



KTMG LIMITED
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PRESS RELEASE

For Immediate Release

KTMG Limited achieves 17.8% revenue growth in FY2024 amid rising costs and operational challenges

S\$000	2H2024	2H2023	Change %	FY2024	FY2023	Change %
Revenue	63,605	59,059	7.7	104,531	88,720	17.8
Gross profit	2,713	4,264	(36.4)	7,471	8,102	(7.8)
Loss before tax	(4,617)	(1,466)	214.9	(4,443)	(1,783)	149.2
Net loss attributable to shareholders	(5,580)	(1,611)	246.4	(5,469)	(1,969)	177.8

SINGAPORE, 27 FEBRUARY 2025 – Catalyst-listed KTMG Limited, (“**KTMG**”, or the “**Company**” and together with its subsidiaries, the “**Group**”), a Malaysia-based integrated textile and apparel manufacturer, today reported a net loss attributable to shareholders of S\$5.5 million for the full year ended 31 December 2024 (“**FY2024**”).

The Group’s revenue increased by 17.8% to S\$104.5 million in FY2024, primarily driven by orders from a new customer in Japan amounting to S\$15.1 million. While apparel orders from existing customers rose by S\$10.9 million in the United States, S\$5.8 million in Canada, and S\$2.0 million in the European Union, this growth was offset by a significant drop of S\$19.4 million in the United Kingdom, where a key customer faced a sales decline.

Gross profit decreased by 7.8% year-on-year to S\$7.5 million in FY2024, mainly due to rising raw material costs attributable to changes in the product mix, increased labour costs due to production bottlenecks in the cutting department, caused by delays in commissioning of new machinery, which led to production delays during the peak period, resulting in higher overtime expenses, and higher export handling costs stemming from these delays. As a result, the gross profit margin fell by 2.0 percentage points, from 9.1% in FY2023 to 7.1% in FY2024.

Administrative and general expenses declined by 10.1% to S\$6.6 million in FY2024, primarily due to a S\$0.5 million decrease in salary and related expenses attributed to the Group's weak performance during the year, the absence of foreign exchange losses of S\$0.4 million recorded in FY2023, and a S\$0.2 million decrease in the loss on disposal of property, plant and equipment. This was partially offset by an increase of S\$0.1 million in legal and professional fees.

Selling and marketing expenses decreased by 6.2% to S\$2.1 million in FY2024, largely due to lower sales commissions paid to the apparel sourcing agent. Additionally, air freight expenses surged to S\$3.6 million in FY2024 from S\$0.01 million in FY2023 due to urgent air shipments of apparel to customers following production delays.

Finance costs rose 11.6% to S\$1.3 million in FY2024, due to higher interest expenses on the Group's short-term borrowings as production delays led to a longer cash conversion cycle.

In its latest full-year results, the Group reported a loss per share of 3.22 Singapore cents, compared to a loss per share of 1.16 Singapore cents in the previous year.

Financial Position

As at 31 December 2024, the Group's net assets value was S\$15.2 million, which translates into a net asset value per share of 8.98 Singapore cents, compared with 11.57 Singapore cents as at 31 December 2023. Cash and bank balances as at 31 December 2024 stood at S\$5.9 million.

Said KTMG's Chief Executive Officer, Damien Lim, **"To drive profitability, we are focusing on higher-margin customers, optimising order sizes for peak seasons, and strengthening operational efficiency. Additionally, we are expanding our textile manufacturing capabilities by investing in new finishing machines to support our collaboration with a key customer, enabling us to develop and customise the fabric to their specific requirements. With these initiatives, we are confident in enhancing production capacity, deepening customer partnerships, and positioning the Group for sustained growth and long-term success."**

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This press release is to be read in conjunction with the Company's announcement posted on the SGX website on 27 February 2025.

Issued on behalf of KTMG Limited by:

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

The contact person for the Sponsor is Ms Charmian Lim (Tel: (65) 6232 3210) at 1 Robinson Road, #21-01 AIA Tower, Singapore 048542.

About KTMG Limited

KTMG Limited ("**KTMG**" and together with its subsidiaries, the "**Group**") is an integrated textile and apparel manufacturer.

KTMG is a contract manufacturer of apparel specialising in athleisure wear, casual wear, loungewear, and pyjamas for various ages, with facilities in Malaysia and Cambodia. The Group manufactures apparel for retailers in the United Kingdom, United States, European Union, and Canada, who then sell apparel products under their own brands. The Group has a co-creation business model through which it collaborates closely with its customers during the product initiation process, thereby offering customers a one-stop value-added platform.

KTMG also expanded upstream into the knitting, dyeing, and finishing of fabric, with its own textile manufacturing facility in Johor, Malaysia.
