



FOR IMMEDIATE RELEASE

Alpina Posts Revenue Growth of 3.5% in 1H2023; Profitability Impacted by Higher Labour Costs in 1H2023, Mainly for Contracts Secured Prior to COVID-19

- Revenue from the IBS business segment and A&A business segment increased by 12.8% and 6.0% in 1H2023 as compared to 1H2022 respectively, while revenue from the M&E business segment decreased by 31.1%
- The Group's three business segments remained operationally profitable in 1H2023, although overall gross margins were lower, mainly due to an increase in labour and subcontracting costs, particularly for projects that were secured prior to COVID-19 pandemic
- During 1H2023, the Group secured contracts with aggregate provisional contract sum of approximately S\$216.9 million, with majority of the contracts being public sector projects with varying completion dates ranging from December 2024 to June 2027
- As at 30 June 2023, the Group had total assets of S\$46.35 million with cash and cash balances of S\$10.55 million, while total liabilities stood at S\$18.34 million

Six Months Ended 30 June ("1H")

(S\$ million)	1H2022	1H2023	Change (%)
Revenue	24.69	25.56	3.5
Gross Profits	4.96	2.51	(49.5)
Net Profit	2.03	0.14	(92.9)

SINGAPORE, 11 August 2023 – Alpina Holdings Limited (高峰控股有限公司) (the "Company", and together with its subsidiaries, the "Group"), an established Singapore-based specialist in providing integrated building services ("IBS"), mechanical and electrical ("M&E") engineering services, and alteration and addition ("A&A") works to public and private sector projects, has announced its results for the six months ended 30 June 2023 ("1H2023").

With predominantly public sector customers such as government ministries and statutory boards as well as public education institutions, the key contract highlights of the Group's business segments are as follows:

- IBS - With specified contract period that generally ranges from 1 to 4 years, and in certain instances, up to 6 years.
- M&E - Rendered on specific project basis
- A&A - Term contracts with a fixed contract period ranging from 2 to 4 years

Commenting on the Group's 1H2023 results, Alpina's Executive Chairman and Chief Executive Officer, Mr. Low Siong Yong (刘常勇先生), said, "The projects that were secured prior to the COVID-19 pandemic generally have a contract period of 1-2 years. Following the easing of the COVID-19 restrictions, these projects required more works as there were minimal maintenance done before we were given access for the servicing.

To meet the project timelines, we had to allocate more resources to these projects, which affected our gross profit margins due to higher labour and subcontracting costs.

During 1H2023, the Group had secured a total of 13 contracts with an aggregate provisional contract sum of approximately S\$216.9 million, strengthening our order book and providing visibility for our future.

Looking ahead, we remain focused on executing our strategic plan and we are determined to deliver strong financial performance and create long-term value for our stakeholders.”

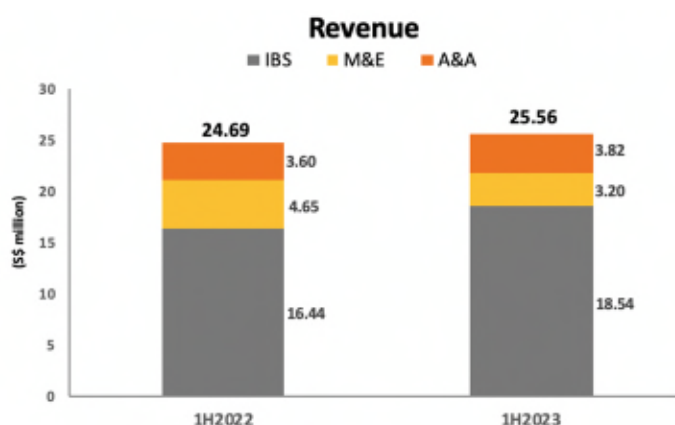
Please refer to the Company’s announcement on 3 July 2023 for more details of the contracts that were secured in 1H2023.

Highlights of Financial Performance in 1H2023

The Group’s IBS business segment remained a major contributor to its financial performance in 1H2023: Revenue from the Group’s IBS business segment increased by S\$2.11 million to S\$18.54 million 1H2023, as compared to S\$16.44 million in 1H2022, mainly due to more projects being completed in 1H2023.

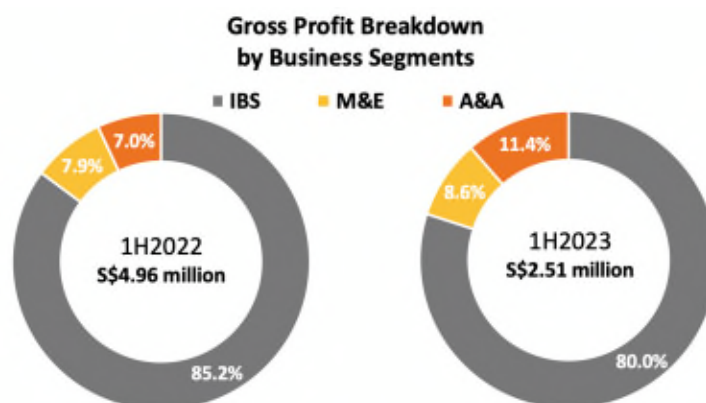
For the Group’s A&A business segment, revenue increased by S\$0.22 million in 1H2023, as compared to S\$3.60 million 1H2022, mainly due to more A&A projects being completed in 1H2023. The Group’s M&E business segment recorded lower revenue of S\$3.20 million in 1H2023 as three of its projects were substantially completed in the financial year ended 31 December 2022.

Overall, the Group’s revenue increased marginally by 3.5% or S\$0.88 million from S\$24.69 million in 1H2022 to S\$25.56 million in 1H2023.



The three business segments remained operationally profitable in 1H2023, despite lower gross profit margins due to higher labour and subcontracting costs: To meet the project timelines, the Group had to allocate more resources to these projects and its gross profit margins were affected due to higher labour and subcontracting costs. As a result, the Group’s overall gross profit margin decreased from 20.1% to 9.8% in 1H2023.

Operationally, the Group’s three business segments remained profitable with the IBS business segment continuing to be the majority contributor in 1H2023.



In 1H2023, the Group's administrative expenses decreased marginally by 6.5% to S\$2.36 million and overall, the Group registered a net profit attributable to shareholders of the Company of S\$0.14 million in 1H2023.

The Group had total assets of S\$46.35 million and total equity of S\$28.01 million as at 30 June 2023:

The Group's total assets as at 30 June 2023 comprised current assets of S\$36.31 million and non-current assets of S\$10.03 million. Major components of current assets were contract assets of S\$19.72 million, cash and cash balances of S\$10.55 million, trade and other receivables of S\$4.97 million, while non-current assets comprise mainly of property, plant and equipment of S\$8.40 million.

As at 30 June 2023, the Group's total equity stood at S\$28.01 million with total liabilities at S\$18.34 million, comprising current liabilities of S\$14.16 million and non-current liabilities of S\$4.18 million. Major components of current liabilities were trade and other payables of S\$8.67 million and borrowings of S\$5.01 million, while non-current liabilities comprise mainly of borrowings of S\$3.49 million.

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This press release is to be read in conjunction with the Company's SGXNet announcement dated 11 August 2023, which can be downloaded via www.sgx.com.

About Alpina Holdings Limited

(SGX Stock Code:ZXY / Bloomberg Code: ALPINA:Singapore)

Alpina Holdings Limited has a long operating history of over 17 years, specialising in IBS, M&E engineering services and A&A works for both public and private sector projects.

The Group's projects are all located in Singapore with predominantly public sector customers such as government ministries and statutory boards as well as public education institutions.

The Group currently holds 15 Workhead registrations and 2 builder licences with the BCA. Among these, it has attained the highest grading of L6 for its registration under the ME15 (Integrated Building Services) and ME05 (Electrical Engineering) Workheads, which allow the Group to undertake projects in the public sector with no tendering limits and no project value limits under the respective Workheads.

Making its mark on the renewable energy industry, the Group's wholly-owned subsidiary, Digo Corporation, and a joint venture partner were jointly awarded the sixth solar leasing tender under the SolarNova Programme by HDB, which is a 70 MWp project for the installation of solar panels across 1,198 HDB blocks and 57 government sites as well as the installation of smart electrical sub-meters at HDB blocks.

For more information, please visit alpinaholdings.com.sg

Issued for and on behalf of Alpina Holdings Limited

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This press release has been prepared by the Company and has been reviewed by the Company's sponsor, United Overseas Bank Limited ("**Sponsor**"), for compliance with Rules 226(2)(b) and 753(2) of the SGX-ST Listing Manual Section B: Rules of Catalist. This press release has not been examined or approved by the SGX-ST. The SGX-ST assumes no responsibility for the contents of this press release, including the correctness of any of the statements or opinions made or reports contained in this press release. The contact person for the Sponsor is Mr. Lim Hoon Khiat, Senior Director, Equity Capital Markets, who can be contacted at 80 Raffles Place, #03-03 UOB Plaza 1, Singapore 048624, telephone: +65 6533 9898.