



ACESIAN PARTNERS LIMITED
(Registration No: 199505699D)

Condensed interim financial statements
For the twelve months ended 31 December 2024

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ACESIAN PARTNERS LIMITED

(Registration No: 199505699D)

(the "Company", and together with its subsidiaries, the "Group")

**A. CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 DECEMBER 2024 ("FY2024")**

		The Group			
		6 months ended 31 December 2024	6 months ended 31 December 2023	12 months ended 31 December 2024	12 months ended 31 December 2023
	Note	\$'000	\$'000	\$'000	\$'000
Revenue	4	2,831	7,648	7,836	15,788
Cost of sales		(1,972)	(3,572)	(4,548)	(7,398)
Gross profit		859	4,076	3,288	8,390
Other operating income	5.1	56	46	108	188
Other gain	5.2	-	4,004	-	4,004
Administrative expenses		(1,308)	(2,125)	(2,656)	(3,707)
Other operating expenses		(603)	(524)	(754)	(1,122)
Finance income		247	332	579	602
Finance costs	5.1	(25)	(24)	(50)	(29)
Profit/(loss) before tax	5.1	(774)	5,785	515	8,326
Income tax expense	8	148	(384)	(8)	(771)
Profit/(loss) for the year		(626)	5,401	507	7,555
Other comprehensive income:					
Item that may be reclassified subsequently to profit and loss:					
Exchange differences on translation of foreign operations, net of tax		145	41	136	74
Total comprehensive income for the year/(loss), net of tax		(481)	5,442	643	7,629
Profit/(loss) attributable to:					
Owners of the Company		(625)	5,285	505	7,456
Non-controlling interests		(1)	116	2	99
		(626)	5,401	507	7,555
Total comprehensive income/(loss) attributable to:					
Owners of the Company		(482)	5,319	644	7,493
Non-controlling interests		1	123	(1)	136
		(481)	5,442	643	7,629
Earnings per share attributable to owners of the Company (cents per share):					
Based on weighted average number of shares in issue (excluding treasury shares):					
- Basic		(0.13)	1.11	0.11	1.55
- Diluted		(0.13)	1.11	0.11	1.55
Weighted average number of shares in issue (excluding treasury shares)	16, 17	473,134,944	476,965,163	473,134,944	480,315,717

B. CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION

	Note	The Group		The Company	
		31-Dec-24	31-Dec-23	31-Dec-24	31-Dec-23
		\$'000	\$'000	\$'000	\$'000
Assets					
Non-current assets					
Property, plant and equipment	6	2,475	2,067	619	101
Investment in subsidiaries	15	-	-	1,269	1,269
		2,475	2,067	1,888	1,370
Current assets					
Inventories	7	2,998	3,754	-	-
Trade and other receivables		1,787	3,230	2,639	1,819
Contract assets		102	1,067	-	-
Prepaid operating expenses		95	72	48	14
Fixed deposits pledged		63	88	-	30
Cash and cash equivalents	12	18,389	19,238	15,608	13,877
		23,434	27,449	18,295	15,740
Total assets		25,909	29,516	20,183	17,110
Equity and liabilities					
Current liabilities					
Trade and other payables		1,138	3,104	946	1,513
Contract liabilities		286	2,071	-	-
Income tax payable		30	705	29	27
Lease liabilities	13	264	219	93	101
		1,718	6,099	1,068	1,641
Non-current liability					
Deferred tax liabilities		-	-	-	-
Lease liabilities	13	1,170	811	519	-
		1,170	811	519	-
Total liabilities		2,888	6,910	1,587	1,641
Equity					
Share capital	16	20,322	20,322	20,322	20,322
Treasury shares	17	(1,177)	(999)	(1,177)	(999)
Share-based payment reserve		-	50	-	50
Retained earnings/(Accumulated losses)		4,948	4,443	(549)	(3,904)
Foreign currency translation reserve		(1,313)	(1,452)	-	-
Attributable to owners of the Company		22,780	22,364	18,596	15,469
Non-controlling interests		241	242	-	-
Total equity		23,021	22,606	18,596	15,469
Total equity and liabilities		25,909	29,516	20,183	17,110

C. CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY

	Attributable to owners of the Company								
	Share capital \$'000	Treasury shares \$'000	Share-based payment reserve \$'000	Retained earnings/ (Accumulated losses) \$'000	Foreign currency translation reserve \$'000	Total \$'000	Non-controlling interests \$'000	Total \$'000	
The Group									
Balance at 1 January 2023	20,322	(196)	-	(3,013)	(1,489)	15,624	106	15,730	
Profit for the year	-	-	-	7,456	-	7,456	99	7,555	
<u>Other comprehensive income</u>									
Exchange difference on translation of foreign operations, net of tax	-	-	-	-	37	37	37	74	
Total comprehensive income for the year	-	-	-	7,456	37	7,493	136	7,629	
<u>Transactions with owners recognised directly in equity</u>									
Purchase of treasury shares	-	(803)	-	-	-	(803)	-	(803)	
Equity-settled share based payment	-	-	50	-	-	50	-	50	
Balance at 31 December 2023	20,322	(999)	50	4,443	(1,452)	22,364	242	22,606	
Balance at 1 January 2024	20,322	(999)	50	4,443	(1,452)	22,364	242	22,606	
Profit for the year	-	-	-	505	-	505	2	507	
<u>Other comprehensive income</u>									
Exchange difference on translation of foreign operations, net of tax	-	-	-	-	139	139	(3)	136	
Total comprehensive income/(loss) for the year	-	-	-	505	139	644	(1)	643	
<u>Transactions with owners recognised directly in equity</u>									
Purchase of treasury shares	-	(258)	-	-	-	(258)	-	(258)	
Equity-settled share based payment	-	-	30	-	-	30	-	30	
Performance shares vested	-	80	(80)	-	-	-	-	-	
Balance at 31 December 2024	20,322	(1,177)	-	4,948	(1,313)	22,780	241	23,021	
The Company									
Balance at 1 January 2023	20,322	(196)	-	(9,069)	-	11,057	-	11,057	
Profit for the year representing total comprehensive income for the year	-	-	-	5,165	-	5,165	-	5,165	
<u>Transaction with owners recognised directly in equity</u>									
Purchase of treasury shares	-	(803)	-	-	-	(803)	-	(803)	
Equity-settled share based payment	-	-	50	-	-	50	-	50	
Balance at 31 December 2023	20,322	(999)	50	(3,904)	-	15,469	-	15,469	
Balance at 1 January 2024	20,322	(999)	50	(3,904)	-	15,469	-	15,469	
Profit for the year representing total comprehensive income for the year	-	-	-	3,355	-	3,355	-	3,355	
<u>Transaction with owners recognised directly in equity</u>									
Purchase of treasury shares	-	(258)	-	-	-	(258)	-	(258)	
Equity-settled share based payment	-	-	30	-	-	30	-	30	
Performance shares vested	-	80	(80)	-	-	-	-	-	
Balance at 31 December 2024	20,322	(1,177)	-	(549)	-	18,596	-	18,596	

D. CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

		The Group	
		FY2024	FY2023
	Note	\$'000	\$'000
Operating activities			
Profit before tax		515	8,326
Adjustments for:			
Depreciation of property, plant and equipment		534	722
Allowance for impairment loss on trade and other receivables	5.1	-	63
Impairment loss on trade receivables written back	5.1	(5)	-
Interest expense	5.1	50	29
Interest income		(579)	(602)
Investment income	11	-	(19)
Loss/(gain) on disposal and written off of property, plant and equipment	6	12	(4)
Inventories written down/(back), net	7	52	(7)
Share-based payment		30	50
Performance shares vested		(80)	-
Gain on deconsolidation of a subsidiary		-	(2,781)
Gain on write-back of long outstanding trade and other payables		-	(1,223)
Exchange differences		131	228
Operating cash flows before changes in working capital		660	4,782
Decrease in inventories		704	506
Decrease/(increase) in trade and other receivables, contract assets and prepaid operating expenses		2,390	(574)
Decrease in trade and other payables and contract liabilities		(3,751)	(1,905)
Cash flows generated from operations		3	2,809
Interest received		579	602
Income taxes paid		(684)	(1,143)
Net cash flows (used in)/generated from operating activities		(102)	2,268
Investing activities			
Deconsolidation of a subsidiary, net of cash disposed of		-	(2)
Purchase of investment securities	11	-	(981)
Proceeds from sale of investment securities		-	1,000
Purchase of property, plant and equipment	6	(246)	(71)
Proceeds from disposal of property, plant and equipment	6	-	1
Net cash flows used in investing activities		(246)	(53)
Financing activities			
Decrease in fixed deposits pledged		25	2
Repayment of lease liabilities		(317)	(463)
Purchase of treasury shares	17	(178)	(803)
Interest paid		(50)	(29)
Net cash flows used in financing activities		(520)	(1,293)
Net (decrease)/increase in cash and cash equivalents		(868)	922
Effects of currency translation on cash and cash equivalents		19	(177)
Cash and cash equivalents at the beginning of the year		19,238	18,493
Cash and cash equivalents at the end of the year		18,389	19,238

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

1 General information

Acesian Partners Limited (the "Company") is a limited liability company incorporated and domiciled in Singapore and listed on the Catalist Board of the Singapore Exchange Securities Trading Limited ("SGX-ST"). These condensed interim consolidated financial statements as at and for the twelve months ended 31 December 2024 comprise the Company and its subsidiaries (collectively, the "Group").

The principal activities of the Group consist of design, manufacture and supply of critical airflow and related products and investment holding.

2 Summary of material accounting policy information

2.1 Basis of preparation

The condensed interim consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company for the twelve months ended 31 December 2024 have been prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)") 1-34 *Interim Financial Reporting*. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last annual financial statements for the year ended 31 December 2023.

The condensed interim financial statements are presented in Singapore Dollars ("SGD" or "\$") rounded to the nearest thousand, unless otherwise indicated.

2.2 Adoption of new and amended SFRS(I) and interpretations

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Group has adopted all the new and amended standards which are relevant to the Group and are effective for annual financial periods beginning on or after 1 January 2024. The adoption of these standards did not have any material effect on the Group's condensed interim financial statements.

3 Significant accounting judgements and estimates

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

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2023.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next interim period are included in the following notes:

- Note 5 - provision for ECLs of trade receivables and contract assets
- Note 7 - write down for slow-moving and obsolete inventories

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

4 Statement of operations by segments

For management purposes, the Group is organised into business units based on their activities and services, and has three reportable operating segments as follows:

- 1) Critical airflow design and supply
- 2) Engineering services
- 3) Corporate

4.1 Disaggregation of revenue

	The Group			
	6 months ended	6 months ended	12 months ended	12 months ended
	31 December	31 December	31 December	31 December
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
<hr/>				
Main revenue streams:				
Engineering services	15	75	83	162
Critical airflow design and supply	2,816	7,573	7,753	15,626
	2,831	7,648	7,836	15,788
<hr/>				
Timing of transfer of goods or services				
At a point in time	2,825	7,571	7,811	15,673
Over time	6	77	25	115
	2,831	7,648	7,836	15,788
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4.2 Geographical segments

	The Group			
	6 months ended	6 months ended	12 months ended	12 months ended
	31 December	31 December	31 December	31 December
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
<hr/>				
Revenue:				
Asia	2,745	7,110	6,952	14,549
Others	86	538	884	1,239
	2,831	7,648	7,836	15,788
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D. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

4.3 Business segments

	Critical airflow design and supply		Engineering services		Corporate		Total	
1 July to 31 December	2024		2023		2024		2023	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
REVENUE								
Total Segment	4,046	10,447	15	75	815	1,573	4,876	12,095
Less: Inter-segment	(1,230)	(2,874)	-	-	(815)	(1,573)	(2,045)	(4,447)
External sales	2,816	7,573	15	75	-	-	2,831	7,648
RESULTS								
Segment results	(897)	2,449	(7)	3,200	130	136	(774)	5,785
Income tax expense							148	(384)
Non-controlling interest							1	(116)
Net (loss)/profit attributable to owners of the Company							(625)	5,285
OTHER INFORMATION								
Capital expenditure	162	28	-	-	7	-	169	28
Depreciation	212	285	-	-	55	55	267	340
Inventories written down/(back), net	66	(7)	-	-	-	-	66	(7)
1 January to 31 December	2024	2023	2024	2023	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
REVENUE								
Total Segment	11,389	21,941	83	162	4,610	7,540	16,082	29,643
Less: Inter-segment	(3,636)	(6,315)	-	-	(4,610)	(7,540)	(8,246)	(13,855)
External sales	7,753	15,626	83	162	-	-	7,836	15,788
RESULTS								
Segment results	128	4,962	25	3,172	362	192	515	8,326
Income tax expense							(8)	(771)
Non-controlling interest							(2)	(99)
Net profit attributable to owners of the Company							505	7,456
ASSETS								
Segment assets	9,208	14,738	83	697	16,618	14,081	25,909	29,516
LIABILITIES								
Segment liabilities	1,716	5,060	175	210	997	1,640	2,888	6,910
OTHER INFORMATION								
Capital expenditure	237	71	-	-	9	-	246	71
Depreciation	424	610	-	-	110	112	534	722
Allowance for impairment loss on trade and other receivables	-	63	-	-	-	-	-	63
Impairment loss on trade receivables written back	(5)	-	-	-	-	-	(5)	-
Inventories written down/(back), net	52	(7)	-	-	-	-	52	(7)

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

5 Profit before tax

5.1 The following significant items have been charged/(credited) to arrive at profit before tax:

	The Group		The Group	
	6 months ended	6 months ended	12 months ended	12 months ended
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
	\$'000	\$'000	\$'000	\$'000
Depreciation of property, plant and equipment	267	340	534	722
Allowance for impairment loss on trade and other receivables	-	-	-	63
Impairment loss on trade receivables written back	(5)	-	(5)	-
Inventories written down/(back), net	66	(7)	52	(7)
Loss/(gain) on disposal and written off of property, plant and equipment	12	(1)	12	(4)
Exchange (gains)/losses	113	155	(128)	306
Finance costs in relation to interest expense on lease liabilities	25	24	50	29
<u>Other operating income</u>				
Grant received from government	(5)	(1)	(10)	(42)
Investment income	-	(17)	-	(19)
Other income	(51)	(27)	(98)	(127)

5.2 Other gain

	The Group		The Group	
	6 months ended	6 months ended	12 months ended	12 months ended
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
	\$'000	\$'000	\$'000	\$'000
Gain on deconsolidation of a subsidiary	-	(2,781)	-	(2,781)
Write-back of long outstanding trade and other payables	-	(1,223)	-	(1,223)

5.3 Finance income

	The Group		The Group	
	6 months ended	6 months ended	12 months ended	12 months ended
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
	\$'000	\$'000	\$'000	\$'000
Interest income				
- Fixed deposits	(243)	(332)	(574)	(600)
- Others	(4)	(1)	(5)	(2)

5.4 Related party transactions

There are no material related party transactions apart from those disclosed in other information required by listing rule section in the financial statements.

6 Property, plant and equipment

During the twelve months ended 31 December 2024, the Group acquired property, plant and equipment, excluding right-of-use assets, amounting to approximately \$246,000 (31 December 2023: \$71,000) and disposed of assets at net book value amounting to approximately \$12,000 (31 December 2023: \$Nil). Additionally, there was new addition of right-of-use asset amounted to approximately \$620,000 (31 December 2023: \$952,000). There were no disposal of right-of-use assets with net book value (31 December 2023: \$70,000).

7 Inventories

	The Group	
	FY2024	FY2023
	\$'000	\$'000
Inventories recognised as an expense in profit or loss inclusive of the following charge:		
- Inventories written-down	66	55
- Reversal of inventories written-down	(14)	(62)
	<u>52</u>	<u>(7)</u>

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

8 Income tax expense

The Group calculates the period's income tax expense using the tax rate applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated statement of comprehensive income are as follows:

	The Group		The Group	
	6 months ended	6 months ended	12 months ended	12 months ended
	31 December	31 December	31 December	31 December
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Current income tax				
- current year	(126)	348	30	734
- under provision in respect of prior years	(22)	36	(22)	37
	<u>(148)</u>	<u>384</u>	<u>8</u>	<u>771</u>

9 Dividends

No dividend has been declared or recommended for the financial year ended 31 December 2024.

10 Net asset value

	The Group		The Company	
	31-Dec-24	31-Dec-23	31-Dec-24	31-Dec-23
	Cents	Cents	Cents	Cents
Net asset value per ordinary share based on issued share capital (excluding treasury shares)	4.82	4.69	3.93	3.24

11 Investment securities

The investment securities acquired during FY2023 pertain to 6-month Treasury Bills issued by the Singapore Government, with a face value of \$1,000,000, measured at fair value through other comprehensive income. The investment securities were acquired for a cash consideration of approximately \$981,000 and redeemed at their face value of \$1,000,000 upon maturity on 12 December 2023.

12 Cash and cash equivalents

	The Group		The Company	
	31-Dec-24	31-Dec-23	31-Dec-24	31-Dec-23
	\$'000	\$'000	\$'000	\$'000
Bank balances	1,985	2,835	937	1,131
Fixed deposits	16,404	16,403	14,671	12,746
	<u>18,389</u>	<u>19,238</u>	<u>15,608</u>	<u>13,877</u>

13 Lease liabilities

	The Group		The Company	
	31-Dec-24	31-Dec-23	31-Dec-24	31-Dec-23
	\$'000	\$'000	\$'000	\$'000
<u>Current:</u>				
Secured	264	219	93	101
<u>Non-current:</u>				
Secured	1,170	811	519	-
	<u>1,434</u>	<u>1,030</u>	<u>612</u>	<u>101</u>

The Group has lease contracts for office, factory premises, and staff dormitory. The Group's obligations under these leases are secured by the lessor's title to the leased assets. The Group is restricted from assigning or subleasing the leased assets.

14 Categories of financial instruments

The categories of financial instruments as at the reporting date are as follows:

	The Group		The Company	
	31-Dec-24	31-Dec-23	31-Dec-24	31-Dec-23
	\$'000	\$'000	\$'000	\$'000
Financial assets				
<u>At amortised cost</u>				
Trade and other receivables *	1,510	2,953	2,639	1,820
Fixed assets pledged	63	88	-	30
Cash and cash equivalents	18,389	19,238	15,608	13,877
	<u>19,962</u>	<u>22,279</u>	<u>18,247</u>	<u>15,727</u>
Financial liabilities				
<u>At amortised cost</u>				
Trade and other payables **	615	2,829	856	1,391
Lease liabilities	1,434	1,179	612	103
	<u>2,049</u>	<u>4,008</u>	<u>1,468</u>	<u>1,494</u>

* Exclude non-financial assets of the Group amounting to \$277,000 (31 December 2023: \$277,000)

** Exclude non-financial liabilities of the Group and the Company amounting to \$523,000 (31 December 2023: \$2,310,000) and \$90,000 (31 December 2023: \$122,000) respectively.

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

15 Investment in subsidiaries

Acesian Star (S) Pte Ltd ("ASPL"), a wholly-owned subsidiary of the Group, is under liquidation. The Group faced significant restrictions on its ability to access or use ASPL's assets. The carrying amounts of ASPL's assets and liabilities as at 31 December 2024 after eliminations of intercompany balances are as follows:

	Amount \$'000
Total assets	1
Total liabilities	(152)
Carrying amount of net liabilities	(151)

Active Building Technologies Pte Ltd ("ABT"), which was placed in creditors' voluntary liquidation on 7 April 2022, had been dissolved on the expiration of 3 months after the lodging of the return with the Registrar of Companies and Official Receiver on 4 July 2023. As at 31 December 2023, ABT was deconsolidated from the Group's financial statements in accordance with SFRS(I) on the date when ABT is dissolved, which resulted in a gain of approximately \$2,781,000 from the deconsolidation and the gain was recognised in second half of FY2023. The carrying amounts of ABT's assets and liabilities prior to the deconsolidation as at 31 December 2023 are as follows:

	Amount \$'000
Total assets	47
Total liabilities	(2,828)
Carrying amount of net liabilities	(2,781)

16 Share capital

	The Group and the Company			
	31-Dec-24	31-Dec-23	31-Dec-24	31-Dec-23
	Number of shares		\$'000	\$'000
Ordinary shares issued and fully paid				
At beginning and end of the year	498,498,498	498,498,498	20,322	20,322

The Company did not have any convertible instruments as at 31 December 2024 and 31 December 2023. The Company's subsidiaries do not hold any shares in the Company as at 31 December 2024 and 31 December 2023.

As at 31 December 2024, the total number of issued shares was 498,498,498 (31 December 2023: 498,498,498). Excluding treasury shares, the total number of issued shares was 472,651,776 (31 December 2023: 476,845,598).

17 Treasury shares

	The Group and the Company			
	31-Dec-24	31-Dec-23	31-Dec-24	31-Dec-23
	Number of shares		\$'000	\$'000
At beginning of the year	21,652,900	5,127,700	999	196
Repurchased during the period/year	5,625,200	16,525,200	258	803
Shares transferred to employees under the Acesian Performance Bonus Share Plan 2022	(1,431,378)	-	(80)	-
At end of the year	25,846,722	21,652,900	1,177	999

During the period ended 31 December 2024, the Company acquired 5,625,200 (31 December 2023: 16,525,200) of its own shares through purchases on the Singapore Stock Exchange.

As at 31 December 2024, the total number of treasury shares was 25,846,722 (31 December 2023: 21,652,900) or representing 5.47% (31 December 2023: 4.54%) of the issued share capital excluding treasury shares.

18 Subsequent events

There are no known subsequent events which have led to adjustments to this set of interim financial statements.

F. OTHER INFORMATION REQUIRED BY APPENDIX 7C OF THE CATALIST RULES

1 Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.

The condensed consolidated statement of financial position of Acesian Partners Limited and its subsidiaries as at 31 December 2024 and the related condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended and certain explanatory notes have not been audited or reviewed.

2 Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:

(a) Updates on the efforts taken to resolve each outstanding audit issue.

Not applicable

(b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

Not applicable

3 Where the figures have been audited or reviewed, the auditors' report (including any modifications or emphasis of a matter).

Not applicable

4 Dividend information

4a Current Financial Period Report on

Any dividend declared for the current financial period reported on?

None.

4b Corresponding Period of the immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

None.

4c Date payable

Not applicable.

4d Books closure date

Not applicable.

5 If no dividend has been declared (recommended), a statement to that effect and the reason(s) for the decision.

No dividend has been declared or recommended for the twelve months ended 31 December 2024, considering that the Company has accumulated losses as at 31 December 2024.

6 If the Group has obtained a general mandate from shareholders for interested person transactions (the "IPTs"), the aggregate value of such transactions as required under Rule 920(1)(a)(ii) of the Listing Manual of SGX-ST. If no IPT mandate has been obtained, a statement to that effect.

There were no significant interested person transactions conducted under the general mandate of or over \$100,000 in value during the period ended 31 December 2024.

The Company wishes to advise that a general mandate for interested person transactions was obtained from shareholders and approved on 25 April 2024.

7. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-

(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period on, including (where applicable) seasonal or cyclical factors; and

(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Statement of Comprehensive Income (FY2024 vs. FY2023)

Revenue

Last year's sluggishness in business activities across the semiconductor industry continued into this year. However, there were signs of recovery, albeit at a slower pace. Customer caution and a wait-and-see approach, in response to the unpredictable nature of the ongoing trade uncertainties and the volatile political landscape - partly arising from the U.S. election - have slowed investment and progress on some construction projects. The business for the current financial year contracted significantly, with the Group's annual revenue falling to \$7.84 million, approximately \$7.95 million or 50.4% lower than the previous year 2023. The revenue from the critical airflow design and supply segment, which accounted for 98.9% of the Group's total revenue, decreased by 50.4% from \$15.63 million in FY2023 to \$7.75 million in FY2024. This was due to a lower order intake volume, impacted by the slowdown in the semiconductor industry, a key contributor to this segment's operations. For the engineering segment, revenue decreased from \$0.16 million in FY2023 to \$0.08 million in FY2024.

Gross profit

The Group's gross profit decreased by \$5.10 million, or 60.8%, from \$8.39 million in FY2023 to \$3.29 million in FY2024. This decline in gross profit was primarily attributed to the under-utilization of capacity, which corresponds to the decrease in sales volumes, and a lower gross margin, driven by increased competition.

Other operating income and finance income

Other operating income decreased by \$0.08 million, from \$0.19 million in FY2023 to \$0.11 million in FY2024. This decrease was primarily due to lower government grants, investment income, and other income, which fell by \$0.08 million. Finance income mainly consisted of interest earned from fixed deposits, which decreased by \$0.02 million.

Administrative expenses and other operating expenses

Administrative expenses decreased by 28.4% or \$1.05 million, from \$3.71 million in FY2023 to \$2.66 million in FY2024, mainly due to lower employee performance bonus expenses.

Other operating expenses decreased by \$0.37 million, or 32.8%, from \$1.12 million in FY2023 to \$0.75 million in FY2024. This decrease was largely attributable to several factors: foreign currency exchange gains (compared to losses in the prior period, amounting to \$0.43 million), lower depreciation expense (\$0.13 million), and a decrease in the provision for bad debts (\$0.07 million). However, this was partially offset by higher rental expenses (\$0.10 million) and slow-moving inventory provision (\$0.06 million).

Income tax expense

This expense is primarily attributed to the provision for income taxes applicable to the current reporting period, FY2024, of \$0.03 million, which is partially offset by an overprovision of prior year income taxes of \$0.02 million.

Profit, net of tax

In summary, the decrease in profit after tax in FY2024 compared to FY2023 was primarily driven by lower revenue and, correspondingly, lower gross profit. However, this was partially offset by reductions in administrative and other operating expenses, which helped cushion the overall impact on profitability.

Statement of Financial Position (FY2024 vs. FY2023)

Property, plant, and equipment of \$2.48 million as of 31 December 2024, which increased by \$0.41 million, primarily resulted from the recognition of a right-of-use asset of \$0.62 million and new equipment purchases totalling \$0.25 million, partially offset by depreciation charges of \$0.53 million. The PPE also included right-of-use assets with a net book value of \$1.40 million as of the same date.

The decrease in inventories from \$3.75 million to \$3.00 million as of 31 December 2024 was primarily due to reductions in both finished goods (\$0.49 million) and work-in-progress inventories (\$0.23 million).

The decrease in trade and other receivables by \$1.44 million is mainly due to a net trade receivables collection of \$2.05 million (where trade debt collection outpaced sales invoicing) and an increase in other receivables by \$0.51 million.

Contract assets which related to unbilled receivables decreased by \$0.97 million to \$0.10 million as at 31 December 2024.

Trade and other payables decreased by \$1.97 million in FY2024, mainly due to a net payment for trade payables of \$0.55 million and decrease in other payables by \$1.42 million.

The obligation under lease liabilities was \$1.43 million as at 31 December 2024, which increased by \$0.40 million. This increase was primarily due to new recognition of right-of-use lease liability of \$0.62 million lease and translation difference of \$0.10 million, which offset by lease payments of \$0.32 million during FY2024.

Statement of Cash Flows

During the year, the Group incurred overall net cash outflows amounting to \$0.87 million resulting in the decrease in cash and cash equivalents from \$19.24 million as at 31 December 2023 to \$18.39 million as at 31 December 2024. The significant cash movements during FY2024 were as follows:

In FY2024, net cash flow generated from operations, accounting for working capital changes, amounted to \$3,000 compared to \$2.81 million in the corresponding year.

In FY2024, income taxes paid amounted to \$0.68 million, and net cash of \$0.25 million was used in investing activities, primarily for purchases of equipment.

In FY2024, net cash of \$0.52 million was used in financing activities, primarily for payment of obligations under lease liabilities totaling \$0.32 million and buybacks of the company's shares amounting to \$0.18 million.

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

The results for FY2024 is consistent with the profit guidance announcement released on 4 February 2025.

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

The geopolitical factor contributes to the dynamism and volatility of the semiconductor industry. Ongoing trade tensions, particularly between major economies, could have significant effects on the semiconductor industry, with chipmakers potentially seeking alternative supply sources or shifting production capacities to different regions. This makes predictions fundamentally difficult. The development of artificial intelligence (AI), the Internet of Things (IoT), and machine learning (ML) technologies in the new age of electronic systems is generating lucrative market growth opportunities. These technologies are also receiving extensive attention and creating huge global demand for advancements across different industries. The growing transition and technological demand shift through investments in technology are poised to drive growth in the semiconductor industry. Singapore is aiming to expand in a bid to attract more major chipmakers and ride the AI wave.

Other factors, such as shipping, labor supply, and the scarcity of the talent pool, continue to pose significant risks to businesses and may have an impact on the Group's business development and activity.

10. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

Revenue decreased in the second half of the year as compared to corresponding period in FY2023 mainly attributed to, among other, unfavourable market condition in particular semiconductor industry and weak order intake. The lower profits in the second half of the year mainly due to lower revenue.

11. Breakdown of sales

	FY2024 \$ '000	FY2023 \$ '000	% increase/ (decrease)
	Group	Group	Group
Revenue reported for first half year	5,005	8,140	(38.5)
Operating profit after tax before deducting non-controlling interests reported for first half year	1,133	2,154	(47.4)
Revenue reported for second half year	2,831	7,648	(63.0)
Operating (loss)/profit after tax before deducting non-controlling interests reported for second half year	(626)	5,401	(111.6)

12. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.

Not applicable due to no dividends being declared for both FY2024 and FY2023.

13. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(10) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

The Company wishes to confirm that during FY2024, there is no person occupying a managerial position in the Company or any of its principal subsidiaries who is a relative of a director or the Managing Director or substantial shareholders of the Company.

14. Confirmation by the Board pursuant to Rule 720(1) of the Catalist Rules of SGX-ST.

On behalf of the Board of Directors of the Company, we hereby confirm that we have procured all the required undertakings to comply with the Exchange's listing rules from all the Directors and Executive Officers of the Company, in the format set out in Appendix 7(H) under Rule 720(1) of the Catalist Rules.

By Order of the Board

Neo Gim Kiong
Non-Executive Chairman and Lead Independent Non-Executive Director

Loh Yih
Executive Director and Managing Director

26 February 2025

This announcement has been reviewed by the Company's Sponsor, Asian Corporate Advisors Pte. Ltd. (the "Sponsor"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "Exchange") and the Exchange assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Mr. Liao H.K., at 160 Robinson Road, #21-05 SBF Center, Singapore 068914, Telephone number: 6221 0271