

TR Example Group
ABN xxxxxxxxxxxx
Interim condensed consolidated
financial statements - for the
half-year ended
30 June 2026

Contents to financial report

	Pages
Financial statements	
Primary statements	1-20
Interim condensed consolidated statement of profit or loss	1-2
Interim condensed consolidated statement of comprehensive income	3
Interim condensed consolidated statement of financial position	4-5
Interim condensed consolidated statement of changes in equity	6-15
Interim condensed consolidated statement of cash flows	18-20
Notes to the interim condensed consolidated financial statements	21-54
1 Corporate information	22
2 Basis of preparation and changes to the Group's accounting policies	22-23
3 Revenue from contracts with customers	23-25
4 Segment information	25-27
5 Business combinations	28-31
6 Discontinued operations	31-33
7 Impairment testing of goodwill and intangible assets with indefinite lives	33-35
8 Income tax	35
9 Components of other comprehensive income	35-36
10 Property, plant and equipment	36-37
11 Inventories	37
12 Financial assets and financial liabilities	37-49
13 Cash and short-term deposits	49
14 Reversal of restructuring provision	50
15 Share-based payments	50
16 Commitments and contingencies	51
17 Related party disclosures	51-53
18 Distributions made and proposed	53-54
19 Events after the reporting period	54

Interim condensed consolidated statement of profit or loss

For the six months ended 30 June

		2026 \$000	2025 \$000
	Notes		
Continuing operations			
Revenue from contracts with customers	3	88,465	72,092
Rental income		770	715
Sale of goods	-	-	-
Rendering of services	-	-	-
Revenue redemption	-	-	-
Interest from financial assets not at fair value through profit or loss	-	-	-
Dividends	-	-	-
Distributions from interest in joint venture partnerships	-	-	-
Other revenue from ordinary activities	-	-	-
Revenue	4	89,235	72,807
Cost of sales		(64,628)	(53,596)
Gross profit		24,607	19,211
Other operating income		617	1,728
Selling and distribution expenses		(9,253)	(7,228)
Administrative expenses	3, 7	(11,118)	(9,334)
Other operating expenses	10, 11, 14	(1,497)	(91)
Cost of providing services	-	-	-
Marketing expenses	-	-	-
Occupancy expenses	-	-	-
Operating profit		3,356	4,286
Finance costs		(1,662)	(436)
Finance income		204	166
Other income	-	-	-
Amount capitalised	-	-	-
Share of profit of an associate and a joint venture		366	329
Profit before tax from continuing operations	4	2,264	4,345
Income tax expense	8	(389)	(1,194)
Profit for the period from continuing operations		1,875	3,151
Discontinued operations			
Profit/(loss) after tax for the period from discontinued operations	6	619	(18)
Profit for the period		2,494	3,133
Attributable to:			
Equity holders of the parent		2,447	3,072
Non-controlling interests		47	61
		2,494	3,133

Interim condensed consolidated statement of profit or loss (continued)

For the six months ended 30 June

Earnings per share (EPS):

Basic, profit for the period attributable to ordinary equity holders of the parent	0.11	0.15
Diluted, profit for the period attributable to ordinary equity holders of the parent	0.10	0.14
Earnings per share from continuing operations:		
Basic, profit from continuing operations attributable to ordinary equity holders of the parent	0.08	0.15
Diluted, profit from continuing operations attributable to ordinary equity holders of the parent	0.08	0.14

Interim condensed consolidated statement of comprehensive income

For the six months ended 30 June

		2026 \$000	2025 \$000
	Notes		
Profit for the period		2,494	3,133
Other comprehensive income			
<i>Other comprehensive income that may be reclassified to profit or loss in subsequent periods (net of tax):</i>			
Net gain on hedge of net investment		192	90
Income tax effect		-	-
Exchange differences on translation of foreign operations		(205)	(96)
Income tax effect	-	-	-
Net gain/(loss) on cash flow hedges	9	(238)	28
Income tax effect	-	-	-
Net change in costs of hedging	-	-	-
Net gain/(loss) on available-for-sale financial assets	-	-	-
Income tax effect	-	-	-
Net gain on debt instruments at fair value through other comprehensive income	9	16	57
Share of other comprehensive income of an associate	9	(10)	-
Income tax effect relating to the components of OCI	-	-	-
Net other comprehensive (loss)/income that may be reclassified to profit or loss in subsequent periods, net of tax		(245)	79
<i>Other comprehensive income that will not be reclassified to profit or loss in subsequent periods (net of tax):</i>			
Net loss on equity instruments at fair value through other comprehensive income		(182)	(17)
Remeasurement gains/(loss) on defined benefit plans		(19)	132
Revaluation of office properties in Euroland		-	592
Share of other comprehensive income of an associate		10	-
Income tax effect relating to the components of OCI	-	-	-
Net other comprehensive (loss)/income that will not be reclassified to profit or loss in subsequent periods, net of tax		(191)	707
Other comprehensive (loss)/income, net of tax		(436)	786
Total comprehensive income, net of tax		2,058	3,919
Attributable to:			
Equity holders of the parent		2,011	3,858
Non-controlling interests		47	61
		2,058	3,919

Interim condensed consolidated statement of financial position

As at

		30 June 2026 \$000	31 December 2025 \$000
	Notes		
Assets			
Non-current assets			
Property, plant and equipment	10	39,056	32,979
Right-of-use assets		3,044	2,812
Investment properties		8,951	8,893
Intangible assets and goodwill		4,990	6,019
Investments in an associate and a joint venture		3,553	3,187
Non-current financial assets	12	4,284	3,761
Deferred tax assets		693	383
Receivables	-	-	-
Investments accounted for using the equity method	-	-	-
Available-for-sale financial assets	-	-	-
Held-to-maturity investments	-	-	-
Derivative financial instruments	-	-	-
Exploration and evaluation, development and mine properties	-	-	-
Inventories	-	-	-
Investments in controlled entities	-	-	-
Other non-current assets	-	-	-
		64,571	58,034
Current assets			
Inventories	11	22,831	26,375
Right of return assets		1,356	1,124
Trade receivables		27,374	25,672
Contract assets		4,959	4,541
Prepayments		208	244
Other current financial assets	12	753	551
Cash and short-term deposits	13	15,819	17,114
Financial assets at fair value through profit or loss	-	-	-
Derivative financial instruments	-	-	-
Available-for-sale financial assets	-	-	-
Current tax receivables	-	-	-
Other current assets	-	-	-
		73,300	75,621
Assets held for sale	6	-	13,554
Total assets		137,871	89,175
			147,209

Equity and liabilities
Equity

		21,888	21,888
Issued capital			
Share premium		4,780	4,780
Treasury shares		(508)	(508)
Other capital reserves		1,374	1,171
Retained earnings		33,269	31,926
Other components of equity		(1,078)	(621)
Reserves of a disposal group held for sale	6	-	46
Equity attributable to equity holders of the parent		59,725	58,682

Interim condensed consolidated statement of financial position (continued)

As at

		30 June 2026	31 December 2025
		\$000	\$000
	Notes		
Non-controlling interests		2,162	2,127
Total equity		61,887	60,809
Non-current liabilities			
Interest-bearing loans and borrowings	12	22,477	21,978
Other non-current financial liabilities	12	806	502
Provisions	14	1,557	1,898
Government grants		2,164	3,300
Contract liabilities		1,138	2,962
Net employee defined benefit liabilities		2,972	3,050
Deferred tax liabilities		3,493	2,454
Other payables	-	-	-
Deferred revenue	-	-	-
Other liabilities	-	-	-
Deferred income	-	-	-
Derivative financial instruments	-	-	-
Retirement benefit obligations	-	-	-
		34,607	36,144
Current liabilities			
Trade and other payables		22,385	16,969
Contract liabilities		3,029	2,880
Refund liabilities		6,430	6,242
Interest-bearing loans and borrowings	12	2,759	2,811
Other current financial liabilities	5, 12	2,234	3,257
Government grants		400	149
Income tax payable		3,337	3,511
Provisions	14	803	902

Dividends payable	18	-	410
Deferred revenue		-	-
Employee benefit liabilities		-	-
Non-cash distribution liability	18	-	-
Deferred income		-	-
Derivative financial instruments		-	-
Other current liabilities		-	-
		41,377	37,131
Liabilities directly associated with the assets held for sale	6	-	13,125
		41,377	50,256
Total liabilities			
		75,984	86,400
Total equity and liabilities			
		137,871	147,209

Interim condensed consolidated statement of changes in equity

For the six months ended 30 June 2026

Interim condensed consolidated statement of changes in equity (continued)

		Attributable to the equity holders of the parent										
		Issued capital	Share premium	Treasury shares	Other capital reserves	Retained earnings	Cash flow hedge reserve	Available-for-sale reserve	Cost of hedging reserve	Fair value reserve of financial assets at FVOCI	Foreign currency translation reserve	Asset revaluation surplus
Notes		\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
As at 1 January 2026		21,888	4,780	(508)	1,171	31,926	(580)	-	-	(114)	(469)	542
Profit for the period		-	-	-	-	2,447	-	-	-	-	-	-
Other comprehensive income		-	-	-	-	(19)	(238)	-	-	(176)	(13)	10
Total comprehensive income		-	-	-	-	2,428	(238)	-	-	(176)	(13)	10
Depreciation transfer for office properties in <insert country>		-	-	-	-	40	-	-	-	-	-	(40)
Share-based payments		15	-	-	203	-	-	-	-	-	-	-
Dividends		18	-	-	-	(1,087)	-	-	-	-	-	-
Dividends paid to non-controlling interest			-	-	-	-	-	-	-	-	-	-
Transfer of reserve of disposal group held for sale upon disposal			-	-	-	46	-	-	-	-	-	-
Cash dividends 1—8		-	-	-	-	-	-	-	-	-	-	-
Discontinued 6		-	-	-	-	-	-	-	-	-	-	-

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Interim condensed consolidated statement of changes in equity (continued)

	Notes	Attributable to the equity holders of the parent		Non-controlling interests	Total equity
		Reverse of disposal group held for sale	Total		
		\$000	\$000	\$000	\$000
As at 1 January 2026		46	58,682	2,127	60,809
Profit for the period		-	2,447	47	2,494
Other comprehensive income		-	(436)	-	(436)
Total comprehensive income		-	2,011	47	2,058
Depreciation transfer for office properties in <insert country>		-	-	-	-
Share-based payments	15	-	203	-	203
Dividends	18	-	(1,087)	-	(1,087)
Dividends paid to non-controlling interest		-	-	(12)	(12)
Transfer of reserve of disposal group held for sale upon disposal		(46)	-	-	-
C a s h d i v i d e n d s 1 8		-	-	-	-
D i s c o n t i n u e d o p e r a t i o n s 6		-	-	-	-

Interim condensed consolidated statement of changes in equity (continued)

Attributable to the equity holders of the parent												
		Issued- capital	Share- premium	Treasury- shares	Other- capital- reserves	Retained- earnings	Cash-flow- hedge- reserve	Available- for-sale- reserve	Cost-of- hedging- reserve	Fair-value- reserve-of- financial- assets-at- FVOCI	Foreign- currency- translation- reserve	Asset- revaluation- surplus
	Notes	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Issue of share capital		-	-	-	-	-	-	-	-	-	-	-
Exercise of options		-	-	-	-	-	-	-	-	-	-	-
Transaction costs related to issue of share capital	5	-	-	-	-	-	-	-	-	-	-	-
Transfer of fair value reserve of equity instruments designated at FVOCI		-	-	-	-	-	-	-	-	-	-	-
Transfer of cash flow hedge reserve to inventories		-	-	-	-	-	-	-	-	-	-	-
Non-cash distributions to owners	18	-	-	-	-	-	-	-	-	-	-	-
Acquisition of a subsidiary	5	-	-	-	-	-	-	-	-	-	-	-
Acquisition of non-controlling interests	5	-	-	-	-	-	-	-	-	-	-	-
Non-controlling interest arising on a business combination	5	-	-	-	-	-	-	-	-	-	-	-

Interim condensed consolidated statement of changes in equity (continued)

		Attributable to the equity holders of the parent				Reverse of disposal group held for sale				Non-controlling interest				Total equity			
	Notes	\$	0	0	0	\$	0	0	0	\$	0	0	0	\$	0	0	0
Issue of share capital		-				-				-				-			
Exercise of options		-				-				-				-			
Transaction costs related to issue of share capital	5	-				-				-				-			
Transfer of fair value reserve of equity instruments designated at FVOCI		-				-				-				-			
Transfer of cash flow hedge reserve to inventories		-				-				-				-			
Non-cash distributions to owners	1-8	-				-				-				-			
Acquisition of a subsidiary	5	-				-				-				-			
Acquisition of non-controlling interests	5	-				-				-				-			
Non-controlling interest arising on a business combination	5	-				-				-				-			

Interim condensed consolidated statement of changes in equity (continued)

Attributable to the equity holders of the parent											
	Issued capital	Share premium	Treasury shares	Other capital reserves	Retained earnings	Cash flow hedge reserve	Available- for-sale reserve	Cost of hedging reserve	Fair value reserve of financial assets at FVOCI	Foreign currency translation reserve	Asset revaluation surplus
Notes	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
At 30 June 2026	21,888	4,780	(508)	1,374	33,269	(818)	-	-	(290)	(482)	512

Interim condensed consolidated statement of changes in equity (continued)

		Attributable to the equity holders of the parent		Non-controlling interests	Total equity
		Reverse of disposal group held for sale	Total		
Notes		\$000	\$000	\$000	\$000
		-	59,725	2,162	61,887

At 30 June 2026

~~Interim condensed consolidated statement of changes in equity (continued)~~

~~For the six months ended 30 June 2025~~

Interim condensed consolidated statement of changes in equity (continued)

Attributable to the equity holders of the parent												
		Issued capital	Share premium	Treasury shares	Other capital reserves	Retained earnings	Cash flow hedge reserve	Available-for-sale reserve	Cost of hedging reserve	Fair value reserve of financial assets at FVOCI	Foreign currency translation reserve	Asset revaluation surplus
Notes		\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
As at 1 January 2025		19,388	80	(654)	864	26,135	(245)	-	-	2	(444)	-
Profit for the period		-	-	-	-	3,072	-	-	-	-	-	-
Adjustment on correction of error (net of tax)		-	-	-	-	-	-	-	-	-	-	-
Other comprehensive income		-	-	-	-	132	28	-	-	40	(6)	592
Total comprehensive income		-	-	-	-	3,204	28	-	-	40	(6)	592
Depreciation transfer for office properties in <insert country>		-	-	-	-	40	-	-	-	-	-	(40)
Issue of share capital		2,500	4,703	-	-	-	-	-	-	-	-	-
Transaction costs related to issue of share capital		-	(32)	-	-	-	-	-	-	-	-	-
Share-based payments	15	-	-	-	150	-	-	-	-	-	-	-
Dividends	18	-	-	-	-	(1,082)	-	-	-	-	-	-
Dividends paid to non-controlling interest		-	-	-	-	-	-	-	-	-	-	-

Interim condensed consolidated statement of changes in equity (continued)

	Notes	Attributable to the equity holders of the parent		Non-controlling interests	Total equity
		Reverse of disposal group held for sale	Total		
		\$000	\$000	\$000	\$000
As at 1 January 2025		-	45,126	457	45,583
Profit for the period		-	3,072	61	3,133
Adjustment on correction of error (net of tax)		-	-	-	-
Other comprehensive income		-	786	-	786
Total comprehensive income		-	3,858	61	3,919
Depreciation transfer for office properties in <insert country>		-	-	-	-
Issue of share capital		-	7,203	-	7,203
Transaction costs related to issue of share capital		-	(32)	-	(32)
Share-based payments	15	-	150	-	150
Dividends	18	-	(1,082)	-	(1,082)
Dividends paid to non-controlling interest		-	-	(20)	(20)

Interim condensed consolidated statement of changes in equity (continued)

Attributable to the equity holders of the parent												
		Issued capital	Share premium	Treasury shares	Other capital reserves	Retained earnings	Cash flow hedge reserve	Available-for-sale reserve	Cost of hedging reserve	Fair value reserve of financial assets at FVOCI	Foreign currency translation reserve	Asset revaluation surplus
Notes		\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Acquisition of a subsidiary		-	-	-	-	-	-	-	-	-	-	-
Discontinued operations	6	-	-	-	-	-	-	-	-	-	-	-
Exercise of options		-	-	-	-	-	-	-	-	-	-	-
Cash dividends	18	-	-	-	-	-	-	-	-	-	-	-
Non-cash distributions to owners		-	-	-	-	-	-	-	-	-	-	-
Acquisition of non-controlling interests		-	-	-	-	-	-	-	-	-	-	-
Non-controlling interest arising on a business combination	5	-	-	-	-	-	-	-	-	-	-	-
Transfer of reserve of disposal group held for sale upon disposal		-	-	-	-	-	-	-	-	-	-	-
At 30 June 2025		21,888	4,751	(654)	1,014	28,297	(217)	-	-	42	(450)	552

Interim condensed consolidated statement of changes in equity (continued)

	Notes	Attributable to the equity holders of the parent			
		Reverse of disposal group held for sale	Total	Non-controlling interests	Total equity
		\$000	\$000	\$000	\$000
Acquisition of a subsidiary		-	-	1,547	1,547
Discontinued operations	6	-	-	-	
Exercise of options	-	-	-	-	
Cash dividends	18	-	-	-	
Non-cash distributions to owners	-	-	-	-	
Acquisition of non-controlling interests	-	-	-	-	
Non-controlling interest arising on a business combination	5	-	-	-	
Transfer of reserve of disposal group held for sale upon disposal	-	-	-	-	
At 30 June 2025		-	55,223	2,045	57,268

Interim condensed consolidated statement of cash flows

For the six months ended 30 June

Notes	Consolidated entity	
	2026 \$000	2025 \$000
Operating activities		
Profit before tax from continuing operations	2,264	4,345
Profit/(loss) before tax from discontinued operations	6 890	(30)
Profit before tax	3,154	4,315
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and impairment of property, plant and equipment and right-of-use assets	1,282	1,449
Amortisation and impairment of intangible assets and goodwill	1,614	70
Fair value adjustment of a contingent consideration	12 53	-
Fair value adjustment of investment properties	(58)	-
Share-based payment expense	15 203	150
Gain on disposal of property, plant and equipment	10 (53)	(5)
Gain on disposal of discontinued operations	6 (885)	-
Reversal of restructuring provision	14 (266)	-
Finance income	(204)	(166)
Finance costs	1,662	436
Other expense	11 700	567
Share of profit of an associate and a joint venture	(366)	(329)
Movements in provisions, pensions and government grants	(1,047)	(252)
Net foreign exchange differences	303	(283)
Working capital adjustments:		
Increase in trade receivables, contract assets and prepayments	(2,084)	(2,147)
Decrease in inventories and right of return assets	3,312	1,312
Increase in trade and other payables, contract liabilities and refund liabilities	4,270	1,797
	11,590	6,914

Interim condensed consolidated statement of cash flows (continued)

For the six months ended 30 June

		Consolidated entity	
		2026	2025
	Notes	\$000	\$000
Settlement of contingent consideration of business combination	12	(411)	-
Interest received		250	319
Interest paid		(596)	(424)
Income tax paid		(774)	(846)
Net cash flows from operating activities		10,059	5,963
Investing activities			
Proceeds from sale of property, plant and equipment	10	1,352	1,415
Proceeds from sale of discontinued operations, net of cash disposed	6	515	-
Purchase of property, plant and equipment	10	(4,087)	(1,320)
Acquisition of a subsidiary, net of cash acquired	5	(5,929)	(370)
Settlement of contingent consideration of business combination	12	(714)	-
Currency forward contracts paid		(1,061)	-
Loan to an associate		(50)	-
Purchase of investment properties	-	-	-
Purchase of financial instruments	-	-	-
Proceeds from sale of financial instruments	-	-	-
Development expenditures	-	-	-
Receipt of government grants	-	-	-
Net cash flows used in investing activities		(9,974)	(275)
Financing activities			
Proceeds from loans	12	1,582	2,559
Repayment of loans	12	(1,253)	(108)
Payment of lease liabilities	12	(312)	(288)
Transaction costs of issue of shares		-	(32)
Dividend paid to equity holders of the parent	18	(1,497)	(1,082)

Interim condensed consolidated statement of cash flows (continued)

For the six months ended 30 June

	Notes	Consolidated entity	
		2026 \$000	2025 \$000
Dividend paid to non-controlling interests	18	(12)	(20)
Proceeds from exercise of share options	-	-	-
Acquisition of non-controlling interests	5	-	-
Payment of principal portion of lease liabilities	-	-	-
Proceeds from borrowings	-	-	-
Repayment of borrowings	-	-	-
Net cash flows (used in)/from financing activities		(1,492)	1,029
Net (decrease)/increase in cash and cash equivalents		(1,407)	6,717
Net foreign exchange difference		(373)	266
Cash and cash equivalents at 1 January		16,699	6,590
Cash and cash equivalents at 30 June	13	14,919	13,573

Index to notes to the interim condensed consolidated financial statements

	Pages
Interim condensed consolidated statement of profit or loss	1
Interim condensed consolidated statement of comprehensive income	3
Interim condensed consolidated statement of financial position	4
Interim condensed consolidated statement of changes in equity	6
Interim condensed consolidated statement of cash flows	18
1 Corporate information	22
2 Basis of preparation and changes to the Group's accounting policies	22
3 Revenue from contracts with customers	23
4 Segment information	25
5 Business combinations	28
6 Discontinued operations	31
7 Impairment testing of goodwill and intangible assets with indefinite lives	33
8 Income tax	35
9 Components of other comprehensive income	35
10 Property, plant and equipment	36
11 Inventories	37
12 Financial assets and financial liabilities	37
13 Cash and short-term deposits	49
14 Reversal of restructuring provision	50
15 Share-based payments	50
16 Commitments and contingencies	51
17 Related party disclosures	51
18 Distributions made and proposed	53
19 Events after the reporting period	54

Notes to the interim condensed consolidated financial statements

1 Corporate information

The interim condensed consolidated financial statements of TR Example Group and its subsidiaries (collectively, the Group) for the six months ended 30 June 2026 were authorised for issue in accordance with a resolution of the directors on [DD MMM YYYY].

TR Example Group (the Company) is a limited company, incorporated and domiciled in Euroland<insert country>, whose shares are publicly traded. The registered office is located at Fire House, Ashdown Square in Euroville<insert address>. The Group is principally engaged in the provision of fire prevention and electronic equipment and services and the management of investment property<insert the description of Group's business>.

2 Basis of preparation and changes to the Group's accounting policies

2.1 Basis of preparation

The interim condensed consolidated financial statements for the six months ended 30 June 2026 have been prepared in accordance with IAS 434 *Interim Financial Reporting*. The Group has prepared the financial statements on the basis that it will continue to operate as a going concern.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements as at 31 December 2025.

2.2 New standards, interpretations and amendments adopted by the Group

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2025, except for the adoption of new standards effective as of 1 January 2026. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

~~One amendment applies for the first time in 2025, but does not have an impact on the interim condensed consolidated financial statements of the Group.~~

~~Lack of exchangeability – Amendments to IAS 21~~

~~The amendments to IAS 21 *The Effects of Changes in Foreign Exchange Rates* 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. The amendments are effective for annual reporting periods beginning on or after 1 January 2025. When applying the amendments, an entity c a n n o t r e s t a t e c o m p a r a t i v e i n f o r m a t i o n .~~

Notes to the interim condensed consolidated financial statements

2 Basis of preparation and changes to the Group's accounting policies (continued)

2.2 New standards, interpretations and amendments adopted by the Group (continued)

~~Lack of exchangeability – Amendments to IAS 21~~ (continued)

~~The amendments did not have a material impact on the Group's financial statements.~~ **Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7**

In May 2024, the IASB issued Amendments to IFRS 9 and IFRS 7, Amendments to the Classification and Measurement of Financial Instruments (the Amendments). The Amendments include:

- Clarifications of the requirements for recognition and derecognition of financial assets and financial liabilities. In particular, a financial liability is derecognised on the 'settlement date' and an accounting policy choice is introduced (if specific conditions are met) to derecognise financial liabilities settled using an electronic payment system before the settlement date
- Additional guidance on how the contractual cash flows for financial assets with environmental, social and corporate governance (ESG) and similar features should be assessed
- Clarifications on what constitute 'non-recourse features' and what are the characteristics of contractually linked instruments
- The introduction of disclosures for financial instruments with contingent features and additional disclosure requirements for equity instruments classified at fair value through other comprehensive income (OCI)

The amendments had no impact on the Group's interim condensed financial statements.

Annual Improvements to IFRS accounting Standards – Volume 11

In July 2024, the IASB issued nine narrow scope amendments as part of its periodic maintenance of IFRS accounting standards. The amendments include clarifications, simplifications, corrections or changes to improve consistency in IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 7

Financial instruments: Disclosure and its accompanying Guidance on implementing IFRS 7, IFRS 9 Financial Instruments, IFRS 10 Consolidated Financial Statements and IAS 7 Statements of Cash Flows.

The amendments had no impact on the Group's interim condensed financial statements.

Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7

In December 2024, the IASB issued Amendments to IFRS 9 and IFRS 7 - Contracts Referencing Nature dependent Electricity. The amendments apply only to contracts that reference nature-dependent electricity, and

they:

Notes to the interim condensed consolidated financial statements

2 Basis of preparation and changes to the Group's accounting policies (continued)

2.2 New standards, interpretations and amendments adopted by the Group (continued)

Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7 (continued)

- Clarify the application of the 'own-use' requirements for in-scope contracts
- Amend the designation requirements for a hedged item in a cash flow hedging relationship for in-scope contracts
- Add new disclosure requirements to enable investors to understand the effect of these contracts on a company's financial performance and cash flows

The amendments had no impact on Group's interim condensed financial statements.

Revenue
from
contracts
with
customers

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

Segments	For the six months ended 30 June 2026						Total
	<insert product 1> \$000	<insert product 2> \$000	<insert product 3> \$000	<insert product 4> \$000	<insert product 5> \$000	<insert product 6> \$000	
Type of goods or service							

Sale of <insert product>	42,492	-	-	-	-	-	42,492
Sale of <insert product>	-	37,395	-	-	-	-	37,395
Installation services	8,578	-	-	-	-	-	8,578
Total revenue from contracts with customers	51,070	37,395	-	-	-	-	88,465
Geographical markets							
Euro land<insert country>	36,291	26,573	-	-	-	-	62,864
<insert country/region>	14,779	10,822	-	-	-	-	25,601
Total revenue from contracts with customers	51,070	37,395	-	-	-	-	88,465
Timing of revenue recognition							
Goods transferred at a point in time	42,492	37,395	-	-	-	-	79,887
Services transferred over time	8,578	-	-	-	-	-	8,578
Total revenue from contracts with customers	51,070	37,395	-	-	-	-	88,465

For the six months ended 30 June 2025

Segments	<insert product 1> \$000	<insert product 2> \$000	<insert product 3> \$000	<insert product 4> \$000	<insert product 5> \$000	<insert product 6> \$000	Total \$000
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Notes to the interim condensed consolidated financial statements

3 Revenue from contracts with customers (continued)

Segments	For the six months ended 30 June 2025						Total
	<insert product 1>	<insert product 2>	<insert product 3>	<insert product 4>	<insert product 5>	<insert product 6>	
	\$000	\$000	\$000	\$000	\$000	\$000	
Type of goods or service							
Sale of <insert product>	41,941	-	-	-	-	-	41,941
Sale of <insert product>	-	22,058	-	-	-	-	22,058
Installation services	8,093	-	-	-	-	-	8,093
Total revenue from contracts with customers	50,034	22,058	-	-	-	-	72,092
Geographical markets							
Euro land<insert country>	35,104	15,476	-	-	-	-	50,580
<insert country/region>	14,930	6,582	-	-	-	-	21,512
Total revenue from contracts with customers	50,034	22,058	-	-	-	-	72,092
Timing of revenue recognition							
Goods transferred at a point in time	41,941	22,058	-	-	-	-	63,999
Services transferred over time	8,093	-	-	-	-	-	8,093
Total revenue from contracts with customers	50,034	22,058	-	-	-	-	72,092

Notes to the interim condensed consolidated financial statements

3 Revenue from contracts with customers (continued)

The Group recognised impairment losses on receivables and contract assets arising from contracts with customers, included under Administrative expenses in the statement of profit or loss, amounting to \$XX,XXX and \$XX,XXX for the six months ended 30 June 2026 and 2025, respectively.

Set out below, is the reconciliation of the revenue from contracts with customers with the amounts disclosed in the segment information (see Note 4):

For the six months ended 30 June				
	2026		2025	
	<insert product 1>	<insert product 2>	<insert product 1>	<insert product 2>
	\$000	\$000	\$000	\$000
Revenue				
External customer	70,925	37,395	86,605	22,058
Inter-segment	-	1,845	-	4,094
	70,925	39,240	86,605	26,152
Adjustments and eliminations	(19,855)	(1,845)	(36,571)	(4,094)
Total revenue from contracts with customers	51,070	37,395	50,034	22,058

4 Segment information

The following tables present revenue and profit information for the Group's operating segments for the six months ended 30 June 2026 and 2025, respectively:

Notes to the interim condensed consolidated financial statements

4 Segment information (continued)

Six months ended 30 June 2026	Segment 1	Segment 2	Segment 3	Segment 4	Segment 5	Segment 6	Total segments	Adjustments and eliminations	Consolidated
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Revenue									
External customer	70,925	37,395	770	-	-	-	109,090	(19,855)	89,235
Inter-segment	-	1,845	-	-	-	-	1,845	(1,845)	-
Total revenue	70,925	39,240	770	-	-	-	110,935	(21,700)	89,235
Segment profit	1,038	2,989	164	-	-	-	4,191	(1,927)	2,264

Six months ended 30 June 2025	Segment 1	Segment 2	Segment 3	Segment 4	Segment 5	Segment 6	Total segments	Adjustments and eliminations	Consolidated
	\$000	\$000	\$000				\$000	\$000	\$000
Revenue									
External customer	86,605	22,058	715	-	-	-	109,378	(36,571)	72,807
Inter-segment	-	4,094	-	-	-	-	4,094	(4,094)	-
Total revenue	86,605	26,152	715	-	-	-	113,472	(40,665)	72,807
Segment profit	3,375	1,330	176	-	-	-	4,881	(536)	4,345

The following table presents assets and liabilities information for the Group's operating segments as at 30 June 2026 and 31 December 2025, respectively:

	Segment 1	Segment 2	Segment 3	Segment 4	Segment 5	Segment 6	Total segments	Adjustments and eliminations	Consolidated
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Assets									
30 June 2026	65,809	50,482	16,978	-	-	-	133,269	4,602	137,871

Notes to the interim condensed consolidated financial statements

4 Segment information (continued)

31 December 2025	68,163	44,814	18,467	-	-	-	131,444	15,765	147,209
Liabilities									
30 June 2026		30,371	7,002	4,234	-	-	41,607	34,377	75,984
31 December 2025				27,776	7,252	4,704	39,732	46,668	86,400

Adjustments and eliminations

Finance income, finance costs, taxes and fair value gains and losses on certain financial assets and liabilities are not allocated to individual segments as these are managed on an overall group basis. These are included in adjustments and eliminations in the segment disclosures.
~~in adjustments and eliminations in the segment disclosures.~~

	For six months ended 30 June	
	2026 \$000	2025 \$000
Reconciliation of profit		
Segment profit	4,191	4,881
Finance income	204	166
Finance costs	(1,662)	(436)
Inter-segment profit/(elimination)	(469)	(266)
Gain on derivative instruments at fair value through profit or loss	-	-
Loss on derivative instruments at fair value through profit or loss	-	-
Net realised gains from available for sale financial assets (elimination)	-	-
Profit before tax and discontinued operations	2,264	4,345

Seasonality of operations

The ~~electronics segment is a supplier of electronic equipment for defence, aviation, electrical safety markets and consumer electronic equipment for home use. It offers products and services in the areas of electronics, safety, thermal and electrical architecture~~<insert the detail description of segment>. Due to the seasonal nature of this segment, higher revenues and operating profits are usually expected in the second half of the year rather than in the first six months. Higher sales during the period XXXX to XXXX are mainly attributed to the increased demand for ~~aviation electronic equipment~~<insert doricut product for example> during the peak holiday season, as well as in XXXX, due to increased demand for ~~electronic equipment from private custom~~<insert description>ers. This information is provided to allow for a better understanding of the results, However, management has concluded that this is not 'highly seasonal' in accordance with AASB 1/IAS 34.

Notes to the interim condensed consolidated financial statements

5 Business combinations

Acquisition of Example 1 Limited

On X XXXX XXXX, the Group acquired XX% of the voting shares of Example 1 Limited, an unlisted company based in ~~Euroland~~-<insert country> that specialises in the ~~manufacture of electronic equipment~~<insert description>. The Group has acquired Example 1 Limited because it expands both its existing product portfolio and customer base. The acquisition has been accounted for using the acquisition method. The interim condensed consolidated financial statements include the results of Example 1 Limited for the one month period from the acquisition date.

The fair values of the identifiable assets and liabilities of Example 1 Limited as at the date of acquisition were:

	Fair value recognised on acquisition \$000	2025 \$000
Assets		
Property, plant and equipment (provisional)*	4,323	-
Right-of-use assets	248	-
Cash	642	-
Trade receivables	1,763	-
Inventories	961	-
Deferred tax asset*	175	-
Patents	375	-
	8,487	-
Liabilities		
Trade payables	(1,022)	-
Interest-bearing loans and borrowings	(224)	-
Deferred tax liability*	(880)	-
Contingent liability	-	-
Provision for onerous operating lease costs	-	-
Provision for restructuring	-	-
Provision for decommissioning costs	-	-
	(2,126)	-
Total identifiable net assets at fair value	6,361	-

Notes to the interim condensed consolidated financial statements

5 Business combinations (continued)

Acquisition of Example 1 Limited (continued)

	Fair value recognised on acquisition \$000	2025 \$000
Goodwill arising on acquisition (provisional)*	210	-
Non-controlling interest measured at fair value	-	-
Purchase consideration transferred	6,571	-
Analysis of cash flows on acquisition:		
Transaction costs of the acquisition (included in cash flows from operating activities)	-	-
Net cash acquired with the subsidiary (included in cash flows from investing activities)	642	-
Cash paid	(6,571)	-
Transaction costs attributable to issuance of shares (included in cash flows from financing activities, net of tax)	-	-
Net cash flow on acquisition	(5,929)	-

*The valuation of land and buildings acquired had not been completed by the date the interim financial statements were approved for issue by the Board of Directors. Thus, property, plant and equipment may need to be subsequently adjusted, with a corresponding adjustment to goodwill and deferred tax prior to X XXXX 20XX (one year after the transaction).

A reconciliation of the carrying amount of goodwill at the beginning and end of the reporting period is presented below:

	Goodwill \$000
Gross carrying amount	
At 1 January 2026	2,281
Acquisition of a subsidiary	210
At 30 June 2026	2,491
Accumulated impairment losses	
At 1 January 2026	-
Impairment losses recognised during the reporting period (Note 7)	1,541

Notes to the interim condensed consolidated financial statements

5 Business combinations (continued)

Acquisition of Example 1 Limited (continued)

	<u>Goodwill</u>
	<u>\$000</u>
At 30 June 2026	1,541
Net book value	
At 1 January 2026	2,281
At 30 June 2026	<u>950</u>

Notes to the interim condensed consolidated financial statements

5 Business combinations (continued)

Acquisition of Example 1 Limited (continued)

Net book value

The acquisition date fair value of the trade receivables amounts to \$X,XXX,XXX. The gross amount of trade receivables is \$X,XXX,XXX and it is expected that the full contractual amounts can be collected. The difference between the fair value and the carrying amount is the result of discounting over the expected timing of the cash collection and an adjustment for counterparty credit risk.

The Group measured the acquired lease liabilities using the present value of the remaining lease payments at the date of acquisition. The right-of-use assets were measured at an amount equal to the lease liabilities and adjusted to reflect the unfavourable terms of the lease relative to market terms.

From the date of acquisition, Example 1 Limited has contributed \$X,XXX,XXX of revenue and \$XXX,XXX to the net profit before tax from the continuing operations of the Group. If the acquisition had taken place at the beginning of the year, revenue from continuing operations would have been \$XX,XXX,XXX and the profit from continuing operations for the period would have been \$X,XXX,XXX.

The goodwill recognised is primarily attributed to the expected synergies and other benefits from combining the assets and activities of Example 1 Limited with those of the Group. The goodwill is not deductible for income tax purposes.

Transaction costs of \$XX,XXX have been expensed and are included in Administrative expenses in the statement of profit or loss and are part of operating cash flows in the statement of cash flows.

Information on prior year acquisition

On XX XXX 20XX, the Group acquired XX% of the voting shares of Example 2 Limited, an unlisted company based in Euroland<insert country>, specialising in the manufacture of fire-retardant fabrics<insert description>. The consideration paid included an element of contingent consideration. Refer to Note 12 for adjustments to the related liability in the current period.

6 Discontinued operations

On X XXX 20XX, the Group publicly announced the decision of its Board of Directors to sell Example Limited, a wholly owned subsidiary. On XX XXX 20XX, the shareholders of the Company approved the plan to sell. At XX XXX 20XX, Example Limited was classified as a disposal group held for sale and as a discontinued operation. The business of Example Limited represented the entirety of the Group's Example Segment operating segment until XX XX 20XX. With Example Limited being classified as a discontinued operation, the <Example Segment> segment is no longer presented in the segment note. The sale of Example Limited was completed on XX XXX 20XX for \$X,XXX,XXX, resulting in a pre-tax gain of \$XXX,XXX. The results of Example Limited for the period are presented below:

Notes to the interim condensed consolidated financial statements

6 Discontinued operations (continued)

		For the six months ended 30 June	
		2026*	2025
		\$000	\$000
Revenue		3,329	21,548
Expenses		(3,285)	(21,535)
Operating income		44	13
Finance costs		(39)	(43)
Impairment loss recognised on the remeasurement to fair value less costs to sell (Note 10)		-	-
Profit/(loss) before tax from discontinued operations		5	(30)
Tax (expense)/benefit:			
Related to current pre-tax profit/(loss)		(2)	12
Post-tax profit/(loss) of discontinued operations		3	(18)
Gain on sale of the discontinued operations		885	-
Attributable tax expense		(269)	-
Post-tax gain on the sale of discontinued operations		616	-
Profit/(loss) after tax for the period from discontinued operations		619	(18)

*Represents two months of activity prior to the sale on XX XXX 20XX.

The net cash flows generated from the sale of Example Limited are, as follows:

	\$000	\$000
Cash received from sale of the discontinued operations	1,000	-
Cash sold as a part of discontinued operations	(485)	-
Net cash inflow on date of disposal	515	-

The net cash flows generated/(incurred) by Example Limited are, as follows:

Notes to the interim condensed consolidated financial statements

6 Discontinued operations (continued)

	For the six months ended 30 June	
	2026*	2025
	\$000	\$000
Operating	204	(1,055)
Investing	-	-
Financing	40	35
Net cash inflow/(outflow)	244	(1,020)
Earnings/(loss) per share		
Basic, profit/(loss) for the year from discontinued operations	1 0.03	-
Diluted, profit/(loss) for the year from discontinued operations	1 0.03	-

*Represents two months of activity prior to the sale on XX XXX 20XX.

As Example Limited was sold prior to 30 June 2026, the assets and liabilities classified as held for sale are no longer included in the statement of financial position.

7 Impairment testing of goodwill and intangible assets with indefinite lives

The Group performs its annual impairment test in XXX and when circumstances indicate that the carrying value may be impaired. The Group's impairment test for goodwill and intangible assets with indefinite lives is based on value-in-use calculations. The key assumptions used to determine the recoverable amount for the different cash generating units were disclosed in the annual consolidated financial statements for the year ended 31 December 2025.

The Group considers the relationship between its market capitalisation and its book value, among other factors, when reviewing for indicators of impairment. As at 30 June 2026, the market capitalisation of the Group was below the book value of its equity, indicating a potential impairment of goodwill. In addition, the overall decline in construction and development activities around the world, as well as ongoing economic uncertainty, have led to a decreased demand in the fire prevention equipment and electronics units. As a result, management performed an impairment test as at 30 June 2026 for the electronics and fire prevention equipment segments, which are the cash generating units with goodwill. The investment property segment did not have any goodwill.

Notes to the interim condensed consolidated financial statements

7 Impairment testing of goodwill and intangible assets with indefinite lives (continued)

~~Electronics~~-<insert the name 1> cash-generating unit

The Group used the cash-generating unit's value-in-use to determine the recoverable amount, which exceeded the carrying amount. The projected cash flows were updated to reflect the decreased demand for products and services and a pre-tax discount rate of XX.X% (31 December 2025: XX.X%) was applied. Cash flows beyond the five-year period have been extrapolated using a X.X% growth rate (31 December 2025: X.X%).

All other assumptions remained consistent with those disclosed in the annual financial statements for the year ended 31 December 2025. As a result of the updated analysis, management did not identify an impairment for this cash-generating unit to which goodwill of \$XXX,XXX is allocated.

~~Fire prevention equipment~~-<insert the name 2> cash-generating unit

The Group used the cash-generating unit's value-in-use, as this is higher than fair value less costs of disposal, to determine the recoverable amount of \$XX,XXX,XXX. The projected cash flows were updated to reflect the decreased demand for products and services and a pre-tax discount rate of XX.X% (31 December 2025: XX.X%) was applied. Cash flows beyond the five-year period have been extrapolated using a X.X% growth rate (31 December 2025: X.X%). All other assumptions remained consistent with those disclosed in the annual financial statements for the year ended 31 December 2025.

As a result of this analysis, management recognised an impairment charge of \$X,XXX,XXX against goodwill previously carried at \$X,XXX,XXX. The impairment charge is recorded within administrative expenses in the statement of profit or loss.

Sensitivity to changes in assumptions

With regard to the assessment of value-in-use of the ~~electronics~~-<insert the name> unit, there are no significant changes to the sensitivity information disclosed in the annual consolidated financial statements for the year ended 31 December 2025.

For the ~~fire prevention equipment~~-<insert the name> unit, the estimated recoverable amount is equal to its carrying value. Consequently, any adverse change in a key assumption would result in a further impairment loss. The key assumptions for the recoverable amount are discussed below:

Growth rate assumptions - Rates are based on published industry research. These have been updated for the current economic outlook. The revised growth rate of X.X% reflects the effect of a significant industry patent that was acquired during the year ended 31 December 2025. However, given the economic uncertainty, reductions in growth estimates may be necessary in the future.

Notes to the interim condensed consolidated financial statements

7 Impairment testing of goodwill and intangible assets with indefinite lives (continued)

Sensitivity to changes in assumptions (continued)

Discount rate - The discount rate has been adjusted to reflect the current market assessment of the risks specific to the ~~fire prevention equipment~~<insert the name/description of cash generating unit> unit, and was estimated based on the weighted average cost of capital for the Group. This rate was further adjusted to reflect the market assessment of risks specific to the ~~fire prevention equipment~~<insert the cash generating unit name> unit for which future estimates of cash flows have not been adjusted. Further changes to the discount rate may be necessary in the future to reflect changing risks for the industry and changes to the weighted average cost of capital.

8 Income tax

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

	For the six months ended 30 June	
	2026	2025
	\$000	\$000
Income taxes		
Current income tax expense	249	934
Adjustments in respect of current income tax of previous year	-	-
Tax effect of error correction	-	-
Deferred tax	-	-
Deferred income tax expense relating to origination and reversal of temporary differences	140	260
Income tax expense recognised in statement of profit or loss	389	1,194

9 Components of other comprehensive income

	For the six months ended 30 June	
	2026	2025
	\$000	\$000
Cash flow hedges:		
Gains/(losses) arising during the period		
Currency forward contracts	(6)	40
Commodity futures contract	(334)	-

Notes to the interim condensed consolidated financial statements

9 Components of other comprehensive income (continued)

	For the six months ended 30 June	
	2026	2025
	\$000	\$000
	(340)	40
Debt instruments at fair value through OCI		
Gains arising during the period	16	78
Share of other comprehensive income of an associate	(10)	-
Impairments included in the statement of profit or loss	6	4
	12	82
	For the six months ended 30 June	
	2026	2025
	\$000	\$000
Deferred tax related to items recognised in OCI during the period:		
Cash flow hedges:		
Gains/(losses) arising during the period	102	(18)
Debt instruments at fair value through OCI		
Gains arising during the period	(4)	(24)
Reclassification adjustments for losses included in the statement of profit or loss	(2)	(1)
	(6)	(25)
Deferred tax credited/(charged) to OCI	96	(43)

10 Property, plant and equipment

Acquisitions and disposals

During the six months ended 30 June 2026, the Group acquired assets with a cost of \$X,XXX,XXX (30 June 2025: \$X,XXX,XXX), excluding property, plant and equipment acquired through a business combination (see Note 5) and property under construction.

Notes to the interim condensed consolidated financial statements

10 Property, plant and equipment (continued)

Acquisitions and disposals (continued)

The Group also commenced construction of a new corporate headquarters in XXX 20XX. This project is expected to be completed in XXX 20XX and the carrying amount at 30 June 2026 was \$X,XXX,XXX (31 December 2025: \$Nil). The amount of borrowing costs capitalised during the six months ended 30 June 2026 was approximately \$XXX,XXX (30 June 2025: \$Nil). The weighted average rate used to determine the amount of borrowing costs eligible for capitalisation was XX%, which is the effective interest rate of the specific borrowing.

Assets (other than those classified as held for sale) with a net book value of \$X,XXX,XXX were disposed by the Group during the six months ended 30 June 2026 (30 June 2025: \$X,XXX,XXX), resulting in a net gain on disposal of \$XX,XXX (30 June 2025: \$X,XXX). See Note 16 for capital commitments.

~~See Note 16 for capital commitments.~~

11 Inventories

During the six months ended 30 June 2026, the Group wrote down \$XXX,XXX (30 June 2025: \$XXX,XXX) of inventories that had been damaged by flooding. This expense is included in other operating expenses in the statement of profit or loss. The financial loss resulting from the flooding is likely to be covered by the Group's insurance policy. However, as at 30 June 2026, the insurance company's investigations were still ongoing. Consequently, it is not virtually certain that the Group will receive the proceeds under the insurance policy.

12 Financial assets and financial liabilities

Set out below, is an overview of financial assets, other than cash and short-term deposits, held by the Group as at 30 June 2026 and 31 December 2025:

	30 June 2026	31 December 2025
	\$000	\$000
Debt instruments at amortised cost:		
Trade and other receivables	27,374	25,672
Loan to an associate	253	200
Loan to directors	10	13
Debt instruments at fair value through OCI		
Quoted debt instruments	1,809	1,622
Equity instruments at fair value through OCI		
Non-listed equity investments	938	1,038
Financial assets at fair value through profit or loss		
Listed equity investments	524	337

Notes to the interim condensed consolidated financial statements

12 Financial assets and financial liabilities (continued)

	30 June 2026	31 December 2025
	\$000	\$000
Derivatives not designated as hedging instruments		
Foreign exchange forward contracts	1,100	640
Embedded derivatives	161	210
Derivatives designated as hedging instruments		
Foreign exchange forward contracts	242	252
Total	32,411	29,984
Total current	28,127	26,223
Total non-current	4,284	3,761

Set out below is an overview of financial liabilities held by the Group as at 30 June 2026 and 31 December 2025:

	30 June 2026	31 December 2025
	\$000	\$000
Derivatives not designated as hedging instruments		
Foreign exchange forward contracts	1,073	720
Embedded derivatives	764	782
Derivatives designated as hedging instruments		
Foreign exchange forward contracts	194	170
Commodity futures contract	913	-
Commodity forward contract	-	980
Interest rate swaps	-	35
Financial liabilities at fair value through profit or loss		
Contingent consideration	-	1,072

Notes to the interim condensed consolidated financial statements

12 Financial assets and financial liabilities (continued)

	30 June 2026	31 December 2025
	\$000	\$000
Financial liabilities at amortised cost:		
Trade and other payables*	22,385	16,969
Other long-term payable	96	-
Financial guarantee contracts	-	-
Non-current interest bearing loans and borrowings		
Lease liabilities	2,736	2,537
X% debentures	3,274	3,374
X.XX% secured loan of USDX,XXX,XXX	2,146	2,246
Secured bank loan	4,379	3,479
Other non-current loans		
\$X,XXX,XXX bank loan	2,386	2,486
\$X,XXX,XXX bank loan	1,978	2,078
Loan from a third-party investor in Example Limited	2,900	3,000
Convertible preference shares	2,678	2,778
Current interest bearing loans and borrowings		
Lease liabilities	467	434
Bank overdrafts	900	966
Other current loans		
\$X,XXX,XXX bank loan	1,392	1,411
Total	50,661	45,517
Total current	27,378	23,037
Total non-current	23,283	22,480

* The Group offers a supplier finance programme through which an external finance provider pays approved invoices early, with suppliers paying any related fees. The Group's payment terms remain unchanged and all related balances are recorded as trade payables. The carrying amount of these payables is €X,XXX,XXX (31 December 2025: €X,XXX,XXX), of which €X,XXX,XXX (31 December 2025: €X,XXX,XXX) has been settled with suppliers.

Contingent consideration

~~As part of the purchase agreement with the previous owners of Example Limited, dated X XXX 20XX (see Note 5), a portion of the consideration was determined to be contingent, based on the performance of the acquired entity. As at 31 December 2025, the key performance indicators of Example Limited showed that it was highly probable that the target would be achieved due to a significant expansion of the business and the synergies realised. The fair value of the contingent consideration determined at 31 December 2025 reflected this development, amongst other factors and a fair value adjustment was recognised through profit or loss.~~

Notes to the interim condensed consolidated financial statements

12 Financial assets and financial liabilities (continued)

Contingent consideration ~~(continued)~~

As part of the purchase agreement with the previous owners of Example Limited, dated X XXX 20XX (see Note 5), a portion of the consideration was determined to be contingent, based on the performance of the acquired entity.

As at 31 December 2025, the key performance indicators of Example Limited showed that it was highly probable that the target would be achieved due to a significant expansion of the business and the synergies realised. The fair value of the contingent consideration determined at 31 December 2025 reflected this development, amongst other factors and a fair value adjustment was recognised through profit or loss.

At XX XXX 20XX, a total of \$X,XXX,XXX was paid out under this arrangement. A reconciliation of the fair value of the contingent consideration liability is provided below:

	\$000	\$000
Initial fair value of the contingent consideration at acquisition date	714	
Unrealised fair value changes recognised in profit or loss during year ended 31 December 2025	358	
Financial liability for the contingent consideration as at 31 December 2025	1,072	
Fair value adjustment as at XX XXX XXXX	53	
Total consideration paid	1,125	

Adjustments to the contingent liability from acquisition on X XXX 20XX to the date it was settled on XX XXX 20XX were recognised in the statement of profit or loss. The initial fair value of the consideration of \$XXX,XXX was included in cash flows from investing activities, the remainder, \$XXX,XXX, has been recognised in cash flows from operating activities. The fair value is determined using the discounted cash flow (DCF) method.

The fair value of the contingent consideration liability increased due to improved performance of Example Limited compared to the initial forecast.

Risk management activities

Cash flow hedges for currency risks

During the period, the Group designated foreign currency forward contracts as hedges of highly probable purchases of property, plant and equipment in ~~US dollars (USD)~~<insert the currency> and ~~British pounds sterling (GBP)~~<insert the currency 2> from suppliers in the ~~United States~~<insert the country> and ~~the United Kingdom~~<insert the country>, respectively. The forecast purchases are expected to occur in XXXX and XXXX 2026.

The terms of the foreign currency forward contracts have been negotiated to match the terms of the forecast transactions. Both parties to the contract have fully cash-collateralised the foreign currency forward contracts, and, therefore, effectively eliminated any credit risk associated with the contracts (both the counterparty's and the Group's own credit risk).

As at 30 June 2026, an unrealised gain of \$XX,XXX relating to the ~~USD~~ <insert currency/type of> forward contracts and an unrealised loss of \$XX,XXX related to the ~~GBP~~ <insert the currency> forward contracts are included in other comprehensive income.

Notes to the interim condensed consolidated financial statements

12 Financial assets and financial liabilities (continued)

Risk management activities (continued)

Cash flow hedges for ~~copper~~ <insert the description of commodity> price risks

In XXXX 2025, the Group entered into a firm commitment to purchase ~~copper~~ <insert the description of commodity> in XXXX 2026. In order to reduce the exposure to fluctuations in the ~~copper~~ <insert the description of commodity> price, the Group also entered into an exchange-traded ~~copper~~ <insert the description of commodity> futures contract. The futures contract is designated in a cash flow hedge of the firm commitment.

The <insert the description of commodity> ~~copper~~ futures contract is based on the price of a <insert the description of commodity> ~~copper~~ benchmark quality that is different from the <insert the description of commodity> ~~copper~~ quality the Group is committed to purchase (i.e., there is basis risk). Consequently, ineffectiveness arises in this hedging relationship. As of 30 June 2026, the fair value of the <insert the description of commodity> ~~copper~~ futures contract was \$XXX,XXX, while the cumulative change in the fair value of the firm commitment from inception amounted to \$XXX,XXX. As the fair value of the <insert the description of commodity> ~~copper~~ futures contract exceeded the cumulative change in the fair value of the firm commitment, the Group recorded a loss for the period of \$XXX,XXX in other comprehensive income while ineffectiveness of \$XX,XXX remains unrecognised. The ineffectiveness is due to the basis risk between the <insert the description of commodity> ~~copper~~ futures contract and the firm commitment, as well as the change in the Group's own credit risk.

Hedge of net investments in foreign operations

Included in loans as at 30 June 2026 was a borrowing of ~~US\$~~ <insert the currency> X,XXX,XXX, which is designated as a hedge of the net investments in the ~~United States~~ <insert the country> subsidiaries, Example Inc. and Example Inc., which have the ~~USD~~ <insert the currency> as their functional currency. During the six months ended 30 June 2026, an after tax gain of \$XXX,XXX on the translation of this borrowing was transferred to other comprehensive income to offset the losses on translation of the net investments in the subsidiaries. There was no ineffectiveness in the period ended 30 June 2026.

Other risk management activities

As a result of its international activities, the Group is exposed to foreign currency risk on part of its sales and day-to-day purchases. In order to reduce this risk, the Group regularly determines its net exposure to the primary currencies (~~USD~~ <insert the currency>, <insert the currency 2> ~~GBP~~ and <insert the currency 3> ~~Canadian dollar (CAD)~~) based on its predicted sales and purchases over the next XX months. The Group then enters into foreign currency forward contracts to hedge those exposures.

For operational reasons, the Group decided not to designate these foreign currency forward contracts as hedge accounting relationships. Consequently, all changes in the fair values of such foreign currency forward contracts are recognised in the statement of profit or loss.

The six months ended 30 June 2026 experienced volatility in the ~~euro~~ <insert the reporting currency> exchange rates against the ~~USD~~ <insert the foreign currency> and the <insert the foreign currency 2> ~~GBP~~, resulting in losses on related foreign currency forward contracts recorded in Finance costs. These losses are, to some extent, compensated by higher revenues and lower cost of sales.

Notes to the interim condensed consolidated financial statements

12 Financial assets and financial liabilities (continued)

Fair values

Set out below, is a comparison of the carrying amounts and fair values of financial assets and financial liabilities as at 30 June 2026 and 31 December 2025:

	30 June 2026		31 December 2025	
	Carrying amount	Fair value	Carrying amount	Fair value
	\$000	\$000	\$000	\$000
Financial assets:				
Loans	263	252	213	209
Loans to an associate and a director	-	-	-	-
Non-listed equity investments	938	938	1,038	1,038
Listed equity investments	524	524	337	337
Quoted debt instruments	1,809	1,809	1,622	1,622
Foreign exchange forward contracts in cash flow hedges	242	242	252	252
Foreign exchange forward contracts	1,100	1,100	640	640
Embedded derivatives	161	161	210	210
AFS financial assets	-	-	-	-
Cash and short term deposits	-	-	-	-
	-	-	-	-
Total	5,037	5,026	4,312	4,308
Financial liabilities:				
Interest bearing loans and borrowings				
Floating rate borrowings	13,181	13,131	12,666	12,616
Fixed rate borrowings	6,174	5,924	6,374	6,371
Convertible preference shares	2,678	2,568	2,778	2,766
Obligations under finance leases and hire purchase contracts	-	-	-	-
Contingent consideration	-	-	1,072	1,072
Other long-term payable	96	94	-	-
Derivatives in effective hedges	1,107	1,107	1,185	1,185
B a n k o v e r d r a f t s	-	-	-	-
F i n a n c i a l g u a r a n t e e c o n t r a c t s	-	-	-	-

Notes to the interim condensed consolidated financial statements

12 Financial assets and financial liabilities (continued)

Fair values (continued)

	30 June 2026		31 December 2025	
	Carrying amount	Fair value	Carrying amount	Fair value
	\$000	\$000	\$000	\$000
Derivatives not designated as hedges				
— Embedded commodity derivatives	-	-	782	782
— Embedded foreign exchange derivatives	764	764	-	-
— Interest rate swaps	-	-	35	35
— Foreign exchange forward contracts	1,073	1,073	685	685
Embedded derivatives	-	-	-	-
Derivatives in effective hedges	-	-	-	-
Total	25,073	24,661	25,577	25,512

Financial assets:

Total

Financial liabilities:

The following table provides the fair value measurement hierarchy of the Group's financial assets and financial liabilities as at 30 June 2026:

As at 30 June 2026:	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
Financial assets measured at fair value:				
Derivative financial assets				
Foreign exchange forward contracts - <insert currency>	742	-	742	-
Foreign exchange forward contracts - <insert currency>	600	-	600	-
Embedded foreign exchange derivatives - <insert currency>	161	-	-	161

Notes to the interim condensed consolidated financial statements

12 Financial assets and financial liabilities (continued)

Fair values (continued)

As at 30 June 2026:	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
Listed equity investments				
<insert sector>	474	474	-	-
<insert sector>	50	50	-	-
Financial assets at fair value through OCI				
Non-listed equity investments				
<insert sector>	625	-	-	625
<insert sector>	313	-	-	313
Quoted debt instruments				
<insert country> government bonds	1,554	1,554	-	-
Corporate bonds - <insert sector>	95	95	-	-
Corporate bonds - <insert sector>	160	160	-	-
Financial liabilities measured at fair value:				
Derivative financial liabilities				
Foreign exchange forward contracts - <insert currency>	1,267	-	1,267	-
Embedded foreign exchange derivatives - <insert currency>	764	-	-	764
Commodity futures contract	913	913	-	-

Reconciliation of recurring fair value measurements of non-listed equity investments categorised within Level 3 of the fair value hierarchy:

As at 1 January 2026	Non-listed equity investments			Total
	<insert description 1>	<insert description 2>	<insert description 3>Test Ltd	
	\$000	\$000	\$000	\$000
	675	363	-	1,038

Notes to the interim condensed consolidated financial statements

12 Financial assets and financial liabilities (continued)

Fair values (continued)

Reconciliation of recurring fair value measurements of non-listed equity investments categorised within Level 3 of the fair value hierarchy: (continued)

	Non-listed equity investments			Total
	<insert description 1> \$000	<insert description 2> \$000	<insert description 3>Test Ltd \$000	\$000
Remeasurement recognised in OCI	(125)	(135)	-	(260)
Purchases	95	130	-	225
Sales	(20)	(45)	-	(65)
Reclassified in assets held for sale	-	-	-	-
As at 30 June 2026	625	313	-	938

	Non-listed equity investments			Total
	<insert description 1> \$000	<insert description 2> \$000	<insert description 3>Test Ltd \$000	\$000
As at 1 January 2025	390	508	-	898
Remeasurement recognised in OCI	132	(147)	-	(15)
Purchases	62	37	-	99
Sales	(43)	(68)	-	(111)
Reclassified in assets held for sale	-	-	-	-
As at 30 June 2025	541	330	-	871

Reconciliation of fair value measurement of embedded derivative assets and liabilities (Level 3):

Notes to the interim condensed consolidated financial statements

12 Financial assets and financial liabilities (continued)

Fair values (continued)

Reconciliation of fair value measurement of embedded derivative assets and liabilities (Level 3): (continued)

	Embedded foreign exchange derivative		Embedded commodity derivative	
	Asset	Liability	Liability	
	<insert currency 1>	<insert currency 2>	<insert commodity 1>	<insert commodity 2>
	\$000	\$000	\$000	\$000
As at 1 January 2026	210	-	600	182
Purchases	-	55	-	-
Sales	(166)	(83)	(57)	(16)
Remeasurement loss recognised in statement of profit or loss	117	792	(543)	(166)
Net unrealised loss recognised in statement of profit or loss	-	-	-	-
As at 30 June 2026	161	764	-	-
	Embedded foreign exchange derivative		Embedded commodity derivative	
	Asset	Liability	Liability	
	<insert currency 1>	<insert currency 2>	<insert commodity 1>	<insert commodity 2>
	\$000	\$000	\$000	\$000
As at 1 January 2025	-	-	-	-
Purchases	20	-	127	33
Sales	(6)	-	32	-
Remeasurement loss recognised in statement of profit or loss	2	-	(18)	(5)
Net unrealised loss recognised in statement of profit or loss	-	-	-	-
As at 30 June 2025	16	-	141	28
As at 1 January 2026				
As at 1 January 2025				

Notes to the interim condensed consolidated financial statements

12 Financial assets and financial liabilities (continued)

Fair values (continued)

There were no transfers between Level 1 and Level 2 fair value measurements during the period, and no transfers into or out of Level 3 fair value measurements during the six months ended 30 June 2026.

The fair value decrease on financial instruments categorised within Level 3 of \$XX,XXX (31 December 2025: \$XX,XXX), was recorded in the statement of profit or loss.

Fair value hierarchy

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, based on the lowest level input that is significant to the fair value measurement as a whole, as follows:

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 at fair value on a recurring basis, the Group 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.

There were no changes in the Group's valuation processes, valuation techniques, and types of inputs used in the fair value measurements during the period.

Set out below are the significant unobservable inputs to valuation as at 30 June 2026:

	Valuation technique	Significant unobservable inputs	Range (weighted average)	Sensitivity of the input to fair value
Non-listed equity investments - power sector <insert sector>	DCF method	Long-term growth rate for cash flows for subsequent years	X.X% - X.X% (X.X%)	X% increase/(decrease) in the growth rate would result in increase/(decrease) in fair value by \$XX,XXX

Notes to the interim condensed consolidated financial statements

12 Financial assets and financial liabilities (continued)

Fair values (continued)

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

Notes to the interim condensed consolidated financial statements

12 Financial assets and financial liabilities (continued)

Fair values (continued)

		Discount for lack of marketability	X.X% - XX.X% (XX.X%)	Increase/(decrease) in the discount would decrease/(increase) the fair value.
Embedded derivative assets	Forward pricing model	Discount on counterparty credit risk	X.XX% - X.XX% (X.XX%)	Increase/(decrease) in the discount would decrease/(increase) the fair value.
Embedded derivative liabilities	Forward pricing model	Discount on non-performance risk	X.XX% - X.XX% (X.XX%)	Increase/(decrease) in the discount would decrease/(increase) the fair value.

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

13 Cash and short-term deposits

For the purpose of the interim condensed statement of cash flows, cash and cash equivalents are comprised of the following:

	30 June 2026	31 December 2025
	\$000	\$000
Cash at bank and in hand	12,323	11,316
Short-term deposits	3,496	5,798
Total cash and short-term deposits	15,819	17,114
Bank overdraft	(900)	(966)
Cash at bank and in hand attributable to discontinued operations	-	(11,833)
Total cash and cash equivalents	14,919	4,315

Notes to the interim condensed consolidated financial statements

14 Reversal of restructuring provision

As at 31 December 2025, a restructuring provision of \$XXX,XXX had been recognised for the elimination of certain product lines of Example Limited. Expenditures of \$XXX,000 to complete the restructuring in XXXX 20XX were charged against the provision and the remaining unused amount of \$XXX,XXX was reversed and is included within other operating expenses in the statement of profit or loss where the creation of the provision was initially recorded. The reversal arises from contract termination costs being lower than expected.

15 Share-based payments

In XXXX 20XX, XXX,XXX share options were granted to senior executives under the Senior Executive Plan (SEP). The exercise price of the options of \$X.XX was equal to the market price of the shares on the date of grant. The options vest if the Group's basic EPS increases by XX% within three years from the date of grant and the senior executive is still employed on such date. If this increase is not met, the options lapse. The fair value at grant date is estimated using a binomial pricing model, taking into account the terms and conditions upon which the options were granted. The contractual life of each option granted is five years. There is no cash settlement of the options. The fair value of options granted during the six months ended 30 June 2026 was estimated on the date of grant using the following assumptions:

Dividend yield (%)	<u>X.XX</u>
Expected volatility (%)	<u>X.XX</u>
Risk-free interest rate (%)	<u>X.XX</u>
Expected life of share options (years)	<u>X.XX</u>
Weighted average share price (\$)	<u>X.XX</u>
Model used	
Expected life of share options/SARs (years)	

The weighted average fair value of the options granted during the six months ended 30 June 2026 was \$X.XX (year ended 31 December 2025: \$X.XX).

For the six months ended 30 June 2026, the Group has recognised \$XXX,XXX of share-based payment expense in the statement of profit or loss (30 June 2025: \$XXX,XXX).

Notes to the interim condensed consolidated financial statements

16 Commitments and contingencies

Legal claims contingency

In XXXX 20XX, an overseas customer commenced a legal action against the Group in respect of ~~equipment sold~~<insert product type> that is claimed to be defective. Should the action against the Group be successful, the estimated loss is \$XXX,XXX. A trial date has been scheduled for X_XX 20XX. The Group has been advised by its legal advisers that it is possible, but not probable, that the customer will succeed. Accordingly, no provision for any liability has been made in these financial statements.

Commitments

At 30 June 2026, the Group had capital commitments of \$X,XXX,XXX (31 December 2025: \$X,XXX,XXX) relating to the completion of the operating facilities of Example Inc. and commitments of \$XXX,XXX (31 December 2025: \$XXX,XXX) in relation to the trade purchase commitments by the joint venture in which the Group holds an interest.

17 Related party disclosures

The following table provides the total amount of transactions that have been entered into with related parties during the six months ended 30 June 2026 and 2025, as well as balances with related parties as at 30 June 2026 and 31 December 2025:

		Sales to related parties \$000	Purchases from related parties \$000	Amounts owed by related parties \$000	Amounts owed to related parties \$000
Entity with significant influence over the Group:					
<insert Company name>	202 6 ⁵	3,382	-	412	-
	202 5 ⁴	3,620	-	320	-
Associate:					
<insert Company name>	202 6 ⁵	1,380	-	865	-
	202 5 ⁴	1,458	-	980	-
Joint venture in which the parent is a venturer:					
<insert Company name>	202 6 ⁵	-	327	-	75
	202 5 ⁴	-	285	-	20
Key management personnel of the Group:					
Other directors' interests	202 6 ⁵	132	270	6	18

Notes to the interim condensed consolidated financial statements

17 Related party disclosures (continued)

	Sales to related parties	Purchases from related parties	Amounts owed by related parties	Amounts owed to related parties
	\$000	\$000	\$000	\$000
2025	-	220	15	7

Notes to the interim condensed consolidated financial statements

17 Related party disclosures (continued)

For loans to directors, see Note 12. The following table provides the interest received during the six months ended 30 June 2026 and 2025, as well as the loans outstanding from related parties as at 30 June 2026 and 31 December 2025:

		Interest received	Amounts owed by related parties
		\$000	\$000
Loans to related parties Associate:			
<insert Company name>	2026	27	431
	2026	10	200
Key management personnel of the Group			
Directors' loans	2026	1	6
	2025	1	13

18 Distributions made and proposed

	For the six months ended 30 June	
	2026 \$000	2025 \$000
Cash dividends to the equity holders of the parent:		
Dividends on ordinary shares declared and paid:		
Final dividend for 20XX: X.XX cents per share (20XX: X.XX cents per share)	1,087	1,082
Proposed dividends on ordinary shares:		
First dividend for 20XX: X.XX cents per share (20XX: X.XX cents per share)	1,004	890

The proposed dividends on ordinary shares are subject to approval at the annual general meeting and are not recognised as a liability as at 30 June 2026. The 2026 proposed dividend was approved on X XXX 20XX.

Notes to the interim condensed consolidated financial statements

18 Distributions made and proposed (continued)

One of the Group's subsidiaries, Example Limited, issued cash dividends during the six months ended 30 June 2026 and 2025. The amount paid/received within the Group was eliminated on consolidation and the amounts paid to non-controlling interests were \$XX,XXX and \$XX,XXX, respectively.

19 Events after the reporting period

On XX XXX 20XX, a customer commenced an action against the Group in respect of inventory that it claims to be defective. Should the action against the Group be successful, the estimated loss is \$XXX,XXX. However, a trial date has not yet been set. The Group has been advised by its legal counsel that, at the date of authorisation of these interim condensed financial statements, it is not practicable to determine the likelihood of the outcome of the action or state the timing of the payment, if any.