

# **BROADWAY INDUSTRIAL GROUP LIMITED**

Company Registration No. 199405266K

## **Unaudited Condensed Interim Financial Statements**

For the Six Months Ended 30 June 2025

<b>Table of Contents</b>	<b>Page</b>
<b>A Condensed interim consolidated statement of profit or loss and other comprehensive income</b>	<b>3</b>
<b>B Condensed interim statements of financial position</b>	<b>4</b>
<b>C Condensed interim statements of changes in equity</b>	<b>5</b>
<b>D Condensed interim consolidated statement of cash flows</b>	<b>6</b>
<b>E Notes to the condensed interim consolidated financial statements</b>	<b>7</b>
<b>F Other information required by Listing Rule Appendix 7.2</b>	<b>13</b>

**A Condensed interim consolidated statement of profit or loss and other comprehensive Income**

		<b>Group 6 months ended</b>		
	<b>Note</b>	<b>30 Jun 2025 S\$'000</b>	<b>30 Jun 2024 S\$'000</b>	<b>Change %</b>
Revenue	4	154,680	165,271	(6.4)
Cost of sales		(142,704)	(149,570)	(4.6)
Gross profit		11,976	15,701	(23.7)
Distribution expenses		(405)	(396)	2.3
Administrative expenses		(5,144)	(5,297)	(2.9)
Sales and marketing expenses		(155)	(332)	(53.3)
Other (expenses)/income, net	5	(860)	1,580	n.m.
Operating profit		5,412	11,256	(51.9)
Finance income		406	527	(23.0)
Finance costs		(490)	(1,177)	(58.4)
Finance costs, net		(84)	(650)	(87.1)
Profit before income tax	6	5,328	10,606	(49.8)
Income tax	7	(1,338)	(2,194)	(39.0)
<b>Profit for the period</b>		<b>3,990</b>	<b>8,412</b>	<b>(52.6)</b>

**Other comprehensive (loss)/income :**

*Items that may be reclassified subsequently to profit or loss:*

Exchange differences on translating foreign operations, net of tax

**Total comprehensive (loss)/income**

(6,491)	2,027	n.m.
<b>(2,501)</b>	<b>10,439</b>	<b>n.m.</b>

**Profit for the period attributable to :**

Owners of the Company

Non-controlling interests

3,990	8,745	(54.4)
-	(333)	(100.0)
<b>3,990</b>	<b>8,412</b>	<b>(52.6)</b>

**Total comprehensive (loss)/income attributable to :**

Owners of the Company

Non-controlling interests

(2,501)	10,772	n.m.
-	(333)	(100.0)
<b>(2,501)</b>	<b>10,439</b>	<b>n.m.</b>

**Earnings per share attributable to the owners of the Company**

		<b>Group 6 months ended</b>		
		<b>30 Jun 2025 Cents</b>	<b>30 Jun 2024 Cents</b>	<b>Change %</b>
Basic and diluted	8	0.87	1.92	(54.7)

**Notes:**

(1) The results of the Group's foreign subsidiaries were translated using the average USD:SGD rates as follows:

<b>1H2025</b>	<b>1H2024</b>	<b>Change (%)</b>
1.3196	1.3509	(2.3)

(2) n.m. - not meaningful

## B Condensed interim statements of financial position

	Note	Group		Company	
		30 Jun 2025	31 Dec 2024	30 Jun 2025	31 Dec 2024
		S\$'000	S\$'000	S\$'000	S\$'000
<b>ASSETS</b>					
<b><u>Non-current assets</u></b>					
Property, plant and equipment	11	50,338	57,016	167	60
Right-of-use assets		3,307	4,224	-	102
Investments in subsidiaries		-	-	104,000	104,000
Other assets		52	52	52	52
<b>Total non-current assets</b>		<b>53,697</b>	<b>61,292</b>	<b>104,219</b>	<b>104,214</b>
<b><u>Current assets</u></b>					
Inventories		27,942	28,647	-	-
Trade and other receivables		81,669	111,088	6,441	9,533
Other assets		1,257	995	49	2
Cash and cash equivalents		32,133	34,272	383	556
<b>Total current assets</b>		<b>143,001</b>	<b>175,002</b>	<b>6,873</b>	<b>10,091</b>
<b>Total assets</b>		<b>196,698</b>	<b>236,294</b>	<b>111,092</b>	<b>114,305</b>
<b>EQUITY AND LIABILITIES</b>					
<b><u>Equity</u></b>					
Share capital	12	113,163	113,163	113,163	113,163
Retained earnings		6,641	2,201	171	1,471
Other reserves		(22,830)	(15,957)	(2,611)	(2,229)
<b>Total equity</b>		<b>96,974</b>	<b>99,407</b>	<b>110,723</b>	<b>112,405</b>
<b><u>Non-current liabilities</u></b>					
Other liabilities		2,092	1,997	-	-
Lease liabilities		2,375	3,665	-	-
Loans and borrowings	13	1,255	2,719	-	-
<b>Total non-current liabilities</b>		<b>5,722</b>	<b>8,381</b>	<b>-</b>	<b>-</b>
<b><u>Current liabilities</u></b>					
Income tax payable		3,370	6,177	5	5
Trade and other payables		80,989	112,313	364	1,802
Loans and borrowings	13	7,605	7,808	-	-
Lease liabilities		2,038	2,208	-	93
<b>Total current liabilities</b>		<b>94,002</b>	<b>128,506</b>	<b>369</b>	<b>1,900</b>
<b>Total liabilities</b>		<b>99,724</b>	<b>136,887</b>	<b>369</b>	<b>1,900</b>
<b>Total equity and liabilities</b>		<b>196,698</b>	<b>236,294</b>	<b>111,092</b>	<b>114,305</b>

**Note:**

The results of the Group's foreign subsidiaries were translated using the closing USD:SGD rates as follows:

30 Jun 2025	31 Dec 2024	Change (%)
1.27219	1.36658	(6.9)

**C Condensed interim statements of changes in equity**

The Group	Other reserves					Retained earnings/ (accumulated losses) S\$'000	Total attributable to owners of the Company S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
	Share capital S\$'000	Treasury shares S\$'000	Capital reserve S\$'000	Share-based payment reserve S\$'000	Translation reserve S\$'000				
<b>Balance at 1 Jan 2025</b>	<b>113,163</b>	<b>(2,611)</b>	<b>2,924</b>	<b>382</b>	<b>(16,652)</b>	<b>2,201</b>	<b>99,407</b>	<b>-</b>	<b>99,407</b>
Total comprehensive (loss)/income for the period	-	-	-	-	(6,491)	3,990	(2,501)	-	(2,501)
Share-based payment	-	-	-	(382)	-	450	68	-	68
<b>Balance at 30 Jun 2025</b>	<b>113,163</b>	<b>(2,611)</b>	<b>2,924</b>	<b>-</b>	<b>(23,143)</b>	<b>6,641</b>	<b>96,974</b>	<b>-</b>	<b>96,974</b>

<b>Balance at 1 Jan 2024</b>	<b>113,163</b>	<b>(3,043)</b>	<b>2,924</b>	<b>20</b>	<b>(19,473)</b>	<b>(4,831)</b>	<b>88,760</b>	<b>102</b>	<b>88,862</b>
Total comprehensive income/(loss) for the period	-	-	-	-	2,027	8,745	10,772	(333)	10,439
Acquisition of non-controlling interest without a change in control	-	-	-	-	-	(570)	(570)	231	(339)
Share-based payment	-	-	-	175	-	-	175	-	175
Dividend paid (Note 9)	-	-	-	-	-	(2,273)	(2,273)	-	(2,273)
<b>Balance at 30 Jun 2024</b>	<b>113,163</b>	<b>(3,043)</b>	<b>2,924</b>	<b>195</b>	<b>(17,446)</b>	<b>1,071</b>	<b>96,864</b>	<b>-</b>	<b>96,864</b>

	Other reserves				Total equity S\$'000
	Share capital S\$'000	Treasury shares S\$'000	Share-based payment reserve S\$'000	Retained earnings S\$'000	
The Company					
Balance at 1 Jan 2025	113,163	(2,611)	382	1,471	112,405
Total comprehensive loss for the period	-	-	-	(1,750)	(1,750)
Share-based payment	-	-	(382)	450	68
Balance at 30 Jun 2025	113,163	(2,611)	-	171	110,723
Balance at 1 Jan 2024	113,163	(3,043)	20	4,546	114,686
Total comprehensive income for the period	-	-	-	1,526	1,526
Share-based payment	-	-	175	-	175
Dividend paid (Note 9)	-	-	-	(2,273)	(2,273)
Balance at 30 Jun 2024	113,163	(3,043)	195	3,799	114,114

**D Condensed interim consolidated statement of cash flows**

	<b>Group</b>	
	<b>6 months ended</b>	
	<b>30 Jun 2025</b>	<b>30 Jun 2024</b>
	<b>S\$'000</b>	<b>S\$'000</b>
<b>Cash flows from operating activities</b>		
<b>Profit before income tax</b>	5,328	10,606
Write-back of inventory obsolescence	(36)	-
Depreciation of property, plant and equipment	4,129	3,897
Depreciation of right-of-use assets	652	945
Equity-settled share-based payment transactions	-	175
Loss on disposal of property, plant and equipment	71	231
Interest expense	490	1,177
Interest income	(406)	(527)
<b>Operating cash flows before changes in working capital</b>	10,228	16,504
Inventories	(1,240)	(3,621)
Trade and other receivables	23,061	(45,274)
Other assets	(331)	(97)
Trade and other payables	(23,632)	27,530
Other liabilities	233	(4)
Cash generated from/(used in) operations	8,319	(4,962)
Income tax paid	(3,671)	(753)
<b>Net cash generated from/(used in) operating activities</b>	4,648	(5,715)
<b>Cash flows from investing activities</b>		
Capital expenditure on property, plant and equipment	(1,314)	(810)
Proceeds from disposal of property, plant and equipment	5	173
Transaction with non-controlling interest of a subsidiary	-	(337)
Interest income received	415	527
<b>Net cash used in investing activities</b>	(894)	(447)
<b>Cash flows from financing activities</b>		
Proceeds from bank borrowings	18,107	539
Repayments of bank borrowings	(19,228)	(271)
Payments for dividend to equity owners	-	(2,273)
Proceeds from leases	-	10,308
Advances to a related company	(1,336)	-
Principal payments of lease liabilities	(1,157)	(5,362)
Interest expense paid	(490)	(1,177)
<b>Net cash (used in)/generated from financing activities</b>	(4,104)	1,764
<b>Net decrease in cash and cash equivalents</b>	(350)	(4,398)
Cash and cash equivalents, beginning balance	34,080	33,716
Effect of exchange rate fluctuations	(1,786)	289
<b>Cash and cash equivalents, ending balance (Note A)</b>	<b>31,944</b>	<b>29,607</b>
<b>Note A</b>		
Cash and cash equivalents as end of the period	32,133	29,785
Cash pledged for bank facilities	(189)	(178)
Cash and cash equivalents as disclosed in consolidated statement of cash flows	31,944	29,607

## **E Notes to the condensed interim consolidated financial statements**

### **1. Corporation Information**

Broadway Industrial Group Limited (the "Company") is incorporated in Singapore with limited liability. The Company 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 six months ended 30 June 2025 comprise the Company and its subsidiaries (collectively, the "Group").

The Company is an investment holding company.

The principal activities of the Group are disclosed in Note 4 below.

### **2. Basis of Preparation**

The condensed interim financial statements for the six months ended 30 June 2025 have been prepared in accordance with the 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 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.

All financial information in these interim financial statements are presented in Singapore dollar and rounded to the nearest thousand ("S\$'000") except when otherwise indicated.

#### **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 judgement 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 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.

### **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

Disclosure of information about operating segments, products and services, the geographical areas, and the major customers are made as required by the financial reporting standards on operating segments. This disclosure standard has no impact on the reported financial performance or financial position of the Group.

For management purposes, the Group is organised into the following major strategic operating segments that offer different products and services: (1) hard disk drive ("HDD"); (2) precision engineering; and (3) others. Such a structural organisation is determined by the nature of risks and returns associated with each business segment and it defines the management structure as well as the internal reporting system. It represents the basis on which the management reports the primary segment information that is available and that is evaluated regularly by the chief operating decision makers in deciding how to allocate resources and in assessing the performance.

The segments and the types of products and services are as follows:

- (1) HDD segment - This segment comprises the manufacturing and distribution of actuator arms and related assembly for the hard disk industry.
- (2) Precision Engineering segment - This segment comprises the manufacturing and distribution of precision diecasting and machining parts primarily for the telecommunications equipment, industrial applications, automotive industries, and precision process toolings.
- (3) Others segment - This segment comprises mainly investment holding.

#### 4.1 Reportable segments

The following tables illustrate the information about the reportable segment profit or loss, assets and liabilities.

	<b>HDD</b>	<b>Precision Engineering</b>	<b>Others</b>	<b>Group Total</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
<b>From 1 January 2025 to 30 June 2025</b>				
Revenue to external customers	151,684	2,996	-	154,680
EBITDA	11,359	(461)	(705)	10,193
Finance (costs)/income, net	(22)	(123)	61	(84)
Depreciation expense	(3,439)	(1,189)	(153)	(4,781)
Profit/(Loss) before income tax	7,898	(1,773)	(797)	5,328
Income tax	(959)	(4)	(375)	(1,338)
Profit/(Loss) for the period	6,939	(1,777)	(1,172)	3,990
Total assets	176,216	16,551	3,931	196,698
Total liabilities	91,416	5,171	3,137	99,724
Capital expenditure	605	550	159	1,314
<b>From 1 January 2024 to 30 June 2024</b>				
Revenue to external customers	164,573	698	-	165,271
EBITDA	17,668	(1,652)	82	16,098
Finance (costs)/income, net	(545)	(150)	45	(650)
Depreciation expense	(3,853)	(971)	(18)	(4,842)
Profit/(Loss) before income tax	13,270	(2,773)	109	10,606
Income tax	(1,993)	-	(201)	(2,194)
Profit/(Loss) for the period	11,277	(2,773)	(92)	8,412
Total assets	230,105	12,050	544	242,699
Total liabilities	139,686	5,985	164	145,835
Capital expenditure	322	488	-	810



#### 4.2 Geographical information

Singapore is the country of domicile of the Company. The principal activity of the Company is investment holding. The Company's subsidiaries in the reportable segment are mainly located in the People's Republic of China ("PRC"), Thailand, South Korea, Vietnam and Singapore.

In presenting information on the basis of geographical segments, revenue is attributable to countries on the geographical location of customers and the non-current assets are analysed by the geographical area in which the assets are located:

	<b>Group Revenue 6 months ended</b>		<b>Group Non-Current Assets</b>	
	<b>30 Jun 2025</b>	<b>30 Jun 2024</b>	<b>30 Jun 2025</b>	<b>30 Jun 2024</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
Thailand	111,297	116,364	26,038	34,654
People's Republic of China	39,905	48,212	18,118	19,488
Singapore	-	-	229	363
Vietnam	2,663	550	9,302	10,612
South Korea	229	24	10	15
Other countries	586	121	-	-
<b>Total</b>	<b>154,680</b>	<b>165,271</b>	<b>53,697</b>	<b>65,132</b>

#### 5. Other (expenses)/income, net

	<b>Group 6 months ended</b>	
	<b>30 Jun 2025</b>	<b>30 Jun 2024</b>
	<b>S\$'000</b>	<b>S\$'000</b>
Foreign exchange (loss)/gain, net	(1,328)	1,090
Loss on disposal of property, plant & equipment	(71)	(231)
Scrap income	624	704
Government grants	115	56
Redundancy costs	(141)	(114)
Write-back of inventory obsolescence	30	-
Others	(89)	75
<b>Total</b>	<b>(860)</b>	<b>1,580</b>

**Broadway Industrial Group Limited**  
**Unaudited Condensed Interim Financial Statements**  
**For the Six Months Ended 30 June 2025**

**6. Profit before income tax included**

	<b>Group</b>	
	<b>6 months ended</b>	
	<b>30 Jun 2025</b>	<b>30 Jun 2024</b>
	<b>S\$'000</b>	<b>S\$'000</b>
Depreciation of property, plant and equipment	(4,129)	(3,897)
Depreciation of right-of-use assets	(652)	(945)

**7. Income tax**

	<b>Group</b>	
	<b>6 months ended</b>	
	<b>30 Jun 2025</b>	<b>30 Jun 2024</b>
	<b>S\$'000</b>	<b>S\$'000</b>
Current income tax	(1,758)	(2,194)
Over provision in prior years	420	-
	(1,338)	(2,194)

**8. Earnings per share**

The numerators and denominators used to calculate basic and diluted earnings per share of no par value are as follows :

	<b>Group</b>	
	<b>6 months ended</b>	
	<b>30 Jun 2025</b>	<b>30 Jun 2024</b>
	<b>S\$'000</b>	<b>S\$'000</b>
Numerators :		
Profit attributable to owners of the Company	3,990	8,745
	<b>No. of Shares</b>	
	<b>30 Jun 2025</b>	<b>30 Jun 2024</b>
	<b>'000</b>	<b>'000</b>
Denominators:		
Weighted average numbers of equity shares (basic and diluted)	457,106	454,656

**9. Dividends**

	<b>Group</b>	
	<b>6 months ended</b>	
	<b>30 Jun 2025</b>	<b>30 Jun 2024</b>
	<b>S\$'000</b>	<b>S\$'000</b>
Ordinary dividends paid:		
Final exempt FY2023 dividends of 0.5 cents per share (paid on 10/5/2024)	-	2,273

**10. Net asset value**

	<b>Group</b>		<b>Company</b>	
	<b>30 Jun 2025</b>	<b>31 Dec 2024</b>	<b>30 Jun 2025</b>	<b>31 Dec 2024</b>
	<b>Cents</b>	<b>Cents</b>	<b>Cents</b>	<b>Cents</b>
Net asset value per ordinary share	21.21	21.75	24.22	24.59

Net asset value per ordinary share is calculated based on 457,106,461 ordinary shares as at 30 June 2025 (31 December 2024: 457,106,461 ordinary shares).

**Broadway Industrial Group Limited**  
**Unaudited Condensed Interim Financial Statements**  
**For the Six Months Ended 30 June 2025**

**11. Property, plant and equipment**

During the six months ended 30 June 2025, the Group acquired assets, mainly for leasehold improvements, plant and machinery, office equipment & furniture, amounting to S\$1.3 million (30 June 2024: S\$0.8 million) and disposed assets that had net carrying value of S\$0.1 million (30 June 2024: S\$0.4 million).

**12. Share Capital**

	Group and Company			
	30 Jun 2025		31 Dec 2024	
	Number of shares	Share Capital	Number of shares	Share Capital
	'000	S\$'000	'000	S\$'000
Balance at 30 June 2025 and 31 December 2024	471,914	113,163	471,914	113,163

During the period, there were nil (30 June 2024: 7,450,000) share options granted under the BIGL Share Option Scheme 2022.

As at 30 June 2025, there were nil (30 June 2024: 10,300,000) outstanding shares in respect of unissued ordinary shares under the BIGL Share Option Scheme 2022.

As at 30 June 2025, there were 14,808,150 shares (30 June 2024: 17,258,150) held as treasury shares.

Total number of issued shares excluding treasury shares as at 30 June 2025 was 457,106,461 (30 June 2024: 454,656,461).

The Company's subsidiaries do not hold any shares in the Company as at 30 June 2025 and 2024.

**13. Loans and borrowings**

	Group	
	30 Jun 2025	31 Dec 2024
	S\$'000	S\$'000
Amount repayable in one year or less, or on demand	7,605	7,808
Amount repayable after one year	1,255	2,719
Total	8,860	10,527

Details of any collaterals

The Group's borrowings and debt securities relate to bank loans which are guaranteed by a subsidiary in the Group and are secured by land and buildings of a subsidiary.

**14. Financial assets and financial liabilities**

	Group		Company	
	30 Jun 2025	31 Dec 2024	30 Jun 2025	31 Dec 2024
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Financial Assets</b>				
Trade and other receivables	81,669	111,088	6,441	9,533
Cash and cash equivalents	32,133	34,272	383	556
Total	113,802	145,360	6,824	10,089
<b>Financial Liabilities</b>				
Loans and borrowings	8,860	10,527	-	-
Lease liabilities	4,413	5,873	-	93
Trade and other payables	80,989	112,313	364	1,802
Total	94,262	128,713	364	1,895

**15. Subsequent Event**

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

## **Other Information Required by Listing Rule Appendix 7.2**

## **Other Information**

### **1. Review**

The condensed consolidated statement of financial position of Broadway Industrial Group Limited and its subsidiaries as at 30 June 2025 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 reviewed or audited.

### **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 :-

(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and

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

#### **Revenue and Gross Profit**

The Group's revenue decreased by S\$10.6 million or 6.4% from S\$165.3 million for the half year ended 30 June 2024 ("1H2024") to S\$154.7 million for the half year ended 30 June 2025 ("1H2025"). This was mainly due to tapering off of the robust HDD demand recovery that had supported revenue in the prior period. The pent-up demand from the mass capacity HDD segment which drove strong sales in 1H2024 had gradually normalised in subsequent months resulting in lower revenue in 1H2025.

The Group's overall gross profit margin decreased from 9.5% in 1H2024 to 7.7% in 1H2025.

#### **Operating Expenses**

Despite the lower sales volume, the Group's distribution expenses rose marginally by 2.3% to S\$0.4 million in 1H2025.

Administrative expenses decreased by 2.9% from S\$5.3 million in 1H2024 to S\$5.1 million in 1H2025 mainly due to lower salaries and related costs.

Sales and marketing expenses decreased by 53.3% from S\$0.3 million in 1H2024 to S\$0.2 million in 1H2025, mainly due to the Group fine tuning its investment in developing new precision engineering business in the Republic of Korea and Vietnam.

In 1H2025, the Group recorded net other expenses of S\$0.9 million mainly arising from foreign exchange loss and headcount redundancy costs from the continuing rationalisation in the HDD manufacturing operations offset by scrap income and government grants. In 1H2024, net other income of S\$1.6 million mainly contributed by foreign exchange gain and scrap income offset by loss on disposal of property, plant and equipment as well as redundancy costs.

#### **Finance Costs, net**

Net finance costs decreased from S\$0.7 million in 1H2024 to S\$0.1 million in 1H2025 mainly due to lower interest expenses following the repayment of certain loans and borrowings as well as prudent working capital management.

#### **Income Tax**

The Group recorded tax expense of S\$1.3 million in 1H2025 as compared to S\$2.2 million in 1H2024 in line with lower taxable income recorded in certain subsidiaries.

#### **Net Profit**

The Group recorded a net profit after tax of S\$4.0 million as compared to S\$8.4 million in 1H2024. The decrease in net profit was mainly explained by the lower sales and lower gross profit margin in the HDD business segment.

#### **Earnings Per Share**

The Group's earnings per share decreased from 1.92 cents in 1H2024 to 0.87 cents in 1H2025.

#### **Balance Sheet**

The Group's net working capital increased by S\$2.5 million from S\$46.5 million as at 31 December 2024 to S\$49.0 million as at 30 June 2025. The increase was mainly contributed by decrease in current liabilities of S\$34.5 million as well as lower current assets of S\$32.0 million. The decrease in current liabilities was mainly due to the S\$31.3 million decrease in trade and other payables and S\$2.8 million decrease in income tax payable. The decrease in current assets was mainly due to the S\$29.4 million decrease in trade and other receivables and S\$2.1 million decrease in cash and cash equivalents.

The net asset value per share of the Group decreased from 21.75 cents as at 31 December 2024 to 21.21 cents as at 30 June 2025.

#### **Cash Flow**

The Group recorded net cash generated from operating activities of S\$4.6 million in 1H2025 as compared to net cash used in operating activities of S\$5.7 million in 1H2024.

The Group recorded net cash used in investing activities of S\$0.9 million in 1H2025 as compared to S\$0.4 million in 1H2024. Net cash used in investing activities in 1H2025 mainly related to capital expenditures on property, plant and equipment of S\$1.3 million offset by interest income received of S\$0.4 million.

The Group recorded net cash used in financing activities of S\$4.1 million in 1H2025 as compared to net cash generated from financing activities of S\$1.8 million in 1H2024 mainly due to net repayment of bank borrowings of S\$1.1 million and payment of lease liabilities of S\$1.2 million as well as advances to a related company of S\$1.3 million.

Cash and cash equivalents as at 30 June 2025 rose to S\$32.1 million as compared to S\$29.8 million as at 30 June 2024.

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

No prospect statement has been previously disclosed.

#### **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 operating period and the next 12 months.**

The Group expects HDD market demand to soften slightly heading into the second half of 2025, due to ongoing geopolitical uncertainties, persistent global tariff issues and the continuing US-China trade tensions. These factors have disrupted global supply chains, increased operational costs, and dampened business sentiment, leading to more cautious enterprise spending.

Despite these headwinds, the Group remains cautiously optimistic about the longer-term outlook for the HDD industry, supported by continued demand for mass capacity and nearline HDDs driven by cloud infrastructure and generative AI applications.

The Group will continue to align its manufacturing capacity with demand dynamics and maintain cost discipline. In view of the continued low utilisation of the Shenzhen factory, the Group is reviewing options to maximise its use, including leasing and potential monetisation to unlock value for shareholders.

The Group has entered into a sale and purchase agreement in August 2025 with independent third parties for a strategic acquisition aimed at integrating tooling design and production in-house as part of its value chain. This acquisition will enable the Group's ability to deliver end-to-end manufacturing solutions, improve responsiveness to design changes, and accelerate time-to-market for complex components.

As part of its broader growth strategy, the Group plans to leverage and strengthen its technical expertise in tooling design and production to capture wider market opportunities within the regional manufacturing sector. This strategic move aligns with the Group's long-term vision of driving value creation through vertical integration and operational excellence.□

The Vietnam factory has commenced product shipments to several customers and is making a modest contribution to Group revenue, with further customer qualifications underway.

Following the completion of the mandatory conditional cash offer by Patec Pte. Ltd. in December 2024 and the suspension of trading in the Company's shares, the Group remains focused on operational execution and strategic initiatives under the new ownership structure.

**5. Dividend Information**

5a. Current Financial Period Reported on

Any dividend recommended for the current financial period reported on? No

5b. Corresponding Period of the Immediate Preceding financial Year

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

None

5c. Payment Date

NA

5d. Books Closure Date

Date on which Registrable Transfers received by the company will be registered before entitlements to the dividend are determined:

NA

**6. Interested person transactions**

The Group has not obtained a general mandate from shareholders of the Company for Interested Person Transactions.

**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 has received undertakings from all its directors and executive officers in the format set out in Appendix 7.7 under Rule 720(1) of the Listing Manual of the SGX-ST.

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

The Directors confirm that to the best of their knowledge, nothing has come to the attention of the Board of Directors of the Company which would render the half year ended 30 June 2025 unaudited financial results to be false or misleading in any material aspect.

**By Order of the Board**

Wee Liang Kiang  
Chairman  
8 August 2025