

OILTEK INTERNATIONAL LIMITED AND ITS SUBSIDIARIES

CONDENSED INTERIM FINANCIAL STATEMENTS

For the Six Months Ended 30 June 2025



OILTEK INTERNATIONAL LIMITED

(Company Registration Number: 202109778W)
(Incorporated in the Republic of Singapore)

Condensed Interim Financial Statements

For the Six Months Ended 30 June 2025

Contents

		Page
A	Condensed Interim Consolidated Statement of Comprehensive Income	3
B	Condensed Interim Balance Sheets – Group and Company	4
C	Condensed Interim Statement of Changes in Equity – Group and Company	5
D	Condensed Interim Consolidated Statement of Cash Flows	6
E	Notes to the Condensed Interim Financial Statements	7
F	Other Information Required by Listing Rule Appendix 7.2	15

OILTEK INTERNATIONAL LIMITED AND ITS SUBSIDIARIES

A. CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the Six Months Ended 30 June 2025

		Six months ended 30 June		
	Note	2025 RM'000	2024 RM'000	Change %
Revenue	4(a)	100,817	100,454	0.4
Cost of sales		(68,375)	(80,941)	(15.5)
Gross profit		32,442	19,513	66.3
Other income	5	2,041	1,752	16.5
Other (losses)/gains – net	5	(6,212)	1,654	N.M.
Expenses				
- Reversal of impairment of trade receivables and contract assets	6	512	192	166.7
- Administrative and others	6	(9,622)	(9,036)	6.5
Profit before income tax		19,161	14,075	36.1
Income tax expense	7	(5,029)	(3,797)	32.4
Profit after income tax		14,132	10,278	37.5
Profit attributable to:				
Equity holders of the Company		14,132	10,278	37.5
Earnings per share for profit attributable to equity holders of the Company:				
- Basic and diluted earnings per share (in sen)	13	3.29	2.40	37.1
Profit after income tax		14,132	10,278	37.5
Other comprehensive (loss)/income:				
<i>Items that may be reclassified subsequently to profit or loss:</i>				
Currency translation differences arising from consolidation		(252)	207	N.M.
Other comprehensive (loss)/income, net of tax		(252)	207	N.M.
Total comprehensive income		13,880	10,485	32.4
Total comprehensive income attributable to:				
Equity holders of the Company		13,880	10,485	32.4

N.M. – Not Meaningful

OILTEK INTERNATIONAL LIMITED AND ITS SUBSIDIARIES

B. CONDENSED INTERIM BALANCE SHEETS

As at 30 June 2025

		Group		Company	
	Note	30 June 2025 RM'000	31 December 2024 RM'000	30 June 2025 RM'000	31 December 2024 RM'000
ASSETS					
Current assets					
Cash and bank balances		111,746	106,143	13,322	13,730
Trade and other receivables		14,293	87,260	8,095	9,227
Contract assets		38,705	18,114	-	-
Inventories		588	939	-	-
		165,332	212,456	21,417	22,957
Non-current assets					
Investments in subsidiaries		-	-	92,557	92,002
Property, plant and equipment	10	3,499	3,626	-	-
Deferred tax assets		1,832	443	-	-
		5,331	4,069	92,557	92,002
Total assets		170,663	216,525	113,974	114,959
LIABILITIES					
Current liabilities					
Trade and other payables		33,459	55,286	297	475
Contract liabilities		41,630	72,939	-	-
Current income tax liabilities		5,875	4,013	-	25
		80,964	132,238	297	500
Total liabilities		80,964	132,238	297	500
NET ASSETS		89,699	84,287	113,677	114,459
EQUITY					
Capital and reserves attributable to equity holders of the Company					
Share capital	12	98,566	98,566	98,566	98,566
Merger reserve		(81,436)	(81,436)	-	-
Currency translation reserve		472	724	6,957	6,286
Retained profits		72,097	66,433	8,154	9,607
Total equity		89,699	84,287	113,677	114,459

The accompanying notes form an integral part of the condensed interim financial statements.

OILTEK INTERNATIONAL LIMITED AND ITS SUBSIDIARIES

C. CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

For the Six Months Ended 30 June 2025

Group	Attributable to equity holders of the Company				
	Share capital RM'000	Merger reserve RM'000	Currency translation reserve RM'000	Retained profits RM'000	Total RM'000
Balance at 1 January 2025	98,566	(81,436)	724	66,433	84,287
Profit for the period	-	-	-	14,132	14,132
Other comprehensive loss for the period	-	-	(252)	-	(252)
Total comprehensive income for the period	-	-	(252)	14,132	13,880
Transactions with owners, recognised directly in equity – dividend	-	-	-	(8,468)	(8,468)
Balance at 30 June 2025	98,566	(81,436)	472	72,097	89,699
Balance at 1 January 2024	98,566	(81,436)	1,728	48,886	67,744
Profit for the period	-	-	-	10,278	10,278
Other comprehensive income for the period	-	-	207	-	207
Total comprehensive income for the period	-	-	207	10,278	10,485
Transactions with owners, recognised directly in equity – dividend	-	-	-	(7,968)	(7,968)
Balance at 30 June 2024	98,566	(81,436)	1,935	51,196	70,261

Company	Attributable to equity holders of the Company			
	Share capital RM'000	Currency translation reserve RM'000	Retained profits RM'000	Total RM'000
Balance at 1 January 2025	98,566	6,286	9,607	114,459
Profit for the period	-	-	7,015	7,015
Other comprehensive income for the period	-	671	-	671
Total comprehensive income for the period	-	671	7,015	7,686
Transactions with owners, recognised directly in equity – dividend	-	-	(8,468)	(8,468)
Balance at 30 June 2025	98,566	6,957	8,154	113,677
Balance at 1 January 2024	98,566	13,168	7,600	119,334
Profit for the period	-	-	5,154	5,154
Other comprehensive loss for the period	-	(295)	-	(295)
Total comprehensive income for the period	-	(295)	5,154	4,859
Transactions with owners, recognised directly in equity – dividend	-	-	(7,968)	(7,968)
Balance at 30 June 2024	98,566	12,873	4,786	116,225

The accompanying notes form an integral part of the condensed interim financial statements.

OILTEK INTERNATIONAL LIMITED AND ITS SUBSIDIARIES
D. CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS
For the Six Months Ended 30 June 2025

Group	Six months ended 30 June	
	2025 RM'000	2024 RM'000
Cash flows from operating activities		
Profit after income tax	14,132	10,278
Adjustments for:		
- Income tax expense	5,029	3,797
- Depreciation of property, plant and equipment	179	171
- Property, plant and equipment written off	-	1
- Interest income	(2,041)	(1,649)
- Gain on disposal of property, plant and equipment	-	(102)
- Unrealised translation loss/(gain)	2,947	(1,365)
	20,246	11,131
Changes in working capital:		
- Trade and other receivables	72,974	5,288
- Inventories	351	(404)
- Contract assets and liabilities	(51,900)	(34,821)
- Trade and other payables	(21,827)	(1,594)
Cash generated from/(used in) operations	19,844	(20,400)
Interest received	2,034	1,731
Income tax paid	(4,556)	(2,879)
Net cash provided by/(used in) operating activities	17,322	(21,548)
Cash flows from investing activities		
Purchase of property, plant and equipment	(52)	(656)
Proceed from disposal of property, plant and equipment	-	102
Net cash used in investing activities	(52)	(554)
Cash flows from financing activity		
Dividends paid	(8,468)	(7,968)
Net cash used in financing activity	(8,468)	(7,968)
Net change in cash and bank balances	8,802	(30,070)
Beginning of financial period	106,143	132,460
Effects of currency translation on cash and bank balances	(3,199)	1,572
End of financial period	111,746	103,962

The accompanying notes form an integral part of the condensed interim financial statements.

OILTEK INTERNATIONAL LIMITED AND ITS SUBSIDIARIES

F. OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2

For the Six Months Ended 30 June 2025

1. Corporate information

Oiltek International Limited (the “**Company**”) is listed on the Mainboard of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) and incorporated and domiciled in Singapore. The Company was formerly listed on the Catalist of the SGX-ST on 3 March 2022 and has completed the transfer of its listing from Catalist to the Mainboard of the SGX-ST on 6 June 2025. These condensed interim financial statements as at and for the six months ended 30 June 2025 comprise the Company and its subsidiaries (collectively, the “**Group**”).

The principal activity of the Company is that of an investment holding company. The Group is principally engaged in the supply and provision of engineering design and commissioning of oil extraction equipment and plant.

2. Basis of preparation

The condensed interim financial statements for the six months ended 30 June 2025 have been prepared in accordance with Singapore Financial Reporting Standards (International) (“**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 the Group’s performance since the last audited annual financial statements for the year ended 31 December 2024.

The condensed interim financial statements are presented in Malaysian Ringgit, while the functional currency of the Company is Singapore Dollar. As the major subsidiaries of the Group operate in Malaysia, management has assessed that Malaysian Ringgit is a suitable presentation currency. All financial information presented in Malaysian Ringgit have been rounded to the nearest thousand, unless otherwise stated.

The accounting policies and method of computations used in the condensed interim financial statements 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.

2.1 New and amended Standards adopted by the Group

In the current financial year, the Group has adopted all the new and revised SFRS (I) that are relevant to its operations and effective for the current financial year.

The adoption of these new/revised SFRS(I)s did not result in material changes to the Group’s accounting policies and has no material effect on the financial results or position of the Group and the Company.

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 expenses. 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 audited consolidated financial statements as at and for the year ended 31 December 2024 as set out below:

- (a) Estimation of contract costs for engineering contracts
- (b) Measurement of expected credit loss allowances for trade receivables and contract assets
- (c) Critical judgement in determination of functional currency of Oiltek Sdn. Bhd.

OILTEK INTERNATIONAL LIMITED AND ITS SUBSIDIARIES

F. OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2

For the Six Months Ended 30 June 2025

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 period.

4. Revenue and segment information

(a) Disaggregation of revenue

Group	Six months ended 30 June	
	2025 RM'000	2024 RM'000
Contract revenue – over time	94,045	90,437
Sales of goods – at a point in time	6,772	10,017
Total revenue	100,817	100,454

(b) Segment information

The Group considers the business from a business segment perspective. Management manages and monitors the business in three main business segments which are “Edible & Non-Edible Oil Refinery”, “Renewable Energy” and “Product Sales and Trading”. The “Others” segment relates to corporate activities which are not allocated to the business segments.

The Edible & Non-Edible Oil Refinery segment provides services for edible and non-edible oil industries including (i) the engineering, procurement, design, construction and commissioning of edible and non-edible oil refining plants, downstream specialty products and processing plants, (ii) upgrading and retrofitting the existing facilities, and (iii) turnkey inside-battery-limits (“ISBL”) and outside-battery-limits (“OSBL”) infrastructure engineering.

The Renewable Energy segment provides services for renewable energy industries including (i) the engineering, procurement, designing, construction and commissioning of multi feedstock biodiesel, enzymatic biodiesel, winter fuel, and palm oil mill effluent biogas methane recovery plants, (ii) upgrading and retrofitting the existing facilities, and (iii) turnkey ISBL and OSBL infrastructure engineering which includes the environmental solutions and integration into steam and power generation.

The Product Sales and Trading segment derives revenue from the sale of specialty chemical products and engineering components.

The Chief Executive Officer assesses the performance of these business segments based on segment revenue, segment results, segment assets and segment liabilities.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly other income, other (losses)/gains - net, depreciation of property, plant and equipment, income tax expense, cash and bank balances, property, plant and equipment, current income tax liabilities and deferred tax assets/liabilities.

OILTEK INTERNATIONAL LIMITED AND ITS SUBSIDIARIES

F. OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2

For the Six Months Ended 30 June 2025

The segment information and the reconciliations of segment results to profit before tax and segment assets and liabilities to total assets and liabilities are as follows:

Group (RM'000)	Edible & Non-Edible Oil Refinery	Renewable Energy	Product Sales and Trading	Others	Total
Six months ended 30 June 2025					
Revenue					
- External	71,322	22,723	6,772	-	<u>100,817</u>
Cost of Sales	(44,310)	(19,259)	(4,806)	-	<u>(68,375)</u>
Results					
Segment results	20,608	1,665	1,238	-	23,511
Other income					2,041
Other losses – net					(6,212)
Depreciation of property, plant and equipment					(179)
Profit before income tax					<u>19,161</u>
Income tax expense					<u>(5,029)</u>
Profit after income tax					<u>14,132</u>
As at 30 June 2025					
Assets					
Segment assets	28,548	20,074	4,840	124	53,586
<u>Unallocated assets:</u>					
Cash and bank balances					111,746
Property, plant and equipment					3,499
Deferred tax assets					<u>1,832</u>
Total assets					<u>170,663</u>
Liabilities					
Segment liabilities	46,844	23,091	2,721	2,433	75,089
<u>Unallocated liabilities:</u>					
Current income tax liabilities					<u>5,875</u>
Total liabilities					<u>80,964</u>

The accompanying notes form an integral part of the condensed interim financial statements.

OILTEK INTERNATIONAL LIMITED AND ITS SUBSIDIARIES

F. OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2

For the Six Months Ended 30 June 2025

Group (RM'000)	Edible & Non-Edible Oil Refinery	Renewable Energy	Product Sales and Trading	Others	Total
Six months ended 30 June 2024					
Revenue					
- External	87,679	2,758	10,017	-	<u>100,454</u>
Cost of Sales	(70,987)	(2,133)	(7,821)	-	<u>(80,941)</u>
Results					
Segment results	9,214	283	1,343	-	10,840
Other income					1,752
Other gains – net					1,654
Depreciation of property, plant and equipment					<u>(171)</u>
Profit before income tax					14,075
Income tax expense					<u>(3,797)</u>
Profit after income tax					<u>10,278</u>
As at 30 June 2024					
Assets					
Segment assets	37,975	12,453	4,697	48	55,173
<u>Unallocated assets:</u>					
Cash and bank balances					103,962
Income tax receivables					47
Property, plant and equipment					<u>3,777</u>
Total assets					<u>162,959</u>
Liabilities					
Segment liabilities	68,632	16,655	2,648	2,683	90,618
<u>Unallocated liabilities:</u>					
Current income tax liabilities					1,920
Deferred tax liabilities					<u>160</u>
Total liabilities					<u>92,698</u>

The accompanying notes form an integral part of the condensed interim financial statements.

OILTEK INTERNATIONAL LIMITED AND ITS SUBSIDIARIES

F. OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2

For the Six Months Ended 30 June 2025

(c) Geographical information

The Group has business presence in several main geographical areas: Asia, Africa and America.

The following table presents sales information for the main geographical areas for the six months ended 30 June 2025 and 2024.

Group	Six months ended 30 June	
	2025 RM'000	2024 RM'000
Asia:		
- Malaysia	34,091	23,679
- Indonesia	56,596	61,184
- Myanmar	439	-
- Pakistan	1,171	522
- Philippines	2	236
- South Korea	-	84
- Thailand	104	148
- Others	4	-
	92,407	85,853
Africa:		
- Benin	388	5,354
- Kenya	5,621	478
- Nigeria	163	19
- Republic of the Congo	268	3,906
- Others	31	18
	6,471	9,775
America	1,939	4,826
	100,817	100,454

The Group's non-current assets comprise mainly property, plant and equipment and are located in Malaysia. Accordingly, no geographical analysis for non-current assets is presented.

5. Other income and other gains – net

Group	Six months ended 30 June	
	2025 RM'000	2024 RM'000
<u>Other income</u>		
Interest income	2,041	1,649
Gain on disposal of property, plant and equipment	-	102
Others	-	1
	2,041	1,752
<u>Other (losses)/gains - net</u>		
Net foreign exchange (loss)/gain	(6,212)	1,654

OILTEK INTERNATIONAL LIMITED AND ITS SUBSIDIARIES

F. OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2

For the Six Months Ended 30 June 2025

6. Expenses by nature

Group	Six months ended 30 June	
	2025 RM'000	2024 RM'000
Reversal of impairment of trade receivables and contract assets	(512)	(192)
Depreciation of property, plant and equipment	179	171

7. Income tax expense

The major components of income tax expense in the condensed interim statement of comprehensive income are:

Group	Six months ended 30 June	
	2025 RM'000	2024 RM'000
Tax expense attributable to profit is made up of:		
- Current income tax	6,430	3,153
- Deferred income tax	(1,389)	644
	5,041	3,797
Over provision in prior financial year		
- Current income tax	(12)	-
	5,029	3,797

8. Related party transactions

The Group has transactions with a related party during the financial period:

Group	Six months ended 30 June	
	2025 RM'000	2024 RM'000
<u>Purchases of services</u>		
Rental of premise from a related corporation	6	6

9. Financial assets and financial liabilities

The aggregate carrying amounts of financial assets and liabilities at amortised cost are as follows:

	Group		Company	
	30 June 2025 RM'000	31 December 2024 RM'000	30 June 2025 RM'000	31 December 2024 RM'000
Financial assets at amortised cost	125,340	192,906	21,417	22,957
Financial liabilities at amortised cost	33,459	55,286	297	475

The accompanying notes form an integral part of the condensed interim financial statements.

OILTEK INTERNATIONAL LIMITED AND ITS SUBSIDIARIES

F. OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2

For the Six Months Ended 30 June 2025

10. Property, plant and equipment

During the six months ended 30 June 2025, the Group acquired assets amounting to RM52,000 (30 June 2024: RM656,000).

11. Dividends

Group	Six months ended 30 June	
	2025 RM'000	2024 RM'000
Ordinary dividends paid:		
Final dividend of SGD0.018* [equivalent to RM0.059] per share in respect of the financial year ended 31 December 2024		
(2024: Final dividend of SGD0.016* [equivalent to RM0.056] per share in respect of the financial year ended 31 December 2023)	8,468	7,968

* Dividends were paid prior to the bonus issue of 286,000,000 shares on 15 May 2025.

12. Share capital

Group and Company	No. of ordinary shares		Amount	
	2025	2024	2025 RM'000	2024 RM'000
Balance at 1 January	143,000,000	143,000,000	98,566	98,566
Issuance of Bonus Shares	286,000,000	-	-	-
Balance at 30 June	429,000,000	143,000,000	98,566	98,566

On 15 May 2025, 286,000,000 bonus shares ("Bonus Shares") have been allocated and issued pursuant to the proposed bonus issue as announced by the Company on 3 March 2025. Accordingly, the Company's number of issued shares has increased from 143,000,000 shares to 429,000,000 shares.

All issued ordinary shares are fully paid. There is no par value for these ordinary shares. Fully paid ordinary shares carry one vote per share and carry a right to dividends as and when declared by the Company. The Company did not hold any treasury shares as at 30 June 2025, 31 December 2024 and 30 June 2024. The Company's subsidiaries do not hold any shares in the Company as at 30 June 2025, 31 December 2024 and 30 June 2024. There are no outstanding convertibles as at 30 June 2025 and 30 June 2024.

OILTEK INTERNATIONAL LIMITED AND ITS SUBSIDIARIES**F. OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2***For the Six Months Ended 30 June 2025***13. Earnings per share**

The earnings per share is calculated by dividing the net profit attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the six months ended 30 June 2025 and 2024.

Group	Six months ended 30 June	
	2025	2024
Net profit attributable to equity holders of the Company (RM'000)	14,132	10,278
Weighted average number of ordinary shares outstanding ('000)*	429,000	429,000
Basic/diluted earnings per share (in sen)	3.29	2.40

* Weighted average number of ordinary shares outstanding has been adjusted retrospectively for the effects of the bonus issue of 286,000,000 shares.

There is no dilution of earnings per share for the respective financial periods as there were no potential dilutive ordinary shares.

14. Net asset value per share

The net asset value per share is calculated by dividing net asset value attributable to equity holders of the Group/Company by the number of ordinary shares in issue (excluding treasury shares) during the financial period/year.

	Group		Company	
	30 June 2025	31 December 2024	30 June 2025	31 December 2024
Net asset value attributable to equity holders of the Company (RM'000)	89,699	84,287	113,677	114,459
Number of ordinary shares in issue (excluding treasury shares) ('000)	429,000	143,000	429,000	143,000
Net asset value per share (in sen)*	20.91	58.94	26.50	80.04

* Net asset value per share as at 31 December 2024 has been computed based on the issued capital of 143,000,000 ordinary shares. Net asset value per share as at 30 June 2025 has been computed based on the enlarged issued capital of 429,000,000 ordinary shares, after adjusting for the bonus shares issued of 286,000,000 ordinary shares.

OILTEK INTERNATIONAL LIMITED AND ITS SUBSIDIARIES

F. OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2

For the Six Months Ended 30 June 2025

1. **Whether the figures have been audited, or reviewed and if so which auditing standard or practice has been followed.**

The figures have not been audited or reviewed by the Company's auditors.

2. **Where the figures have been audited or reviewed, the auditor's report (including any modifications or an emphasis of matter.**

Not applicable as the figures have not been audited or reviewed.

3. **Where the figures are subject to an adverse opinion, qualified opinion or disclaimer of opinion:**

(a) **Updates on the efforts taken to resolve each outstanding audit issue; and**

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

Not applicable as the Company received an unqualified opinion for its latest audited consolidated financial statements for the financial year ended 31 December 2024.

4. **A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group's business. The review must discuss 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. It must also discuss any material factors that affected the cash flows, working capital, assets or liabilities of the Group during the current financial period reported on.**

(a) Review of Group Performance

Revenue

The Group's revenue increased by approximately RM0.37 million or 0.4% from approximately RM100.45 million for the six months ended 30 June 2024 ("1H2024") to approximately RM100.82 million for the six months ended 30 June 2025 ("1H2025") due to an increase in the Renewable Energy segment revenue. This was partially offset by a decrease in the Edible & Non-Edible Oil Refinery segment and the Product Sales and Trading segment revenues.

Revenue from the Renewable Energy segment increased by approximately RM19.96 million or 623.9% from approximately RM2.76 million in 1H2024 to approximately RM22.72 million in 1H2025 mainly due to an increase in revenue contribution from projects secured in the prior year from Malaysia.

Revenue from the Edible & Non-Edible Oil Refinery segment decreased by approximately RM16.36 million or 18.7% from approximately RM87.68 million in 1H2024 to approximately RM71.32 million in 1H2025. This was mainly due to a decrease in revenue contribution from projects secured in Malaysia, Africa and America.

Revenue from the Product Sales and Trading segment decreased by approximately RM3.25 million or 32.4% from approximately RM10.02 million in 1H2024 to approximately RM6.77 million in 1H2025 mainly due to lower demand for parts and engineering components from customers in Malaysia and Indonesia.

The changes in revenue for the geographical segments are mainly due to the new projects secured and substantial completion of certain projects in the respective geographical areas.

OILTEK INTERNATIONAL LIMITED AND ITS SUBSIDIARIES

F. OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2

For the Six Months Ended 30 June 2025

Cost of sales and gross profit

The Group's cost of sales decreased by approximately RM12.56 million or 15.5% from approximately RM80.94 million in 1H2024 to approximately RM68.38 million in 1H2025. The decrease was mainly attributable to cost savings derived from certain projects.

The Group's gross profit increased by approximately RM12.93 million or 66.3% from approximately RM19.51 million in 1H2024 to RM32.44 million in 1H2025. Gross profit margin increased by 12.8 percentage points from 19.4% in 1H2024 to 32.2% in 1H2025. This was mainly due to higher gross profit margin contribution from the Edible & Non-Edible Oil Refinery segment.

Other income

Other income increased by approximately RM0.29 million or 16.5% from approximately RM1.75 million in 1H2024 to approximately RM2.04 million in 1H2025 mainly due to an increase in interest income from fixed deposits.

Other (losses)/gains – net

Other gains/(losses) changed from a net gain of approximately RM1.65 million in 1H2024 to a net loss of approximately RM6.21 million in 1H2025. This was mainly due to the unrealised foreign exchange loss from the Group's monetary financial assets and liabilities, arising primarily for the weakening of the United States Dollar against the Malaysia Ringgit.

Expenses

Our Group recorded a reversal of impairment of trade receivables and contract assets of approximately RM0.51 million in 1H2025 mainly due to the collection of certain long outstanding trade receivables and contract assets that had previously been provided for.

Administrative and others increased by approximately RM0.59 million or 6.5% from approximately RM9.04 million in 1H2024 to approximately RM9.62 million in 1H2025. The increase was mainly due to an increase in professional fees, employee compensation, selling and distribution related expenses.

Income tax expense

Income tax expense increased by approximately RM1.23 million or 32.4% from approximately RM3.80 million in 1H2024 to approximately RM5.03 million in 1H2025. Effective income tax rate decreased by 0.8 percentage points from 27.0% in 1H2024 to 26.2% in 1H2025.

Profit after income tax

Overall, the Group's profit after income tax increased by approximately RM3.85 million or 37.5% from approximately RM10.28 million in 1H2024 to approximately RM14.13 million in 1H2025.

F. OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2

For the Six Months Ended 30 June 2025

(b) Review of change in working capital, assets and liabilities

The Group's financial position as at 30 June 2025 remains strong and resilient, with a net asset position of approximately RM89.70 million and healthy cash and bank balances of approximately RM111.75 million.

Current assets

The Group's current assets decreased by approximately RM47.13 million or 22.2% from approximately RM212.46 million as at 31 December 2024 to approximately RM165.33 million as at 30 June 2025 mainly due to (i) a decrease in trade and other receivables; (ii) a decrease in inventories; and partially offset by an increase in cash and bank balances and contract assets.

Trade and other receivables decreased by approximately RM72.97 million or 83.6% from approximately RM87.26 million as at 31 December 2024 to approximately RM14.29 million as at 30 June 2025, primarily due to the collection of three significant milestone billings from customers that were recognised at the previous financial year end.

Contract assets increased by approximately RM20.60 million or 113.7% from approximately RM18.11 million as at 31 December 2024 to approximately RM38.71 million as at 30 June 2025 mainly due to the timing differences between recognition of revenue upon satisfaction of performance obligations for engineering contracts and the timing of billing to customers during the period.

Inventories decreased by approximately RM0.35 million or 37.4% from approximately RM0.94 million as at 31 December 2024 to approximately RM0.59 million as at 30 June 2025 mainly due to lower demand for engineering components, which resulted in a reduction in inventories held.

Non-current assets

The Group's non-current assets increased by approximately amounted RM1.26 million or 31.0% from approximately RM4.07 million as at 31 December 2024 to approximately RM5.33 million as at 30 June 2025 mainly due to an increase in deferred tax assets and partially offset by a decrease in property, plant and equipment.

Current liabilities

The Group's current liabilities decreased by approximately RM51.28 million or 38.8% from approximately RM132.24 million as at 31 December 2024 to approximately RM80.96 million as at 30 June 2025 mainly due to (i) a decrease in contract liabilities; (ii) a decrease in trade and other payables; and partially offset by an increase in current income tax liabilities.

Trade and other payables decreased by approximately RM21.83 million or 39.5% from approximately RM55.29 million as at 31 December 2024 to approximately RM33.46 million as at 30 June 2025 mainly due to timely settlement of trade payables to non-related parties.

Contract liabilities decreased by approximately RM31.31 million or 42.9% from approximately RM72.94 million as at 31 December 2024 to approximately RM41.63 million as at 30 June 2025 mainly due to the satisfaction of performance obligations for engineering contracts for which advanced payments were previously collected.

Current income tax liabilities increased by approximately RM1.87 million or 46.4% from approximately RM4.01 million as at 31 December 2024 to approximately RM5.88 million as at 30 June 2025 mainly due to an increase in provision for taxation for the higher chargeable profit recorded in 1H2025.

F. OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2

For the Six Months Ended 30 June 2025

(c) Review of change in cash flows

In 1H2025, net cash provided by operating activities amounted to RM17.32 million. This was due to operating cash inflow before working capital changes of approximately RM20.25 million, adjusted for (a) net working capital outflow of approximately RM0.42 million; (b) interest received of approximately RM2.03 million, and (c) tax paid of approximately RM4.56 million. The net working capital outflow was due to (i) a decrease in net contract liabilities of approximately RM51.90 million; (ii) a decrease in trade and other payables of approximately RM21.83 million; which was partially offset by a decrease in trade and other receivables of approximately RM72.97 million and a decrease in inventories of approximately RM0.35 million.

Net cash used in investing activities amounted to approximately RM0.05 million due to purchase of property, plant and equipment.

Net cash used in financing activities amounted to approximately RM8.47 million due to dividends paid during the period.

As a result of the above, there was a net increase of approximately RM8.80 million in cash and bank balances. As at 30 June 2025, the Group's cash and bank balances amounted to approximately RM111.75 million.

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

Not applicable. No forecast or prospect statement has been previously disclosed to shareholders.

6. 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 Group remains confident about the long-term outlook of the Edible & Non-Edible Oil Refinery segment as global consumption of oils and fats grows in tandem with population growth and urbanisation. According to Imarc Group, a market research and consulting firm, the global fats and oils market size reached USD241.1 billion in 2024 and is expected to reach USD336.3 billion by 2033, exhibiting a growth rate of 3.38% during 2025-2033.¹ With continued population growth and the growing demand for food, there is a corresponding demand for edible and non-edible oils and fats, specifically, vegetable oils. This potentially benefits the Group as it is an engineering solutions provider that caters to all types of vegetable oils, including palm oil, soybean oil and rapeseed oil. Capitalising on this macroeconomic trend, the Group will continue to leverage its engineering capabilities, integrated technological know-how, and proven track record to secure more projects, especially those of a larger scale, in both existing markets and new markets with emerging bright prospects.

The trend of global environmental sustainability continues to benefit the Group's Renewable Energy segment. Indonesia, the world's biggest palm oil producing country, has raised its mandatory blending of biodiesel from 35% (**B35**) to 40% (**B40**) this year,² and is looking to implement a 50% blending (**B50**) in 2026.³ The world's second largest palm oil producing country, Malaysia, is similarly committed to the phased implementation of its biodiesel programme, which is currently at 10% (**B10**) for the transportation sector and 7% (**B7**) for industrial use, with a 20% blending ratio (**B20**) programme in limited areas.⁴

¹ <https://www.imarcgroup.com/fats-oils-market>

² <https://www.reuters.com/sustainability/climate-energy/indonesia-expects-reach-full-implementation-b40-biodiesel-march-2025-02-14/>

³ <https://jakartaglobe.id/business/indonesia-to-implement-b50-palm-oil-biodiesel-mandate-next-year>

⁴ <https://reccessary.com/en/news/malaysia-b20-biodiesel-expansion-faces-hurdles#:~:text=Malaysia%20introduced%20National%20Biodiesel%20Programme,makes%20price%20fluctuations%20more%20unpredictable.>

The accompanying notes form an integral part of the condensed interim financial statements.

OILTEK INTERNATIONAL LIMITED AND ITS SUBSIDIARIES

F. OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2

For the Six Months Ended 30 June 2025

With the aviation industry's net zero carbon dioxide emissions by 2050 commitment, the market is embracing sustainable aviation fuel ("SAF"), which is estimated to contribute to 65% of the reduction in emissions needed to hit the 2050 target.⁵ According to World Economic Forum and Kearney, in order to meet a global SAF demand of 17 million metric tons by 2030, up to USD45 billion in investments is estimated to be required.⁶ With Southeast Asia poised to become a global hub for SAF,⁷ the Group is well positioned for the SAF trend as it has designed and delivered plants capable of treating and cleansing palm oil mill effluent ("POME"), as well as any other vegetable oil-based raw materials in compliance with the International Sustainability & Carbon Certification ("ISCC") for use as feedstock in the production and manufacture of hydrogenated vegetable oil ("HVO") or renewable diesel, which can be upgraded to SAF.

With the backdrop of global climate change as a result of global warming, and the growing emphasis on sustainability, the Group remains optimistic of the long-term growth prospects in the renewable energy sector. As part of its focus on this sector, the Group continues to develop new and innovative processes to provide more support and solutions to the sustainability efforts of its existing customers and markets.

With the uncertainties brought on by US protectionism and its tariffs against many countries, as well as ongoing geopolitical tensions, the global economy remains volatile and presents a challenging operating environment. Notwithstanding this and barring any unforeseen circumstances, the Group expects its businesses to be driven primarily by the corresponding growth in the industries that it serves, with the overall outlook expected to remain positive.

As at the date of this announcement, the Group's order book based on unfulfilled orders from signed contracts, confirmed variation orders and letters of awards obtained amounts to approximately RM332.5 million and is expected to be fulfilled over the next 18 to 24 months barring any unforeseen circumstances.

7. Dividend

(a) Any dividend recommended/declared for the current financial period reported on?

Yes.

Name of dividend	Interim
Dividend type	Cash
Dividend amount per share	0.50 Singapore cents*
Tax rate	Tax-exempt (one-tier)

* Based on the total share capital of 429,000,000 shares.

(b) Any dividend recommended/declared for the corresponding period of the immediately preceding financial year?

Yes.

Name of dividend	Interim
Dividend type	Cash
Dividend amount per share	0.90 Singapore cents*
Tax rate	Tax-exempt (one-tier)

* Based on the total share capital of 143,000,000 shares.

⁵ <https://www.iata.org/en/programs/sustainability/sustainable-aviation-fuels/>

⁶ <https://www.prnewswire.com/news-releases/up-to-45-billion-in-investments-will-be-required-to-meet-global-demand-for-sustainable-aviation-fuel-according-to-new-report-from-the-world-economic-forum-and-kearney-302386289.html>

⁷ <https://asean.org/southeast-asia-poised-to-become-a-global-hub-for-sustainable-aviation-fuel/>

The accompanying notes form an integral part of the condensed interim financial statements.

OILTEK INTERNATIONAL LIMITED AND ITS SUBSIDIARIES

F. OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2

For the Six Months Ended 30 June 2025

- (c) **Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived.**

Tax exempt (one-tier).

- (d) **Date payable**

The date payable for the interim cash dividend will be announced at a later date.

- (e) **Record date**

The record date will be announced at a later date.

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

Not applicable.

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

There are no interested person transactions of S\$100,000 and above entered into in 1H2025.

The Group has not obtained a general mandate from shareholders for interested person transactions.

10. **Disclosure on acquisition and realisation of shares pursuant to Rule 706A of the SGX-ST Listing Manual**

Not applicable. There were no acquisition or realisation of shares in any of the Group's subsidiaries nor incorporation of any new subsidiary or associated company by the Company or any of the Group's entities during 1H2025.

11. **Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1) of the SGX-ST Listing Manual**

The Company confirms that it has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1) of the SGX-ST Listing Manual.

12. **Use of IPO Proceeds**

As at the date of this announcement, the utilisation of net proceeds from the IPO are as follows:

Use of Proceeds	Net IPO Proceeds (S\$'000)	Utilisation (S\$'000)
Working capital to expand our business operations through securing more projects and projects of a larger scale	2,634	-
Expansion of our business through investments, mergers and acquisitions, joint ventures and/or strategic alliances	1,000	-
Total	3,634	-

OILTEK INTERNATIONAL LIMITED AND ITS SUBSIDIARIES

F. OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2

For the Six Months Ended 30 June 2025

13. Confirmation by the Board pursuant to Rule 705(5) of the SGX-ST Listing Manual

The Board of Directors confirms that, to the best of their knowledge, nothing has come to their attention, which may render the condensed interim financial statements for the six months ended 30 June 2025 to be false or misleading in any material aspects.

BY ORDER OF THE BOARD

Mr. Henry Yong Khai Weng
Executive Director and Chief Executive Officer

30 July 2025