

SUNRIGHT LIMITED AND ITS SUBSIDIARIES

(Company Reg. No. 197800523M)

Condensed Interim Financial Statements
For the First Half Year ended 31 January 2025

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A. Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income

| | Note | The Group | | |
|--|------|-------------------------------------|-------------------------------------|----------------------|
| | | 1st Half Year ended 31 January 2025 | 1st Half Year ended 31 January 2024 | Increase/ (decrease) |
| | | S\$'000 | S\$'000 | % |
| Revenue | 4 | 34,878 | 42,508 | (18%) |
| Other items of income: | | | | |
| Interest income | | 1,368 | 1,331 | 3% |
| Dividend income | | 63 | 40 | 58% |
| Other income | | 634 | 1,165 | (46%) |
| Items of expenses: | | | | |
| Raw materials and consumables used | | (4,683) | (7,413) | (37%) |
| Changes in inventories of finished goods and work-in-progress | | 411 | 36 | NM |
| Employee benefits expense | | (17,538) | (18,898) | (7%) |
| Depreciation of property, plant and equipment | | (7,476) | (7,658) | (2%) |
| Finance costs | | (580) | (688) | (16%) |
| Other expenses | | (11,926) | (12,609) | (5%) |
| Loss before tax | 6 | (4,849) | (2,186) | NM |
| Income tax credit/(expense) | 8 | 271 | (426) | NM |
| Loss, net of tax | | (4,578) | (2,612) | 75% |
| Other comprehensive income: | | | | |
| Item that will not be reclassified to profit or loss | | | | |
| Remeasurement gain arising from net defined benefit liabilities, net of tax | | - | 41 | (100%) |
| Item that may be reclassified subsequently to profit or loss | | | | |
| Foreign currency translation gain/(loss) | | 2,740 | (3,849) | NM |
| Foreign currency translation differences reclassified to profit or loss upon liquidation of a subsidiary | | (5) | - | NM |
| Other comprehensive income/(loss) for the period, net of tax | | 2,735 | (3,808) | NM |
| Total comprehensive loss for the period | | (1,843) | (6,420) | (71%) |
| (Loss)/profit attributable to: | | | | |
| Owners of the Company | | (3,402) | (2,768) | 23% |
| Non-controlling interests | | (1,176) | 156 | NM |
| | | (4,578) | (2,612) | 75% |
| Total comprehensive (loss)/income attributable to: | | | | |
| Owners of the Company | | (2,340) | (4,631) | (49%) |
| Non-controlling interests | | 497 | (1,789) | NM |
| | | (1,843) | (6,420) | (71%) |
| Loss per share attributable to owners of the Company (cents) | | | | |
| - Basic | | (2.8) | (2.3) | 23% |

NM : Not meaningful

B. Condensed Interim Statements of Financial Position

| | | The Group | | The Company | |
|---|------|--------------------|-----------------|--------------------|-----------------|
| | | 31 January 2025 | 31 July 2024 | 31 January 2025 | 31 July 2024 |
| | Note | S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| ASSETS | | | | | |
| Non-current assets | | | | | |
| Property, plant and equipment | 11 | 48,053 | 51,345 | 73 | 107 |
| Investment in subsidiaries | | - | - | 7,549 | 7,549 |
| Deferred tax assets | | 1,828 | 1,785 | - | - |
| Other receivables | | 470 | 512 | - | - |
| Loans to a subsidiary | | - | - | 295 | 411 |
| Total non-current assets | | 50,351 | 53,642 | 7,917 | 8,067 |
| Current assets | | | | | |
| Investment securities | | 4,005 | 4,559 | 411 | 382 |
| Inventories | | 1,183 | 1,044 | - | - |
| Prepayments | | 981 | 641 | 201 | 118 |
| Tax recoverables | | 1,689 | 1,627 | - | - |
| Derivatives | | - | 30 | - | - |
| Trade and other receivables | | 13,382 | 15,535 | 3,848 | 3,285 |
| Loans to a subsidiary | | - | - | 233 | 233 |
| Cash and short-term deposits | | 91,409 | 95,081 | 19,816 | 19,775 |
| Total current assets | | 112,649 | 118,517 | 24,509 | 23,793 |
| Total assets | | 163,000 | 172,159 | 32,426 | 31,860 |
| EQUITY AND LIABILITIES | | | | | |
| Equity | | | | | |
| Share capital | 13 | 35,727 | 35,727 | 35,727 | 35,727 |
| Retained earnings/(accumulated losses) | | 27,877 | 31,279 | (6,766) | (7,411) |
| Other reserves | | 7,931 | 6,869 | 155 | 155 |
| Total equity attributable to owners of the Company | | 71,535 | 73,875 | 29,116 | 28,471 |
| Non-controlling interests | | 53,326 | 53,334 | - | - |
| Total equity | | 124,861 | 127,209 | 29,116 | 28,471 |
| Liabilities | | | | | |
| Non-current liabilities | | | | | |
| Loans and borrowings | 12 | 6,801 | 11,502 | 8 | 130 |
| Defined benefit liabilities | | 1,804 | 1,675 | - | - |
| Deferred tax liabilities | | 1,486 | 2,028 | - | - |
| Total non-current liabilities | | 10,091 | 15,205 | 8 | 130 |
| Current liabilities | | | | | |
| Trade and other payables | | 13,053 | 14,980 | 826 | 1,108 |
| Derivatives | | 9 | - | - | - |
| Loans and borrowings | 12 | 14,834 | 14,493 | 2,338 | 1,940 |
| Provisions | | 6 | 6 | - | - |
| Income tax payable | | 146 | 266 | 138 | 211 |
| Total current liabilities | | 28,048 | 29,745 | 3,302 | 3,259 |
| Total liabilities | | 38,139 | 44,950 | 3,310 | 3,389 |
| Total equity and liabilities | | 163,000 | 172,159 | 32,426 | 31,860 |

C. Condensed Interim Statements of Changes in Equity

| The Group | Total equity | Total equity attributable to owners of the Company | Share capital | Retained earnings/ (accumulated losses) | Foreign currency translation reserve | Capital reserve | Statutory reserve fund | Non-controlling interests |
|---|--------------|--|---------------|---|--------------------------------------|-----------------|------------------------|---------------------------|
| | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| FY2025 | | | | | | | | |
| As at 1 August 2024 | 127,209 | 73,875 | 35,727 | 31,279 | (4,480) | 10,489 | 860 | 53,334 |
| Loss for the period | (4,578) | (3,402) | - | (3,402) | - | - | - | (1,176) |
| Other comprehensive loss for the period, net of tax | 2,735 | 1,062 | - | - | 1,062 | - | - | 1,673 |
| Total comprehensive loss for the period | (1,843) | (2,340) | - | (3,402) | 1,062 | - | - | 497 |
| Dividends payable to non-controlling interests | (505) | - | - | - | - | - | - | (505) |
| As at 31 January 2025 | 124,861 | 71,535 | 35,727 | 27,877 | (3,418) | 10,489 | 860 | 53,326 |
| FY2024 | | | | | | | | |
| As at 1 August 2023 | 126,583 | 72,274 | 35,727 | 29,062 | (3,872) | 10,497 | 860 | 54,309 |
| (Loss)/profit for the period | (2,612) | (2,768) | - | (2,768) | - | - | - | 156 |
| Other comprehensive loss for the period, net of tax | (3,808) | (1,863) | - | 41 | (1,904) | - | - | (1,945) |
| Total comprehensive loss for the period | (6,420) | (4,631) | - | (2,727) | (1,904) | - | - | (1,789) |
| Dividends paid to non-controlling interests | (383) | - | - | - | - | - | - | (383) |
| As at 31 January 2024 | 119,780 | 67,643 | 35,727 | 26,335 | (5,776) | 10,497 | 860 | 52,137 |

| The Company | Total equity | Share capital | Accumulated loss | Capital reserve |
|---|--------------|---------------|------------------|-----------------|
| | S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| FY2025 | | | | |
| As at 1 August 2024 | 28,471 | 35,727 | (7,411) | 155 |
| Profit for the period | 645 | - | 645 | - |
| Total comprehensive income for the period | 645 | - | 645 | - |
| As at 31 January 2025 | 29,116 | 35,727 | (6,766) | 155 |
| FY2024 | | | | |
| As at 1 August 2023 | 32,622 | 35,727 | (3,260) | 155 |
| Profit for the period | 313 | - | 313 | - |
| Total comprehensive income for the period | 313 | - | 313 | - |
| As at 31 January 2024 | 32,935 | 35,727 | (2,947) | 155 |

D. Condensed Interim Consolidated Cash Flow Statement

| | | The Group | |
|-------------|---|--|--|
| | | First Half Year ended 31 January 2025 | First Half Year ended 31 January 2024 |
| Note | | S\$'000 | S\$'000 |
| | Cash flows from operating activities: | | |
| | Loss before tax | (4,849) | (2,186) |
| | Adjustments for: | | |
| | Net gain on disposal of property, plant and equipment | - | (240) |
| 6 | Depreciation of property, plant and equipment | 7,476 | 7,658 |
| | Plant and equipment written off | 10 | 4 |
| 6 | Net write-down of inventories | 22 | 133 |
| | Dividend income | (63) | (40) |
| 6 | Net fair value loss/(gain) on investment securities | 708 | (106) |
| | Finance costs | 580 | 688 |
| | Interest income | (1,368) | (1,331) |
| | Net unrealised loss on derivatives | 39 | 64 |
| | Net unrealised exchange gain | (30) | (141) |
| | Operating cash flows before changes in working capital | 2,525 | 4,503 |
| | Increase in inventories | (161) | (22) |
| | Decrease in prepayments and receivables | 1,575 | 5,098 |
| | Decrease in payables and contract liabilities | (1,446) | (3,931) |
| | Cash flows from operations | 2,493 | 5,648 |
| | Net income taxes paid | (469) | (196) |
| | Interest paid | (631) | (699) |
| | Interest received | 1,545 | 1,210 |
| | Net cash flows from operating activities | 2,938 | 5,963 |
| | Cash flows from investing activities: | | |
| | Decrease/(increase) in short-term deposits with maturity more than three months | 6,623 | (2,948) |
| | Dividend received | 63 | 40 |
| | Purchase of property, plant and equipment | (3,096) | (3,216) |
| | Proceeds from disposal of property, plant and equipment | - | 236 |
| | Purchase of investment securities | (309) | (1,212) |
| | Proceeds from disposal of investment securities | 306 | - |
| | Net cash flows from/(used in) investing activities | 3,587 | (7,100) |
| | Cash flows from financing activities: | | |
| | Proceeds from bank loans | 3,187 | 53 |
| | Repayment of bank loans | (7,545) | (5,037) |
| | Repayment of principle portion of lease liabilities | (980) | (1,053) |
| | Dividends paid to non-controlling interests | (505) | - |
| | Net cash flows used in financing activities | (5,843) | (6,037) |
| | Net increase/(decrease) in cash and cash equivalents | 682 | (7,174) |
| | Effect of exchange rate changes on cash and cash equivalents | 2,269 | (2,553) |
| | Cash and cash equivalents at beginning of period | 33,811 | 44,597 |
| | Cash and cash equivalents at end of period | 36,762 | 34,870 |

D. Condensed Interim Consolidated Cash Flow Statement

Cash and cash equivalents comprised the following:

| | The Group | |
|--|----------------------------|----------------------------|
| | 31 January 2025 | 31 January 2024 |
| | S\$'000 | S\$'000 |
| Cash at banks and on hand | 11,116 | 9,798 |
| Bank deposits | 80,293 | 72,097 |
| Cash and short-term deposits | 91,409 | 81,895 |
| Less: Bank deposits with maturity more than three months | (54,647) | (47,025) |
| Cash and cash equivalents | 36,762 | 34,870 |

E. Notes to the Condensed Interim Financial Statements

1. Corporate information

Sunright Limited (the "Company") is a limited liability company incorporated and domiciled in Singapore and is listed on the Mainboard of the Singapore Exchange Securities Trading Limited ("SGX-ST"). These condensed interim consolidated financial statements as at and for the first half year ended 31 January 2025 comprise the Company and its subsidiaries (collectively, the "Group"). The principal activities of the Company are that of investment holding and provision of management services.

The principal activities of the Group are in the business of manufacturing burn-in/test equipment, provision of semiconductor burn-in and testing services, and research and development of burn-in and test related activities.

2. Basis of Preparation

The condensed interim financial statements for the first half year ended 31 January 2025 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 July 2024.

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 and all values are rounded to the nearest thousand (\$'000) unless otherwise stated.

2.1. New and amended standards adopted by the Group

A number of amendments to standards have become applicable for the current reporting period¹. 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 reported amounts of assets and liabilities, revenues 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 July 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.

¹ Refer to Annual Report FY2024, Notes to the Financial Statements (Note 2.3).

3. Seasonal operations

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

4. Segment and revenue information

The Group is organised into the following main business segments:

- a) Burn-in and testing segment is in the business of burn-in and test related activities.
- b) "Others" segment involves Group-level corporate services, treasury and investments functions (which does not meet any of the quantitative thresholds for disclosure under SFRS(I) 8 Operating Segments), and consolidation adjustments which are not directly attributable to particular business segment above.

Key management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which in certain respects, as explained in the table below, is measured differently from operating profit or loss in the consolidated financial statements. Group financing (including finance costs) and income taxes are managed on a group basis and are not allocated to operating segments.

4.1 Business segment

| | Burn-in and testing | | Others | | Consolidated | |
|---|---------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 2025 S\$'000 | 2024 S\$'000 | 2025 S\$'000 | 2024 S\$'000 | 2025 S\$'000 | 2024 S\$'000 |
| <u>1st Half Year ended 31 January</u> | | | | | | |
| Revenue: | | | | | | |
| External customers | 34,878 | 42,508 | - | - | 34,878 | 42,508 |
| Results: | | | | | | |
| Segment (loss)/profit | (6,139) | (2,908) | 502 | 79 | (5,637) | (2,829) |
| Interest income | | | | | 1,368 | 1,331 |
| Finance costs | | | | | (580) | (688) |
| Loss before tax | | | | | (4,849) | (2,186) |
| Income tax credit/(expense) | | | | | 271 | (426) |
| Loss for the period | | | | | (4,578) | (2,612) |
| Other information: | | | | | | |
| Depreciation of property, plant and equipment | 7,443 | 7,602 | 33 | 56 | 7,476 | 7,658 |
| Additions to property, plant and equipment | 2,669 | 6,292 | - | 10 | 2,669 | 6,302 |

4. Segment and revenue information (cont'd)**4.2 Disaggregation of Revenue**

| | The Group | |
|--|--|--|
| | 1st Half Year ended 31 January 2025 | 1st Half Year ended 31 January 2024 |
| | S\$'000 | S\$'000 |
| Burn-in and testing | | |
| <i>Major type of goods and services</i> | | |
| Sale of goods | 3,266 | 6,474 |
| Rendering of services | 31,612 | 36,034 |
| Total Revenue | 34,878 | 42,508 |
| <i>Primary geographical markets</i> | | |
| Singapore | 2,481 | 5,805 |
| Malaysia | 21,307 | 24,674 |
| China | 6,286 | 7,515 |
| United States | 2,254 | 1,796 |
| Others | 2,550 | 2,718 |
| Total Revenue | 34,878 | 42,508 |

The goods and services are transferred to the customers at a point in time.

5. Financial assets and liabilities

Set out below is an overview of the financial assets and liabilities of the Group and the Company as at 31 January 2025 and 31 July 2024

| | The Group | | The Company | |
|---|--------------------|-----------------|--------------------|-----------------|
| | 31 January 2025 | 31 July 2024 | 31 January 2025 | 31 July 2024 |
| | S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| Financial Assets | | | | |
| Trade and other receivables: | | | | |
| - Trade receivables, net | 11,819 | 13,779 | 2,503 | 2,154 |
| - Sundry deposits | 751 | 796 | 1 | 1 |
| - Sundry receivables | 1,282 | 1,472 | 111 | 206 |
| - Amounts due from subsidiaries (non-trade) | - | - | 1,233 | 924 |
| Total trade and other receivables | 13,852 | 16,047 | 3,848 | 3,285 |
| Loans to a subsidiary | - | - | 528 | 644 |
| Cash and short-term deposits | 91,409 | 95,081 | 19,816 | 19,775 |
| Financial assets, at amortised costs | 105,261 | 111,128 | 24,192 | 23,704 |
| Derivatives, at fair value through profit or loss | - | 30 | - | - |
| Investment securities, at fair value through profit or loss | 4,005 | 4,559 | 411 | 382 |
| Total financial assets | 109,266 | 115,717 | 24,603 | 24,086 |
| Financial Liabilities | | | | |
| Trade and other payables: | | | | |
| - Trade payables | (3,352) | (3,323) | - | - |
| - Accrued operating expenses | (4,292) | (5,162) | (819) | (1,086) |
| - Sundry payables | (5,409) | (6,495) | (7) | (22) |
| Total trade and other payables | (13,053) | (14,980) | (826) | (1,108) |
| Loans and borrowings | (21,635) | (25,995) | (2,346) | (2,070) |
| Financial liabilities, at amortised costs | (34,688) | (40,975) | (3,172) | (3,178) |
| Derivatives, at fair value through profit or loss | (9) | - | - | - |
| Total financial liabilities | (34,697) | (40,975) | (3,172) | (3,178) |

6. Profit before taxation

6.1 Significant items

| | The Group | |
|---|--|--|
| | 1st Half Year ended 31 January 2025 | 1st Half Year ended 31 January 2024 |
| | S\$'000 | S\$'000 |
| Net write-down of inventories | (22) | (133) |
| Net exchange (loss)/gain | (88) | 253 |
| Net gain/(loss) on derivatives | 28 | (26) |
| Net fair value (loss)/gain on investment securities | (708) | 106 |
| Net gain on disposal of property, plant and equipment | - | 240 |

6. Profit before taxation (cont'd)**6.2 Related party transactions**

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

7. Significant commitments for purchases of property, plant and equipment

Commitments for purchases of property, plant and equipment amounted to \$1,016,000 as at 31 January 2025.

8. Income tax

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

| | The Group | |
|---|--|--|
| | 1st Half Year ended 31 January 2025 | 1st Half Year ended 31 January 2024 |
| | S\$'000 | S\$'000 |
| <i>Current income tax:</i> | | |
| Current income tax expense | 506 | 288 |
| Over provision in respect of previous year | (161) | - |
| | 345 | 288 |
| <i>Deferred tax:</i> | | |
| Origination and reversal of temporary differences | (616) | 138 |
| | (616) | 138 |
| Income tax (credit)/expense | (271) | 426 |

9. Dividends

No dividend was recognised or declared during the current financial period or corresponding period of the immediately preceding financial year.

10. Net asset value

| | The Group | | The Company | |
|--|------------------------|---------------------|------------------------|---------------------|
| | 31 January 2025 | 31 July 2024 | 31 January 2025 | 31 July 2024 |
| Net asset value per ordinary share attributable to the owners of the Company (cents) | 58.3 | 60.2 | 23.7 | 23.2 |

11. Property, plant and equipment

For the first half year ended 31 January 2025, the Group acquired property, plant and equipment amounting to \$2,669,000 (2024: \$6,302,000) and disposed off assets amounting to \$10,000 (2024: \$4,000).

12. Loans and borrowings

| | The Group | | The Company | |
|--|----------------------------|-------------------------|----------------------------|-------------------------|
| | 31 January 2025 | 31 July 2024 | 31 January 2025 | 31 July 2024 |
| | S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| Amount repayable within one year or less or on demand | | | | |
| Secured | 1,463 | 1,635 | 53 | 52 |
| Unsecured | 13,371 | 12,858 | 2,285 | 1,888 |
| | <u>14,834</u> | <u>14,493</u> | <u>2,338</u> | <u>1,940</u> |
| Amount repayable after one year | | | | |
| Secured | 2,173 | 2,677 | 8 | 35 |
| Unsecured | 4,628 | 8,825 | - | 95 |
| | <u>6,801</u> | <u>11,502</u> | <u>8</u> | <u>130</u> |
| Total loans and borrowings | <u>21,635</u> | <u>25,995</u> | <u>2,346</u> | <u>2,070</u> |

Obligations under leases are secured on certain assets of the companies within the Group.

13. Share capital

Details of any changes in the company's share capital arising from rights issue, bonus issue, subdivision, consolidation, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

There was no change in share capital during the current financial period.

The Company did not have any outstanding convertibles as at 31 January 2025 and 31 January 2024.

There were neither treasury shares nor subsidiary holdings as at 31 January 2025 and 31 January 2024.

To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year

| | The Group and the Company | | | |
|---|---------------------------|---------|---------------------|---------|
| | 31 January 2025 | | 31 July 2024 | |
| | Number of shares | Amount | Number of shares | Amount |
| | '000 | S\$'000 | '000 | S\$'000 |
| <i>Issued and fully paid ordinary shares:</i> | | | | |
| Balance at beginning and end of the period | 122,806 | 35,727 | 122,806 | 35,727 |

A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on

Not applicable. The Company did not hold any treasury shares as at 31 January 2025.

A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on

Not applicable. The Company's subsidiaries do not hold any shares in the Company as at 31 January 2025 and 31 July 2024.

14. Earnings per share

Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends

Basic loss per ordinary share amounts are calculated by dividing loss net of tax, attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the current financial period.

| | The Group | |
|---|----------------------------|----------------------------|
| | 31 January 2025 | 31 January 2024 |
| Loss attributable to owners of the Company (\$'000) | (3,402) | (2,768) |
| Weighted average number of ordinary shares ('000) | 122,806 | 122,806 |
| Loss per ordinary share (cents) | (2.8) | (2.3) |

15. Subsequent events

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

F. Other Information required by Listing Rule Appendix 7.2

1. Review

The condensed interim statements of financial position of the Group and the Company as at 31 January 2025 and the related condensed interim statements of changes in equity of the Group and the Company, condensed interim consolidated statement of profit or loss and other comprehensive income and condensed interim consolidated cash flow statement for the six-month period then ended and certain explanatory notes have not been audited or reviewed.

2. Review of performance of the Group

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:-

- (i) 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**
- (ii) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on**

Review of performance

6 Months ended 31 January 2025 (1HFY2025) vs 6 Months ended 31 January 2024 (1HFY2024)

The Group recorded revenue of \$34.9 million in 1HFY2025, a decrease of \$7.6 million or 18% as compared to \$42.5 million in 1HFY2024. The decline was due to lower equipment deliveries as a result of reduced demand in the computing market, and lower volume for processing of automotive chips in burn-in and test services.

Other income decreased by \$0.5 million or 46%, to \$0.6 million, mainly due to absences of net foreign exchange gain², net gain on disposal of property, plant and equipment and net fair value gain on investment securities, amounting to \$0.2 million, \$0.2 million and \$0.1 million respectively.

Raw materials and consumables used, as well as changes in inventories of finished goods and work-in-progress, totalling \$4.3 million, were lower by \$3.1 million or 42%, in line with reduced equipment deliveries.

Employee benefits expense decreased by \$1.4 million or 7%, to \$17.5 million, with reduced labour resource required to process lower volume.

Other expenses decreased by \$0.7 million or 5%, to \$11.9 million, as a result of cost reductions in utilities, repairs and maintenance and recruitment expenses by \$0.6 million, \$0.5 million and \$0.2 million respectively. These reductions were partially offset with net fair value loss on investment securities of \$0.7 million.

Consequently, the Group recorded a higher loss before tax of \$4.8 million in 1HFY2025, as compared with loss of \$2.2 million in 1HFY2024.

² Included net loss on derivatives.

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

Review of financial position

Property, plant and equipment was lower by \$3.3 million or 6%, from \$51.3 million as at 31 July 2024, to \$48.1 million as at 31 January 2025. The decrease was primarily due to depreciation charge of \$7.5 million, partially offset by additions of \$2.7 million and the foreign translation effect of \$1.5 million.

Investment securities decreased by \$0.6 million or 12%, from \$4.6 million to \$4.0 million, as a result of net fair value loss on investment securities of \$0.7 million.

Current trade and other receivables decreased by \$2.2 million or 14%, from \$15.5 million to \$13.4 million, due to lower revenue in 1HFY2025 as compared to 2HFY2024.

Cash and short-term deposits declined by \$3.7 million or 4%, from \$95.1 million to \$91.4 million, represented net cash outflows in repayment of bank loans, and foreign translation effect arising from a strengthened Ringgit Malaysia.

Trade and other payables decreased by \$1.9 million or 13%, from \$15.0 million to \$13.1 million, mainly due to the settlement of purchases of machinery and test equipment, and reductions in other sundry payables and accrued operating expenses.

Total loans and borrowings decreased by \$4.4 million or 17%, from \$26.0 million to \$21.6 million, mainly due to net repayments of bank loans of \$4.4 million.

Deferred tax liabilities decreased by \$0.5 million or 27%, from \$2.0 million to \$1.5 million, as a result of lower taxable temporary differences, arising from the differences in depreciation for tax purposes.

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

There is no material variance from our full year financial statement announcement for the year ended 31 July 2024 commentary under Section F, paragraph 4.

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

According to International Monetary Fund's January 2025 outlook report, global economic growth in 2025 is projected at 3.3%, from 2024 of 3.2%. This outlook reflects an upward revision in the United States whilst offsetting downward revisions in other major economies, from its October 2024 outlook report.

The semiconductor industry continues to evolve, presenting both challenges and opportunities. Worldwide semiconductor revenue in 2024, estimated at USD626 billion, is an increase of 18.1% from 2023, primarily driven by high demand for graphics processing units and artificial intelligence (AI) processors in data center applications. In 2025, the revenue forecast is estimated at USD705 billion, with growth in memory and AI semiconductors.

However, the Group operates in an environment shaped by geopolitical tensions and escalating trade tariffs. Major semiconductor manufacturers are adjusting their inventory levels in response to ongoing market softness. Demand for computing and automotive markets is expected to remain soft in the near term. As a result, customers have scaled back orders and adopted a more cautious approach to procurement, which has impacted our performance. There is also an ongoing shift toward AI-driven technologies and power-efficient solutions.

Hence, despite present challenges, the Group remains focused on expanding opportunities in AI, power semiconductors and next-generation computing. It is making steady progress with customers qualifications for new product introductions. The Group also continues to align its cost structure with customers' roadmaps and maintains agility to scale up its production capacity to meet the potential demand in growth areas.

5. Dividend Information

(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

(c) Date payable

Not applicable

(d) Books closure date

Not applicable

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

The directors do not recommend any interim dividend to be declared in view of the losses.

6. Interested person transactions

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

No IPT mandate had been obtained.

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

The Company confirms that undertakings under Rule 720(1) have been obtained from all its directors and executive officers in the format set out in Appendix 7.7.

8. Confirmation by Board pursuant to Rule 705(5) of the Listing Manual

The Board confirmed to the best of its knowledge that nothing has come to its attention which may render the unaudited interim financial results for the half year ended 31 January 2025 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

Adeline Lim Kim Swan
Company Secretary
Date: 14 March 2025