

BROADWAY INDUSTRIAL GROUP LIMITED

Company Registration No. 199405266K

Unaudited Condensed Interim Financial Statements

For the Six Months Ended and Full Year Ended 31 December 2024

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Broadway Industrial Group Limited
Unaudited Condensed Interim Financial Statements
For the Six Months Ended and Full Year Ended 31 December 2024

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

| | Note | Group 6 months ended | | | Group 12 months ended | | |
|--|------|-------------------------|--------------|---------------|--------------------------|--------------|--------------|
| | | 31 Dec 2024 | 31 Dec 2023 | Change | 31 Dec 2024 | 31 Dec 2023 | Change |
| | | S\$'000 | S\$'000 | % | S\$'000 | S\$'000 | % |
| Revenue | 4 | 186,959 | 132,327 | 41.3 | 352,230 | 258,673 | 36.2 |
| Cost of sales | | (170,852) | (122,426) | 39.6 | (320,422) | (244,651) | 31.0 |
| Gross profit | | 16,107 | 9,901 | 62.7 | 31,808 | 14,022 | 126.8 |
| Distribution expenses | | (790) | (369) | 114.1 | (1,186) | (798) | 48.6 |
| Administrative expenses | | (8,942) | (3,271) | 173.4 | (14,239) | (7,901) | 80.2 |
| Sales and marketing expenses | | (267) | (607) | (56.0) | (599) | (963) | (37.8) |
| Other (expenses)/income | 5 | (75) | (995) | (92.5) | 1,505 | 247 | 509.3 |
| Results from operating activities | | 6,033 | 4,659 | 29.5 | 17,289 | 4,607 | 275.3 |
| Finance income | | 457 | 403 | 13.4 | 984 | 543 | 81.2 |
| Finance costs | | (822) | (1,421) | (42.2) | (1,999) | (2,565) | (22.1) |
| Net finance costs | | (365) | (1,018) | (64.1) | (1,015) | (2,022) | (49.8) |
| Profit before income tax | 6 | 5,668 | 3,641 | 55.7 | 16,274 | 2,585 | 529.6 |
| Income tax (expense)/reversal | 7 | (2,259) | 408 | n.m. | (4,453) | 354 | n.m. |
| Profit from continuing operations, net of tax | | 3,409 | 4,049 | (15.8) | 11,821 | 2,939 | 302.2 |
| Loss from discontinuing operations, net of tax | | - | (137) | n.m. | - | (564) | n.m. |
| Profit for the period/year | | 3,409 | 3,912 | (12.9) | 11,821 | 2,375 | 397.7 |

Other comprehensive income/(loss) :

Items that may be reclassified subsequently to profit or loss:

| | | | | | | | |
|--|--|--------------|--------------|--------------|---------------|------------|-------------|
| Exchange differences on translating foreign operations, net of tax | | 794 | (2,102) | n.m. | 2,821 | (1,509) | n.m. |
| Total comprehensive income | | 4,203 | 1,810 | 132.2 | 14,642 | 866 | n.m. |

Profit/(Loss) for the period/year attributable to :

| | | | | | | | |
|-----------------------------|--|--------------|--------------|---------------|---------------|--------------|--------------|
| - Owners of the Company | | 3,406 | 4,296 | (20.7) | 12,151 | 3,085 | 293.9 |
| - Non-controlling interests | | 3 | (384) | n.m. | (330) | (710) | (53.5) |
| | | 3,409 | 3,912 | (12.9) | 11,821 | 2,375 | 397.7 |

Total comprehensive income/(loss) attributable to :

| | | | | | | | |
|-----------------------------|--|--------------|--------------|--------------|---------------|------------|-------------|
| - Owners of the Company | | 4,200 | 2,333 | 80.0 | 14,972 | 1,585 | 844.6 |
| - Non-controlling interests | | 3 | (523) | n.m. | (330) | (719) | (54.1) |
| | | 4,203 | 1,810 | 132.2 | 14,642 | 866 | n.m. |

Earnings per share attributable to the owners of the Company

| | Note | Group 6 months ended | | | Group 12 months ended | | |
|---------------------------|------|-------------------------|-------------|--------|--------------------------|-------------|--------|
| | | 31 Dec 2024 | 31 Dec 2023 | Change | 31 Dec 2024 | 31 Dec 2023 | Change |
| | | Cents | Cents | % | Cents | Cents | % |
| Basic | | | | | | | |
| - Continuing operations | | 0.75 | 0.97 | (22.8) | 2.67 | 0.80 | 233.9 |
| - Discontinued operations | | - | (0.03) | n.m. | - | (0.12) | n.m. |
| Total | 8 | 0.75 | 0.94 | (20.3) | 2.67 | 0.68 | 292.8 |
| Diluted | | | | | | | |
| - Continuing operations | | 0.75 | 0.97 | (22.9) | 2.67 | 0.80 | 233.3 |
| - Discontinued operations | | - | (0.03) | n.m. | - | (0.12) | n.m. |
| Total | 8 | 0.75 | 0.94 | (20.5) | 2.67 | 0.68 | 292.1 |

n.m. - not meaningful

B Condensed interim statements of financial position

| | Note | Group | | Company | |
|---|------|----------------|----------------|----------------|----------------|
| | | 31 Dec 2024 | 31 Dec 2023 | 31 Dec 2024 | 31 Dec 2023 |
| | | S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| ASSETS | | | | | |
| <u>Non-current assets</u> | | | | | |
| Property, plant and equipment | 11 | 57,016 | 61,753 | 60 | 147 |
| Right-of-use assets | | 4,224 | 5,789 | 102 | 307 |
| Investments in subsidiaries | | - | - | 104,000 | 104,000 |
| Other assets, non-current | | 52 | 52 | 52 | 52 |
| Total non-current assets | | 61,292 | 67,594 | 104,214 | 104,506 |
| <u>Current assets</u> | | | | | |
| Inventories | | 28,647 | 21,035 | - | - |
| Trade and other receivables | | 111,088 | 73,442 | 9,533 | 10,644 |
| Other assets, current | | 995 | 1,251 | 2 | 10 |
| Cash and cash equivalents | | 34,272 | 33,901 | 556 | 302 |
| Total current assets | | 175,002 | 129,629 | 10,091 | 10,956 |
| Total assets | | 236,294 | 197,223 | 114,305 | 115,462 |
| EQUITY AND LIABILITIES | | | | | |
| <u>Equity</u> | | | | | |
| Share capital | 12 | 113,163 | 113,163 | 113,163 | 113,163 |
| Retained earnings/(Accumulated losses) | | 2,201 | (4,831) | 1,471 | 4,546 |
| Other reserves | | (15,957) | (19,572) | (2,229) | (3,023) |
| Equity attributable to owners of the Company | | 99,407 | 88,760 | 112,405 | 114,686 |
| Non-controlling interests | | - | 102 | - | - |
| Total equity | | 99,407 | 88,862 | 112,405 | 114,686 |
| <u>Non-current liabilities</u> | | | | | |
| Other liabilities | | 1,997 | 1,648 | - | - |
| Lease liabilities, non-current | | 3,665 | 5,670 | - | 93 |
| Loans and borrowings | 13 | 2,719 | - | - | - |
| Total non-current liabilities | | 8,381 | 7,318 | - | 93 |
| <u>Current liabilities</u> | | | | | |
| Income tax payable | | 6,177 | 3,044 | 5 | 5 |
| Trade and other payables | | 112,313 | 91,498 | 1,802 | 495 |
| Loans and borrowings | 13 | 7,808 | 3,849 | - | - |
| Lease liabilities, current | | 2,208 | 2,652 | 93 | 183 |
| Total current liabilities | | 128,506 | 101,043 | 1,900 | 683 |
| Total liabilities | | 136,887 | 108,361 | 1,900 | 776 |
| Total equity and liabilities | | 236,294 | 197,223 | 114,305 | 115,462 |

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C Condensed interim statements of changes in equity

| | Other reserves | | | | | (Accumulated losses)/ retained earnings 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 | | | | |
| The Group | | | | | | | | | |
| Balance at 1 January 2024 | 113,163 | (3,043) | 2,924 | 20 | (19,473) | (4,831) | 88,760 | 102 | 88,862 |
| Total comprehensive (loss)/income for the year | - | - | - | - | 2,821 | 12,151 | 14,972 | (330) | 14,642 |
| Acquisition of a non-controlling interest without a change in control | - | - | - | - | - | (573) | (573) | 228 | (345) |
| Share-based payment | - | 432 | - | 362 | - | - | 794 | - | 794 |
| Dividend paid | - | - | - | - | - | (4,546) | (4,546) | - | (4,546) |
| Balance at 31 December 2024 | 113,163 | (2,611) | 2,924 | 382 | (16,652) | 2,201 | 99,407 | - | 99,407 |
| Balance at 1 January 2023 | 113,163 | (3,043) | 2,924 | 400 | (17,953) | (8,316) | 87,175 | 801 | 87,976 |
| Total comprehensive (loss)/income for the year | - | - | - | 20 | (1,520) | 3,085 | 1,585 | (719) | 866 |
| Disposal of subsidiaries - discontinued operations | - | - | - | - | - | - | - | (112) | (112) |
| Capital contribution by non-controlling interest | - | - | - | - | - | - | - | 132 | 132 |
| Share-based payment | - | - | - | (400) | - | 400 | - | - | - |
| Dividend paid | - | - | - | - | - | - | - | - | - |
| Balance at 31 December 2023 | 113,163 | (3,043) | 2,924 | 20 | (19,473) | (4,831) | 88,760 | 102 | 88,862 |

| | Other reserves | | | | | Retained earnings S\$'000 | Total equity S\$'000 |
|---------------------------------------|--------------------------|----------------------------|--|--|--|------------------------------|-------------------------|
| | Share capital S\$'000 | Treasury shares S\$'000 | Share-based payment reserve S\$'000 | Share-based payment reserve S\$'000 | Share-based payment reserve S\$'000 | | |
| The Company | | | | | | | |
| Balance at 1 January 2024 | | | | 113,163 | (3,043) | 20 | 114,686 |
| Total comprehensive loss for the year | | | | - | - | - | 1,471 |
| Share-based payment | | | | - | 432 | 362 | 794 |
| Dividend paid | | | | - | - | - | (4,546) |
| Balance at 31 December 2024 | | | | 113,163 | (2,611) | 382 | 112,405 |
| Balance at 1 January 2023 | | | | 113,163 | (3,043) | 400 | 114,816 |
| Total comprehensive loss for the year | | | | | | 20 | (130) |
| Share-based payment | | | | - | - | (400) | 400 |
| Balance at 31 December 2023 | | | | 113,163 | (3,043) | 20 | 114,686 |

D Condensed interim consolidated statement of cash flows

| | Group | |
|---|-----------------|----------------|
| | 12 months ended | |
| | 31 Dec 2024 | 31 Dec 2023 |
| | S\$'000 | S\$'000 |
| Cash flows from operating activities | | |
| <i>Profit before income tax from continuing operations</i> | 16,274 | 2,585 |
| <i>Profit before income tax from discontinued operations</i> | - | (564) |
| Allowance for inventory obsolescence - (reversal) | 27 | (109) |
| Depreciation of property, plant and equipment | 8,342 | 9,599 |
| Depreciation of right-of-use assets | 2,518 | 1,971 |
| Equity-settled share-based payment transactions | 526 | - |
| Loss on disposal of investment in subsidiaries | - | 45 |
| Loss on disposal of property, plant and equipment | 93 | 164 |
| Interest expense | 1,999 | 2,565 |
| Interest income | (984) | (543) |
| Operating cash flows before changes in working capital | <u>28,795</u> | <u>15,713</u> |
| Inventories | (8,414) | 6,349 |
| Trade and other receivables | (40,353) | (49,078) |
| Other assets | 210 | (147) |
| Trade and other payables | 24,183 | 46,296 |
| Other liabilities | 410 | (228) |
| Net cash flows from operations | <u>4,831</u> | <u>18,905</u> |
| Income tax paid | (1,527) | (382) |
| Net cash flows from operating activities | <u>3,304</u> | <u>18,523</u> |
| Cash flows from investing activities | | |
| Capital contribution by non-controlling interest | - | 132 |
| Transaction with a non-controlling interest of a subsidiary | (337) | - |
| Purchase of property, plant and equipment | (2,898) | (7,001) |
| Proceeds from disposal of property, plant and equipment | 151 | 468 |
| Interest income received | 984 | 543 |
| Net cash flow used in investing activities | <u>(2,100)</u> | <u>(5,858)</u> |
| Cash flows from financing activities | | |
| Cash pledged as security | - | (10) |
| Proceeds from bank borrowings | 9,676 | 7,661 |
| Repayment of bank borrowings | (3,140) | (10,576) |
| Dividend paid to shareholders of the Company | (4,546) | - |
| Payment of principal portion of lease liabilities | (3,545) | (2,232) |
| Proceeds from exercise of share options | 269 | - |
| Interest expense paid | (1,999) | (2,565) |
| Net cash flows used in financing activities | <u>(3,285)</u> | <u>(7,722)</u> |
| Net (decrease)/increase in cash and cash equivalents | <u>(2,081)</u> | <u>4,943</u> |
| Cash and cash equivalents, beginning balance | 33,715 | 29,184 |
| Effect of exchange rate fluctuations | 2,446 | (412) |
| Cash and cash equivalents, ending balance (Note A) | <u>34,080</u> | <u>33,715</u> |
| Note A | | |
| Cash and cash equivalents as end of the period | 34,272 | 33,901 |
| Cash pledged for bank facilities | (192) | (186) |
| Cash and cash equivalents as disclosed in consolidated statement of cash flows | <u>34,080</u> | <u>33,715</u> |

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 31 December 2024 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 31 December 2024 have been prepared in accordance with the SFRS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Committee 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 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.

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 2023.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

3. Seasonal operations

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

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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 maker 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 manufacture and distribution of precision diecasting and machining parts primarily for the telecommunications equipment, industrial applications, automotive industries and precision process tooling.
- (3) Others segment - This segment comprises mainly investment holding and discontinued operations.

4.1 Reportable segments

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

| | HDD | Precision Engineering | Others | Total |
|--|----------------|----------------------------------|----------------|----------------|
| | S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| From 1 July 2024 to 31 December 2024 | | | | |
| Revenue to external customers | 184,174 | 2,785 | - | 186,959 |
| EBITDA | 12,774 | (836) | 117 | 12,055 |
| Net finance costs | (251) | (141) | 27 | (365) |
| Depreciation expense | (4,662) | (1,211) | (149) | (6,022) |
| Profit/(Loss) before income tax | 7,861 | (2,188) | (5) | 5,668 |
| Income tax expense | (2,262) | - | 3 | (2,259) |
| Profit/(Loss), net of tax | 5,599 | (2,188) | (2) | 3,409 |
| Total assets for reportable segments | 218,000 | 17,462 | 831 | 236,294 |
| Total liabilities for reportable segments | 123,907 | 6,475 | 6,505 | 136,887 |
| Capital expenditure | 1,289 | 783 | 16 | 2,088 |
| From 1 July 2023 to 31 December 2023 | | | | |
| Revenue to external customers | 131,521 | 806 | - | 132,327 |
| EBITDA | 12,688 | (1,719) | (440) | 10,529 |
| Net finance (costs)/income | (905) | (224) | 111 | (1,018) |
| Depreciation expense | (5,095) | (736) | (39) | (5,870) |
| Profit/(Loss) before income tax | 6,688 | (2,679) | (368) | 3,641 |
| Income tax expense | (507) | - | 915 | 408 |
| Profit/(Loss) from continuing operations, net of tax | 6,181 | (2,679) | 547 | 4,049 |
| Loss from discontinued operations, net of tax | - | - | (137) | (137) |
| Total assets for reportable segments | 184,573 | 11,790 | 860 | 197,223 |
| Total liabilities for reportable segments | 101,220 | 6,366 | 775 | 108,361 |
| Capital expenditure | 481 | 3,094 | - | 3,575 |

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4.1 Reportable segments (cont'd)

| | HDD S\$'000 | Precision Engineering S\$'000 | Others S\$'000 | Total S\$'000 |
|---|----------------|-------------------------------------|-------------------|------------------|
| From 1 January 2024 to 31 December 2024 | | | | |
| Revenue to external customers | 348,746 | 3,484 | - | 352,230 |
| EBITDA | 30,171 | (2,488) | 466 | 28,149 |
| Net finance (costs)/income | (795) | (291) | 71 | (1,015) |
| Depreciation expense | (8,379) | (2,182) | (299) | (10,860) |
| Profit/(Loss) before income tax | 20,997 | (4,961) | 238 | 16,274 |
| Income tax expense | (4,255) | - | (198) | (4,453) |
| Profit/(Loss) from continuing operations, net of tax | 16,742 | (4,961) | 40 | 11,821 |
| Total assets for reportable segments | 218,000 | 17,462 | 831 | 236,294 |
| Total liabilities for reportable segments | 123,907 | 6,475 | 6,505 | 136,887 |
| Capital expenditure | 1,611 | 1,271 | 16 | 2,898 |
| From 1 January 2023 to 31 December 2023 | | | | |
| Revenue to external customers | 256,875 | 1,798 | - | 258,673 |
| EBITDA | 19,423 | (3,147) | (183) | 16,093 |
| Net finance (costs)/income | (1,849) | (306) | 133 | (2,022) |
| Depreciation expense | (10,384) | (1,063) | (39) | (11,486) |
| Profit/(Loss) before income tax | 7,190 | (4,516) | (89) | 2,585 |
| Income tax expense | 354 | - | - | 354 |
| Profit/(Loss) from continuing operations, net of tax | 7,544 | (4,516) | (89) | 2,939 |
| Loss from discontinued operations, net of tax | - | - | (564) | (564) |
| Total assets for reportable segments | 184,573 | 11,790 | 860 | 197,223 |
| Total liabilities for reportable segments | 101,220 | 6,366 | 775 | 108,361 |
| Capital expenditure | 1,545 | 7,809 | - | 9,354 |

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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 primarily located in Thailand, China, 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:

| | Group Revenue 6 months ended | | Group Revenue 12 months ended | | Group Non-Current Assets | |
|-----------------|---------------------------------|----------------|----------------------------------|----------------|--------------------------|---------------|
| | 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 |
| Thailand | 129,491 | 88,965 | 245,855 | 171,975 | 30,428 | 36,685 |
| China | 54,747 | 42,596 | 102,959 | 84,848 | 20,316 | 19,612 |
| Vietnam | 2,565 | 453 | 3,115 | 694 | 10,310 | 10,767 |
| South Korea | 90 | 109 | 114 | 457 | 13 | 21 |
| Other countries | 66 | 204 | 187 | 699 | 225 | 509 |
| Total | 186,959 | 132,327 | 352,230 | 258,673 | 61,292 | 67,594 |

A breakdown of sales as follows :-

| | Group | | Increase/ (Decrease) % |
|---|-----------|-----------|------------------------------|
| | Year 2024 | Year 2023 | |
| | S\$'000 | S\$'000 | |
| Sales reported for first half year | 165,271 | 126,346 | 30.8% |
| Operating profit after tax before deducting non-controlling interests reported for first half year | 8,412 | (1,537) | n.m. |
| Sales reported for second half year | 186,959 | 132,327 | 41.3% |
| Operating profit after tax before deducting non-controlling interests reported for second half year | 3,409 | 3,912 | -12.9% |

5. Other Income/(expenses)

| | Group 6 months ended | | Group 12 months ended | |
|---|-------------------------|--------------|--------------------------|-------------|
| | 31 Dec 2024 | 31 Dec 2023 | 31 Dec 2024 | 31 Dec 2023 |
| | S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| Foreign exchange (losses)/gains, net | (812) | (746) | 278 | (205) |
| Gain/(loss) on disposal of property, plant & equipment | 138 | (169) | (93) | (164) |
| Scrap income | 786 | 534 | 1,490 | 1,095 |
| Government grants | 70 | 177 | 126 | 296 |
| Allowance for doubtful receivables | (111) | - | (111) | - |
| Insurance claims | 26 | - | 26 | - |
| Redundancy costs | (11) | (727) | (125) | (914) |
| Provision for costs associated with product quality - (loss)/reversal | 88 | (8) | 88 | (8) |
| Others | (249) | (56) | (174) | 147 |
| Total | (75) | (995) | 1,505 | 247 |

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6. (Loss)/Profit before income tax included

| | Group 6 months ended | | Group 12 months ended | |
|---|-------------------------|-------------|--------------------------|-------------|
| | 31 Dec 2024 | 31 Dec 2023 | 31 Dec 2024 | 31 Dec 2023 |
| | S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| Depreciation of property, plant and equipment | (5,240) | (4,948) | (8,342) | (9,515) |
| Depreciation of right-of-use assets | (782) | (922) | (2,518) | (1,971) |

7. Income tax expense

| | Group 6 months ended | | Group 12 months ended | |
|--------------------------------|-------------------------|-------------|--------------------------|-------------|
| | 31 Dec 2024 | 31 Dec 2023 | 31 Dec 2024 | 31 Dec 2023 |
| | S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| Current income tax expense | (2,286) | (491) | (4,480) | (577) |
| Under provision in prior years | 27 | 899 | 27 | 931 |
| | (2,259) | 408 | (4,453) | 354 |

8. Earnings per share

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

| | Group 6 months ended | | Group 12 months ended | |
|---|-------------------------|-------------|--------------------------|-------------|
| | 31 Dec 2024 | 31 Dec 2023 | 31 Dec 2024 | 31 Dec 2023 |
| | S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| Numerators : | | | | |
| Profit attributable to owners of the Company | 3,406 | 4,296 | 12,151 | 3,085 |
| Denominators: | | | | |
| | No. of Shares | | No. of Shares | |
| | 31 Dec 2024 | 31 Dec 2023 | 31 Dec 2024 | 31 Dec 2023 |
| | '000 | '000 | '000 | '000 |
| Weighted average numbers of equity shares (basic) | 454,891 | 454,656 | 454,891 | 454,656 |
| Weighted average numbers of equity shares (diluted) | 455,677 | 454,656 | 455,677 | 454,656 |

9. Dividends

| | Group | |
|--|---------------------------|---------------------------|
| | Financial Year 2024 | Financial Year 2023 |
| | S\$'000 | S\$'000 |
| Ordinary dividends paid: | | |
| Final exempt 2023 dividend of 0.5 cents per share (paid on 10 May 2024) | 2,273 | - |
| Interim exempt 2024 dividend of 0.5 cents per share (paid on 23 August 2024) | 2,273 | - |
| Total | 4,546 | - |

10. Net asset value

| | Group | | Company | |
|------------------------------------|-------------|-------------|-------------|-------------|
| | 31 Dec 2024 | 31 Dec 2023 | 31 Dec 2024 | 31 Dec 2023 |
| | Cents | Cents | Cents | Cents |
| Net asset value per ordinary share | 21.75 | 19.52 | 24.59 | 25.22 |

Net asset value per ordinary share is calculated based on 457,106,461 ordinary shares as at 31 December 2024 (31 December 2023 : 454,656,461 ordinary shares).

11. Property, plant and equipment

During the year ended 2024, the group acquired assets, mainly for manufacturing equipment, amounting to S\$2.9 million (31 December 2023: S\$7.0 million) and disposed assets that had net carrying value of S\$0.2 million (31 December 2023: S\$0.6 million).

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12. Share Capital

| | Group and Company | | | |
|--------------------------------------|-------------------|---------------|------------------|---------------|
| | 31 Dec 2024 | | 31 Dec 2023 | |
| | Number of shares | Share Capital | Number of shares | Share Capital |
| | '000 | S\$'000 | '000 | S\$'000 |
| Balance at 31 December 2023 and 2024 | 471,914 | 113,163 | 471,914 | 113,163 |

During the year, a second issuance of 7,450,000 (31 December 2023: 2,850,000) share options were granted under the BIGL Share Option Scheme 2022 ("2022 Scheme"). From the total 10,300,000 share options granted under the 2022 Scheme, 2,450,000 options were exercised in FY2024 in accordance with the rules of 2022 Scheme. As at 31 December 2024, there were 7,850,000 (31 December 2023: 2,850,000) outstanding shares in respect of the unissued share options under the 2022 Scheme.

During the year, a first issuance of 2,600,000 (31 December 2023: nil) share awards were granted under the BIGL Share Plan 2022 ("2022 Plan"). In conjunction with the mandatory conditional cash offer by Patec Pte. Ltd. to acquire all the issued and paid-up ordinary shares in the capital of the Company and pursuant to the rules of the 2022 Plan, all 2,600,000 share awards had lapsed. As at 31 December 2024, there was no (31 December 2023: nil) outstanding shares in respect of the unissued share awards under the 2022 Plan.

During the year, 2,450,000 treasury shares were cancelled for the exercise of share options. As at 31 December 2024, there were 14,808,150 (31 December 2023: 17,258,150) shares held as treasury shares.

Total number of issued shares excluding treasury shares as at 31 December 2024 was 457,106,461 (31 December 2023: 454,656,461).

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

13. Loans and borrowings

| | Group | | Group | |
|--|-------------|-----------|-------------|-----------|
| | 31 Dec 2024 | | 31 Dec 2023 | |
| | Secured | Unsecured | Secured | Unsecured |
| | S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| Amount repayable in one year or less, or on demand | 7,808 | - | 3,849 | - |
| Amount repayable after one year | 2,719 | - | - | - |
| Total | 10,527 | - | 3,849 | - |

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 property, plant and equipment of subsidiaries.

14. Financial assets and financial liabilities

| | Group | | Company | |
|------------------------------|-------------|-------------|-------------|-------------|
| | 31 Dec 2024 | 31 Dec 2023 | 31 Dec 2024 | 31 Dec 2023 |
| | S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| Financial Assets | | | | |
| Trade and other receivables | 111,088 | 73,442 | 9,533 | 10,644 |
| Cash and cash equivalents | 34,272 | 33,901 | 556 | 302 |
| Total | 145,360 | 107,343 | 10,089 | 10,946 |
| Financial Liabilities | | | | |
| Loans and borrowings | 10,527 | 3,849 | - | - |
| Lease Liabilities | 5,873 | 8,322 | 93 | 276 |
| Trade and other payables | 112,313 | 91,498 | 1,802 | 495 |
| Total | 128,713 | 103,669 | 1,895 | 771 |

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 interim consolidated statement of financial position of Broadway Industrial Group Limited and its subsidiaries as at 31 December 2024 and the related condensed interim consolidated profit or loss and other comprehensive income, condensed interim consolidated statement of changes in equity and condensed interim consolidated statement of cash flows for the financial year then ended and certain explanatory notes have not been audited or reviewed.

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 achieved a 36.2% revenue growth from S\$258.7 million in FY2023 to S\$352.2 million in FY2024. This growth was primarily coming from the robust HDD demand recovery, fueled by strong demand from enterprise HDD segment. The increased demand for mass market enterprise HDDs was driven by the traditional services, advertising, e-commerce and emerging GenAI applications.

The Group's gross profit margin increased from 5.4% in FY2023 to 9.0% in FY2024. The better margin in FY2024 was attributed to the efficient utilisation of manufacturing capacity and resources in FY2024.

Operating Expenses

In tandem with revenue growth, the Group's distribution expenses rose 48.6% to S\$1.2 million in FY2024, up from S\$0.8 million in FY2023.

Administration expenses increased 80.2% to S\$14.2 million in FY2024, driven primarily by higher staff-related costs associated with the new precision engineering business, year on year increase in accrued performance-based staff compensation and one-off professional fees related to mandatory conditional cash offer by Patec Pte Ltd.

Conversely, sales and marketing expenses decreased by 37.8% to S\$0.6 million in FY2024, down from S\$1.0 million in FY2023, mainly due to scaling down of sales office staff.

The Group recorded net other income of S\$1.5 million in FY2024. This is higher than FY2023 of S\$0.2 million by S\$1.3 million. The net other income in FY2024 comprised mainly scrap income, government grants, foreign exchange gains, offset by allowance for doubtful receivables, headcount redundancy costs and loss on disposal of property, plant and equipment. The redundancy costs were primarily from the alignment of manufacturing resources and capacity to the new demand dynamics. The net other expense in FY2023 comprised mainly scrap income, government grants, offset by redundancy costs, foreign exchange losses loss on disposal of property, plant and equipment.

Net Finance Costs

The Group's net finance costs decreased by 49.8% from S\$2.0 million in FY2023 to S\$1.0 million in FY2024. This reduction was primarily driven by lower financing charges, resulting from lower average short-term borrowings during the year.

Tax Expense

The Group's tax expense increased significantly to S\$4.5 million in FY2024, compared to a tax provision reversal of S\$0.4 million in FY2023. This surge in tax expense was primarily driven by higher taxable income generated from the Group's operations in Thailand and China.

Net Profit

The Group achieved a significant turnaround in profitability, recording a net profit after tax of S\$11.8 million in FY2024, a substantial increase from S\$2.9 million in FY2023 from continuing operations. This notable improvement in financial performance was driven by a combination of factors, including higher revenue generated from stronger demand, expanded gross profit margins from disciplined cost management, and reduced financing costs in FY2024. In FY2023, a loss of S\$0.6 million was recorded for discontinued operations.

Earnings Per Share

The Group's basic earnings per share for continuing operations increased 3.9 times to 2.67 cents in FY2024, up from 0.68 cents in FY2023.

Balance Sheet

The Group's net working capital increased by S\$17.9 million from S\$28.6 million as at 31 December 2023 to S\$46.5 million as at 31 December 2024. The improvement came from the increase in current assets of S\$45.4 million, mainly as a result of higher trade and other receivables of S\$37.6 million and inventories of S\$7.6 million. This was offset by the increase in current liabilities of S\$27.5 million, mainly due to higher trade and other payables of S\$20.8 million and loans and borrowings of \$4.0 million.

The net asset value per share of the Group increased by 11.4% from 19.52 cents as at 31 December 2023 to 21.75 cents as at 31 December 2024.

Cash Flow

The Group recorded net cash generated from operating activities of S\$3.3 million in FY2024, as compared to net cash used in operating activities of S\$18.5 million in FY2023.

The Group recorded net cash used in investing activities of S\$2.1 million in FY2024 as compared to S\$5.9 million in FY2023. The investing activities in FY2024 were mainly for capital expenditure of S\$2.9 million as compared to capital expenditure of S\$7.0 million, and S\$0.3 million to acquire the remaining interest in subsidiaries, offset by interest income received of S\$1.0 million.

The Group recorded net cash used in financing activities of S\$3.3 million in FY2024 as compared to S\$7.7 million in FY2023. The financing activities in FY2024 were mainly related to S\$4.5 million dividend payments, net lease liabilities payments of S\$3.5 million and interest payments of S\$2.0 million, offset by S\$6.5 million net proceeds from bank borrowings (FY2023: S\$2.9 million net repayment of bank borrowings, S\$2.6 million interest payments and S\$2.2 million payment of lease liabilities).

Cash and cash equivalents as at 31 December 2024 increased to S\$34.1 million as compared to S\$33.7 million as at 31 December 2023.

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 in 2H24.

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.

In 2024, the HDD market demand recovered from the trough of the down cycle in the past two years. The demand volume saw modest growth, while the capacity shipped has increased by 50% year on year. This was largely due to the strong demand from the mass storage enterprise segment of the market. The robust demand is broad based, across cloud service providers and enterprise sectors, fueled by traditional services advertising and e commerce as well as GenAI applications. In the legacy segment, overall market volume has declined as the desktop and laptop segments continued to shift away from HDD to SSD as storage.

Consistent with public commentary about the HDD market, the Group expects HDD demand to remain stable in 2025, driven by the demand rebound following a period of deferred HDD storage investments by cloud providers and expansion of the storage infrastructure to support future generative AI content. Whilst the HDD industry outlook is stable, ongoing economic headwinds and geopolitical tensions remain. The Group has and will continue to take the necessary measures to align its manufacturing capacity to the demand dynamics and exercise cost discipline. The Group remains cautiously optimistic about the longer term prospects of the HDD business as the demand for mass storage, particularly in the high performance enterprise and nearline HDD products, is expected to grow moderately.

In view of the current low utilisation of the Shenzhen factory, the Group is reviewing the options to maximise its use, including monetising it in order to unlock value for shareholders. The Vietnam factory has started shipping products in modest volume to several customers whilst several others are in the process of product qualification, the business is expected to make a small contribution to the Group's revenue in 2025.

On 28 October 2024, Patec Pte. Ltd. ("**Offeror**") entered into a share purchase agreement to purchase 196,964,849 shares in the Company and, as a consequence thereof, made a mandatory conditional cash offer for all the remaining shares of Company in accordance with the Singapore Code on Take-overs and Mergers. The Offeror has announced its intention to make the Company its wholly-owned subsidiary and does not intend to preserve the listing status of the Company. As at the close of offer on 23 December 2024 at 5.30 p.m., the Offeror holds 425,350,177 shares in the Company and as the Company no longer meets the free float requirement, the trading of its shares has been suspended immediately. The Offeror has despatched the notification letter and prescribed form to dissenting shareholders should they wish to exercise their right in relation to Section 215(3) of the Companies Act by 10 April 2025 at 5.30 p.m.

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5. Dividend Information

5a. Current Financial Period Reported on

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

No dividend has been recommended for FY2024 as the Group intends to conserve its cash position for ongoing business operations as well as for expansion and growth.

5b. Corresponding Period of the Immediate Preceding financial Year

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

None

5c. Date Payable

N.A.

5d. Books Closure Date

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

N.A.

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. Review of performance of the Group - turnover and earnings

Please refer to note 2 in other information.

9. Disclosure of person occupying managerial positions who are related to a director, CEO or substantial shareholder

Following the resignation of Wong Yi Jia as Non-Executive Director and the disposal of shares by Substantial Shareholder Lau Leok Yee, Wong Yi Ning who is Wong Yi Jia's sister and Lau Leok Yee's daughter, and holds a managerial position in the Company is no longer considered a relative of any director, CEO, or substantial shareholder of the Company.

By Order of the Board

Wee Liang Kiang
Chairman
21 February 2025