



Multi-Chem Limited

(Incorporated in Singapore. Registration Number: 198500318Z)

Unaudited Condensed Interim Financial Statements and Dividend Announcement

For the financial period from 1 January 2024 to 30 September 2024

Unaudited Condensed Interim Financial Statements and Dividend Announcement
For the financial period from 1 January 2024 to 30 September 2024

CONSOLIDATED INCOME STATEMENT

Group	Note	3 months ended			9 months ended		
		30-09-2024	30-09-2023	Change	30-09-2024	30-09-2023	Change
		\$'000	\$'000	%	\$'000	\$'000	%
Revenue	1.1	173,278	173,715	(0)	515,811	486,862	6
Cost of sales		(152,237)	(148,530)	2	(442,873)	(416,809)	6
Gross profit	1.2(a)	21,041	25,185	(16)	72,938	70,053	4
Other items of income							
- Interest income	1.2(e)	1,610	861	87	3,093	2,163	43
- Other income	1.2(d)	2,095	995	111	3,118	2,175	43
Other items of expense							
- Selling and distribution costs	1.2(f)	(8,263)	(8,979)	(8)	(26,155)	(27,389)	(5)
- Administrative and other expenses	1.2(f)	(6,652)	(6,900)	(4)	(20,954)	(20,206)	4
- (Loss allowance)/reversal of allowance on third party trade receivables and contract assets	1.2(b)	(251)	212	(218)	(1,070)	582	(284)
- Finance costs	1.2(c)	(291)	(149)	95	(862)	(610)	41
Profit before income tax	1.2	9,289	11,225	(17)	30,108	26,768	12
Income tax expense	1.3	(2,184)	(2,015)	8	(6,583)	(6,146)	7
Profit for the financial period	1.3	7,105	9,210	(23)	23,525	20,622	14
Profit attributable to:							
Owners of the Company		7,105	9,210	(23)	23,525	20,622	14
Earnings per share for profit attributable to owners of the Company during the financial period (expressed in cents per share)							
Basic		7.89 cents	10.22 cents		26.11 cents	22.89 cents	
Diluted		7.89 cents	10.22 cents		26.11 cents	22.89 cents	

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CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Group	3 months ended			9 months ended		
	30-09-2024	30-09-2023	Change	30-09-2024	30-09-2023	Change
	\$'000	\$'000	%	\$'000	\$'000	%
Profit for the financial period	7,105	9,210	(23)	23,525	20,622	14
Other comprehensive income for the financial period:						
<i>Item that may be reclassified subsequently to profit or loss</i>						
Foreign currency differences on translation of foreign operations	(4,620)	485	(1,053)	(2,159)	834	(359)
<i>Item that will not be reclassified subsequently to profit or loss</i>						
Fair value change in financial asset, at FVOCI	-	(11)	(100)	(6)	(159)	(96)
Other comprehensive income for the financial period, net of tax	(4,620)	474	(1,075)	(2,165)	675	(421)
Total comprehensive income for the financial period	2,485	9,684	(74)	21,360	21,297	0
Total comprehensive income attributable to:						
Owners of the Company	2,485	9,684	(74)	21,360	21,297	0

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STATEMENTS OF FINANCIAL POSITION

	Note	Group		Company	
		30-09-2024 \$'000	31-12-2023 \$'000	30-09-2024 \$'000	31-12-2023 \$'000
Non-current assets					
Property, plant and equipment	1.4(a)	7,570	8,098	242	589
Investment properties		-	-	2,204	2,246
Investments in subsidiaries		-	-	-	-
Club memberships		964	990	374	374
Right-of-use assets	1.4(b)	2,249	1,768	102	142
Deferred tax assets	1.4(c)	6,480	5,974	-	-
Financial asset, at FVOCI		-	7	-	-
Financial asset, at FVPL		4,784	4,813	4,784	4,813
Trade receivables	1.4(e)	23,863	17,533	-	-
Prepayments	1.4(h)	715	1,094	4	55
		<u>46,625</u>	<u>40,277</u>	<u>7,710</u>	<u>8,219</u>
Current assets					
Inventories	1.4(f)	51,944	86,847	170	335
Trade and other receivables	1.4(e)	180,754	172,149	34,560	23,495
Contract assets	1.4(g)	1,548	1,148	-	-
Prepayments	1.4(h)	1,384	1,490	136	115
Current income tax recoverable	1.4(i)	5,381	6,650	-	-
Fixed deposits	1.4(d)	16,620	34,276	11,471	23,447
Cash and bank balances	1.4(d)	51,168	38,771	1,516	4,110
		<u>308,799</u>	<u>341,331</u>	<u>47,853</u>	<u>51,502</u>
Less:					
Current liabilities					
Trade and other payables	1.4(j)	163,663	182,244	6,552	7,373
Contract liabilities	1.4(k)	19,029	31,434	-	-
Lease liabilities	1.4(l)	798	786	58	48
Bank borrowings	1.4(m)	-	786	-	-
Current income tax payable		5,144	5,877	-	-
Derivative financial instruments		11	-	-	-
		<u>188,645</u>	<u>221,127</u>	<u>6,610</u>	<u>7,421</u>
Net current assets		<u>120,154</u>	<u>120,204</u>	<u>41,243</u>	<u>44,081</u>
Less:					
Non-current liabilities					
Trade payables	1.4(j)	18,111	9,524	-	-
Contract liabilities	1.4(k)	3,660	3,571	-	-
Lease liabilities	1.4(l)	1,564	1,122	56	99
Provision for post-employee benefits		618	637	-	-
Deferred tax liabilities		1,218	1,423	7	7
Derivative financial instruments		9	-	-	-
		<u>25,180</u>	<u>16,277</u>	<u>63</u>	<u>106</u>
Net assets		<u>141,599</u>	<u>144,204</u>	<u>48,890</u>	<u>52,194</u>
Equity					
Share capital		37,288	37,288	37,288	37,288
Foreign currency translation account	1.4(n)	(5,748)	(3,589)	-	-
Other reserves		(1,151)	(1,145)	-	-
Retained earnings		111,210	111,650	11,602	14,906
Total equity		<u>141,599</u>	<u>144,204</u>	<u>48,890</u>	<u>52,194</u>

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CONSOLIDATED STATEMENT OF CASH FLOWS

	Note	9 months ended	
		30-09-2024 \$'000	30-09-2023 \$'000
OPERATING ACTIVITIES			
Profit before income tax		30,108	26,768
Adjustments for:			
- Loss allowance/(reversal of allowance) on third party trade receivables and contract assets		1,070	(582)
- Allowance made for inventory obsolescence		1,542	2,907
- Third party trade receivables written off		48	54
- Fair value change in financial asset, at FVPL		(119)	(122)
- Fair value change in derivative financial instruments		20	2
- Depreciation of property, plant and equipment		652	900
- (Gain)/loss on disposal of property, plant and equipment		(351)	7
- Amortisation of club memberships		7	7
- Depreciation of right-of-use assets		749	814
- Gain on lease modifications		-	(285)
- Interest expense		862	610
- Interest income		(3,093)	(2,163)
- Inventories written off		481	37
- Third party trade and other payables written off		(652)	(531)
- Unrealised foreign exchange gain		(1,377)	(290)
Operating cash flows before working capital changes		29,947	28,133
Working capital changes:			
- Inventories		31,292	(14,954)
- Trade and other receivables, and contract assets		(22,037)	(19,827)
- Prepayments		436	643
- Trade and other payables, and contract liabilities		(14,602)	21,813
Cash generated from operations		25,036	15,808
Interest received		3,093	2,163
Income tax paid		(6,912)	(5,060)
Net cash generated from operating activities	1.5	21,217	12,911

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CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

	Note	9 months ended	
		30-09-2024 \$'000	30-09-2023 \$'000
INVESTING ACTIVITIES			
Proceeds from disposal of property, plant and equipment		569	37
Purchase of property, plant and equipment		(462)	(266)
Net cash generated from/(used in) investing activities	1.5	107	(229)
FINANCING ACTIVITIES			
Proceeds from bank borrowings		-	929
Repayments of bank borrowings		(757)	(1,291)
Repayments of lease liabilities		(734)	(767)
Interest paid		(862)	(610)
Dividends paid to owners of the Company		(23,965)	(17,929)
Net cash used in financing activities	1.5	(26,318)	(19,668)
Net change in cash and cash equivalents		(4,994)	(6,986)
Cash and cash equivalents at beginning of financial period		72,999	69,493
Effects of exchange rate changes on cash and cash equivalents		(266)	368
Cash and cash equivalents at end of financial period (Note 1)		67,739	62,875
Note 1			
<i>Cash and cash equivalents at end of financial period comprise of:</i>			
Cash and cash equivalents as per Statement of Financial Position		67,788	62,922
Less: Fixed deposits pledged with banks		(49)	(47)
		67,739	62,875

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STATEMENTS OF CHANGES IN EQUITY

Group	Share capital \$'000	Foreign currency translation account \$'000	Premium on acquisition of non-controlling interests \$'000	Fair value reserve \$'000	Statutory reserve \$'000	Retained earnings \$'000	Total equity \$'000
Balance at 1 January 2024	37,288	(3,589)	(1,043)	(432)	330	111,650	144,204
Profit for the financial period	-	-	-	-	-	23,525	23,525
Other comprehensive income for the financial period							
Foreign currency differences on translation of foreign operations	-	(2,159)	-	-	-	-	(2,159)
Fair value change in financial asset, at FVOCI	-	-	-	(6)	-	-	(6)
Total comprehensive income for the financial period	-	(2,159)	-	(6)	-	23,525	21,360
Distributions to the owners of the Company							
Dividends	-	-	-	-	-	(23,965)	(23,965)
Total transactions with the owners of the Company	-	-	-	-	-	(23,965)	(23,965)
Balance at 30 September 2024	37,288	(5,748)	(1,043)	(438)	330	111,210	141,599
Balance at 1 January 2023	37,288	(1,644)	(1,043)	(264)	330	102,429	137,096
Profit for the financial period	-	-	-	-	-	20,622	20,622
Other comprehensive income for the financial period							
Foreign currency differences on translation of foreign operations	-	834	-	-	-	-	834
Fair value change in financial asset, at FVOCI	-	-	-	(159)	-	-	(159)
Total comprehensive income for the financial period	-	834	-	(159)	-	20,622	21,297
Distributions to the owners of the Company							
Dividends	-	-	-	-	-	(17,929)	(17,929)
Total transactions with the owners of the Company	-	-	-	-	-	(17,929)	(17,929)
Balance at 30 September 2023	37,288	(810)	(1,043)	(423)	330	105,122	140,464

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Unaudited Condensed Interim Financial Statements and Dividend Announcement*For the financial period from 1 January 2024 to 30 September 2024***STATEMENTS OF CHANGES IN EQUITY (Continued)**

Company	Share capital \$'000	Retained earnings \$'000	Total equity \$'000
Balance at 1 January 2024	37,288	14,906	52,194
Profit for the financial period	-	20,661	20,661
Total comprehensive income for the financial period	-	20,661	20,661
Distributions to the owners			
Dividends	-	(23,965)	(23,965)
Total transactions with the owners	-	(23,965)	(23,965)
Balance at 30 September 2024	37,288	11,602	48,890
Balance at 1 January 2023	37,288	14,296	51,584
Profit for the financial period	-	21,161	21,161
Total comprehensive income for the financial period	-	21,161	21,161
Distributions to the owners			
Dividends	-	(17,929)	(17,929)
Total transactions with the owners	-	(17,929)	(17,929)
Balance at 30 September 2023	37,288	17,528	54,816

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NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

1. General corporate information

Multi-Chem Limited is a public limited company, incorporated and domiciled in Singapore with its registered office and principal place of business at 18 Boon Lay Way, #05-113, Tradehub 21, Singapore 609966. The Company's registration number is 198500318Z. The Company is listed on the Singapore Exchange Securities Trading Limited ("SGX-ST").

The Group's ultimate controlling parties are Mr Foo Suan Sai and Mdm Han Juat Hoon.

The principal activities of the Group are those of investment holding, distribution of hardware and software relating to internet and network products, and provision of maintenance services for such products, and provision of value-added printed circuit board ("PCB") related services, to PCB fabricators and the distribution of other PCB related products and equipment to PCB fabricators.

2. Basis of Preparation

The condensed interim financial statements for the nine months ended 30 September 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.

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 9 – Allowance for inventory obsolescence
- Note 10 – Loss allowance for impairment of trade receivables
- Note 11 – Provision for post-sales technical support

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3. Seasonal operations

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

4. Segment and revenue information

Management has determined the operating segments based on the reports reviewed by the chief operating decision maker.

Management considers the business from both a geographic and business segment perspective. Geographically, management manages and monitors the business in these primary geographic areas: Singapore, Australia, India, Vietnam and other countries. These locations are engaged in the distribution of IT products and/or PCB products.

The Group has two reportable segments being IT business and PCB business.

4.1. Reportable segments

	Singapore	Australia	India	Vietnam	Others	Elimination and adjustments	Total
	IT business \$'000	PCB business \$'000	IT business \$'000	IT business \$'000	IT business \$'000	IT business \$'000	\$'000
1 July 2024 to 30 September 2024							
Revenue							
- External sales	93,226	396	8,506	21,913	2,425	46,812	173,278
- Inter-segment sales	-	-	-	-	-	-	-
Total revenue	93,226	396	8,506	21,913	2,425	46,812	173,278

	IT business \$'000	PCB business \$'000	Elimination and adjustments \$'000	Total \$'000
Segment results				
Interest income				1,610
Interest expense				(291)
Depreciation of property, plant and equipment				(195)
<i>Other non-cash items:</i>				
- (Loss)/gain on disposal of property, plant and equipment				14
- Amortisation of club membership				(2)
- Depreciation of right-of-use assets				(241)
- Inventories written off				(405)
- Unrealised foreign exchange gain/(loss)				1,259
- Allowance made for inventory obsolescence				(822)
- Loss allowance on third party trade receivables and contract assets				(251)
- Fair value change in financial asset, at FVPL				60
- Fair value change in derivative financial instruments				(33)
Segment profit/(loss) before income tax	13,500	(4,211)	-	9,289

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4.1. Reportable segments (Continued)

	Singapore		Australia	India	Vietnam	Others	Unallocated	Total
	IT business \$'000	PCB business \$'000	IT business \$'000	IT business \$'000	IT business \$'000	IT business \$'000		
1 July 2024 to 30 September 2024								
Capital expenditure								
Property, plant and equipment	26	4	-	8	-	31	-	69

	Singapore		Australia	India	Vietnam	Others	Elimination and adjustments \$'000	Total \$'000
	IT business \$'000	PCB business \$'000	IT business \$'000	IT business \$'000	IT business \$'000	IT business \$'000		
1 July 2023 to 30 September 2023								
Revenue								
- External sales	110,608	461	12,547	7,779	2,324	39,996	-	173,715
- Inter-segment sales	1	-	-	-	-	-	(1)	-
Total revenue	110,609	461	12,547	7,779	2,324	39,996	(1)	173,715

	IT business \$'000	PCB business \$'000	Elimination and adjustments \$'000	Total \$'000		
Segment results						
Interest income			610	251	-	861
Interest expense			(147)	(2)	-	(149)
Depreciation of property, plant and equipment			(193)	(84)	-	(277)
<i>Other non-cash items:</i>						
- Loss on disposal of property, plant and equipment			(8)	-	-	(8)
- Amortisation of club membership			(2)	-	-	(2)
- Depreciation of right-of-use assets			(267)	(13)	-	(280)
- Third party trade receivables written off			(12)	-	-	(12)
- Inventories written off			(29)	-	-	(29)
- Unrealised foreign exchange gain			108	196	-	304
- Allowance made for inventory obsolescence			(917)	-	-	(917)
- Reversal of allowance on third party trade receivables and contract assets			211	1	-	212
- Fair value change in financial asset, at FVPL			-	63	-	63
- Fair value change in derivative financial instruments			8	-	-	8
Segment profit/(loss) before income tax			13,012	(1,787)	-	11,225

	Singapore		Australia	India	Vietnam	Others	Unallocated	Total
	IT business \$'000	PCB business \$'000	IT business \$'000	IT business \$'000	IT business \$'000	IT business \$'000		
1 July 2023 to 30 September 2023								
Capital expenditure								
Property, plant and equipment	47	-	1	9	-	40	-	97

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4.1. Reportable segments (Continued)

	Singapore		Australia		India		Vietnam		Others		Elimination and adjustments	Total
	IT business	PCB business	IT business	IT business	IT business	IT business	IT business	IT business	IT business	IT business		
1 January 2024 to 30 September 2024												
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue												
- External sales	295,246	1,186	29,254	58,466	11,539	120,120	-	-	-	-	-	515,811
- Inter-segment sales	-	-	-	-	-	-	-	-	-	-	-	-
Total revenue	295,246	1,186	29,254	58,466	11,539	120,120	-	-	-	-	-	515,811

	Singapore		Australia		India		Vietnam		Others		Elimination and adjustments	Total
	IT business	PCB business	IT business	IT business	IT business	IT business	IT business	IT business	IT business	IT business		
Segment results												
Interest income						2,508	585	-	-	-	-	3,093
Interest expense						(857)	(5)	-	-	-	-	(862)
Depreciation of property, plant and equipment						(476)	(176)	-	-	-	-	(652)
<i>Other non-cash items:</i>												
- Gain on disposal of property, plant and equipment						51	300	-	-	-	-	351
- Amortisation of club membership						(7)	-	-	-	-	-	(7)
- Depreciation of right-of-use assets						(709)	(40)	-	-	-	-	(749)
- Third party trade receivables written off						(48)	-	-	-	-	-	(48)
- Inventories written off						(481)	-	-	-	-	-	(481)
- Unrealised foreign exchange gain/(loss)						2,468	(1,091)	-	-	-	-	1,377
- Allowance made for inventory obsolescence						(1,542)	-	-	-	-	-	(1,542)
- Loss allowance on third party trade receivables and contract assets						(1,070)	-	-	-	-	-	(1,070)
- Fair value change in financial asset, at FVPL						-	119	-	-	-	-	119
- Fair value change in derivative financial instruments						(20)	-	-	-	-	-	(20)
Segment profit/(loss) before income tax						31,099	(991)	-	-	-	-	30,108

	Singapore		Australia		India		Vietnam		Others		Unallocated	Total
	IT business	PCB business	IT business	IT business	IT business	IT business	IT business	IT business	IT business			
1 January 2024 to 30 September 2024												
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Capital expenditure												
Property, plant and equipment	351	4	3	12	-	92	-	-	-	-	-	462
30 September 2024												
Assets and liabilities												
Segment assets	206,230	21,467	12,259	37,920	4,234	61,453	11,861	-	-	-	-	355,424
Segment liabilities	125,051	6,663	7,443	35,097	1,839	31,370	6,362	-	-	-	-	213,825

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4.1. Reportable segments (Continued)

	Singapore	Australia	India	Vietnam	Others	Elimination and adjustments	Total
1 January 2023 to 30 September 2023	IT business \$'000	PCB business \$'000	IT business \$'000	IT business \$'000	IT business \$'000	IT business \$'000	\$'000
Revenue							
- External sales	278,237	1,349	37,857	30,721	7,339	131,359	486,862
- Inter-segment sales	2	-	-	-	-	-	(2)
Total revenue	278,239	1,349	37,857	30,721	7,339	131,359	(2) 486,862

	IT business \$'000	PCB business \$'000	Elimination and adjustments \$'000	Total \$'000
Segment results				
Interest income	1,682	481	-	2,163
Interest expense	(607)	(3)	-	(610)
Depreciation of property, plant and equipment	(648)	(252)	-	(900)
<i>Other non-cash items:</i>				
- Loss on disposal of property, plant and equipment	(7)	-	-	(7)
- Amortisation of club membership	(7)	-	-	(7)
- Depreciation of right-of-use assets	(777)	(37)	-	(814)
- Third party trade receivables written off	(54)	-	-	(54)
- Inventories written off	(37)	-	-	(37)
- Unrealised foreign exchange (loss)/gain	(402)	692	-	290
- Allowance made for inventory obsolescence	(2,907)	-	-	(2,907)
- Reversal of allowance/(loss allowance) on third party trade receivables and contract assets	584	(2)	-	582
- Fair value change in financial asset, at FVPL	-	122	-	122
- Fair value change in derivative financial instruments	(2)	-	-	(2)
Segment profit/(loss) before income tax	26,997	(229)	-	26,768

	Singapore	Australia	India	Vietnam	Others	Unallocated	Total
1 January 2023 to 30 September 2023	IT business \$'000	PCB business \$'000	IT business \$'000	IT business \$'000	IT business \$'000	IT business \$'000	\$'000
Capital expenditure							
Property, plant and equipment	96	-	1	27	-	142	266
31 December 2023							
Assets and liabilities							
Segment assets	211,120	36,833	20,385	19,361	4,494	76,791	12,624 381,608
Segment liabilities	150,744	7,521	14,934	15,592	2,749	38,564	7,300 237,404

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4.1. Reportable segments (Continued)

Geographical segments

The Group's two business segments operate in four main geographical areas. Revenue is based on the country in which the customer is located.

	Singapore	Australia	India	Vietnam	Others	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
1 July 2024 to 30 September 2024						
Revenue from external customers	70,589	8,521	22,995	20,639	50,534	173,278
1 July 2023 to 30 September 2023						
Revenue from external customers	90,499	12,536	7,853	16,916	45,911	173,715
1 January 2024 to 30 September 2024						
Revenue from external customers	233,605	29,246	56,262	62,961	133,737	515,811
1 January 2023 to 30 September 2023						
Revenue from external customers	230,686	38,522	30,773	43,105	143,776	486,862
30 September 2024						
Non-current assets	5,984	2,546	898	272	1,798	11,498
31 December 2023						
Non-current assets	6,623	2,632	1,089	217	1,389	11,950

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4.2. Disaggregation of Revenue

	At point in time		Group Over time		Total	
	3 months ended		3 months ended		3 months ended	
	30-09-2024	30-09-2023	30-09-2024	30-09-2023	30-09-2024	30-09-2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
IT business						
- Distribution of IT products	169,484	169,572	-	-	169,484	169,572
- In-house maintenance services	-	-	2,282	2,260	2,282	2,260
- Professional services	1,105	1,393	-	-	1,105	1,393
- Training services	6	29	-	-	6	29
PCB business						
- PCB services	244	220	-	-	244	220
- Distribution of PCB related products	133	124	-	-	133	124
	<u>170,972</u>	<u>171,338</u>	<u>2,282</u>	<u>2,260</u>	<u>173,254</u>	<u>173,598</u>
Rental						
- IT					5	-
- PCB					19	117
					<u>173,278</u>	<u>173,715</u>

	At point in time		Group Over time		Total	
	9 months ended		9 months ended		9 months ended	
	30-09-2024	30-09-2023	30-09-2024	30-09-2023	30-09-2024	30-09-2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
IT business						
- Distribution of IT products	503,832	475,179	-	-	503,832	475,179
- In-house maintenance services	-	-	6,992	6,742	6,992	6,742
- Professional services	3,612	3,436	-	-	3,612	3,436
- Training services	127	149	-	-	127	149
PCB business						
- PCB services	624	668	-	-	624	668
- Distribution of PCB related products	392	330	-	-	392	330
	<u>508,587</u>	<u>479,762</u>	<u>6,992</u>	<u>6,742</u>	<u>515,579</u>	<u>486,504</u>
Rental						
- IT					62	7
- PCB					170	351
					<u>515,811</u>	<u>486,862</u>

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5. Profit before taxation

The profit before income tax is arrived at after (charging)/crediting:

Group	3 months ended			9 months ended		
	30-09-2024	30-09-2023	Change	30-09-2024	30-09-2023	Change
	\$'000	\$'000	%	\$'000	\$'000	%
Other gains	262	322	(19)	622	1,134	(45)
Interest income	1,610	861	87	3,093	2,163	43
Interest expense	(291)	(149)	95	(862)	(610)	41
Amortisation of club memberships	(2)	(2)	-	(7)	(7)	-
Depreciation of property, plant and equipment	(195)	(277)	(30)	(652)	(900)	(28)
Depreciation of right-of-use assets	(241)	(280)	(14)	(749)	(814)	(8)
(Loss allowance)/reversal of allowance on third party trade receivables and contract assets	(251)	212	(218)	(1,070)	582	(284)
Third party trade receivables written off	-	(12)	(100)	(48)	(54)	(11)
Allowance made for inventory obsolescence	(822)	(917)	(10)	(1,542)	(2,907)	(47)
Inventories written off	(405)	(29)	1,297	(481)	(37)	1,200
Foreign exchange gain/(loss), net	1,393	(205)	(780)	1,374	103	1,234
Gain/(loss) on disposal of property, plant and equipment	14	(8)	(275)	351	(7)	(5,114)
Third party trade and other payables written off	398	531	(25)	652	531	23
Gain on lease modifications	-	285	(100)	-	285	(100)
Fair value change in financial asset, at FVPL	60	63	(5)	119	122	(2)
Fair value change in derivative financial instrument	(33)	8	(513)	(20)	(2)	900

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6. **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.**

Group Earnings per share attributable to owners of the parent during the financial period/year (expressed in cents per share)	3 months ended		9 months ended	
	30-Sep-2024	30-Sep-2023	30-Sep-2024	30-Sep-2023
(i) Based on weighted average number of shares	7.89 cents	10.22 cents	26.11 cents	22.89 cents
- Weighted average number of shares ('000)	90,095	90,095	90,095	90,095
(ii) On fully diluted basis	7.89 cents	10.22 cents	26.11 cents	22.89 cents
- Adjusted weighted average number of shares ('000)	90,095	90,095	90,095	90,095

7. **Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the (a) current financial period reported on; and (b) immediately preceding financial year.**

	Group		Company	
	30-09-2024	31-12-2023	30-09-2024	31-12-2023
Net asset value per share based on existing issued share capital as at the respective period	157.17 cents	160.06 cents	54.26 cents	57.93 cents

The net asset value per ordinary share at the end of the current period and the immediately preceding financial year have been calculated based on 90,095,000 ordinary shares.

8. **Issues, repurchases and repayment of debt and equity securities.**

Not applicable.

9. **Inventories**

During the three months ended 30 September 2024, the Group carried out a review of the realisable values of its inventories and the review led to the recognition of an allowance for inventory obsolescence and inventories written off of \$822,000 and \$405,000 (30 September 2023: \$917,000 and \$29,000) respectively that have been included in "cost of sales" line item in profit or loss.

During the nine months ended 30 September 2024, the Group carried out a review of the realisable values of its inventories and the review led to the recognition of an allowance for inventory obsolescence and inventories written off of \$1,542,000 and \$481,000 (30 September 2023: \$2,907,000 and \$37,000) respectively that have been included in "cost of sales" line item in profit or loss.

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10. Trade and other receivables

	Group	
	30-09-2024 \$'000	31-12-2023 \$'000
Non-current assets		
Trade receivables		
- third parties	24,831	17,533
Loss allowance on third party trade receivables	(968)	-
	23,863	17,533
Current assets		
Trade receivables		
- third parties	173,007	165,164
Loss allowance on third party trade receivables	(4,562)	(4,646)
	168,445	160,518
Non-trade receivables		
- third parties	9,516	8,116
	177,961	168,634
Deposits	528	539
Value added tax	2,265	2,976
	180,754	172,149
Total current trade and other receivables	180,754	172,149
Total trade and other receivables	204,617	189,682

Non-current trade receivables due from third parties are unsecured, non-interest bearing and expected to be settled within 2 to 4 years (2023: 2 to 5 years). The fair value of non-current trade receivables is computed based on cash flows discounted at market borrowing rates ranging from 1.20% to 15.40% (2023: 1.20% to 15.40%) and approximates its carrying amounts.

Current trade receivables due from third parties are unsecured, non-interest bearing and generally on 30 to 120 (2023: 30 to 120) days credit terms.

The aging analysis of trade receivables is as follows:

	Group	
	30-09-2024 \$'000	31-12-2023 \$'000
Current	157,082	144,828
Past due 0 to 1 month	27,181	19,572
Past due 1 to 2 months	7,323	6,130
Past due 2 to 5 months	4,805	9,091
Past due over 5 months	1,447	3,076
Total	197,838	182,697

Trade receivables are present in:

Non-current assets	24,831	17,533
Current assets	173,007	165,164
	197,838	182,697

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10. Trade and other receivables (Continued)

Management applied the “simplified approach” for assessing expected credit losses for trade receivables from third parties. Under the simplified approach, the Group’s management developed a provision matrix using historical credit loss rates adjusted with forward looking information to reflect the effects of the current and future economic conditions in each geographical region and credit rating in each geographical region.

Movements in loss allowance on third party trade receivables were as follows:

	Group	
	30-09-2024	31-12-2023
	\$'000	\$'000
Balance at beginning of financial period/year	4,646	5,160
Loss allowance made during the financial period/year		
- made for lifetime expected credit loss, not credit impaired	1,256	1,078
- reversed lifetime expected credit loss, credit impaired	(193)	(722)
Receivable written off as uncollectible	(52)	(800)
Currency translation adjustment	(127)	(70)
Balance at end of financial period/year	5,530	4,646

As at 30 September 2024, trade receivables of \$546,000 (31 December 2023: \$817,000) had been fully impaired. These receivables were due from customers located in various geographical areas and the debts were past due more than 5 months. Therefore, there was significant uncertainty over the recoverability of the debts.

The allowance on third party trade receivables by jurisdiction were as below:

	Group	
	30-09-2024	31-12-2023
	\$'000	\$'000
IT business		
- Australia	372	730
- Singapore	1,187	1,135
- India	3,044	1,407
- Vietnam	220	581
- Rest of Southeast Asia	628	688
- Others	76	100
	5,527	4,641
PCB business		
- Singapore	3	5
Total	5,530	4,646

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11. Provision for post-sales technical support

Provisions are recognised when the Group has a constructive obligation as a result of a past event, it is probable that the Group will be required to settle the obligation, a reliable estimate can be made of the amount of the obligation.

Movements in provision for post-sales technical support were as follows:

	Group	
	30-09-2024	31-12-2023
	\$'000	\$'000
Balance at beginning of financial period/year	25,107	18,336
Provisions made	28,357	35,733
Provisions utilised	(27,356)	(26,807)
Provisions written back	-	(1,536)
Currency translation adjustment	(257)	(619)
Balance at end of financial period/year	25,851	25,107

The provision for post-sales technical support claims represents management's best estimate of the present value of the future economic outflows that will be required for the IT products sold. Provision for post-sales technical support is based on the volumes of IT products sold along with the utilisation trend for the past three financial years to establish an estimate of the costs to resolve various potential post-sales technical support requests from customers. Changes in the utilisation rate could consequently impact the Group's results and financial position.

12. Borrowings

Amount repayable in one year or less, or on demand

As at 30 Sep 2024		As at 31 Dec 2023	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
-	-	-	786

Amount repayable after one year

As at 30 Sep 2024		As at 31 Dec 2023	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
-	-	-	-

Additional information and details of any collateral

Not applicable.

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13. Share Capital

	Issued shares '000	Share capital \$'000	Total share capital \$'000
Balance at 1 Jan 2024 and 30 Sep 2024	90,095	37,288	37,288
Balance at 1 Jan 2023 and 30 Sep 2023	90,095	37,288	37,288

The Company did not hold any treasury shares as at 30 September 2024.

The Company's subsidiaries do not hold any shares in the Company as at 30 September 2024 and 30 September 2023.

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

Not applicable.

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OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2

1. A review of the financial 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) seasonable 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.

1.1 REVENUE

The Group achieved revenue of \$173.3m for the three months ended 30 September 2024 ("3Q2024"), a decrease of 0.2% or \$437,000 compared to the revenue of \$173.7m for the three months ended 30 September 2023 ("3Q2023"). For the nine months ended 30 September 2024 ("9M2024"), the Group achieved revenue of \$515.8m, a year-on-year increase of 5.9% or \$28.9m, compared to revenue of \$486.9m achieved for the nine months ended 30 September 2023 ("9M2023").

IT Division

The IT Distribution business achieved revenue of \$172.9m in 3Q2024, a decrease of 0.2% or \$372,000, from \$173.3m in 3Q2023. On a nine months basis, this division grew by 6.0% or \$29.1m, from \$485.5m in 9M2023 to \$514.6m in 9M2024.

The increase in revenue for 9M2024 was mainly due to the increase in customer demand and some significant transactions closed during 9M2024.

PCB Division

Revenue in this Division decreased by 14.1% or \$65,000, from \$461,000 in 3Q2023 to \$396,000 in 3Q2024. On a nine months basis, revenue in this division decreased by 12.1% or \$163,000, from \$1.4m in 9M2023 to \$1.2m in 9M2024. The decrease in revenue was mainly due to lower customer demands and disposal of 6 mechanical drilling machines in Singapore during 9M2024.

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1.2 PROFIT BEFORE TAX (“PBT”)

The Group registered a PBT of \$9.3m in 3Q2024, as compared to \$11.2m in 3Q2023.

The decrease in PBT was mainly due to the following: -

- (a) A decrease in gross profit of \$4.1m mainly due to the decrease in gross profit margin and increase in inventories written off by \$376,000 from \$29,000 in 3Q2023 to \$405,000 in 3Q2024;
- (b) A loss allowance on third party trade receivables and contract assets of \$251,000 recognised in 3Q2024, as compared to a reversal of allowance on third party trade receivables and contract assets of \$212,000 recognised in 3Q2023, based on the impairment review performed as at 30 September 2024 in accordance to SFRS(I) 9; and
- (c) An increase in finance costs of \$142,000 mainly due to the increase in interest expense for the time value of money associated with the contractual terms of trade payables.

The decrease in PBT was however offset by the following:

- (d) Net foreign exchange gain of \$1.4m in 3Q2024, as compared to net foreign exchange loss of \$205,000 in 3Q2023 mainly due to depreciation of United States dollar against local currencies in 3Q2024. Excluding net foreign exchange differences, the Group reported a PBT of \$7.9m in 3Q2024, compared to a PBT of \$11.4m in 3Q2023;
- (e) An increase in interest income of \$749,000 from \$861,000 in 3Q2023 to \$1.6m in 3Q2024, mainly due to the increase in interest income for the time value of money associated with the contractual terms of trade receivables in 3Q2024; and
- (f) A decrease in staff costs and profit share by \$814,000 in 3Q2024 as compared to 3Q2023 mainly due to the decrease in headcounts and PBT.

1.3 PROFIT AFTER TAX (“PAT”)

In 3Q2024, the Group achieved PAT of \$7.1m as compared to \$9.2m in 3Q2023, mainly due to the decrease in PBT and increase in income tax expense. The increase in income tax expense of \$169,000 from \$2.0m in 3Q2023 to \$2.2m in 3Q2024 was mainly due to higher taxable profit generated after adding back non-deductible tax expenses in 3Q2024.

Income tax expense comprised mainly current income tax, deferred tax and withholding tax expenses of the Group.

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1.4 STATEMENTS OF FINANCIAL POSITION REVIEW

Presented below is a review of material changes in the key statements of financial position items as at 30 September 2024 compared to 31 December 2023.

- (a) **Property, plant and equipment** decreased by \$528,000 at the Group level mainly due to depreciation charge and disposal of plant and equipment, net of purchases of plant and equipment in 9M2024. At the Company level, property, plant and equipment decreased by \$347,000 due to depreciation charge and disposal of plant and equipment, net of purchases of plant and equipment in 9M2024.
- (b) **Right-of-use assets** increased by \$481,000 at the Group level mainly due to new long-term leases capitalised, net of depreciation charge in 9M2024. At Company level, right-of-use assets decreased by \$40,000 due to depreciation charge in 9M2024.
- (c) **Deferred tax assets** increased by \$506,000 at the Group level mainly due to increased deductible temporary difference in 9M2024 which the related tax benefits could be realised through future taxable profits. There was no deferred tax assets at Company level.
- (d) **Cash and cash equivalents** at the Group level decreased by \$5.2m from \$73.0m to \$67.8m. The decrease was mainly due to increase in dividends paid to shareholders. At the Company level, cash and cash equivalents decreased by \$14.6m from \$27.6m to \$13.0m mainly due to dividends paid to shareholders and advances to a subsidiary, offset by dividends received from a subsidiary.
- (e) **Trade and other receivables** of the Group increased by \$14.9m from \$189.7m to \$204.6m, mainly due to higher revenue attained in 9M2024. At the Company level, trade and other receivables increased by \$11.1m from \$23.5m to \$34.6m mainly due to advances and expenses charged to a subsidiary.
- (f) **Inventories** at the Group level decreased by \$34.9m from \$86.8m to \$51.9m mainly due to decrease in IT inventories. At the Company level, inventories decreased by \$165,000 from \$335,000 to \$170,000.
- (g) **Contract assets** increased by \$400,000 from \$1.1m to \$1.5m at the Group level mainly due to increase in distribution of IT products due to partial performance of the contracts with customers ahead of billing. There was no contract asset at the Company level.
- (h) **Prepayments** at the Group level decreased by \$485,000 from \$2.6m to \$2.1m mainly due to realisation of prepayments as expenses in 9M2024. Prepayments at Company level decreased by \$30,000 from \$170,000 to \$140,000.
- (i) **Current income tax recoverable** decreased by \$1.3m from \$6.7m to \$5.4m at the Group level mainly due to tax refund received in 9M2024. There was no current income tax recoverable at the Company level.

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1.4 STATEMENTS OF FINANCIAL POSITION REVIEW (Continued)

- (j) **Trade and other payables** decreased by \$10.0m from \$191.8m to \$181.8m at the Group level mainly due to payments made to suppliers in 9M2024. At the Company level, trade and other payables decreased by \$821,000 from \$7.4m to \$6.6m mainly due to accrued operating expenses paid in 9M2024.
- (k) **Contract liabilities** decreased by \$12.3m from \$35.0m to \$22.7m at the Group level mainly due to decrease in advance billings and deferred revenue, net of increase in rebate to customers.
- (l) **Lease liabilities** increased by \$454,000 from \$1.9m to \$2.4m at the Group level mainly due to new long-term leases capitalised, net of repayments made in 9M2024. At the Company level, lease liabilities decreased by \$33,000 from \$147,000 to \$114,000.
- (m) **Bank borrowings** decreased by \$786,000 from \$786,000 to \$Nil at Group level due to repayments of bank borrowings in 9M2024. There was no bank borrowings at Company level.
- (n) **Foreign currency translation account** increased by \$2.1m from \$3.6m to \$5.7m at the Group level mainly due to depreciation of United States dollar against Singapore dollar.

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1.5 CASH FLOW ANALYSIS

Net cash of \$21.2m was generated from operating activities in 9M2024, as compared to net cash of \$12.9m generated in 9M2023. This was mainly due to higher profit before income tax attained and decrease in inventories, net of increase in trade and other receivables, payments made to suppliers and income tax paid.

Net cash of \$107,000 was generated from investing activities in 9M2024, as compared to \$229,000 used in investing activities in 9M2023. The change was mainly due to proceeds from disposal of plant and equipment of \$569,000 net of purchase of plant and equipment of \$462,000 in 9M2024, as compared to proceeds from disposal of plant and equipment of \$37,000 net of purchase of plant and equipment of \$266,000 in 9M2023.

Net cash of \$26.3m was used in financing activities in 9M2024, as compared to net cash of \$19.7m used in 9M2023. This was mainly due to dividends paid of \$24.0m, repayment of bank borrowings of \$757,000, repayment of lease liabilities of \$734,000 and payment of interest of \$862,000 in 9M2024 mainly for the time value of money associated with the contractual terms of trade payables, as compared to dividends paid of \$17.9m, repayment of bank borrowings of \$1.3m, repayment of lease liabilities of \$767,000 and payment of interest of \$610,000 mainly for the time value of money associated with the contractual terms of trade payables, net of proceeds from bank borrowings of \$929,000 in 9M2023.

Cash and cash equivalents stood at \$67.7m as at 30 September 2024, up from \$62.9m as at 30 September 2023.

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- 2. A commentary at the date of the announcement of the 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 twelve months.**

IT

The IT business through Singapore and the regional offices achieved a year-on-year revenue decrease of 0.2% in 3Q2024 over the corresponding period in year 2023. On a nine months basis, revenue in IT business increased by 6.0% year on year. The increase in revenue was mainly due to the increase in customer demands. With the current inflation, interest rates movements and geo-political conflicts, the Group is monitoring the impact on the global economy and will continue to be vigilant during this challenging time.

The Group has a focused strategy of selling and promoting only the best-of-breed IT products. Among the products the Group currently carries are industry-leading IT products from Check Point, Cisco, CyberArk, Hitachi Vantara, Imperva, Solarwinds, Tenable, Trellix (formerly McAfee) and Trend Micro.

To promote technical competency internally and to train its partners, the Group is able to provide certified IT training through the Education Services Division of M.Tech Products Pte Ltd, which is authorised to conduct training for Check Point course. This business is complementary to the core IT distribution business and is expected to bring about more awareness and technical knowledge through the courses conducted.

As at 30 September 2024, the Group's IT business had a presence in 26 cities in 13 countries in the Asia Pacific region. M.Tech offices in countries that are already mature in operations are expected to contribute more to the Group's performance.

The near term outlook in the IT business is dependent on events such as those political or economic in nature and such events could affect business in certain markets. With the current inflation, interest rates movements and geo-political conflicts, the global economic outlook remains uncertain which in turn will affect the Group's business. However, IT is still a critical requirement in businesses and security will continue to remain an integral part of the IT infrastructure. This should augur well for the Group's business.

For growth, the Group will focus on its best-of-breed products and will continue to look out for opportunities for regional expansion to deepen our regional operations. The Group will also be selective of the products we carry so as to be able to do the best for the principals that the M.Tech companies represent. The Group will also promote the M.Tech brand name and intends to work closely with key partners to further promote the products.

PCB

Revenue in PCB division dropped by 14.1% in 3Q2024 over the corresponding period in year 2023. On a nine months basis, revenue in PCB division decreased by 12.1%. The decrease in revenue was mainly due to lower customer demands and disposal of 6 mechanical drilling machines in Singapore during 9M2024.

As at 30 September 2024, the Group had 1 mechanical drilling machine in Singapore.

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3. Risk Factors

The Group's primary business risk is in its IT business. In the area of IT business, the Group is subject to risk of reliance on a few key vendors, with respect to their channel strategies, as well as product roadmap. The Group is also exposed to the risks of product obsolescence with respect to the hardware carried. To mitigate such risk, the Group has taken steps to align with the leading names in the IT arena. The Group monitors its inventories on a quarterly basis and will make allowances where necessary.

The Group is also exposed to foreign exchange risks as we transact with our suppliers, vendors and customers in Singapore dollar, United States dollar, Chinese renminbi, Australian dollar, Thailand baht, Malaysian ringgit, Indian rupee, Indonesian rupiah, Taiwan dollar, Hong Kong dollar, Philippines peso, and to a lesser extent, Korean won, Japanese yen, Vietnam dong, New Zealand dollar, and Sri Lankan rupee. The Group may, from time to time, enter into borrowing and foreign currency arrangements to reduce its foreign currency exposure. With any volatility in the United States dollar, the Group expects to be exposed to a higher foreign exchange risk against some of the local currencies we collect from the customers.

The Group is also exposed to the political, legal and economic climates of the country in which the Group is operating. Economic and political conditions are still key factors in determining the level of IT spending.

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

The actual results for 9M2024 were largely in line with the prospect commentary disclosed to the shareholders on 23 February 2024.

5. Whether the same accounting policies and methods of computation as in the issuer's most recently audited financial statements have been applied.

The Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period compared with the audited annual financial statements for the financial year ended 31 December 2023. In addition, the Group also adopted various revisions to Singapore Financial Reporting Standards (International) ("SFRS(I)"), which became effective during the period. The said adoption has no significant impact to the financial statements of the Group.

6. If there are any changes in accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

Not applicable.

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

The figures presented in the announcement have not been audited or reviewed by our auditors.

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8. Where the figures have been audited or reviewed, the auditor's report (including any qualification of emphasis of a matter).

Not applicable.

- 8A. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:-

- (a) Updates on the efforts taken to resolve each outstanding audit issue.
(b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

This is not required for any audit issue that is a material uncertainty relating to going concern.

The matters raised in the qualified opinion of the latest auditor's report is still undergoing an independent inquiry by the appointed law firm. If and when there are any material developments which warrant a disclosure, the Board will make a further announcement on the SGX-ST.

9. Dividends

(a) Current Financial Period Reported On

No dividend was declared/recommended for the third quarter ended 30 September 2024.

Table below summarized the year-to-date dividend declared for the financial year 2024.

Name of Dividend	2024 Interim Ordinary Tax Exempt – 1-Tier	2024 Total
Dividend Type	Cash	Cash
Dividend Amount (Cents Per Share)	11.10	11.10

(b) Dividend for financial period ended 30 September 2023

No dividend was declared/recommended for the third quarter ended 30 September 2023.

Table below summarized the year-to-date dividend declared for the financial year 2023.

Name of Dividend	2023 Interim Ordinary Tax Exempt – 1-Tier	2023 Total
Dividend Type	Cash	Cash
Dividend Amount (Cents Per Share)	8.80	8.80

(c) Book closure date and dividend payment date

Not applicable.

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- 10. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions. If no IPT mandate has been obtained, a statement to that effect.**

There is no general mandate obtained from shareholders for IPTs.

- 11. 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 confirmed that it has procured undertakings from all its directors and executive officer under Rule 720(1) of the Listing Manual.

BY ORDER OF THE BOARD

Foo Suan Sai
Chief Executive Officer
8 November 2024

Negative assurance confirmation on interim financial results under SGX Listing Rule 705(5) of the Listing Manual

We, Foo Suan Sai and Han Juat Hoon, being two Directors of Multi-Chem Limited (the "Company"), do hereby confirm on behalf of the Directors of the Company that, to the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the financial results for the third quarter ended 30 September 2024 to be false or misleading in any material aspects.

On behalf of the Board of Directors

Foo Suan Sai
Chief Executive Officer
Singapore, 8 November 2024

Han Juat Hoon
Chief Operating Officer
Singapore, 8 November 2024