



AEM HOLDINGS LTD.
Incorporated in the Republic of Singapore
(REGISTRATION NO. 200006417D)

AEM Holdings Ltd. and its Subsidiaries

Unaudited Condensed Interim Financial Statements
For the six months and full year ended 31 December 2024

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AEM HOLDINGS LTD.
(REGISTRATION NO. 200006417D)

Condensed interim financial statements for the six months and full year ended 31 December 2024

These statements for the six months and full year ended 31 December 2024 have not been audited.

A. Condensed interim consolidated statement of profit or loss and other comprehensive income

| | | 6 months ended 31 December 2024 ("2H2024") S\$'000 | 6 months ended 31 December 2023 ("2H2023") S\$000 | Change* % | 12 months ended 31 December 2024 ("FY2024") S\$'000 | 12 months ended 31 December 2023 ("FY2023") S\$'000 | Change* % |
|--|--------|---|--|--------------|--|--|--------------|
| | Note 4 | | | | | | |
| Revenue | | 206,830 | 206,062 | 0% | 380,410 | 481,283 | (21%) |
| Cost of sales | | (152,603) | (159,804) | (5%) | (282,796) | (351,987) | (20%) |
| Gross profit | | 54,227 | 46,258 | 17% | 97,614 | 129,296 | (25%) |
| Other income | | 860 | 2,846 | (70%) | 2,213 | 4,352 | (49%) |
| Research & development expenses | | (12,141) | (9,135) | 33% | (23,684) | (24,350) | (3%) |
| Selling, general & administrative expenses | | (29,268) | (22,034) | 33% | (56,376) | (64,471) | (13%) |
| Foreign exchange gain / (loss), net | | 2,248 | (1,993) | NM | 4,291 | (3,290) | NM |
| Other expenses | | (1,418) | (27,752) | (95%) | (6,086) | (27,785) | (78%) |
| Results from operating activities | | 14,508 | (11,810) | NM | 17,972 | 13,752 | 31% |
| Finance income | | 422 | 637 | (34%) | 1,009 | 1,466 | (31%) |
| Finance costs | | (1,886) | (3,339) | (44%) | (4,584) | (6,991) | (34%) |
| Net finance costs | | (1,464) | (2,702) | (46%) | (3,575) | (5,525) | (35%) |
| Share of equity-accounted investees' loss, net of tax | | – | (1,755) | NM | (326) | (641) | (49%) |
| Profit/(loss) before tax | 6 | 13,044 | (16,267) | NM | 14,071 | 7,586 | 85% |
| Tax expense | 7 | (2,260) | (4,612) | (51%) | (2,465) | (8,750) | (72%) |
| Profit/(loss) for the period | | 10,784 | (20,879) | NM | 11,606 | (1,164) | NM |
| Profit/(loss) attributable to: | | | | | | | |
| Owners of the Company | | 10,543 | (20,894) | NM | 11,438 | (1,237) | NM |
| Non-controlling interests | | 241 | 15 | 1,507% | 168 | 73 | 130% |
| Profit/(loss) for the period | | 10,784 | (20,879) | NM | 11,606 | (1,164) | NM |
| Earnings/(loss) per share for profit/(loss) for the period attributable to the owners of the Company: | | | | | | | |
| Basic (SGD in cent) | 8 | 3.37 | (6.76) | NM | 3.68 | (0.40) | NM |
| Diluted (SGD in cent) | 8 | 3.33 | (6.72) | NM | 3.65 | (0.40) | NM |

Note:

*Increase/(decrease)

NM: Not meaningful

A. Condensed interim consolidated statement of profit or loss and other comprehensive income (cont'd)

| | 6 months ended 31 December 2024 ("2H2024") S\$'000 | 6 months ended 31 December 2023 ("2H2023") S\$'000 | Change* % | 12 months ended 31 December 2024 ("FY2024") S\$'000 | 12 months ended 31 December 2023 ("FY2023") S\$'000 | Change* % |
|--|---|---|--------------|--|--|--------------|
| Note | | | | | | |
| Other comprehensive income/(loss) | | | | | | |
| Items that are or may be reclassified subsequently to profit or loss: | | | | | | |
| Foreign currency translation Difference – foreign operations | 1,069 | (2,658) | NM | 3,478 | (4,810) | NM |
| Share of foreign currency translation difference of equity-accounted investees | – | 84 | NM | – | 113 | NM |
| Foreign currency translation differences on loss of significant influence reclassified to profit or loss | – | – | NM | 600 | – | NM |
| Other comprehensive income/(loss) for the period, net of tax | 1,069 | (2,574) | NM | 4,078 | (4,697) | NM |
| Total comprehensive income/(loss) for the period | 11,853 | (23,453) | NM | 15,684 | (5,861) | NM |
| Total comprehensive income/(loss) attributable to: | | | | | | |
| Owners of the Company | 11,591 | (23,481) | NM | 15,492 | (5,957) | NM |
| Non-controlling Interests | 262 | 28 | 836% | 192 | 96 | 100% |
| Total comprehensive income/(loss) for the period | 11,853 | (23,453) | NM | 15,684 | (5,861) | NM |

Note:

* Increase/(decrease)

NM: Not meaningful

B. Condensed interim statements of financial position

| | Note | Group | | Company | |
|---|------|----------------|----------------|----------------|----------------|
| | | 31 December | 31 December | 31 December | 31 December |
| | | 2024 | 2023 | 2024 | 2023 |
| | | S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| Assets | | | | | |
| Property, plant and equipment | 12 | 35,834 | 40,097 | 10 | 12 |
| Investment properties | | 1,600 | 1,754 | – | – |
| Right-of-use assets | | 21,094 | 33,577 | 67 | – |
| Intangible assets | 11 | 129,828 | 125,277 | 15 | 64 |
| Interests in subsidiaries | | – | – | 82,851 | 82,851 |
| Investment in associates | | – | 8,821 | – | – |
| Other investment | | – | 5,785 | – | – |
| Deferred tax assets | | 837 | 1,396 | 71 | 19 |
| Non-current assets | | 189,193 | 216,707 | 83,014 | 82,946 |
| Inventories | 13 | 296,773 | 328,616 | – | – |
| Trade and other receivables | | 142,658 | 58,773 | 108,926 | 74,977 |
| Contract assets | | 776 | 1,582 | – | – |
| Cash and cash equivalents | | 43,775 | 101,849 | 3,299 | 33,240 |
| Current assets | | 483,982 | 490,820 | 112,225 | 108,217 |
| Total assets | | 673,175 | 707,527 | 195,239 | 191,163 |
| Equity | | | | | |
| Share capital | 15 | 188,851 | 187,577 | 188,851 | 187,577 |
| Reserves | | (27,371) | (32,900) | (6,318) | (8,019) |
| Accumulated profits | | 324,218 | 312,779 | 6,256 | 6,418 |
| Equity attributable to owners of the Company | | 485,698 | 467,456 | 188,789 | 185,976 |
| Non-controlling interests | | 6,616 | 6,930 | – | – |
| Total equity | | 492,314 | 474,386 | 188,789 | 185,976 |
| Liabilities | | | | | |
| Financial liabilities | 14 | 15,895 | 42,471 | – | – |
| Trade and other payables | | 190 | 603 | – | – |
| Deferred tax liabilities | | 11,634 | 11,748 | – | – |
| Provisions | | 3,740 | 1,672 | – | – |
| Defined benefit obligations | | 1,007 | 1,059 | – | – |
| Non-current liabilities | | 32,466 | 57,553 | – | – |
| Financial liabilities | 14 | 78,484 | 83,884 | 67 | – |
| Trade and other payables | | 53,736 | 73,458 | 5,710 | 4,337 |
| Contract liabilities | | 7,324 | 7,898 | – | – |
| Current tax payable | | 6,326 | 6,391 | 673 | 850 |
| Provisions | | 2,525 | 3,957 | – | – |
| Current liabilities | | 148,395 | 175,588 | 6,450 | 5,187 |
| Total liabilities | | 180,861 | 233,141 | 6,450 | 5,187 |
| Total equity and liabilities | | 673,175 | 707,527 | 195,239 | 191,163 |

C. Condensed interim statements of changes in equity

| | Note | Attributable to owners of the Company | | | | | | Non-controlling interests S\$'000 | Total equity S\$'000 |
|---|------|---------------------------------------|-----------------------------------|---------------------------|---------------------------------------|---|--------------------------------|--------------------------------------|-------------------------|
| | | Share capital S\$'000 | Reserve for own shares S\$'000 | Other reserves S\$'000 | Share compensation reserve S\$'000 | Currency translation reserve S\$'000 | Accumulated profits S\$'000 | Total S\$'000 | |
| Group | | | | | | | | | |
| At 1 January 2023 | | 187,464 | (10,477) | (9,421) | 3,773 | (11,293) | 325,002 | 485,048 | 493,450 |
| Total comprehensive (loss)/income for the year | | | | | | | | | |
| Loss for the year | | - | - | - | - | - | (1,237) | (1,237) | (1,164) |
| Other comprehensive (loss)/income | | | | | | | | | |
| Foreign currency translation difference – foreign operations | | - | - | - | - | (4,833) | - | (4,833) | (4,810) |
| Share of foreign currency translation difference of equity-accounted investee | | - | - | - | - | 113 | - | 113 | 113 |
| Total comprehensive (loss)/income for the year | | - | - | - | - | (4,720) | (1,237) | (5,957) | (5,861) |
| Transactions with owners, recognised directly in equity | | | | | | | | | |
| Contributions by and distributions to owners of the Company | | | | | | | | | |
| Own shares acquired | 15 | - | (996) | - | - | - | - | (996) | (996) |
| Treasury shares reissued pursuant to share plans | 15 | - | 1,382 | 156 | (1,538) | - | - | - | - |
| Share options exercised | 15 | 113 | - | - | - | - | - | 113 | 113 |
| Share-based payment transactions | | - | - | - | 1,237 | - | - | 1,237 | 1,237 |
| Final dividend of 3.6 cents per share in respect of 2022 | 9 | - | - | - | - | - | (11,120) | (11,120) | (11,120) |
| Appropriation to other reserves | | - | - | (58) | - | - | 58 | - | - |
| Total contributions by and distributions to owners of the Company | | 113 | 386 | 98 | (301) | - | (11,062) | (10,766) | (10,766) |
| Changes in ownership interests in a subsidiary | | | | | | | | | |
| Acquisition of non-controlling interests without a change in control | 16 | - | - | (1,000) | - | 55 | 76 | (869) | (2,437) |
| Total changes in ownership interests in a subsidiary | | - | - | (1,000) | - | 55 | 76 | (869) | (2,437) |
| Total transactions with owners | | 113 | 386 | (902) | (301) | 55 | (10,986) | (11,635) | (13,203) |
| At 31 December 2023 | | 187,577 | (10,091) | (10,323) | 3,472 | (15,958) | 312,779 | 467,456 | 474,386 |

C. Condensed interim statements of changes in equity (cont'd)

| | | Attributable to owners of the Company | | | | | | | Non-controlling interests S\$'000 | Total equity S\$'000 |
|--|------|---------------------------------------|-----------------------------------|---------------------------|---------------------------------------|---|--------------------------------|------------------|--------------------------------------|-------------------------|
| | Note | Share capital S\$'000 | Reserve for own shares S\$'000 | Other reserves S\$'000 | Share compensation reserve S\$'000 | Currency translation reserve S\$'000 | Accumulated profits S\$'000 | Total S\$'000 | | |
| Group | | | | | | | | | | |
| At 1 January 2024 | | 187,577 | (10,091) | (10,323) | 3,472 | (15,958) | 312,779 | 467,456 | 6,930 | 474,386 |
| Total comprehensive income for the year | | | | | | | | | | |
| Loss for the year | | - | - | - | - | - | 11,438 | 11,438 | 168 | 11,606 |
| Other comprehensive income | | | | | | | | | | |
| Foreign currency translation difference – foreign operations | | - | - | - | - | 3,454 | - | 3,454 | 24 | 3,478 |
| Foreign currency translation differences on loss of significant influence reclassified to profit or loss | | - | - | - | - | 600 | - | 600 | - | 600 |
| Total comprehensive income for the year | | - | - | - | - | 4,054 | 11,438 | 15,492 | 192 | 15,684 |
| Transactions with owners, recognised directly in equity | | | | | | | | | | |
| Contributions by and distributions to owners of the Company | | | | | | | | | | |
| Treasury shares reissued pursuant to share plans | 15 | - | 920 | 103 | (1,023) | - | - | - | - | - |
| Ordinary shares issued pursuant to share plans | 15 | 249 | - | 244 | (493) | - | - | - | - | - |
| Share options exercised | 15 | 1,025 | - | - | - | - | - | 1,025 | - | 1,025 |
| Share-based payment transactions | | - | - | - | 1,950 | - | - | 1,950 | - | 1,950 |
| Total contributions by and distributions to owners of the Company | | 1,274 | 920 | 347 | 434 | - | - | 2,975 | - | 2,975 |
| Changes in ownership interests in a subsidiary | | | | | | | | | | |
| Acquisition of non-controlling interests without a change in control | 16 | - | - | (248) | - | 22 | 1 | (225) | (506) | (731) |
| Total changes in ownership interests in a subsidiary | | - | - | (248) | - | 22 | 1 | (225) | (506) | (731) |
| Total transactions with owners | | 1,274 | 920 | 99 | 434 | 22 | 1 | 2,750 | (506) | 2,244 |
| At 31 December 2024 | | 188,851 | (9,171) | (10,224) | 3,906 | (11,882) | 324,218 | 485,698 | 6,616 | 492,314 |

C. Condensed interim statements of changes in equity (cont'd)

| | Share capital S\$'000 | Reserve for own shares S\$'000 | Other reserves S\$'000 | Share compensation reserve S\$'000 | Accumulated profits S\$'000 | Total S\$'000 |
|--|-----------------------------|---|------------------------------|---|-----------------------------------|------------------|
| Company | | | | | | |
| At 1 January 2023 | 187,464 | (10,477) | (1,556) | 3,773 | 10,087 | 189,291 |
| Total comprehensive income for the year | - | - | - | - | 7,451 | 7,451 |
| Transactions with owners, recognised directly in equity | | | | | | |
| Contributions by and distributions to owners of the Company | | | | | | |
| Own shares acquired | - | (996) | - | - | - | (996) |
| Treasury shares reissued pursuant to share plans | - | 1,382 | 156 | (1,538) | - | - |
| Share options exercised | 113 | - | - | - | - | 113 |
| Share-based payment transactions | - | - | - | 1,237 | - | 1,237 |
| Final dividend of 3.6 cents per share in respect of 2022 | - | - | - | - | (11,120) | (11,120) |
| Total transactions with owners | 113 | 386 | 156 | (301) | (11,120) | (10,766) |
| At 31 December 2023 | 187,577 | (10,091) | (1,400) | 3,472 | 6,418 | 185,976 |
| At 1 January 2024 | 187,577 | (10,091) | (1,400) | 3,472 | 6,418 | 185,976 |
| Total comprehensive loss for the year | - | - | - | - | (162) | (162) |
| Transactions with owners, recognised directly in equity | | | | | | |
| Contributions by and distributions to owners of the Company | | | | | | |
| Treasury shares reissued pursuant to share plans | - | 920 | 103 | (1,023) | - | - |
| Ordinary shares issued pursuant to share plans | 249 | - | 244 | (493) | - | - |
| Share options exercised | 1,025 | - | - | - | - | 1,025 |
| Share-based payment transactions | - | - | - | 1,950 | - | 1,950 |
| Total transactions with owners | 1,274 | 920 | 347 | 434 | - | 2,975 |
| At 31 December 2024 | 188,851 | (9,171) | (1,053) | 3,906 | 6,256 | 188,789 |

D. Condensed interim consolidated statement of cash flows

| | | 6 months ended 31 December 2024 ("2H2024") S\$'000 | 6 months ended 31 December 2023 ("2H2023") S\$'000 | 12 months ended 31 December 2024 ("FY2024") S\$'000 | 12 months ended 31 December 2023 ("FY2023") S\$'000 |
|--|------|---|---|--|--|
| | Note | | | | |
| Cash flows from operating activities | | | | | |
| Profit/(loss) for the period | | 10,784 | (20,879) | 11,606 | (1,164) |
| <i>Adjustments for:</i> | | | | | |
| Depreciation of property, plant and equipment | | 3,569 | 3,156 | 6,755 | 6,587 |
| Depreciation of investment properties | | 14 | 15 | 28 | 30 |
| Depreciation of right-of-use assets | | 3,817 | 5,192 | 8,188 | 10,887 |
| Amortisation of intangible assets | 11 | 5,336 | 4,148 | 9,493 | 8,222 |
| Allowance for stock obsolescence | 13 | 3,834 | 1,756 | 3,871 | 1,780 |
| Reversal of impairment loss on trade receivables | | — | — | — | (24) |
| Impairment loss on investment in an associate | | — | 600 | — | 600 |
| Impairment loss on intangible assets | | 3,398 | — | 3,398 | — |
| Loss on disposal of property, plant and equipment | 6 | 823 | — | 853 | 60 |
| Write off of property, plant and equipment | | 314 | 294 | 327 | 294 |
| (Gain)/loss on disposal of an associate | | — | (71) | 2,349 | (71) |
| Gain on disposal of a subsidiary | | — | (328) | — | (328) |
| Gain on disposal of other investment | | — | — | (78) | — |
| Net finance costs | | 1,464 | 2,702 | 3,575 | 5,525 |
| Foreign exchange differences arising from translation | | 954 | 1 | 1,213 | (298) |
| Provision for/(reversal of) defined benefit obligations | | 149 | (231) | (52) | (145) |
| Share of equity-accounted investees' loss, net of tax | | — | 1,755 | 326 | 641 |
| Equity-settled share-based payment expenses | | 1,224 | 623 | 1,950 | 1,237 |
| Fair value loss on other investment | 6 | — | 180 | — | 180 |
| Tax expense | 7 | 2,260 | 4,612 | 2,465 | 8,750 |
| | | 37,940 | 3,525 | 56,267 | 42,763 |
| <i>Changes in:</i> | | | | | |
| Inventories | | 29,866 | 31,945 | 33,593 | 30,622 |
| Contract costs | | — | 2 | — | 222 |
| Trade and other receivables | | (73,949) | 51,354 | (80,687) | 30,669 |
| Contract assets | | 81 | (164) | 781 | 353 |
| Trade and other payables | | (17,042) | (36,380) | (24,810) | (38,539) |
| Contract liabilities | | (1,194) | (25) | (568) | 1,226 |
| Provisions | | (67) | 851 | (13) | 1,712 |
| Cash from operating activities | | (24,365) | 51,108 | (15,437) | 69,028 |
| Tax paid | | (221) | (13,602) | (2,079) | (28,860) |
| Net cash (used in)/ generated from operating activities | | (24,586) | 37,506 | (17,516) | 40,168 |
| Cash flows from investing activities | | | | | |
| Acquisition of intangible assets | 11 | (10,899) | (10,313) | (18,317) | (18,055) |
| Interest received | | 422 | 637 | 1,009 | 1,466 |
| Proceeds from disposal of property, plant and equipment | | 1,373 | 25 | 1,859 | 25 |
| Proceeds from disposal of an associate | | — | 5,120 | 6,630 | 5,120 |
| Proceeds from disposal of other investment | | — | — | 5,897 | — |
| Payment of deferred and contingent consideration | | — | — | — | (997) |
| Acquisition of property, plant and equipment | 12 | (4,371) | (3,244) | (5,869) | (7,725) |
| Disposal of a subsidiary, net of cash disposed of | | — | 79 | — | 79 |
| Net cash used in investing activities | | (13,475) | (7,696) | (8,791) | (20,087) |

D. Condensed interim consolidated statement of cash flows (Cont'd)

| | | 6 months ended 31 December 2024 ("2H2024") S\$'000 | 6 months ended 31 December 2023 ("2H2023") S\$'000 | 12 months ended 31 December 2024 ("FY2024") S\$'000 | 12 months ended 31 December 2023 ("FY2023") S\$'000 |
|---|------|---|---|--|--|
| | Note | | | | |
| Cash flows from financing activities | | | | | |
| Interest paid | | (1,886) | (3,339) | (4,584) | (6,991) |
| Repayment of borrowings | | (24,401) | (75,129) | (76,611) | (100,915) |
| Payment of lease liabilities | | (4,256) | (4,236) | (7,875) | (9,539) |
| Proceeds from borrowings | | 32,000 | 61,500 | 57,000 | 84,970 |
| Purchase of treasury shares | 15 | — | — | — | (996) |
| Proceeds from exercise of share options | | 1,025 | 29 | 1,025 | 113 |
| Acquisition of subsidiary's interests from non-controlling interest | 16 | — | — | (731) | (2,437) |
| Dividends paid | 9 | — | — | — | (11,120) |
| Net cash generated from/(used in) financing activities | | 2,482 | (21,175) | (31,776) | (46,915) |
| Net (decrease)/increase in cash and cash equivalents | | (35,579) | 8,635 | (58,083) | (26,834) |
| Cash and cash equivalents at beginning of period | | 79,022 | 92,829 | 101,849 | 127,775 |
| Effect of exchange rate fluctuations on cash held | | 332 | 385 | 9 | 908 |
| Cash and cash equivalents at end of period | | 43,775 | 101,849 | 43,775 | 101,849 |

E. Notes to the condensed interim consolidated financial statements

1. Corporate information

AEM Holdings Ltd. (the Company) is incorporated and domiciled in Singapore and whose shares are publicly traded on the Mainboard of the Singapore Exchange. These condensed interim consolidated financial statements as at and for the six months and full year ended 31 December 2024 comprise the Company and its subsidiaries (collectively, the Group). The principal activities of the Company are those relating to an investment holding company. The principal activities of the Group are design and manufacturing of semiconductor assembly and testing equipment, and related tooling parts.

2. Basis of Preparation

The condensed interim financial statements for the six months and full year ended 31 December 2024 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 2023.

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 judgement 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.

Management is of the opinion that there are no critical judgements made in applying the Group's accounting policies that have a significant risk of resulting in a material adjustment as at and for the year ended 31 December 2024.

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.

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 11.1 – goodwill impairment
- Note 13 – valuation of inventories

3. Seasonal Operations

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

4. Segment and revenue information

Segment information is presented based on the information reviewed by chief operating decision makers ("CODM") for performance assessment and resource allocation:

- Test Cell Solutions ("TCS")
- Instrumentation ("INS")
- Contract Manufacturing ("CM")
- Others

4.1 Reportable Segments

| S\$'000 | TCS | INS | CM | Others | Total |
|---|---------|---------|---------|---------|---------------|
| 1 July 2024 to 31 December 2024 | | | | | |
| Revenue from external parties | 131,156 | 4,646 | 71,028 | - | 206,830 |
| Inter-segment revenue | - | - | 7,317 | (7,317) | - |
| Total segment revenue | 131,156 | 4,646 | 78,345 | (7,317) | 206,830 |
| Depreciation and amortisation | (7,657) | (1,661) | (1,071) | (2,347) | (12,736) |
| Finance income | 172 | 7 | 243 | - | 422 |
| Finance costs | (1,771) | (3) | (43) | (69) | (1,886) |
| Foreign exchange gain/(loss), net | 3,496 | (913) | (335) | - | 2,248 |
| Segment profit/(loss) | 15,744 | (3,105) | 8,672 | (8,267) | 13,044 |
| Share of equity-accounted investees' loss | | | | | - |
| Profit before tax | | | | | 13,044 |
| Tax expenses | | | | | (2,260) |
| Profit for the period | | | | | 10,784 |
| Expenditure for segment non-current assets | | | | | |
| Additions to property, plant & equipment, intangible assets and right-of-use assets | 14,868 | 1,050 | 44 | - | 15,962 |

4.1 Reportable Segments (cont'd)

| S\$'000 | TCS | INS | CM | Others | Total |
|---|---------|---------|---------|----------|-----------------|
| 1 July 2023 to 31 December 2023 | | | | | |
| Revenue from external parties | 98,976 | 3,475 | 103,611 | - | 206,062 |
| Inter-segment revenue | - | - | 3,267 | (3,267) | - |
| Total segment revenue | 98,976 | 3,475 | 106,878 | (3,267) | 206,062 |
| Depreciation and amortisation | (7,948) | (1,315) | (1,072) | (2,176) | (12,511) |
| Finance income | 319 | 8 | 310 | - | 637 |
| Finance costs | (2,830) | - | (471) | (38) | (3,339) |
| Foreign exchange (loss)/gain, net | (1,655) | 37 | (375) | - | (1,993) |
| Segment (loss)/profit | (5,442) | (947) | 17,530 | (25,653) | (14,512) |
| Share of equity-accounted investees' loss | | | | | (1,755) |
| Loss before tax | | | | | (16,267) |
| Tax expenses | | | | | (4,612) |
| Loss for the period | | | | | (20,879) |
| Expenditure for segment non-current assets | | | | | |
| Additions to property, plant & equipment, intangible assets and right-of-use assets | 11,032 | 2,213 | 514 | 5 | 13,764 |

| S\$'000 | TCS | INS | CM | Others | Total |
|---|----------|---------|---------|----------|---------------|
| 1 January 2024 to 31 December 2024 | | | | | |
| Revenue from external parties | 230,971 | 8,086 | 141,353 | - | 380,410 |
| Inter-segment revenue | - | - | 12,577 | (12,577) | - |
| Total segment revenue | 230,971 | 8,086 | 153,930 | (12,577) | 380,410 |
| Depreciation and amortisation | (14,264) | (3,282) | (2,132) | (4,786) | (24,464) |
| Finance income | 573 | 18 | 418 | - | 1,009 |
| Finance costs | (4,175) | (6) | (118) | (285) | (4,584) |
| Foreign exchange gain/(loss), net | 5,086 | (1,111) | 316 | - | 4,291 |
| Segment profit/(loss) | 17,660 | (6,126) | 13,294 | (10,431) | 14,397 |
| Share of equity-accounted investees' loss | | | | | (326) |
| Profit before tax | | | | | 14,071 |
| Tax expenses | | | | | (2,465) |
| Profit for the period | | | | | 11,606 |
| Expenditure for segment non-current assets | | | | | |
| Additions to property, plant & equipment, intangible assets and right-of-use assets | 22,331 | 2,379 | 1,876 | - | 26,586 |

| S\$'000 | TCS | INS | CM | Others | Total |
|-------------------------------|---------|--------|---------|--------|---------|
| As at 31 December 2024 | | | | | |
| Segment assets | 463,203 | 35,026 | 163,689 | 11,257 | 673,175 |
| Segment liabilities | 127,015 | 4,009 | 42,384 | 7,453 | 180,861 |

4.1 Reportable Segments (cont'd)

| S\$'000 | TCS | INS | CM | Others | Total |
|---|----------|---------|---------|----------|----------------|
| 1 January 2023 to 31 December 2023 | | | | | |
| Revenue from external parties | 271,475 | 7,464 | 202,344 | - | 481,283 |
| Inter-segment revenue | - | - | 11,759 | (11,759) | - |
| Total segment revenue | 271,475 | 7,464 | 214,103 | (11,759) | 481,283 |
| Depreciation and amortisation | (16,424) | (2,890) | (2,104) | (4,308) | (25,726) |
| Finance income | 852 | 19 | 595 | - | 1,466 |
| Finance costs | (6,432) | (1) | (475) | (83) | (6,991) |
| Foreign exchange (loss)/gain, net | (3,353) | 504 | (441) | - | (3,290) |
| Segment profit/(loss) | 15,854 | (2,106) | 27,567 | (33,088) | 8,227 |
| Share of equity-accounted investees' loss | | | | | (641) |
| Profit before tax | | | | | 7,586 |
| Tax expenses | | | | | (8,750) |
| Loss for the period | | | | | (1,164) |
| Expenditure for segment non-current assets | | | | | |
| Additions to property, plant & equipment, intangible assets and right-of-use assets | 30,388 | 3,761 | 2,505 | 5 | 36,659 |

| S\$'000 | TCS | INS | CM | Others | Total |
|-------------------------------|---------|--------|---------|--------|---------|
| As at 31 December 2023 | | | | | |
| Segment assets | 434,518 | 36,396 | 179,747 | 56,866 | 707,527 |
| Segment liabilities | 167,905 | 6,889 | 52,088 | 6,259 | 233,141 |

4.2 Disaggregation of Revenue

Set out below is an overview of the revenue of the Group for the six months and full year ended 31 December 2024 and 31 December 2023:

| | Group | | | |
|---------------------------------------|---|---|--|--|
| | 6 months ended 31 December 2024 ("2H2024") S\$'000 | 6 months ended 31 December 2023 ("2H2023") S\$'000 | 12 months ended 31 December 2024 ("FY2024") S\$'000 | 12 months ended 31 December 2023 ("FY2023") S\$'000 |
| Types of goods or services: | | | | |
| Sale of goods | 170,208 | 166,919 | 306,878 | 390,958 |
| Rendering of Services | 36,622 | 39,143 | 73,532 | 90,325 |
| Total revenue | 206,830 | 206,062 | 380,410 | 481,283 |
| Timing of revenue recognition: | | | | |
| At a point in time | 171,067 | 171,890 | 309,389 | 395,929 |
| Over time | 35,763 | 34,172 | 71,021 | 85,354 |
| Total revenue | 206,830 | 206,062 | 380,410 | 481,283 |
| Geographic information: | | | | |
| Singapore | 44,900 | 45,016 | 78,275 | 82,172 |
| China | 11,277 | 13,387 | 17,185 | 29,375 |
| Costa Rica | 2,280 | 21,096 | 24,640 | 50,669 |
| Finland | 1,981 | 6,690 | 3,965 | 14,390 |
| France | 860 | 714 | 1,423 | 1,855 |
| Germany | 1,370 | 11,192 | 6,334 | 24,444 |
| Ireland | 3,195 | 6,032 | 7,528 | 12,928 |
| Malaysia | 78,089 | 28,541 | 116,273 | 106,866 |
| Republic of Korea | 3,343 | 4,341 | 6,610 | 8,732 |
| United Kingdom | 2,592 | 6,835 | 6,169 | 14,013 |
| United States of America | 29,508 | 42,257 | 61,731 | 95,869 |
| Vietnam | 14,326 | 9,443 | 22,323 | 15,817 |
| Other countries | 13,109 | 10,518 | 27,954 | 24,153 |
| Total revenue | 206,830 | 206,062 | 380,410 | 481,283 |

5. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group and the Company as at 31 December 2024 and 31 December 2023:

| | Group | | Company | |
|---|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| | 31 December 2024 | 31 December 2023 | 31 December 2024 | 31 December 2023 |
| | S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| Financial assets | | | | |
| Cash and bank balances | 43,775 | 101,849 | 3,299 | 33,240 |
| Trade and other receivables (financial assets) * | 136,636 | 51,504 | 108,760 | 74,808 |
| Financial liabilities and trade and other payables | | | | |
| Financial liabilities | 94,379 | 126,355 | 67 | - |
| Trade and other payables (financial liabilities) ** | 41,184 | 66,750 | 5,283 | 4,282 |

* Excluding deposits and prepayments

** Excluding employees related payable

6. Profit before tax

6.1 Significant items

| | Group | | | |
|---|---|---|--|--|
| | 6 months ended 31 December 2024 ("2H2024") | 6 months ended 31 December 2023 ("2H2023") | 12 months ended 31 December 2024 ("FY2024") | 12 months ended 31 December 2023 ("FY2023") |
| | S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| Income | | | | |
| Finance income | 422 | 637 | 1,009 | 1,466 |
| Foreign exchange gain, net | 2,248 | - | 4,291 | - |
| Government grant income | 552 | 1,180 | 1,594 | 3,326 |
| Gain on disposal of other investment | - | - | 78 | - |
| Gain on disposal of an associate | - | 71 | - | 71 |
| Gain on disposal of a subsidiary | - | 328 | - | 328 |
| Expenses | | | | |
| Finance expenses | (1,886) | (3,339) | (4,584) | (6,991) |
| Foreign exchange loss, net | - | (1,993) | - | (3,290) |
| Depreciation and amortisation | (12,736) | (12,511) | (24,464) | (25,726) |
| Loss on disposal of property, plant and equipment | (823) | - | (853) | (60) |
| Legal and professional fees | (4,823) | 1,927* | (9,240) | (9,016) |
| Loss on disposal of an associate** | - | - | (2,349) | - |
| Allowance for stock obsolescence | (3,834) | (1,756) | (3,871) | (1,780) |
| Impairment loss on intangible assets | (3,398) | - | (3,398) | - |
| Impairment loss on investment in an associate | - | (600) | - | (600) |
| Fair value loss on other investment | - | (180) | - | (180) |

* Included reversal of overprovision of legal fees

** On 25 June 2024, the Group entered into a share purchase agreement to dispose an aggregate of 470,504 common shares and 994,220 preferred shares of ATECO Inc. ("ATECO"), an associated company of the Group, representing all of the Group's shareholding interest in ATECO, for an aggregate purchase price of KRW6.8 billion (approximately S\$6.6 million). Included in the loss on disposal of an associate is S\$600,000 from foreign currency translation differences due to loss of significant influence which has been reclassified to profit or loss.

6.2 Related party transactions

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

7. Tax expenses

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:

| | Group | | | |
|---|---|---|--|--|
| | 6 months ended 31 December 2024 ("2H2024") S\$'000 | 6 months ended 31 December 2023 ("2H2023") S\$'000 | 12 months ended 31 December 2024 ("FY2024") S\$'000 | 12 months ended 31 December 2023 ("FY2023") S\$'000 |
| Current income tax expense | 1,424 | 3,666 | 1,967 | 8,752 |
| Deferred income tax expense relating to origination and reversal of temporary differences | 836 | 946 | 498 | (2) |
| | 2,260 | 4,612 | 2,465 | 8,750 |

8. Earnings/(loss) per share

| | Group | | | |
|---|---|---|--|--|
| | 6 months ended 31 December 2024 ("2H2024") | 6 months ended 31 December 2023 ("2H2023") | 12 months ended 31 December 2024 ("FY2024") | 12 months ended 31 December 2023 ("FY2023") |
| Basic earnings/(loss) per share (Singapore cents) | 3.37 cents | (6.76) cents | 3.68 cents | (0.40) cents |
| Weighted average number of ordinary shares ('000) | 312,957 | 308,894 | 311,228 | 308,857 |
| Diluted earnings/(loss) per share (Singapore cents) | 3.33 cents | (6.72) cents | 3.65 cents | (0.40) cents |
| Weighted average number of ordinary shares adjusted for the effect of dilutive potential ('000) | 316,226 | 310,932 | 313,595 | 310,797 |

9. Dividends

| | Group | |
|--|---|---|
| | 31 December 2024 S\$'000 | 31 December 2023 S\$'000 |
| Ordinary dividends paid: | | |
| Final dividend of 3.6 cent per share paid in respect of 2022 | - | 11,120 |
| | - | 11,120 |
| Dividend per share, net of tax (Singapore cents) | - | 3.6 cents |

10. Net asset value

| | Group | | Company | |
|---|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| | 31 December 2024 | 31 December 2023 | 31 December 2024 | 31 December 2023 |
| Net asset value per ordinary share (Singapore cents) | 155.2 cents | 151.3 cents | 60.3 cents | 60.2 cents |

The calculation of net asset value per ordinary share was based on the existing share capital less treasury shares of 313,022,000 ordinary shares as at 31 December 2024 (31 December 2023: 308,902,000).

11. Intangible assets

| | Group | | | | | | |
|---|---------------------|-----------------------|--------------------------------------|---------------------------------|---------------------------------|------------------|------------------|
| | Goodwill S\$'000 | Technology S\$'000 | Customer relationships S\$'000 | Computer software S\$'000 | Development costs S\$'000 | Other S\$'000 | Total S\$'000 |
| At 31 December 2023 | | | | | | | |
| Cost | 61,221 | 10,892 | 22,181 | 7,723 | 45,039 | 3,927 | 150,983 |
| Accumulated amortisation | - | (3,318) | (5,774) | (6,475) | (9,347) | (792) | (25,706) |
| Carrying amount | 61,221 | 7,574 | 16,407 | 1,248 | 35,692 | 3,135 | 125,277 |
| 12 months ended 31 December 2024 | | | | | | | |
| Opening carrying amount | 61,221 | 7,574 | 16,407 | 1,248 | 35,692 | 3,135 | 125,277 |
| Additions | - | - | - | 613 | 17,704 | - | 18,317 |
| Disposals | - | - | - | (13) | - | - | (13) |
| Amortisation charge | - | (411) | (1,325) | (794) | (6,656) | (307) | (9,493) |
| Impairment charge | - | - | - | - | (3,398) | - | (3,398) |
| Translation adjustment | (596) | (138) | (218) | 22 | 243 | (175) | (862) |
| Closing carrying amount | 60,625 | 7,025 | 14,864 | 1,076 | 43,585 | 2,653 | 129,828 |
| At 31 December 2024 | | | | | | | |
| Cost | 60,625 | 10,724 | 21,903 | 4,966 | 62,738 | 3,693 | 164,649 |
| Accumulated amortisation | - | (3,699) | (7,039) | (3,890) | (19,153) | (1,040) | (34,821) |
| Carrying amount | 60,625 | 7,025 | 14,864 | 1,076 | 43,585 | 2,653 | 129,828 |

| | Company Computer software S\$'000 |
|---|--|
| At 31 December 2023 | |
| Cost | 1,340 |
| Accumulated amortisation | (1,276) |
| Carrying amount | 64 |
| 12 months ended 31 December 2024 | |
| Opening carrying amount | 64 |
| Amortisation charge | (49) |
| Closing carrying amount | 15 |
| At 31 December 2024 | |
| Cost | 1,340 |
| Accumulated amortisation | (1,325) |
| Carrying amount | 15 |

11.1 Goodwill impairment

For the purposes of impairment testing, goodwill has been allocated to the Group's CGUs (operating divisions) as follows:

| | Group | |
|-------------------------------------|---|---|
| | 31 December 2024 S\$'000 | 31 December 2023 S\$'000 |
| Test Cell Solutions (TCS) | 32,600 | 33,196 |
| Test and Measurement Solution (TMS) | 1,230 | 1,230 |
| Contract Manufacturing (CM) | 26,795 | 26,795 |
| | 60,625 | 61,221 |

Test Cell Solutions (TCS)

The recoverable amount of this CGU was based on its value in use, determined by discounting the pre-tax future cash flows to be generated from the continuing use of the CGU. The estimated recoverable amount of the CGU is higher than the carrying value of the CGU.

Test and Measurement Solution (TMS)

The recoverable amount of this CGU was based on its value in use, determined by discounting the pre-tax future cash flows to be generated from the continuing use of the CGU. The estimated recoverable amount of the CGU is higher than the carrying value of the CGU.

Contract Manufacturing (CM)

The recoverable amount of this CGU was based on its value in use, determined by discounting the pre-tax future cash flows to be generated from the continuing use of the CGU. The estimated recoverable amount of the CGU is higher than the carrying value of the CGU.

12. Property, plant and equipment

During the twelve months ended 31 December 2024, the Group acquired assets amounting to S\$5,869,000 (FY2023: S\$7,725,000), disposed of assets amounting to S\$2,712,000 (FY2023: S\$85,000) and written off assets amounting to S\$327,000 (FY2023: S\$294,000).

13. Inventories

| | Group | |
|------------------|-----------------------------|-----------------------------|
| | 31 December 2024 | 31 December 2023 |
| | S\$'000 | S\$'000 |
| Raw materials | 167,378 | 161,289 |
| Work-in-progress | 20,740 | 64,363 |
| Finished goods | 108,379 | 102,038 |
| Goods in-transit | 276 | 926 |
| | 296,773 | 328,616 |

The Group recognised an allowance for stock obsolescence of S\$3,871,000 (FY2023: S\$1,780,000) based on slow-moving inventories. The allowance is included in "cost of sales" within the condensed interim consolidated statement of profit or loss.

14. Financial liabilities

| | Group | |
|--|-----------------------------|-----------------------------|
| | 31 December 2024 | 31 December 2023 |
| | S\$'000 | S\$'000 |
| Amount repayable within one year or on demand | | |
| Lease liabilities | 5,947 | 7,877 |
| Secured bank loans | 3,161 | 3,851 |
| Unsecured bank loans | 69,376 | 72,156 |
| | 78,484 | 83,884 |
| Amount repayable after one year | | |
| Lease liabilities | 15,675 | 26,475 |
| Secured bank loans | 68 | 303 |
| Unsecured bank loans | 152 | 15,693 |
| | 15,895 | 42,471 |
| Total | 94,379 | 126,355 |

15. Share capital

| | Group | | | | | |
|---|-----------------------|----------------|-----------------------|-----------------|-----------------------------------|----------------|
| | Total Issued Shares | | Total Treasury Shares | | Total Issued Less Treasury shares | |
| | Number of shares '000 | Amount S\$'000 | Number of Shares '000 | Amount S\$'000 | Number of Shares '000 | Amount S\$'000 |
| Fully paid ordinary shares, with no par value: | | | | | | |
| At 1 January 2023 | 311,784 | 187,464 | (3,031) | (10,477) | 308,753 | 176,987 |
| Purchase of treasury shares | - | - | (360) | (996) | (360) | (996) |
| Issue of shares under Performance Share Plan | - | - | 406 | 1,382 | 406 | 1,382 |
| Share options exercised | 103 | 113 | - | - | 103 | 113 |
| At 31 December 2023 & 1 January 2024 | 311,887 | 187,577 | (2,985) | (10,091) | 308,902 | 177,486 |
| Issue of shares under Performance Share Plan | 136 | 249 | 272 | 920 | 408 | 1,169 |
| Bonus issue | 3,118 | - | (27) | - | 3,091 | - |
| Share options exercised | 621 | 1,025 | - | - | 621 | 1,025 |
| At 31 December 2024 | 315,762 | 188,851 | (2,740) | (9,171) | 313,022 | 179,680 |

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

16. Acquisition of non-controlling interests (NCI) of a subsidiary

On 28 April 2023, AEM Singapore Pte. Ltd., a wholly-owned subsidiary of the Company, had acquired additional 8.9% of the outstanding share capital of Nestek Korea Co., Ltd. ("Nestek"), a company incorporated in the Republic of Korea. The consideration for the acquisition is KRW2.4 billion (S\$2,437,000). Consequent to the investment, the Group's effective interest in Nestek increased from 53.3% to 62.2%.

On 25 April 2024, AEM Singapore Pte. Ltd. had acquired additional 2.7% of the outstanding share capital of Nestek. The consideration for the acquisition is KRW717 million (S\$731,000). Consequent to the investment, the Group's effective interest in Nestek increased from 62.2% to 64.9%.

As part of the investment agreement, the Group will in a future date acquire further shares of Nestek from existing shareholder, which together with the acquired shares, will constitute up to 100% of the total outstanding share capital of Nestek on a fully-diluted basis.

NCI are measured initially at their proportionate share of the acquiree's identifiable net assets at the date of acquisition. Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

| | Group | |
|--|------------------|------------------|
| | 31 December 2024 | 31 December 2023 |
| | S\$'000 | S\$'000 |
| Carrying amount of NCI acquired | 506 | 1,568 |
| Consideration paid to NCI | (731) | (2,437) |
| Decrease in equity attributable to owners of the Company | (225) | (869) |

The decrease in equity attributable to owners of the Company comprised:

- a decrease in Other reserves of S\$248,000 (FY2023: S\$1,000,000);
- an increase in Currency translation reserves of S\$22,000 (FY2023: S\$55,000); and
- an increase in Accumulated profits of S\$1,000 (FY2023: S\$76,000).

17. Use of proceeds

On 31 August 2021, the Company allotted and issued 26,800,000 shares to Venezio Investments Pte. Ltd. for an aggregate cash consideration of S\$103,118,000 pursuant to a share placement. After deducting related expenses, net proceeds amounted to S\$102,981,000 (the "Net Proceeds"). As stated in the Company's announcement dated 6 August 2021 in relation to the above-mentioned share placement, the Company intends to use the Net Proceeds to finance the Group's business expansion (including organic expansion and mergers and acquisitions).

During the full year ended 31 December 2024, S\$18,317,000 has been used for acquisition of intangible assets mainly for research & development, S\$5,869,000 used for acquisition of property, plant and equipment for business expansion, and also S\$731,000 used for the acquisition of Nestek's interests from non-controlling interest.

As at 31 December 2024, approximately S\$20,723,000 (31 December 2023: S\$45,640,000) remains unutilised out of the Net Proceeds of S\$102,981,000 from the above-mentioned share placement exercise.

The above utilisation of the Net Proceeds is consistent with the intended use of the net proceeds as disclosed in the Company's previous announcements released in relation to the above-mentioned share placement exercise.

18. Subsequent events

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

Other Information

1. Review

The condensed consolidated statements of financial position of AEM Holdings Ltd. and its subsidiaries as at 31 December 2024 and the related condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statements of changes in equity and condensed consolidated statement of cash flows for the twelve-month period then ended and certain explanatory notes have not been audited or reviewed.

2. Explanatory notes to condensed consolidated statement of profit or loss

Significant items included in profit before tax

Other income - Government grant income

Government grant income received for incentive schemes from various jurisdictions, including Jobs Growth Incentive and Progressive Wage Credit Scheme.

Finance income

The lower finance income in FY2024 compared to FY2023 was mainly due to lower bank and fixed deposit balances during FY2024.

Finance expenses

The lower finance expenses in FY2024 compared to FY2023 was mainly due to lower bank borrowings during FY2024.

Foreign exchange gain/(loss), net

Foreign exchange gain, net, recorded in FY2024 was largely due to a stronger United States Dollar vis-à-vis Singapore Dollar.

Other expenses

Included in other expenses is the loss on disposal of an associate of S\$2.3 million.

Depreciation and amortisation

The decrease in depreciation and amortisation in FY2024 compared to FY2023 was mainly due to the lower depreciation of right-of-use assets that have fully depreciated in 2024, partially offset by higher amortisation of intangible assets.

Legal and professional fees

Legal and professional fees for FY2024 have remained largely flat compared to FY2023.

Allowance for stock obsolescence

The allowance for stock obsolescence was made for slow-moving stock in accordance with the Group's provisioning policy.

3. Review of performance of the Group

Analysis of Consolidated Statement of profit or loss and other comprehensive income

The Group's revenue for FY2024 decreased by 21% to S\$380.4 million from S\$481.3 million in FY2023. The slowdown in FY2024 revenue vs. FY2023 revenue can be attributed to weaker demand from its key semiconductor customer for Test Cell Solutions segment and inventory surpluses in the industrials sector for Contract Manufacturing segment.

Gross profit margin decreased from 26.9% in FY2023 to 25.7% in FY2024 mainly due to lower revenue and product mix.

Other income is lower at S\$2.2 million (FY2023: S\$4.4 million) due primarily to lower government grant income in FY2024.

Other expenses in FY2024 included loss on disposal of an associate of S\$2.3 million whereas FY2023 included the S\$26.7 million (US\$20 million) settlement of the arbitration.

Research & development ("R&D") expenses have decreased slightly to S\$23.7 million in FY2024 (FY2023: S\$24.4 million). The Group continues its investment in R&D activities and capabilities and prioritises product development of emerging products that will stay ahead of competition.

Selling, general & administrative expenses are lower compared to FY2023 mainly due to slow-down in business activity and proactive approach to manage operating costs.

Overall, profit before tax in FY2024 increased to S\$14.1 million from S\$7.6 million in FY2023.

Analysis of Statement of Financial Position of the Group

Property, plant and equipment

Decrease in property, plant and equipment mainly due to depreciation charges during the current period, partially offset by purchase of new equipment.

Right-of-use assets

Decrease in right-of-use assets mainly due to depreciation charges, partially offset by new property leases entered by the Group during the current period.

Intangible assets

Increase in intangible assets mainly due to additions to development costs, partially offset by amortisation charges and impairment charge during the current period.

Investment in associates

Decrease in investment in associates is due to the disposal of an associate during the current period.

Other investment

Decrease in other investment is due to the disposal of other investment during the current period.

Inventories

Inventories has decreased due to consumption during the current period.

Trade and other receivables

Higher sales towards the end of the period resulted in the increase in trade and other receivables.

Financial liabilities (current and non-current)

Decrease in financial liabilities mainly due to repayment of borrowings.

Overall, total assets and total liabilities decreased to S\$673.2 million and S\$180.9 million, respectively, as at 31 December 2024. Net asset value per share increased to 155.2 Singapore cents as at 31 December 2024, compared to 151.3 Singapore cents as at 31 December 2023.

Analysis of Consolidated Statement of Cash Flows

The Group's net cash used in operating activities amounted to S\$17.5 million for FY2024 arising primarily from increase in receivables, and settlement of the final tranche of the arbitration and payables, partially offset by consumption of inventories and profits generated during the current period.

Net cash used in investing activities amounted to S\$8.8 million for FY2024 arising primarily from the acquisition of property, plant and equipment and R&D expenditures incurred during the current period, partially offset by the proceeds from disposal of an associate and other investment.

For FY2024, net cash used in financing activities amounted to S\$31.8 million mainly due to repayment of borrowings, payment for lease liabilities and interest expense, and acquisition of additional interest in Nestek from non-controlling interest.

Consequently, cash and cash equivalents decreased to S\$43.8 million as at 31 December 2024 from S\$101.8 million as at 31 December 2023.

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

In the press release “Third Quarter Business Updates” dated 12 November 2024, the Group has revised its 2H2024 revenue guidance to between S\$190 million and S\$210 million.

The Group has achieved a revenue of S\$206.8 million for 2H2024.

5. 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 operating period and the next 12 months

For the first half of 2025, the Group is guiding revenue to be in the range of S\$155 million to S\$170 million. The sequential decline in revenue compared to the second half of 2024 is primarily due to the substantial revenue pull-in to 4Q2024 from FY2025; to a lesser extent, some customer pushouts in system shipments into the second half of 2025.

For the full year, the Group anticipates a stronger 2H2025, driven by the ramp-up timing of our key customers' devices and the anticipated recovery in the contract manufacturing business. The Group remains on course for customer diversification, with revenue from TCS customers - excluding its key customer - projected to exceed S\$100 million in FY2025.

6. Dividend information

6a. Current Financial Period Reported on

Any dividend declared for the current financial period reported on? No

6b. Corresponding Period of the Immediate Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? No

6c. Date payable

Not applicable.

6d. Book Closure Date

Not applicable.

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

No dividend has been recommended for the current financial period in order to continue to invest in new customer programs.

8. Interested person transactions

The Company has not obtained a general mandate from shareholders for interested person transactions ("IPT").

| Name of interested person | Aggregate value of all IPT during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) | |
|--|---|-----------|
| | FY2024 | FY2023 |
| | S\$ | S\$ |
| NT Thor Holdings Pte. Ltd. ("NT Thor") | 5,897,000 | - |
| Chok Yean Hung | 240,000 | - |
| NT SPV 13 | - | 5,120,000 |
| | 6,137,000 | 5,120,000 |

NT Thor is regarded as an associate of Mr. Loke Wai San. The IPT of S\$5,897,000 for FY2024 comprised disposal of 3,060,000 shares in NT Thor by a subsidiary of the Company.

NT SPV 13 is regarded as an associate of Mr. Loke Wai San. The IPT of S\$5,120,000 for FY2023 comprised disposal of 4,666,667 shares in Novoflex Pte. Ltd. to NT SPV 13.

9. Confirmation that the issuer has procured undertaking from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1)

The Company has received undertaking from all its directors and executive officers in the format as set out in Appendix 7.7 under Rule 720(1) of the Listing Manual of the SGX-ST.

10. Disclosure of persons occupying managerial positions who are related to a director, CEO or substantial shareholder

Pursuant to Rule 704(13) of the Listing Manual, the Company confirms that there is no person occupying a managerial position in the Company or any of its principal subsidiaries who is a relative of a director, the Chief Executive Officer or substantial shareholder of the Company.

Confirmation by the Board

On behalf of the Board of Directors of the Company, we, the undersigned, hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the financial statements for the twelve-month period ended 31 December 2024 to be false or misleading in any material aspect.

On behalf of the Board of Directors,

Loke Wai San
Director

Chou Yen Ning @ Alice Lin
Director

27 February 2025