



**MIT**

*Manufacturing Integration Technology Ltd.*

(Company Registration No. 199200075N)

**MANUFACTURING INTEGRATION TECHNOLOGY LTD.**

(Registration No: 199200075N)

**Condensed Interim Financial Statements**

For the six months and full year ended 31 December 2021



**MIT**

***Manufacturing Integration Technology Ltd.***

(Company Registration No. 199200075N)

<b>Table of Contents</b>	<b>Page</b>
A. Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income...3	
B. Condensed Interim Statements of Financial Position..... 5	5
C. Condensed Interim Statements of Changes in Equity ..... 6	6
D. Condensed Interim Consolidated Statement of Cash Flows..... 8	8
E. Notes to the Condensed Interim Consolidated Financial Statements ..... 9	9
F. Other Information Required by Listing Rule Appendix 7.2 ..... 20	20



**MIT**

**Manufacturing Integration Technology Ltd.**

(Company Registration No. 199200075N)

**A. Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income**

	Note	Group			Group		
		6 months ended 31 December 2021 S\$'000	6 months ended 31 December 2020 S\$'000	Change %	12 months ended 31 December 2021 S\$'000	12 months ended 31 December 2020 S\$'000	Change %
<b>Revenue</b>	4	6,298	6,084	4	11,557	10,004	16
Cost of sales		(6,187)	(6,389)	(3)	(11,431)	(10,514)	9
<b>Gross profit (loss)</b>		111	(305)	NM	126	(510)	NM
Other income and gains		477	1,311	(64)	1,467	2,108	(30)
Marketing and distribution costs		(199)	(160)	24	(410)	(300)	37
Administrative expenses		(1,729)	(2,137)	(19)	(3,411)	(4,079)	(16)
Finance costs		(26)	(60)	(57)	(92)	(142)	(35)
Other losses		(15)	(270)	(94)	(15)	(270)	(94)
<b>Loss before tax from continuing operations</b>	6	(1,381)	(1,621)	(15)	(2,335)	(3,193)	(27)
Income tax benefit	7	–	–	NM	17	–	NM
<b>Loss from continuing operations, net of tax</b>		(1,381)	(1,621)	(15)	(2,318)	(3,193)	(27)
<b>Profit from discontinued operations, net of tax</b>		–	8,027	NM	–	8,027	NM
<b>(Loss) Profit for the period/year</b>		(1,381)	6,406	NM	(2,318)	4,834	NM
<b><u>Other comprehensive (loss) income:</u></b>							
<b>Items that may be reclassified subsequently to profit or loss:</b>							
Exchange differences on translating foreign operations, net of tax		(96)	(58)	(66)	31	35	(11)
<b>Other comprehensive (loss) income for the period, net of tax</b>		(96)	(58)	(66)	31	35	(11)
<b>Total comprehensive (loss) profit for the period/year</b>		(1,477)	6,348	NM	(2,287)	4,869	NM

NM: Not meaningful

**MIT****Manufacturing Integration Technology Ltd.**

(Company Registration No. 199200075N)

**A. Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income (cont'd)**

	<u>Group</u>		<u>Group</u>	
	<u>6 months</u>	<u>6 months</u>	<u>12 months</u>	<u>12 months</u>
	<u>ended 31</u>	<u>ended 31</u>	<u>ended 31</u>	<u>ended 31</u>
	<u>December</u>	<u>December</u>	<u>December</u>	<u>December</u>
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>
<b>(Loss) Earnings per share (in cents):</b>				
<b>Basic</b>				
Continuing operations	(0.61)	(0.68)	(0.96)	(1.33)
Discontinued operations	—	3.34	—	3.34
	<u>(0.61)</u>	<u>2.66</u>	<u>(0.96)</u>	<u>2.01</u>
<b>Diluted</b>				
Continuing operations	(0.62)	(0.68)	(0.97)	(1.33)
Discontinued operations	—	3.34	—	3.34
	<u>(0.62)</u>	<u>2.66</u>	<u>(0.97)</u>	<u>2.01</u>



**Manufacturing Integration Technology Ltd.**

(Company Registration No. 199200075N)

**B. Condensed Interim Statements of Financial Position**

As at 31 December 2021

	<u>Notes</u>	<u>Group</u>		<u>Company</u>	
		<u>31</u> <u>December</u> <u>2021</u> <u>S\$'000</u>	<u>31</u> <u>December</u> <u>2020</u> <u>S\$'000</u>	<u>31</u> <u>December</u> <u>2021</u> <u>S\$'000</u>	<u>31</u> <u>December</u> <u>2020</u> <u>S\$'000</u>
<b>Assets</b>					
<b><u>Non-current assets</u></b>					
Plant and equipment	9	259	549	139	292
Right-of-use assets		1,114	1,740	202	315
Investment properties	10	8,005	8,194	8,005	8,192
Investments in subsidiaries		–	–	861	856
<b>Total non-current assets</b>		<u>9,378</u>	<u>10,483</u>	<u>9,207</u>	<u>9,655</u>
<b><u>Current assets</u></b>					
Inventories		2,611	2,124	–	–
Trade and other receivables		2,123	3,026	388	664
Other non-financial assets		339	336	530	228
Cash and cash equivalents		6,759	15,550	4,951	14,249
<b>Total current assets</b>		<u>11,832</u>	<u>21,036</u>	<u>5,869</u>	<u>15,141</u>
<b>Total assets</b>		<u>21,210</u>	<u>31,519</u>	<u>15,076</u>	<u>24,796</u>
<b>Equity and liabilities</b>					
<b><u>Equity</u></b>					
Share capital	12	20,415	28,294	20,415	28,294
Other reserves		(72)	(115)	44	32
Accumulated losses		(4,578)	(2,263)	(6,454)	(4,727)
<b>Total equity</b>		<u>15,765</u>	<u>25,916</u>	<u>14,005</u>	<u>23,599</u>
<b><u>Non-current liability</u></b>					
Lease liabilities		513	1,229	92	206
<b>Total non-current liability</b>		<u>513</u>	<u>1,229</u>	<u>92</u>	<u>206</u>
<b><u>Current liabilities</u></b>					
Other non-financial liabilities		1,284	823	530	178
Lease liabilities		751	674	114	111
Trade and other payables		2,685	2,675	335	702
Other financial liabilities	11	212	202	–	–
<b>Total current liabilities</b>		<u>4,932</u>	<u>4,374</u>	<u>979</u>	<u>991</u>
<b>Total liabilities</b>		<u>5,445</u>	<u>5,603</u>	<u>1,071</u>	<u>1,197</u>
<b>Total equity and liabilities</b>		<u>21,210</u>	<u>31,519</u>	<u>15,076</u>	<u>24,796</u>

**MIT****Manufacturing Integration Technology Ltd.**

(Company Registration No. 199200075N)

**C. Condensed Interim Statements of Changes in Equity**  
Year ended 31 December 2021

<b>Group</b>	<b>Total equity</b> <b>S\$'000</b>	<b>Share capital</b> <b>S\$'000</b>	<b>Accumulated losses</b> <b>S\$'000</b>	<b>Translation reserve</b> <b>S\$'000</b>	<b>Share option reserve</b> <b>S\$'000</b>
<b>Current year:</b>					
<b>Opening balance at 1 January 2021</b>	25,916	28,294	(2,263)	(147)	32
<b>Changes in equity:</b>					
Total comprehensive loss for the year	(2,287)	–	(2,318)	31	–
Expiry of share options	–	–	3	–	(3)
Issuance of shares pursuant to employee share option scheme	60	45	–	–	15
Capital reduction (Note 12)	(7,924)	(7,924)	–	–	–
<b>Closing balance at 31 December 2021</b>	<b>15,765</b>	<b>20,415</b>	<b>(4,578)</b>	<b>(116)</b>	<b>44</b>
<b>Previous year:</b>					
<b>Opening balance at 1 January 2020</b>	21,045	28,294	(7,098)	(182)	31
<b>Changes in equity:</b>					
Total comprehensive income for the year	4,869	–	4,834	35	–
Expiry of share options	–	–	1	–	(1)
Share based payment expenses	2	–	–	–	2
<b>Closing balance at 31 December 2020</b>	<b>25,916</b>	<b>28,294</b>	<b>(2,263)</b>	<b>(147)</b>	<b>32</b>

**MIT****Manufacturing Integration Technology Ltd.**

(Company Registration No. 199200075N)

**C. Condensed Interim Statements of Changes in Equity (cont'd)**

Year ended 31 December 2021

<b><u>Company</u></b>	<b><u>Total equity</u></b> <b>S\$'000</b>	<b><u>Share capital</u></b> <b>S\$'000</b>	<b><u>Accumulated losses</u></b> <b>S\$'000</b>	<b><u>Share option reserve</u></b> <b>S\$'000</b>
<b>Current year:</b>				
<b>Opening balance at 1 January 2021</b>	23,599	28,294	(4,727)	32
<b><u>Changes in equity:</u></b>				
Total comprehensive loss for the year	(1,730)	–	(1,730)	–
Expiry of share options	–	–	3	(3)
Issuance of shares pursuant to employee share option scheme	60	45	–	15
Capital reduction (Note 12)	(7,924)	(7,924)	–	–
<b>Closing balance at 31 December 2021</b>	<b>14,005</b>	<b>20,415</b>	<b>(6,454)</b>	<b>44</b>
<b>Previous year:</b>				
<b>Opening balance at 1 January 2020</b>	25,650	28,294	(2,675)	31
<b><u>Changes in equity:</u></b>				
Total comprehensive loss for the year	(2,053)	–	(2,053)	–
Expiry of share options	–	–	1	(1)
Share based payment expenses	2	–	–	2
<b>Closing balance at 31 December 2020</b>	<b>23,599</b>	<b>28,294</b>	<b>(4,727)</b>	<b>32</b>

**MIT****Manufacturing Integration Technology Ltd.**

(Company Registration No. 199200075N)

**D. Condensed Interim Consolidated Statement of Cash Flows  
Year ended 31 December 2021**

	<u>Group</u>	
	<u>12 months ended 31 December 2021</u>	<u>12 months ended 31 December 2020</u>
	<u>S\$'000</u>	<u>S\$'000</u>
<b><u>Cash flows used in operating activities</u></b>		
Loss before tax from continuing operations	(2,335)	(3,193)
Profit before tax from discontinued operations	-	8,027
	<u>(2,335)</u>	<u>4,834</u>
Adjustments for:		
Depreciation of plant and equipment	339	590
Depreciation of investment properties	189	189
Depreciation of right-of-use assets	667	741
Interest income	(17)	(304)
Interest expense	15	30
Finance expenses	77	112
Gain on disposal of semiconductor business	-	(8,027)
Gain on termination of lease	-	(22)
(Gains)/Loss on disposal of plant and equipment	(571)	16
Share based payment expenses	60	2
Allowance for inventories	15	153
Reversal of impairment loss on inventories	(60)	(25)
Reversal of impairment loss on trade receivables	-	(12)
Net effect of exchange rate changes in consolidating foreign operations	29	23
Operating cash flows before changes in working capital	<u>(1,592)</u>	<u>(1,700)</u>
Trade and other receivables	965	(597)
Other non-financial assets	4	(77)
Inventories	(427)	856
Other non-financial liabilities	461	312
Trade and other payables	(58)	539
Net cash flow used in operation	<u>(647)</u>	<u>(667)</u>
Income tax refund	17	-
Net cash flows used in operating activities	<u>(630)</u>	<u>(667)</u>
<b><u>Cash flows from investing activities</u></b>		
Proceeds on disposal of subsidiaries	-	8,027
Proceeds on disposal of plant and equipment	577	2
Purchase of plant and equipment	(54)	(33)
Interest received	17	304
Net cash flows from investing activities	<u>540</u>	<u>8,300</u>
<b><u>Cash flows used in financing activities</u></b>		
Decrease in borrowings	-	(199)
Interest paid	(15)	(30)
Capital reduction	(7,924)	-
Issue of shares	-	-
Lease payments paid	(762)	(774)
Net cash used in financing activities	<u>(8,701)</u>	<u>(1,003)</u>
<b>Net (decrease) increase in cash and cash equivalents</b>	<u>(8,791)</u>	<u>6,630</u>
Cash and cash equivalents, statement of cash flows, beginning balance	15,550	8,920
<b>Cash and cash equivalents, statement of cash flows, ending balance</b>	<u>6,759</u>	<u>15,550</u>





**MIT**

**Manufacturing Integration Technology Ltd.**

(Company Registration No. 199200075N)

## **E. Notes to the Condensed Interim Consolidated Financial Statements**

### **1. Corporate information**

Manufacturing Integration Technology Ltd. is a company incorporated in Singapore with limited liability. The registered office is: 5004, Ang Mo Kio Avenue 5, #05-01, Techplace II, Singapore 569872, and whose shares are publicly traded on the mainboard at Singapore Exchange.

These condensed interim financial statements as at and for the six months ended 31 December 2021 comprise the Company and its subsidiaries (together referred to as the "Group").

The principal activities of the Company are that of designing, developing, manufacturing and distributing automated equipment for the semiconductor and other industries and an investment holding company.

### **2. Basis of preparation**

The condensed interim financial statements for the six months ended 31 December 2021 have been prepared in accordance with SFRS(I) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last annual financial statements for the year ended 31 December 2020.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The condensed interim financial statements are presented in Singapore dollar which is the Company's functional currency.

#### **2.1 New and amended standards adopted by the Group**

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

#### **2.2 Use of judgements and estimates**

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

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2020.

**MIT****Manufacturing Integration Technology Ltd.**

(Company Registration No. 199200075N)

**2.2 Use of judgements and estimates (cont'd)**

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

**3. Seasonal operations**

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

**4. Segment and revenue information**

The Group is organised into the following main business segments:

- Built-to-print: Mainly engaged in contract equipment manufacturing activities.
- Customised automation: Mainly engaged in designing, developing, and manufacturing of automated equipment.

These operating segments are reported in a manner consistent with internal reporting provided to chief operating decision maker who are responsible for allocating resources and assessing performance of the operating segments.

**4.1 Reportable segments**

	<u>Built-to-print</u> S\$'000	<u>Customised automation</u> S\$'000	<u>Unallocated</u> S\$'000	<u>Group</u> S\$'000
<b>1 July 2021 to 31 December 2021</b>				
Total revenue by segment	4,137	2,689	–	6,826
Inter-segment sales	(251)	(277)	–	(528)
<b>Total revenue</b>	<u>3,886</u>	<u>2,412</u>	<u>–</u>	<u>6,298</u>
<b>Recurring EBITDA</b>	470	(1,474)	248	(756)
Interest income	9	2	–	11
Finance costs	(17)	(9)	–	(26)
Depreciation	(262)	(255)	(93)	(610)
Profit (Loss) before tax from continuing operations	200	(1,736)	155	(1,381)
Income tax benefit				–
<b>Loss from continuing operations</b>				<u>(1,381)</u>

**MIT****Manufacturing Integration Technology Ltd.**

(Company Registration No. 199200075N)

**4.1 Reportable segments (cont'd)**

	<u>Built-to-print</u> S\$'000	<u>Customised automation</u> S\$'000	<u>Unallocated</u> S\$'000	<u>Group</u> S\$'000
<b>1 July 2020 to 31 December 2020</b>				
Total revenue by segment	4,159	2,295	–	6,454
Inter-segment sales	(326)	(44)	–	(370)
<b>Total revenue</b>	<u>3,833</u>	<u>2,251</u>	<u>–</u>	<u>6,084</u>
<b>Recurring EBITDA</b>	110	(1,424)	221	(1,093)
Interest income	135	132	–	267
Finance costs	(47)	(13)	–	(60)
Depreciation	(140)	(502)	(93)	(735)
Profit (Loss) before tax from continuing operations	58	(1,807)	128	(1,621)
Income tax benefit				–
<b>Loss from continuing operations</b>				<u>(1,621)</u>
	<u>Built-to-print</u> S\$'000	<u>Customised automation</u> S\$'000	<u>Unallocated</u> S\$'000	<u>Group</u> S\$'000
<b>1 January 2021 to 31 December 2021</b>				
Total revenue by segment	9,101	3,534	–	12,635
Inter-segment sales	(740)	(338)	–	(1,078)
<b>Total revenue</b>	<u>8,361</u>	<u>3,196</u>	<u>–</u>	<u>11,557</u>
<b>Recurring EBITDA</b>	1,042	(2,609)	502	(1,065)
Interest income	13	4	–	17
Finance costs	(77)	(15)	–	(92)
Depreciation	(598)	(408)	(189)	(1,195)
Profit (Loss) before tax from continuing operations	380	(3,028)	313	(2,335)
Income tax benefit				17
<b>Loss from continuing operations</b>				<u>(2,318)</u>

**MIT****Manufacturing Integration Technology Ltd.**

(Company Registration No. 199200075N)

**4.1 Reportable segments (cont'd)**

	<u>Built-to-print</u> S\$'000	<u>Customised automation</u> S\$'000	<u>Unallocated</u> S\$'000	<u>Group</u> S\$'000
<b>1 January 2020 to 31 December 2020</b>				
Total revenue by segment	7,395	4,850	–	12,245
Inter-segment sales	(591)	(1,650)	–	(2,241)
<b>Total revenue</b>	<u>6,804</u>	<u>3,200</u>	<u>–</u>	<u>10,004</u>
<b>Recurring EBITDA</b>	78	(2,321)	408	(1,835)
Interest income	154	150	–	304
Finance costs	(112)	(30)	–	(142)
Depreciation	(653)	(678)	(189)	(1,520)
(Loss) Profit before tax from continuing operations	(533)	(2,879)	219	(3,193)
Income tax benefit				–
<b>Loss from continuing operations</b>				<u>(3,193)</u>

**Assets and reconciliations**

	<u>Built-to-print</u> S\$'000	<u>Customised automation</u> S\$'000	<u>Unallocated</u> S\$'000	<u>Group</u> S\$'000
<b>31 December 2021:</b>				
Total assets for reportable segments	7,553	5,652	8,005	21,210
Total group assets	<u>7,553</u>	<u>5,652</u>	<u>8,005</u>	<u>21,210</u>
<b>31 December 2020:</b>				
Total assets for reportable segments	12,267	11,058	8,194	31,519
Total group assets	<u>12,267</u>	<u>11,058</u>	<u>8,194</u>	<u>31,519</u>

**Liabilities and reconciliations**

	<u>Built-to-print</u> S\$'000	<u>Customised automation</u> S\$'000	<u>Unallocated</u> S\$'000	<u>Group</u> S\$'000
<b>31 December 2021:</b>				
Total liabilities for reportable segments	3,374	2,071	–	5,445
Total group liabilities	<u>3,374</u>	<u>2,071</u>	<u>–</u>	<u>5,445</u>
<b>31 December 2020:</b>				
Total liabilities for reportable segments	3,548	2,055	–	5,603
Total group liabilities	<u>3,548</u>	<u>2,055</u>	<u>–</u>	<u>5,603</u>

**MIT****Manufacturing Integration Technology Ltd.**

(Company Registration No. 199200075N)

**4.1 Reportable segments (cont'd)****Other material items and reconciliations**

	<u>Built-to-print</u> S\$'000	<u>Customised automation</u> S\$'000	<u>Unallocated</u> S\$'000	<u>Group</u> S\$'000
<u>Capital expenditure</u>				
31 December 2021	21	33	–	54
31 December 2020	14	19	–	33

**4.2 Disaggregation of revenue**

The group's geographical segments are based on the location of the group's assets. Sales to external customers disclosed in geographical segments are based on the geographical location of its customers. The group's operations are located in Singapore and China.

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

	<u>Revenue</u>				<u>Non-current assets</u>	
	<u>6 months ended 31 December 2021</u> S\$'000	<u>6 months ended 31 December 2020</u> S\$'000	<u>12 months ended 31 December 2021</u> S\$'000	<u>12 months ended 31 December 2020</u> S\$'000	<u>12 months ended 31 December 2021</u> S\$'000	<u>12 months ended 31 December 2020</u> S\$'000
China	2,459	2,337	5,247	4,068	652	1,015
Singapore	2,233	656	3,017	1,605	8,726	9,468
Europe and USA	1,329	3,082	3,016	4,322	–	–
Asia excluding China and Singapore	277	9	277	9	–	–
Total continuing operations	6,298	6,084	11,557	10,004	9,378	10,483

	<u>12 months ended 31 December 2021</u> S\$'000	<u>12 months ended 31 December 2020</u> S\$'000
<b>Capital Expenditure:</b>		
China	15	–
Singapore	39	33
	54	33



**MIT**

**Manufacturing Integration Technology Ltd.**

(Company Registration No. 199200075N)

**4.2 Disaggregation of revenue (cont'd)**

**Information about major customers**

	<u>6 months</u> <u>ended 31</u> <u>December</u> <u>2021</u> <u>S\$'000</u>	<u>6 months</u> <u>ended 31</u> <u>December</u> <u>2020</u> <u>S\$'000</u>	<u>12 months</u> <u>ended 31</u> <u>December</u> <u>2021</u> <u>S\$'000</u>	<u>12 months</u> <u>ended 31</u> <u>December</u> <u>2020</u> <u>S\$'000</u>
Top 1 customer in built-to-print segment	1,683	1,815	3,473	3,177
Top 2 customers in built-to-print segment	<u>2,770</u>	<u>3,011</u>	<u>5,757</u>	<u>5,390</u>
Top 1 customer in customised automation segment	1,372	1,288	1,860	1,650
Top 2 customers in customised automation segment	<u>1,677</u>	<u>1,646</u>	<u>2,309</u>	<u>2,352</u>

**A breakdown of sales**

		Group		
		S\$'000		%
		31.12.2021	31.12.2020	Increase/ - Decrease
a	<u>Sales reported for first half year</u>			
	Continuing operations	5,259	3,920	34.2%
b	<u>Loss after tax before deducting non-controlling interests reported for first half year</u>			
	Continuing operations	(937)	(1,572)	-40.4%
c	<u>Sales reported for second half year</u>			
	Continuing operations	6,298	6,084	3.5%
d	<u>Operating loss after tax before deducting non-controlling interests reported for second half year</u>			
	Continuing operations	(1,381)	(1,621)	-14.8%
	Discontinued operations	-	8,027	NM

NM: Not meaningful

**MIT****Manufacturing Integration Technology Ltd.**

(Company Registration No. 199200075N)

**5. Financial assets and financial liabilities**

Set out below is an overview of the financial assets and financial liabilities of the Group as at 31 December 2021 and 31 December 2020:

	<u>Group</u>		<u>Company</u>	
	<u>31</u>	<u>31</u>	<u>31</u>	<u>31</u>
	<u>December</u>	<u>December</u>	<u>December</u>	<u>December</u>
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>
<u>Financial assets:</u>				
Financial assets at amortised costs	8,882	18,576	5,339	14,913
	<u>8,882</u>	<u>18,576</u>	<u>5,339</u>	<u>14,913</u>
<u>Financial liabilities:</u>				
Financial liabilities at amortised cost	4,161	4,780	541	1,019
	<u>4,161</u>	<u>4,780</u>	<u>541</u>	<u>1,019</u>

**6. Loss before tax****6.1 Significant items**

	<u>Group</u>		<u>Group</u>	
	<u>6 months</u>	<u>6 months</u>	<u>12 months</u>	<u>12 months</u>
	<u>ended 31</u>	<u>ended 31</u>	<u>ended 31</u>	<u>ended 31</u>
	<u>December</u>	<u>December</u>	<u>December</u>	<u>December</u>
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>
<b>Income</b>				
- Interest income	11	267	17	304
- Rental income	326	254	648	486
- Reversal on allowance for impairment loss on inventories	60	25	60	25
- Grant income	17	325	35	821
- Gain/(Loss) on disposal of plant and equipment	-	(37)	571	(16)
- Foreign exchange adjustment gains	5	-	29	-
<b>Expenses</b>				
- Interest on borrowings	(5)	(15)	(15)	(30)
- Interest on lease liabilities	(21)	(45)	(77)	(112)
- Depreciation of property, plant and equipment and investment properties	(234)	(384)	(528)	(779)

**MIT****Manufacturing Integration Technology Ltd.**

(Company Registration No. 199200075N)

**6.2 Related party transactions**

There are no material related party transactions apart from those disclosed elsewhere in the financial statements.

**7. Taxation**

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

	<u>6 months</u> <u>ended 31</u> <u>December</u> <u>2021</u> S\$'000	<u>6 months</u> <u>ended 31</u> <u>December</u> <u>2020</u> S\$'000	<u>12 months</u> <u>ended 31</u> <u>December</u> <u>2021</u> S\$'000	<u>12 months</u> <u>ended 31</u> <u>December</u> <u>2020</u> S\$'000
Current tax benefit:				
Over provision in respect of prior years	—	—	17	—
	<u>—</u>	<u>—</u>	<u>17</u>	<u>—</u>

**8. Net Asset Value**

	<u>Group</u>		<u>Company</u>	
	<u>31</u> <u>December</u> <u>2021</u> S\$	<u>31</u> <u>December</u> <u>2020</u> S\$	<u>31</u> <u>December</u> <u>2021</u> S\$	<u>31</u> <u>December</u> <u>2020</u> S\$
Net asset value per ordinary share (in cents)	6.55	10.79	5.82	9.83

**9. Plant and equipment**

During the twelve months ended 31 December 2021, the Group acquired assets amounting to S\$54,000 (31 December 2020: S\$33,000) and disposed of assets with net book value of S\$6,000 (31 December 2020: S\$18,000) for proceeds of S\$577,000 (31 December 2020: S\$2,000).



**MIT****Manufacturing Integration Technology Ltd.**

(Company Registration No. 199200075N)

**10. Investment properties**

	<b>Group and company</b>	
	<b>2021</b>	<b>2020</b>
	<b>S\$'000</b>	<b>S\$'000</b>
<u>At cost:</u>		
At beginning of financial year and at end of financial year	9,471	9,471
<u>Accumulated depreciation:</u>		
At beginning of financial year	1,277	1,088
Depreciation charge for the financial year	189	189
At end of financial year	1,466	1,277
<u>Carrying value:</u>		
As at 31 December	8,005	8,194
Fair value for disclosure purposes only:		
Fair value at end of the financial year	12,100	11,676
Rental income from investment properties	598	486

Details of leasehold properties:

<u>Description/Location</u>	<u>Tenure of Land/ (Gross floor area)</u>	<u>Last valuation date</u>
Singapore:		
(A) 7 Yishun Industrial Street 1, #07-38, Singapore 768162	Property: 60 years from 2011 (1,062 square metres)	Commercial property. Revalued in December 2021.
(B) 7 Yishun Industrial Street 1, #06-38/39, Singapore 768162	Property: 60 years from 2011 (2,290 square metres)	Commercial property. Revalued in December 2021.

**10.1 Valuation of investment properties**

The fair value of each investment property as at end of the reporting year is based on a valuation made by CKS Property Consultants Pte Ltd, a firm of independent professional valuers on 31 December 2021 adjusted with fluctuation of Industrial Property price index published by Singapore Government. The valuation method was based on market comparison method, a comparison with recent transactions of similar properties, preferably in vicinity, and adjusted to take into account certain factors and circumstances.

For fair value measurements categorised within the fair value hierarchy below, a description of the valuation techniques and the significant other observable inputs used in the fair value measurement are as follows:



**MIT**

**Manufacturing Integration Technology Ltd.**

(Company Registration No. 199200075N)

**10.1 Valuation of investment properties (cont'd)**

Assets:	(A) 7 Yishun Industrial Street 1, #07-38, Singapore 768162 (B) 7 Yishun Industrial Street 1, #06-38/39, Singapore 768162
Fair value and fair value hierarchy – Level:	(A) S\$4,200,000 (2020: S\$4,045,000), Level 3 (2020: Level 3); (B) S\$7,900,000 (2020: S\$7,631,000), Level 3 (2020: Level 3).
Valuation technique for recurring fair value measurements:	Comparison with market evidence of recent offer to sell prices for similar properties.
Significant unobservable (2021 and 2020: observable) inputs and range:	Price per square meters. (A) \$3,955 (2020 : \$3,809) (B) \$3,450 (2020: \$3,332)
Relationship of unobservable inputs to fair value:	Favourable (adverse) change in the latest selling price in the market will increase (decrease) fair value
Sensitivity on management’s estimates – 10% variation from estimate	2021 Impact (A) – lower by \$420,000; higher by \$420,000 (B) – lower by \$790,000; higher by \$790,000

**11. Other financial liabilities**

	<b><u>Group and company</u></b>	
	<b><u>31</u></b>	<b><u>31</u></b>
	<b><u>December</u></b>	<b><u>December</u></b>
	<b><u>2021</u></b>	<b><u>2020</u></b>
	<b><u>S\$'000</u></b>	<b><u>S\$'000</u></b>
<u>Amount repayable within one year or on demand</u>		
Secured	<u>212</u>	<u>202</u>
<u>Amount repayable after one year</u>		
Secured	<u>–</u>	<u>–</u>

The short-term bank loan of S\$212,000 (approximately RMB1,000,000) taken by the wholly owned subsidiary, MIT (Shanghai) Co., Ltd. is guaranteed by the Company.

**MIT****Manufacturing Integration Technology Ltd.**

(Company Registration No. 199200075N)

**12. Share capital**

<u>Group and Company</u>	<u>Number of ordinary shares issued '000</u>	<u>Share capital S\$'000</u>
<u>Ordinary shares of no par value:</u>		
Balance at 1 January 2021	240,112	28,294
Capital reduction	–	(7,924)
New issued shares	500	45
Balance at 31 December 2021	<u>240,612</u>	<u>20,415</u>

The Company undertook a capital reduction and cash distribution pursuant to Section 78G of the Companies Act, Chapter 50 after obtaining approvals from shareholders at the extraordinary general meeting held on 20 November 2020 and the subsequent approval by the High Court of the Republic of Singapore on 22 December 2020. The Capital Reduction has taken effect on 5 January 2021 and the Company has also made payment of S\$0.033 for each ordinary share to shareholders for the sum of S\$7,923,711 on 8 January 2021.

Consequent to the Capital Reduction, the Company's issued and paid-up share capital has reduced from S\$28,238,014 comprising 240,112,470 ordinary shares to S\$20,314,302 comprising 240,112,470 ordinary shares.

On 1 July 2021, the Company issued and allotted 500,000 ordinary shares in the share capital of the Company to an Executive Director and Chief Executive Officer of the Company pursuant to the MIT Performance Share Plan ("PSP").

As at 31 December 2021, the number of ordinary shares issued was 240,612,470 (31 December 2020: 240,112,470 ordinary shares).

**(i) Share Options**

The Company had granted 7,000,000 new options under the MIT Employees' Share Option Scheme 2019 ("the Scheme") on 5 October 2021.

As at 31 December 2021, the number of outstanding options under the Scheme was 7,409,000 (31 December 2020: 534,000). During the year, no options were exercised under the Scheme. 125,000 unexercised options had lapsed and were cancelled during the year.

**(ii) Performance Shares**

During the year, the Company has issued and allotted 500,000 ordinary shares in the share capital of the Company to an Executive Director and Chief Executive Officer of the Company pursuant to the PSP. As at 31 December 2021, the number of outstanding performance shares held under the PSP was 500,000 (31 December 2020: 1,000,000).

**(iii) Treasury Shares**

As at 31 December 2021, no ordinary shares were held as Treasury Shares (31 December 2020: NIL). No shares were bought back by the Company during the period.

The Company does not have any subsidiary holdings.



**MIT**

**Manufacturing Integration Technology Ltd.**

(Company Registration No. 199200075N)

**13. Subsequent events**

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

**F. Other Information Required by Listing Rule Appendix 7.2**

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

The condensed interim statements of financial position of Manufacturing Integration Technology Ltd and its subsidiaries as at 31 December 2021 and the related condensed interim consolidated statement of profit or loss and other comprehensive income, condensed interim statements of changes in equity and condensed interim consolidated statement of cash flows for the twelve-month period then ended, including certain explanatory notes have not been audited or reviewed.

**2. 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 reported 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.**

**Turnover**

The Group's revenue increased by 4% from S\$6.08m for the 6 months ended 31 December 2020 ("2H2020") to S\$6.30m for the 6 months ended 31 December 2021 ("2H2021") and managed to achieve revenue of S\$11.56m for the full year ended 31 December 2021 ("FY2021"), despite the continued ongoing Covid-19 pandemic impact on the operations of the Group, which is a 16% increase from S\$10.00m from the full year ended 31 December 2020 ("FY2020"). The revenue growth was largely due to strong orders from a growing global semiconductor market and contributions from our customized automation and built-to-print business.

**Earnings**

With this higher revenue, the Group improved from S\$0.31m gross loss in 2H2020 to gross profit of S\$0.11m in 2H2021 and recorded a gross profit of S\$0.13m in FY2021, a turnaround from a gross loss of S\$0.51m in the previous corresponding financial year.

The Group recorded a loss after tax of S\$1.38m in 2H2021, when compared to profit after tax of S\$6.41m in 2H2020 and loss after tax of S\$2.32m in FY2021, when compared to profit after tax of S\$4.83m in the previous financial year, mainly due to gains from the disposal of our subsidiary, MIT Semiconductor Pte Ltd in 2019.



**MIT**

**Manufacturing Integration Technology Ltd.**

(Company Registration No. 199200075N)

On the core business, we have reduced our operating loss significantly from S\$1.62m in 2H2020 to S\$1.38m in 2H2021 and S\$3.19m in FY2020 to S\$2.32m in FY2021 through prudent cost control measures. Operationally, we have reduced more operating loss in FY2021 when compared to FY2020, if without the grant income of S\$0.82m from the government in FY2020.

The other income and gains for this period was mainly from:

- Rental income (2H2021: S\$0.33m; FY2021: S\$0.65m)
- Gain on disposal of plant and equipment (2H2021: NIL; FY2021: S\$0.57m)
- Reversal on allowance for impairment loss on inventories (2H2021: S\$0.06m; FY2021: S\$0.06m)
- Grant income (2H2021: S\$0.02m; FY2021: S\$0.04m)
- Foreign exchange adjustment gains (2H2021: S\$0.01m; FY2021: S\$0.03m)

In line with the higher revenue base and business activities, marketing and distribution costs increased by 24% in 2H2021 and by 37% in FY2021 as compared to 2H2020 and FY2020 respectively.

Administrative expenses were lower by 19% or S\$0.41m to S\$1.73m in 2H2021 as compared to S\$2.14m in 2H2020 and lower by 16% or S\$0.67m to S\$3.41m in FY2021 as compared to S\$4.08m in FY2020 as a result of cost control measures during the year.

Finance costs decreased due to repayment of lease liabilities and lower interest rates charged during the financial year.

The other losses were allowance for impairment loss on inventories during the year.

There was an over-provision of tax in respect of prior years in current financial year of S\$17,000.

### **Assets and Liabilities**

The decrement of plant & equipment, right-of-use assets and investment properties at the end of the financial year, was after consideration of the annual depreciation charges.

Inventories increased by S\$0.49m from S\$2.12m as at 31 December 2020 to S\$2.61m as at 31 December 2021 in anticipation of major deliveries in the coming months.

Trade and other receivables lowered by 30%, with intensive collection effort during the year.

Other non-financial assets increased due to higher prepayment and deposits when compared to last year.

The increase in other non-financial liabilities was mainly due to increase in down payment received from customers during the year



**MIT**

**Manufacturing Integration Technology Ltd.**

(Company Registration No. 199200075N)

### Cash Flow

The cash & cash equivalents of S\$6.76m represents a decrease of S\$8.79m from 31 Dec 2020 was mainly attributable to:

- Capital reduction (S\$7.92m)
- Inventories (S\$0.43m)
- Plant and equipment (S\$0.05m)

Cash and cash equivalents per share stood at 2.81 cents, which accounts for about 43% of the net asset per share.

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

The results are in line with the prospect statement disclosed in the previous results announcement.

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

The global semiconductor market growth has been reflected in our Built-to-Print business growth revenue in FY2021, and we are expecting the continued momentum to follow through this year. We are also in the midst of transferring new projects from our customer and the additional revenue impact would only be more visible in the 2HFY2022. We will be busy preparing our site in Q1FY2022 for the additional infrastructure to support these new projects and begin building in Q2.

The global pandemic continues to be challenging for our supply chain management in our Shanghai operation, however, we were able to stay on an even keel in FY2021 attributed to an experienced Shanghai operation team. Despite an M&A event of our key customer that may have created uncertainty in Shanghai in the second half of FY2021; however, our activity level in Shanghai operation remained stable. We are also hopeful that the exogenous situation will stabilise further to allow us to improve our operational performance in 2HFY2022.

AMS (Customised Automation) business growth was extremely challenging in FY2021, as the uncertainties of the pandemic has disrupted our customers' capacity and equipment installation plans. The inflationary cost escalation and uncertainties has compounded the profitability of our projects, as they were executed over a longer time horizon. We are hopeful that the RFQ's we submitted in FY2021 for our customers will be realised in FY2022. We are also expecting to see some growth opportunity in our repeat orders, once the economic situation normalize further.

We have launched some strategic initiatives in AMS during the 2HFY2021 period, and we will be executing them gradually in FY2022. We are hopeful that we could share more details in Q2FY2022, as we are in the midst of finalizing the agreement.



**MIT**

***Manufacturing Integration Technology Ltd.***

(Company Registration No. 199200075N)

We will continue actively in our exploration of seeking strategic partnerships, so that we could accelerate our business growth instead of growing organically.

We will focus our effort to address the Contract Equipment Manufacturing (“CEM”) business and will aggressively pursue new opportunities in the food, pharmaceutical, med-tech and healthcare consumer product areas. February 2022 also marked the end of our three years S&P agreement with the divestment company, and so we will begin exploring potential complementary and adjacent business in the semiconductor equipment industry by leveraging our past branding and heritage.

**5. Dividend**

**(a) Current Financial Period Reported On**

Any dividend declared for the current financial period reported on?

No.

**(b) Corresponding Period of the Immediately Preceding Financial Year**

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

No.

**(c) Date payable**

No applicable.

**(d) Record date**

No applicable.

**6. If no dividend has been declared/recommended, a statement to that effect.**

No dividend has been declared or recommended due to loss making situation.

**7. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

The Company does not have a shareholders’ mandate for IPTs.



**MIT**

***Manufacturing Integration Technology Ltd.***

(Company Registration No. 199200075N)

**8. Confirmation Pursuant to Rule 720(1) of the Listing Manual - The Directors' and Executive Officers' Undertakings.**

The Company confirms that it has procured the requisite undertakings from all its directors and executive officers under Listing Rule 720(1).

**9. Confirmation by the Board Pursuant to Rule 705(5) of the Listing Manual.**

The Board of Directors of the Company hereby confirms to the best of their knowledge that nothing has come to their attention which may render the condensed interim financial statements for the year ended 31 December 2021 to be false or misleading.

**10. 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(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement by the Board Pursuant to Rule 705(5) of the Listing Manual.**

Pursuant to Rule 704(13) of the Listing Manual of the Singapore Exchange Securities Trading Limited, we confirm that there is no person occupying managerial positions in the Company or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the Company.

**ON BEHALF OF THE BOARD**

**Lim Chin Hong**  
**Executive Director and Chief Executive Officer**

25 February 2022