



AP OIL INTERNATIONAL LIMITED

(Incorporated in the Republic of Singapore)
(Registration No.: 197502257M)

Condensed Consolidated Financial Statements

For Second Half and Financial Year Ended 31 December 2024

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A. CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Note	Group					
		Second half year ended			Financial year ended		
		31 Dec 2024	31 Dec 2023	Change	31 Dec 2024	31 Dec 2023	Change
		S\$'000	S\$'000	%	S\$'000	S\$'000	%
Revenue	#	27,167	25,467	7%	54,723	46,217	18%
Cost of sales	1, 3	(22,193)	(21,037)	5%	(44,900)	(38,504)	17%
Gross profit		4,974	4,430	12%	9,823	7,713	27%
Interest income	#	365	407	-10%	783	719	9%
Other gains	2	708	125	*	931	387	141%
Distribution costs	3	(1,037)	(1,153)	-10%	(2,150)	(1,971)	9%
Administrative expenses	1, 3	(3,218)	(3,268)	-2%	(6,517)	(6,239)	4%
Finance costs	4	(67)	(71)	-6%	(136)	(142)	-4%
Other losses and charges	5	(520)	(20)	*	(601)	(44)	*
Share of results of equity-accounted joint ventures	#	47	102	-54%	96	239	-60%
Profit before tax		1,252	552	127%	2,229	662	237%
Income tax expense	6	(29)	(136)	-79%	(174)	(139)	25%
Profit after tax		1,223	416	194%	2,055	523	293%
Other comprehensive income/(loss)							
Items that may be reclassified subsequently to profit or loss							
Exchange differences on translation from functional currency to presentation currency	7	120	(1,092)	111%	1,153	(670)	272%
Share of other comprehensive income/(loss) from equity-accounted joint ventures, net of tax	7	11	(132)	108%	(34)	(109)	-69%
Other comprehensive income/(loss) for the period/year, net of tax		131	(1,224)	111%	1,119	(779)	244%
Total comprehensive income/(loss) for the period/year		1,354	(808)	268%	3,174	(256)	*
Earnings per share		Singapore Cents	Singapore Cents		Singapore Cents	Singapore Cents	
Basic and diluted		0.74	0.25	196%	1.25	0.32	291%

Note:

#: Refer to page 18 for notes.
 *: Change > 300%

Notes to the Condensed Consolidated Statements of Comprehensive Income

1. Depreciation

The depreciation for the (i) second half year ended 31 December 2024 ("2H2024"), (ii) second half year ended 31 December 2023 ("2H2023"), (iii) financial year ended 31 December 2024 ("FY2024") and (iv) financial year ended 31 December 2023 ("FY2023") are summarised below:

	Group			
	Second half year ended		Financial year ended	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
	S\$'000	S\$'000	S\$'000	S\$'000
Depreciation for property, plant and equipment				
Cost of sales	(521)	(513)	(1,041)	(1,007)
Administrative expenses	(271)	(310)	(548)	(618)
	(792)	(823)	(1,589)	(1,625)
Depreciation for right-of-use assets:				
Cost of sales	(164)	(164)	(329)	(326)
Administrative expenses	(7)	(6)	(13)	(11)
	(171)	(170)	(342)	(337)
Total depreciation:				
Cost of sales	(685)	(677)	(1,370)	(1,333)
Administrative expenses	(278)	(316)	(561)	(629)
	(963)	(993)	(1,931)	(1,962)

2. Other gains

	Group			
	Second half year ended		Financial year ended	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
	S\$'000	S\$'000	S\$'000	S\$'000
Gain on disposal of plant and equipment	119	9	126	10
Government grants	44	45	146	139
Interest income from insurance policy	19	17	61	57
Reversal for allowance for impairment on trade receivables	-	(24)	-	-
Royalty and licensing fee income	19	17	36	54
Income from 2019 agreement ^a	50	57	100	120
Compensation income ^b	330	-	330	-
Dividend income	102	-	102	-
Other income	25	4	30	7
	708	125	931	387

(a) In 2008, a subsidiary entered into an agreement with a Vietnam company to establish a joint arrangement for acquiring three parcels of land in Vietnam. The subsidiary paid a deposit of US\$468,800. However, the land purchase and joint arrangement did not materialise. In 2019, the subsidiary and the Vietnam company entered into an agreement to terminate the original arrangement and the deposit of US\$468,800 and interest charges will be refunded. As at 31 December 2024, the deposit of US\$468,800 has been fully refunded. The surplus amount of US\$37,747 (equivalent to S\$50,000) and US\$75,128 (equivalent to S\$100,000) received during 2H2024 and FY2024 are recorded as other gains. In total, US\$646,156 has been collected; and the balance of US\$53,844 to be paid by the Vietnam Company. It shall be recognised as other gain when this is collected.

(b) In 2H2024, the Group received a compensation from a contractor for a settlement of damages caused to a premise of the Group while carrying out improvement works on behalf of a neighbouring unit. After offsetting the related legal costs, S\$330,000 of compensation income was recognised as other gain in 2H2024.

Notes to the Condensed Consolidated Statements of Comprehensive Income

3. Employee benefits expense

	Group			
	Second half year ended		Financial year ended	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
	S\$'000	S\$'000	S\$'000	S\$'000
Total employee benefits expense charged are as follows:				
Cost of sales	(1,218)	(1,075)	(2,297)	(2,104)
Distribution costs	(693)	(696)	(1,382)	(1,232)
Administrative expenses	(2,105)	(2,127)	(4,256)	(3,944)
	<u>(4,016)</u>	<u>(3,898)</u>	<u>(7,935)</u>	<u>(7,280)</u>

4. Finance costs

	Group			
	Second half year ended		Financial year ended	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
	S\$'000	S\$'000	S\$'000	S\$'000
Lease liabilities interest	(67)	(71)	(136)	(142)
	<u>(67)</u>	<u>(71)</u>	<u>(136)</u>	<u>(142)</u>

5. Other losses and charges

	Group			
	Second half year ended		Financial year ended	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
	S\$'000	S\$'000	S\$'000	S\$'000
Allowance for impairment on trade receivables	(14)	(35)	(53)	(35)
Bad debts written off on trade receivables	(10)	(1)	(12)	(3)
Foreign exchange adjustments gains/(losses)	10	16	(30)	(5)
Plant and equipment written-off	-	-	-	(1)
One-off donation made to Nanyang Technological University ^a	(506)	-	(506)	-
	<u>(520)</u>	<u>(20)</u>	<u>(601)</u>	<u>(44)</u>

(a) One-off donation was made to Nanyang Technological University to mark our 50th anniversary in 2025.

Notes to the Condensed Consolidated Statements of Comprehensive Income

6. Taxation

	Group			
	Second half year ended		Financial year ended	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
	S\$'000	S\$'000	S\$'000	S\$'000
Current tax expense	(46)	(143)	(185)	(143)
Deferred tax benefit	17	7	12	5
Withholding tax expense	-	-	(1)	(1)
	<u>(29)</u>	<u>(136)</u>	<u>(174)</u>	<u>(139)</u>

Deferred tax benefit relates to origination and reversal of temporary differences.

7. Other comprehensive loss

Exchange differences arose mainly from the translation of assets and liabilities in the Group with US dollar functional currency to the presentation currency (i.e. Singapore Dollar) at the financial period/year-end exchange rate.

Share of other comprehensive loss from equity-accounted joint ventures relates to translation effect of the joint ventures' net assets denominated in Vietnam Dong and Chinese Renminbi to the Group's presentation currency as at the financial period/year-end exchange rate.

B. CONDENSED STATEMENTS OF FINANCIAL POSITION

	Note	Group			Company		
		31 Dec 2024 S\$'000	31 Dec 2023 S\$'000	% Change	31 Dec 2024 S\$'000	31 Dec 2023 S\$'000	% Change
ASSETS							
<u>Non-current assets</u>							
Property, plant and equipment	1	14,527	14,581	*	500	370	35%
Right-of-use assets	#	4,524	4,807	-6%	1,106	1,139	-3%
Goodwill	2	409	409	0%	-	-	0%
Investments in subsidiaries		-	-	0%	17,809	17,404	2%
Investments in joint ventures		2,500	2,439	3%	518	502	3%
Deferred tax assets		45	52	-13%	-	-	0%
Other financial assets	3	7,116	6,854	4%	6,778	6,527	4%
Other receivables	4	472	229	106%	-	600	-100%
Total non-current assets		29,593	29,371	*	26,711	26,542	*
<u>Current assets</u>							
Inventories	#	8,215	7,733	6%	-	-	0%
Trade and other receivables	#	6,117	5,747	6%	14,640	13,948	5%
Other assets	#	312	1,348	-77%	10	10	0%
Cash and cash equivalents	#	26,205	25,047	5%	3,976	3,850	3%
Total current assets		40,849	39,875	2%	18,626	17,808	5%
Total assets		70,442	69,246	2%	45,337	44,350	2%
EQUITY AND LIABILITIES							
<u>Equity attributable to owners of the Company</u>							
Share capital		6,606	6,606	0%	6,606	6,606	0%
Retained earnings		48,808	47,576	3%	35,829	36,367	-1%
Other reserves	#	3,622	2,503	45%	(890)	(2,134)	58%
Total equity		59,036	56,685	4%	41,545	40,839	2%
<u>Non-current liabilities</u>							
Deferred tax liabilities		618	637	-3%	-	-	0%
Lease liabilities	#	4,530	4,817	-6%	1,137	1,196	-5%
Other non-financial liabilities	5	405	449	-10%	-	-	0%
Total non-current liabilities		5,553	5,903	-6%	1,137	1,196	-5%
<u>Current liabilities</u>							
Income tax payable	#	210	121	74%	-	-	0%
Lease liabilities	#	311	301	3%	59	58	2%
Trade and other payables	#	5,274	6,180	-15%	2,596	2,257	15%
Other non-financial liabilities	5	58	56	4%	-	-	0%
Total current liabilities		5,853	6,658	-12%	2,655	2,315	15%
Total liabilities		11,406	12,561	-9%	3,792	3,511	8%
Total equity and liabilities		70,442	69,246	2%	45,337	44,350	2%
		Singapore Cents	Singapore Cents		Singapore Cents	Singapore Cents	
Net asset value per share		35.88	34.45	4%	25.25	24.82	2%

Note:

#: Refer to page 19 for notes.
*: Change < 1%

Notes to the Condensed Statements of Financial Position

1. Property, plant and equipment

In 2H2024, the Group acquired assets amounting to S\$1,027,000 (2H2023: S\$379,000) and disposed assets with a net book value amounting to S\$1,000 (2H2023: S\$1,000).

2. Goodwill

	Group	
	31 Dec 2024 S\$'000	31 Dec 2023 S\$'000
At beginning and end of the year	409	409

Goodwill is allocated to a cash generating unit which represents the Group's investment in GB Chemicals Pte Ltd, a wholly-owned subsidiary of the Company. No impairment allowance was recognised by the Group as the recoverable amount of the cash generating unit is higher than its carrying amount.

3. Other financial assets

	Group	
	31 Dec 2024 S\$'000	31 Dec 2023 S\$'000
At amortised cost:		
- Key man life insurance policy	1,090	1,006
At fair value through profit or loss:		
- Unquoted investments	6,026	5,848
	<u>7,116</u>	<u>6,854</u>

The fair value of the unquoted investments has been determined based on adjusted net asset approach and is categorised within Level 3 of the fair value hierarchy.

4. Other receivables

	Group	
	31 Dec 2024 S\$'000	31 Dec 2023 S\$'000
Convertible promissory note	<u>472</u>	<u>229</u>

The Group subscribed to convertible promissory notes ("CPN") at a total value of US\$350,000 issued by a Singapore company engaged in green hydrogen projects in two tranches, first in September 2023 and second in January 2024. The CPN bears an interest of 9% per annum, repayable in 2026, with options to convert the CPN to equity. The CPN were measured at fair value through profit or loss, of which the fair value is categorised within level 2 of the fair value hierarchy, based on market approach.

Notes to the Condensed Statements of Financial Position

5. Other non-financial liabilities

	Group	
	31 Dec 2024 S\$'000	31 Dec 2023 S\$'000
Deferred income:		
Government grant related to asset purchase	463	505
Presented as follows:		
Non-current	405	449
Current	58	56
	463	505

The Group received an enterprise development grant from Enterprise Singapore Board in 2023 to support a purchase of an automated bottle filling line. The grant is recognised in the profit or loss over the useful life of the automated bottle filling line.

C. CONDENSED STATEMENTS OF CHANGES IN EQUITY

[illegible]

D. CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Group	
	31 Dec 2024	31 Dec 2023
	S\$'000	S\$'000
<u>Cash flows from operating activities</u>		
Profit before tax	2,229	662
Adjustments for:		
Interest income	(783)	(719)
Interest expense	136	142
Interest income from insurance policy	(61)	(57)
Income from 2019 agreement (#)	(100)	(120)
Insurance premium charged to profit or loss	9	9
Dividend income	(102)	-
Depreciation of property, plant and equipment	1,589	1,625
Depreciation of right-of-use assets	342	337
Government grant income related to asset purchase	(57)	(57)
Share of results of equity-accounted joint ventures, net of tax	(96)	(239)
Plant and equipment written off	-	1
Gain on disposal of plant and equipment	(126)	(10)
Operating cash flows before changes in working capital	2,980	1,574
Inventories	(248)	1,244
Trade and other receivables	(196)	(121)
Other assets	1,003	(977)
Trade and other payables	(1,093)	1,317
Net cash flows from operations	2,446	3,037
Income tax paid	(97)	(193)
Net cash flows generated from operating activities	2,349	2,844
<u>Cash flows from investing activities</u>		
Purchase of property, plant and equipment	(1,203)	(2,474)
Proceeds from disposal of plant and equipment	135	11
Receipt of government grant related to asset purchase	-	560
Subscription of convertible promissory note	(229)	(235)
Income from 2019 agreement (#)	100	120
Interest received	783	719
Dividend received	102	124
Net cash flows used in investing activities	(312)	(1,175)
<u>Cash flows from financing activities</u>		
Dividend paid	(823)	(823)
Repayment of lease liabilities	(302)	(297)
Interest paid	(136)	(142)
Net cash flows used in financing activities	(1,261)	(1,262)
Net increase in cash and cash equivalents	776	407
Cash and cash equivalents, statement of cash flows, beginning balance	25,047	24,698
Net effect of exchange rate changes on cash and cash equivalents	382	(58)
Cash and cash equivalents, statement of cash flows, ending balance	26,205	25,047

(#) Refer to Note 2a on page 4.

E. NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. Corporate information

AP Oil International Limited is incorporated and domiciled in Singapore, and its shares are publicly traded on the Mainboard of the Singapore Exchange. These condensed consolidated financial statements for the 2H2024 and FY2024 comprise the Company and its subsidiaries (collectively, the Group). The Company is an investment holding company and provides management services to its subsidiaries.

The principal activities and operating segments of the Group are as follows:

- (a) Manufacturing segment, which includes manufacturing of a range of lubricating oil and specialty chemicals for industrial, automotive and marine applications, as well as the provision of oil blending services and rental of cleaning equipment to its customers ("Manufacturing segment"); and
- (b) Trading segment, which includes trading in base oil, lubricant components, commodity chemicals and etc. ("Trading segment").

More information on operating segment is disclosed in Note 4 below.

2. Basis of Preparation

The condensed financial statements for 2H2024 and FY2024 have been prepared in accordance with SFRS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed 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 interim financial statements for the period ended 30 June 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 below.

The condensed financial statements are presented in Singapore dollar as the Condensed Financial Statements are meant primarily for users in Singapore. The amounts are rounded to nearest thousand, unless otherwise stated.

2.1. New and amended accounting standards adopted by the Group

A number of amendments to accounting standards have become applicable for the current reporting period. Those applicable new or revised standards do not require any significant modification or the presentation in the financial statements.

2.2. Use of judgements and estimates

In preparing the condensed 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 for FY2024 were the same as those that were applied to the consolidated financial statements for FY2023.

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 were not affected significantly by seasonal or cyclical factors in 2H2024 and FY2024.

4. Segment and revenue information

The Group is organised into Manufacturing and Trading segments. The business activities of these segments are disclosed in Note 1 above.

4.1. Reportable segments

	Second half year ended							
	Manufacturing		Trading		Unallocated		Total	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Revenue by segment								
Total revenue by segment	20,660	16,270	7,528	9,763	-	-	28,188	26,033
Inter-segment sales	(367)	(365)	(654)	(201)	-	-	(1,021)	(566)
External revenue	20,293	15,905	6,874	9,562	-	-	27,167	25,467
Gross profit	4,199	3,485	775	945	-	-	4,974	4,430
Interest income					365	407	365	407
Other gains					708	125	708	125
Finance costs					(67)	(71)	(67)	(71)
Other losses and charges					(520)	(20)	(520)	(20)
Unallocated expense					(4,255)	(4,421)	(4,255)	(4,421)
Share of results of joint ventures					47	102	47	102
Profit before tax							1,252	552
Income tax expense					(29)	(136)	(29)	(136)
Profit net of tax							1,223	416
Other material items and reconciliations								
Depreciation expense	338	328	32	32	593	633	963	993
Capital expenditure	659	300	-	-	370	79	1,029	379

	Financial year ended							
	Manufacturing		Trading		Unallocated		Total	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Revenue by segment								
Total revenue by segment	39,174	31,677	17,604	15,704	-	-	56,778	47,381
Inter-segment sales	(732)	(731)	(1,323)	(433)	-	-	(2,055)	(1,164)
External revenue	38,442	30,946	16,281	15,271	-	-	54,723	46,217
Gross profit	7,999	6,272	1,824	1,441	-	-	9,823	7,713
Interest income					783	719	783	719
Other gains					931	387	931	387
Finance costs					(136)	(142)	(136)	(142)
Other losses and charges					(601)	(44)	(601)	(44)
Unallocated expense					(8,667)	(8,210)	(8,667)	(8,210)
Share of results of joint ventures					96	239	96	239
Profit before tax							2,229	662
Income tax expense					(174)	(139)	(174)	(139)
Profit net of tax							2,055	523
Other material items and reconciliations								
Depreciation expense	802	775	64	65	1,065	1,122	1,931	1,962
Capital expenditure	812	2,738	-	-	416	2,428	1,228	5,166

	Manufacturing As at		Trading As at		Unallocated As at		Total As at	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Assets and reconciliations								
Total assets for reportable segments	22,838	22,347	4,337	5,031	43,267	41,868	70,442	69,246
Liabilities and reconciliations								
Total liabilities for reportable segments	2,986	3,076	1,148	2,047	7,272	7,438	11,406	12,561

4.2. Disaggregation of revenue

	Second half year ended					
	Manufacturing		Trading		Total	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Type of goods or services						
Sale of goods	18,727	14,602	6,778	9,491	25,505	24,093
Rendering of services	1,172	848	96	71	1,268	919
Rental revenue	394	455	-	-	394	455
Total revenue	20,293	15,905	6,874	9,562	27,167	25,467
Duration of contracts						
Short-term contracts	20,293	15,905	6,874	9,562	27,167	25,467
Total revenue	20,293	15,905	6,874	9,562	27,167	25,467
Timing of revenue recognition						
Point in time	19,899	15,450	6,874	9,562	26,773	25,012
Over time	394	455	-	-	394	455
Total revenue	20,293	15,905	6,874	9,562	27,167	25,467

	Financial year ended					
	Manufacturing		Trading		Total	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Type of goods or services						
Sale of goods	34,875	28,133	16,161	15,177	51,036	43,310
Rendering of services	2,334	1,508	120	94	2,454	1,602
Rental revenue	1,233	1,305	-	-	1,233	1,305
Total revenue	38,442	30,946	16,281	15,271	54,723	46,217
Duration of contracts						
Short-term contracts	38,442	30,946	16,281	15,271	54,723	46,217
Total revenue	38,442	30,946	16,281	15,271	54,723	46,217
Timing of revenue recognition						
Point in time	37,209	29,641	16,281	15,271	53,490	44,912
Over time	1,233	1,305	-	-	1,233	1,305
Total revenue	38,442	30,946	16,281	15,271	54,723	46,217

Operating segment

Manufacturing segment contributed 75% and 70% to the Group's revenue for 2H2024 and FY2024, respectively (2H2023: 62% and FY2023: 67%). Trading segment contributed 25% and 30% to the Group's revenue for 2H2024 and FY2024, respectively (2H2023: 38% and FY2023: 33%).

4.3. Geographical information

The revenue is disaggregated into 6 principal geographical areas, namely Singapore, Southeast Asia (excluding Singapore), Middle East, East Asia, Indian Subcontinent and Other Region.

	Second half year ended		Financial year ended	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
	S\$'000	S\$'000	S\$'000	S\$'000
Singapore	17,775	15,452	34,409	29,283
Southeast Asia (excluding Singapore)	3,136	3,051	7,061	5,872
Middle East	2,193	3,158	5,321	4,514
East Asia	2,171	2,098	4,377	3,222
Indian Subcontinent	981	1,537	2,013	2,637
Other Region	911	171	1,542	689
	27,167	25,467	54,723	46,217

Geographical segment

Group revenue from Singapore in 2H2024 increased from 61% to 65%; and remaining geographical regions contributed 35% to the Group's revenue. For FY2024, Group revenue from Singapore was 63%; and remaining geographical regions contributed 37% to the Group's revenue.

4.4. Information about major customers

In 2H2024, 1 customer contributed more than 10% of the Group's revenue (2H2023: 1 customer). Total sales to this customer for 2H2024 was S\$7.4 million (2H2023: S\$3.0 million).

In FY2024, 1 customer contributed more than 10% of the Group's revenue (FY2023: 1 customer). Total sales to this customer for FY2024 was S\$13.1 million (FY2023: S\$6.6 million).

5. Significant related party transactions

The significant transactions entered between the Group and the related parties are as follows:

	Group			
	Second half year ended		Financial year ended	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
	S\$'000	S\$'000	S\$'000	S\$'000
<u>Joint ventures</u>				
Sale of goods	738	687	1,923	1,307
Licensing fee income	5	5	11	11

6. Other notes

The notes to condensed consolidated statement of comprehensive income and condensed consolidated statements of financial position are disclosed on pages 4 to 6 and pages 8 to 9 respectively.

7. Subsequent events

There are no known subsequent events which would lead to adjustment to this set of condensed consolidated financial statements.

F. OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2

- 1(d)(ii). Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

There was no movement in the Company's share capital and no share options were issued from 1 July 2024 to 31 December 2024. There were no outstanding convertibles as at 31 December 2024 and 31 December 2023.

- 1(d)(iii). To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

The total number of issued shares was 164,531,172 as at 31 December 2024 and 31 December 2023.

- 1(d)(iv). A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

Not applicable as the Company has no treasury shares.

- 1(d)(v). A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.**

Not applicable as the Company has no subsidiary holdings.

- 2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.**

The figures have not been audited or reviewed.

- 3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not applicable as the figures have not been audited or reviewed.

- 3A. 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.

Not applicable as there was no adverse opinion, qualified opinion or disclaimer opinion issued in the latest audited financial statements.

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

The Group has applied the same accounting policies and method of computation in the current period financial statements as the previous audited financial statements except as stated in paragraph 5 below.

5. **If there were any changes in the 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.**

The Group has adopted all the new and revised Singapore Financial Reporting Standards (International) ("SFRS(I)") and SFRS(I) Interpretations ("SFRS(I) INT") that are relevant to its operations and effective for annual periods beginning on or after 1 January 2024. The adoption of these new or revised SFRS(I) and SFRS(I) INT did not result in changes to the Group's accounting policies and has no material effect on the amounts reported for the current or prior financial years.

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

	Group			
	Second half year ended		Financial year ended	
	31 Dec 2024 Singapore Cents	31 Dec 2023 Singapore Cents	31 Dec 2024 Singapore Cents	31 Dec 2023 Singapore Cents
(i) Based on weighted average number of ordinary shares in issue	0.74	0.25	1.25	0.32
(ii) On a fully diluted basis of weighted average number of ordinary shares in issue	0.74	0.25	1.25	0.32

The total earnings per ordinary share was calculated based on the weighted average number of ordinary shares in issue of 164,531,172 as at 31 December 2024 and as at 31 December 2023.

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 period reported on; and**
(b) **immediately preceding financial year**

	31 Dec 2024 Singapore Cents	31 Dec 2023 Singapore Cents
Net asset value per ordinary share:		
Group	35.88	34.45
Company	25.25	24.82

Net asset value per ordinary share was calculated based on the number of ordinary shares in issue of 164,531,172 as at 31 December 2024 and as at 31 December 2023.

8. **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 period reported on.**

Statement of Comprehensive Income

- (i) Revenue for 2H2024 increased by 7% year-on-year ("YoY") due mainly to higher Manufacturing revenue, offset by lower Trading revenue. For FY2024, revenue grew by 18% YoY due mainly to higher Manufacturing and Trading revenue.
- (ii) Gross profit for 2H2024 and FY2024 rose by 12% and 27%, respectively, due mainly to the higher revenue and improved in gross margin by 0.9 percentage point and 1.3 percentage point for 2H2024 and FY2024, respectively.
- (iii) Interest income for 2H2024 declined by 10% due to decreasing fixed deposit interest rate offered by the bank. For FY2024, interest income increased by 9% due to higher interest rate offered by the bank in first half 2024 and higher cash balance through the year.
- (iv) Other gains for 2H2024 and FY2024 increased by 466% and 141% YoY, respectively, mainly contributed by compensation income (as disclosed in note 2b on page 4); dividend income received from Chongqing Zongshen Financial Leasing Company Limited; and higher gain from disposal of plant and equipment.
- (v) Distribution costs for 2H2024 reduced by 10% YoY due mainly to lower freight costs and commission expense incurred in 2H2024. For FY2024, distribution costs rose by 9% YoY due mainly to higher employee costs and freight costs to support increased revenue activities.
- (vi) Administrative expenses for FY2024 rose by 4% due mainly to increase in bonus incentives as a result of better performance of the Group.
- (vii) Other losses and charges for 2H2024 and FY2024 increased by S\$0.5 million and S\$0.6 million, respectively, due mainly to a one-off donation of S\$0.5 million made to Nanyang Technological University to mark our 50th anniversary in 2025.
- (viii) Share of results of joint ventures for 2H2024 and FY2024 decreased by 54% and 60%, respectively, due mainly to lower profit contribution from a joint venture, AP Saigon Petro Joint Stock Company.
- (ix) Profit before tax for 2H2024 and FY2024 increased by S\$0.7 million and S\$1.6 million YoY, respectively, due mainly to improvement in revenue and gross margin.
- (x) Income tax expense for FY2024 increased by 25% due mainly to increase in chargeable income, offset by income tax benefits originating from one-off donation made to Nanyang Technological University.
- (xi) Exchange differences arose mainly from the translation of assets and liabilities in the Group with US dollar functional currency to the presentation currency (i.e., Singapore dollar) at the financial period/year-end exchange rate. Income and expenses were translated at the average rate of exchange for the financial period/year.

Statement of Financial Position

- (i) Right-of-use assets decreased by 6% due mainly to depreciation charged for the year.
- (ii) Other receivables, in non-current assets was higher by S\$0.2 million due to the second tranche subscription of convertible promissory notes, issued by a Singapore company engaged in green hydrogen projects, in January 2024 (first tranche subscription was issued in September 2023).
- (iii) Inventories rose by 6% due mainly to higher purchases of raw materials during the year.
- (iv) Trade and other receivables increased by 6% due mainly to increase in year-end billing to customers.
- (v) Other assets reduced by 77% due to lower advance payments to suppliers as at year end and deposits paid for purchase of plant and equipment were capitalised as property, plant and equipment.
- (vi) Other reserves were 45% higher due mainly to exchange differences arose from the translation of assets and liabilities in the Group with US dollar functional currency to the presentation currency (i.e., Singapore dollar) at the financial year-end exchange rate.
- (vii) Lease liabilities were S\$0.3 million lower due mainly to the repayment made during the year.
- (viii) Income tax payable increased by 74% due mainly to higher chargeable income for the year.
- (ix) Trade and other payables decreased by 15% due to higher amount of raw materials purchased at last year end which was settled during the year.

Statement of Cash Flows

Cash flows from operating activities decreased by S\$0.5 million due to higher repayment to suppliers during the year.

Cash flows used in investing activities was S\$0.9 million lower due to lower purchase of plant and equipment in FY2024.

Cash flows used in financing activities during FY2024 were similar to FY2023.

Consequently, cash and cash equivalent of the Group rose by S\$1.2 million to S\$26.2 million due to cash flows generated from operating activities and favourable exchange movement; offset by cash flows used in investing and financing activities.

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

No forecast or prospect statements were disclosed to shareholders.

10. **A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

Geopolitical turmoil around the world caused significant disturbances on international trade and inflation.

The scope and magnitude of unilaterally imposed tariffs and/or retaliatory tariffs are unpredictable at best.

With the Group's healthy balance sheet, we are cautiously optimistic of our near to medium term business prospects. We have been resilient thus far and we will monitor closely the volatile business environment, exploring potential opportunities amid crises and tackle challenges prudently as they may arise.

11. **If a decision regarding dividend has been made:-**

- (a) **Whether an interim (final) ordinary dividend has been declared (recommended); and**

A final dividend has been proposed.

- (b)(i) **Amount per share (cents)**

0.50 cent per ordinary share.

- (ii) **Previous corresponding period (cents)**

A final dividend of 0.50 cent per ordinary share.

- (c) **Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).**

The proposed final dividend is 1-tier tax exempt dividend.

- (d) **The date the dividend is payable.**

Subject to shareholders' approval at the upcoming annual general meeting ("AGM"), the proposed final dividend will be paid on 26 May 2025.

- (e) **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.**

Notice is hereby given that the Register of Members and Share Transfer Books of the Company will be closed on 13 May 2025 to determine the shareholders' entitlement to the proposed 2024 final dividend.

Duly completed transfers of shares received by the Company's Share Registrar, Tricor Singapore Pte Ltd, 9 Raffles Place, #26-01, Republic Plaza Tower 1, Singapore 048619, up to close of business at 5.00 pm on 9 May 2025 ("Book Closure Date") will be registered to determine shareholders' entitlement to the proposed final dividend. In respect of shares in securities with the Central Depository (Pte) Limited ("CDP"), the said final dividend will be paid by the Company to CDP which in turn will distribute the final dividend entitlement to the CDP account holders in accordance with its normal practice.

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

Not applicable.

13. **If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

The Group does not have a general mandate from shareholders for interested person transactions.

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

The Company confirms that it has procured undertakings from all its directors and executive officers in the format set out in Appendix 7.7 pursuant to Rule 720(1) of the SGX-ST Listing Manual.

18. **A breakdown of sales as follows:**

	Group		
	2024 S\$'000	2023 S\$'000	% Change
Revenue for first half year	27,556	20,750	33%
Profit after tax reported for first half year	832	107	678%
Revenue for second half year	27,167	25,467	7%
Profit after tax reported for second half year	1,223	416	194%

19. **A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year as follows:**

	2024 S\$'000	2023 S\$'000
Ordinary*	823	823
Preference	-	-
Total:	823	823

* Includes proposed 2024 final dividend of 0.5 cent per ordinary share to be approved at AGM on 29 April 2025.

- 20. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.**

Pursuant to Rule 704(13) of the Listing Manual, we confirm that there is no person occupying managerial positions in the Company or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the Company.

On behalf of the Board of Directors

**Ho Chee Hon
Group Chief Executive Officer
26 February 2025**