
**UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE HALF
YEAR ENDED 30 JUNE (“HY”) 2024**

This announcement has been reviewed by the Company’s sponsor, SAC Capital Private Limited (the “**Sponsor**”). This announcement has not been examined or approved by the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

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**A. CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME**

	Note	<u>Group</u>	
		<u>HY2024</u> (Unaudited) S\$'000	<u>HY2023</u> (Unaudited) S\$'000
Revenue	4	32,019	29,249
Cost of sales		(25,810)	(27,958)
Gross profit		<hr/> 6,209	<hr/> 1,291
Other income and gains		55	39
Distribution costs		(372)	(330)
Administrative expenses		(2,593)	(2,565)
Finance costs		(288)	(672)
(Allowance) / Reversal of impairment loss on trade receivables, net		(116)	7
Other losses		(215)	(397)
Profit / (Loss) before tax	6	<hr/> 2,680	<hr/> (2,627)
Income tax expense	7	(556)	(12)
Profit / (Loss) for the period		<hr/> 2,124	<hr/> (2,639)
 <u>Other comprehensive income / (loss)</u>			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translating foreign operations, net of tax		(25)	(284)
Other comprehensive loss for the period, net of tax		<hr/> (25)	<hr/> (284)
Total comprehensive income / (loss) for the period		<hr/> <hr/> 2,099	<hr/> <hr/> (2,923)
Profit / (Loss) attributable to owners of the Company, net of tax		2,124	(2,639)
Profit / (Loss), net of tax		<hr/> 2,124	<hr/> (2,639)
Total comprehensive income / (loss) attributable to owners of the Company		2,099	(2,923)
Total comprehensive income / (loss)		<hr/> 2,099	<hr/> (2,923)
 Earnings / (Loss) per share			
		Cents	Cents
Basic		1.97	(2.44)
Diluted		<hr/> 1.97	<hr/> (2.44)

* Both basic and diluted earnings / (loss) per share are the same as there are no dilutive ordinary share equivalents outstanding during the respective reporting periods.

B. CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION

	Note	<u>Group</u>		<u>Company</u>	
		As at 30.06.2024 (Unaudited) S\$'000	As at 31.12.2023 (Audited) S\$'000	As at 30.06.2024 (Unaudited) S\$'000	As at 31.12.2023 (Audited) S\$'000
ASSETS					
<u>Non-current assets</u>					
Property, plant and equipment	9	7,299	6,785	–	–
Right-of-use assets		1,325	1,691	–	–
Land use right		1,964	2,032	–	–
Investments in subsidiaries		–	–	11,434	11,434
Deferred tax assets		1,173	1,411	–	–
Total non-current assets		11,761	11,919	11,434	11,434
<u>Current assets</u>					
Inventories		24,136	28,224	–	–
Trade and other receivables		18,268	16,596	1,578	1,976
Prepayments		1,428	486	32	19
Income tax receivable		197	274	–	–
Restricted cash		100	100	–	–
Cash and cash equivalents		12,509	7,687	135	319
Total current assets		56,638	53,367	1,745	2,314
Total assets		68,399	65,286	13,179	13,748
EQUITY AND LIABILITIES					
<u>Equity</u>					
Share capital	11	10,579	10,579	10,579	10,579
Retained earnings		29,281	27,373	1,292	1,603
Other reserves		(72)	(47)	–	–
Total equity		39,788	37,905	11,871	12,182
<u>Non-current liabilities</u>					
Lease liabilities		1,076	1,481	–	–
Borrowings		3,924	4,804	–	–
Total non-current liabilities		5,000	6,285	–	–
<u>Current liabilities</u>					
Income tax payable		489	597	–	–
Lease liabilities		833	865	–	–
Borrowings		1,766	3,446	–	–
Trade and other payables		20,523	16,188	1,308	1,566
Total current liabilities		23,611	21,096	1,308	1,566
Total liabilities		28,611	27,381	1,308	1,566
Total equity and liabilities		68,399	65,286	13,179	13,748

C. CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY

GROUP

	<u>Total equity</u> S\$'000	<u>Attributable to parent sub-total</u> S\$'000	<u>Share capital</u> S\$'000	<u>Retained earnings</u> S\$'000	<u>Foreign currency translation reserve</u> S\$'000	<u>Statutory reserve</u> S\$'000
Current period:						
Opening balance at 1 January 2024	37,905	37,905	10,579	27,373	(821)	774
Changes in equity:						
Total comprehensive income for the period	2,099	2,099	–	2,124	(25)	–
Dividend paid	(216)	(216)	–	(216)	–	–
Closing balance at 30 June 2024	<u>39,788</u>	<u>39,788</u>	<u>10,579</u>	<u>29,281</u>	<u>(846)</u>	<u>774</u>
Previous period:						
Opening balance at 1 January 2023	42,823	42,823	10,579	32,319	(760)	685
Changes in equity:						
Total comprehensive loss for the period	(2,923)	(2,923)	–	(2,639)	(284)	–
Dividend payable to shareholders	(324)	(324)	–	(324)	–	–
Closing balance at 30 June 2023	<u>39,576</u>	<u>39,576</u>	<u>10,579</u>	<u>29,356</u>	<u>(1,044)</u>	<u>685</u>

C. CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY (CONT'D)

COMPANY

	<u>Total equity</u> S\$'000	<u>Share capital</u> S\$'000	<u>Retained earnings</u> S\$'000
Current period:			
Opening balance at 1 January 2024	12,182	10,579	1,603
Changes in equity:			
Total comprehensive loss for the period	(95)	–	(95)
Dividend paid	(216)	–	(216)
Closing balance at 30 June 2024	<u>11,871</u>	<u>10,579</u>	<u>1,292</u>
Previous period:			
Opening balance at 1 January 2023	12,423	10,579	1,844
Changes in equity:			
Total comprehensive income for the period	838	–	838
Dividend payable to shareholders	(324)	–	(324)
Closing balance at 30 June 2023	<u>12,937</u>	<u>10,579</u>	<u>2,358</u>

D. CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

	Group	
	HY2024 (Unaudited) S\$'000	HY2023 (Unaudited) S\$'000
<u>Cash flows from operating activities</u>		
Profit / (Loss) before tax	2,680	(2,627)
Adjustments for:		
Interest income	(8)	(4)
Interest expense	288	672
Depreciation of property, plant and equipment	442	457
Depreciation of right-of-use assets	371	394
Amortisation of land use right	68	68
Allowance / (Reversal) of impairment loss on trade receivables, net	116	(7)
(Reversal) / Allowance of impairment on inventories, net	(1,089)	3,985
(Gain) / Loss on disposal of plant and equipment	(11)	5
Plant and equipment written-off	–	3
Net effect of exchange rate changes in consolidating foreign operations	(16)	(337)
Operating cash flows before changes in working capital	2,841	2,609
Inventories	5,177	8,480
Trade and other receivables	(1,788)	2,025
Prepayments	(942)	(84)
Trade and other payables	3,607	(6,897)
Cash flows from operations	8,895	6,133
Income taxes paid	(359)	(990)
Net cash flows from operating activities	8,536	5,143
<u>Cash flows from investing activities</u>		
Disposal of plant and equipment	11	2
Purchase of plant and equipment	(955)	(927)
Interest received	8	4
Net cash flows used in investing activities	(936)	(921)
<u>Cash flows from financing activities</u>		
Repayment of borrowings	(4,289)	(7,253)
Proceeds from borrowings	2,459	6,138
Lease liabilities	(485)	(438)
Interest paid	(247)	(614)
Dividend paid to shareholders	(216)	–
Net cash flows used in financing activities	(2,778)	(2,167)
Net increase in cash and cash equivalents	4,822	2,055
Cash and cash equivalents, consolidated statement of cash flows, beginning balance	7,687	5,148
Cash and cash equivalents, consolidated statement of cash flows, ending balance	12,509	7,203

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

1. General

Soon Lian Holdings Limited (the “Company”) is incorporated in Singapore with limited liability. The Company is an investment holding company. It is listed on the Catalist, which is a shares market on Singapore Exchange Securities Trading Limited. These condensed interim consolidated financial statements as at and for the six months ended 30 June 2024 comprise the Company and its subsidiaries (collectively, the “Group”).

The principal activities of the Group consist of the sale and supply of aluminium alloy materials.

The latest audited annual financial statements were not subject to an adverse opinion, qualified opinion or disclaimer of opinion.

2. Basis of preparation

The condensed interim financial statements for the six months ended 30 June 2024 have been prepared in accordance with Singapore Financial Reporting Standards (International) (“SFRS(I)s”) 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 (S\$) which is the Company’s functional currency.

2.1 New and amended standards adopted by the Group

A number of amendments to SFRS(I)s 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.

There were no material changes in estimates of amounts reported in the prior financial year that had a material effect in the six months ended 30 June 2024.

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 strategic operating segments according to the industry in which their customers operate:

- Segment 1: Precision Engineering
- Segment 2: Marine
- Segment 3: Stockists and traders
- Segment 4: Other customers

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

4.1 Profit or loss from operations and reconciliations

	Precision engineering S\$'000	Marine S\$'000	Stockists and traders S\$'000	Other customers S\$'000	Unallocated S\$'000	Group S\$'000
1 January 2024 to 30 June 2024						
Revenue by segment						
Total revenue by segment	20,106	7,195	4,117	601	–	32,019
Recurring earnings before interest, taxes, depreciation, and amortisation (“EBITDA”)						
Finance costs	–	–	–	–	(288)	(288)
Depreciation and amortisation	–	–	–	–	(881)	(881)
Operating result before income taxes and other unallocated items	2,995	1,602	842	348	(80)	5,707
Other unallocated items					(3,027)	(3,027)
Profit before tax from continuing operations						2,680
Income tax expense						(556)
Profit from operations						2,124
1 January 2023 to 30 June 2023						
Revenue by segment						
Total revenue by segment	15,953	7,862	4,824	610	–	29,249
Recurring EBITDA						
Finance costs	–	–	–	–	(672)	(672)
Depreciation and amortisation	–	–	–	–	(919)	(919)
Operating result before income taxes and other unallocated items	3,048	2,193	479	243	(5,576)	387
Other unallocated items					(3,014)	(3,014)
Loss before tax from continuing operations						(2,627)
Income tax expense						(12)
Loss from operations						(2,639)

The above revenue is mainly from sale of aluminium alloy products.

4. Segment and revenue information (cont'd)

4.2 Assets and reconciliations

	Precision engineering S\$'000	Marine S\$'000	Stockists and traders S\$'000	Other customers S\$'000	Unallocated S\$'000	Group S\$'000
<u>As at 30 June 2024:</u>						
Total assets for reportable segments	11,376	1,129	4,839	67	–	17,411
Unallocated:						
Property, plant and equipment	–	–	–	–	7,299	7,299
Right-of-use assets	–	–	–	–	1,325	1,325
Land use right	–	–	–	–	1,964	1,964
Deferred tax assets	–	–	–	–	1,173	1,173
Inventories	–	–	–	–	24,136	24,136
Income tax receivable	–	–	–	–	197	197
Restricted cash	–	–	–	–	100	100
Cash and cash equivalents	–	–	–	–	12,509	12,509
Other unallocated amounts	–	–	–	–	2,285	2,285
Total group assets	11,376	1,129	4,839	67	50,988	68,399
<u>As at 31 December 2023:</u>						
Total assets for reportable segments	9,031	2,936	3,589	38	–	15,594
Unallocated:						
Property, plant and equipment	–	–	–	–	6,785	6,785
Right-of-use assets	–	–	–	–	1,691	1,691
Land use right	–	–	–	–	2,032	2,032
Deferred tax assets	–	–	–	–	1,411	1,411
Inventories	–	–	–	–	28,224	28,224
Restricted cash	–	–	–	–	100	100
Cash and cash equivalents	–	–	–	–	7,687	7,687
Other unallocated amounts	–	–	–	–	1,762	1,762
Total group assets	9,031	2,936	3,589	38	49,692	65,286

The assets are not allocated to operating segments because they are not directly attributable to the segment or cannot be allocated to the segment on a reasonable basis.

4. Segment and revenue information (cont'd)

4.3 Liabilities and reconciliations

	Precision engineering S\$'000	Marine S\$'000	Stockists and traders S\$'000	Other customers S\$'000	Unallocated S\$'000	Group S\$'000
As at 30 June 2024:						
Unallocated:						
Income tax payable	–	–	–	–	489	489
Borrowings	–	–	–	–	5,690	5,690
Lease liabilities	–	–	–	–	1,909	1,909
Trade and other payables	–	–	–	–	20,523	20,523
Total group liabilities	–	–	–	–	28,611	28,611
As at 31 December 2023:						
Unallocated:						
Income tax payable	–	–	–	–	597	597
Borrowings	–	–	–	–	8,250	8,250
Lease liabilities	–	–	–	–	2,346	2,346
Trade and other payables	–	–	–	–	16,188	16,188
Total group liabilities	–	–	–	–	27,381	27,381

The liabilities are not allocated to operating segments because they are not directly attributable to the segment or cannot be allocated to the segment on a reasonable basis.

4.4 Other material items and reconciliations

	Precision engineering S\$'000	Marine S\$'000	Stockists and traders S\$'000	Other customers S\$'000	Unallocated S\$'000	Group S\$'000
Impairment / (reversal) of receivables and <u>inventories (net)</u>						
HY2024	109	7	–	–	(1,089)	(973)
HY2023	(633)	190	433	3	3,985	3,978
Expenditure for <u>non-current assets</u>						
HY2024	–	–	–	–	955	955
HY2023	–	–	–	–	927	927

4.5 Geographical information

	Revenue		Non-current assets	
	HY2024 S\$'000	HY2023 S\$'000	As at 30.06.2024 S\$'000	As at 31.12.2023 S\$'000
Singapore	7,708	7,529	9,143	8,858
Malaysia	11,752	11,705	271	337
China	6,007	3,964	207	1,236
Taiwan	2,906	1,434	967	77
Indonesia	480	1,404	–	–
Other countries	3,166	3,213	–	–
Total operations	32,019	29,249	10,588	10,508

4. Segment and revenue information (cont'd)

4.5 Geographical information (cont'd)

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

5. Financial assets and financial liabilities

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

	<u>Group</u>		<u>Company</u>	
	<u>30 June</u> <u>2024</u>	<u>31</u> <u>December</u> <u>2023</u>	<u>30 June</u> <u>2024</u>	<u>31</u> <u>December</u> <u>2023</u>
	S\$'000	S\$'000	S\$'000	S\$'000
<u>Financial assets:</u>				
Trade and other receivables (excluding GST receivables)	17,682	16,389	1,578	1,976
Restricted cash	100	100	–	–
Cash and cash equivalents	12,509	7,687	135	319
Financial assets at amortised cost	<u>30,291</u>	<u>24,176</u>	<u>1,713</u>	<u>2,295</u>
<u>Financial liabilities:</u>				
Trade and other payables (excluding GST payables)	20,502	15,935	1,287	1,543
Lease liabilities	1,909	2,346	–	–
Borrowings	5,690	8,250	–	–
Financial liabilities at amortised cost	<u>28,101</u>	<u>26,531</u>	<u>1,287</u>	<u>1,543</u>

6. Profit / (Loss) before tax

6.1 Significant items

	<u>Group</u>	
	<u>HY2024</u> S\$'000	<u>HY2023</u> S\$'000
Foreign exchange adjustment loss	(215)	(390)
Depreciation of property, plant and equipment	(442)	(457)
Amortisation of land use right	(68)	(68)
Depreciation of right-of-use assets	(371)	(394)
Gain / (Loss) on disposal of plant and equipment, net	11	(5)
(Allowance) / Reversal of impairment loss on trade receivables, net	(116)	7
Reversal / (Allowance) of impairment on inventories, net	1,089	(3,985)
Interest expense	(288)	(672)
Interest income	8	4
Government grant income	15	20

6.2 Related party transactions

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

7. Taxation

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

	<u>Group</u>	
	<u>HY2024</u>	<u>HY2023</u>
	S\$'000	S\$'000
Current income tax expense	(325)	(368)
Deferred tax movement	(231)	356
Income tax expense	<u>(556)</u>	<u>(12)</u>

8. Net asset value

	<u>Group</u>		<u>Company</u>	
	<u>30.06.2024</u>	<u>31.12.2023</u>	<u>30.06.2024</u>	<u>31.12.2023</u>
	S\$	S\$	S\$	S\$
Net asset value per ordinary share (cents)	36.84	35.10	10.99	11.28

9. Property, plant and equipment

During the six months ended 30 June 2024, the Group acquired assets amounting to S\$954,896 (30 June 2023: S\$926,628) and disposed of assets amounting to S\$Nil (30 June 2023: S\$7,484).

10. Borrowings and debt securities

	<u>Group</u>		<u>Company</u>	
	<u>30.06.2024</u>	<u>31.12.2023</u>	<u>30.06.2024</u>	<u>31.12.2023</u>
	S\$'000	S\$'000	S\$'000	S\$'000
<u>Amount repayable within one year or on demand</u>				
Secured	2,984	2,245	–	–
Unsecured	2,074	3,796	–	–
	<u>5,058</u>	<u>6,041</u>	–	–
<u>Amount repayable after one year</u>				
Secured	3,913	4,174	–	–
Unsecured	1,087	2,111	–	–
	<u>5,000</u>	<u>6,285</u>	–	–

Details of any collaterals

The Group's borrowings consist of term loans, bank loans, bills payables and finance leases.

Certain of the Group's term loans, bank loans and other credit facilities are secured by the legal mortgages on the Group's leasehold property, land use right and inventories. The finance leases are secured by the leased assets.

11. Share Capital

<u>Group and Company</u>	<u>Number of shares issued '000</u>	<u>Share capital S\$'000</u>
Ordinary shares of no par value: Balance as at 30 June 2024 and 31 December 2023	<u>108,000</u>	<u>10,579</u>

There has been no change in the Company's share capital since 31 December 2023.

The Company does not hold any treasury shares or convertible instruments as at 30 June 2024, 31 December 2023 and 30 June 2023.

The Company's subsidiaries do not hold any shares in the Company as at 30 June 2024, 31 December 2023 and 30 June 2023.

12. Subsequent events

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

13. Changes in contingent liabilities or contingent assets

There were no material changes in the contingent liabilities or contingent assets since the last financial year ended 31 December 2023.

F. OTHER INFORMATION REQUIRED BY CATALIST RULE APPENDIX 7C

1. A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group's business.

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

Statement of Profit and Loss and Other Comprehensive Income

The Group has registered a net profit of S\$2.1 million in HY2024 as compared to a net loss of S\$2.6 million in HY2023.

The Group's revenue increased by S\$2.8 million or 9.6%, from S\$29.2 million in HY2023 to S\$32.0 million in HY2024, mainly due to higher sales to customers in the precision engineering segments.

Gross profit increased by S\$4.9 million or 376.9%, from S\$1.3 million in HY2023 to S\$6.2 million in HY2024. The increase in both gross profit and gross profit margin is mainly due to reversal of impairment on inventories of S\$1.1 million recognised in HY2024 as compared to allowance of impairment on inventories of S\$4.0 million recognised in HY2023.

Other income and gains remained fairly constant in both HY2024 and HY2023.

Distribution costs increased by S\$0.1 million or 33.3%, from S\$0.3 million in HY2023 to S\$0.4 million in HY2024, mainly due to higher exhibition expenses and commission as a result of higher overseas sales made through agents.

Administrative expenses remained fairly constant in both HY2024 and HY2023.

Finance costs decreased by S\$0.4 million or 57.1%, from S\$0.7 million in HY2023 to S\$0.3 million in HY2024, mainly due to lower usage of trade finance facilities in HY2024.

The Group reported an allowance of impairment loss on trade receivable of S\$0.1 million in HY2024 as compared to a reversal of impairment loss on trade receivables of S\$0.01 million in HY2023.

Other losses decreased by S\$0.2 million or 50.0%, from S\$0.4 million in HY2023 to S\$0.2 million in HY2024, mainly due to lower foreign exchange loss of \$0.2 million recognised in HY2024.

As a result of the above, the Group recorded a profit before tax of S\$2.7 million in HY2024, as compared to a loss before tax of S\$2.6 million in HY2023.

1. A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group's business. (cont'd)

Statement of Financial Position

Non-current assets decreased by S\$0.1 million, from S\$11.9 million as at 31 December 2023 to S\$11.8 million as at 30 June 2024, mainly due to decrease in right-of-use assets of S\$0.4 million as a result of depreciation and amortisation charges and decrease in deferred tax assets of S\$0.2 million and partially offset by increase in property, plant and equipment of S\$0.5 million.

Current assets increased by S\$3.2 million, from S\$53.4 million as at 31 December 2023 to S\$56.6 million as at 30 June 2024. This was mainly due to an increase in trade and other receivables of S\$1.7 million, prepayments of S\$0.9 million and cash and cash equivalents of S\$4.8 million, partially offset by decrease of inventories of \$4.1 million. Please refer to the section on "Statement of Cash Flows" below for the reasons for the increase in cash and cash equivalents.

Non-current liabilities decreased by S\$1.3 million, from S\$6.3 million as at 31 December 2023 to S\$5.0 million as at 30 June 2024, mainly due to net decrease in long-term bank loans of S\$0.9 million after repayment and decrease in lease liability (non-current portion) of S\$0.4 million.

Current liabilities increased by S\$2.5 million, from S\$21.1 million as at 31 December 2023 to S\$23.6 million as at 30 June 2024, mainly due to an increase in trade and other payables of S\$4.3 million, partially offset by an decrease in borrowings (current portion) of S\$1.7 million and income tax payable of \$0.1 million.

The Group reported a positive working capital position of S\$33.0 million as at 30 June 2024, as compared to S\$32.3 million as at 31 December 2023.

Total equity increased by S\$1.9 million, from S\$37.9 million as at 31 December 2023 to S\$39.8 million as at 30 June 2024, mainly as a result of the net profit for the period.

Statement of Cash Flows

Net cash flows from operating activities amounted to S\$8.5 million in HY2024, mainly due to net cash flows from operations of S\$8.9 million, partially offset by income taxes paid of S\$0.4 million.

Net cash flows used in investing activities amounted to S\$0.9 million in HY2024, mainly due to the purchase of property, plant and equipment.

Net cash flows used in financing activities amounted to S\$2.8 million in HY2024, mainly due to a net repayments of borrowings of S\$1.8 million, interest payment of S\$0.2 million, repayment of lease liabilities of S\$0.5 million and dividend paid of S\$0.2 million.

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

No forecast or prospect statement was previously disclosed.

3. 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 operating period and the next 12 months.

The Group experienced strong demand for our products in the precision engineering segment from the start of 2024 due to the gradual improvement in the global semiconductor industry.

The Group is cautiously optimistic about a more pronounced uptick in the second half of 2024. This improvement is expected to be driven by global semiconductor demand for innovations in artificial intelligence and high-performance computing, as well as the need for inventory replenishment.

The Group will continue to adopt a cautious stance given the uncertain global economic climate, geopolitical tensions, and prevailing conflicts in Ukraine and the Middle East.

The Group remains confident in its ability to weather the storm due to the strength of its balance sheet and its diverse exposure to multiple market segments in the next 12 months.

4. Dividend information

a. Current Financial Period Reported On

Any dividend declared/recommended for the current financial period reported on?

No.

b. Corresponding Period of the Immediately Preceding Financial Year

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

No.

c. Date payable

Not applicable.

d. The date on which Registrable Transfers received by the Company (up to 5.00 pm) will be registered before entitlements to the dividend are determined

Not applicable.

No dividend has been declared or recommended for HY2024 as the Board of Directors of the Company, having considered the current business outlook, deems it appropriate to conserve funds for the Group's business activities.

5. Interested person transactions

The Company does not have a mandate from its shareholders for any interested person transactions. There are no interested person transactions of S\$100,000 or more during the financial period under review.

6. Confirmation that the issuer has procured undertaking from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1) of the Catalyst Rules

The Company confirms that it has procured all the required undertakings from all its directors and executive officers in the format set out in Appendix 7H under Rule 720 (1) of the Catalyst Rules.

7. Disclosures on Acquisition and Realisation of Shares pursuant to Catalyst Rule 706A

There was no acquisition or realisation of shares in any of the Group's subsidiaries or associated companies nor incorporation of any new subsidiary or associated company by the Company or any of the Group's entities during HY2024.

Confirmation by the Board

On behalf of the Board of Directors of the Company, we, the undersigned, hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the financial statements for the six-month period ended 30 June 2024 to be false or misleading in any material aspect.

On behalf of the Board of Directors

TAN YEE HO
Executive Chairman

TAN YEE LEONG
Chief Executive Officer and
Executive Director

Singapore
12 August 2024