

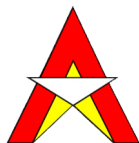


**ACESIAN PARTNERS LIMITED**  
(Registration No: 199505699D)

**Condensed interim financial statements  
For the six months ended 30 June 2025**

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**ACESIAN PARTNERS LIMITED**

(Registration No: 199505699D)

(the "Company", and together with its subsidiaries, the "Group")

**A. CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE PERIOD ENDED 30 JUNE 2025 ("1H2025")**

		<b>The Group</b>	
		<b>1H2025</b>	<b>1H2024</b>
	<b>Note</b>	<b>\$'000</b>	<b>\$'000</b>
Revenue	4	2,120	5,005
Cost of sales		(1,963)	(2,576)
Gross profit		157	2,429
Other operating income	5.1	50	52
Administrative expenses		(1,603)	(1,348)
Other operating expenses		(726)	(151)
Finance income	5.2	157	332
Finance costs	5.1	(32)	(25)
(Loss)/profit before tax	5.1	(1,997)	1,289
Income tax credit/(expense)	8	21	(156)
(Loss)/profit for the period		(1,976)	1,133
Other comprehensive income:			
Item that may be reclassified subsequently to profit and loss:			
Exchange differences on translation of foreign operations, net of tax		108	(8)
Total comprehensive (loss)/income for the period, net of tax		(1,868)	1,125
(Loss)/profit attributable to:			
Owners of the Company		(1,952)	1,130
Non-controlling interests		(24)	3
		(1,976)	1,133
Total comprehensive (loss)/income attributable to:			
Owners of the Company		(1,882)	1,126
Non-controlling interests		14	(1)
		(1,868)	1,125
(Loss)/earnings per share attributable to owners of the Company			
(cents per share):			
Based on weighted average number of shares in issue			
(excluding treasury shares):			
- Basic		(0.41)	0.24
- Diluted		(0.41)	0.24
Weighted average number of shares in issue			
(excluding treasury shares)	15,16	472,651,776	473,626,120

## B. CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION

		The Group		The Company	
		30-Jun-25	31-Dec-24	30-Jun-25	31-Dec-24
	Note	\$'000	\$'000	\$'000	\$'000
<b>Assets</b>					
<b>Non-current assets</b>					
Property, plant and equipment	6	2,952	2,475	848	619
Investment in subsidiaries	14	-	-	1,269	1,269
		2,952	2,475	2,117	1,888
<b>Current assets</b>					
Inventories	7	2,661	2,998	-	-
Trade and other receivables		983	1,787	3,622	2,648
Contract assets		14	102	-	-
Prepaid operating expenses		221	95	62	48
Fixed deposits pledged		63	63	-	-
Cash and cash equivalents	11	16,722	18,389	13,321	15,608
		20,664	23,434	17,005	18,304
<b>Total assets</b>		23,616	25,909	19,122	20,192
<b>Equity and liabilities</b>					
<b>Current liabilities</b>					
Trade and other payables		738	1,137	170	955
Contract liabilities		408	286	-	-
Income tax payable		-	30	-	29
Lease liabilities	12	270	264	95	93
		1,416	1,717	265	1,077
<b>Non-current liability</b>					
Deferred tax liabilities		-	-	-	-
Lease liabilities	12	1,047	1,170	471	519
		1,047	1,170	471	519
<b>Total liabilities</b>		2,463	2,887	736	1,596
<b>Equity</b>					
Share capital	15	20,322	20,322	20,322	20,322
Treasury shares	16	(1,177)	(1,177)	(1,177)	(1,177)
Retained earnings/(Accumulated losses)		2,996	4,948	(759)	(549)
Foreign currency translation reserve		(1,242)	(1,312)	-	-
Attributable to owners of the Company		20,899	22,781	18,386	18,596
Non-controlling interests		254	241	-	-
<b>Total equity</b>		21,153	23,022	18,386	18,596
<b>Total equity and liabilities</b>		23,616	25,909	19,122	20,192

# C. CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY

	Attributable to owners of the Company							
	Share capital \$'000	Treasury shares \$'000	Share-based payment reserve \$'000	Retained earnings/ (Accumulated losses) \$'000	Foreign currency translation reserve \$'000	Total \$'000	Non-controlling interests \$'000	Total \$'000
<b>The Group</b>								
Balance at 1 January 2024	20,322	(999)	50	4,443	(1,452)	22,364	242	22,606
Profit for the period	-	-	-	1,130	-	1,130	3	1,133
<u>Other comprehensive income</u>								
Exchange difference on translation of foreign operations, net of tax	-	-	-	-	(4)	(4)	(4)	(8)
Total comprehensive income/(loss) for the period	-	-	-	1,130	(4)	1,126	(1)	1,125
<u>Transactions with owners recognised directly in equity</u>								
Purchase of treasury shares	-	(258)	-	-	-	(258)	-	(258)
Equity-settled share-based payment	-	-	30	-	-	30	-	30
Performance bonus shares	-	-	-	-	-	-	-	-
- Treasury shares re-issued	-	80	(80)	-	-	-	-	-
Balance at 30 June 2024	<u>20,322</u>	<u>(1,177)</u>	<u>-</u>	<u>5,573</u>	<u>(1,456)</u>	<u>23,262</u>	<u>241</u>	<u>23,503</u>
Balance at 1 January 2025	<b>20,322</b>	<b>(1,177)</b>	<b>-</b>	<b>4,948</b>	<b>(1,312)</b>	<b>22,781</b>	<b>240</b>	<b>23,021</b>
Profit for the period	-	-	-	(1,952)	-	(1,952)	(24)	(1,976)
<u>Other comprehensive income</u>								
Exchange difference on translation of foreign operations, net of tax	-	-	-	-	70	70	38	108
Total comprehensive (loss)/income for the period	-	-	-	(1,952)	70	(1,882)	14	(1,868)
Balance at 30 June 2025	<u><b>20,322</b></u>	<u><b>(1,177)</b></u>	<u><b>-</b></u>	<u><b>2,996</b></u>	<u><b>(1,242)</b></u>	<u><b>20,899</b></u>	<u><b>254</b></u>	<u><b>21,153</b></u>
<b>The Company</b>								
Balance at 1 January 2024	20,322	(999)	50	(3,904)	-	15,469	-	15,469
Profit for the period representing total comprehensive income for the period	-	-	-	3,224	-	3,224	-	3,224
<u>Transaction with owners recognised directly in equity</u>								
Purchase of treasury shares	-	(258)	-	-	-	(258)	-	(258)
Equity-settled share-based payment	-	-	30	-	-	30	-	30
Performance bonus shares	-	-	-	-	-	-	-	-
- Treasury shares re-issued	-	80	(80)	-	-	-	-	-
Balance at 30 June 2024	<u>20,322</u>	<u>(1,177)</u>	<u>-</u>	<u>(680)</u>	<u>-</u>	<u>18,465</u>	<u>-</u>	<u>18,465</u>
Balance at 1 January 2025	<b>20,322</b>	<b>(1,177)</b>	<b>-</b>	<b>(549)</b>	<b>-</b>	<b>18,596</b>	<b>-</b>	<b>18,596</b>
Loss for the period representing total comprehensive loss for the period	-	-	-	(210)	-	(210)	-	(210)
Balance at 30 June 2025	<u><b>20,322</b></u>	<u><b>(1,177)</b></u>	<u><b>-</b></u>	<u><b>(759)</b></u>	<u><b>-</b></u>	<u><b>18,386</b></u>	<u><b>-</b></u>	<u><b>18,386</b></u>

## D. CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

	Note	The Group	
		1H2025 \$'000	1H2024 \$'000
<b>Operating activities</b>			
(Loss)/profit before tax		(1,997)	1,289
Adjustments for:			
Depreciation of property, plant and equipment		305	267
Interest expense	5.1	32	25
Interest income		(157)	(332)
Loss on disposal and written off of property, plant and equipment	6	1	-
Inventories written down/(back), net	7	(10)	(14)
Share-based payment		-	(50)
Exchange differences		128	33
<b>Operating cash flows before changes in working capital</b>		<b>(1,698)</b>	<b>1,218</b>
Decrease in inventories		347	427
Decrease in trade and other receivables, contract assets and prepaid operating expenses		766	1,428
Decrease in trade and other payables and contract liabilities		(277)	(2,904)
<b>Cash flows (used in)/generated from operations</b>		<b>(862)</b>	<b>169</b>
Interest received		157	332
Income taxes paid		(9)	(349)
<b>Net cash flows (used in)/generated from operating activities</b>		<b>(714)</b>	<b>152</b>
<b>Investing activities</b>			
Purchase of property, plant and equipment	6	(772)	(77)
<b>Net cash flows used in investing activities</b>		<b>(772)</b>	<b>(77)</b>
<b>Financing activities</b>			
Decrease in fixed deposits pledged		-	30
Repayment of lease liabilities		(146)	(177)
Purchase of treasury shares	16	-	(178)
Interest paid		(32)	(25)
<b>Net cash flows used in financing activities</b>		<b>(178)</b>	<b>(350)</b>
Net decrease in cash and cash equivalents		(1,664)	(275)
Effects of currency translation on cash and cash equivalents		(3)	3
Cash and cash equivalents at the beginning of the period		18,389	19,238
<b>Cash and cash equivalents at the end of the period</b>		<b>16,722</b>	<b>18,966</b>

## E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

### 1 General information

Acesian Partners Limited (the "Company") is a limited liability company incorporated and domiciled in Singapore and listed on the Catalist Board 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 principal activities of the Group consist of design, manufacture and supply of critical airflow and related products and investment holding.

### 2 Summary of material accounting policy information

#### 2.1 Basis of preparation

The condensed interim consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company for the six months ended 30 June 2025 have been prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)") 1-34 *Interim Financial Reporting*. 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 condensed interim financial statements are presented in Singapore Dollars ("SGD" or "\$") rounded to the nearest thousand, unless otherwise indicated.

#### 2.2 Adoption of new and amended SFRS(I) and interpretations

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Group has adopted all the new and amended standards which are relevant to the Group and are effective for annual financial periods beginning on or after 1 January 2025. The adoption of these standards did not have any material effect on the Group's condensed interim financial statements.

### 3 Significant accounting judgements and estimates

The preparation of the condensed interim financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

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.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next interim period are included in the following notes:

- Note 5 - provision for ECLs of trade receivables and contract assets
- Note 7 - write down for slow-moving and obsolete inventories

## E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 4 Statement of operations by segments

For management purposes, the Group is organised into business units based on their activities and services, and has three reportable operating segments as follows:

- 1) Critical airflow design and supply
- 2) Engineering services
- 3) Corporate

#### 4.1 Disaggregation of revenue

	<b>The Group</b>	
	<b>1H2025</b>	<b>1H2024</b>
	<b>\$'000</b>	<b>\$'000</b>
<hr/>		
Main revenue streams:		
Engineering services	<b>16</b>	68
Critical airflow design and supply	<b>2,104</b>	4,937
	<b>2,120</b>	5,005
<hr/>		
Timing of transfer of goods or services		
At a point in time	<b>2,115</b>	4,986
Over time	<b>5</b>	19
	<b>2,120</b>	5,005
<hr/>		

#### 4.2 Geographical segments

	<b>The Group</b>	
	<b>1H2025</b>	<b>1H2024</b>
	<b>\$'000</b>	<b>\$'000</b>
<hr/>		
Revenue:		
Asia	<b>2,041</b>	4,207
Others	<b>79</b>	798
	<b>2,120</b>	5,005
<hr/>		

# D. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 4.3 Business segments

	Critical airflow design and supply		Engineering services		Corporate		Total	
			1 January to 30 June					
	2025	2024	2025	2024	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
REVENUE								
Total Segment	3,122	7,343	16	68	630	3,795	3,768	11,206
Less: Inter-segment	(1,018)	(2,406)	-	-	(630)	(3,795)	(1,648)	(6,201)
External sales	2,104	4,937	16	68	-	-	2,120	5,005
RESULTS								
Segment results	(1,686)	1,025	(82)	32	(229)	232	(1,997)	1,289
Income tax credit/(expense)							21	(156)
Non-controlling interest							24	(3)
Net (loss)/profit attributable to owners of the Company							(1,952)	1,130
ASSETS								
Segment assets	9,267	10,891	70	689	14,279	15,605	23,616	27,185
Segment liabilities	1,563	3,144	165	187	735	352	2,463	3,683
OTHER INFORMATION								
Capital expenditure	475	75	-	-	297	2	772	77
Depreciation	236	212	-	-	69	55	305	267
Inventories written down/(back), net	(10)	(14)	-	-	-	-	(10)	(14)



## E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 5 (Loss)/profit before tax

#### 5.1 The following significant items have been charged/(credited) to arrive at (loss)/profit before tax:

	The Group 1H2025 \$'000	1H2024 \$'000
Depreciation of property, plant and equipment	305	267
Inventories written back, net	(10)	(14)
Loss on disposal and written off of property, plant and equipment	1	-
Exchange losses/(gains)	272	(241)
Finance costs in relation to interest expense on lease liabilities	32	25
<u>Other operating income</u>		
Grant received from government	(5)	(5)
Other income	(45)	(47)

#### 5.2 Finance income

	The Group 1H2025 \$'000	1H2024 \$'000
Interest income		
- Fixed deposits	(157)	(331)
- Others	-	(1)

#### 5.3 Related party transactions

There are no material related party transactions apart from those disclosed in other information required by listing rule section in the financial statements.

### 6 Property, plant and equipment

During the six months ended 30 June 2025, the Group acquired property, plant and equipment, excluding right-of-use assets, amounting to approximately \$772,000 (30 June 2024: \$77,000).

### 7 Inventories

	The Group 1H2025 \$'000	1H2024 \$'000
Inventories recognised as an expense in profit or loss inclusive of the following charge:		
- Reversal of inventories written-down	(10)	(14)
	(10)	(14)

## E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 8 Income tax (credit)/expense

The Group calculates the period's income tax expense using the tax rate applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated statement of comprehensive income are as follows:

	<b>The Group</b>	
	<b>1H2025</b>	<b>1H2024</b>
	<b>\$'000</b>	<b>\$'000</b>
Current income tax		
- current year	-	156
- over provision in respect of prior years	(21)	-
	<b>(21)</b>	<b>156</b>

### 9 Dividends

No dividend has been declared or recommended for the financial period ended 30 June 2025.

### 10 Net asset value

	<b>The Group</b>		<b>The Company</b>	
	<b>30-Jun-25</b>	<b>31-Dec-24</b>	<b>30-Jun-25</b>	<b>31-Dec-24</b>
	<b>Cents</b>	<b>Cents</b>	<b>Cents</b>	<b>Cents</b>
Net asset value per ordinary share based on issued share capital (excluding treasury shares)	<b>4.42</b>	4.82	<b>3.89</b>	3.93

### 11 Cash and cash equivalents

	<b>The Group</b>		<b>The Company</b>	
	<b>30-Jun-25</b>	<b>31-Dec-24</b>	<b>30-Jun-25</b>	<b>31-Dec-24</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Bank balances	<b>2,212</b>	1,985	<b>701</b>	937
Fixed deposits	<b>14,510</b>	16,404	<b>12,620</b>	14,671
	<b>16,722</b>	<b>18,389</b>	<b>13,321</b>	<b>15,608</b>

### 12 Lease liabilities

	<b>The Group</b>		<b>The Company</b>	
	<b>30-Jun-25</b>	<b>31-Dec-24</b>	<b>30-Jun-25</b>	<b>31-Dec-24</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<u>Current:</u>				
Secured	<b>270</b>	264	<b>95</b>	93
<u>Non-current:</u>				
Secured	<b>1,047</b>	1,170	<b>471</b>	519
	<b>1,317</b>	<b>1,434</b>	<b>566</b>	<b>612</b>

The Group has lease contracts for office, factory premises, and staff dormitory. The Group's obligations under these leases are secured by the lessor's title to the leased assets. The Group is restricted from assigning or subleasing the leased assets.

### 13 Categories of financial instruments

The categories of financial instruments as at the reporting date are as follows:

	<b>The Group</b>		<b>The Company</b>	
	<b>30-Jun-25</b>	<b>31-Dec-24</b>	<b>30-Jun-25</b>	<b>31-Dec-24</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Financial assets</b>				
<u>At amortised cost</u>				
Trade and other receivables *	<b>768</b>	1,510	<b>3,614</b>	2,648
Fixed assets pledged	<b>63</b>	63	-	-
Cash and cash equivalents	<b>16,722</b>	18,389	<b>13,321</b>	15,608
	<b>17,553</b>	<b>19,962</b>	<b>16,935</b>	<b>18,256</b>
<b>Financial liabilities</b>				
<u>At amortised cost</u>				
Trade and other payables **	<b>151</b>	894	<b>170</b>	865
Lease liabilities	<b>1,317</b>	1,434	<b>566</b>	612
	<b>1,468</b>	<b>2,328</b>	<b>736</b>	<b>1,477</b>

\* Exclude non-financial assets of the Group and the Company amounting to \$215,000 (31 December 2024: \$277,000) and \$8,000 (31 December 2024: \$Nil).

\*\* Exclude non-financial liabilities of the Group and the Company amounting to \$587,000 (31 December 2024: \$243,000) and \$Nil (31 December 2024: \$90,000) respectively.

## E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 14 Investment in subsidiaries

Acesian Star (S) Pte Ltd ("ASPL"), a wholly-owned subsidiary of the Group, is under liquidation. The Group faced significant restrictions on its ability to access or use ASPL's assets. The carrying amounts of ASPL's assets and liabilities as at 30 June 2025 after eliminations of intercompany balances are as follows:

	Amount \$'000
Total assets	1
Total liabilities	(152)
Carrying amount of net liabilities	<u>(151)</u>

### 15 Share capital

	The Group and the Company			
	30-Jun-25	31-Dec-24	30-Jun-25	31-Dec-24
	Number of shares		\$'000	\$'000
<b>Ordinary shares issued and fully paid</b>				
At beginning and end of the period/year	<b>498,498,498</b>	498,498,498	<b>20,322</b>	20,322

The Company did not have any convertible instruments as at 30 June 2025 and 31 December 2024. The Company's subsidiaries do not hold any shares in the Company as at 30 June 2025 and 31 December 2024.

As at 30 June 2025, the total number of issued shares was 498,498,498 (31 December 2024: 498,498,498). Excluding treasury shares, the total number of issued shares was 472,651,776 (31 December 2024: 472,651,776).

### 16 Treasury shares

	The Group and the Company			
	30-Jun-25	31-Dec-24	30-Jun-25	31-Dec-24
	Number of shares		\$'000	\$'000
At beginning of the period/year	<b>25,846,722</b>	21,652,900	<b>1,177</b>	999
Purchased during the period/year	-	5,625,200	-	258
Treasury shares reissued	-	(1,431,378)	-	(80)
At end of the period/year	<b>25,846,722</b>	25,846,722	<b>1,177</b>	1,177

During the period ended 30 June 2025, the Company did not acquire its own shares (31 December 2024: 5,625,200).

As at 30 June 2025, the total number of treasury shares was 25,846,722 (31 December 2024: 25,846,722) or representing 5.47% (31 December 2024: 5.47%) of the issued share capital excluding treasury shares.

### 17 Subsequent events

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

## **F. OTHER INFORMATION REQUIRED BY APPENDIX 7C OF THE CATALIST RULES**

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

The condensed consolidated statement of financial position of Acesian Partners Limited and its subsidiaries as at 30 June 2025 and the related condensed consolidated statement of 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.

**2 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.**

Not applicable

**(b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.**

Not applicable

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

Not applicable

**4 Dividend information**

**4a Current Financial Period Report on**

Any dividend declared for the current financial period reported on?

None.

**4b Corresponding Period of the immediately Preceding Financial Year**

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

None.

**4c Date payable**

Not applicable.

**4d Books closure date**

Not applicable.

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

No dividend has been declared or recommended for the financial period ended 30 June 2025, and dividends will be reviewed after the company finalises its full-year results for the current year 2025.

**6 If the Group has obtained a general mandate from shareholders for interested person transactions (the "IPTs"), the aggregate value of such transactions as required under Rule 920(1)(a)(ii) of the Listing Manual of SGX-ST. If no IPT mandate has been obtained, a statement to that effect.**

There were no significant interested person transactions conducted under the general mandate of or over \$100,000 in value during the period ended 30 June 2025.

The Company wishes to advise that a general mandate for interested person transactions was obtained from shareholders and approved on 25 April 2025.

**7. 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 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.**

#### **Statement of Comprehensive Income (1H2025 vs. 1H2024)**

##### **Revenue**

Cautious customer sentiment, influenced by the ongoing trade war and an unstable political environment, particularly issues related to tariff disputes, has affected decisions regarding semiconductor infrastructure investments and expansion plans across the South-East Asia region. Consequently, the slowdown in semiconductor-related construction projects resulted in reduced order intake. This led to a significant decline in the Group's revenue for the first half of 2025, which fell to \$2.12 million, approximately \$2.89 million or 57.6% lower than the corresponding period in 2024.

Revenue from the critical airflow design and supply segment, which contributed 99.2% to the Group's total revenue, declined by 57.4%, from \$4.94 million in 1H2024 to \$2.10 million in 1H2025. Similarly, revenue from the engineering segment dropped from \$0.07 million in 1H2024 to \$0.02 million in 1H2025.

##### **Gross profit**

The Group's gross profit decreased by \$2.27 million, or 93.5%, from \$2.43 million in 1H2024 to \$0.16 million in 1H2025. This decline was mainly attributable to the under-utilization of production capacity stemming from reduced sales volumes, alongside a narrower gross margin driven by heightened market competition.

##### **Other operating income and finance income**

Other operating income declined slightly by \$2,000. Finance income, primarily comprising interest from fixed deposits, decreased by \$0.17 million from \$0.33 million in 1H2024 to \$0.16 million in 1H2025.

##### **Administrative expenses and other operating expenses**

Administrative expenses were up by 18.9% or \$0.25 million, increasing from \$1.35 million in 1H2024 to \$1.60 million in 1H2025. This increase was mainly attributable to higher salary expenses, which rose by \$0.26 million.

Other operating expenses rose by \$0.58 million, or 380.8%, from \$0.15 million in 1H2024 to \$0.73 million in 1H2025. This increase was primarily driven by foreign currency exchange losses of \$0.27 million (compared to gains of \$0.24 million in the same period last year), and a \$0.07 million increase in other miscellaneous expenses.

##### **Income tax expense**

The income tax credit of \$0.02 million was due to an overprovision of taxes in the previous year.

##### **Loss, net of tax**

In summary, the loss after tax in 1H2025, compared to the profit in 1H2024, was mainly due to a decline in revenue, which led to a reduced gross profit, as well as higher administrative and other operating expenses.

### **Statement of Financial Position (1H2025 vs. FY2024)**

As of 30 June 2025, property, plant, and equipment totaled \$2.95 million, reflecting an increase of \$0.48 million. This increase was mainly due to the purchase of machinery, equipment, and motor vehicles totaling \$0.77 million, partially offset by depreciation expenses of \$0.31 million. The total also included right-of-use assets with a net book value of \$1.28 million as of the same date.

The decline in inventories by \$0.34 million to \$2.66 million as of 30 June 2025 was mainly attributed to decreases in raw materials inventories by \$0.40 million and finished goods inventories by \$0.10 million, partially offset by an increase in work-in-progress inventories of \$0.16 million.

The \$0.80 million decrease in trade and other receivables was primarily driven by a net collection of trade receivables amounting to \$0.25 million, as collections exceeded sales invoicing, and a decrease in other receivables of \$0.55 million.

Contract assets, representing unbilled receivables, declined by \$0.09 million to \$0.01 million as of 30 June 2025.

Trade and other payables decreased by \$0.40 million in the first half of 2025, primarily due to net payments of \$0.05 million for trade payables and a \$0.35 million reduction in other payables.

As at 30 June 2025, lease liabilities totaled \$1.32 million, reflecting a decrease of \$0.12 million. This decrease was mainly driven by lease payments of \$0.15 million and partially offset by a foreign exchange translation difference of \$0.03 million.

### **Statement of Cash Flows**

Over the period, the Group experienced net cash outflows totaling \$1.67 million, leading to a decrease in cash and cash equivalents from \$18.39 million as of 31 December 2024 to \$16.72 million as of 30 June 2025. The major cash flow movements during the first half of 2025 were as follows:

In the first half of 2025, net cash outflow of \$0.86 million was utilized in operations, reflecting the impact of changes in working capital.

In the first half of 2025, income taxes paid totaled \$0.09 million, while net cash outflows of \$0.77 million in investing activities were mainly attributable to equipment purchases.

In the first half of 2025, net cash outflows of \$0.18 million from financing activities were mainly due to payments on lease liabilities totaling \$0.15 million and interest paid of \$0.03 million.

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

The results for 1H2025 is consistent with the profit guidance announcement released on 21 July 2025.

**9. 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 and trade tensions continue to escalate, creating a highly unpredictable environment for the global semiconductor industry and contributing to growing regulatory uncertainty. The business environment is further challenged by the ongoing tariff situation. Major industry players are reevaluating their global strategies, possibly postponing or scaling back capital expenditures.

This environment of uncertainty is leading to slower decision-making and deferred investments across the sector. The effects are particularly evident in Southeast Asia, where semiconductor activity has notably decelerated as companies adopt a wait-and-see approach in response to the evolving geopolitical landscape. The Group is closely monitoring the market situation and actively pursuing business opportunities.

**10. Negative confirmation by the Board pursuant to Rule 705(5) of the Catalist Rules of SGX-ST.**

On behalf of the Board of Directors of the Company, we, confirm that, to the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the unaudited financial statements for the half-year ended 30 June 2025 to be false or misleading in any material aspect.

**11. Confirmation by the Board pursuant to Rule 720(1) of the Catalist Rules of SGX-ST.**

On behalf of the Board of Directors of the Company, we hereby confirm that we have procured all the required undertakings to comply with the Exchange's listing rules from all the Directors and Executive Officers of the Company, in the format set out in Appendix 7(H) under Rule 720(1) of the Catalist Rules.

By Order of the Board

**Neo Gim Kiong**  
**Non-Executive Chairman and Lead Independent Non-Executive Director**

**Loh Yih**  
**Executive Director and Managing Director**

11 August 2025

This announcement has been reviewed by the Company's Sponsor, Asian Corporate Advisors Pte. Ltd. (the "Sponsor"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "Exchange") and the Exchange 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.

The contact person for the Sponsor is Mr. Liao H.K., at 160 Robinson Road, #21-05 SBF Center, Singapore 068914, Telephone number: 6221 0271