



# 3rd Quarter 2024 Business Update

**13 November 2024**

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# OPERATIONAL UPDATE FOR 3RD QUARTER 2024

# Operational Update for 3rd Quarter 2024

## Vehicle Inspection Business

- Demand for vehicle testing and related work remained strong. The progress of the On-Board Unit (OBU) for the Electronic Road Pricing (ERP) 2.0 exercise has been smooth, with more than 41,000 OBUs installed since the commencement of the project.

## Non-Vehicle Testing Business

- Demand for the non-vehicle testing business has improved in the quarter with the expansion of the manufacturing sector in Singapore. However, rising costs and intense competition remain major challenges for the business.

**FINANCIAL UPDATE  
FOR  
3RD QUARTER & YTD SEP 2024**

# Income Statement - 3rd Quarter & YTD Sep 2024

	3Q 2024	3Q 2023	Fav/(Adv)		9 mths to 30 Sep 24	9 mths to 30 Sep 23	Fav/(Adv)	
	\$'000	\$'000	\$'000	%	\$'000	\$'000	\$'000	%
Revenue	30,532	27,252	3,280	12	86,836	83,132	3,704	4
Operating Costs	(22,297)	(19,326)	(2,971)	(15)	(61,763)	(58,629)	(3,134)	(5)
Operating Profit	8,235	7,926	309	4	25,073	24,503	570	2
Profit after Tax	6,928	6,658	270	4	21,182	20,804	378	2
Profit after Tax and Minority Interest (PATMI)	6,823	6,554	269	4	20,939	20,486	453	2
EBITDA	10,382	9,865	517	5	31,460	30,166	1,294	4

# Income Statement - 3rd Quarter & YTD Sep 2024

## 3Q 2024 versus 3Q 2023

- Revenue ↑ \$3.3 million – Mainly contributed by Vehicle On-Board Unit (OBU) project which commenced in December 2023, along with an increase in demand for the vehicle emission testing services to meet Worldwide Harmonized Light Vehicles Test Procedure (WLTP) standards.
- Operating Costs ↑ \$3.0 million – Mainly due to higher subcontractor fees, raw materials and staff costs in relation to the OBU project. Consequently, operating profit was higher by \$0.3 million.
- PATMI ↑ \$0.3 million – Mainly due to higher operating profit.

## YTD Sep 2024 versus YTD Sep 2023

- Revenue ↑ \$3.7 million – Mainly contributed by OBU project which commenced in December 2023, along with an increase in demand for the vehicle emission testing services to meet Worldwide Harmonized Light Vehicles Test Procedure (WLTP) standards.
- Operating Costs ↑ \$3.1 million – Mainly due to higher subcontractor fees, raw materials and staff costs in relation to the OBU project. Consequently, operating profit was higher by \$0.6m.
- PATMI ↑ \$0.5 million – Mainly due to higher operating profit offset by higher provision for income tax.

# Balance Sheet

	Sep 24	Dec 23	Increase/(Decrease)	
	\$'000	\$'000	\$'000	%
Cash & Cash Equivalents	55,234	55,066	168	0.3
Other Current Assets	17,104	16,721	383	2.3
Non-Current Assets	123,670	124,584	(914)	(0.7)
<b>Total Assets</b>	<b>196,008</b>	<b>196,371</b>	<b>(363)</b>	<b>(0.2)</b>
Current Liabilities	28,870	31,319	(2,449)	(7.8)
Non-Current Liabilities	33,425	32,750	675	2.1
<b>Total Liabilities</b>	<b>62,295</b>	<b>64,069</b>	<b>(1,774)</b>	<b>(2.8)</b>
<b>Total Equity</b>	<b>133,713</b>	<b>132,302</b>	<b>1,411</b>	<b>1.1</b>

- Balance sheet remains strong with cash & cash equivalents of \$55.2m.
- Current liabilities decreased by \$2.4m mainly due to lower trade and other payables.

# Cashflow

	3Q 2024	YTD Sep 2024
	\$'000	\$'000
Cash from Operating Activities	9,908	23,515
<u>Utilisation of Cash:</u>		
Dividends to Shareholders	(9,928)	(19,679)
CAPEX	(2,404)	(6,059)
Payments under lease liability	(381)	(1,134)
Total Utilisation of Cash	(12,713)	(26,872)
Interest received	709	2,089
Grant for upgrade of Equipment	1,352	1,352
Others	79	84
<b>Net Cash Generated (Used)</b>	<b>(665)</b>	<b>168</b>

# Financial Summary

## Financial Performance

- Revenue for 3Q 2024 at \$30.5m was higher by \$3.3m or 12% against 3Q 2023.
- Operating profit at \$8.2m was higher by \$0.3m or 4% against 3Q 2023.
- PATMI for 3Q 2024 at \$6.8m was higher by \$0.3m or 4% against 3Q 2023.

## Financial Position

- Strong balance sheet with cash balance of \$55.2m to sustain and support business growth.

## Cash Flow

- Net cash of \$0.7m used during 3Q 2024.

**THANK YOU**