

MANUFACTURING INTEGRATION TECHNOLOGY LTD.
(Registration No: 199200075N)

Condensed Interim Financial Statements

For the six months ended 30 June 2024

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**Manufacturing Integration Technology Ltd.**

(Company Registration No. 199200075N)

**A. Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income
Period ended 30 June 2024**

		Group		
	Notes	6 months ended 30 June 2024 S\$'000	6 months ended 30 June 2023 S\$'000	Change %
Revenue	4	2,769	5,302	(48)
Cost of sales		(2,649)	(5,175)	(49)
Gross Profit		120	127	(6)
Other income and gains		492	654	(25)
Marketing and distribution costs		(156)	(155)	1
Administrative expenses		(2,132)	(1,898)	12
Finance costs		(55)	(33)	67
Other losses		–	(5)	NM
Loss before tax	6	(1,731)	(1,310)	32
Income tax expense	7	–	–	NM
Loss net of tax		(1,731)	(1,310)	32
<u>Other comprehensive loss:</u>				
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating foreign operations, net of tax		(33)	69	NM
Other comprehensive (loss) income for the period, net of tax		(33)	69	NM
Total comprehensive loss for the period		(1,764)	(1,241)	42
Loss per share (in cents):				
Basic		(0.72)	(0.54)	
Diluted		(0.72)	(0.54)	

NM: Not meaningful



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**B. Condensed Interim Statements of Financial Position
As at 30 June 2024**

	<u>Notes</u>	<u>Group</u>		<u>Company</u>	
		<u>30 June 2024</u> S\$'000	<u>31 December 2023</u> S\$'000	<u>30 June 2024</u> S\$'000	<u>31 December 2023</u> S\$'000
Assets					
<u>Non-current assets</u>					
Plant and equipment	9	181	217	161	188
Right-of-use assets		845	1,030	306	367
Investment properties	10	7,531	7,627	7,531	7,627
Investments in subsidiaries		–	–	1,548	1,314
Total non-current assets		8,557	8,874	9,546	9,496
<u>Current assets</u>					
Inventories		3,171	2,669	278	236
Trade and other receivables		1,430	1,806	667	631
Other non-financial assets		207	221	66	98
Cash and cash equivalents		843	1,221	30	255
Total current assets		5,651	5,917	1,041	1,220
Total assets		14,208	14,791	10,587	10,716
Equity and liabilities					
<u>Equity</u>					
Share capital	11	20,460	20,460	20,460	20,460
Other reserves		(177)	(148)	103	99
Accumulated losses		(11,941)	(10,221)	(13,370)	(12,494)
Total equity		8,342	10,091	7,193	8,065
<u>Non-current liability</u>					
Lease liabilities		510	678	192	253
Total non-current liability		510	678	192	253
<u>Current liabilities</u>					
Other non-financial liabilities		1,654	1,185	872	358
Lease liabilities		349	357	120	117
Trade and other payables		1,586	1,187	443	630
Loans and borrowings		1,767	1,293	1,767	1,293
Total current liabilities		5,356	4,022	3,202	2,398
Total liabilities		5,866	4,700	3,394	2,651
Total equity and liabilities		14,208	14,791	10,587	10,716

**Manufacturing Integration Technology Ltd.**

(Company Registration No. 199200075N)

C. Condensed Interim Statements of Changes in Equity
Period ended 30 June 2024

<u>Group</u>	<u>Total equity</u> S\$'000	<u>Share capital</u> S\$'000	<u>Accumulated losses</u> S\$'000	<u>Translation reserve</u> S\$'000	<u>Share option reserve</u> S\$'000
Current year:					
Opening balance at 1 January 2024	10,091	20,460	(10,221)	(247)	99
<u>Changes in equity:</u>					
Total comprehensive loss for the period	(1,764)	–	(1,731)	(33)	–
Expiry of share options	–	–	11	–	(11)
Share based payment expenses	15	–	–	–	15
Closing balance at 30 June 2024	<u>8,342</u>	<u>20,460</u>	<u>(11,941)</u>	<u>(280)</u>	<u>103</u>
Previous year:					
Opening balance at 1 January 2023	13,540	20,460	(6,788)	(212)	80
<u>Changes in equity:</u>					
Total comprehensive loss for the period	(1,241)	–	(1,310)	69	–
Expiry of share options	–	–	10	–	(10)
Share based payment expenses	20	–	–	–	20
Closing balance at 30 June 2023	<u>12,319</u>	<u>20,460</u>	<u>(8,088)</u>	<u>(143)</u>	<u>90</u>
Company					
	<u>Total equity</u> S\$'000	<u>Share capital</u> S\$'000	<u>Accumulated losses</u> S\$'000	<u>Share option reserve</u> S\$'000	
Current year:					
Opening balance at 1 January 2024	8,065	20,460	(12,494)		99
<u>Changes in equity:</u>					
Total comprehensive loss for the period	(887)	–	(887)		–
Expiry of share options	–	–	11		(11)
Share based payment expenses	15	–	–		15
Closing balance at 30 June 2024	<u>7,193</u>	<u>20,460</u>	<u>(13,370)</u>		<u>103</u>
Previous year:					
Opening balance at 1 January 2023	10,901	20,460	(9,639)		80
<u>Changes in equity:</u>					
Total comprehensive loss for the period	(1,444)	–	(1,444)		–
Expiry of share options	–	–	10		(10)
Share based payment expenses	20	–	–		20
Closing balance at 30 June 2023	<u>9,477</u>	<u>20,460</u>	<u>(11,073)</u>		<u>90</u>

**Manufacturing Integration Technology Ltd.**

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**D. Condensed Interim Consolidated Statement of Cash Flows
Period ended 30 June 2024**

	<u>Group</u>	
	<u>6 months ended</u>	<u>6 months ended</u>
	<u>30 June 2024</u>	<u>30 June 2023</u>
	<u>S\$'000</u>	<u>S\$'000</u>
<u>Cash flows used in operating activities</u>		
Loss before tax	(1,731)	(1,310)
Adjustments for:		
Depreciation of plant and equipment	41	53
Depreciation of investment properties	96	96
Depreciation of right-of-use assets	185	248
Interest income	(5)	(28)
Finance expenses	55	33
Gain on disposal of plant and equipment	-	(190)
Reversal of Impairment loss on inventories	(29)	(12)
Net effect of exchange rate changes in consolidating foreign operations	(33)	72
Share-based payment expenses	15	20
Operating cash flows before changes in working capital	<u>(1,406)</u>	<u>(1,018)</u>
Trade and other receivables	376	14
Other non-financial assets	14	24
Inventories	(473)	323
Trade and other payables	399	18
Other non-financial liabilities	469	(656)
Net cash flows used in operating activities	<u>(621)</u>	<u>(1,295)</u>
<u>Cash flows from investing activities</u>		
Purchase of plant and equipment	(5)	(80)
Proceeds on disposal of plant and equipment	-	197
Interest received	5	28
Net cash flows from investing activities	<u>-</u>	<u>145</u>
<u>Cash flows used in financing activities</u>		
Interest paid	(32)	-
Lease payments paid	(199)	(320)
Net cash used in financing activities	<u>(231)</u>	<u>(320)</u>
Net decrease in cash and cash equivalents	(852)	(1,470)
Cash and cash equivalents, statement of cash flows, beginning balance	(72)	4,299
Cash and cash equivalents, statement of cash flows, ending balance	<u>(924)</u>	<u>2,829</u>

E. Notes to the Condensed Interim Consolidated Financial Statements

1. Corporate information

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

These condensed interim financial statements as at and for the six months ended 30 June 2024 comprise the Company and its subsidiaries (together referred to as the “Group”).

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

2. Basis of preparation

The condensed interim financial statements for the six months ended 30 June 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 judgements and estimates

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

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

2.2 Use of judgements and estimates (cont'd)

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

3. Seasonal operations

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

4. Segment and revenue information

The Group is organised into the following main business segments:

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

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

4.1 Reportable segments

	Build-to- print S\$'000	Customised automation S\$'000	Unallocated S\$'000	Group S\$'000
1 January 2024 to 30 June 2024				
Total revenue by segment	2,074	1,273	–	3,347
Inter-segment sales	(533)	(45)	–	(578)
Total revenue	<u>1,541</u>	<u>1,228</u>	<u>–</u>	<u>2,769</u>
Recurring EBITDA	(265)	(1,380)	286	(1,359)
Interest income	5	-	–	5
Finance costs	(35)	(20)	–	(55)
Depreciation	(164)	(62)	(96)	(322)
(Loss) Profit before tax	(459)	(1,462)	190	(1,731)
Income tax expense				–
Loss net of tax				<u>(1,731)</u>



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4.1 Reportable segments (cont'd)

	Build-to-print S\$'000	Customised automation S\$'000	Unallocated S\$'000	Group S\$'000
1 January 2023 to 30 June 2023				
Total revenue by segment	4,066	2,154	–	6,220
Inter-segment sales	(857)	(61)	–	(918)
Total revenue	<u>3,209</u>	<u>2,093</u>	<u>–</u>	<u>5,302</u>
Recurring EBITDA	114	(1,276)	254	(908)
Interest income	15	13	–	28
Finance costs	(31)	(2)	–	(33)
Depreciation	(192)	(109)	(96)	(397)
(Loss) Profit before tax	(94)	(1,374)	158	(1,310)
Income tax expense				–
Loss net of tax				<u>(1,310)</u>

Assets and reconciliations

	Build-to-print S\$'000	Customised automation S\$'000	Unallocated S\$'000	Group S\$'000
<u>30 June 2024:</u>				
Total assets for reportable segments	4,087	2,590	7,531	14,208
Total group assets	<u>4,087</u>	<u>2,590</u>	<u>7,531</u>	<u>14,208</u>
<u>30 June 2023:</u>				
Total assets for reportable segments	4,390	2,920	7,719	15,029
Total group assets	<u>4,390</u>	<u>2,920</u>	<u>7,719</u>	<u>15,029</u>

Liabilities and reconciliations

	Build-to-print S\$'000	Customised automation S\$'000	Unallocated S\$'000	Group S\$'000
<u>30 June 2024:</u>				
Total liabilities for reportable segments	2,931	2,935	–	5,866
Total group liabilities	<u>2,931</u>	<u>2,935</u>	<u>–</u>	<u>5,866</u>
<u>30 June 2023:</u>				
Total liabilities for reportable segments	1,334	1,376	–	2,710
Total group liabilities	<u>1,334</u>	<u>1,376</u>	<u>–</u>	<u>2,710</u>



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4.1 Reportable segments (cont'd)

Other material items and reconciliations

	<u>Build-to-print</u> S\$'000	<u>Customised automation</u> S\$'000	<u>Unallocated</u> S\$'000	<u>Group</u> S\$'000
<u>Capital expenditure</u>				
30 June 2024	2	3	–	5
30 June 2023	39	41	–	80

4.2 Disaggregation of revenue

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

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

	<u>Revenue</u>		<u>Non-current assets</u>	
	<u>6 months ended 30 June 2024</u> S\$'000	<u>6 months ended 30 June 2023</u> S\$'000	<u>6 months ended 30 June 2024</u> S\$'000	<u>6 months ended 30 June 2023</u> S\$'000
China	77	1,407	3	39
Singapore	1,135	1,889	8,537	8,042
Europe and USA	1,557	1,803	–	–
Asia excluding China and Singapore	–	203	17	53
Total continuing operations	<u>2,769</u>	<u>5,302</u>	<u>8,557</u>	<u>8,134</u>

	<u>6 months ended 30 June 2024</u> S\$'000	<u>6 months ended 30 June 2023</u> S\$'000
Capital Expenditure:		
Singapore	5	79
Asia excluding China and Singapore	–	1
	<u>5</u>	<u>80</u>

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4.2 Disaggregation of revenue (cont'd)**Information about major customers**

	<u>6 months</u> <u>ended 30</u> <u>June 2024</u> <u>S\$'000</u>	<u>6 months</u> <u>ended 30</u> <u>June 2023</u> <u>S\$'000</u>
Top 1 customer in build-to-print segment	1,013	1,146
Top 2 customers in build-to-print segment	<u>1,541</u>	<u>2,001</u>
Top 1 customer in customised automation segment	1,023	1,248
Top 2 customers in customised automation segment	<u>1,114</u>	<u>1,676</u>

5. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group as at 30 June 2024 and 31 December 2023:

	<u>Group</u>		<u>Company</u>	
	<u>30 June</u>	<u>31</u>	<u>30 June</u>	<u>31</u>
	<u>2024</u>	<u>December</u>	<u>2024</u>	<u>December</u>
	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>
<u>Financial assets:</u>				
Financial assets at amortised costs	<u>2,273</u>	<u>3,027</u>	<u>697</u>	<u>886</u>
	<u>2,273</u>	<u>3,027</u>	<u>697</u>	<u>886</u>
<u>Financial liabilities:</u>				
Financial liabilities at amortised costs	<u>4,212</u>	<u>3,515</u>	<u>2,522</u>	<u>2,293</u>
	<u>4,212</u>	<u>3,515</u>	<u>2,522</u>	<u>2,293</u>

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

	Group	
	6 months ended 30 June 2024	6 months ended 30 June 2023
	S\$'000	S\$'000
Income		
- Interest income	5	28
- Rental income	342	311
- Reversal of impairment loss on inventories	29	12
- Gain on disposal of plant and equipment	-	190
- Foreign exchange adjustment gains	72	-
Expenses		
- Finance expenses	(55)	(33)
- Depreciation of property, plant and equipment and investment properties	(137)	(149)
- Foreign exchange adjustment losses	-	(5)

6.2 Related party transactions

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

7. Taxation

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

	<u>6 months ended 30 June 2024</u>	<u>6 months ended 30 June 2023</u>
	S\$'000	S\$'000
Current income tax benefit (Over provision in respect of prior years)	—	—
	<u>—</u>	<u>—</u>

**Manufacturing Integration Technology Ltd.**

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8. Net Asset Value

	<u>Group</u>		<u>Company</u>	
	<u>30 June</u> <u>2024</u> S\$	<u>31</u> <u>December</u> <u>2023</u> S\$	<u>30 June</u> <u>2024</u> S\$	<u>31</u> <u>December</u> <u>2023</u> S\$
Net asset value per ordinary share (in cents)	3.46	4.18	2.98	3.34

9. Plant and equipment

During the six months ended 30 June 2024, the Group acquired assets amounting to S\$5,000 (30 June 2023: S\$80,000) and disposed of assets amounting to NIL (30 June 2023: NIL). The proceeds from disposal was NIL (30 June 2023: \$197,000).

10. Investment properties

	<u>Group and company</u>	
	<u>2024</u> S\$'000	<u>2023</u> S\$'000
<u>At cost:</u>		
At beginning of financial year and at end of interim period	9,471	9,471
<u>Accumulated depreciation:</u>		
At beginning of financial year	1,844	1,656
Depreciation charge for the interim period	96	96
At end of interim period	1,940	1,752
<u>Carrying value:</u>		
As at 30 June	7,531	7,719
Fair value for disclosure purposes only:		
Fair value at end of the interim period	14,200	12,100
Rental income from investment properties	342	299

Details of leasehold properties:

<u>Description/Location</u>	<u>Tenure of Land/ (Gross floor area)</u>	<u>Last valuation date</u>
Singapore:		
(A) 7 Yishun Industrial Street 1, #07-38, Singapore 768162	Property: 60 years from 2011 (1,062 square metres)	Commercial property. Revalued in December 2021.
(B) 7 Yishun Industrial Street 1, #06-38/39, Singapore 768162	Property: 60 years from 2011 (2,290 square metres)	Commercial property. Revalued in August 2023.

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10.1 Valuation of investment properties

The fair value of each investment property as at end of the reporting year is based on a valuation made by CKS Property Consultants Pte Ltd, a firm of independent professional valuers on 31 December 2021 and 11 August 2023 on a systematic basis. The valuation method was based on market comparison method, a comparison with recent transactions of similar properties, preferably in vicinity, and adjusted to take into account certain factors and circumstances.

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

Assets:	(A) 7 Yishun Industrial Street 1, #07-38, Singapore 768162 (B) 7 Yishun Industrial Street 1, #06-38/39, Singapore 768162
Fair value and fair value hierarchy – Level:	(A) S\$4,200,000 (2023: S\$4,200,000), Level 3 (2023: Level 3); (B) S\$10,000,000 (2023: S\$10,000,000), Level 3 (2023: Level 3).
Valuation technique for recurring fair value measurements:	Comparison with market evidence of recent offer to sell prices for similar properties.
Significant unobservable (2024 and 2023: observable) inputs and range:	Price per square meters. (A) \$3,955 (2023 : \$3,955) (B) \$4,367 (2023 : \$4,367)
Relationship of unobservable inputs to fair value:	Favourable (adverse) change in the latest selling price in the market will increase (decrease) fair value
Sensitivity on management’s estimates – 10% variation from estimate	2024 Impact (A)– lower by \$420,000; higher by \$420,000 (B)– lower by \$1,000,000; higher by \$1,000,000

11. Share capital

<u>Group and Company</u>	<u>Number of ordinary shares issued</u> '000	<u>Share capital</u> S\$'000
<u>Ordinary shares of no par value:</u>		
Balance at 1 January 2024	241,112	20,460
New issued shares	–	–
Balance at 30 June 2024	<u>241,112</u>	<u>20,460</u>

As at 30 June 2024, the number of ordinary shares issued was 241,112,470 (31 December 2023: 241,112,470 ordinary shares).

11. Share capital (cont'd)

(i) Share Options

As at 30 June 2024, the number of outstanding share options to subscribe for the ordinary shares under the Scheme was 3,734,000 (31 December 2023: 4,334,000). During the period January to June 2024, no options were exercised under the Scheme. 600,000 unexercised options had lapsed and were cancelled during the period.

(ii) Performance Shares

As at 30 June 2024, there was no outstanding share awards under the MIT Performance Share Plan. (31 December 2023: NIL).

(iii) Treasury Shares

As at 30 June 2024, no ordinary shares were held as Treasury Shares (31 December 2023: NIL). No shares were bought back by the Company during the period.

The company does not have any subsidiary holdings.

12. Subsequent events

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

F. Other Information Required by Listing Rule Appendix 7.2

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

The condensed interim statements of financial position of Manufacturing Integration Technology Ltd and its subsidiaries as at 30 June 2024 and the related condensed interim consolidated statement of profit or loss and other comprehensive income, condensed interim statements of changes in equity and condensed interim consolidated statement of cash flows for the six-month period then ended, including certain explanatory notes have not been audited or reviewed.

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

- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
- (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

Revenue

The Group recorded a lower revenue of S\$2.77m during 1H 2024, compared with S\$5.30m in 1H 2023. The decline of 48% was mainly due to lower orders from our customized automation and build-to-print business. Our build-to-print business shrank after the key customer in MITL-Shanghai was acquired by another company, which has a solely in-house sourcing supply-chain model.

Gross profit

Despite the lower revenue in 1H 2024, the Group improved the gross profit from 2% in 1H 2023 to 4% in 1H 2024. This is attributable to the higher profit margin from the customized automation and build-to-print business.

Other income and gains

The other income and gains decreased by S\$0.16m from S\$0.65m in 1H 2023 to S\$0.49m in 1H 2024, mainly due to no gain on disposal of plant and equipment in 1H 2024 (1H 2023: S\$0.19m)

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

- Rental income (S\$0.34m)
- Foreign exchange transaction (S\$0.07m)
- Reversal of impairment loss on inventories (S\$0.03m)

2. **Review of performance of the Group (cont'd)**

Administrative expenses

Administrative expenses rose by S\$0.23m from S\$1.90m in 1H 2023 to S\$2.13m in 1H 2024 mainly due to incremental expenditure for business development for the Group.

Finance costs

Finance costs are higher due to increases in loans and borrowings to support the operating activities during the period.

Assets and Liabilities

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

Inventories increased by S\$0.50m from S\$2.67m as at 31 December 2023 to S\$3.17m as at 30 June 2024 in anticipation of major deliveries in the coming months.

Trade and other receivables lowered by 21% with intensive collection effort during the period.

Other non-financial assets decreased due to lower prepayment and deposits when compared to last year.

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

The higher amount in the trade and other payables was in correspondence with the higher inventory level maintained.

Cash Flow

The cash & cash equivalents overdraft of S\$0.92m, represents a decrease in cash & cash equivalents of S\$0.85 from 31 Dec 2023 and was mainly attributable to:

- Inventories (S\$0.47m)
- Lease payments paid (S\$0.20m)
- Finance Expenses (S\$0.06m)

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

The 1H 2024 financial performance is in line with the Group's profit guidance announcement on 31st July 2024.



Manufacturing Integration Technology Ltd.

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

The overall business level in 1H 2024 continued to cruise along the pace of 2H 2023, as we did not see any significant improvement in sales growth. However, the investment we made to setup MITL (Penang) in FY2023 is operational and our Penang entity is now able to manufacture and ship full turnkey manufacturing systems solutions. MITL (Singapore) will continue to lead the business development initiatives and advance technology development strategies. This symbiotic partnership will be the enabling engine for MITL to grow our manufacturing systems solutions business.

We have been working very closely with our customers in providing for their needs and remaining hopeful for more repeat orders upon the validation of our equipment performance. Both entities are continually leveraging our developmental pursuits to ensure that we are able to provide our unique capabilities to new customers as well. In summary, we are well prepared for the market upturn cycle again and sparing no effort in keeping our organisations focused and relevant.

Our build-to-print business in Singapore continues to be stable after growing for the last few years, and we have been busy working with the customers on new businesses. We believe that these customers are established leaders in the market and they are also positioning themselves for the upcoming business cycle. We have also taken steps to re-structure our MIT Shanghai factory to an office functioning as post sales and service support. This is in line with the amiable separation from our CEM partnership business with our long-term customer, who had been acquired and their new company operates a totally in-sourced manufacturing business model.

Our customised automation business continues to be extremely challenging and we have already restructured the business to focus on key strategic customers. The ongoing business is stable, however, we will need to develop a few more strategic customers in our focused strategy. Our effort to pivot and grow new green shoots businesses by supporting high-tech farming and additive manufacturing is not forthcoming. Therefore, we are exploring other opportunities for adding more value to our customers, including strategic alliances.

5. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

No.

(b) Corresponding Period of the Immediately Preceding Financial Year

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

No.

5. Dividend (cont'd)

(c) Date payable

No applicable.

(d) Record date

No applicable.

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

No dividend has been declared or recommended. This is in line with our operating performance amidst a difficult business environment.

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

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

During the period ended 30 June 2024, the Group did not enter into any interested person transaction which aggregate value exceeds S\$100,000.

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

The Company has procured the requisite undertakings from all its directors and executive officers are referred to in the Listing Rule 720(1) of the Listing Manual of the Singapore Exchange Securities Trading Limited.

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

The Board of Directors of the Company hereby confirms to the best of their knowledge that nothing has come to their attention which may render the condensed interim financial statements for the six-month period ended 30 June 2024 to be false or misleading in any material aspect.

ON BEHALF OF THE BOARD

Siak Wing Cheong
Executive Director and Chief Executive Officer

5 August 2024