6 Depreciation, amortisation, lease payments, foreign exchange differences and costs of inventories**

	<b>2024</b>	<b>2023</b>
	<b>\$000</b>	<b>\$000</b>
<b>Included in cost of sales:</b>		
Depreciation	2,535	2,042
Impairment of property, plant and equipment (Note 15)	-	201
Amortisation and impairment of intangible assets (Note 17)	83	116
Net foreign exchange differences	(43)	(27)
Warranty provision (Note 25)	71	35
Variable lease payments (Note 29)	47	44
Expense relating to short-term leases (Note 29)	15	14
Costs of inventories recognised as an expense	87,405	80,865
Other cost of sales	934	2,301



**Notes to financial statements (continued)  
for the year ended 31 December 2024**

**12 Other income/expenses (continued)**

**12.6 Depreciation, amortisation, lease payments, foreign exchange differences and costs of inventories (continued)**

	<b>2024</b>	<b>2023</b>
	<b>\$000</b>	<b>\$000</b>
<b>Included in administrative expenses:</b>		
Depreciation	286	287
Impairment of goodwill	-	-
Remeasurement of contingent consideration (Note 7)	-	-
Net foreign exchange differences	22	5

**12.7 Employee benefits expense**

	<b>2024</b>	<b>2023</b>
	<b>\$000</b>	<b>\$000</b>
<b>Included in cost of sales:</b>		
Wages and salaries	4,367	4,342
Social security costs	443	439
Pension costs	233	203
Post-employment benefits other than pensions	25	19
Share-based payment expense	69	82
<b>Included in selling and distribution expenses:</b>		
Wages and salaries	7,255	6,813
Social security costs	735	757
Pension costs	373	331
Post-employment benefits other than pensions	41	30
Share-based payment expense	110	131
<b>Included in cost of administrative expenses:</b>		
Wages and salaries	7,492	4,940
Social security costs	899	895
Pension costs	325	310
Post-employment benefits other than pensions	36	27
Share-based payment expense	96	115
<b>Total employee benefits expense</b>	<b>22,499</b>	<b>19,434</b>

**12.8 Research and development costs**

The Company's business research and development concentrates on the development of <insert description of type of research and development>. Research and development costs that are not eligible for capitalisation have been expensed in the period incurred (in 2024, this was \$X,XXX,XXX (2023: \$X,XXX,XXX)), and they are recognised in administrative expenses.

**12.9 Administrative expenses**

**Notes to financial statements (continued)  
for the year ended 31 December 2024**

**12 Other income/expenses (continued)**

**12.9 Administrative expenses (continued)**

	<b>2024</b>	<b>2023</b>
	<b>\$000</b>	<b>\$000</b>
Employee benefits expense (Note 12.7)	8,848	6,287
Acquisition-related transaction costs	400	-
Research and development costs	1,490	689
Depreciation	286	287
Expected credit losses of trade receivables and contract assets (Note 20)	123	51
Impairment of goodwill	-	-
Expense relating to leases of low-value assets (Note 29)	12	11
Remeasurement of contingent consideration (Note 7)	-	-
Net foreign exchange differences	22	5
Other administrative expenses	639	677
<b>Total administrative expense</b>	<b>11,820</b>	<b>8,007</b>

**13 Discontinued operations**

On X XXXX 2024, the Company publicly announced the decision of its Board of Directors to sell <insert Operation>. On X XXXX 2024, the shareholders of the Company approved the plan to sell. The sale of <insert Operation> is expected to be completed within a year from the reporting date. At 31 December 2024, <insert Operation> was classified as a disposal group held for sale and as a discontinued operation. The business of <insert Operation> represented the entirety of the Company's <insert description of business> until X XXXX 2024. The results of <insert Operation> for the year are presented below:

	<b>2024</b>	<b>2023</b>
	<b>\$000</b>	<b>\$000</b>
Revenue from contracts with customers	28,539	30,137
Expenses	(27,974)	(29,920)
Operating income	565	217
Finance costs	(350)	(346)
Impairment loss recognised on the remeasurement to fair value less costs to sell	(73)	-
Profit/(loss) before tax from discontinued operations	142	(129)
Tax benefit/(expense):		
Related to pre-tax profit/(loss) from the ordinary activities for the period	(17)	3
Related to remeasurement to fair value less costs to sell	22	-
<b>Profit/(loss) for the year from discontinued operations</b>	<b>147</b>	<b>(126)</b>
<u>Gain/(loss) on equity instruments designated at fair value included in OCI</u>	<u>-x</u>	<u>x4</u>
<u>Other comprehensive income for the year from discontinued operations</u>	<u>-x</u>	<u>4x</u>

The major classes of assets and liabilities of <insert Operation> classified as held for sale as at 31 December are, as follows:

**2024**  
**\$000**

**Notes to financial statements (continued)  
for the year ended 31 December 2024**

**13 Discontinued operations (continued)**

	<b>2024</b>
	<b>\$000</b>
<b>Assets</b>	
Intangible assets (Note 17)	90
Property , plant and equipment (Note 15)	3,091
Debtors	4,787
Equity investments – non-listed	205
Cash and short-term deposits (Note 22)	863
Assets held for sale	9,036
<b>Liabilities</b>	
Creditors	(4,827)
Deferred tax liability	(50)
Interest-bearing liabilities (Note 18.2)	(3,873)
Liabilities directly associated with assets held for sale	(8,750)
<b>Net assets directly associated with disposal group</b>	<b>286</b>
	<b>2024</b>
	<b>\$000</b>

**Amounts included in accumulated OCI:**

Fair value reserve of equity investments – non-listed	44
Deferred tax on fair value reserve	(13)
<b>Reserve of disposal group classified as held for sale</b>	<b>31</b>

The net cash flows incurred by <insert Operation> are, as follows:

	<b>2024</b>	<b>2023</b>
	<b>\$000</b>	<b>\$000</b>
Operating	(1,333)	2,128
Investing	-	-
Financing	(291)	(223)
<b>Net cash (outflow)/inflow</b>	<b>(1,624)</b>	<b>1,905</b>

Interest-bearing liabilities comprise a fixed rate bank loan of \$X,XXX,XXX having an EIR of X.X% that is repayable in full on 1 January 20XX.

***Write-down of property, plant and equipment***

Immediately before the classification of <insert Operation> as discontinued operations, the recoverable amount was estimated for certain items of property, plant and equipment and no impairment loss was identified. Following the classification, a write-down of \$XXX,XXX (net of tax \$XX,XXX) was recognised on X XXXX 2024 to reduce the carrying amount of the assets in the disposal company to their fair value less costs to sell. This was recognised in discontinued operations in the statement of profit or loss. Fair value measurement disclosures are provided in Note 11. As at 31 December 2024, there was no further write-down as the carrying amount of the disposal company did not fall below its fair value less costs to sell.

**Notes to financial statements (continued)  
for the year ended 31 December 2024**

**13 Discontinued operations (continued)**

~~As at 31 December 2024, there was no further write-down as the carrying amount of the disposal company did not fall below its fair value less costs to sell.~~

**Investment in non-listed equity shares**

The ~~disposal group discontinued operation~~ includes an investment in non-listed equity shares (Level 3 in the fair value hierarchy) of <insert Operation> with a carrying amount of \$XXX,XXX. The ~~groupCompany collaborates collaboration~~ with <insert Operation>, ~~this~~ is closely related to the discontinued operation of <insert Operation> and is therefore reclassified as part of the discontinued operations. This investment is classified as equity instruments designated at fair value through OCI. The Company did not pledge the financial ~~assets asset~~ nor receive any collateral for ~~them~~it. As at the reporting date, the carrying amount equals the fair value of the instrument. Refer Note 18.4 for the details on the recognition, measurement, valuation techniques and inputs used for this investment.

**Reconciliation of fair value measurement of the investment in non-listed equity shares:**

	<b>\$000</b>
<b>As at 1 January 2023</b>	<b>203</b>
Sales	-
Purchases	-
Total gains and losses recognised in OCI	3
<b>As at 1 January 2024 and 1 October 2024</b>	<b>206</b>
Sales	-
Purchases	-
Total gains and losses recognised in OCI	-
<b>As at 31 December 2024</b>	<b>206</b>

There were no gains or losses recognised in profit or loss ~~or in OCI~~ with respect to these assets.

Refer to Note 18.5 for details on the nature and extent of risks arising from financial instruments.

**14 Income tax**

~~On 23 May 2023, the International Accounting Standards Board (the Board) issued International Tax Reform – Pillar Two Model Rules – Amendments to IAS 12 which clarify that IAS 12 applies to income taxes arising from tax law enacted or substantively enacted to implement the Pillar Two model rules published by the OECD, including tax law that implements Qualified Domestic Minimum Top-up Taxes. The GroupCompany has adopted these amendments. However, they are not yet applicable for the current reporting year as the GroupCompany's consolidated revenue is currently below the threshold of €750 million, the equivalent of which translated is XXX in <Currency>.~~

The major components of income tax expense for the years ended 31 December 2024 and 2023 are:

**Profit or loss**

	<b>2024</b>	<b>2023</b>
	<b>\$000</b>	<b>\$000</b>
		<b>Restated</b>
<b>Current income tax:</b>		
Current income tax charge	1,922	1,847
Adjustments in respect of current income tax of previous year	(12)	(29)
<b>Deferred tax:</b>		
Relating to origination and reversal of temporary differences	151	(329)
<b>Income tax expense reported in the statement of profit or loss</b>	<b>2,061</b>	<b>1,489</b>

**Other comprehensive income**

**Notes to financial statements (continued)  
for the year ended 31 December 2024**

**14 Income tax (continued)**

**Other comprehensive income (continued)**

	<b>2024</b>	<b>2023</b>
	<b>\$000</b>	<b>\$000</b>
<b>Deferred tax related to items recognised in OCI during the year:</b>		
Net (gain)/loss on cash flow hedges	177	(7)
Net change in costs of hedging	7	-
Net loss on debt instruments at fair value through OCI	4	-
Net (gain)/loss on equity instruments designated at fair value through OCI	5	(2)
Revaluation of office properties in <insert country>	(169)	-
Net gain on hedge of net investment	(55)	-
Remeasurement (gain)/loss on actuarial gains and losses	(73)	78
<b>Deferred tax charged to OCI</b>	<b>(104)</b>	<b>69</b>

Reconciliation of tax expense and the accounting profit multiplied by <insert country>'s domestic tax rate for 2023 and 2024:

	<b>2024</b>	<b>2023</b>
	<b>\$000</b>	<b>\$000</b>
		<b>Restated</b>
Accounting profit before tax from continuing operations	6,922	6,027
Profit/(loss) before tax from a discontinued operation	142	(129)
<b>Accounting profit before income tax</b>	<b>7,064</b>	<b>5,898</b>
At <insert country>'s statutory income tax rate of XX% (2023: XX%)	2,371	1,737
Adjustments in respect of current income tax of previous years	(12)	(29)
Government grants exempted from tax	(211)	(108)
Utilisation of previously unrecognised tax losses	(154)	(59)
Share of results of an associate and joint ventures	(134)	(127)
Non-deductible expenses for tax purposes:		
Impairment of goodwill	-	-
Contingent consideration remeasurement (Note 7)	-	-
Other non-deductible expenses	7	-
Effect of higher tax rates in the <insert country>	189	72
<b>At the effective income tax rate of XX% (20XX: XX%)</b>	<b>2,056</b>	<b>1,486</b>
Income tax expense reported in the Statement of Profit or Loss	2,061	1,489
Income tax attributable to a discontinued operation	(5)	(3)
	<b>2,056</b>	<b>1,486</b>

**Deferred tax**

Deferred tax relates to the following:

Notes to financial statements (continued)  
for the year ended 31 December 2024

14 Income tax (continued)

Deferred tax relates to the following:

Deferred tax (continued)

	Statement of financial position	Statement of profit or loss	Statement of financial position	Statement of profit or loss
Accelerated depreciation for tax purposes	(1,892)	(399)	482	(199)
Revaluations of investment properties to fair value	(887)	(948)	(61)	(60)
Revaluations of office properties in <insert country> to fair value	(169)	-	-	-
Revaluations of equity instruments to fair value through profit or loss	(11)	(3)	7	2
Revaluations of financial assets at fair value through OCI	9	(3)	-	-
Revaluation of forward contracts and embedded derivatives	131	-	(131)	-
Revaluation of a hedged loan to fair value	(7)	-	7	-
Net gain on hedge of a net investment	(55)	-	-	-
Share based payments	34	67	33	-
Post-employment medical benefits	68	39	(29)	(22)
Pension	542	556	(59)	37
Revaluations of an interest rate swap (fair value hedge) to fair value	7	-	(7)	-
Revaluations of cash flow hedges	180	20	23	-
Expected credit losses of debt financial assets	73	47	(27)	2
Contract liabilities for customer loyalty points	180	135	(45)	(133)
Right-of-use assets	51	48	(3)	(13)
Lease liabilities	-	-	-	-
Convertible preference shares	61	37	(24)	(21)
Losses available for offsetting against future taxable income	259	243	(16)	(29)
<b>Deferred tax (expense)/benefit</b>			<b>150</b>	<b>(436)</b>

**Net deferred tax (liabilities)/assets** **(1,426)** **(161)**

Reflected in the statement of financial position as follows:

Deferred tax assets	259	243
Deferred tax liabilities:		
Continuing operations	(375)	(151)
Included in liabilities directly associated with the assets held for sale	(50)	-
Discontinued operations	-	-
<b>Deferred tax (liabilities)/assets, net</b>	<b>(166)</b>	<b>92</b>

**Reconciliation of deferred tax (liabilities)/ assets, net**

	2024	2023
<b>As of 1 January</b>	<b>\$000</b>	<b>\$000</b>
	<b>92</b>	<b>(306)</b>
Tax expense during the period recognised in profit or loss	(151)	329
Tax income/(expense) during the period recognised in OCI	(106)	69
Discontinued operation	(1)	-

Deferred taxes acquired in business combinations  
**As at 31 December**

-	-
<u>(166)</u>	<u>92</u>



**Notes to financial statements (continued)**  
**for the year ended 31 December 2024**

**14 Income tax (continued)**

**Reconciliation of deferred tax (liabilities)/ assets, net (continued)**

The Company has tax losses that arose in <insert country> of \$XXX,XXX (2023: \$X,XXX,XXX) that are available indefinitely for offsetting against future taxable profits of the companies in which the losses arose.

Deferred tax assets have not been recognised in respect of these losses as they may not be used to offset taxable profits as there is no evidence of recoverability in the near future. If the Company were able to recognise all unrecognised deferred tax assets, the profit would increase by \$XXX,XXX (2023: \$XXX,XXX).

There are no income tax consequences attached to the payment of dividends in either 2024 or 2023 by the Company to its shareholders.

**15 Property, plant and equipment**

	Freehold properties in land and buildings	Office <insert country> in progress	Construction in progress	Plant and machinery	Other equipment	Total
	\$000	\$000	\$000	\$000	\$000	\$000
<b>Cost or valuation</b>						
At 1 January 2023	7,177	748	-	11,771	3,667	23,363
Additions	1,058	-	-	4,032	100	5,190
Acquisition of a subsidiary (Note 7)	-	-	-	-	-	-
Disposals	(2,254)	-	-	(33)	-	(2,287)
Assets held for sale (Note 13)	-	-	-	-	-	-
Revaluation adjustment	-	-	-	-	-	-
Transfer*	-	-	-	-	-	-
Exchange differences	6	-	-	18	-	24
<b>At 31 December 2023</b>	<b>5,987</b>	<b>748</b>	<b>-</b>	<b>15,788</b>	<b>3,767</b>	<b>26,290</b>
Additions	1,075	-	3,000	2,935	126	7,136
Acquisition of a subsidiary (Note 7)	-	-	-	-	-	-
Disposals	-	-	-	(3,272)	-	(3,272)
Assets held for sale (Note 13)	(2,763)	-	-	(2,653)	-	(5,416)
Revaluation adjustment	-	564	-	-	-	564
Transfer*	-	(146)	-	-	-	(146)
Exchange differences	20	-	-	53	-	73
<b>At 31 December 2024</b>	<b>4,319</b>	<b>1,166</b>	<b>3,000</b>	<b>12,851</b>	<b>3,893</b>	<b>25,229</b>

**Notes to financial statements (continued)  
for the year ended 31 December 2024**

**15 Property, plant and equipment (continued)**

**Depreciation and impairment**

At 1 January 2023	2,707	66	-	7,363	600	10,736
Depreciation charge for the year	234	2	-	1,519	300	2,055
Impairment	-	-	-	200	-	200
Disposals	(2,046)	-	-	(33)	-	(2,079)
Assets held for sale (Note 13)	-	-	-	-	-	-
Transfer*	-	-	-	-	-	-
Exchange differences	4	-	-	8	-	12
<b>At 31 December 2023</b>	<b>899</b>	<b>68</b>	<b>-</b>	<b>9,057</b>	<b>900</b>	<b>10,924</b>
Depreciation charge for the year**	255	78	-	1,885	313	2,531
Impairment	-	-	-	-	-	-
Disposals	-	-	-	(2,300)	-	(2,300)
Assets held for sale (Note 13)	(855)	-	-	(1,396)	-	(2,251)
Transfer*	-	(146)	-	-	-	(146)
Exchange differences	13	-	-	20	-	33
<b>At 31 December 2024</b>	<b>312</b>	<b>-</b>	<b>-</b>	<b>7,266</b>	<b>1,213</b>	<b>8,791</b>
At 31 December 2023	5,088	680	-	6,731	2,867	15,366
At 31 December 2024	4,007	1,166	3,000	5,585	2,680	16,438

\* This transfer relates to the accumulated depreciation as at the revaluation date that was eliminated against the gross carrying amount of the revalued asset.

\*\* Depreciation for the year excludes an impairment loss of \$XXX,XXX (see Note 13).

In 2023, the impairment loss of \$XXX,XXX represented the write-down of certain property, plant and equipment in the <insert CGU> to the recoverable amount as a result of technological obsolescence. This was recognised in the statement of profit or loss as cost of sales. The recoverable amount of \$X,XXX,XXX as at 31 December 2023 was based on value in use and was determined at the level of the CGU. The CGU consisted of the <insert CGU level>. In determining value in use for the CGU, the cash flows were discounted at a rate of XX.X% on a pre-tax basis.

**Capitalised borrowing costs**

The Company started the construction of a <insert description of facility> in XXXX 2024. This project is expected to be completed in XXXX 20XX. The carrying amount of the <insert description of facility> at 31 December 2024 was \$X,XXX,XXX (2023: Nil). The <insert description of facility> is financed by a third party in a common arrangement.

Notes to financial statements (continued)  
for the year ended 31 December 2024

15     **Property, plant and equipment (continued)**

The amount of borrowing costs capitalised during the year ended 31 December 2024 was \$XXX,XXX (2023: Nil). The rate used to determine the amount of borrowing costs eligible for capitalisation was XX%, which is the EIR of the specific borrowing.

**Land and buildings**

Land and buildings with a carrying amount of \$X,XXX,XXX (2023: \$X,XXX,XXX) are subject to a first charge to secure two of the Company's bank loans.

**Assets under construction**

Included in property, plant and equipment at 31 December 2024 was an amount of \$X,XXX,XXX (2023: Nil) relating to expenditure for a plant in the course of construction.

**Equipment received from customers**

In 2024, the Company received \$XXX,XXX (2023: \$XXX,XXX) of equipment from customers to be utilised in the production process. The initial gross amount was estimated at fair value by reference to the market price of these assets on the date on which control is obtained.

**Disposals of property, plant and equipment**

In 2024, the Company sold equipment with a total net carrying amount of \$X,XXX,XXX for a cash consideration of \$X,XXX,XXX. In 2023, the Company sold freehold land and a building with a net carrying amount of \$XXX,XXX for a cash consideration of \$X,XXX,XXX. The net gains on these disposals were recognised as part of other operating income in the statement of profit or loss (Note 12).

**Revaluation of office properties in <insert country>**

Management determined that the office properties in <insert country> constitute a separate class of property, plant and equipment, based on the nature, characteristics and risks of the property.

Fair value of the properties was determined using the market comparable method. The valuations have been performed by the valuer and are based on proprietary databases of prices of transactions for properties of similar nature, location and condition. As at the dates of revaluation on 1 January and 31 December 2024, the properties' fair values are based on valuations performed by <insert Company name>., an accredited independent valuer who has valuation experience for similar office properties in <insert country> since 20XX. A net gain from the revaluation of the office properties in <insert country> of \$XXX,XXX in 2024 was recognised in OCI.

Fair value measurement disclosures for the revalued office properties are provided in Note 11.

Significant unobservable valuation input	Range
Price per square metre	\$XXX-\$XXX

Significant increases (decreases) in estimated price per square metre in isolation would result in a significantly higher (lower) fair value on a linear basis.

**Reconciliation of carrying amount**

**Notes to financial statements (continued)  
for the year ended 31 December 2024**

**15 Property, plant and equipment (continued)**

**Reconciliation of carrying amount (continued)**

	<b>\$000</b>
<b>Carrying amount as at 1 January 2024*</b>	<b>680</b>
Level 3 revaluation gain recognised due to change in accounting policy to revaluation model as at 1 January 2024	807
<b>Carrying amount and fair value as at 1 January 2024</b>	<b>1,487</b>
Depreciation for the year	(78)
Level 3 revaluation loss on revaluation as at 31 December 2024	(243)
<b>Carrying amount and fair value as at 31 December 2024</b>	<b>1,166</b>

\*\* The Company changed the accounting policy with respect to the measurement of office properties in <insert country> as at 1 January 2024 on a prospective basis. Therefore, the fair value of the office properties in <insert country> was not measured at 1 January 2023.

If the office properties in <insert country> were measured using the cost model, the carrying amounts would be, as follows:

	<b>2024</b>
	<b>\$000</b>
Cost	748
Accumulated depreciation and impairment	(70)
<b>Net carrying amount</b>	<b>678</b>

**Investment properties**

**16**

	<b>2024</b>	<b>2023</b>
	<b>\$000</b>	<b>\$000</b>
<b>Opening balance at 1 January</b>	<b>5,322</b>	<b>4,727</b>
Additions (subsequent expenditure)	811	795
Net loss from fair value remeasurement	(204)	(200)
<b>Closing balance at 31 December</b>	<b>5,929</b>	<b>5,322</b>

The Company's investment properties consist of two commercial properties in <insert country>. Management determined that the investment properties consist of two classes of assets – office and retail – based on the nature, characteristics and risks of each property.

As at 31 December 2024 and 2023, the fair values of the properties are based on valuations performed by <insert Company name>, an accredited independent valuer. <insert Company name> is a specialist in valuing these types of investment properties. A valuation model in accordance with that recommended by the <insert applicable valuation standards board/council> has been applied.

**Notes to financial statements (continued)  
for the year ended 31 December 2024**

**16 Investment properties (continued)**

	<b>2024</b>	<b>2023</b>
	<b>\$000</b>	<b>\$000</b>
Rental income derived from investment properties	936	918
Direct operating expenses (including repairs and maintenance) generating rental income (included in cost of sales)	(67)	(235)
Direct operating expenses (including repairs and maintenance) that did not generate rental income (included in cost of sales)	(25)	(85)
<b>Profit arising from investment properties carried at fair value</b>	<b>844</b>	<b>598</b>

The Company has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

Fair value hierarchy disclosures for investment properties are in Note 11.

**Reconciliation of fair value:**

	<b>Investment properties</b>	
	<b>Office properties</b>	<b>Retail properties</b>
	<b>\$000</b>	<b>\$000</b>
<b>As at 1 January 2023</b>	<b>2,265</b>	<b>2,462</b>
Remeasurement recognised in profit or loss	(96)	(104)
Remeasurement recognised in profit or loss (in other operating expenses)	-	-
Purchases	380	415
<b>As at 31 December 2023</b>	<b>2,549</b>	<b>2,773</b>
Remeasurement recognised in profit or loss	-	-
Remeasurement recognised in profit or loss (in other operating expenses)	(98)	(106)
Purchases	389	422
<b>As at 31 December 2024</b>	<b>2,840</b>	<b>3,089</b>

**Description of valuation techniques used and key inputs to valuation of investment properties:**

Valuation technique		Significant unobservable inputs	Range (weighted average)	
			2024	2023
Office properties	DCF method (refer below)	Estimated rental value per sqm per month	\$XX-\$XX (\$XX)	\$XX-\$XX (\$XX)
		Rent growth p.a.	X.XX%	X.XX%
		Long-term vacancy rate	\$XX-\$XX (\$XX)	\$XX-\$XX (\$XX)
		Discount rate	X.X%	X.X%
Retail properties	DCF method (refer below)	Estimated rental value per sqm per month	\$XX-\$XX (\$XX)	\$XX-\$XX (\$XX)
		Rent growth p.a.	X%	X%
		Long-term vacancy rate	\$XX-\$XX (\$XX)	\$XX-\$XX (\$XX)
		Discount rate	X.X%	X.X%

**Notes to financial statements (continued)  
for the year ended 31 December 2024**

**16 Investment properties (continued)**

**Description of valuation techniques used and key inputs to valuation of investment properties:  
(continued)**

Using the DCF method, fair value is estimated using assumptions regarding the benefits and liabilities of ownership over the asset's life including an exit or terminal value. This method involves the projection of a series of cash flows on a real property interest. To this projected cash flow series, a market-derived discount rate is applied to establish the present value of the income stream associated with the asset. The exit yield is normally separately determined and differs from the discount rate.

The duration of the cash flows and the specific timing of inflows and outflows are determined by events such as rent reviews, lease renewal and related re-letting, redevelopment, or refurbishment. The appropriate duration is typically driven by market behaviour that is a characteristic of the class of real property. Periodic cash flow is typically estimated as gross income less vacancy, non-recoverable expenses, collection losses, lease incentives, maintenance cost, agent and commission costs and other operating and management expenses. The series of periodic net operating income, along with an estimate of the terminal value anticipated at the end of the projection period, is then discounted.

Significant increases (decreases) in estimated rental value and rent growth per annum in isolation would result in a significantly higher (lower) fair value of the properties. Significant increases (decreases) in the long-term vacancy rate and discount rate (and exit yield) in isolation would result in a significantly lower (higher) fair value.

Generally, a change in the assumption made for the estimated rental value is accompanied by a directionally similar change in the rent growth per annum and discount rate (and exit yield), and an opposite change in the long-term vacancy rate.

**17 Intangible assets**

	Developmen t costs	Patents and licences with definite useful life	Licences with indefinite useful life	Total
	\$000	\$000	\$000	\$000
<b>Cost</b>				
At 1 January 2023	1,057	263	160	1,480
Additions - internally developed	260	-	-	260
Acquisition of a subsidiary (restated*)	-	-	-	-
Assets held for sale	-	-	-	-
<b>At 31 December 2023</b>	<b>1,317</b>	<b>263</b>	<b>160</b>	<b>1,740</b>
Additions - internally developed	391	-	-	391
Acquisition of a subsidiary	-	-	-	-
Assets held for sale	-	(92)	-	(92)
<b>At 31 December 2024</b>	<b>1,708</b>	<b>171</b>	<b>160</b>	<b>2,039</b>
<b>Amortisation and impairment</b>				
At 1 January 2023	110	40	-	150
Amortisation	83	33	-	116
Impairment	-	-	-	-
Assets held for sale	-	-	-	-
<b>At 31 December 2023</b>	<b>193</b>	<b>73</b>	<b>-</b>	<b>266</b>

**Notes to financial statements (continued)**  
**for the year ended 31 December 2024**

**17 Intangible assets (continued)**

Amortisation	63	20	-	83
Impairment	-	-	-	-
Assets held for sale	-	(2)	-	(2)
<b>At 31 December 2024</b>	<b>256</b>	<b>91</b>	<b>-</b>	<b>347</b>
At 31 December 2023	1,124	190	160	1,474
At 31 December 2024 (restated*)	1,452	80	160	1,692

There are two <insert description> research and development projects: one is to <insert description> and the other is related to <insert description>

**Acquisition during the year**

The patents have been granted for a minimum of XX years by the relevant government agency, while licences have been acquired with the option to renew at the end of the period at little or no cost to the Company. Previous licences acquired have been renewed and have allowed the Company to determine that these assets have indefinite useful lives. As at 31 December 2024, these assets were tested for impairment.

**18 Financial assets and financial liabilities**

**18.1 Financial assets**

	<b>2024</b>	<b>2023</b>
	<b>\$000</b>	<b>\$000</b>
<b>Derivatives not designated as hedging instruments</b>		
Foreign exchange forward contracts	427	-
Embedded derivatives	140	-
<b>Derivatives designated as hedging instruments</b>		
Foreign exchange forward contracts	168	102
<b>Financial assets at fair value through profit or loss</b>		
Listed equity investments	225	200
<b>Equity instruments designated at fair value through OCI</b>		
Non-listed equity investments		
<insert Company name>	278	137
<insert Company name>	172	123
<insert Company name>	47	100
<insert Company name>	195	-
<insert Company name>	-	205
<insert Company name>	-	33
	692	598
<b>Debt instruments at fair value through OCI</b>		
Quoted debt instruments	1,081	1,073
<b>Total financial assets at fair value</b>	<b>2,733</b>	<b>1,973</b>

Notes to financial statements (continued)  
for the year ended 31 December 2024

18 Financial assets and financial liabilities (continued)

18.1 Financial assets (continued)

	2024	2023
	\$000	\$000
Debt instruments at amortised cost		
Trade receivables (Note 20)	15,402	14,292
Loan to an associate	133	-
Loan to a director	9	5
Loan to joint venture		
Loan notes		
Total financial assets*	18,277	16,270
Total current	15,769	14,394
Total non-current	2,508	1,876

\*Financial assets, other than cash and short-term deposits

**Derivatives not designated as hedging instruments** reflect the positive change in fair value of those foreign exchange forward contracts that are not designated in hedge relationships, but are, nevertheless, intended to reduce the level of foreign currency risk for expected sales and purchases.

**Derivatives designated as hedging instruments** reflect the positive change in fair value of foreign exchange forward contracts, designated as cash flow hedges to hedge highly probable forecast sales in US Dollars (USD).

**Financial assets at fair value through profit or loss** include investments in listed equity shares. Fair values of these equity shares are determined by reference to published price quotations in an active market.

**Equity instruments designated at fair value through OCI** include investments in equity shares of non-listed companies. The Company holds non-controlling interests (between X% and X%) in these companies. These investments were irrevocably designated at fair value through OCI as the Company considers these investments to be strategic in nature.

In 2024, the Company sold its equity interest in <insert Company name> as this investment no longer coincides with the Company's investment strategy. The fair value on the date of sale is \$XX,XXX and the accumulated gain recognised in OCI of \$X,XXX was transferred to retained earnings. In 2024, the Company received dividends in the amount of \$X,XXX from <insert Company name>.

**Debt instruments at fair value through OCI** include investments in quoted government and corporate bonds. Fair values of these debt instruments are determined by reference to published price quotations in an active market.

**Debt instruments at amortised cost** include trade receivables and receivables from related parties.



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**Notes to financial statements (continued)  
for the year ended 31 December 2024**

**18 Financial assets and financial liabilities (continued)**

**18.2 Financial liabilities: Interest-bearing loans and borrowings**

	Interest rate	Maturity	2024	2023
	%		\$000	\$000
<b>Current interest-bearing loans and borrowings</b>				
Lease liabilities (Note 29)	X.X-X.X	20XX	161	279
Bank overdrafts	XX	On demand	644	1,767
\$X,XXX,XXX bank loan	XX	X XXX 20XX	941	-
\$X,XXX,XXX bank loan	XX	XX XXX 20XX	-	49
<b>Total current interest-bearing loans and borrowings</b>			<b>1,746</b>	<b>2,095</b>
<b>Non-current interest-bearing loans and borrowings</b>				
Lease liabilities (Note 29)	X.X-X.X	20XX-20XX	1,804	1,702
X% debentures	X.X	20XX-20XX	2,249	2,103
X.XX% secured loan of \$X,XXX,XXX	*XX	XX XXX 20XX	1,497	-
Secured bank loan	XX	XX XXX 20XX	2,319	2,326
\$X,XXX,XXX bank loan (2023: \$X,XXX,XXX)	XX	XX XXX 20XX	-	905
\$X,XXX,XXX bank loan (2023: \$X,XXX,XXX)	XX	20XX-20XX	1,657	1,486
\$X,XXX,XXX bank loan	XX	XX XXX 20XX	1,386	1,385
\$X,XXX,XXX bank loan	X.X	X XXX 20XX	-	3,873
Loan from a third-party investor	XX.X	20XX	2,000	-
Convertible preference shares	XX.X	20XX	1,852	1,763
<b>Total non-current interest-bearing loans and borrowings</b>			<b>14,764</b>	<b>15,543</b>
<b>Total interest-bearing loans and borrowings</b>			<b>16,510</b>	<b>17,638</b>

\*Includes the effects of related interest rate swaps.

**Bank overdrafts**

The bank overdrafts are secured by a portion of the Company's short-term deposits.

**\$X,XXX,XXX bank loan**

This loan is unsecured and is repayable in full on X XXXX 2024.

**X% debentures**

The XX.XX% debentures are repayable in equal annual instalments of €XXX commencing on 1 January 20XX. The debentures include a requirement to increase the Company's use of recycled materials in the production of its products to XX.XX %. If this requirement is not met by 1 January 20XX, the interest rate will rise by 100 basis points to XX.XX %.

The XX.XX% debentures are subject to a covenant that requires the Company to maintain €XXX in minimum balance of cash and short-term deposits on a consolidated basis during the repayment period of the loan. The covenant is tested at the end of each quarter until the maturity of the XX.XX% debentures. The Company has no indication that it will have difficulty complying with this covenant.

**Notes to financial statements (continued)**  
**for the year ended 31 December 2024**

**18 Financial assets and financial liabilities (continued)**

**18.2 Financial liabilities: Interest-bearing loans and borrowings (continued)**

***X.XX% secured loan***

The loan is secured by a first charge over certain of the Company's land and buildings with a carrying value of \$X,XXX,XXX (2023: Nil).

***Secured bank loan***

This loan has been drawn down under a six-year multi-option facility (MOF). The loan is repayable within XX months after the reporting date, but has been classified as long term because the Company expects, and has the discretion, to exercise its rights under the MOF to refinance this funding. Such immediate replacement funding is available until XX XXXX 20XX. The total amount repayable on maturity is \$X,XXX,XXX. The facility is secured by a first charge over certain of the Company's land and buildings, with a carrying value of \$X,XXX,XXX (2023: \$X,XXX,XXX).

The secured bank loan is subject to the following covenants:

- Interest cover ratio greater than X. The interest cover ratio in the secured bank loan is calculated as operating profit divided by interests on debts and borrowings (see Note 12.3). The interest cover ratio was X as at 31 December 2024 (2023: X)
- Gearing ratio below X%. See Note 5 for the definition and calculation of the Company's gearing ratio. The gearing ratio was X% as at 31 December 2024 (2023: X%)

Both covenants are tested half-yearly, at 30 June and 31 December. The Company has no indication that it will have difficulty complying with these covenants.

***\$X,XXX,XXX bank loan***

The Company increased its borrowings under this loan contract by \$XXX,XXX during the reporting period. This loan is repayable in two instalments of \$X,XXX,XXX due on 31 December 20XX and \$X,XXX,XXX due on 31 December 20XX.

***\$X,XXX,XXX bank loan***

This loan is unsecured and is repayable in full on XX XXXX 20XX. As of 31 December 2023, \$XX,XXX was repayable on XX XXXX 20XX.

***\$X,XXX,XXX bank loan***

This loan has been transferred to the net balance of the liabilities held for sale.

***Convertible preference shares***

At 31 December 2024 and 2023, there were X,XXX,XXX convertible preference shares in issue. Each share has a par value of \$X and is convertible at the option of the shareholders into ordinary shares of the parent of the Company on 1 January 20XX on the basis of one ordinary share for every three preference shares held. Any preference shares not converted will be redeemed on 31 December 20XX at a price of \$X.XX per share. The preference shares carry a dividend of X% per annum, payable half-yearly in arrears on 30 June and 31 December. The dividend rights are non-cumulative. The preference shares rank ahead of the ordinary shares in the event of a liquidation. The presentation of the equity portion of these shares is explained in Note 23 below

**Notes to financial statements (continued)**  
**for the year ended 31 December 2024**

**18 Financial assets and financial liabilities (continued)**

**18.2 Financial liabilities: Interest-bearing loans and borrowings (continued)**

**Other financial liabilities**

	<b>2024</b>	<b>2023</b>
	<b>\$000</b>	<b>\$000</b>
<b>Derivatives not designated as hedging instruments</b>		
Foreign exchange forward contracts	480	-
Embedded derivatives	522	-
<b>Derivatives designated as hedging instruments</b>		
Foreign exchange forward contracts	113	169
Commodity forward contracts	653	-
Interest rate swaps	24	-
<b>Financial liabilities at fair value through profit or loss</b>		
Contingent consideration (Note 7)	-	-
<b>Total financial instruments at fair value</b>	<b>1,792</b>	<b>169</b>
<b>Other financial liabilities at amortised cost, other than interest-bearing loans and borrowings</b>		
Trade and other payables (Note 28)	9,508	12,811
<b>Total other financial liabilities</b>	<b>11,300</b>	<b>12,980</b>
<b>Total current</b>	<b>11,097</b>	<b>12,980</b>
<b>Total non-current</b>	<b>203</b>	<b>-</b>

***Derivatives not designated as hedging instruments*** reflect the negative change in fair value of those foreign exchange forward contracts that are not designated in hedge relationships, but are, nevertheless, intended to reduce the level of foreign currency risk for expected sales and purchases.

***Derivatives designated as hedging instruments*** reflect the negative change in fair value of foreign exchange forward contracts, designated as cash flow hedges to hedge highly probable future purchases in <insert currency>. This also includes the change in fair value of commodity forward contracts entered into during 2024.

**18.3 Hedging activities and derivatives**

The Company is exposed to certain risks relating to its ongoing business operations. The primary risks managed using derivative instruments are foreign currency risk, commodity price risk, and interest rate risk.

The Company's risk management strategy and how it is applied to manage risk are explained in Note 18.5 below.

**Derivatives not designated as hedging instruments**

The Company uses foreign currency-denominated borrowings and foreign exchange forward contracts to manage some of its transaction exposures. The foreign exchange forward contracts are not designated as cash flow hedges and are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally from one to XX months.

**Notes to financial statements (continued)**  
**for the year ended 31 December 2024**

**18 Financial assets and financial liabilities (continued)**

**18.3 Hedging activities and derivatives (continued)**

**Derivatives designated as hedging instruments**

***Cash flow hedges***

**Foreign currency risk**

Foreign exchange forward contracts are designated as hedging instruments in cash flow hedges of forecast sales in US Dollar and forecast purchases in <insert currency>. These forecast transactions are highly probable, and they comprise about XX% of the Company's total expected sales in US Dollars and about XX% of its total expected purchases in <insert currency>. The foreign exchange forward contract balances vary with the level of expected foreign currency sales and purchases and changes in foreign exchange forward rates.

**Commodity price risk**

The Company purchases <insert commodity> on an ongoing basis as its operating activities in the <insert description> require a continuous supply thereof for the production of its <insert description>. The increased volatility in <insert commodity> price over the past XX months has led to the decision to enter into commodity forward contracts.

These contracts, which commenced on X XXXX 2024, are expected to reduce the volatility attributable to price fluctuations of <insert commodity>. Hedging the price volatility of forecast <insert commodity> purchases is in accordance with the risk management strategy outlined by the Board of Directors.

There is an economic relationship between the hedged items and the hedging instruments as the terms of the foreign exchange and commodity forward contracts match the terms of the expected highly probable forecast transactions (i.e., notional amount and expected payment date). The Company has established a hedge ratio of X:X for the hedging relationships as the underlying risk of the foreign exchange and commodity forward contracts are identical to the hedged risk components. To test the hedge effectiveness, the Company uses the hypothetical derivative method and compares the changes in the fair value of the hedging instruments against the changes in fair value of the hedged items attributable to the hedged risks.

The hedge ineffectiveness can arise from:

- Differences in the timing of the cash flows of the hedged items and the hedging instruments
- Different indexes (and accordingly different curves) linked to the hedged risk of the hedged items and hedging instruments
- The counterparties' credit risk differently impacting the fair value movements of the hedging instruments and hedged items
- Changes to the forecasted amount of cash flows of hedged items and hedging instruments

**Notes to financial statements (continued)  
for the year ended 31 December 2024**

**18 Financial assets and financial liabilities (continued)**

**18.3 Hedging activities and derivatives (continued)**

The Company is holding the following foreign exchange and commodity forward contracts:

	Maturity					
	Less than 1 month	1 to 3 months	3 to 6 months	6 to 9 months	9 to 12 months	Total
<b>As at 31 December 2024</b>						
Foreign exchange forward contracts (highly probable forecast sales)						
Notional amount(in \$000)	1,967	2,000	2,100	2,300	2,167	<b>10,534</b>
Average forward rate (USD/<insert currency>)	0.777	0.779	0.781	0.783	0.790	
Foreign exchange forward contracts (highly probable forecast purchases)						
Notional amount(in \$000)	967	887	1,253	1,167	1,033	<b>5,307</b>
Average forward rate (USD/<insert currency>)	0.584	0.585	0.585	0.586	0.587	
Commodity forward contracts						
Notional amount (in tonnes)	-	-	300	353	-	<b>653</b>
Notional amount (in \$000)	-	-	1,733	2,000	-	<b>3,733</b>
Average hedged rate (in \$000 per tonne)	-	-	3.85	3.77	-	
<b>As at 31 December 2023</b>						
Foreign exchange forward contracts (highly probable forecast sales)						
Notional amount(in \$000)	1,767	1,900	2,000	2,133	1,933	<b>9,733</b>
Average forward rate (USD/<insert currency>)	0.800	0.802	0.804	0.806	0.807	
Foreign exchange forward contracts (highly probable forecast purchases)						
Notional amount(in \$000)	833	767	1,000	1,067	967	<b>4,634</b>
Average forward rate (USD/<insert currency>)	0.588	0.589	0.589	0.590	0.591	

**Notes to financial statements (continued)  
for the year ended 31 December 2024**

**18 Financial assets and financial liabilities (continued)**

**18.3 Hedging activities and derivatives (continued)**

The impact of the hedging instruments on the statement of financial position is, as follows:

	Notional amount \$000	Carrying amount \$000	Line item in the statement of financial position	Change in fair value used for measuring ineffectiveness for \$000
<b>As at 31 December 2024</b>				
Foreign exchange forward contracts	10,533	168	Other current financial assets	257
Foreign exchange forward contracts	5,307	(113)	Other current financial liabilities	(66)
Commodity forward contracts	3,733	(653)	Other current financial liabilities	(653)
<b>As at 31 December 2023</b>				
Foreign exchange forward contracts	9,733	137	Other current financial assets	91
Foreign exchange forward contracts	4,633	(169)	Other current financial liabilities	(21)
Commodity forward contracts			Other current financial liabilities	

The impact of hedged items on the statement of financial position is, as follows:

	31 December 2024		31 December 2023	
	Change in fair value used for measuring ineffectiveness \$000	Cash flow hedge reserve \$000	Change in fair value used for measuring ineffectiveness \$000	Cash flow hedge reserve \$000
Highly probable forecast sales	257	110	91	71
Highly probable forecast purchases	(66)	(73)	(21)	(118)
<insert commodity> purchases	(610)	(411)	-	-

Notes to financial statements (continued)  
for the year ended 31 December 2024

18 Financial assets and financial liabilities (continued)

18.3 Hedging activities and derivatives (continued)

The effect of the cash flow hedge in the statement of profit or loss and other comprehensive income is, as follows:

	Total hedging gain/(loss) recognized in OCI \$000	Ineffectiveness s recognised in profit or loss \$000	Line item in the statement of profit or loss	Amount Cost of reclassified hedging from OCI to recognized in OCI \$000	Line item in the profit or statement of loss profit or loss \$000
Year ended 31 December 2024					
Highly probable forecast sales	257	-		14	(187)Revenue
Highly probable forecast purchases	(66)	-		(11)	-
<insert commodity> purchases	(610)		Other operating expenses	(22)	-
Year ended 31 December 2023					
Highly probable forecast sales			91		(83)Revenue
Highly probable forecast purchases			(21)		35Cost of sales
<insert commodity> purchases			-		-

Fair value hedge

At 31 December 2024, the Company had an interest rate swap agreement in place with a notional amount of USDX,XXX,XXX (\$X,XXX,XXX) (2023: \$Nil) whereby the Company receives a fixed rate of interest of X.XX% and pays interest at a variable rate equal to XX+X.X% on the notional amount. The swap is being used to hedge the exposure to changes in the fair value of its fixed rate X.XX% secured loan.

There is an economic relationship between the hedged item and the hedging instrument as the terms of the interest rate swap match the terms of the fixed rate loan (i.e., notional amount, maturity, payment and reset dates). The Company has established a hedge ratio of X:X for the hedging relationships as the underlying risk of the interest rate swap is identical to the hedged risk component. To test the hedge effectiveness, the Company uses the hypothetical derivative method and compares the changes in the fair value of the hedging instrument against the changes in fair value of the hedged item attributable to the hedged risk.

The hedge ineffectiveness can arise from:



**Notes to financial statements (continued)  
for the year ended 31 December 2024**

**18 Financial assets and financial liabilities (continued)**

**18.3 Hedging activities and derivatives (continued)**

- Different interest rate curve applied to discount the hedged item and hedging instrument
- Differences in timing of cash flows of the hedged item and hedging instrument
- The counterparties' credit risk differently impacting the fair value movements of the hedging instrument and hedged item

The impact of the hedging instrument on the statement of financial position as at 31 December 2024 is, as follows:

	Notional amount	Carrying amount	Line item in the statement of financial position	Change in fair value used for measuring ineffectiveness
	\$000	\$000		\$000
Interest rate swap	2,400	23	Other current financial liability	23

The impact of the hedged item on the statement of financial position as at 31 December 2024 is, as follows:

	Carrying amount	Accumulated fair value adjustments	Line item in the statement of financial position	Change in fair value used for measuring ineffectiveness
	\$000	\$000		\$000
Fixed-rate borrowing	1,497	23	Interest-bearing loans and borrowings	23

The ineffectiveness recognised in the statement of profit or loss was immaterial.

**Embedded derivatives**

In 2024, the Company entered into long-term sale contracts with a customer in <insert country>. The functional currency of the customer is USD. The selling price in the contracts is fixed and set in <insert currency>. The contracts require physical delivery and will be held for the purpose of the delivery of the commodity in accordance with the buyer's expected sales requirements. The contracts have embedded foreign exchange derivatives that are required to be separated.

The Company also entered into various purchase contracts for <insert commodity> and <insert commodity> (for which there is an active market) with a number of suppliers in <insert country> and <insert country>. The prices in these purchase contracts are linked to the price of <insert price dependant factor>. The contracts have embedded commodity swaps that are required to be separated.

The embedded foreign currency and commodity derivatives have been separated and are carried at fair value through profit or loss. The carrying values of the embedded derivatives at 31 December 2024 amounted to \$XXX,XXX (other financial assets) (2023: \$Nil) and \$XXX,XXX (other financial liabilities) (2023: \$Nil). The effects on profit or loss are reflected in operating income and operating expenses, respectively.

**Notes to financial statements (continued)  
for the year ended 31 December 2024**

**18 Financial assets and financial liabilities (continued)**

**18.4 Fair values**

Set out below is a comparison, by class, of the carrying amounts and fair values of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

	2024		2023	
	Carrying amount	Fair value	Carrying amount	Fair value
	\$000	\$000	\$000	\$000
<b>Financial assets</b>				
Loan to a director	142	137	5	6
Non-listed equity investments	692	692	597	597
Listed equity investments	225	225	200	200
Quoted debt instruments	1,081	1,081	1,073	1,073
Foreign exchange forward contracts	427	427	-	-
Embedded derivatives	140	140	-	-
Foreign exchange forward contracts in cash flow hedges	168	168	102	102
<b>Total</b>	<b>2,875</b>	<b>2,870</b>	<b>1,977</b>	<b>1,978</b>
<b>Financial liabilities</b>				
Interest-bearing loans and borrowings				
Floating rate borrowings*	(8,444)	(8,444)	(7,918)	(7,918)
Fixed rate borrowings	(4,249)	(4,214)	(5,493)	(5,963)
Convertible preference shares	(1,852)	(1,844)	(1,763)	(1,747)
<b>Contingent consideration</b>				
Derivatives not designated as hedges				
Foreign exchange forward contracts	(480)	(480)	-	-
Embedded derivatives	(521)	(521)	-	-
Derivatives in effective hedges	(790)	(790)	(169)	(169)
<b>Total</b>	<b>(16,336)</b>	<b>(16,293)</b>	<b>(15,343)</b>	<b>(15,797)</b>

\* Includes an X.XX% secured loan carried at amortised cost adjusted for the fair value movement due to the hedged interest rate risk.

The fair value measurement hierarchy of financial assets and liabilities is provided in Note 11.

**Management** ~~The management~~ assessed that the fair values of cash and short-term deposits, trade receivables, trade payables, bank overdrafts and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The following methods and assumptions were used to estimate the fair values:

- Long-term fixed-rate and variable-rate receivables/borrowings are evaluated by the Company based on parameters such as interest rates, specific country risk factors, individual creditworthiness of the customer and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for the estimated losses of these receivables.

**Notes to financial statements (continued)**  
**for the year ended 31 December 2024**

**18 Financial assets and financial liabilities (continued)**

**18.4 Fair values (continued)**

- The fair values of the quoted notes and bonds are based on price quotations at the reporting date. The fair value of unquoted instruments, loans from banks and other financial liabilities, as well as other non-current financial liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. In addition to being sensitive to a reasonably possible change in the forecast cash flows or the discount rate, the fair value of the equity instruments is also sensitive to a reasonably possible change in the growth rates. The valuation requires management to use unobservable inputs in the model, of which the significant unobservable inputs are disclosed in the tables below. Management regularly assesses a range of reasonably possible alternatives for those significant unobservable inputs and determines their impact on the total fair value.
- The fair values of the non-listed equity investments have been estimated using a DCF model. The valuation requires management to make certain assumptions about the model inputs, including forecast cash flows, the discount rate, credit risk and volatility. The probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for these non-listed equity investments.
- There is an active market for the Company's listed equity investments and quoted debt instruments.
- The Company enters into derivative financial instruments with various counterparties, principally financial institutions with investment grade credit ratings. Interest rate swaps, foreign exchange forward contracts and commodity forward contracts are valued using valuation techniques, which employ the use of market observable inputs. The most frequently applied valuation techniques include forward pricing and swap models using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies, interest rate curves and forward rate curves of the underlying commodity. Some derivative contracts are fully cash collateralised, thereby eliminating both counterparty risk and the Company's own non-performance risk. As at 31 December 2024, the mark-to-market value of other derivative asset positions is net of a credit valuation adjustment attributable to derivative counterparty default risk. The changes in counterparty credit risk had no material effect on the hedge effectiveness assessment for derivatives designated in hedge relationships and other financial instruments recognised at fair value.
- Embedded foreign currency and commodity derivatives are measured similarly to the foreign currency forward contracts and commodity derivatives. The embedded derivatives are commodity and foreign currency forward contracts which are separated from long-term sales contracts where the transaction currency differs from the functional currencies of the involved parties. However, as these contracts are not collateralised, the Company also takes into account the counterparties' credit risks (for the embedded derivative assets) or the Company's own non-performance risk (for the embedded derivative liabilities) and includes a credit valuation adjustment or debit valuation adjustment, as appropriate, by assessing the maximum credit exposure and taking into account market-based inputs concerning probabilities of default and loss given default.
- The fair values of the Company's interest-bearing loans and borrowings are determined by using the DCF method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at 31 December 2024 was assessed to be insignificant.

Notes to financial statements (continued)  
for the year ended 31 December 2024

18 Financial assets and financial liabilities (continued)

18.4 Fair values (continued)

Description of significant unobservable inputs to valuation

The significant unobservable inputs used in the fair value measurements categorised within Level 3 of the fair value hierarchy, together with a quantitative sensitivity analysis as at 31 December 2024 and 2023 are shown below:

	Valuation technique	Significant unobservable inputs	Range (weighted average)	Sensitivity of the input to fair value
Non-listed equity investments <insert description> sector	DCF method	Long-term growth rate for cash flows for subsequent years	20XX: X.X%-X.X% (X.X%)	X% (20XX: X%) increase (decrease) in the growth rate would result in an increase (decrease) in fair value by \$XX,XXX (20XX: \$XX,XXX)
			20XX: X.X%-X.X% (X.X%)	
		Long-term operating margin	20XX: X.X%-X.X% (X.X%)	XX% (20XX: XX%) increase (decrease) in the margin would result in an increase (decrease) in fair value by \$XX,XXX (20XX: \$XX,XXX)
			20XX: X.X%-X.X% (X.X%)	
		WACC	20XX: X.X%-X.X% (X.X%)	X% (20XX: X%) increase (decrease) in the WACC would result in a decrease (increase) in fair value by \$XX,XXX (20XX: \$XX,XXX)
			20XX: X.X%-X.X% (X.X%)	
		Discount for lack of marketability	20XX: X.X%-X.X% (X.X%)	X% (20XX: X%) increase (decrease) in the discount would decrease (increase) the fair value by \$X,XXX (20XX: \$X,XXX).

Notes to financial statements (continued)  
for the year ended 31 December 2024

18 Financial assets and financial liabilities (continued)

18.4 Fair values (continued)

			20XX: X.X%- X.X% (X.X%)	
Non-listed equity investments <insert description> sector	DCF method	Long-term growth rate for cash flows for subsequent years	20XX: X.X%- X.X% (X.X%)	X% (20XX: X%) increase (decrease) in the growth rate would result in an increase (decrease) in fair value by \$XX,XXX (20XX: \$XX,XXX)
			20XX: X.X%- X.X% (X.X%)	
		Long-term operating margin	20XX: X.X%- X.X% (X.X%)	X% (20XX: X%) increase (decrease) in the margin would result in an increase (decrease) in fair value by \$XX,XXX (20XX: \$XX,XXX)
			20XX: X.X%- X.X% (X.X%)	
		WACC	20XX: X.X%- X.X% (X.X%)	X% (20XX: X%) increase (decrease) in the WACC would result in a decrease (increase) in fair value by \$XX,XXX (20XX: \$XX,XXX)
			20XX: X.X%- X.X% (X.X%)	
		Discount for lack of marketability	20XX: X.X%- X.X% (X.X%)	X.X% (20XX: X%) increase (decrease) in the discount would decrease (increase) the fair value by \$X,XXX (20XX: \$X,XXX).
			20XX: X.X%- X.X% (X.X%)	

**Notes to financial statements (continued)  
for the year ended 31 December 2024**

**18 Financial assets and financial liabilities (continued)**

**18.4 Fair values (continued)**

Embedded derivative assets	Forward pricing model	Discount for counterparty credit risk	20XX: X.XX%-X.XX% (X.XX%)	X.X% increase (decrease) would result in an increase (decrease) in fair value by \$XX,XXX.
			20XX: -	
Embedded derivative liabilities	Forward pricing model	Discount for non-performance risk	20XX: X.XX%-X.XX% (X.XX%)	X.X% increase (decrease) would result in an increase (decrease) in fair value by \$XX,XXX.
			20XX: -	
Loan to an associate and a director	DCF method	Constant prepayment rate	20XX: X.X%-X.X% (X.X%)	X% (20XX: X%) increase (decrease) would result in an increase (decrease) in fair value by \$XX,XXX (20XX: \$XX,XXX)
			20XX: X.X%-X.X% (X.X%)	
		Discount for non-performance risk	20XX: X.XX%	X.X% (20XX: X.X%) increase (decrease) would result in an increase (decrease) in fair value by \$XX,XXX (20XX: \$XX,XXX)
			20XX: X.XX%	
Contingent consideration liability	DCF method	Assumed probability adjusted profit before tax of <insert Company name>	20XX: \$X,XXX,XXX	XX% decrease in the assumed probability-adjusted profit before tax of <insert Company name> results in a decrease in fair value of the contingent consideration liability by \$XXX,XXX.

Notes to financial statements (continued)  
for the year ended 31 December 2024

18 Financial assets and financial liabilities (continued)

18.4 Fair values (continued)

	20XX: -	X% increase in the assumed probability-adjusted profit before tax of <insert Company name> would not change fair value of the contingent consideration liability.
Discount rate	20XX: X.XX%	X% increase (decrease) in the discount rate would result in an increase (decrease) in fair value of the contingent consideration liability by \$XX,XXX.
	20XX: -	
Discount for own non performance risk	20XX: X.XX%	X.X% increase (decrease) in the discount for own non-performance risk would result in an increase (decrease) in fair value of the contingent consideration liability by \$X,XXX.
	20XX: -	

The discount for lack of marketability represents the amounts that the Company has determined that market participants would take into account when pricing the investments.

Reconciliation of fair value measurement of non-listed equity investments classified as equity instruments designated at fair value through OCI (Level 3):

	<insert description1 >	<insert description2 >	Total
	\$000	\$000	\$000
As at 1 January 2023	257	335	592
Remeasurement recognised in OCI	3	4	7
Purchases	-	-	-
Reclassified in assets held for sale	-	-	-
Sales	-	-	-
As at 1 January 2024	260	339	599

**Notes to financial statements (continued)  
for the year ended 31 December 2024**

**18 Financial assets and financial liabilities (continued)**

**18.4 Fair values (continued)**

Remeasurement recognised in OCI	36	(53)	(17)
Purchases	154	195	349
Reclassified in assets held for sale	-	(205)	(205)
Sales	-	(33)	(33)
<b>As at 31 December 2024</b>	<b>450</b>	<b>243</b>	<b>693</b>

**Reconciliation of fair value measurement of embedded derivative assets and liabilities (Level 3):**

	<b>Embedded foreign exchange derivative asset</b>	<b>Embedded commodity derivative liability</b>	
	<b>&lt;insert currency&gt;</b>	<b>&lt;insert commodity 1&gt;</b>	<b>&lt;insert commodity 2&gt;</b>
	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
<b>As at 1 January 2023</b>	-	-	-
Remeasurement recognised in statement of profit or loss during the period	(242)	(139)	(53)
Purchases	382	539	175
Sales	-	-	-
<b>As at 31 December 2023</b>	-	-	-
Remeasurement recognised in statement of profit or loss during the period	-	-	-
Purchases	-	-	-
Sales	-	-	-
<b>As at 31 December 2024</b>	<b>140</b>	<b>400</b>	<b>122</b>

**18.5 Financial instruments risk management objectives and policies**

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, and trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade receivables, and cash and short-term deposits that derive directly from its operations. The Company also holds investments in debt and equity instruments and enters into derivative transactions.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Company. The financial risk committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.



**Notes to financial statements (continued)  
for the year ended 31 December 2024**

**18 Financial assets and financial liabilities (continued)**

**18.5 Financial instruments risk management objectives and policies (continued)**

**Market risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, debt and equity investments and derivative financial instruments.

The sensitivity analyses in the following sections relate to the position as at 31 December in 2024 and 2023.

The sensitivity analyses have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of debt and derivatives and the proportion of financial instruments in foreign currencies are all constant and on the basis of the hedge designations in place at 31 December 2024.

The analyses exclude the impact of movements in market variables on: the carrying values of pension and other post-retirement obligations; provisions; and the non-financial assets and liabilities of foreign operations.

The following assumptions have been made in calculating the sensitivity analyses:

- The sensitivity of the relevant statement of profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 December 2024 and 2023 including the effect of hedge accounting.
- The sensitivity of equity is calculated by considering the effect of any associated cash flow hedges and hedges of a net investment in a foreign operation at 31 December 2024 for the effects of the assumed changes of the underlying risk.

**Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. The Company's policy is to maintain borrowings at fixed rates of interest of not more than XX%, excluding borrowings that relate to discontinued operations. To manage this, the Company enters into interest rate swaps, in which it agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount. At 31 December 2024, after taking into account the effect of interest rate swaps, approximately XX% of the Company's borrowings are at a fixed rate of interest (2023: XX%).

**Interest rate sensitivity**

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, after the impact of hedge accounting. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Notes to financial statements (continued)  
for the year ended 31 December 2024

18 Financial assets and financial liabilities (continued)

18.5 Financial instruments risk management objectives and policies (continued)

	Increase/decrease in basis points	Effect on profit before tax
		\$000
<b>2024</b>		
US dollar	+45	(32)
<insert currency>	+60	(9)
US dollar	-45	22
<insert currency>	-60	8
<b>2023</b>		
US dollar	+10	(13)
<insert currency>	+15	-
US dollar	-10	8
<insert currency>	-15	-

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company’s exposure to the risk of changes in foreign exchange rates relates primarily to the Company’s operating activities (when revenue or expense is denominated in a foreign currency).

The Company manages its foreign currency risk by hedging transactions that are expected to occur within a maximum XX-month period for hedges of forecasted sales and purchases and XX-month period for net investment hedges.

When a derivative is entered into for the purpose of being a hedge, the Company negotiates the terms of the derivative to match the terms of the hedged exposure. For hedges of forecast transactions, the derivative covers the period of exposure from the point the cash flows of the transactions are forecasted up to the point of settlement of the resulting receivable or payable that is denominated in the foreign currency.

The Company hedges its exposure to fluctuations on the translation into US Dollars of its foreign operations by holding net borrowings in foreign currencies and by using foreign currency swaps and forwards.

At 31 December 2024 and 2023, the Company hedged XX% and XX%, for X and XX months, respectively, of its expected foreign currency sales. Those hedged sales were highly probable at the reporting date. This foreign currency risk is hedged by using foreign currency forward contracts.

**Notes to financial statements (continued)**  
**for the year ended 31 December 2024**

**18 Financial assets and financial liabilities (continued)**

**18.5 Financial instruments risk management objectives and policies (continued)**

**Foreign currency sensitivity**

The following tables demonstrate the sensitivity to a reasonably possible change in USD and <insert currency> exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives and embedded derivatives. The impact on the Company's pre-tax equity is due to changes in the fair value of forward exchange contracts designated as cash flow hedges and net investment hedges. The Company's exposure to foreign currency changes for all other currencies is not material.

	<u>Change in &lt;insert currency&gt;</u>	<u>Effect on profit before tax</u>	<u>Effect on pre-tax equity</u>
		<b>\$000</b>	<b>\$000</b>
<b>2024</b>			
	+6%	(20)	(103)
	-6%	13	115
<b>2023</b>			
	+5%	(27)	(97)
	-5%	27	105

  

	<u>Change in &lt;insert currency&gt;</u>	<u>Effect on profit before tax</u>	<u>Effect on pre-tax equity</u>
		<b>\$000</b>	<b>\$000</b>
<b>2024</b>			
	+6%	17	68
	-6%	(10)	(75)
<b>2023</b>			
	+5%	21	61
	-5%	(17)	(64)

The movement in the pre-tax effect is a result of a change in the fair value of derivative financial instruments not designated in a hedge relationship and monetary assets and liabilities denominated in US Dollars, where the functional currency of the entity is a currency other than US Dollars. Although the derivatives have not been designated in a hedge relationship, they act as an economic hedge and will offset the underlying transactions when they occur.

The movement in pre-tax equity arises from changes in US Dollar borrowings (net of cash and cash equivalents) in the hedge of net investments in <insert country> operations and cash flow hedges. These movements will offset the translation of the <insert country> operations' net assets into US Dollars.

**Commodity price risk**

The Company is affected by the price volatility of certain commodities. Its operating activities require the ongoing purchase and manufacture of <insert description> and therefore require a continuous supply of <insert commodity>. The Company is exposed to changes in the price of <insert commodity> on its forecast <insert commodity> purchases.

**Notes to financial statements (continued)  
for the year ended 31 December 2024**

**18 Financial assets and financial liabilities (continued)**

**18.5 Financial instruments risk management objectives and policies (continued)**

The Company's Board of Directors has developed and enacted a risk management strategy for commodity price risk and its mitigation. Based on a XX-month forecast of the required <insert commodity> supply, the Company hedges the purchase price using forward commodity purchase contracts. The forward contracts do not result in physical delivery of <insert commodity>, but are designated as cash flow hedges to offset the effect of price changes in <insert commodity>. The Company hedges approximately XX% of its expected <insert commodity> purchases considered to be highly probable.

The Company also entered into various purchase contracts for <insert commodity> and <insert commodity> (for which there is an active market). The prices in these purchase contracts are linked to the price of <insert price dependant factor>.

Forward contracts with a physical delivery that qualify for normal purchase, sale or usage and that are therefore not recognised as derivatives are disclosed in Note 18.3.

**Commodity price sensitivity**

The following table shows the effect of price changes in <insert commodity> net of hedge accounting impact.

	<b>Change in year-end price</b>	<b>Effect on profit before tax</b>	<b>Effect on equity</b>
		<b>\$000</b>	<b>\$000</b>
<b>2024</b>			
<insert commodity>	+16%	(147)	(390)
	-16%	147	390
<insert commodity>	+5%	(5)	(5)
	-5%	5	5
<insert commodity>	+3%	(7)	(7)
	-3%	7	7

**Equity price risk**

The Company's listed and non-listed equity investments are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Company manages the equity price risk through diversification and by placing limits on individual and total equity instruments. Reports on the equity portfolio are submitted to the Company's senior management on a regular basis. The Company's Board of Directors reviews and approves all equity investment decisions.

At the reporting date, the exposure to non-listed equity investments at fair value was \$X,XXX,XXX. Sensitivity analyses of these investments have been provided in Note 18.4.

**Notes to financial statements (continued)  
for the year ended 31 December 2024**

**18 Financial assets and financial liabilities (continued)**

**18.5 Financial instruments risk management objectives and policies (continued)**

At the reporting date, the exposure to equity investments at fair value listed on the <insert stock exchange> was \$XXX,XXX. Given that the changes in fair values of the equity investments held are strongly positively correlated with changes of the <insert stock exchange> market index, the Company has determined that an increase/(decrease) of XX% on the <insert stock exchange> market index could have an impact of approximately \$XX,XXX increase/(decrease) on the income and equity attributable to the Company.

**Credit risk**

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

**Trade receivables and contract assets**

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables and contract assets are regularly monitored and any shipments to major customers are generally covered by letters of credit or other forms of credit insurance obtained from reputable banks and other financial institutions. At 31 December 2024, the Company had XX customers (2023: XX) that owed it more than \$XXX,XXX each and accounted for approximately XX% (2023: XX%) of all the receivables and contract assets outstanding. There were X customers (2023: X customers) with balances greater than \$X million accounting for just over XX% (2023: XX%) of the total amounts of receivable and contract assets.

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e., by geographical region, product type, customer type and rating, and coverage by letters of credit or other forms of credit insurance). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written-off if past due for more than one year and are not subject to enforcement activity. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 20. The Company does not hold collateral as security. The letters of credit and other forms of credit insurance are considered an integral part of trade receivables and ~~considered in~~ the calculation of impairment.

At 31 December 2024, XX% (2023: XX%) of the Company's trade receivables are covered by letters of credit and other forms of credit insurance. These credit enhancements obtained by the Company resulted in a decrease in the ECL of \$XX,XXX as at 31 December 2024 (2023: \$XX,XXX). The Company evaluates the concentration of risk with respect to trade receivables and contract assets as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

Set out below is the information about the credit risk exposure on the Company's trade receivables and contract assets using a provision matrix:

**Notes to financial statements (continued)  
for the year ended 31 December 2024**

**18 Financial assets and financial liabilities (continued)**

**18.5 Financial instruments risk management objectives and policies (continued)**

**31 December 2024**

31 December 2024	Trade receivables						
	Days past due						
	Contract assets	Current	<30 days	30-60 days	61-90 days	>91 days	Total
	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Expected credit loss rate	0.13%	0.12%	3.18%	4.00%	7.04%	12.06%	
Estimated total gross carrying amount at default	3,031	11,191	3,243	1,800	767	343	17,344
Expected credit loss	4	13	49	72	54	41	229

**31 December 2023**

31 December 2023		Trade receivables					
		Days past due					
	Contract assets	Current	<30 days	30-60 days	61-90 days	>91 days	Total
	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Expected credit loss rate	0.10%	0.10%	1.60%	34.00%	5.03%	10.00%	
Estimated total gross carrying amount at default	3,457	10,402	2,321	1,265	663	354	15,005
Expected credit loss	3	11	28	38	33	35	145

**Financial instruments and cash deposits**

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Company's Finance Committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments.

The Company invests only on quoted debt securities with very low credit risk. The Company's debt instruments at fair value through OCI comprised solely of quoted bonds that are graded in the top investment category (Very Good and Good) by the <insert Credit Rating Agency name> and, therefore, are considered to be low credit risk investments. The Company recognised provision for expected credit losses on its debt instruments at fair value through OCI of \$X,XXX in 2024 (2023: \$X,XXX).

The Company's maximum exposure to credit risk for the components of the statement of financial position at 31 December 2024 and 2023 is the carrying amounts as illustrated in Note 18.1 except for derivative financial instruments. The Company's maximum exposure relating to financial derivative instruments is noted in the liquidity table below.

**Notes to financial statements (continued)****for the year ended 31 December 2024****18 Financial assets and financial liabilities (continued)****18.5 Financial instruments risk management objectives and policies (continued)****Liquidity risk**

The Company monitors its risk of a shortage of funds using a liquidity planning tool. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans, debentures, preference shares, and lease contracts. The Company's policy is that not more than XX% of borrowings should mature in the next XX-month period. Approximately XX% of the Company's debt will mature in less than one year at 31 December 2024 (2023: XX%) based on the carrying value of borrowings reflected in the financial statements. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding and debt maturing within XX months can be rolled over with existing lenders.

**Excessive risk concentration**

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

In order to avoid excessive concentrations of risk, the Company's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly. Selective hedging is used within the Company to manage risk concentrations at both the relationship and industry levels.

A substantial portion of the Company's trade payables are included in the Company's supplier finance arrangement and are, thus, with a single counterparty rather than individual suppliers. This results in the Company being required to settle a significant amount with a single counterparty, rather than less significant amounts with several counterparties. However, the Company's payment terms for trade payables covered by the arrangement are identical to the payment terms for other trade payables. Management does not consider the supplier finance arrangement to result in excessive concentrations of liquidity risk, and the arrangement has been established to ease the administrative burden of managing invoices from a significant number of suppliers, rather than to obtain financing. Please refer to Note 28 for further disclosures about the arrangement.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

<b>Year ended 31 December 2024</b>	<b>On demand</b>	<b>Less than 3 months</b>	<b>3 to 12 months</b>	<b>1 to 5 years</b>	<b>&gt; 5 years</b>	<b>Total</b>
	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
Interest-bearing loans and borrowings (excluding items below)	644	-	948	7,036	5,333	13,961
Lease liabilities (Note 29)	32	78	193	1,636	982	2,921
Convertible preference shares	-	-	-	451	1,549	2,000
<b>Contingent consideration</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Other financial liabilities	-	-	-	100	-	100
Trade and other payables	2,413	8,365	535	-	-	11,313
Derivatives and embedded derivatives	1,313	1,827	261	794	886	5,081
	<b>4,402</b>	<b>10,270</b>	<b>1,937</b>	<b>10,017</b>	<b>8,750</b>	<b>35,376</b>

**Notes to financial statements (continued)**  
**for the year ended 31 December 2024**

**18 Financial assets and financial liabilities (continued)**

**18.5 Financial instruments risk management objectives and policies (continued)**

<b>Year ended 31 December 2023</b>	<b>On demand</b>	<b>Less than 3 months</b>	<b>3 to 12 months</b>	<b>1 to 5 years</b>	<b>&gt; 5 years</b>	<b>Total</b>
	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
Interest-bearing loans and borrowings (excluding items below)	1,767	-	51	5,915	7,733	15,466
Lease liabilities (Note 29)	21	60	197	1,591	955	2,824
Convertible preference shares	-	-	-	416	1,584	2,000
<b>Contingent consideration</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Other financial liabilities	-	-	-	135	-	135
Trade and other payables	2,881	9,306	1,162	-	-	13,349
Derivatives and embedded derivatives	366	837	-	-	-	1,203
	<b>5,035</b>	<b>10,203</b>	<b>1,410</b>	<b>8,057</b>	<b>10,272</b>	<b>34,977</b>

The financial derivative instruments disclosed in the above table are the gross undiscounted cash flows. However, those amounts may be settled gross or net. The following table shows the corresponding reconciliation of those amounts to their carrying amounts:

<b>Year ended 31 December 2024</b>	<b>On demand</b>	<b>Less than 3 months</b>	<b>3 to 12 months</b>	<b>1 to 5 years</b>	<b>Over 5 years</b>	<b>Total</b>
	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
Inflows	533	667	167	467	633	2,467
Outflows	(1,313)	(1,827)	(260)	(794)	(886)	(5,080)
<b>Net</b>	<b>(780)</b>	<b>(1,160)</b>	<b>(93)</b>	<b>(327)</b>	<b>(253)</b>	<b>(2,613)</b>
Discounted at the applicable interbank rates	(780)	(1,154)	(93)	(308)	(228)	(2,563)
<b>Year ended 31 December 2023</b>	<b>On demand</b>	<b>Less than 3 months</b>	<b>3 to 12 months</b>	<b>1 to 5 years</b>	<b>Over 5 years</b>	<b>Total</b>
	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
Inflows	533	667	-	-	-	1,200
Outflows	(1,313)	(1,826)	-	-	-	(3,139)
<b>Net</b>	<b>(780)</b>	<b>(1,159)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,939)</b>
Discounted at the applicable interbank rates	(780)	(1,154)	-	-	-	(1,934)



**Notes to financial statements (continued)  
for the year ended 31 December 2024**

**18 Financial assets and financial liabilities (continued)**

**18.5 Financial instruments risk management objectives and policies (continued)**

**Collateral**

The Company has pledged part of its short-term deposits in order to fulfil the collateral requirements for the derivatives contracts. At 31 December 2024 and 2023, respectively, the fair values of the short-term deposits pledged were \$X,XXX,XXX and \$X,XXX,XXX, respectively. The counterparties have an obligation to return the securities to the Company. The Company also holds a deposit in respect of derivative contracts of \$XXX,XXX as at 31 December 2024 (2023: \$XXX,XXX). The Company has an obligation to repay the deposit to the counterparties upon settlement of the contracts. There are no other significant terms and conditions associated with the use of collateral.

**~~18.6 Changes in liabilities arising from financing activities~~**

Notes to financial statements (continued)  
for the year ended 31 December 2024

18 Financial assets and financial liabilities (continued)

18.6 Changes in liabilities arising from financing activities (continued)

	1 January 2024	Cash flows	Reclassified as part of disposal group	Foreign exchange movements	Changes in fair values	New leases	Other	31 December 2024
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Current interest-bearing loans and borrowings (excluding items listed below)	1,816	(1,355)	-	(4)	-	-	1,127	1,584
Current lease liabilities (Note 29)	280	(271)	-	-	-	28	267	304
Non-current interest-bearing loans and borrowings (excluding items listed below)	13,840	3,766	(3,873)	(34)	-	-	(737)	12,962
Non-current lease liabilities (Note 29)	1,702	-	-	-	-	367	(265)	1,804
Dividends payable	-	-	-	-	-	-	273	273
Derivatives	-	-	-	-	(39)	-	-	(39)
<b>Total liabilities from financing activities</b>	<b>17,638</b>	<b>2,140</b>	<b>(3,873)</b>	<b>(38)</b>	<b>(39)</b>	<b>395</b>	<b>665</b>	<b>16,888</b>

  

	1 January 2023	Cash flows	Foreign exchange movements	New leases	Other	31 December 2023
	\$000	\$000	\$000	\$000	\$000	\$000
Current interest-bearing loans and borrowings (excluding items listed below)	2,986	(2,833)	(7)	-	1,670	1,816
Current lease liabilities (Note 29)	237	(227)	-	15	255	280
Non-current interest-bearing loans and borrowings (excluding items listed below)	12,416	3,247	(38)	-	(1,785)	13,840
Non-current lease liabilities (Note 29)	1,823	-	-	135	(256)	1,702
<b>Total liabilities from financing activities</b>	<b>17,462</b>	<b>187</b>	<b>(45)</b>	<b>150</b>	<b>(116)</b>	<b>17,638</b>

**Notes to financial statements (continued)**  
**for the year ended 31 December 2024**

**18 Financial assets and financial liabilities (continued)**

**18.6 Changes in liabilities arising from financing activities (continued)**

The 'Other' column includes the effect of reclassification of non-current portion of interest-bearing loans and borrowings, including lease liabilities to current due to the passage of time, the accrual of special dividends that were not yet paid at year-end, and the effect of accrued but not yet paid interest on interest-bearing loans and borrowings, including lease liabilities. The Company classifies interest paid as cash flows from operating activities.

**19 Inventories**

	<b>2024</b>	<b>2023</b>
	<b>\$000</b>	<b>\$000</b>
Raw materials (at cost)	4,160	4,757
Work in progress (at cost)	8,905	6,481
Finished goods (at lower of cost and net realisable value)	1,557	4,138
<b>Total inventories at the lower of cost and net realisable value</b>	<b>14,622</b>	<b>15,376</b>

During 2024, \$XXX,XXX (2023: \$XXX,XXX) was recognised as an expense for inventories carried at net realisable value. This is recognised in cost of sales. For a subsequent event related to inventories, refer to Note 35.

**20 Trade receivables and contract assets**

***Trade receivables***

	<b>2024</b>	<b>2023</b>
	<b>\$000</b>	<b>\$000</b>
Receivables from third-party customers	14,851	13,682
Receivables from an associate (Note 33)	367	388
Receivables from other related parties (Note 33)	413	367
	15,631	14,437
Allowance for expected credit losses	(229)	(145)
	<b>15,402</b>	<b>14,292</b>

Trade receivables are non-interest bearing and are generally on terms of XX to XX days.

For terms and conditions relating to related party receivables, refer to Note 33.

***Contract assets***

As at 31 December 2024, the Company has contract assets of \$X,XXX,XXX (2023: \$X,XXX,XXX) which is net of an allowance for expected credit losses of \$X,XXX (2023: \$X,XXX).

Set out below is the movement in the allowance for expected credit losses of trade receivables and contract assets:

**Notes to financial statements (continued)  
for the year ended 31 December 2024**

**20 Trade receivables and contract assets (continued)**

	<b>2024</b>	<b>2023</b>
	<b>\$000</b>	<b>\$000</b>
As at 1 January	147	163
Provision for expected credit losses (Note 12.9)	123	51
Write-off	(36)	(63)
Foreign exchange movement	(3)	(1)
<b>As at 31 December</b>	<b>231</b>	<b>150</b>

The significant changes in the balances of trade receivables and contract assets are disclosed in Note 4.2 while the information about the credit exposures are disclosed in Note 18.5.

**21 Prepayments**

	<b>2024</b>	<b>2023</b>
	<b>\$000</b>	<b>\$000</b>
Prepaid insurance	112	59
Creditable withholding taxes	51	51
	<b>163</b>	<b>110</b>

In 20XX, the Company paid for an insurance policy covering three years. The prepayments pertain to the unexpired portion of the insurance.

**22 Cash and short-term deposits**

	<b>2024</b>	<b>2023</b>
	<b>\$000</b>	<b>\$000</b>
Cash at banks and on hand	7,635	7,383
Short-term deposits	3,864	2,528
	<b>11,499</b>	<b>9,911</b>

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Company, and earn interest at the respective short-term deposit rates.

At 31 December 2024, the Company had available \$X,XXX,XXX (2023: \$X,XXX,XXX) of undrawn committed borrowing facilities.

The Company has pledged a part of its short-term deposits to fulfil collateral requirements. Refer to Note 18.5 for further details.

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following at 31 December:

**Notes to financial statements (continued)  
for the year ended 31 December 2024**

**22 Cash and short-term deposits (continued)**

	<b>2024</b>	<b>2023</b>
	<b>\$000</b>	<b>\$000</b>
Cash at banks and on hand	7,635	7,383
Short-term deposits	3,864	2,528
Cash at banks and short-term deposits attributable to discontinued operations	863	-
	<b>12,362</b>	<b>9,911</b>
Bank overdrafts	(644)	(1,767)
<b>Cash and cash equivalents</b>	<b>11,718</b>	<b>8,144</b>

**23 Issued capital and reserves**

***Authorised shares***

	<b>2024</b>	<b>2023</b>
	<b>Thousands</b>	<b>Thousands</b>
Ordinary shares of \$X each	15,059	13,392
X% convertible preference shares of \$X each	1,667	1,667
	<b>16,726</b>	<b>15,059</b>

***Ordinary shares issued and fully paid***

	<b>Thousands</b>	<b>\$000</b>
<b>At 1 January 2023</b>	<b>12,958</b>	<b>12,925</b>
Issued on X XXX 20XX for investment in <insert Company name>	1,667	1,667
<b>At 31 December 2024</b>	<b>14,625</b>	<b>14,592</b>

During the year, the authorised share capital was increased by \$X,XXX,XXX by the issue of X,XXX,XXX ordinary shares of \$X each.

***Share premium***

	<b>\$000</b>
<b>At 1 January 2023</b>	<b>-</b>
Cash on exercise of share options in excess of cost of treasury shares	53
<b>At 31 December 2023</b>	<b>53</b>
Issuance of share capital for investment in <insert Company name> (Note 7)	3,136
Cash on exercise of share options in excess of cost of treasury shares	19
Transaction costs for issued share capital	(21)
<b>At 31 December 2024</b>	<b>3,187</b>

**Treasury shares**

**Notes to financial statements (continued)  
for the year ended 31 December 2024**

**23 Issued capital and reserves (continued)**

**Treasury shares (continued)**

	<b>Thousands</b>	<b>\$000</b>
<b>At 1 January 2023</b>	<b>223</b>	<b>516</b>
Issued for cash on exercise of share options	(43)	(80)
<b>At 31 December 2023</b>	<b>180</b>	<b>436</b>
Issued for cash on exercise of share options	(50)	(97)
<b>At 31 December 2024</b>	<b>130</b>	<b>339</b>

**Share option schemes**

The Company has two share option schemes under which options to subscribe for the Company's shares have been granted to certain senior executives and certain other employees. Refer to Note 29 for further details.

Share options exercised in each respective year have been settled using the treasury shares of the Company. The reduction in the treasury share equity component is equal to the cost incurred to acquire the shares, on a weighted average basis. Any excess of the cash received from employees over the reduction in treasury shares is recorded in share premium.

**Other capital reserves**

	<b>Share-based payments</b>	<b>Convertible preference shares</b>	<b>Total</b>
	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
<b>As at 1 January 2023</b>	<b>225</b>	<b>152</b>	<b>377</b>
Share-based payments expensed during the year	199	-	199
<b>At 31 December 2023</b>	<b>424</b>	<b>152</b>	<b>576</b>
Share-based payments expensed during the year	205	-	205
<b>At 31 December 2024</b>	<b>629</b>	<b>152</b>	<b>781</b>

**Nature and purpose of reserves**

**Other capital reserves**

**Share-based payments**

The share-based payments reserve is used to recognise the value of equity-settled share-based payments provided to employees, including key management personnel, as part of their remuneration. Refer to Note 29 for further details of these plans.

**Convertible preference shares**

The convertible preference share reserve covers the equity component of the issued convertible preference shares. The liability component is included in interest-bearing loans and borrowings (see Note 18.2).

All other reserves are as stated in the statement of changes in equity.

**Notes to financial statements (continued)  
for the year ended 31 December 2024**

**23 Issued capital and reserves (continued)**

**Nature and purpose of reserves (continued)**

**OCI items, net of tax:**

The disaggregation of changes of OCI by each type of reserve in equity is shown below:

**Notes to financial statements (continued)  
for the year ended 31 December 2024**

**23 Issued capital and reserves (continued)**

**Nature and purpose of reserves (continued)**

**OCI items, net of tax:**

The disaggregation of changes of OCI by each type of reserve in equity is shown below:

Year ended 31 December 2024	Cash flow hedge reserve	Cost of hedging reserve	Fair value reserve of financial assets at FVOCI	Foreign currency translation reserve	Asset revaluation surplus	Retained earnings	Total
	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Net gain on a hedge of net investment	-	-	-	130	-	-	130
Exchange differences on translation of foreign operations	-	-	-	(164)	-	-	(164)
Currency forward contracts	131	3	-	-	-	-	134
Commodity forward contracts	(411)	(15)	-	-	-	-	(426)
Reclassified to statement of profit or loss	(132)	(1)	(4)	-	-	-	(137)
Fair value loss on debt instruments at FVOCI	-	-	(6)	-	-	-	(6)
Reclassification to statement of profit or loss	-	-	-	-	-	-	-
Fair value loss on equity instruments designated at FVOCI	-	-	(12)	-	-	-	(12)
Fair value gain on equity instruments designated at FVOCI	-	-	-	-	-	-	-
Share of OCI of an associate	-	-	-	-	-	-	-
Remeasurement on defined benefit plan	-	-	-	-	-	171	171
Revaluation of office properties in <insert country>	-	-	-	-	395	-	395
	(412)	(13)	(22)	(34)	395	171	85

<b>Year ended 31 December 2023</b>	<b>Cash flow hedge reserve</b>	<b>Cost of hedging reserve</b>	<b>Fair value reserve of financial assets at FVOCI</b>	<b>Foreign currency translation reserve</b>	<b>Asset revaluation surplus</b>	<b>Retained earnings</b>	<b>Total</b>
	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
Net gain on a hedge of net investment	-	-	-	-	-	-	-
Exchange differences on translation of foreign operations	-	-	-	(78)	-	-	(78)
Currency forward contracts	(177)	-	-	-	-	-	(177)



Notes to financial statements (continued)  
for the year ended 31 December 2024

23 Issued capital and reserves (continued)

Nature and purpose of reserves (continued)

Year ended 31 December 2023	Cash flow hedge reserve	Cost of hedging reserve	Fair value reserve of financial assets at FVOCI	Foreign currency translation reserve	Asset revaluation surplus	Retained earnings	Total
	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Commodity forward contracts	-	-	-	-	-	-	-
Reclassified to statement of profit or loss	-	-	-	-	-	-	-
Fair value loss on debt instruments at FVOCI	-	-	(3)	-	-	-	(3)
Reclassification to statement of profit or loss	193	-	1	-	-	-	194
Fair value loss on equity instruments designated at FVOCI	-	-	5	-	-	-	5
Fair value gain on equity instruments designated at FVOCI	-	-	-	-	-	-	-
Share of OCI of an associate	-	-	-	-	-	-	-
Remeasurement on defined benefit plan	-	-	-	-	-	(182)	(182)
Revaluation of office properties in <insert country>	-	-	-	-	-	-	-
	16	-	3	(78)	-	(182)	(241)

Notes to financial statements (continued)  
for the year ended 31 December 2024

24 Distributions made and proposed

	2024	2023
	\$000	\$000
<b>Cash dividends on ordinary shares declared and paid:</b>		
Final dividend for 2023: X.XX cents per share (2022: X.XX cents per share)	726	499
Interim dividend for 2024: X.XX cents per share (2023: X.XX cents per share)	593	567
	<b>1,319</b>	<b>1,066</b>
<b>Special cash dividends on ordinary shares declared but not paid:</b>		
Special dividends for 2024: X.XX cents per share (2023: Nil)	<b>273</b>	-
<b>Proposed dividends on ordinary shares:</b>		
Final cash dividend for 2024: X.XX cents per share (2023: X.XX cents per share)	<b>725</b>	<b>721</b>

Special dividends were approved by an extraordinary shareholders meeting on XX XXXX 2024 and are included as a separate line item in to the statement of financial position. Proposed dividends on ordinary shares are subject to approval at the annual general meeting and are not recognised as a liability as at 31 December.

Notes to financial statements (continued)  
for the year ended 31 December 2024

25 Provisions

	Assurance- type warranties	Re- structuring	De-commissioning	Social security contributions on share options	Waste electrical and electronic equipment	Contingent liability recognised in a business combination	Onerous contracts	Total
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>At 1 January 2024</b>	<b>45</b>	-	-	<b>3</b>	<b>35</b>	-	-	<b>83</b>
Acquisition of a subsidiary	-	-	-	-	-	-	-	-
Arising during the year (Note 7)	70	-	-	17	68	-	13	168
Utilised	(40)	-	-	(13)	(5)	-	-	(58)
Unused amounts reversed	(4)	-	-	-	-	-	-	(4)
Unwinding of discount and changes in the discount rate	2	-	-	1	2	-	-	5
<b>At 31 December 2024</b>	<b>73</b>	-	-	<b>8</b>	<b>100</b>	-	<b>13</b>	<b>194</b>
Current	73	-	-	2	19	-	13	107
Non-current	-	-	-	6	81	-	-	87
	<u>Assurance- type warranties</u>	<u>Re- structuring</u>	<u>De-commissioning</u>	<u>Social security contributions on share options</u>	<u>Waste electrical and electronic equipment</u>	<u>Contingent liability recognised in a business combination</u>	<u>Onerous contracts</u>	<u>Total</u>
	<u>\$000</u>	<u>\$000</u>	<u>\$000</u>	<u>\$000</u>	<u>\$000</u>	<u>\$000</u>	<u>\$000</u>	<u>\$000</u>
<b>At 1 January 2023</b>	<b>44</b>	-	-	<b>2</b>	<b>21</b>	-	-	<b>67</b>
	<u>Assurance- type warranties</u>	<u>Re- structuring</u>	<u>De-commissioning</u>	<u>Social security contributions on share options</u>	<u>Waste electrical and electronic equipment</u>	<u>Contingent liability recognised in a business combination</u>	<u>Onerous contracts</u>	<u>Total</u>
	<u>\$000</u>	<u>\$000</u>	<u>\$000</u>	<u>\$000</u>	<u>\$000</u>	<u>\$000</u>	<u>\$000</u>	<u>\$000</u>
<b>At 1 January 2023</b>	<b>44</b>	-	-	<b>2</b>	<b>21</b>	-	-	<b>67</b>
Acquisition of a subsidiary	-	-	-	-	-	-	-	-
Arising during the year (Note 7)	<u>1</u>	-	-	<u>1</u>	<u>14</u>	-	-	<u>16</u>

<u>Utilised</u>	-	-	-	-	-	-	-	-
<u>Unused amounts reversed</u>	-	-	-	-	-	-	-	-
<u>Unwinding of discount and changes</u>								
<u>in the discount rate</u>	-	-	-	-	-	-	-	-
<b><u>At 31 December 2023</u></b>	<b><u>45</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>3</u></b>	<b><u>35</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>83</u></b>
<u>Current</u>	<u>45</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>25</u>	<u>-</u>	<u>-</u>	<u>70</u>
<u>Non-current</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3</u>	<u>10</u>	<u>-</u>	<u>-</u>	<u>13</u>

Notes to financial statements (continued)  
for the year ended 31 December 2024

25 Provisions (continued)

	Assurance- type warranties	Re- structuring	De-commissioning	Social security contributio ns on share options	Waste electrical and electronic equipment	Contingent liability recognised in a business combination	Onerous contracts	Total
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Acquisition of a subsidiary	-	-	-	-	-	-	-	-
Arising during the year (Note 7)	4	-	-	4	14	-	-	16
Utilised	-	-	-	-	-	-	-	-
Unused amounts reversed	-	-	-	-	-	-	-	-
Unwinding of discount and changes in the discount rate	-	-	-	-	-	-	-	-
<b>At 31 December 2023</b>	<b>45</b>	<b>-</b>	<b>-</b>	<b>3</b>	<b>35</b>	<b>-</b>	<b>-</b>	<b>83</b>
Current	45	-	-	-	25	-	-	70
Non-current	-	-	-	3	10	-	-	13

Notes to financial statements (continued)  
for the year ended 31 December 2024

25 Provisions (continued)

*Assurance-type warranties*

A provision is recognised for expected warranty claims on products sold during the year, based on past experience of the level of repairs and returns. It is expected that these costs will be incurred in the next financial year. Assumptions used to calculate the provision for warranties were based on current sales levels and current information available about returns based on the warranty period for all products sold.

*Social security contributions on share options*

The provision for social security contributions on share options is calculated based on the number of options outstanding at the reporting date that are expected to be exercised. The provision is based on market price of the shares at the reporting date which is the best estimate of the market price at the date of exercise. It is expected that the costs will be incurred during the exercise period of 1 January 2024 to 31 December 20XX.

*Waste electrical and electronic equipment*

The provision for waste electrical and electronic equipment is calculated based on sales after XX XXXX 20XX (new waste) and expected disposals of historical waste (sales up to XX XXXX 20XX).

*Onerous contracts*

A provision is recognised for certain contracts with suppliers for which the unavoidable costs of meeting the obligations exceed the economic benefits expected to be received. It is anticipated that these costs will be incurred in the next financial year.

26 Government grants

	2024	2023
	\$000	\$000
At 1 January	1,034	967
Received during the year	1,967	428
Released to the statement of profit or loss	(702)	(361)
At 31 December	2,299	1,034
Current	99	101
Non-current	2,200	933

Government grants have been received for the purchase of certain items of property, plant and equipment. There are no unfulfilled conditions or contingencies attached to these grants.

27 Contract liabilities

**Notes to financial statements (continued)  
for the year ended 31 December 2024**

**27 Contract liabilities (continued)**

	2024	2023
	\$000	\$000
Long-term advances for equipment	1,880	563
Short-term advances for installation services	631	839
Customer loyalty points	600	452
Service-type warranties	349	273
Equipment received from customers	150	123
<b>Total contract liabilities (Note 4)</b>	<b>3,610</b>	<b>2,250</b>
Current	1,635	1,658
Non-current	1,975	592

**27.1 Loyalty program transactions**

	2024	2023
	\$000	\$000
<b>At 1 January</b>	<b>452</b>	<b>367</b>
Deferred during the year	921	838
Recognised as revenue during the year	(773)	(753)
<b>At 31 December</b>	<b>600</b>	<b>452</b>
Current	265	231
Non-current	335	221

These amounts relate to the accrual and release of <name of the loyalty program> transactions. As at 31 December 2024, the estimated liability for unredeemed points amounted to \$XXX,XXX (2023: \$XXX,XXX).

**28 Trade and other payables**

	2024	2023
	\$000	\$000
Trade payables	8,475	11,829
Other payables	9771,006	788967
Interest payables	29	179
Related parties	27	15
	<b>9,508</b>	<b>12,811</b>

Terms and conditions of the above financial liabilities:

- Trade payables are non-interest bearing and are normally settled ~~on XX-day terms~~ by the Company on XX-day terms, including those trade payables that are included in the Company's supplier finance arrangement
- Other payables are non-interest bearing and have an average term of X months
- Interest payable is normally settled quarterly throughout the financial year
- For terms and conditions with related parties, refer to Note 33

For explanations on the Company's liquidity risk management processes, refer to Note 18.5.

**Notes to financial statements (continued)**  
**for the year ended 31 December 2024**

**28 Trade and other payables (continued)**

The GroupCompany has established a supplier finance arrangement that is offered to some of the Group'sCompany's key suppliers in Euroland<insert country>. Participation in the arrangement is at the suppliers' own discretion. Suppliers that participate in the supplier finance arrangement will receive early payment on invoices sent to the GroupCompany from the Group'sCompany's external finance provider. If suppliers choose to receive early payment, they pay a fee to the finance provider, to which the GroupCompany is not party. In order for the finance provider to pay the invoices, the goods must have been received or supplied and the invoices approved by the GroupCompany. Payments to suppliers ahead of the invoice due date are processed by the finance provider and, in all cases, the GroupCompany settles the original invoice by paying the finance provider in line with the original invoice maturity date described above. Payment terms with suppliers have not been renegotiated in conjunction with the arrangement. The GroupCompany provides no security to the finance provider.

All trade payables subject to the supplier finance arrangement are included in trade and other payables in the consolidated statement of financial position and within trade payables in the table above.

	<u>31 December</u> <u>2024</u>	<u>31 December 2023</u>	<u>1 January 2023</u>
	<u>\$000</u>	<u>\$000</u>	<u>\$000</u>
Carrying amount of trade payables that are part of a supplier finance arrangement	8,278	7,437	<u>Restated</u> 6,238
Of which suppliers have received payment	4,697xxxx	4,140xxxx	x3x,3x8x9

There were no significant non-cash changes in the carrying amount of the trade payables included in the Group'sCompany's supplier finance arrangement.



**Notes to financial statements (continued)**  
**for the year ended 31 December 2024**

**29 Leases**

**Company as a lessee**

The Company has lease contracts for various items of plant, machinery, vehicles and other equipment used in its operations. Leases of plant and machinery generally have lease terms between X and XX years, while motor vehicles and other equipment generally have lease terms between X and X years. The Company's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Company is restricted from assigning and subleasing the leased assets and some contracts require the Company to maintain certain financial ratios. There are several lease contracts that include extension and termination options and variable lease payments, which are further discussed below.

The Company also has certain leases of machinery with lease terms of XX months or less and leases of office equipment with low value. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

	<b>Plant and machinery</b>	<b>Motor vehicles</b>	<b>Other equipment</b>	<b>Total</b>
<b>As at 1 January 2023</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
	<b>1,035</b>	<b>466</b>	<b>442</b>	<b>1,943</b>
Additions (Note 7)	82	39	31	152
Depreciation expense	(105)	(88)	(81)	(274)
<b>As at 31 December 2023</b>	<b>1,012</b>	<b>417</b>	<b>392</b>	<b>1,821</b>
	<b>117</b>	<b>72</b>	<b>52</b>	<b>241</b>
Additions (Note 7)	117	72	52	241
Depreciation expense	(115)	(91)	(83)	(289)
<b>As at 31 December 2024</b>	<b>1,014</b>	<b>398</b>	<b>361</b>	<b>1,773</b>

Set out below are the carrying amounts of lease liabilities (included under interest-bearing loans and borrowings) and the movements during the period:

	<b>2024</b>	<b>2023</b>
<b>As at 1 January</b>	<b>\$000</b>	<b>\$000</b>
	<b>1,981</b>	<b>2,059</b>
Additions	253	150
Accretion of interest	118	124
Payments	(387)	(352)
<b>As at 31 December</b>	<b>1,965</b>	<b>1,981</b>
	<b>161</b>	<b>279</b>
Current (Note 18.2)	161	279
Non-current (Note 18.2)	1,804	1,702

The maturity analysis of lease liabilities is disclosed in Note 18.5.

The following are the amounts recognised in profit or loss:

**Notes to financial statements (continued)**  
**for the year ended 31 December 2024**

**29 Leases (continued)**

**Company as a lessee (continued)**

	<b>2024</b>	<b>2023</b>
	<b>\$000</b>	<b>\$000</b>
Depreciation expense of right-of-use assets	289	274
Interest expense on lease liabilities	119	123
Expense relating to short-term leases (included in cost of sales)	15	14
Expense relating to leases of low-value assets (included in administrative expenses)	12	11
Variable lease payments (included in cost of sales)	21	19
<b>Total amount recognised in profit or loss</b>	<b>456</b>	<b>441</b>

The Company had total cash outflows for leases of \$XXX,XXX in 2024 (\$XXX,XXX in 2023). The Company also had non-cash additions to right-of-use assets and lease liabilities of \$XXX,XXX in 2024 (\$XXX,XXX in 2023). The future cash outflows relating to leases that have not yet commenced are disclosed in Note 32.

The Company has lease contracts for machinery that ~~contain~~ contains variable payments based on the number of units to be manufactured. These terms are negotiated by management for certain machinery that is used to manufacture products without steady customer demand. Management's objective is to align the lease expense with the units manufactured and revenue earned. The following table provides information on the Company's variable lease payments, including the magnitude in relation to fixed payments:

	<b>Fixed payments \$000</b>	<b>Variable payments \$000</b>	<b>Total \$000</b>
<b>2024</b>			
Fixed rent	234	-	234
Variable rent with minimum payment	117	31	148
Variable rent only	-	16	16
	<b>351</b>	<b>47</b>	<b>398</b>
<b>2023</b>			
Fixed rent	261	-	261
Variable rent with minimum payment	126	30	156
Variable rent only	-	14	14
	<b>387</b>	<b>44</b>	<b>431</b>

A X% increase in units produced for the relevant products would increase total lease payments by X%.

The Company has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Company's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised (see Note 3).

Set out below are the undiscounted potential future rental payments relating to periods following the exercise date of extension and termination options that are not included in the lease term:

**Notes to financial statements (continued)**  
**for the year ended 31 December 2024**

**29 Leases (continued)**

**Company as a lessee (continued)**

	<b>Within five years</b>	<b>More than five years</b>	<b>Total</b>
	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
Extension options expected not to be exercised	350	269	619
Termination options expected to be exercised	283	135	418
	<b>633</b>	<b>404</b>	<b>1,037</b>
Extension options expected not to be exercised	336	265	601
Termination options expected to be exercised	259	117	376
	<b>595</b>	<b>382</b>	<b>977</b>

**Company as a lessor**

The Company has entered into operating leases on its investment property portfolio consisting of certain office and manufacturing buildings (see Note 16). These leases have terms of between X and XX years. All leases include a clause to enable upward revision of the rental charge on an annual basis according to prevailing market conditions. The lessee is also required to provide a residual value guarantee on the properties. Rental income recognised by the Company during the year is \$X,XXX,XXX (2023: \$X,XXX,XXX).

Future ~~undiscounted lease payments to be received~~ ~~minimum rentals receivable~~ under ~~non-cancellable~~ operating leases as at 31 December are as follows:

	<b>2024</b>	<b>2023</b>
	<b>\$000</b>	<b>\$000</b>
Within one year	945	927
Between 1 and 2 years	925	914
Between 2 and 3 years	941	926
Between 3 and 4 years	968	947
Between 4 and 5 years	920	893
More than five years	3,934	3,909
<b>Total expected payments</b>	<b>8,633</b>	<b>8,516</b>

**30 Pensions and other post-employment benefit plans**

**Net employee defined benefit liabilities**

	<b>2024</b>	<b>2023</b>
	<b>\$000</b>	<b>\$000</b>
<insert country> post-employment healthcare benefit plan	226	131
<insert country> pension plan	1,807	1,854
<b>Total</b>	<b>2,033</b>	<b>1,985</b>

Notes to financial statements (continued)  
for the year ended 31 December 2024

30 Pensions and other post-employment benefit plans (continued)

Net employee defined benefit liabilities (continued)

The Company has a defined benefit pension plan in <insert country> (funded). Also, in the <insert country>, the Company provides certain post-employment healthcare benefits to employees (unfunded). The Company's defined benefit pension plan is a final salary plan for <insert country> employees, which requires contributions to be made to a separately administered fund.

This plan is governed by the employment laws of <insert country>, which require final salary payments to be adjusted for the consumer price index upon payment during retirement. The level of benefits provided depends on the member's length of service and salary at retirement age. The fund has the legal form of a foundation, and it is governed by the Board of Trustees, which consists of an equal number of employer and employee representatives. The Board of Trustees is responsible for the administration of the plan assets and for the definition of the investment strategy.

Each year, the Board of Trustees reviews the level of funding in the <insert country> pension plan as required by <insert country>'s employment legislation. Such a review includes the asset-liability matching strategy and investment risk management policy. This includes employing the use of annuities and longevity swaps to manage the risks. The Board of Trustees decides its contribution based on the results of this annual review. Generally, it aims to have a portfolio mix of a combined XX% in equity and property and XX% in debt instruments. <insert country>'s employment legislation requires the Company to clear any plan deficit (based on a valuation performed in accordance with the regulations in <insert country>) over a period of no more than five years after the period in which the deficit arises. The Board of Trustees aim to keep annual contributions relatively stable at a level such that no plan deficits (based on valuation performed in accordance with the regulations in <insert country>) will arise.

Since the pension liability is adjusted to the consumer price index, the pension plan is exposed to <insert country>'s inflation, interest rate risks and changes in the life expectancy for pensioners. As the plan assets include significant investments in listed equity shares of entities in <insert sector>, the Company is also exposed to equity market risk arising in the <insert sector>.

The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the statement of financial position for the respective plans:

Post-employment healthcare benefit plan

Net benefit expense (recognised in profit or loss)

	2024	2023
	\$000	\$000
Current service cost	95	72
Interest cost on benefit obligation	7	3
<b>Net benefit expense</b>	<b>102</b>	<b>75</b>

Changes in the present value of the defined benefit obligations:

**Notes to financial statements (continued)  
for the year ended 31 December 2024**

**30 Pensions and other post-employment benefit plans (continued)**

**Post-employment healthcare benefit plan (continued)**

	<b>\$000</b>
<b>Defined benefit obligation at 1 January 2023</b>	<b>57</b>
Interest cost	3
Current service cost	72
Benefits paid	(23)
Exchange differences	20
<b>Defined benefit obligation at 31 December 2023</b>	<b>129</b>
Interest cost	7
Current service cost	95
Benefits paid	(14)
Exchange differences	7
<b>Defined benefit obligation at 31 December 2024</b>	<b>224</b>

Notes to financial statements (continued)  
for the year ended 31 December 2024

30 Pensions and other post-employment benefit plans (continued)

<insert country> Plan

2024 Changes in the defined benefit obligation and fair value of plan assets

Pension cost charged to profit or loss						Remeasurement gains/(losses) in OCI	
	1 January 2024	Service cost	Net interest expense	Sub-total included in profit or loss (Note 12.7)	Benefits paid	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions
	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Defined benefit obligation	(3,745)	(845)	(171)	(1,016)	579	-	141
Fair value of plan assets	(5,111)	-	83	83	(579)	171	-
Benefit liability	(8,856)			(933)	-	171	141

	Remeasurement gains/(losses) in OCI				
	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Sub-Total included in OCI	Contribution s by employer	31 December 2024
	\$000	\$000	\$000	\$000	\$000
Defined benefit obligation	(53)	(13)	75	-	(4,107)
Fair value of plan assets	-	-	171	733	(4,703)
<b>Benefit liability</b>	<b>(53)</b>	<b>(13)</b>	<b>246</b>	<b>733</b>	<b>(8,810)</b>

Notes to financial statements (continued)  
for the year ended 31 December 2024

30 Pensions and other post-employment benefit plans (continued)

2023 Changes in the defined benefit obligation and fair value of plan assets

Pension cost charged to profit or loss					Remeasurement gains/(losses) in OCI		
	1 January 2023	Service cost	Net interest expense	Sub-total included in profit or loss (Note 12.7)	Benefits paid	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions
	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Defined benefit obligation	(3,499)	(767)	(189)	(956)	777	-	(134)
Fair value of plan assets	1,873	-	107	107	(7,770)	(197)	-
Benefit liability	(1,626)			(849)	(6,993)	(197)	(134)

	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Sub-Total included in OCI	Contributions by employer	31 December 2023
	\$000	\$000	\$000	\$000	\$000
Defined benefit obligation	47	20	(67)	-	(3,745)
Fair value of plan assets	-	-	(197)	876	(5,111)
<b>Benefit liability</b>	<b>47</b>	<b>20</b>	<b>(264)</b>	<b>876</b>	<b>(8,856)</b>

Notes to financial statements (continued)  
for the year ended 31 December 2024

30 Pensions and other post-employment benefit plans (continued)

The fair values of each major class of plan assets are as follows:

	<insert country> plan	
	2024	2023
	\$000	\$000
<b>Investments quoted in active markets:</b>		
Listed equity investments		
<insert sector>	553	437
<insert sector>	30	22
Bonds issued by <insert country> Government	1,113	1,077
<b>Cash and cash equivalents</b>	267	167
<b>Unquoted investments:</b>		
Debt instruments issued by <insert Bank name>	285	148
Property	47	37
<b>Total</b>	<b>2,295</b>	<b>1,888</b>

The plan assets include a property occupied by the Company with a fair value of \$XX,XXX (2023: \$XX,XXX).

The principal assumptions used in determining pension and post-employment medical benefit obligations for the Company’s plans are shown below:

	2024	2023
	%	%
Discount rate:		
<insert country> pension plan	5.9	6.5
Post-employment medical plan	6.7	6.9
Future salary increases:		
<insert country> pension plan	4.5	5.0
Future consumer price index increases:		
<insert country> pension plan	3.1	3.1
	8.2	8.4
Healthcare cost increase rate		



**Notes to financial statements (continued)  
for the year ended 31 December 2024**

**30 Pensions and other post-employment benefit plans (continued)**

	Years	Years
<b>Life expectation for pensioners at the age of 65:</b>		
<insert country> pension plan		
Male	21.0	21.0
Female	24.0	24.0
Post-employment healthcare benefit plan		
Male	20.0	20.0
Female	23.0	23.0

A quantitative sensitivity analysis for significant assumptions as at 31 December is, as shown below:

	<b>Impact on defined benefit obligation</b>	
	<b>2024</b>	<b>2023</b>
	<b>\$000</b>	<b>\$000</b>
<b>Assumptions for &lt;insert country&gt; pension plan:</b>		
Future pension cost increase:		
X% increase	47	40
X% decrease	(53)	(47)
Discount rate:		
X.X% increase	(60)	(67)
X.X% decrease	53	47
Future salary increases:		
X.X% increase	80	73
X.X% decrease	(73)	(87)
Life expectancy of male pensioners:		
Increase by X year	73	67
Decrease by X year	(80)	(87)
Life expectancy of female pensioners:		
Increase by X year	47	40
Decrease by X year	(40)	(47)
<b>Assumptions for &lt;insert country&gt; post-employment healthcare benefit plan:</b>		
Future pension cost increase:		
X% increase	73	70
X% decrease	(60)	(63)
Discount rate:		
X.X% increase	(60)	(80)
X.X% decrease	67	53
<b>Future salary increases:</b>		
X.X% increase	-	-
X.X% decrease	-	-
Life expectancy of male pensioners:		
Increase by X year	87	83

Decrease by X year

(100) (103)

Notes to financial statements (continued)  
for the year ended 31 December 2024

30 Pensions and other post-employment benefit plans (continued)

Life expectancy of female pensioners:		
Increase by X year	60	50
Decrease by X year	(53)	(63)

The sensitivity analyses above have been determined based on a method that extrapolates the impact on the defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. The sensitivity analyses are based on a change in a significant assumption, keeping all other assumptions constant. The sensitivity analyses may not be representative of an actual change in the defined benefit obligation as it is unlikely that changes in assumptions would occur in isolation from one another.

The following are the expected payments or contributions to the defined benefit plan in future years:

	2024	2023
	\$000	\$000
Within the next XX months (next annual reporting period)	1,000	900
Between X and X years	1,433	1,367
Between X and XX years	1,440	1,560
Beyond XX years	2,000	1,733
<b>Total expected payments</b>	<b>5,873</b>	<b>5,560</b>

The average duration of the defined benefit plan obligation at the end of the reporting period is XX.X years (2023: XX.X years).

31 Share-based payments

<insert name of the plan 1>

Under the <insert name of the plan 1>, share options of the parent are granted to senior executives of the parent with more than XX months' service. The exercise price of the share options is equal to the market price of the underlying shares on the date of grant. The share options vest if and when the Company's <insert condition for vesting> (non-market condition) increases by XX% within three years from the date of grant and the senior executive remains employed on such date. The share options granted will not vest if the <insert condition for vesting> performance condition is not met.

The fair value of the share options is estimated at the grant date using a binomial option pricing model, taking into account the terms and conditions on which the share options were granted. However, the above performance condition is only considered in determining the number of instruments that will ultimately vest.

The share options can be exercised up to two years after the three-year vesting period and therefore, the contractual term of each option granted is five years. There are no cash settlement alternatives. The Company does not have a past practice of cash settlement for these share options. The Company accounts for the <insert name of the plan> as an equity-settled plan.

Notes to financial statements (continued)  
for the year ended 31 December 2024

31 Share-based payments (continued)

<insert name of the plan 2>

Under the <insert name of the plan 2>, the Company, at its discretion, may grant share options of the parent to employees other than senior executives, once the employee has completed two years of service. Vesting of the share options is dependent on the Company's total shareholder return (TSR) as compared to a group of principal competitors. Employees must remain in service for a period of three years from the date of grant. The fair value of share options granted is estimated at the date of grant using a Monte-Carlo simulation model, taking into account the terms and conditions on which the share options were granted. The model simulates the TSR and compares it against the group of principal competitors. It takes into account historical and expected dividends, and the share price volatility of the Company relative to that of its competitors so as to predict the share performance.

The exercise price of the share options is equal to the market price of the underlying shares on the date of grant. The contractual term of the share options is five years and there are no cash settlement alternatives for the employees. The Company does not have a past practice of cash settlement for these awards.

Share Appreciation Rights

The Company's business development employees are granted share appreciation rights (SARs), settled in cash. The SARs vest when a specified target number of new sales contracts (non-market vesting condition) are closed within three years from the date of grant and the employee continues to be employed by the Company at the vesting date. The share options can be exercised up to three years after the three-year vesting period and therefore, the contractual term of the SARs is six years. The liability for the share appreciation rights is measured, initially and at the end of each reporting period until settled, at the fair value of the share appreciation rights, by applying an option pricing model, taking into account the terms and conditions on which the share appreciation rights were granted, and the extent to which the employees have rendered services to date.

The carrying amount of the liability relating to the SARs at 31 December 2024 was \$XXX,XXX (2023: \$XXX,XXX). No SARs had vested, granted or forfeited at 31 December 2024 and 2023, respectively.

The expense recognised for employee services received during the year is shown in the following table:

	2024	2023
	\$000	\$000
Expense arising from equity-settled share-based payment transactions	205	199
Expense arising from cash-settled share-based payment transactions	70	129
<b>Total expense arising from share-based payment transactions</b>	<b>275</b>	<b>328</b>

There were no cancellations or modifications to the awards in 2024 or 2023.

Movements during the year

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, share options during the year (excluding SARs):

**Notes to financial statements (continued)  
for the year ended 31 December 2024**

**31 Share-based payments (continued)**

	<b>2024</b>	<b>2024</b>	<b>2023</b>	<b>2023</b>
	<b>Number</b>	<b>WAEP</b>	<b>Number</b>	<b>WAEP</b>
<b>Outstanding at 1 January</b>	<b>383,000</b>	<b>\$1.83</b>	<b>350,000</b>	<b>\$1.83</b>
Granted during the year	167,000	\$2.56	103,000	\$2.08
Forfeited during the year	-	-	(17,000)	\$1.55
Exercised during the year	(50,000)**	\$1.55	(43,000)*	\$2.05
Expired during the year	(17,000)	\$2.01	(10,000)	\$1.42
<b>Outstanding at 31 December</b>	<b>483,000</b>	<b>\$2.16</b>	<b>383,000</b>	<b>\$1.90</b>
Exercisable at 31 December	73,000	\$1.98	67,000	\$1.67

\* The weighted average share price at the date of exercise of these options was \$X.XX.

\*\* The weighted average share price at the date of exercise of these options was \$X.XX.

The weighted average remaining contractual life for the share options outstanding as at 31 December 2024 was X.XX years (2023: X.XX years).

The weighted average fair value of options granted during the year was \$X.XX (2023: \$X.XX).

The range of exercise prices for options outstanding at the end of the year was \$X.XX to \$X.XX (2023: \$X.XX to \$X.XX).

The following tables list the inputs to the models used for the three plans for the years ended 31 December 2024 and 2023, respectively:

	<b>2024</b>	<b>2024</b>	<b>2024</b>
	<b>&lt;insert name of plan 1&gt;</b>	<b>&lt;insert name of plan 2&gt;</b>	<b>SAR</b>
Weighted average fair values at the measurement date	2.30	2.07	1.87
Dividend yield (%)	2.09	2.09	2.09
Expected volatility (%)	10.00	10.67	12.00
Risk-free interest rate (%)	3.40	3.40	3.40
Expected life of share options/SARs (years)	2.83	2.00	4.00
Weighted average share price (\$)	2.07	2.07	2.08
Model used	Binomial	Monte Carlo	Binomial

	<b>2023</b>	<b>2023</b>	<b>2023</b>
	<b>&lt;insert name of plan 1&gt;</b>	<b>&lt;insert name of plan 2&gt;</b>	<b>SAR</b>
Weighted average fair values at the measurement date	2.20	2.00	1.73
Dividend yield (%)	2.01	2.01	2.01
Expected volatility (%)	10.87	11.67	12.07
Risk-free interest rate (%)	3.33	3.33	3.33
Expected life of share options/SARs (years)	2.83	2.00	4.00
Weighted average share price (\$)	1.91	1.91	1.92
Model used	Binomial	Monte Carlo	Binomial

**Notes to financial statements (continued)  
for the year ended 31 December 2024**

**31 Share-based payments (continued)**

The expected life of the share options and SARs is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome.

**Modifications**

The Board permitted XXX <specify, e.g. by number of employees, name or function> to retain a pro-rated (based on time and performance) portion of the awards made under the 20XX LTI plan. As the options were no longer subject to these employees employment with the Company, the expense relating to XXX <indicate the number> unvested options at departure has been accelerated and recognised in profit or loss. The incremental fair value granted as a result of this modification was XXX <indicate the amount>. This incremental fair value has been measured using the <insert description of option pricing model used and the inputs used>.

**32 Commitments and contingencies**

**Commitments**

At 31 December 2024, the Company had commitments of \$X,XXX,XXX (2023: \$X,XXX,XXX) including \$X,XXX,XXX (2023: \$Nil) relating to <insert description>.

The Company has various lease contracts that have not yet commenced as at 31 December 2024. The future lease payments for these non-cancellable lease contracts are \$XX,XXX within one year, \$XXX,XXX within five years and \$XXX,XXX thereafter.

**Legal claim contingency**

An overseas customer has commenced an action against the Company in respect of equipment claimed to be defective. The estimated payout is \$XXX,XXX should the action be successful. A trial date has not yet been set. Therefore, it is not practicable to state the timing of the payment, if any.

The Company has been advised by its legal counsel that it is only possible, but not probable, that the action will succeed. Accordingly, no provision for any liability has been made in these financial statements.

**Contingent liabilities**

The Company recognised a contingent liability of \$XXX,XXX in the course of <insert transaction description> (see Note 257).

**33 Related party disclosures**

Note 6 provides information about the Company's structure, including details of the holding company. The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year.

**Notes to financial statements (continued)  
for the year ended 31 December 2024**

**33 Related party disclosures (continued)**

		<b>Sales to related parties</b>	<b>Purchases from related parties</b>	<b>Amounts owned by related parties*</b>	<b>Amounts owned to related parties*</b>
		<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
Entity with significant influence over the Company:					
<insert Company name>	2024	4,743	-	413	-
	2023	3,983	-	367	-
Associate:					
<insert Company name>	2024	1,933	-	367	-
	2023	1,400	-	388	-
Joint venture in which the parent is a venturer:					
<insert Company name>	2024	-	393	-	20
	2023	-	287	-	8
Key management personnel of the Company:					
Other directors' interests	2024	150	340	-	7
	2023	90	327	-	7

\* The amounts are classified as trade receivables and trade payables, respectively (see Notes 203 and 3028).

		<b>Interest received</b>	<b>Amounts owned by related parties</b>
		<b>\$000</b>	<b>\$000</b>
Associate:			
<insert Company name>	2024	13	133
Key management personnel of the Company:			
Directors' loans	2024	1	9
	2023	-	5

There were no transactions other than dividends paid between the Company and <insert Company name>, the ultimate parent during the financial year (2023: \$Nil).

***Terms and conditions of transactions with related parties***

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31 December 2024, the Company recognised provision for expected credit losses of \$X,XXX relating to amounts owed by related parties (2023: \$X,XXX).

Notes to financial statements (continued)  
for the year ended 31 December 2024

33 Related party disclosures (continued)

Commitments with related parties

On X XXXX 2024, <insert Company name> entered into a two-year agreement ending XX XXXX 20XX with <insert Company name> to purchase specific <insert description of product> that <insert Company name> uses in its production cycle. <insert Company name> expects the potential purchase volume to be \$XXX,XXX in 20XX and \$XXX,XXX in the first X months of 20XX. The purchase price is based on <insert Company name>'s actual cost plus a X% margin and will be settled in cash within XX days of receiving the inventories.

The Company has provided a contractual commitment to <insert Company name>, whereby if the assets held as collateral by <insert Company name> for its borrowing fall below a credit rating of 'AA', the parent will substitute assets of an equivalent of 'AA' rating. The maximum fair value of the assets to be replaced is \$XXX,XXX as at 31 December 2024 (2023: \$XXX,XXX).

Transactions with key management personnel

Directors' loans

The Company offers senior management a facility to borrow up to \$XX,XXX, repayable within five years from the date of disbursement. Such loans are unsecured and the interest rate is based on XX plus X.X%. Any loans granted are included in financial instruments on the face of the statement of financial position.

Other directors' interests

During both 2024 and 2023, Company companies made purchases at market prices from <insert Company name>, of which the spouse of one of the directors of the Company is a director and controlling shareholder.

One director has a XX% (2023: XX%) equity interest in <insert Company name>. The Company has a contract for the supply of <insert description of product> to <insert Company name>. During 2024 and 2023, the Company supplied <insert description of product> to <insert Company name> at market prices.

Investments

During the year, TR Example Group acquired an equity interest of XX% in the shares of <name of company>, a company which is XX% owned by one of TR Example Group's directors. The amount paid for the interest acquired was XXX.

Compensation of key management personnel of the Company

	2024	2023
	\$000	\$000
Short-term employee benefits	290	283
Post-employment pension and medical benefits	73	53
Termination benefits	27	-
Share-based payment transactions	12	8
Total compensation paid to key management personnel	402	344



Notes to financial statements (continued)  
for the year ended 31 December 2024

33 Related party disclosures (continued)

The amounts disclosed in the table are the amounts recognised as an expense during the reporting period related to key management personnel. Senior management personnel of the Company, excluding non-executive directors, are included in an annual cash bonus scheme. Bonuses in this scheme are determined on the basis of both financial and non-financial KPIs, such as emission reduction targets and recycling targets, depending on their roles. Amounts awarded under this scheme are included in short-term employee benefits in the table above.

Generally, the non-executive directors do not receive pension entitlements from the Company. During 2024, an amount of \$XX,XXX was paid to a director who retired from an executive director’s position in 2023.

Directors’ interests in the <insert name of plan>

Share options held by executive members of the Board of Directors under the <insert name of plan>to purchase ordinary shares have the following expiry dates and exercise prices:

Date of grant	Expiry date	Exercise price	2024	2023
			Number outstanding	Number outstanding
20XX	20XX	\$2.33	7,000	7,000
20XX	20XX	\$3.13	55,000	55,000
20XX	20XX	\$3.85	270,000	-
Total			332,000	62,000

No share options have been granted to the non-executive members of the Board of Directors under this scheme. Refer to Note 31 for further details on the scheme.

34 Standards issued but not yet effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Company’s financial statements are disclosed below. The Company intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

Amendments to IFRS 16: Lease Liability in a Sale and Leaseback

In September 2022, the IASB issued amendments to IFRS 16 to specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains.

The amendments are effective for annual reporting periods beginning on or after 1 January 2024 and must applied retrospectively to sale and leaseback transactions entered into after the date of initial application of IFRS 16. Earlier application is permitted, and that fact must be disclosed.

Lack of exchangeability - Amendments to IAS 21

In August 2023, the IASB issued amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates to specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity’s financial performance, financial position and cash flows.

Amendments to IFRS 16: Lease Liability in a Sale and Leaseback

The amendments will be effective for annual reporting periods beginning on or after 1 January 2025. Early adoption is permitted, but must be disclosed. When applying the amendments, an entity cannot restate comparative information.

The amendments are not expected to have a material impact on the Company's financial statements.

**Notes to financial statements (continued)**  
**for the year ended 31 December 2024**

**34 Standards issued but not yet effective (continued)**

~~In January 2020 and October 2022, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:~~

**IFRS 18 Presentation and Disclosure in Financial Statements**

~~In April 2024, the IASB issued IFRS 18, which replaces IAS 1 Presentation of Financial Statements. IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new.~~

~~It also requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements (PFS) and the notes.~~

~~In addition, narrow-scope amendments have been made to IAS 7 Statement of Cash Flows, which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss' and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards.~~

~~IFRS 18, and the amendments to the other standards, is effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted and must be disclosed. IFRS 18 will apply retrospectively.~~

~~The [GroupCompany](#) is currently working to identify all impacts the amendments will have on the primary financial statements and notes to the financial statements.~~

**IFRS 19 Subsidiaries without Public Accountability: Disclosures**

~~In May 2024, the IASB issued IFRS 19, which allows eligible entities to elect to apply its reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS accounting standards. To be eligible, at the end of the reporting period, an entity must be a subsidiary as defined in IFRS 10, cannot have public accountability and must have a parent (ultimate or intermediate) that prepares [consolidated](#) financial statements, available for public use, which comply with IFRS accounting standards.~~

~~IFRS 19 will become effective for reporting periods beginning on or after 1 January 2027, with early application permitted.~~

~~As the [GroupCompany](#)'s equity instruments are publicly traded, it is not eligible to elect to apply IFRS 19.~~

**35 Events after the reporting period**

On XX XXXX 20XX, a building with a net book value of \$X,XXX,XXX was severely damaged by flooding and inventories with a net book value of \$XXX,XXX were destroyed. It is expected that insurance proceeds will fall short of the costs of rebuilding and loss of inventories by \$XXX,XXX.

~~In addition, a requirement has been introduced to require disclosure when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months.~~

~~The amendments are effective for annual reporting periods beginning on or after 1 January 2024 and must be applied retrospectively. The Company is currently assessing the impact the amendments will have on current practice and whether existing loan agreements may require renegotiation.~~

#### **~~Supplier Finance Arrangements – Amendments to IAS 7 and IFRS 7~~**

~~In May 2023, the IASB issued amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures to clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.~~

~~The amendments will be effective for annual reporting periods beginning on or after 1 January 2024. Early adoption is permitted, but will need to be disclosed.~~

#### **Appendix 1 IFRS 1 First-time Adoption of International Financial Reporting Standards**

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## **1 ~~Significant~~ Material accounting policies**

### **(a) First-time adoption of IFRS**

These financial statements, for the year ended 31 December 2024, are the first the Company has prepared in accordance with IFRS. For periods up to and including the year ended 31 December 2023, the Company prepared its financial statements in accordance with local generally accepted accounting principles (Local GAAP).

Accordingly, the Company has prepared financial statements that comply with IFRS applicable as at 31 December 2024, together with the comparative period data for the year ended 31 December 2023, as described in the summary of significant accounting policies. In preparing the financial statements, the Company's opening statement of financial position was prepared as at 1 January 2023, the Company's date of transition to IFRS. This note explains the principal adjustments made by the Company in restating its Local GAAP financial statements, including the statement of financial position as at 1 January 2023 and the financial statements as of, and for, the year ended 31 December 2023.

### **Exemptions applied**

IFRS 1 allows first-time adopters certain exemptions from the retrospective application of certain requirements under IFRS.

The Company has applied the following exemptions:

- Freehold land and buildings, other than investment property, were carried in the statement of financial position prepared in accordance with Local GAAP on the basis of valuations performed on <insert date>. The Company has elected to regard those values as deemed cost at the date of the revaluation since they were broadly comparable to fair value.
- Certain items of property, plant and equipment have been measured at fair value at the date of transition to IFRS.
- Cumulative currency translation differences for all foreign operations are deemed to be zero as at 1 January 2023.
- IFRS 2 Share-based Payment has not been applied to equity instruments in share-based payment transactions that were granted on or before 7 November 2002, nor has it been applied to equity instruments granted after 7 November 2002 that vested before 1 January 2023. For cash-settled share-based payment transactions, the Company has not applied IFRS 2 to liabilities that were settled before 1 January 2023.
- The Company assessed all contracts existing at 1 January 2023 to determine whether a contract contains a lease based upon the conditions in place as at 1 January 2023.
- Lease liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate at 1 January 2023. Right-of-use assets were measured at the amount equal to the lease liabilities, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the statement of financial position immediately before 1 January 2023. The lease payments associated with leases for which the lease term ends within XX months of the date of transition to IFRS and leases for which the underlying asset is of low value have been recognised as an expense on either a straight-line basis over the lease term or another systematic basis.

**Appendix 1 IFRS 1 First-time Adoption of International Financial Reporting Standards**  
**- (continued)**

**1 ~~Significant~~ Material accounting policies (continued)**

**(a) First-time adoption of IFRS (continued)**

- The Company has applied the transitional provisions in IAS 23 Borrowing Costs and capitalises borrowing costs relating to all qualifying assets after the date of transition. Similarly, the Company has not restated for borrowing costs capitalised under Local GAAP on qualifying assets prior to the date of transition to IFRS.
- The Company has designated investments in equity instruments including unquoted equity instruments as equity instruments at fair value through other comprehensive income on the basis of the facts and circumstances that exist at 1 January 2023.

**Estimates**

The estimates at 1 January 2023 and at 31 December 2023 are consistent with those made for the same dates in accordance with Local GAAP (after adjustments to reflect any differences in accounting policies) apart from the following items where application of Local GAAP did not require estimation:

- Pensions and other postemployment benefits
- Share-based payment transactions
- Investments in equity instruments - unquoted equity shares

The estimates used by the Company to present these amounts in accordance with IFRS reflect conditions at 1 January 2023, the date of transition to IFRS and as at 31 December 2023.

**Appendix 1 IFRS 1 First-time Adoption of International Financial Reporting Standards**  
**- (continued)**

**Company reconciliation of equity as at 1 January 2023 (date of transition to IFRS)**

		Local GAAP	Reclassifications and remeasurements	IFRS as at 1 January 2023
	Notes	\$000	\$000	\$000
<b>Assets</b>				
<b>Non-current assets</b>				
Property, plant and equipment	(l), (m), (n), (o)	12,957	(331)	12,626
Investment properties		4,727	-	4,727
Start-up expenses	(a)	200	(200)	-
Intangible assets	(f)	1,409	-	1,409
Right-of-use assets	(o)	-	1,943	1,943
Investment in subsidiaries		1,252	-	1,252
Investment in an associate and a joint venture	(b)	1,415	100	1,515
Non-current financial assets		214	-	214
<b>Deferred tax assets</b>		-	-	-
		<b>22,174</b>	<b>1,512</b>	<b>23,686</b>
<b>Current assets</b>				
Inventories	(p)	16,678	(571)	16,107
Right of return assets	(p)	-	571	571
Trade receivables	(c), (r)	19,410	(2,385)	17,025
Contract assets	(r)	-	2,300	2,300
Prepayments		151	-	151
Other current financial assets	(d)	-	91	91
Cash and short-term deposits	(s)	7,377	-	7,377
		<b>43,616</b>	<b>6</b>	<b>43,622</b>
<b>Total assets</b>		<b>65,790</b>	<b>1,518</b>	<b>67,308</b>
<b>Equity and liabilities</b>				
<b>Equity</b>				
Issued capital		12,925	-	12,925
<b>Share premium</b>		-	-	-
Treasury shares		(516)	-	(516)
Other capital reserves	(j)	152	225	377
Retained earnings		17,077	(2,689)	14,388
Other components of equity	(b), (d), (i), (k)	(471)	192	(279)
<b>Reserves of a disposal group held for sale</b>		-	-	-
<b>Equity</b>		<b>29,167</b>	<b>(2,272)</b>	<b>26,895</b>
<b>Non-controlling interests</b>		-	-	-
<b>Total equity</b>		<b>29,167</b>	<b>(2,272)</b>	<b>26,895</b>



**Appendix 1 IFRS 1 First-time Adoption of International Financial Reporting Standards**  
**- (continued)**

**Company reconciliation of equity as at 1 January 2023 (date of transition to IFRS)**

		Local GAAP	Reclassifications and remeasurements	IFRS as at 1 January 2023
	Notes	\$000	\$000	\$000
<b>Non-current liabilities</b>				
Interest-bearing loans and borrowing	(o)	13,498	741	14,239
Other non-current financial liabilities		-	-	-
Provisions	(h)	93	(83)	10
Government grants		867	-	867
Deferred revenue	(r)	461	(461)	-
Contract liabilities	(r)	-	461	461
Net employee defined benefit liabilities	(g)	-	1,684	1,684
Deferred tax liabilities	(i)	(485)	1,005	520
		<b>14,434</b>	<b>3,347</b>	<b>17,781</b>
<b>Current liabilities</b>				
	(e), (p),			
Trade and other payables	(q)	14,662	(2,497)	12,165
Deferred revenue	(r)	1,224	(1,224)	-
Contract liabilities	(r)	-	1,224	1,224
Refund liabilities	(p), (q)	-	2,531	2,531
Interest-bearing loans and borrowings	(o)	3,000	223	3,223
Other current financial liabilities	(d)	21	181	202
Government grants		100	-	100
Income tax payable		3,083	-	3,083
Provisions		57	-	57
		<b>22,147</b>	<b>438</b>	<b>22,585</b>
<b>Total liabilities</b>		<b>36,581</b>	<b>3,785</b>	<b>40,366</b>
<b>Total liabilities and equity</b>		<b>65,748</b>	<b>1,513</b>	<b>67,261</b>

**Appendix 1 IFRS 1 First-time Adoption of International Financial Reporting Standards**  
**- (continued)**

**Company reconciliation of equity as at 31 December 2023**

		Local GAAP	Reclassifications and remeasurements	IFRS as at 31 December 2023
	Notes	\$000	\$000	\$000
<b>Assets</b>				
<b>Non-current assets</b>				
Property, plant and equipment	(l), (m), (n), (o)	16,531	(312)	16,219
Investment properties		5,322	-	5,322
Start-up expenses	(a)	133	(133)	-
Intangible assets	(f)	1,641	-	1,641
Right-of-use assets	(o)	-	1,821	1,821
Investment in subsidiaries		1,141	-	1,141
Investment in an associate and a joint venture	(b)	1,677	-	1,677
Non-current financial assets		1,794	83	1,877
Deferred tax assets		243	-	243
		<b>28,482</b>	<b>1,459</b>	<b>29,941</b>
<b>Current assets</b>				
Inventories	(p)	16,506	(619)	15,887
Right of return assets	(p)	-	619	619
Trade receivables	(c), (r)	18,403	(3,543)	14,860
Contract assets	(r)	-	3,453	3,453
Prepayments		110	-	110
Other current financial assets	(d)	-	102	102
Cash and short-term deposits	(s)	9,944	-	9,944
		<b>44,963</b>	<b>12</b>	<b>44,975</b>
<b>Total assets</b>		<b>73,445</b>	<b>1,471</b>	<b>74,916</b>
<b>Equity and liabilities</b>				
<b>Equity</b>				
Issued capital		12,925	-	12,925
Share premium		53	-	53
Treasury shares		(436)	-	(436)
Other capital reserves	(j)	196	380	576
Retained earnings		20,449	(3,163)	17,286
Other components of equity	(b), (d), (i), (k)	(532)	195	(337)
Reserves of a disposal group held for sale		-	-	-
<b>Equity</b>		<b>32,655</b>	<b>(2,588)</b>	<b>30,067</b>
Non-controlling interests		-	-	-
<b>Total equity</b>		<b>32,655</b>	<b>(2,588)</b>	<b>30,067</b>

**Appendix 1 IFRS 1 First-time Adoption of International Financial Reporting Standards**  
**- (continued)**

**Company reconciliation of equity as at 31 December 2023**

		Local GAAP	Reclassifications and remeasurements	IFRS as at 31 December 2023
	Notes	\$000	\$000	\$000
<b>Non-current liabilities</b>				
Interest-bearing loans and borrowing	(o)	14,815	727	15,542
Other non-current financial liabilities		-	-	-
Provisions	(h)	96	(83)	13
Government grants		933	-	933
Deferred revenue	(r)	592	(592)	-
Contract liabilities	(r)	-	592	592
Net employee defined benefit liabilities	(g)	-	1,985	1,985
Deferred tax liabilities	(i)	(447)	852	405
		<b>15,989</b>	<b>3,481</b>	<b>19,470</b>
<b>Current liabilities</b>				
	(e), (p),			
Trade and other payables	(q)	17,012	(3,663)	13,349
Deferred revenue	(r)	1,657	(1,657)	-
Contract liabilities	(r)	-	1,657	1,657
Refund liabilities	(p), (q)	-	3,896	3,896
Interest-bearing loans and borrowings	(o)	1,893	201	2,094
Other current financial liabilities	(d)	33	137	170
Government grants		101	-	101
Income tax payable		2,375	-	2,375
Provisions		104	-	104
		<b>23,175</b>	<b>571</b>	<b>23,746</b>
<b>Total liabilities</b>		<b>39,164</b>	<b>4,052</b>	<b>43,216</b>
<b>Total liabilities and equity</b>		<b>71,819</b>	<b>1,464</b>	<b>73,283</b>

**Appendix 1 IFRS 1 First-time Adoption of International Financial Reporting Standards**  
**(continued)**

**Company reconciliation of total comprehensive income for the year ended 31 December 2023**

		Local GAAP	Remeasurements	IFRS for the year ended 31 December 2023
	Notes	\$000	\$000	\$000
<b>Continuing operations</b>				
Revenue from contracts with customers	(q)	106,479	(421)	106,058
Rental income		918	-	918
<b>Revenue</b>		<b>107,397</b>	<b>(421)</b>	<b>106,976</b>
Cost of sales	(l), (m), (n), (o)	(85,516)	(75)	(85,591)
<b>Gross profit/(loss)</b>		<b>21,881</b>	<b>(496)</b>	<b>21,385</b>
Other operating income		1,699	-	1,699
Selling and distribution expenses	(c), (g)	(8,590)	(53)	(8,643)
Administrative expenses	(j), (p)	(7,832)	(175)	(8,007)
Other operating expenses	(a)	(302)	67	(235)
<b>Operating profit/(loss)</b>		<b>6,856</b>	<b>(657)</b>	<b>6,199</b>
Finance costs	(o)	(771)	(75)	(846)
Finance income		97	-	97
Other income		44	-	44
Share of profit of an associate and a joint venture		425	-	425
<b>Profit/(loss) before tax from continuing operations</b>		<b>6,651</b>	<b>(732)</b>	<b>5,919</b>
Income tax expense	(i)	(1,563)	75	(1,488)
<b>Profit/(loss) for the year from continuing operations</b>		<b>5,088</b>	<b>(657)</b>	<b>4,431</b>
Profit/(loss) after tax for the year from discontinued operations		(125)	-	(125)
<b>Profit/(loss) for the year</b>		<b>4,963</b>	<b>(657)</b>	<b>4,306</b>
<b>Other comprehensive income</b>				
<i>Other comprehensive income that may be reclassified to profit or loss in subsequent periods:</i>				
Exchange differences on translation of foreign operations		(78)	-	(78)
Net gain/(loss) on cash flow hedges	(d)	-	16	16
Net loss on debt instruments at fair value through other comprehensive income		(1)	-	(1)
<b>Net other comprehensive (loss)/income that may be reclassified to profit or loss in subsequent periods</b>		<b>(79)</b>	<b>16</b>	<b>(63)</b>
Net gain/(loss) on equity instruments designated at fair value through other comprehensive income	(b)	21	(17)	4
Remeasurement gain/(loss) on defined	(g)	-	(182)	(182)
<b>Net other comprehensive income/(loss) that will not be reclassified to profit or loss in subsequent periods</b>		<b>21</b>	<b>(199)</b>	<b>(178)</b>

**Appendix 1 IFRS 1 First-time Adoption of International Financial Reporting Standards**  
**- (continued)**

**Company reconciliation of total comprehensive income for the year ended 31 December 2023**

		Local GAAP	Remeasurements	IFRS for the year ended 31 December 2023
	Notes	\$000	\$000	\$000
Other comprehensive loss for the year, net of tax		(58)	(183)	(241)
Total comprehensive income/(loss) for the year, net of tax		4,905	(840)	4,065

**Notes to the reconciliation of equity as at 1 January 2023 and 31 December 2023 and total comprehensive income for the year ended 31 December 2023**

**a Start-up expenses**

Under Local GAAP, the Company capitalised the cost of incorporation of a new subsidiary and depreciated this on a straight-line basis over five years. As such cost does not qualify for recognition as an asset under IFRS, this asset is derecognised against retained earnings.

**b Equity instrument as at fair value through other comprehensive income**

Under Local GAAP, the Company accounted for investments in unquoted equity shares as financial instruments measured at cost. Under IFRS, the Company has designated such investments as an equity instrument as at fair value through other comprehensive income. At the date of transition to IFRS, the fair value of these assets is \$X,XXX,XXX and their previous Local GAAP carrying amount was \$XXX,XXX. The \$XXX,XXX difference between the instruments' fair value and Local GAAP carrying amount has been recognised as other components of equity, in fair value reserve of financial assets at FVOCI, net of related deferred taxes.

**c Trade and other receivables**

The adoption of IFRS has fundamentally changed the Company's accounting for impairment losses for financial assets by replacing incurred loss approach under Local GAAP with a forward-looking expected credit loss (ECL) approach. IFRS requires the Company to recognise an allowance for ECLs for all debt instruments not held at fair value through profit or loss and contract assets. At the date of transition to IFRS, the Company recognised additional impairment on its Trade receivables of \$XXX,XXX (31 December 2023: \$XXX,XXX), which resulted in a decrease in retained earnings by the same amount.

**d Other financial assets and liabilities**

The fair value of forward foreign exchange contracts is recognised under IFRS, and was not recognised under Local GAAP. The contracts have been designated as at the date of transition to IFRS as hedging instruments in cash flow hedges of either expected future sales, for which the company has firm commitments, or expected purchases from suppliers that are highly probable. The corresponding adjustment has been recognised as a separate component of equity, in the cash flow hedge reserve.

**Appendix 1 IFRS 1 First-time Adoption of International Financial Reporting Standards**  
**- (continued)**

**Notes to the reconciliation of equity as at 1 January 2023 and 31 December 2023 and total comprehensive income for the year ended 31 December 2023 (continued)**

**e Trade and other payables**

Under Local GAAP, proposed dividends are recognised as a liability in the period to which they relate, irrespective of when they are declared. Under IFRS, a proposed dividend is recognised as a liability in the period in which it is declared by the company (usually when approved by shareholders in a general meeting) or paid. In the case of the Company, the declaration of dividend occurs after period end. Therefore, the liability recorded for this dividend has been derecognised against retained earnings.

**f Intangible assets**

Under Local GAAP, the Company recognised indefinite lived intangible assets amounting to \$XX,XXX that does not qualify for recognition under IFRS.

**g Defined benefit obligation**

Under Local GAAP, the Company recognised costs related to its pension plan on a cash basis. Under IFRS, defined benefit plan obligations are recognised and are measured using the projected unit credit method. The pension liability has been recognised in full against retained earnings.

**h Provisions**

Under Local GAAP, a restructuring provision has been recorded relating to downsizing head office activities. The provision does not qualify for recognition as a liability according to IAS 37, and has been derecognised against retained earnings.

**i Deferred tax**

The various transitional adjustments resulted in various temporary differences. According to the accounting policies in Note 2.2, the Company has to recognise the tax effects of such differences. Deferred tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or a separate component of equity.

**j Share-based payments**

Under Local GAAP, the Company recognised only the cost for the long-term incentive plan as an expense. IFRS requires the fair value of the share options to be determined using an appropriate pricing model recognised over the vesting period. An additional expense of \$XXX,XXX has been recognised in profit or loss for the year ended 31 December 2023. Share options with grant date fair value totalling \$XXX,XXX, which were granted before and still vesting at 1 January 2023, have been recognised as a separate component of equity against retained earnings at 1 January 2023.

**k Foreign currency translation**

Under Local GAAP, the Company recognised translation differences on foreign operations in a separate component of equity. Cumulative currency translation differences for all foreign operations are deemed to be zero as at 1 January 2023. The resulting adjustment was recognised against retained earnings.

**Appendix 1 IFRS 1 First-time Adoption of International Financial Reporting Standards**  
**- (continued)**

**Notes to the reconciliation of equity as at 1 January 2023 and 31 December 2023 and total comprehensive income for the year ended 31 December 2023 (continued)**

**l Property, plant and equipment**

The company has elected to measure certain items of property, plant and equipment at fair value at the date of transition to IFRS. At the date of transition to IFRS, the aggregate of those fair values was \$XX,XXX,XXX and an increase of \$XXX,XXX (31 December 2023: \$XXX,XXX) was recognised in property, plant and equipment. This amount has been recognised against retained earnings.

**m Depreciation of property, plant and equipment**

IAS 16 requires significant component parts of an item of property, plant and equipment to be depreciated separately. As explained in Note 2.2, the cost of major inspections is capitalised and depreciated separately over the period to the next major inspection. At the date of transition to IFRS, an increase of \$XXX,XXX (31 December 2023: \$XXX,XXX) was recognised in property, plant and equipment net of accumulated depreciation due to separate depreciation of significant components of property, plant and equipment. This amount has been recognised against retained earnings.

**n Impairment of property, plant and equipment**

Under Local GAAP, long-lived assets were reviewed for impairment when events or changes in circumstances indicated that their carrying value may exceed the sum of the undiscounted future cash flows expected from use and eventual disposal. For the purposes of assessing impairment, assets were grouped at the lowest level for which identifiable cash flows were largely independent of the cash flows of other assets. If the estimated undiscounted cash flows for the asset company were less than the asset company's carrying amount, the impairment loss was measured as the excess of the carrying value over fair value. Under IFRS, as explained in Note 2.2), impairment of assets that do not generate cash inflows that are largely independent of those from other assets or groups of assets, is assessed at the CGU level based on the CGU's recoverable amount. At the date of transition to IFRS, as a result of the changes in methodology, the Company determined that the recoverable amount of its manufacturing plant, which is considered a CGU was less than its carrying amount. The recoverable amount was \$X,XXX,XXX, based on the CGU's value in use using a pre-tax discount rate of X%. This resulted in an impairment loss of \$XXX,XXX being recognised as at 1 January 2023. This amount has been recognised against retained earnings. Additionally, depreciation for the year ended 31 December 2023 was reduced by \$XX,XXX.

**Appendix 1 IFRS 1 First-time Adoption of International Financial Reporting Standards**  
**- (continued)**

**Notes to the reconciliation of equity as at 1 January 2023 and 31 December 2023 and total comprehensive income for the year ended 31 December 2023 (continued)**

**o Leases**

Under Local GAAP, a lease is classified as a finance lease or an operating lease. Operating lease payments are recognised as an operating expense in the statement of profit or loss on a straight-line basis over the lease term. Under IFRS, as explained in Note 2.2), a lessee applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets and recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets. At the date of transition to IFRS, the Company applied the transitional provision and measured lease liabilities at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate at the date of transition to IFRS. Right-of-use assets were measured at the amount equal to the lease liabilities adjusted by the amount of any prepaid or accrued lease payments. As a result, the Company recognised an increase of \$X,XXX,XXX (31 December 2023: \$X,XXX,XXX) of lease liabilities included under interest-bearing loans and borrowings and \$X,XXX,XXX (31 December 2023: \$X,XXX,XXX) of right-of-use assets. The difference between lease liabilities and right-of-use assets has been recognised in retained earnings. Under Local GAAP, assets held under finance leases are capitalised and included in property, plant and equipment. Under IFRS, they are presented in right-of-use assets. At the date of transition to IFRS, \$X,XXX,XXX (31 December 2023: \$X,XXX,XXX) was reclassified from property, plant and equipment to right-of-use assets. Additionally, depreciation increased by \$XX,XXX (\$XX,XXX was included in cost of sales, \$XX,XXX was included in administrative expenses) and finance costs increased by \$XXX,XXX for the year ended 31 December 2023.

**p Rights of return**

Under Local GAAP, the amount of revenue related to the expected returns was deferred and recognised in the statement of financial position within trade and other payables with a corresponding adjustment to cost of sales. The initial carrying amount of goods expected to be returned was included in Inventories. Under IFRS, the consideration received from the customer is variable because the contract allows the customer to return the products. For goods expected to be returned, the Company presented a refund liability and an asset for the right to recover products from a customer separately in the statement of financial position. At the date of transition to IFRS, the Company reclassified trade and other payables of \$X,XXX,XXX (31 December 2023: \$X,XXX,XXX) to refund liabilities and Inventories of \$XXX,XXX (31 December 2023: \$XXX,XXX) to right of return assets.

**q Volume rebates**

Under Local GAAP, the Company estimated the expected volume rebates using the probability-weighted average amount of rebates approach and included an allowance for rebates in trade and other payables. Under IFRS, retrospective volume rebates give rise to variable consideration. To estimate the variable consideration to which it will be entitled, the Company applied the 'most likely amount method' for contracts with a single volume threshold and the 'expected value method' for contracts with more than one volume threshold. At the date of transition to IFRS, the Company recognised refund liabilities of \$X,XXX,XXX (31 December 2023: \$X,XXX,XXX) for the expected future rebates. The Company also derecognised the provision included in trade and other payables of \$X,XXX,XXX (31 December 2023: \$X,XXX,XXX), and reduced the retained earnings for the difference of \$XXX,XXX (31 December 2023: \$X,XXX,XXX). Additionally, revenue from contracts with customers for the year ended 31 December 2023 was reduced by \$XXX,XXX.



**Appendix 1 IFRS 1 First-time Adoption of International Financial Reporting Standards**  
**- (continued)**

**Notes to the reconciliation of equity as at 1 January 2023 and 31 December 2023 and total comprehensive income for the year ended 31 December 2023 (continued)**

**r Contract assets and contract liabilities**

Under Local GAAP, the Company recognised trade receivables, even if the receipt of the total consideration was conditional on successful completion of installation services. Under IFRS, any earned consideration that is conditional should be recognised as a contract asset rather than a receivable. Therefore, at the date of transition to IFRS, the Company reclassified \$X,XXX,XXX (31 December 2023: \$X,XXX,XXX) from trade receivables to contract assets. Under Local GAAP, the Company recognised deferred revenue for an obligation to transfer goods or services to a customer for which the entity has received consideration or the amount is due from the customer. Under IFRS, the obligation should be recognised as a contract liability rather than deferred revenue. Therefore, at the date of transition to IFRS, the Company reclassified \$X,XXX,XXX (31 December 2023: \$X,XXX,XXX) from deferred revenue to contract liabilities.

**s Statement of cash flows**

Under Local GAAP, a lease is classified as a finance lease or an operating lease. Cash flows arising from operating lease payments are classified as operating activities. Under IFRS, a lessee generally applies a single recognition and measurement approach for all leases and recognises lease liabilities. Cash flows arising from payments of principal portion of lease liabilities are classified as financing activities. Therefore, cash outflows from operating activities decreased by \$XXX,XXX and cash outflows from financing activities increased by the same amount for the year ended 31 December 2023.

**Appendix 2 Example of a “Correction of Error Note”**

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**1 Correction of an error**

In <insert date>, TR Example Group entered into a sales contract with a new customer to sell equipment for a two-year period. As part of the negotiations, a variation was made to the standard terms and conditions to sell the equipment to this customer on consignment basis, under which the Company does not relinquish control of the consigned product until it is sold to an end customer. However, the Company continued to recognise revenue at the point of delivery to the customer instead of deferring the revenue recognition until control was transferred to the customer. As a consequence, revenue was overstated. In <insert date>, the management conducted a detailed review of the terms and conditions of its sales contracts and discovered the error.

The error has been corrected by restating each of the affected financial statement line items for the prior periods, as follows:

Impact on equity (increase/(decrease) in equity)

## Appendix 2 Example of a “Correction of Error Note” (continued)

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### 1 Correction of an error (continued)

	31 December 2024	31 December 2023
Inventories	667	333
Trade receivables	(2,233)	(1,000)
<b>Total assets</b>	<b>(1,566)</b>	<b>(667)</b>
Income tax payable	500	300
<b>Total liabilities</b>	<b>500</b>	<b>300</b>
<b>Net impact on equity</b>	<b>(1,066)</b>	<b>(367)</b>

Impact on the statement of profit or loss (increase/(decrease) in profit)

	31 December 2023
Revenue from contracts with customers	(1,333)
Cost of sales	333
Income tax expense	300
<b>Net impact on loss for the year</b>	<b>(700)</b>

Impact on the statement of comprehensive income (increase/(decrease)) for the year ended December 31, 2024

	Previously reported	Adjustments	Restated
Sale of goods	97	241	185
Cost of sales	266	125	251
Income tax expense	215	131	251
<b>Net impact on profit for the year</b>	<b>578</b>	<b>497</b>	<b>687</b>

Impact on the statement of comprehensive income (increase/(decrease)) for the year ended December 31, 2023

	Previously reported	Adjustments	Restated
Sale of goods	163	107	229
Cost of sales	259	176	199
Income tax expense	229	241	196
<b>Net impact on profit for the year</b>	<b>651</b>	<b>524</b>	<b>624</b>

The change did not have an impact on OCI for the period or the Company’s operating, investing and financing cash flows.

## Appendix 3 Example of a “Auditors’ remuneration Note”

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### Auditors’ remuneration

### Appendix 3 Example of a “Auditors' remuneration Note” (continued)

#### Auditors' remuneration (continued)

	2024	2023
	\$000	\$000
<b>Fees to &lt;insert Auditors&gt;</b>		
Fees for auditing the statutory financial report and auditing the statutory financial reports	-	-
Fees for assurance services that are required by legislation to be provided by the auditor	-	-
Assurance related	-	-
Special audits as required by jurisdictional regulators	-	-
Fees for other services	-	-
Tax compliance	-	-
<b>Total fees to &lt;insert Auditors&gt;</b>	-	-
<b>Fees to other overseas member firms of &lt;insert Auditors&gt;</b>		
<b>Fees for auditing the financial report of any controlled entities</b>		
Fees for other assurances and agreed-upon-procedures services under other legislation or contractual arrangements where there is discretion as to whether the service is provided by the auditor or another firm [List where appropriate]		
Assurance compliance procedures	-	-
Fees for other services	-	-
Taxation services	-	-
Other non-audit services	-	-
<b>Total fees to overseas member firms of &lt;insert Auditors&gt;</b>	-	-
<b>Total auditor's remuneration</b>	-	-

### Appendix 4 Illustrative disclosure about Pillar Two taxes

As the Company's consolidated revenues are less than EUR 750 million, the equivalent of which translated is XXX in <Currency>, it is not in the scope of the Pillar Two model rules. Therefore, neither the mandatory recognition and disclosure exception in IAS 12.4A nor the disclosure requirements in IAS 12.88A-88D apply to the Company. If the Company had annual revenues in excess of EUR 750 million, the equivalent of which translated is XXX in <Currency>, and Pillar Two model rules were (substantively) enacted in some or all of the jurisdictions it operates, it would have included the following information in Note 14 to meet the disclosure requirements:

#### Pillar Two rules

The Organisation for Economic Co-operation and Development (OECD)/G20 Inclusive Framework on Base Erosion and Profit Shifting (BEPS) addresses the tax challenges arising from the digitalisation of the global economy. The Global Anti-Base Erosion Model Rules (Pillar Two model rules) apply to multinational enterprises (MNEs) with annual revenue in excess of EUR 750 million, the equivalent of which translated is XXX in <Currency>, per their consolidated financial statements.

The Pillar Two model rules introduce four new taxing mechanisms under which MNEs would pay a minimum level of tax (the Minimum Tax):

- The Qualified Domestic Minimum Top-up Tax (QDMTT)
- The Income Inclusion Rule (IIR)
- The Under Taxed Payments/Profits Rule (UTPR)

The Subject to Tax Rule is a tax treaty-based rule that generally proposes a Minimum Tax on certain

cross-border intercompany transactions that otherwise are not subject to a minimum level of tax.

#### **Appendix 4 - Illustrative disclosure about Pillar Two taxes (continued)**

The new taxing mechanisms can impose a minimum tax on the income arising in each jurisdiction in which an MNE operates. The IIR, UTPR and QDMTT do so by imposing a top-up tax in a jurisdiction whenever the effective tax rate (ETR), determined on a jurisdictional basis under the Pillar Two rules, is below a 15% minimum rate.

On 23 May 2023, the International Accounting Standards Board issued International Tax Reform—Pillar Two Model Rules – Amendments to IAS 12 (the Amendments). The Amendments clarify that IAS 12 applies to income taxes arising from tax law enacted or substantively enacted to implement the Pillar Two model rules published by the OECD, including tax law that implements a QDMTT. The Company has adopted these amendments, which introduce:

- A mandatory temporary exception to the accounting for deferred taxes arising from the jurisdictional implementation of the Pillar Two model rules;

And

- Disclosure requirements for affected entities to help users of the financial statements better understand an entity's exposure to Pillar Two income taxes arising from that legislation.

The Pillar Two model rules were adopted in <insert country> at the end of 2023 and are applicable starting from 1 January 2024. According to these rules, the Company is considered a multinational enterprise to which the Pillar Two rules shall be applied. At the same time, Pillar Two legislation has been enacted or substantively enacted in several other jurisdictions in which the Company operates effective for the financial year beginning 1 January 2024.

The Company has performed an assessment of its potential exposure to Pillar Two income taxes based on the 2023 country-by-country reporting and 2024 financial information for the constituent entities in the Company. The Pillar Two effective tax rates in most of the jurisdictions in which the Company operates is above 15%. However, the Company has recognised a Pillar Two current tax expense of €78,000, the equivalent of which translated is XXX in <Currency>, that arises in <insert country> – which is not subject to the transitional safe harbour relief– because of low statutory tax rates.

The Company continues to follow Pillar Two legislative developments, as further countries enact the Pillar Two model rules, to evaluate the potential future impact on its ~~consolidated~~ results of operations, financial position and cash flows beginning.