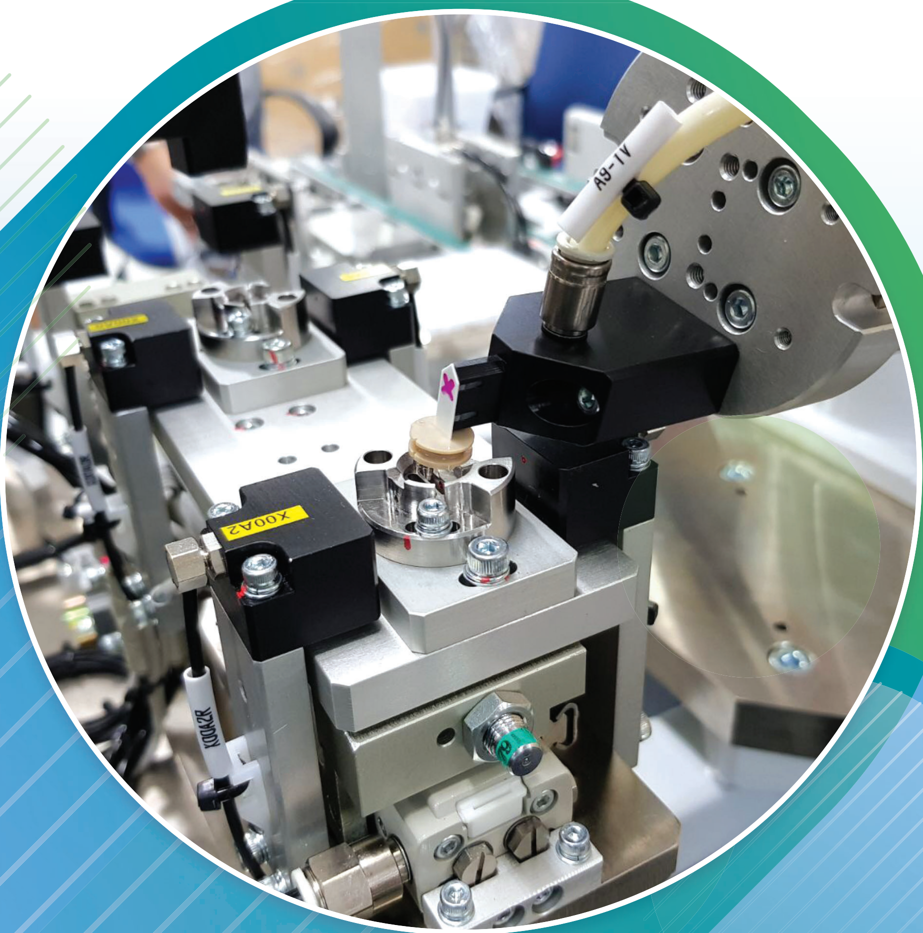
EVOLVING PROGRESSIVELY

ANNUAL REPORT 2024

Manufacturing Integration Technology Ltd.

CONTENTS



COMPANY PROFILE

Manufacturing Integration Technology Ltd. ("MITL") was founded in 1992 by our Chairman, Mr Tony Kwong, to provide industrial automation services to the electronics industry in Singapore. Over a span of more than 30 years, we have evolved into a capital goods supplier serving the semiconductor, solar, manufacturing systems, customised automation and contract equipment manufacturing ("CEM") industries. Our markets extend beyond Singapore to include Asia, Australia, Europe and USA. MITL became a public listed company in 1999, with its shares traded on the Mainboard of the Singapore Exchange Ltd ("SGX").

We are focusing our core businesses on manufacturing systems solutions, customized automation and contract equipment manufacturing (build-to-print). We offer design services and have manufacturing capabilities both in Singapore and Penang (Malaysia). Additionally, we have global sourcing and shipping capabilities to complement our proven project management expertise, supported by our ERP and ISO- certified systems.

We operate from four locations; two in Ang Mo Kio (Singapore), one in Bayan Lepas (Penang, Malaysia) and another one in Jiading District (Shanghai, China). Our corporate headquarter is in Singapore.

MISSION STATEMENT

To provide world class integrated design, engineering and manufacturing solutions in our core businesses whilst enhancing value and maximizing returns for the benefit of all our stakeholders.

VISION STATEMENT

To be the choice partner as a world-class provider of Manufacturing Systems & Automation Solutions and Contract Equipment Manufacturing.

CHAIRMAN'S MESSAGE

Mr Kwong Kim Mone
Non-Executive and
Non-Independent Chairman

We welcome FY2024 with optimism, knowing that the Covid-19 pandemic crisis is now behind us. This allows us to focus our energy on growing both our existing businesses and the green shoots we have planted in recent years. However, the existing businesses are unfortunately still sustaining without significant growth, and the anticipated new growth businesses did not materialize either. As a result, the management team is now re-strategizing to focus on exploring adjacent markets and expanding our service offerings to existing customers.

During this slower period, we have taken advantage of the time to develop manufacturing systems solutions platforms and operational excellence capabilities in both Singapore and Penang. We are now poised and well-positioned for the growth phase of the semiconductor industry when it turns around in the next business cycle.

We hope that the Chinese government's new consumption and technology initiatives launching in 2025, along with the European Union's new defense spending initiatives aimed at self-sufficiency by 2030, will provide new growth opportunities for the industry and for MITL in FY2025.

Prevailing Market and Business Situation

In FY2024, MITL continues to focus on building the customer base for our strategic manufacturing systems solutions business. We invested in setting up MITL Malaysia (Penang) and have pivoted some of MITL Singapore's resources to develop new services. We successfully shipped a few systems to overseas customers in FY2024 and recognized the revenue. However, the anaemic global economy has not provided MITL with the business volume needed to realize major revenue growth this year. The weak semiconductor industry equipment demand, due to an oversupply situation, is expected to ease after FY2024, and we hope that the new business initiatives we have invested in over the last few years will yield positive financial results.

Our overall build-to-print business for FY2024 has declined compared to FY2023, primarily due to the cessation of our MIT Shanghai operations. Our Contract Equipment Manufacturing (CEM) business in Singapore has also remained flat, mainly due to the global downturn in the semiconductor market, which has affected our end customers' businesses. We are pleased to be recognized for our long-standing partnerships with these customers and have been working closely with them to explore new business projects. We have identified and prepared our team to execute these plans for new projects in FY2025, expecting them to generate additional revenue for this segment in the future.

CHAIRMAN'S MESSAGE

The customized automation business remains challenging, so we have adjusted our operating strategy and model to focus on key customer needs and execution efficiency. Most of the planning and groundwork have been completed, and we hope to pivot effectively and achieve better results in this business.

Cost Control and Operating Expenses/New Pursuits and Initiatives

The headcount for the company continues to level off as we operate lean, replacing only critical job functions upon attrition. This includes reducing the number of Board members.

The customized automation business remains our focus for pivoting, and we have successfully adjusted our business model with key customers to include more adjacent business support activities. The CEM business in Singapore has leveled off this year, but we have increased our value-added service offerings with them. We have reduced operating costs in Shanghai (China) by downsizing to a smaller office in FY2024 to support our new customers in the manufacturing systems solutions business. Once business growth warrants it, we plan to set up a maintenance and equipment support satellite facility in the appropriate provincial city in China.

Merger & Acquisition (M&A) Activities

The current weak global macroeconomic situation does not present significant opportunities for strategic M&A activities aimed at growth. The new American trade tensions with China and other parts of the world will pose new challenges for MITL in FY2025. However, we have controlled our expense structure over the past few years to face such uncertainties. We have learned to remain competitive despite inflationary pressures in Singapore. Additionally, we have positioned our MITL Penang subsidiary for both cost management and manpower expansion requirements for the company's future growth.

In FY2024, MITL continues to focus on organic growth within its existing business segments: build-to-print, customized automation, and manufacturing systems solutions.

Gratitude and Wishes

While the business landscape remains dynamic, especially with the ongoing global economic and geopolitical uncertainties, we are confident that MITL is well-positioned for the upcoming business upturn. As we anticipate the shift in the semiconductor industry with companies relocating or reshoring manufacturing in response to trade tariffs and sanctions, we remain optimistic about the opportunities ahead.

We are incredibly grateful for your continued patience, trust, and unwavering support since our listing in 1999. On behalf of the Board and Management, I would like to extend our heartfelt thanks. We are excited about the future and look forward to working together toward even greater successes in the years ahead.

Wishing all our shareholders, partners, and stakeholders a year filled with health, happiness, prosperity, and growth in 2025! May this year bring new opportunities, milestones, and success to all of us.

BOARD OF DIRECTORS

MR KWONG KIM MONE

Non-Executive and Non-Independent Chairman

MR KWONG KIM MONE was appointed as Director since 15 February 1992 and re-designated as Non-Executive and Non-Independent Chairman of the Company on 21 February 2019. He is the Founder and past Managing Director and Chairman of the Company. Under Mr Kwong's stewardship, the Company has been riding on a growth momentum that has seen the Company evolve as a major player in the capital goods market not just in semiconductor tools but also as a Contract Equipment Manufacturer. He was one of the recipients of the Rotary-ASME Entrepreneur of the Year Award in 1998 and had also led the Company to receive the "Enterprise 50 Awards" for the years 1996, 1997, 1998 and 1999 jointly organized by the Singapore Business Times and Anderson Consulting. Mr Kwong holds a Diploma in Mechanical Engineering from Singapore Polytechnic and a Diploma in Business Administration from the National Productivity. Mr Kwong was last re-elected as Non-Executive and Non-Independent Director on 28 April 2023.

MR SIAK WING CHEONG

Executive Director and Chief Executive Officer

MR SIAK WING CHEONG was appointed as Executive Director and Chief Executive Officer of the Company on 16 May 2024. As CEO, Mr Siak oversees the formulation and execution of the Group's business and growth strategies. Mr Siak first joined the MITL Group of Companies in March 1994. He was last appointed Senior Vice- President (SVP) & General Manager (GM) of the Group's Semiconductor business and was concurrently also the GM of MIT (Shanghai) Co., Ltd during that time. His senior management responsibilities covered all MIT Semiconductor, Solar and Precision Machining businesses based in Singapore and China respectively. He left in April 2014 to pursue other career interest and re-joined the company as the Business Development Director in July 2022 to spearhead the business development activities for the group and oversee operations. He holds a Diploma in Electronic Engineering from Ngee Ann Polytechnic, a Diploma in Sales & Marketing (Marketing Institute of Singapore) and a Diploma in Marketing (Chartered Institute of Marketing, UK).

BOARD OF DIRECTORS

MR LEONG SOW CHUN

Lead Independent Director

MR LEONG SOW CHUN was appointed independent director of the company on 3 January 2023. He held senior management roles in global companies including Conner Peripherals Singapore Pte Ltd, IBM Global Storage Technologies Singapore Pte Ltd, Hitachi Global Storage Technologies Pte Ltd, Heptagon Micro Optics Pte Ltd, and ams Sensors Singapore Pte Ltd. He had also served on various committees in the public and private sectors. After his retirement in 2018, he continues to give guidance and advice to start-ups and innovative technology companies. He holds a Bachelor of Engineering (Electrical) from the National University of Singapore. Mr Leong was last re-elected as Independent Director on 28 April 2023.

DR LIM SER YONG

Independent Director

Dr. Lim Ser Yong was appointed as an Independent Director of the Company on 15 January 2024. He is currently a Professor in the Engineering Cluster at the Singapore Institute of Technology (SIT). From 2005 to 2019, Dr. Lim served as the Executive Director of the Singapore Institute of Manufacturing Technology (SIMTech), a research institute under the Agency for Science, Technology and Research (A*STAR). During his tenure, he led the institute's research and development (R&D) efforts in manufacturing processes, automation, and industrial systems. Under his leadership, SIMTech established global collaborations with research organizations and strengthened strategic partnerships with manufacturing companies in Singapore. A significant milestone was the launch of the Learning Factory for Smart Manufacturing in 2015, a pioneering initiative that contributed to Singapore's industrial transformation. Following his tenure as Executive Director, Dr. Lim was appointed as a Senior Fellow at A*STAR, where he served as an advisor to the USS I&E Programme, engaging the industry in Urban Solutions and Sustainability. Since 1996, Dr. Lim has also served as an Adjunct Associate Professor at the National University of Singapore (NUS), where he co-supervises research students in Robotics and Automation. A pioneer in factory digitalization, Dr. Lim played a crucial role in advancing industrial automation. While working at Fairchild Semiconductor from 1984 to 1986, he developed a factory network for recipe downloading and yield tracking, significantly enhancing manufacturing efficiency and productivity. Dr. Lim earned his B.Eng. (First Class Honours) from the National University of Singapore (NUS) and his MSc and Ph.D. from Clemson University, USA. He joined SIMTech in 1994, where he held key positions in leading industrial research and development. Dr. Lim was last re-elected as an Independent Director on 26 April 2024.

KEY EXECUTIVES

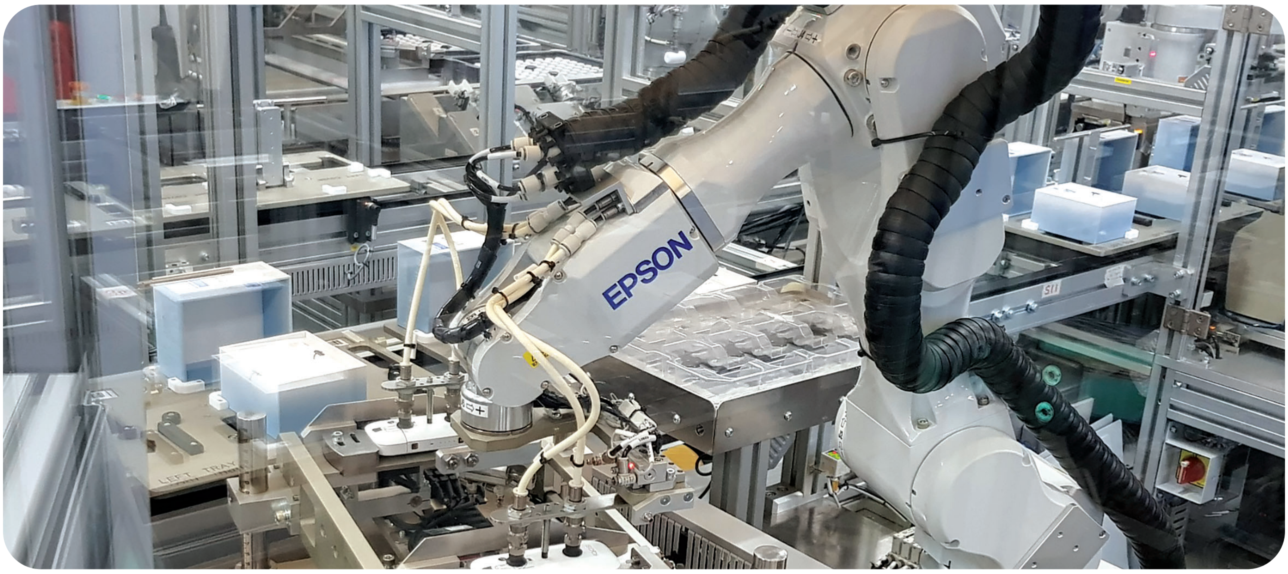
MR TOMMY NG FOOK KEONG
Financial Controller

MR TOMMY NG FOOK KEONG is our Financial Controller, appointed on 21 February 2019, with responsibility for the entire financial management and accounting functions of the Group at both operational and strategic levels. He is also overseeing the Group's Human Resource Management and Corporate Affairs. Prior to joining the company in September 2006, he held finance and audit portfolios in several local private and publicly listed companies. Mr Ng has more than 25 years of experience in accounting, auditing, costing, financial management and taxation. He graduated with a Bachelor of Commerce from La Trobe University (Australia) and is a Chartered Accountant of Singapore, a member of the Institute of Singapore Chartered Accountants (ISCA).

MR CHAN HIAN KIM
Head of Engineering

MR CHAN HIAN KIM joined the company in July 2005, and his tenure was interrupted in 2019, but he continued working in the same industry with broader roles and responsibilities. He rejoined the company in December 2022 as Head of Engineering. Mr Chan spearheads the engineering group, which comprises the mechanical, electrical, software, and vision departments. He is also oversees the subsidiaries' engineering and project management teams in customized automation. Mr Chan has more than 25 years of experience in system design and development. He holds a Bachelor's Degree in Electrical Engineering (Mechatronics) with Honours from the University of Technology Malaysia.

OPERATING REVIEW



We continue to operate with the same footprint, maintaining our presence in Singapore, Malaysia, and China, with our China (Shanghai) entity serving as a service and support center following the cessation of our China (Shanghai) CEM business in FY2023. We remain extremely lean, keeping our fixed operating costs to a minimum and deploying incremental variable expenses only if the business justifies such spending.

We are pleased to be working on several focused projects with our existing long-term customers and are operationally ready to deploy resources in both Penang and Singapore to support their potential growth in FY2025. However, we are disappointed with the underwhelming projected outcomes from our green shoot customers, namely the 3D-Printing Automation and Environmental-Controlled Farming programs.

Capital equipment market spending continues to be sluggish due to the slow recovery of the semiconductor industry, compounded by the post-COVID-19 smoothing of excessive inventory accumulation across all sectors. Nonetheless, we are optimistic about new projects with our long-term customers and are well-positioned for deployment if their projections materialize as planned.

Build-to-Print

The double-digit growth of the CEM business over the last few years leveled off in FY2024, primarily due to the slowdown in the global semiconductor industry. Our key customers' end businesses in this segment have also slowed down, with delayed new product launches. However, we have successfully identified new projects and completed their respective training needs, including long qualification processes for customized assembly work. We are confident that we will be the supplier of choice, as we consistently rank at the top for their internal audit processes.

Customized Automation

Our customized automation business remains a laggard, despite considerable efforts focused on growing revenue from key accounts. We have made good progress in strategic partnerships and new business initiatives for the healthcare customer base, and we expect better revenue streams moving forward in this segment. However, FY2024 business revenue declined primarily due to a decrease in one customer's business and a dismal order rate from another green farming equipment customer, compared to their projections.

OPERATING REVIEW

We have reorganized our customized automation business to focus on a few key customer accounts with better prospects for revenue growth and have introduced more value-added services for these customers to deepen our business engagement. To mitigate higher business risks, we decided to forego some long revenue-cycle projects. Unfortunately, the incubation period for customized healthcare businesses is lengthy, so we expect to see higher order rates only in FY2025.

Manufacturing Systems Solutions

Our investment in resources to develop our own manufacturing systems solutions equipment has been realized with the successful shipment of our inaugural system to an overseas customer. This flawless execution, combining the competencies of our MITL Penang operation with the Enabling Smart Technology Development Centre in MITL Singapore, has been validated through this shipment. It underscores our ability to swiftly address the growing market demand for ESG industrial needs and adaptation. We are confident that our 30-year heritage in equipment building will help us forge ahead in this focused area in the near future.

Summary

While FY2024 has presented its challenges, we have strategically positioned ourselves for future growth. By maintaining lean operations, we have successfully minimized costs without compromising our core competencies. We have also invested in strengthening our capabilities, ensuring that we are better equipped with enhanced skills and cutting-edge technologies to remain competitive in the market.

Our commitment to operational excellence is further demonstrated through the successful accreditation of our manufacturing systems solutions and processes, both in MITL Penang and MITL Singapore, with CE certification. Additionally, our ISO certifications are fully validated, and our Industrial Safety programs remain in full compliance with all relevant authorities.

As we look ahead to FY2025, we are optimistic about the opportunities before us. With a strong foundation in place, we are well-prepared to seize new growth prospects, accelerate our strategic initiatives, and deliver value to our stakeholders. We remain confident that our resilience, combined with our deep industry expertise, will allow us to navigate the evolving market and emerge stronger in the years to come.

FINANCIAL REVIEW

Revenue

The Group recorded a lower revenue of S$6.66m for the full year ended 31 December 2024 ("FY2024") when compared with S$8.37m for the full year ended 31 December 2023 ("FY2023"). The decline was mainly due to lower orders from our build-to-print and customized automation business. Our build-to-print business shrank after the key customer in MITL-Shanghai was acquired by another company, which operates a totally in-sourced manufacturing business model.

Gross profit

Despite the lower revenue, the Group posted a higher gross profit of 9% in FY2024 as compared with 3% in FY2023. This is attributable to prudent cost control measures and higher profit margin from our build-to-print and customized automation business.

Other income and gains

The other income and gains decreased by S$0.15m from S$1.02m in FY2023 to S$0.87m in FY2024, mainly due to a gain on disposal of fixed assets of S$0.22m recorded in FY2023.

The other income and gains for this financial year was mainly from rental income (S$0.68m) and foreign exchange adjustment gains (S$0.11m).

Marketing and distribution costs

Following the lower revenue base and slower business activities, marketing and distribution costs were lower by 30% during the financial year.

Administrative expenses

Administrative expenses were lower by 4% or S$0.18m to S$3.89m in FY2024 as compared to S$4.07m in FY2023 as a result of cost control measures during the year.

Finance costs

Finance costs are higher due to increases in loans and borrowings to support the operating activities during the year.

Other losses

The other losses were impairment loss on inventories of S$0.59m and impairment loss on trade receivable of S$0.11m during the financial year.

Net loss

As a result of the above, the Group recognized a net loss of S$3.45m in FY2024. We have reduced our operating loss when compared to FY2023, without the one-off adjustment of impairment loss on inventories (S$0.59m) and impairment loss on trade receivables (S$0.11m) in FY2024.

Assets and Liabilities

The decrement of plant & equipment, right-of-use assets and investment properties at the end of the financial year, was after consideration of the depreciation charges.

Inventories decreased by S$0.97m to S$1.70m after fulfillment of some major orders to customers and provision for impairment loss on inventories in December 2024.

Trade and other receivables lowered by 9% with intensive collection effort during the year.

Other non-financial assets decreased due to lower deposits when compared to last year.

The decrease in other non-financial liabilities was mainly due to a decrease in down payment received from customers during the year.

Cash Flow

The Group reported a net decrease in cash and bank balances mainly due to net cash used in operating activities, partially offset by net cash provided by investing activities and financing activities.

The net cash decrease was mainly attributable to other non-financial liabilities (S$0.37m), lease payment (S$0.40m), interest payment (S$0.09m) and plant and equipment (S$0.01m).

FINANCIAL HIGHLIGHTS

(All amounts in S$'000)

Statement of Comprehensive Income	**FY 2022**	**FY 2023**	**FY 2024**
Revenue	11,254	8,369	6,664
EBITDA	(1,192)	(2,679)	(2,705)
(Earnings Before Interest, Tax, Dep & Amort)			
EBIT	(2,254)	(3,460)	(3,339)
(Earnings Before Interest & Tax)			
Finance Cost	41	22	128
Loss before tax	(2,239)	(3,450)	(3,455)
Loss net of tax	(2,222)	(3,450)	(3,455)
Statement of Financial Position			
Current Assets	8,714	5,917	4,352
Current Liabilities	3,636	4,022	5,585
Total Assets	17,176	14,791	12,599
Total Borrowings	–	1,293	2,920
Cash and Cash Equivalents	4,299	1,221	800
Shareholders' Equity	13,540	10,091	6,640
Net Asset Value per Share (cents)	5.62	4.18	2.75
Financial Ratios			
Profitability			
Return on Equity (%)	-16.4%	-34.2%	-52.0%
Return on Assets (%)	-12.9%	-23.3%	-27.4%
Liquidity			
Current Ratio (times)	2.4	1.5	0.8
Leverage			
Gearing (%)	–	12.8%	44.0%
Investment			
Earnings (Loss) per Share (cents)	(0.92)	(1.43)	(1.43)
Productivity			
Number of Employees (Group)	85	70	63
Revenue/Employee (S$'000)	132.40	119.56	105.78

RISK MANAGEMENT

MITL has an Enterprise Risk Management Committee (ERMC) which is chaired by its CEO and Senior Management staff to oversee the identification and implementation of risk mitigation measures in the financial, operational and compliance areas. The ERMC reports to the Audit Committee of the Board.

The Group recognizes that we have to take calculated risks in order to grow and to maximize shareholder value. To achieve our corporate objectives, such risks must be taken in a responsible and measured manner. We will not undertake more risks than necessary and beyond what we can afford from a financial and operational perspective. We typically adopt a more conservative approach to risk management and a tendency to err on the side of caution.

Some of the key risk areas and mitigators are identified and addressed in this Risk Management Report. The list is by no means exhaustive and is updated annually. As in life, there can be unexpected local or global events that happens suddenly, like the COVID-19 outbreak. COVID-19 has tested our risk mitigation efforts and forced the ERMC to draw up new risk mitigation measures in conjunction with our national efforts.

More importantly, we need to apply these risks and mitigation measures in our everyday work by complying with established policies and protocols. Our mitigation factors have so far allowed us to address these risks, especially during poor business periods and even in high growth times.

Operating Risks

Lumpy nature of our revenues and dependency on a few key customers

Revenues of our customized automation and manufacturing systems solutions business tend to be lumpy in nature as it is typically recognized at the end of each project. This may lead to wild swings in our financial results.

To address this, we have discussed with our external auditors and worked in accordance with the relevant accounting standards to allow partial recognition of revenues based on different performance obligations that are stipulated in the contracts with customers. This will reduce the lumpiness in revenue recognition.

The Group will continue to secure new major accounts in diverse segments of the industry, so as to reduce dependency on any one cluster of customers and to even out revenue flow.

Disruptions in the supply chain for key components and fabricated parts

The Group is broadening its vendor base for alternative parts supply and to forge key partnership alliances with top tier suppliers to improve demand planning and ensure certainty of supply.

Insufficient manufacturing capacity during peak periods

Outsourcing of assembly work (either at modular or at full turnkey level) to subcontractors in Singapore/Malaysia has allowed the Group to better manage its production capacity and costs during seasonal cycles.

Inability to attract and retain key talents to support and drive our growth

Engineering prowess, bleeding edge expertise, leadership development and succession planning are ongoing challenges. The Group aims to address these issues by building an internal talent core through continuous skills training and motivating high performance through short & long-term compensation incentives plans.

We are exposed to risks associated with overseas operations

Outside of Singapore, the Group operates another factory in Penang, Malaysia and office in Shanghai, China. The Investment Committee under the purview of the Board regularly reviews the business performance and operating environment in China and Malaysia to make key business decisions.

RISK MANAGEMENT

Financial Risks

Exposure to foreign exchange risk

Trading currencies are mainly denominated in Singapore dollar, with US dollar, MYR ringgit and RMB making up the remainder.

We will undertake low risk currency hedging if necessary, to hedge our risks against the US dollar, MYR ringgit and RMB.

Financial instruments risk

The Group does not deal in any form of financial derivative instruments or engage in trading of such instruments.

We are subject to investment risk

All major investment proposals are presented to the Investment Committee for evaluation before they are finally tabled for the Board's approval. For more complex transactions, external professional advisers are also engaged to assist in the feasibility study, review and recommendations.

We are subject to liquidity risk

The Group sets internal liquidity targets based on the forecasted working capital requirements and cash flow generation from operating activities.

With its net cash and debt position, the Group is not facing liquidity pressures nor in a financial position that will compel it to violate any of its bank covenants.

Credit risk

Though the Group has a concentration of several long-standing key customers that has traditionally been financially reliable, there are already internal checks in place to alert against any adverse material developments or heightened risks faced by these customers that may impair their financial stability.

In engaging new customers and even key vendors, the Group also has strict credit review and due diligence policies to assess the financial worthiness and viability of these Companies.

Interest rate risk

The Group is exposed to interest rate fluctuations from borrowings.

The Group monitors interest rate trends on an on-going basis with the objective of limiting the extent to which the Group's results could be affected by an adverse movement in interest rate.

Regulatory Risks

Intellectual property risk

In the nature of our CEM business, we typically do not own the IP of the products. For customized automation and manufacturing systems solutions, our value add is in conceptualizing, designing, manufacturing and integrating automated systems to provide customers with smart solutions that will enable them to substantially improve their operational efficiency, productivity and yield. Notwithstanding this, any IPs of third parties which we have been entrusted with will be fiercely safeguarded to ensure that their IP rights and business interests are not compromised.

Risk Management alone does not guarantee that business undertakings will not fail. However, by identifying and managing risks that may arise, the Group can make more informed decisions and benefit from a better balance between risk and reward. This will help protect and also enhance our shareholders' value.

SUSTAINABILITY REPORT

BOARD STATEMENT

Sustainable businesses will deliver long-term shareholder value and growth. We believe that a truly sustainable business not only makes good economic sense, but does so in a responsible way that enhances value for our MITL brand, business and stakeholders. Our Board of Directors ("Board") oversees the business affairs of the Group and is collectively responsible for our long-term growth and success. The Board remains committed to advance our sustainability efforts by aligning social and environmental performance with the business and financial impact.

The Board sets the strategy and direction to manage the approach towards sustainability by upholding high standards of governance across our value chain, promoting ethical and responsible business practices, practising prudent financial management, maintaining high standards of health and safety, minimising environmental impact, improving efficient utilisation of resources, and engaging communities where we operate in.

The Group is committed to integrating material environmental, social and governance ("ESG") topics as part of our core business strategy. The Board and senior management remain committed to establishing and maintaining an effective sustainability management framework, which is supported by underlying internal controls, risk management practices, clear accountability and reporting process. The Board evaluates and consider ESG risks and opportunities relevant to the Group during the formulation of overall business strategy, objectives and performance measurements.

We stepped up our efforts to embed sustainability within our business and across the value chain. We have adopted the Task Force on Climate-Related Financial Disclosures ("TCFD") recommendations. Our Scope 1 and Scope 2 greenhouse gas emissions are reported from this report onwards with the aim to set emissions reduction targets, develop Scope 3 inventory and a decarbonization plan in coming years. We understand the importance of the TCFD in providing comprehensive guidance on sustainability performance and recognize the need to report on our progress. We believe that a TCFD-aligned report will be an important step in helping us better understanding and manage our ESG performance.

The Group recognises the importance of setting targets on material topics to enable us in identifying areas of improvement and providing a clear direction for the group to work towards improving our sustainability efforts. By strengthening our sustainability disclosures, this would increase transparency, enhancing stakeholders' trust and supporting their sustainability efforts. We intend to progressively establish quantitative targets in the coming years.

In this reporting period, we are pleased to announce that our directors have gone through a mandatory sustainability training course prescribed by the Singapore Exchange Securities Trading Limited Listing Manual ("SGX-ST"). Our Sustainability Committee will also continue to instill a sustainable culture that reflects our commitment to the environment and society at large.

Setting the sustainability pathway requires the commitment, cooperation and continuous feedback of all key stakeholders. We are pleased to present our 2024 Sustainability Report and sincerely look forward to your continued support in our efforts towards enabling a more sustainable future for MITL.

Reporting Period, Scope and Framework

This is our Sustainability Report ("SR") which covers the Group's operations and performance from 1 January 2024 to 31 December 2024 ("reporting period"). This report has been prepared in compliance with the SGX-ST Listing Rules 711A & 711B and Practice Note 7.6 Sustainability Reporting Guide, as well as in accordance with the internationally recognised Global Reporting Initiative ("GRI") Standards 2021. The SR also references the recommendations Task Force on Climate-Related Financial Disclosures ("TCFD"), for reporting on topics that are deemed materials to MITL. For the purposes of this report, the Company has decided to focus on the operations in Singapore, China and Malaysia due to their market presence.

The report included information on the Group's operations in Singapore, China and Malaysia for the following entities:

- Manufacturing Integration Technology Ltd.
- Automated Manufacturing Solutions Pte Ltd
- Casem (Asia) Pte Ltd
- MIT (Shanghai) Co., Ltd.
- Manufacturing Integration Technology Sdn Bhd

SUSTAINABILITY REPORT

Reporting Period, Scope and Framework (cont'd)

This report summarises the expectations from various stakeholders, general business environment that the Group is operating in and what the Group has done in order to ensure the sustainability of the Group. The information disclosed in the SR, read together with the information in the Group's annual reports will provide the reader with a holistic view of the operations of our Group.

Although external assurance has not been sought for this year's report, an internal review of our sustainability reporting processes was conducted by our internal auditor – Baker Tilly Consultancy (Singapore) Pte Ltd, on a cycle basis, as part of the internal audit plan. The internal review was conducted in accordance with the International Standards for the Professional Practice of Internal Auditing issued by the Institute of Internal Auditors.

Feedback

We appreciate your comments and feedback on our sustainability report to help us progress further on our sustainability journey. Please contact us at: ir@mitech-ltd.com.sg

HIGHLIGHT

2024 SUSTAINABILITY PERFORMANCE AT A GLANCE

ESG FACTOR	2022	2023	2024
Environmental			
Actual Consumption of Electricity (KWh)	473,088	359,785	**276,533**
Total indirect CO_2 or Carbon Equivalent Emissions (Metric Tons)	205	150	**109**
Social			
Number of permanent employees as at year end	85	70	**63**
Proportion of female employees (%)	27%	27%	**29%**
Proportion of local employees (%)	53%	63%	**68%**
Number of new hires	17	22	**4**
Employee turnover rate (%)	32%	51%	**18%**
– Male	28%	38%	**13%**
– Female	4%	13%	**5%**
Number of reportable accidents	0	0	**0**
Governance			
Overall GTI* score (points)	71	75	**74**
Overall GTI* ranking	208	214	**151**

* Singapore Governance and Transparency Index

Our Approach to Sustainability

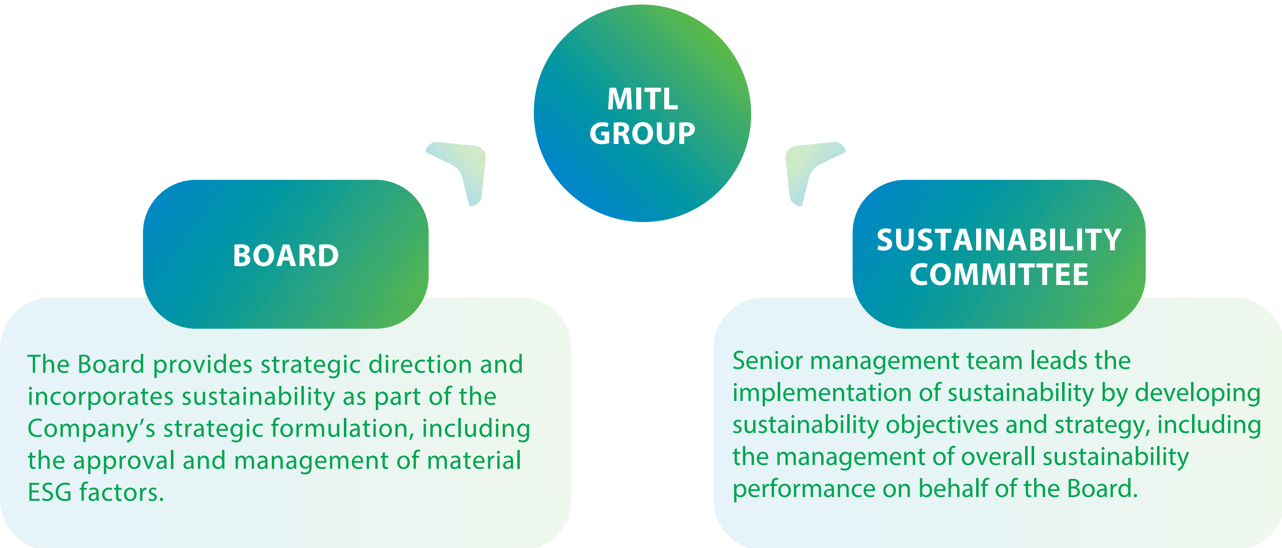
The Group manages our sustainability performance under the governance of our Board, who provides strategic direction by aligning business interests with sustainability goals. They are also responsible for reviewing and approving the final reported information, which includes the sustainability report and material topics.

SUSTAINABILITY REPORT

Our Approach to Sustainability (cont'd)

The Board is supported by the Sustainability Committee ("SC"), which is chaired by the CEO, and supported by departmental heads. Our SC develops sustainability objectives and strategy, sets performance measurement indicators, manages and monitors overall sustainability performance, as well as providing sustainability updates to the Board on a regular basis to keep them apprised of the changing sustainability landscape.

The SC review the Group's sustainability data annually and brainstorms further ways to improve our sustainability endeavors. Our governance structure is shown in the following diagram:



Stakeholders Engagement

Our business operations affect, and are affected by, a diverse group of stakeholders – both internal and external. Our stakeholders comprise employees, shareholders, customers, vendors, community and the government and regulators in which we operate. We identify our key stakeholders by assessing their influence and involvement in our business. We recognise that effective collaboration with our key stakeholders is critical in aligning our business decisions with their needs and concerns. We thus proactively engage stakeholders through various channels to identify and understand issues pertinent to them. We also strive to maintain regular two-way communication to foster accountability and transparency. To create sustainable value for our stakeholders, we actively engage them through the following channels:

S/N	Stakeholders	Engagement Channels/Platforms
1	Employees	Emails and bulletins, Managerial Open-Comm sessions, Departmental Meetings, MITL Intranet, Town Hall briefings and Staff Recreation Programmes
2	Shareholders/ Investors	AGMs, Company Website (www.mitech-ltd.com.sg), Annual Reports, Half-yearly financial report disclosure, SGXNet announcements, Investor relations
3	Customers	Supplier Evaluation/Key Equipment Group/Technology roadmap meetings, site visits, customer audits, customer satisfaction surveys
4	Vendors/Suppliers	Meetings, vendor audits, supplier performance reviews, purchase agreements, supplier events
5	Community	Trade or business organizations such as Singapore Business Federation ("SBF"). Collaboration with tertiary institutions on internship programmes
6	Government and Regulators	Meetings with local authorities, seminars/talks, consultations with regulatory bodies, Annual reports and press releases

SUSTAINABILITY REPORT

Material Factors

Materiality Assessment

In FY2024, MITL conducted a materiality assessment to identify key areas of concern on environmental, social and government matters. These concerns were mapped against materials topics under the GRI Standards and prioritised according to the level of impact on the business, as well as stakeholders' decisions. The management validated the material topics and prioritisation before presenting to the Board, refined them based on the directors' feedback, and obtained the Board's approval to be included in the Sustainability Report. The Company follows a three-stage approach to define our materials topics for FY2024:

1. Identify
The material ESG topics were identified and assessed through stakeholder interviews with consideration of sector-specific risks and opportunities.

2. Prioritise
The material ESG topics were prioritised based on the level of their impact and their influence on stakeholders' decisions.

3. Validate
The materiality assessment and results were subsequently reviewed and endorsed by the management and the Board.

We reviewed the ESG issues and had identified 6 key areas of focus that are material to MITL. The material factors identified were in line with those reported in our previous Sustainability Report published in our 2023 Annual Report. We will review our materiality process at periodic intervals to keep updated with new developments of the Group.

Stakeholders	Stakeholders' Concerns	Engagement Channels/Platforms
Employees	• Safe and conducive workplace • Fair labor practices and compensation • Job Satisfaction & Career Development	√ Training and development opportunities √ Grievance handling/feedback channels √ Regular reviews and performance appraisals incorporating people development and career planning √ Progressive human resource management practices
Shareholders/ Investors	• Stable and sustainable growth • Reasonable returns to shareholders • Good corporate governance	√ Good financial discipline √ Strong corporate governance practices √ Sustainable business model
Customers	• Quality, Cost & Delivery • Risk Management (Business Continuity) • Ethical leadership	√ Strengthen our quality management systems √ Reinforce our Enterprise Risk Management framework √ Maintain strong Internal controls √ Zero tolerance on corruption and fraud
Vendors/ Suppliers	• Fair Vendor Selection process • Timely payment • Ethical supply chain practices	√ Ensuring integrity in all purchasing decisions √ Adhering to purchasing agreement terms √ Internal Code of Conduct that also applies to supply chain partners

Material Factors (cont'd)

Materiality Assessment (cont'd)

Stakeholders	Stakeholders' Concerns	Engagement Channels/Platforms
Community	• Employment Opportunities • Good corporate citizenship	√ Creating new jobs and building a Singapore core √ Re-employment of silver workforce √ Participating in community events
Government & Regulators	• Maintain high standards of corporate governance • Support development of local industries • Protection of environment	√ Comply with all applicable laws and regulations √ Added assurance from internal and external audits √ Maintain and improve our Integrated Management System (IMS)

Amongst the key material ESG factors, we have charted the following matrix base on the likelihood of influence on our stakeholders and the impact to our business:

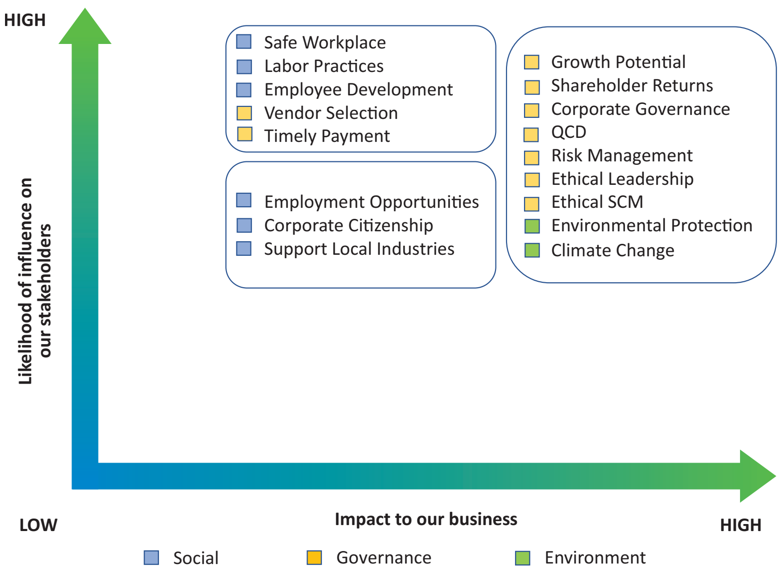


Figure 1: *Material Factors assessed by Stakeholders*

Environmental

Climate Change

Climate change is one of the most pressing challenges today and there is a growing global emphasis on addressing its impacts. There are also significant challenges for businesses in adapting to the changing climate and moving towards a low-carbon economy. MITL has taken a phased approach in the adoption of recommendations of the Task Force on Climate-related Financial Disclosures ("TCFD"). In 2024, we align our disclosures with TCFD recommendations, specifically our approach to address the four core elements – governance, strategy, risk management and metrics and targets. We have enhanced our policy to guide our management approach and strategy on issues such as climate change mitigation, adaptation and resilience, and ensure that it is implemented across our various operational sites.

SUSTAINABILITY REPORT

Environmental (cont'd)

Climate Change (cont'd)

Through the Risk Management, we have identified the following climate-related risks (physical and transition) relevant to our business, and identified for the Group across the short, medium and long term, as well as we have developed mitigation measures to address them should these scenarios materialise.

Risk Type	Impact	Mitigating Measures
Physical Risks		
Acute – Increased severity of extreme weather events, such as frequent flooding	**Short to Medium Term** • Increased local flood events, limiting access and affecting production/ events • Additional property and business insurance cost	• Provide for business continuity and disruption plan
Chronic – Rising temperatures	**Short to Medium Term** • Increased pressure on cooling and air conditioning, leading to increased operation and maintenance costs and risk of system failure • Increased heat stress events among stakeholders, with reduced comfort for our clients and staff	• Continue to install LED lighting while tracking our energy usage • Introduce more energy efficiency measures
Transition Risks		
Policy and Legal	**Short Term** • Increased reporting requirements due to climate change • Incremental headcount is required to deliver initiatives related to climate change and reporting • Additional costs incurred to deliver the projects	• Engage with third-party consultants to support our data capture and climate-related reporting • Designate staff to compile and keep data for future climate-related reporting • Continue to monitor the development of carbon taxation applied to our industry
Technology	**Medium Term** • Capital investments into technology development • Cost of adoption	• Improve product sustainability to generate competitive advantage • Stay up to date on market trends to do with environmental performance • Plan to gradually roll out brand sustainability programmes
Market	**Short to Medium Term** • Increased cost of electricity • Increased cost of materials • Changing customer preferences and increased sensitivity to ESG	
Business Opportunities		
Resource Efficiency/ Energy Sources	**Short to Medium Term** • Enhancing energy efficiency and water conservation in our office and operations can lead to expenditure reductions • Increased energy resilience	
Product and Services/Markets	**Short to Medium Term** • Enhanced competitiveness • Offerings with low carbon emission projects can attract customers looking for environmentally friendly services	

SUSTAINABILITY REPORT

Environmental (cont'd)

Electricity and Water Consumption

On environmental management, we aim to comply fully with all legal regulations and requirements and to consume resources responsibly, focusing on minimizing impacts through prevention at source, reduction, reuse and recycling initiatives.

Our energy and water efficiency efforts also apply to our daily office activities as we actively seek to reduce our consumption of energy and water through responsible practices such as:

- Upgrading of equipment and lighting that are more energy efficient
- Separation of paper/plastic/metal/general waste for recycling
- Collection and recycling of office paper waste by authorized contractors
- Automation of business processes e.g. ERP, E-leave system etc
- Inculcating "Green Office and Green Home" habits such as switching off lights and electrical appliances when not in use, practicing air conditioning energy saving tips and even encouraging the use of recyclable bags and reusable cutlery sets or containers for meal takeaways

Our most direct environmental impact stems from the use of electricity. Our water consumption has been relatively minimal over the years. There are no water discharge or chemicals used in our equipment manufacturing processes.

Below are some statistics on our consumption records of the last three years:

Year	Actual Consumption (KWh)	Turnover (S$M)	(KWh/S)	Energy consumption intensity (KWh/employee)
2025 Target	**250,000**	–	–	–
2024	**276,533**	**6.6**	**0.041**	**4,389**
2023	359,785	8.3	0.043	5,139
2022	473,088	11.3	0.042	5,565

Figure 2: *KWh Actual*

Emissions

As MITL contract out its manufacturing processes, the Scope 1 Greenhouse Gas ("GHG") emissions that the Company generates from its business activities is expected to be negligible. Our operations primarily generate GHG emissions through the electricity consumption in our Singapore, Malaysia and China office which are supplied by third-party suppliers, which contributes to Scope 2 GHG emissions. In this report, we disclose our Scope 2 indirect emissions in accordance with the GHG Inventory Guidance, GRI Standards and TCFD recommendations.

Year	Scope 1 Total direct CO_2 or Carbon Equivalent Emissions (Metric Tons)	Scope 2 Total indirect CO_2 or Carbon Equivalent Emissions (Metric Tons)	Turnover (S$M)	Emissions Intensity (MT/S$'000)	Emissions Intensity (MT/ Employee)
2025 Target	**N.A.**	**100**	–	–	–
2024	**N.A.**	**109**	**6.6**	**0.016**	**1.73**
2023	N.A.	150	8.3	0.018	2.14
2022	N.A.	205	11.3	0.018	2.41

Figure 3: *Emissions Intensity*

SOURCE: https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator

SUSTAINABILITY REPORT

Environmental (cont'd)

Our Targets

Our sustainability efforts are driven towards achieving net zero carbon emissions by the year 2050. In pursuit of this goal. we establish the following targets:

Material Topics	Short-Term Target (1-3 years)	Medium-Term Target (by 2035)	Long-Term Target (by 2050)
Climate Change	• Monitor our operations for potential climate-related risks. • Commence on the assessment of Scope 3 emissions and progressively collect data for relevant of categories. • Establish quantitative metrics and targets for GHG emissions.	• Include disclosures of the quantitative impact of climate-related risks identified. • Include disclosure of Scope 3 emissions. • Include disclosure of metrics and targets for GHG emissions.	• Achieve net zero GHG emissions.
Energy Consumption	• Monitoring energy usage our office premises and our value chain. • Promote more energy-saving habits and initiatives. • Assess energy usage in the operations and identify areas of improvement.	• Adopt the use of higher energy-efficient features and fittings. • Include disclosure of quantitative metrics and targets.	• Reduce energy consumption in to achieve overall net zero across GHG emissions target.

Waste Management

Waste contributes to climate change, pollutes the environment and creates conditions for diseases to thrive. The extensive use of packaging materials for the import, export and sale of our products generates both general and packaging waste such as cartons, plastic bags and styrofoam boxes. To manage our impact and reduce packaging costs, we are actively working to minimise waste through recycling and reuse initiatives.

We have a waste management programme to drive these recycling and reuse initiatives whereby we reuse and recycle cartons, plastic bags and styrofoam boxes from our suppliers. As we generate mostly packaging waste such as cartons, plastic bags and styrofoam boxes which will be reused and recycled in most cases, we have assessed general waste to be immaterial to our business operations. Therefore, we have not disclosed these amounts in this Report.

Work Place Air and Environment Certification

MITL has been certified ISO14001 since 2005 to provide an assurance to all stakeholders that we have an effective environmental management system in place to minimize the impact our operations would have on the environment, to ensure that all applicable laws and regulations are complied with and to continually improve on our business processes to achieve higher level environmental standards that we have set for ourselves. We measure our success by our ability to attract and retain the confidence of customers with the continuing strong support of our business and supply chain partners. Every aspect of our internal and external customer interaction provides an opportunity for continuous improvement thereby creating greater business value that is sustainable over the longer-term.

Our air-con systems are serviced every 2 months to ensure quality air, quality working environment and better energy utilisation.

Laws and Regulations

In the area of WSHE, we comply fully with the relevant laws and regulations under the Fire Safety Act, Workplace Safety and Health Act, Environment Public Health Act and Environmental Protection and Management Act that regulates general waste collection, the control of trade effluents, ozone- depleting substances (ODS), noise, hazardous substances, air pollution and prevention of fire and others. There is no record of violation against any of the regulations during the reporting year.

SUSTAINABILITY REPORT

Supply Chain

Our main suppliers consist of original equipment manufacturers (OEMs) and fabrication houses. OEMs supply us with standard parts or components such as motors, pneumatics, lasers, optics, actuators, sensors etc whereas fabrication suppliers provide mainly machined parts, sheet-metal parts, structures and covers according to our engineering specifications. We seek to influence our supply chain partners towards sustainable practices by outlining our expectations in the vendor selection process as well as through our annual evaluation of their performance. To remain in our Approved Vendor List (AVL), our top vendors had to meet a host of performance criteria ranging from quality assurance and service levels as well as adhering to best practices or internationally established Code of Conduct governing human rights, business and integrity, and safety, health and environmental standards. We aim to apply these standards to all our new major suppliers/vendors. It is our belief that securing a pool of like-minded suppliers that share our commitment to sustainability will mitigate risks to our operations and reputation. We are also broadening our vendor base for alternative parts supply to improve demand planning, cost competitiveness and ensure certainty of supply. We therefore aim to maintain at least one primary and one secondary supply source for critical parts and long lead items wherever possible.

Social

MITL is committed to carrying out its business mission efficiently, effectively and responsibly with integrity and respect for the law, the environment and well-being of employees and the community at large. Our commitment to maintain the highest standards of business ethics and to continually improve our Corporate Social Responsibility practices is paramount. We expect the same level of commitment from every employee and our partners in the conduct of their daily work affairs and in their relationship with all our major stakeholders.

Our Employees

Fair Employment Practices

MITL adheres to the philosophy espoused in the Tripartite Guidelines on Fair Employment and other best HR practices that we had publicly pledged with Tripartite Alliance for Fair and Progressive Employment Practices (or TAFEP).

We also subscribe to the Responsible Business Alliance Code of Conduct (formerly the Electronic Industry Citizenship Coalition) to ensure that our working conditions are safe, that workers are treated with respect and dignity and that our business operations are environmentally responsible and conducted ethically.

MITL endeavors to uphold the spirit of these best practices and to conform to (and continually improve on) its standards in accordance with acceptable management practices within the jurisdiction of the local laws in which we operate. Some of the key principles are to:

- Recruit, select, promote, reward and train employees on the basis of merit such as skills, experience and ability, regardless of race, color, age, gender, sexual orientation, ethnicity, national origin, disability, pregnancy, religion, political affiliation, union membership or marital status
- Treat employees fairly and with respect and implement progressive human resource practices
- Embrace the diversity of all members within the MITL family
- Provide employees with equal opportunities for training and development based on their individual needs to help them achieve their fullest potential
- Promote and provide a harassment free environment
- Reward employees fairly based on their ability, performance, contributions and experience
- Respect for privacy and protect personal information
- Provide transparency in and accountability for the Group's performance and practices
- Abide by local regulations including Safety, Health and Environmental laws

Training and Education

We are focused on developing our people and getting the very best from our staff whilst helping them to achieve their individual career aspirations. We want our employees to feel that they are contributing to our purpose and believe the organization supports them in this endeavour. Similarly, we believe that it is in our best interest to invest in the careers of our employees through continuous learning. We do this by investing in structured On-Job-Training, providing Core Skills Training (at both individual and group levels), as well as exposing them to developmental opportunities where they can get to undertake stretched projects or assignments, and even to lead them. Additionally, we provide anti-corruption training to new employees as part of the staff orientation program.

Average Training Hours per employee	FY2025 Targets	FY2024	FY2023	FY2022
Male	19.00	17.30	18.35	17.06
Female	22.00	21.61	15.42	18.50

Figure 4: *Training Metrics*

Note: Training data includes orientation, internal and external training conducted

SUSTAINABILITY REPORT

Social (cont'd)

Our Targets and Performance

To support the continuous learning and development of our employees, we have established the following targets:

Time Horizon	Target Set	Performance in FY2024
Short-Term Target (1-3 years)	• Offer internal and external training that is essential and beneficial to the development and career progression of our employees at all levels. • Increase the average training hours by 5% from FY2023 baseline.	• Provided internal and external training to employees. • Average training hours increased by more than 5% from FY2023 to FY2024.
Medium to Long-Term Target (by 2035-2050)	• Continuous provision of internal and external training courses and programmes. • Continuously and steadily increase the average training man-hours.	

Compensation and Rewards

Our compensation policy is intended to be well- balanced, competitive, performance based and aligned with the achievements of each employee. While the approach reflects an emphasis on pay-for-performance, it is also designed to attract, motivate and retain high performing and high potential employees. Employees are also incentivized through annual bonus that are tied to financial and non-financial metrics as well as stock-option awards for key staff to enable them to benefit from the growth of the Group.

In addition, a range of statutory and non-statutory staff benefits are offered to employees including medical and dental benefits, term life, personal accident plans, long service awards, paternity, maternity and other leave benefits etc. that we peg to industry practices. Beyond this, MITL provides paid-leave for employees attending work-related training courses making use of their own SkillFuture credits.

We believe it is also important to recognize the right behavior and reward them (either individually or groups) financially and by peer to peer recognition. Our "Spontaneous Award" program has worked well to ensure that exceptional efforts performed by employee(s) above and beyond the normal course of duty do not go unnoticed but are positively reinforced through these on-the-spot rewards.

Performance Management & Engagement

MITL is committed to carry out an objective and fair performance management system to align the Group's objectives with individual performance, reward results and to support people development in the process. Even though the formal PA assessment is conducted once a year, managers and their staff are encouraged to review and discuss performance issues on an ongoing basis. Performance Improvement plans are also developed for under-performing employees.

SUSTAINABILITY REPORT

Social (cont'd)

Performance Management & Engagement (cont'd)

Apart from one-on-one dialogues with employees, we also engage them through other media such as Open-Communications meetings with senior staff, regular department briefings, corporate updates through e-platforms (emails, intranet) company wide town hall meetings and even during corporate social events.

Employee feedback is also encouraged to help MITL understand what makes them more engaged and to address real and latent disengagement risks in the process. Such feedback channels are not confined to engagement surveys but will also include all forms of open communications and focused groups (both formal and informal).

Safety, Health and overall well being, Employee Benefits

Our WSHE Committee includes representation from the various business units to help us in our endeavor to ensure that the workplace continues to remain free from industrial hazards and accidents.

Apart from monthly meetings and inspections, the Committee for the reporting year had been very much involved in other activities such as to elevate the skillsets of our employees and gain a competitive edge in meeting new challenges imposed by the COVID-19 pandemic, promoting WSHE awareness, reviewing our safety risk management framework, undergoing training in first aid (and AED), exercising vigilance over dengue and ZIKA outbreaks, and seeing to the conduct of emergency evacuation exercises. One of the many other recommendations that had been carried out was also to ensure that workplace safety policies and manufacturing work instructions are documented in at least two major languages for the benefit of our foreign workers.

On keeping to a balanced and healthy lifestyles, our employees have also been encouraged to join in the National Health Challenge organized by HPB (both as individual participants and at the Corporate level).

FY2024, there was no recordable high-sequence injuries or work-related ill health cases in our Group.

Year	Man-days Lost	Number of Accidents
2025 Targets	**0**	**0**
2024	**0**	**0**
2023	0	0
2022	0	0

Figure 5: *Number of Workplace Accidents*

Leadership development for succession planning

Our Board of Directors through its Nominating Committee has oversight of Senior Management (including the CEO) talent and succession plans which is reviewed annually. Ensuring a pipeline of effective leaders for the Group who will be ready and able to assume greater responsibility when critical positions become available is still work in progress for the Board and HR.

Work Force characteristics and Diversity

We view the diversity of our people as a source of strength. We seek to create an inclusive work environment that extends beyond just age and gender differences to include drawing on the range of cultural dimensions represented by the different nationalities and backgrounds.

SUSTAINABILITY REPORT

Social (cont'd)

Work Force characteristics and Diversity (cont'd)

Work Force Strength

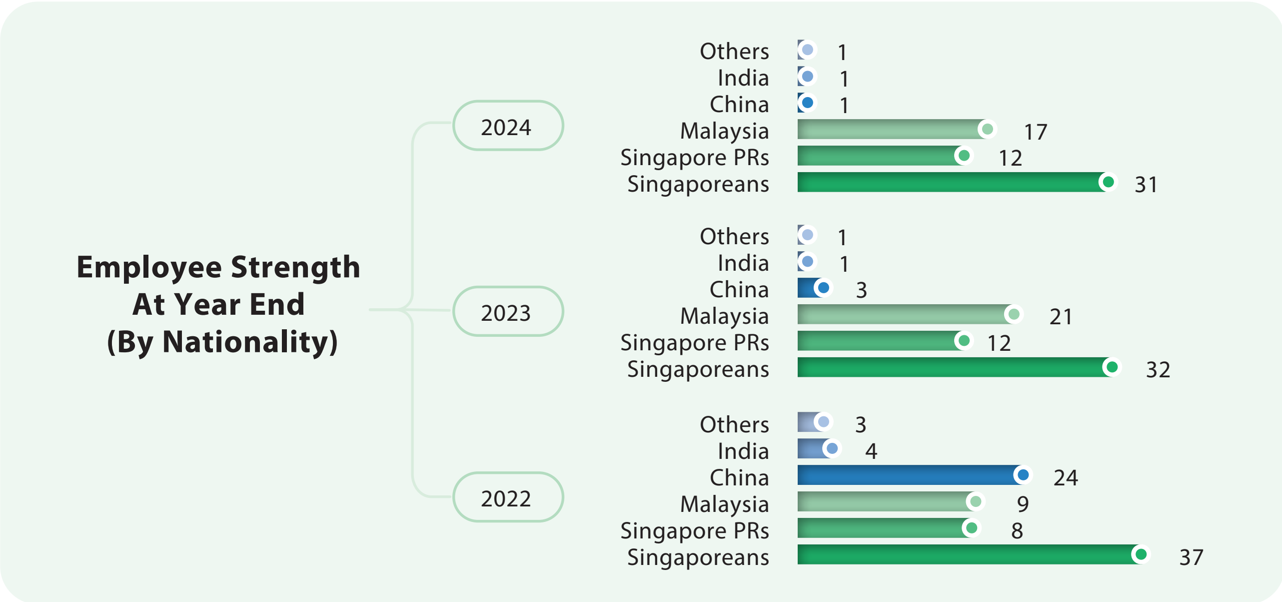


Figure 6: *Employee Strength at year end*

Age Distribution

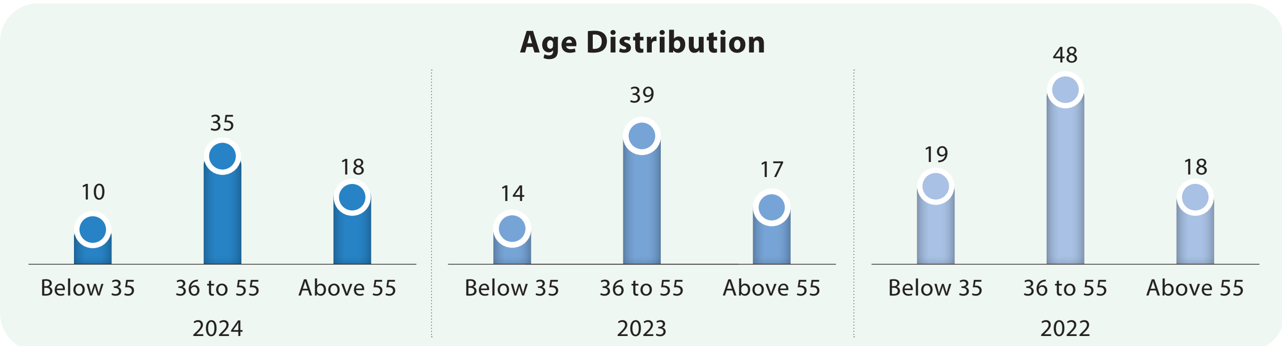


Figure 7: *Age Distribution*

Employee Qualifications

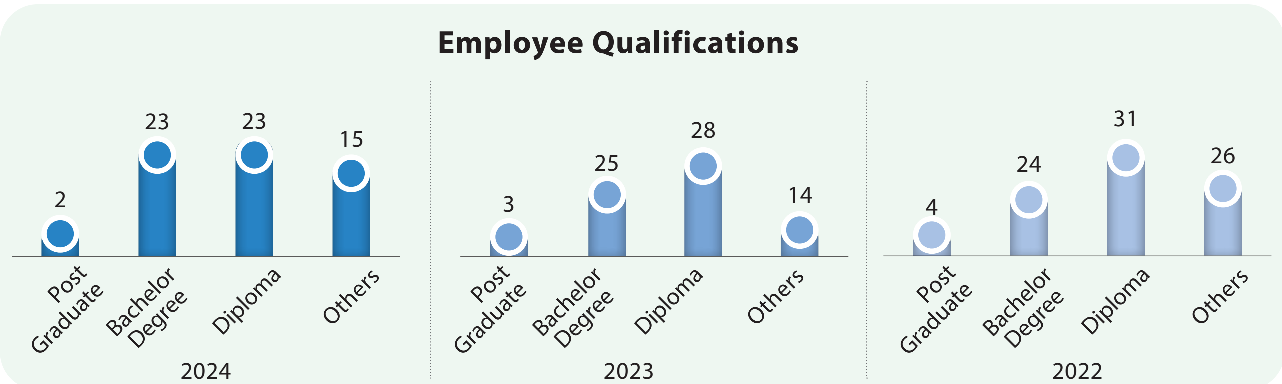


Figure 8: *Employee Qualifications*

SUSTAINABILITY REPORT

Social (cont'd)

Work Force characteristics and Diversity (cont'd)

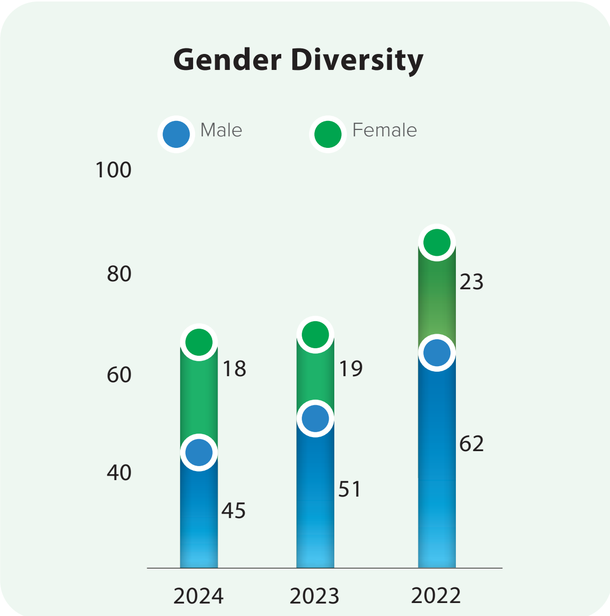


Figure 9: *Gender Diversity*

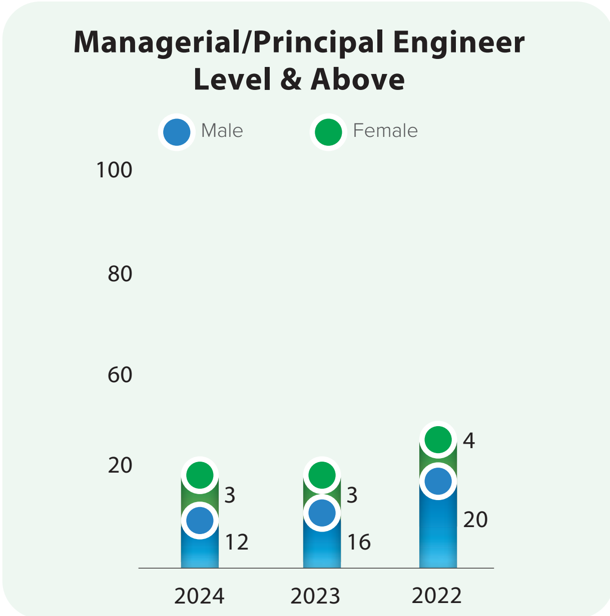


Figure 10: *Senior positions held by Male/Female staff*

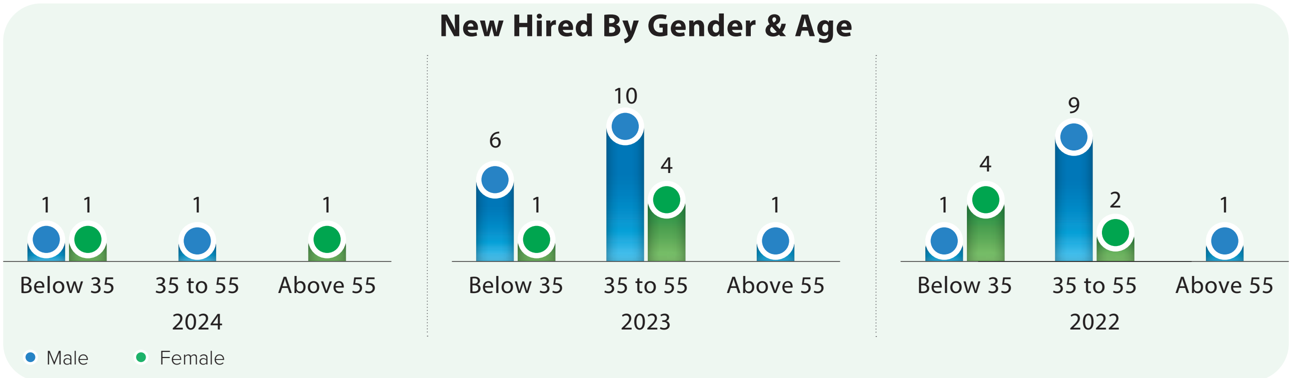


Figure 11: *Number of New Hires*

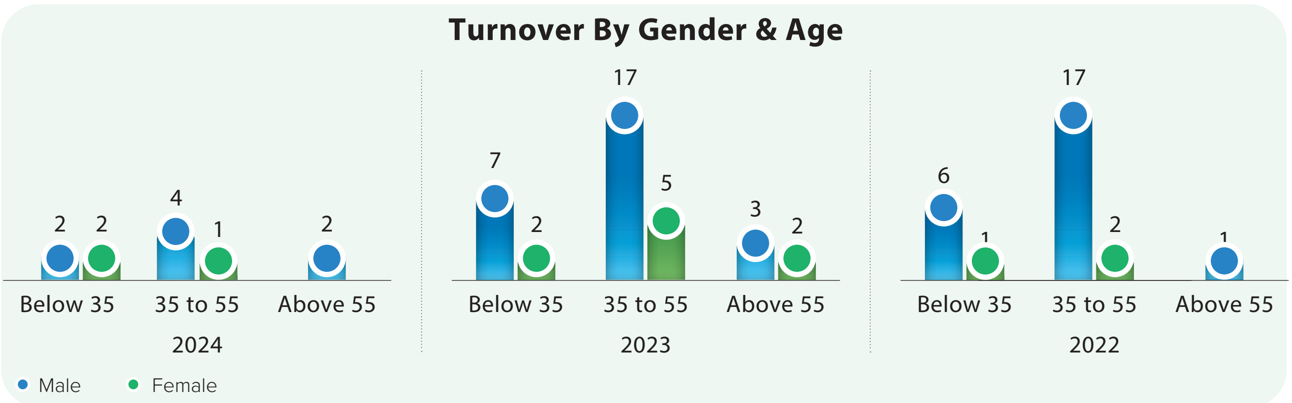


Figure 12: *Number of Resignations*

SUSTAINABILITY REPORT

Social (cont'd)

Work Force characteristics and Diversity (cont'd)

Offering Re-Employment to the Silver Workforce

Recognizing the depth of knowledge and experience that our more senior colleagues bring to the workplace, we encourage them to continue working with us beyond the statutory retirement age. To-date, all eligible employees have been offered one to three years re-employment contracts.

Our Targets and Performance

To demonstrate our dedication to promoting an inclusive and supportive work environment, we have established the following targets:

Time Horizon	Target Set	Performance in FY2024
Short-Term Target (1-3 years)	• Increase diversity of employees • Maintain on par with the national average monthly turnover rate.	• We had increased the ratio of our female employees. • Maintained on par with the industrial average monthly turnover rate.
Medium to Long-Term Target (by 2035-2050)	• Maintain gender, age and regional diversity of workforce. • Maintain average monthly turnover rate below the industrial average. • Introduce more staff welfare campaigns to maintain employee well-being.	

Community Engagement

To support the community in which we operate, our employees are encouraged to contribute their personal time and experience meaningfully to benefit society. MITL is also investing in our youths through internship programs and providing practical work experiences for these students.

We furthermore encourage graduating students to apply for suitable positions within our Group of Companies that they had become familiar with during their internship with us.

Membership of Associations

- Singapore Business Federation

Social and Economic Laws and Regulations

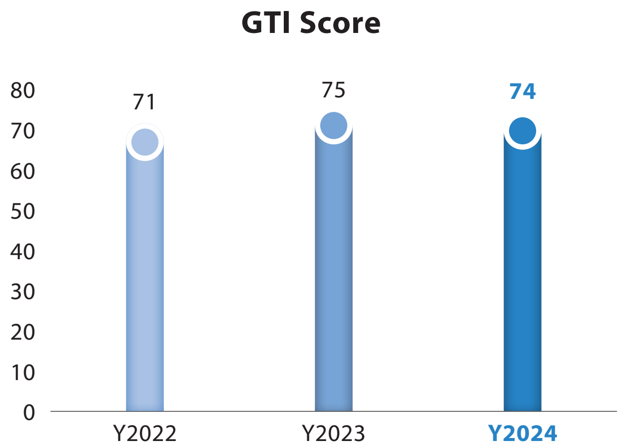
MITL complies with all governmental laws and regulations in this area. There is no record of any non-compliance or management labour dispute lodged with the Ministry of Manpower to-date.

SUSTAINABILITY REPORT

Governance

Corporate Governance

A high standard of corporate governance is integral in ensuring sustainability of the Group's business as well as safeguarding shareholders' interest and maximizing long term shareholder value creation. We continually strive to ensure that the value of good corporate governance is deeply embedded into our corporate DNA. Our GTI[1] rankings are as follows:



GTI Year	Score	Ranking
2024	**74**	**151**
2023	75	214
2022	71	208

Figure 13: *GTI Ranking and Scores*

(1) *The GTI or Singapore Governance and Transparency Index is published annually by CPA Australia, the National University of Singapore (NUS) Business School's Centre for Governance, Institutions and Organisation (CGIO) and the Singapore Institute of Directors. It assesses companies on their corporate governance disclosures and practices, as well as timeliness, accessibility and transparency of their financial results announcements*

Ethics and Integrity

MITL's Code of Conduct establishes an ethical framework for business practices and conduct to which all employees are required to adhere to without exceptions. Employees are expected to exercise good judgment, prudence and with clarity of intention and to seek to avoid even the appearance of any improper behavior in their daily interactions with their colleagues, customers, suppliers, business associates and with the general public. MITL expects the same high standards of business ethics and integrity to be upheld by our agents or partners and those that it does business with.

MITL's Code of Conduct covers ethical issues and guidance concerning:

- Outside employment and Personal Interest
- Conflict of interest
- Compliance with laws, rules and regulations
- Insider Trading prohibitions
- Disclosure requirements and Accuracy of records
- Investor Relations and Business Communications
- Social Media
- Discrimination and Harassment, and Privacy
- Workplace Violence
- Proper Use and Protection of Assets
- Competition and Fair Dealing
- Business Integrity and No improper Advantage
- Bribery and Corruption (Entertainment, Gifts and Gratuities)

SUSTAINABILITY REPORT

Governance (cont'd)

Ethics and Integrity (cont'd)

- Purchasing Practices & Equal Business Opportunity
- Copyright and Licensing Compliance
- Confidential Information/Intellectual Property Protection

Awareness is created from the very first day of employment by way of basic ethics training at the time of on-boarding. As part of our internal audit compliance practices, all staff are required to sign an acknowledgement of their compliance to the Code and to declare any existing or potential conflict of interest on an annual basis. There are furthermore procedures to ensure that all transactions with interested parties are reported timely to the Audit Committee whilst ascertaining that transactions are being conducted on an arms'-length basis and are not deemed prejudicial to the interests of the Group or its shareholders.

In dealing with MITL's securities, our Directors and Officers are also expected to strictly abide by internal Code of Best Practices on Securities Transaction established in compliance with Rule 1207(19) of the Listing Manual of SGX-ST to ensure that they do not run afoul of securities regulations especially on insider-trading. The Securities Transaction Code furthermore enables MITL to monitor such shares transactions by requiring them to report within two (2) business days whenever they deal in its securities. To-date, there has been no incident of corruption (alleged or otherwise) and no legal cases brought against the Group or our employees by the authorities.

Whistle-Blowing Policy

Bribery or corruption or ethical violations in any form will not be tolerated in any circumstances and any incident report will be looked into very seriously. Our Board has established a direct whistle blowing channel that goes right up to the attention of the Audit Committee members (comprising Independent Directors) who will deal with these matters or any other serious acts of business impropriety. Whistle-blowers are assured of anonymity, confidentiality and non-retaliation. We are glad to report that since 2008 when our whistle-blowing policy was first introduced, there has been no official complaint or case lodged with the Committee.

Investor Relations

We welcome all stakeholders to approach us and support the sustainability of our business. You may also read the Group's latest announcements at www.sgx.com or participate in our AGM and other corporate events to keep apprised on more current developments. If you have any questions, comments, suggestions or feedback relating to this report, please send them to ir@mitech-ltd.com.sg.

SUSTAINABILITY REPORT

GRI STANDARDS 2021 – CONTENT INDEX

GRI STANDARD	Code	DISCLOSURE	LOCATION	PAGE
GRI 2: General Disclosures 2021	2-1	Organization details	Company Profile	1
	2-2	Entities included in the organization's sustainability reporting	Reporting Period, Scope and Framework	13
	2-3	Reporting period, frequency and contact point	Reporting Period, Scope and Framework	13
	2-4	Restatements of information	Reporting Period, Scope and Framework	13
	2-5	External assurance	Reporting Period, Scope and Framework	14
	2-6	Activities, value chain and other business relationships	Company Profile	1
	2-7	Employees	Employee Benefits and Welfare Employee Engagement Training and Education Employment Diversity and Equality Employee Turnover	21 22 21 23-26
	2-8	Workers who are not employees	We do not have workers who are not employees	Nil
	2-9	Governance structure and composition	Corporate Governance Sustainability Governance Structure	36-65 14-15
	2-10	Nomination and selection of the highest governance body	Corporate Governance Sustainability Governance Structure	36-65 14-15
	2-11	Chair of the highest governance body	Board of Directors	4-5
	2-12	Role of the highest governance body in overseeing the management of impacts	Corporate Governance	36
	2-13	Delegation of responsibility for managing impacts	Corporate Governance	36-65
	2-14	Role of the highest governance body in sustainability reporting	Board Statement Governance	13 36
	2-15	Conflicts of interest	Corporate Governance Governance	36 27
	2-16	Communication of critical concerns	Corporate Governance Governance	37 27

SUSTAINABILITY REPORT

GRI STANDARD	Code	DISCLOSURE	LOCATION	PAGE
	2-17	Collective knowledge of the highest governance body	Corporate Governance Governance	36-65 27
	2-18	Evaluation of the performance of the highest governance body	Corporate Governance	52
GRI 2: General Disclosures 2021	2-19	Remuneration policies	Corporate Governance	53-55
	2-20	Process to determine remuneration	Corporate Governance	53-55
	2-21	Annual total compensation ratio	Corporate Governance	55-56
	2-22	Statement on sustainable development strategy	Board Statement Our Approach to Sustainability	13 14-15
	2-23	Policy commitments	Governance	27
	2-24	Embedding policy commitments	Governance	27
	2-25	Processes to remediate negative impacts	Governance	27
	2-26	Mechanisms for seeking advice and raising concerns	Corporate Governance Governance Whistleblowing	61 27 28
	2-27	Compliance with laws and regulations	Corporate Governance Governance	37 27
	2-28	Membership associations	Membership of Association	26
	2-29	Approach to stakeholder engagement	Stakeholder Engagement	15
GRI 3: Material Topics 2021	3-1	Process to determine material topics	Stakeholder Engagement Material Factors	15 16-17
	3-3	List of material topics	Material Factors	16-17
	3-3	Management of material topics	Material Factors	16-17
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	Financial Highlight Financial Review Highlight	10 9 14
	201-2	Financial implications and other risks and opportunities due to climate change	Risk Management – Task Climate-related Financial Disclosure (TCFD)	17-18
GRI 205: Anti-corruption 2016	205-3	Confirmed incidents of corruption and actions taken	Anti Corruption	28

SUSTAINABILITY REPORT

GRI STANDARD	Code	DISCLOSURE	LOCATION	PAGE
GRI 302: Energy 2016	302-1	Energy consumption within the organization	Electricity and water consumption	19
	302-4	Reduction of energy consumption	Electricity and water consumption	19-20
	302-5	Reductions in energy requirements of products and services	Electricity and water consumption	19-20
GRI 305: Emission 2016	305-2	Energy indirect (Scope 2) GHG emissions	Emissions	19-20
	305-4	GHG emissions intensity	Emissions	19-20
	305-5	Reduction of GHG emissions	Emissions	19-20
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	Our Employees	21
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Our Employees	21
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	Safety, Health and overall well being	23
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	Training and Education	21-22
	404-2	Programs for upgrading employee skills and transition assistance programs	Training and Education	21-22
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	Work Force characteristics and Diversity	23-26
GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	Work Force characteristics and Diversity	23-26

SUSTAINABILITY REPORT

TCFD CONTENT INDEX

TCFD recommended disclosure		MITL'S APPROACH	REPORT REFERENCE (PAGE)
Governance Disclosed the organisation's governance around climate-related issues and opportunities.	a. Describe the board's oversight of climate-related risks and opportunities. b. Describe the management's role in assessing and managing climate related risks and opportunities.	MITL has a dedicated governance framework in place to drive, govern and manage the sustainability function to ensure that core material issues are incorporated into its corporate agenda. This structure drives its priorities to protect long-term interests and create value for the shareholders. The Board has oversight of the Group's sustainability approach and the integration of sustainability-related matters, including climate-related issues, in the formulation of the Group's strategy. The Board is updated on climate-related risks and opportunities and actions taken by management, in line with TCFD requirements. There are meetings to track progress, raise issues or concerns and obtain input and feedback. The Board approves the Sustainability Report, which provides comprehensive sustainability disclosures. The Chief Executive Officer (CEO) reports to the Board on all sustainability matters, including climate-related issues that affect our local and overseas markets. He chairs the Sustainability Committee which spearheads the Group's sustainability projects, sets performance benchmarks, as well as provides oversight and guidance to the Sustainability Reporting Team. The Sustainability Committee comprising representatives from each operating entity who have been delegated with specific sustainability reporting roles, executes, monitors and reports on the sustainability efforts, including climate-related issues.	17-20

SUSTAINABILITY REPORT

TCFD recommended disclosure		MITL'S APPROACH	REPORT REFERENCE (PAGE)
Strategy Disclose the actual and potential impacts of climate- related risks and, strategy, and financial planning where such information is material.	a. Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term. b. Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning. c. Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	MITL has identified and described the key climate-related risks and opportunities relevant to the business segments and their associated impacts. These climate-related risks and opportunities are identified and integrated into the business strategy through board meetings and regular meetings with the Sustainability Committee and Management. By identifying climate-related risks and opportunities and providing sustainability training to our employees, we are better placed to develop our long-term business strategy to manage such risks and maximise such opportunities to stay sustainable and competitive. Going forward, we will continue to monitor and review our risks and opportunities between medium and longer term. As part of our phase implementation approach, we plan to strengthen our understanding of the various climate scenario affecting our business and any potential interdependencies with other risks faced. Then, in the next three (3) years, we will attempt to explore the use of climate scenario to enhance our assessment of risks and opportunities to support the Company's strategies direction.	17-20

SUSTAINABILITY REPORT

TCFD recommended disclosure		MITL'S APPROACH	REPORT REFERENCE (PAGE)
Risk Management Disclose how the organisation identifies, assesses, and manages climate-related risks.	a. Describe the organisation's processes for identifying and assessing climate-related risks. b. Describe the organisation's processes for managing climate-related risks. c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.	The Group follows a consistent approach in identifying, assessing, monitoring and managing all risk categories throughout the operations. The risk assessment process for the key risks identified takes into consideration both the impact and likelihood of the risks identified. The Group adopts the same risk management strategy towards climate-related risks as the other risk categories, where we strive to balance our risk profile while pursuing our business goals through implementing mitigating solutions to each identified climate-related risk. By embedding the climate-related risks in our risk management process, we will apply similar risk taxonomy for identifying, assessing and managing climate-related risks affecting our businesses as similar to other strategic, operational, financial and regulatory risks.	17-20

SUSTAINABILITY REPORT

TCFD recommended disclosure		MITL'S APPROACH	REPORT REFERENCE (PAGE)
Metrics and Targets Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	a. Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process. b. Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks. c. Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	MITL has reported the key climate-related risks and opportunities for MITL under Risk Management in our Sustainability Report. The Group uses the following metrics: 1) energy consumption; 2) energy use intensity; 3) emissions (Scope 1 and 2) 4) emissions intensity MITL contracts out its manufacturing processes as such GHG Scope 1 emission is expected to be negligible. Scope 2 GHG emissions is based on the electricity consumption in our Singapore, Malaysia and China office which are supplied by third-party supplier and is reported in our Sustainability Report. As for Scope 3 GHG emissions, we have yet to identify the best method for measuring the emissions. Our target is to reduce water and energy use intensity to achieve overall net zero GHG emissions. We intend to set emissions reduction targets in qualitative terms and to monitor in quantitative terms in the future as part of our decarbonization efforts.	17-20

CORPORATE GOVERNANCE

The Board of Directors (the "Board") and management of Manufacturing Integration Technology Ltd. (the "Company") and its subsidiaries (the "Group") are committed to maintaining high standards of corporate governance.

The Company has adopted the Code of Corporate Governance 2018 (the "Code") for the financial year ended 31 December 2024 and is working to adopt the other changes where appropriate.

The Company has adhered to the principles of the Code as well as the listing rules in the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST"), where appropriate. Where the Company's practices vary from any provisions of the Code, the Company has explained the reasons for the deviations and explained how the practices the Company has adopted are consistent with the intent of the relevant principle.

This report describes the Group's corporate governance practices and structures that were in place during the financial year ended 31 December 2024 ("FY2024"), with specific reference to the principles and guidelines of the Code.

Board Matters

Principle 1: The Board's Conduct of Affairs
The company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the company.

For FY2024, the Board comprises four Directors, two of whom are Independent Directors with one Non-Executive and Non-Independent Director and one Executive Director. The members of the Board have an appropriate mix of core competencies and diversity of experience, with extensive senior-level operational, business and corporate experience in relevant industries.

The Company adopted a Code of Business Conduct and Ethics for the Board which establishes the fundamental principles of professional and ethical conduct expected of the Directors in the performance of their duties. It includes guidelines on matters relating to conflicts of interest. When an actual, potential and perceived conflict of interest arises, the concerned Director must recuse himself or herself from discussions and decisions involving the matter and abstain from voting on resolutions relating to the matter.

Role of the Board of Directors

All Directors are aware of their fiduciary duties and are committed to exercising due care and diligence in making their decisions and to objectively discharge their duties and responsibilities in the best interest of the Company.

Apart from its fiduciary duties under the Companies Act 1967 of Singapore (the "Act"), and requirements pursuant to the SGX-ST Listing Manual and other relevant regulations, the Board sets the overall strategy of the Group and establishes policies on matters such as financial control, financial performance and risk management practices.

CORPORATE GOVERNANCE

Board Processes and Conduct of Affairs

To assist in the execution of its responsibilities, the Board has established several Board Committees namely; an Audit Committee ("AC"), a Nominating Committee ("NC"), a Remuneration Committee ("RC"), and an Investment Committee ("IC"). These Board Committees function within clearly defined terms of reference, which are reviewed on a regular basis. The terms of reference for the respective Board Committees have incorporated the changes under the Code. The overall effectiveness of the Board as a whole is also being assessed as part of the Group's continuing efforts to raise the level of corporate governance.

In addition to the scheduled meetings to release half yearly results and approve the annual budget, the Board also holds separate meetings and discussions at such other times as may be necessary to address any specific significant matters that may arise. Ad-hoc meetings are convened when circumstances require, such as discussions/brainstorming on Company direction and strategies. The Company's Constitution allows a Board meeting to be conducted by way of telephone conference or by means of similar communication equipment whereby all persons participating in the meeting are able to hear each other.

Matters Requiring Board Approval

The Board has direct approving and decision-making responsibilities for the following:

- approving board policies, strategies and financial objectives of the Group and monitoring the performance of management;
- convening of shareholders' meetings;
- declaration of interim dividends and proposal of final dividends;
- reviewing the adequacy of internal controls, risk management and review of the Group's financial performance, compliance and resource allocation;
- establishing a proper risk management system to ensure that key potential risks faced by the Group are properly identified and managed;
- approving half-year and full-year results announcements;
- approving the annual report and financial statements;
- providing oversight in the proper conduct of the Company's business and assuming responsibility for corporate governance;
- approving annual budgets, major funding proposals, material investments and divestment proposals, acquisitions and disposal of assets; and
- approving interested person transactions.

CORPORATE GOVERNANCE

Training of Directors

All directors receive appropriate training to develop their knowledge of the Company's business, industry environment and competence necessary to be effective in their roles. The Company is responsible for arranging and funding training for Company's Directors from time to time. The Company and Company Secretary also provide ongoing regulatory updates and briefings, particularly on relevant new laws, regulations and changing commercial risks, from time to time to enable them to make well-informed decisions.

Newly appointed Directors would be briefed on the Company's industry, business, organisation structure, strategic plans and objectives. Directors will be provided a formal letter setting out their duties and obligations and appropriate trainings to ensure that they are fully aware of their responsibilities and obligations. Orientation for new Directors includes visits to the Group's key premises to familiarise with the operations. Newly appointed Director who has no prior experience or has not been on a listed company will be required to attend the Listed Entity Director programme by the Singapore Institute of Directors in accordance with Rule 210(5)(a) of the Listing Manual of SGX-ST.

In March 2022, SGX RegCo announced eight sustainability training courses that directors of listed companies can attend to equip themselves with basic knowledge on sustainability matters. Directors must attend a sustainability training course to meet the enhanced SGX listing rules that mandated sustainability training for all board directors of equity issuers listed on SGX. All the Board members have attended the sustainability training courses for Directors prescribed by SGX.

Dr Lim Ser Yong ("Dr Lim") was appointed as independent director on 15 January 2024 and Mr Siak Wing Cheong was appointed as executive director and Chief Executive Officer on 16 May 2024. Both Dr Lim and Mr Siak have completed the trainings on roles and responsibilities of a director of a listed issuer as prescribed by Singapore Exchange Limited to meet the mandatory training requirements under Rule 210(5)(a) of the Listing Manual of SGX-ST including attending the sustainability training course prescribed by SGX in 2024. Mr Leong completed the same course in 2023.

The Company provides opportunities to fund training for the Company's Directors from time to time particularly on changes in the relevant new laws, regulations and changing commercial risks to enable them to make well-informed decisions and to ensure that the Directors are competent in carrying out their expected roles and responsibilities.

During the year, the Board was briefed and/or updated on the changes to the Code, SGX Listing Rules and other regulations. The external auditors regularly update the AC and the Board on the developments in the Singapore Financial Reporting Standards (International) which are applicable to the Group. Changes to regulations and accounting standards are monitored closely by the Management. In addition, the Management regularly updates and familiarises the Directors on the business activities of the Group during Board and Board Committee meetings. The Company encourages Directors to attend training and continuing education courses on new legislations and/or regulations.

The Management recognises that relevant, complete and accurate information needs to be provided to the Directors prior to meetings and on an on-going basis to enable the Directors to make informed decisions and discharge their duties and responsibilities effectively and efficiently. Prior to each Board meeting, the Board is supplied with relevant information such as management reports, budgets, financial statements, material events and transactions complete with background and explanations by the Management pertaining to matters to be brought before the Board for decision as well as ongoing reports relating to operational and financial performance of the Group.

CORPORATE GOVERNANCE

The annual calendar of Board activities is set in advance. Board papers are dispatched to Directors at least a week in advance before Board meetings so that Directors have sufficient time to consider the background and explanatory information relating to matters to be tabled and discussed at relevant Board meetings. The Board is also provided with minutes of the previous Board meeting, and minutes of meetings of all Board Committees held. Senior management is invited to attend the Board Committees and Board meetings to provide additional insights into matters to be discussed at the meetings.

Senior management also make presentations on performance of the Group's various businesses and business strategies at these meetings. These allow the Board to have a good understanding of the Group's operations and actively engage in robust discussions with the Group's senior executives. Directors may request for further explanation, briefings or discussions on any aspect of the Group's operations or business from Management. As and when required, Board members meet to exchange views outside the formal environment of Board meetings.

The Management will also inform the Board of all significant events as and when they occur and circulate Board papers and supporting information on major transactions to facilitate a robust discussion before the transactions are entered into.

In addition, the Board has separate and independent access to the Senior Management and the Company Secretary at all times. The appointment and removal of Company Secretary are subject to the Board's approval as a whole.

Should Directors, whether individually or as a group, need independent professional advice, the Board would appoint a professional advisor or individual approved by the Chairman to render advice. The cost of such professional advice will be borne by the Company.

The Company Secretary attends most of the Board meetings and the AC meetings and is responsible to assist the Board to ensure that proper procedure and all other rules and regulations applicable to the Company are complied with.

Directors' Meetings held in FY2024

In the course of the year under review, the number of meetings held and attended by each member of the Board is as follows:

Name of director	Number of Board Meetings held	Attendance
Non-Executive and Non-Independent Director		
Mr Kwong Kim Mone (Chairman)	3	3
Executive Director		
Mr Siak Wing Cheong[1] (Chief Executive Officer)	3	2
Mr Lim Chin Hong[1] (Chief Executive Officer)	3	1
Independent Directors		
Mr Lee Yong Guan[2] (Lead Independent Director)	3	1
Mr Leong Sow Chun[2] (Lead Independent Director)	3	3
Dr Lim Ser Yong[3]	3	3

Notes:

(1) Mr Siak Wing Cheong was appointed as Executive Director and Chief Executive Officer on 16 May 2024 in place of Mr Lim Chin Hong who retired as Executive Director and Chief Executive Officer on 15 May 2024.

(2) Mr Lee Yong Guan retired as Independent Director of the Company at the conclusion of the Annual General Meeting ("AGM") held on 26 April 2024. Mr Leong Sow Chun was appointed as Lead Independent Director of the Company on 16 May 2024.

(3) Dr Lim Ser Yong was appointed as Independent Director of the Company on 15 January 2024.

CORPORATE GOVERNANCE

Principle 2: Board Composition and Guidance
The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the company.

As at the date of this Report, the Board has four (4) Directors, comprising one (1) Non-Executive and Non-Independent Chairman, Mr Kwong Kim Mone, one (1) Executive Director, Mr Siak Wing Cheong, and two (2) Non-Executive Independent Directors, Mr Leong Sow Chun and Dr Lim Ser Yong, thus providing a strong independent element on the Board, and there are adequate safeguards and checks in place to ensure that decision making process by the Board is independent. Although the independent directors are not in a majority, the Board has always discussed important issues robustly and have always been able to reach a consensus on the votes without having to rely on any majority votes to decide nor having an individual or small group of individuals dominate the Board's decision-making process.

The Board also has a Lead Independent Director, Mr Leong Sow Chun, to provide leadership in situations that may be conflicted.

The mix of Directors as a group provides an appropriate balance and diversity. The Board has also considered the current size, scope, nature of operations of the Group, the requirements of the business and the need to avoid undue disruptions from changes to the composition of the Board and Board Committees, especially in the current economic climate where cost considerations and agility of the Board in decision-making are critical to the Company.

In view of the foregoing, the Board is of the view that the Board's composition has an appropriate level of independence and diversity of thought and background to enable it to make decisions in the best interests of the Company, consistent with the intent of Principle 2 of the Code.

The NC has adopted the Code's definition of what constitutes an Independent Director in its review. The Board considers an Independent Director as one who has no relationship with the Company, its related companies or its officers, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the Director's independent business judgement with a view to the best interests of the Company. The Independent Directors are not employed by the Company or any of its related corporations for the current or any of the past three financial years. They also do not have any immediate family member who is employed by the Company or any of its related corporations for the past three financial years.

The independence of each Independent Director is reviewed by the NC annually in accordance with the Code. Each Independent Director is required annually to complete a checklist to confirm his independence. The checklist is drawn up based on the guidelines provided in the Code and the Listing Rules. The NC adopts the Code's definition of what constitutes an "independent" Director in its review.

Under Rule 210(5)(d)(iv) of the Listing Manual of SGX-ST, a director will no longer be considered independent if he has been a director of the company for an aggregate period of more than nine years.

Amongst its Independent Directors, Mr Lee Yong Guan, who has served on the Board the longest surpassing the nine years tenure and due for retirement pursuant to Regulation 91 of the Company Constitution had retired at the AGM held on 26 April 2024. Mr Lee Yong Guan had relinquished his positions as Lead Independent Director, Chairman of AC and NC and a member of RC and IC at the conclusion of the AGM held on 26 April 2024.

CORPORATE GOVERNANCE

The NC has also individually reviewed and affirmed the independence of the other Independent Directors, Mr Leong Sow Chun and Dr Lim Ser Yong, with the concurrence of the Board.

An Independent Director shall immediately disclose to the NC any relationships or circumstances that could interfere, or be reasonably perceived to interfere, with the exercise of his or her independent business judgement in the best interests of the Company. The NC and the Board have reviewed and ascertained that all Independent Directors are independent according to the Code, its Practice Guidance and Listing Rules and noted that none of the Independent Directors has any relationship with the Company, its related corporations, substantial shareholders or officers, which could interfere or be perceived to interfere with the Director's independent judgement.

The NC conducts an annual review on the composition of the Board, so as to ensure that there is an appropriate balance of members from different backgrounds and whose core competencies in business, finance, accounting, investment, strategic planning and industry technology, qualifications, expertise, skills, experiences and industry knowledge, which the Group may tap for assistance in furthering its business objectives and shaping its business strategies. Having reviewed and considered the composition of the Board and its Board Committees, the NC has determined that the current Board size and structure are adequate for the existing business operations of the Company.

All appointments and re-elections of Directors are reviewed and recommended by the NC to the Board.

Board Diversity

The Company has adopted a Board Diversity Policy which recognises the importance of having an effective and diverse Board. The NC is responsible for setting the relevant objectives that promote and achieve diversity on the Board including giving due regard to the benefits of all aspects of diversity striving to ensure that the Board is appropriately balanced.

The main objective of the Board Diversity Policy is to continue to maintain appropriate balance of the Board's perspectives, skills, knowledge, experience and other aspects of diversity. The policy seeks to promote the inclusion of different perspectives, ideas and insights and to ensure that the Company can benefit from all available sources of talents to support the Company's long-term goals and success.

The NC is also responsible for developing a framework to identify the skills that the Board collectively needs to discharge the Board's responsibilities effectively, taking into account the existing risk profile, business operations and future business strategy.

In reviewing the composition of the Board, the NC considers the benefits of Board diversity from a number of aspects, including but not limited to gender, age, educational background, professional experience, skills and knowledge. The Board adopts a meritocratic approach to all appointments and candidates will be considered against a set of objective criteria, having due regard for the benefits of diversity on the Board. All Board appointments will be based on meritocracy, and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board.

The NC has put in place a skills matrix which classifies the following core competencies, skills, experiences and knowledge of Directors.

CORPORATE GOVERNANCE

The current Board composition provides a diversity of skills, experience and knowledge to the Company as follows:

Balance and Diversity of the Board	Number of Directors	Proportion of the Board
Core Competencies		
Accounting or finance related	3	75%
Business and management experience	4	100%
Legal and Regulatory	3	75%
Relevant industry knowledge	4	100%
Strategic planning experience	4	100%
Human Resource Management	3	75%
Gender		
Male	4	100%
Age Group		
51-60	1	25%
61-70	3	75%
Independent Directors been with the Company		
< 9 years	2	50%
Independence		
Independent directors	2	50%
Non-Independent directors	2	50%
Directors' Citizenship		
Singapore Citizen	4	100%

The Board endeavours to achieve the balance and diversity necessary to maximise its effectiveness as part of its Board diversity policy. The NC reviews annually the size of the Board, balance and diversity of skills, knowledge and experience required by the Board. All Directors are professionals in their own fields. Together they bring to the Board multiple skill sets, relevant competencies and attributes to discharge the functions of the Board and Board Committees. The NC also aims to maintain a diversity of expertise, knowledge and experience in the fields of engineering, finance, law and business as attributes among the Directors.

The NC ensures that the size of the Board is conducive to effective discussion and decision-making, and that the Board has an appropriate number of Independent Directors to provide diversity in expertise, knowledge and experience as well as age and gender. Members of the Board include seasoned professionals in engineering, finance and business management. The Board believes that its members' different backgrounds, skill sets, experience, age and gender provide a diversity of perspectives which contribute to the quality of its decision-making.

CORPORATE GOVERNANCE

The NC is of the view that the current Board comprises persons who collectively possess the necessary core competencies, and as a group, provide an appropriate level of independence and diversity of skills, experience and knowledge of the Company, and that the current Board size is appropriate, taking into consideration the nature and scope of the Group's operations. The NC will continue to assess independence periodically, bearing in mind Principle 2 of the Code and Provisions 2.2 and 2.3 of the Code in any change in the Board composition when appropriate, as part of the Board's renewal process.

The NC believes that there is an appropriate balance of industry knowledge, skills, background, experience, professional qualifications and age on the Board, and is satisfied that the objectives of the Board Diversity Policy continue to be met. The Board is of the view that gender and age are important aspects of diversity and will source for suitable female director and younger director within the next 3 years.

The Company remains committed to implementing the Board Diversity Policy and any further progress made towards the implementation of such policy will be disclosed in future Corporate Governance Reports, as appropriate.

The NC and the Board will continue to review the Board Diversity Policy, as appropriate, to ensure its effectiveness, and will recommend appropriate revisions to the Board for consideration and approval. It will also continue its identification and evaluation of suitable candidates to ensure there is diversity on the Board. Moving forward, if required, the Company may engage external consultant to search for appropriate and suitable candidate to the Board, taking into consideration of gender, skills and experience and strive to appoint suitable female to the Board.

The Independent Directors will meet without the presence of the Management, if circumstances require. The Independent Directors also communicate with each other from time to time without the presence of the Management to discuss the performance of the Management and any matters of concern. Feedback arising from such meetings or discussions is provided to the Board or Non-Executive Chairman, as appropriate.

Principle 3: Chairman and Chief Executive Officer
There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.

Mr Kwong Kim Mone is the Non-Executive and Non-Independent Chairman of the Company and Mr Siak Wing Cheong is the Company's Executive Director and Chief Executive Officer ("CEO") since 16 May 2024. Mr Lim Sow Chun was appointed as the Lead Independent Director since 16 May 2024.

The roles of the Non-Executive Non-Independent Chairman and the CEO have been clearly separated, each having their own areas of responsibilities. This is to ensure that there is a clear division of responsibilities between the leadership of the Board and the Management.

The Chairman provides overall leadership to the Board. The Chairman, with the help of the Company Secretary, ensures that Board meetings are held as and when necessary and sets the meeting agenda in consultation with fellow directors and other executives, and if warranted, with professional advisors.

The CEO is responsible for the overall management of the Group and charting the corporate strategies for future growth with the support of the Management.

CORPORATE GOVERNANCE

Principle 4: Board Membership
The Board has a formal and transparent process for the appointment and re-appointment of directors, taking into account the need for progressive renewal of the Board.

The NC comprises three (3) Directors, a majority of whom, including the NC Chairman, are Independent Directors. The members of the NC at the date of this Report are:

Dr Lim Ser Yong[1]	(Chairman)
Mr Kwong Kim Mone	
Mr Leong Sow Chun	

(1) Appointed as NC chairman on 16 May 2024.

The terms of reference for NC are as follow:

- develops and maintains a formal and transparent process for the appointment and re-appointment of directors; having regard to the directors' contributions and performance;

- identifies candidates and reviews all nominations for appointment of new directors, determining whether or not such nominee has the requisite qualifications; sets up a process for the selection of such appointments and recommends all appointments of directors to the Board and Board Committees;

- decides how the Board's performance may be evaluated, and prepares objective performance criteria to assess the effectiveness of the Board as a whole and its Board Committees;

- identifies gaps in the mix of skill, gender, age, diversity, experience and other qualities required in an effective Board so as to nominate or recommend suitable candidates to fill the gaps;

- reviews the independence of each Director annually, decides whether a Director is able to and has been adequately carrying out his duties as a Director of the Company, particularly when the Director has multiple Board representations; and

- reviews training and professional development programmes for the Board.

The NC in carrying out its tasks under these terms of reference may obtain such outside or other independent professional advice, as it considers necessary to carry out its duties.

The NC is responsible for identifying and nominating candidates to fill Board vacancies as they occur.

Specifically, the NC shall consider candidates from a wide range of backgrounds, consider candidates on their own merits and evaluate against objective criteria such as their experience, knowledge, gender, age and skills in relation to the needs of the Board; and whether the candidates will add diversity to the Board and whether they are likely to have adequate time to discharge their duties.

CORPORATE GOVERNANCE

The NC will also consider the composition and progressive renewal of the Board or Committees including recommending the membership of the Board Committees to the Board.

Before recommending an appointee to the Board, the NC shall ask him to disclose any existing or expected future business interests that may lead to a conflict of interest. This disclosure is to be included in any recommendations to the Board. Following the Board's confirmation, the NC will send the newly-appointed Director a formal appointment letter which clearly sets out his roles and responsibilities, authority, and the Board's expectations in respect of his time commitment as a Director of the company.

The NC reviews the independent status of NEDs (in accordance with Rules 210(5)(d)(i), (ii) and (iv) of the Listing Manual of SGX-ST and the Provision 2.1 of the Code) and that of the Alternate Director, if applicable, annually, or when necessary, along with issues of conflict of interest. If the NC considers that a Director who has one or more of the relationships mentioned under Rules 210(5)(d)(i), (ii) and (iv) of the Listing Manual of SGX-ST and the Provision 2.1 of the Code, is nevertheless independent, the NC should provide its views to the Board for the Board's consideration. If the NC considers that a Director is not independent even if he does not fall within the circumstances mentioned under Rules 210(5)(d)(i), (ii) and (iv) of the Listing Manual of SGX-ST and the Provision of the Code, it shall also similarly provide its views to the Board for the Board's consideration.

On 11 January 2023, Singapore Exchange Regulation (SGX RegCo) announced Listing Rule changes to limit to nine years the tenure of independent directors ("IDs") serving on the boards of listed companies and to remove the two-tier vote mechanism for listed companies to retain long-serving IDs who have served for more than nine years. The two-tier vote was removed on 11 January 2023. As transition, IDs whose tenure exceeds the nine-year limit can continue to serve as independent directors until the listed companies' AGM held for the financial year ending on or after 31 December 2023. In view of the change, Mr Lee Yong Guan, who has served on the Board with more than 9 years tenure and due for retirement pursuant to Regulation 91 of the Company Constitution, did not seek for re-election at the AGM held on 26 April 2024. Mr Lee Yong Guan had also relinquished his positions as Lead Independent Director, Chairman of AC and NC and a member of RC and IC at the conclusion of the AGM held on 26 April 2024.

The Company does not have any alternate Director.

The attendance, participation and contributions of each Director at Board, AC and other Board Committee meetings were also considered. The NC meets at least once annually.

In FY2024, the number of NC meetings held and attended by each member of the Committee is as follows:

Name of director	Appointment	Number of meetings held	Attendance
Mr Lee Yong Guan (Chairman)	Independent	1	1
Mr Kwong Kim Mone	Non-Executive Non-Independent	1	1
Mr Leong Sow Chun	Independent	1	1
Dr Lim Ser Yong (Chairman)	Independent	1	1

Notes:
Dr Lim Ser Yong was appointed as member of the NC on 15 January 2024 and redesignated as NC Chairman on 16 May 2024.
Mr Lee Yong Guan retired as Independent Director of the Company at the conclusion of the AGM held on 26 April 2024.

CORPORATE GOVERNANCE

The NC, in considering the re-election of a Director, evaluates such Director's contribution and performance, such as his attendance at meetings of the Board and/or Board Committees, participation, candour and any special contribution.

Each member of the NC abstains from voting on any resolutions and making any recommendation and/or participating in respect of matters in which he is interested.

Regulation 91 of the Constitution of the Company requires one-third of the Board to retire by rotation at every Annual General Meeting ("AGM") and the retiring Directors are eligible to offer themselves for re-election respectively.

Regulation 97 of the Constitution of the Company which states that the Company may by Ordinary Resolution appoint any person to be a Director either to fill a casual vacancy or as an additional Director. Without prejudice thereto the Directors shall have power at any time to do so, but any person so appointed by the Directors shall hold office only until the next AGM. He shall then be eligible for re-election, but shall not be taken into account in determining the number of Directors who are to retire by rotation at such meeting.

The following Directors, are due for retirement as Directors of the Company at the forthcoming AGM:

– Mr Leong Sow Chun (retiring pursuant to Regulation 91)
– Mr Siak Wing Cheong (retiring pursuant to Regulation 97)

The Board has accepted NC's nomination and has recommended Mr Leong Sow Chun, who is retiring as a Director of the Company pursuant to Regulation 91 of the Company's Constitution and has given his consent for re-election, to be put forward for re-election at the forthcoming AGM.

Mr Leong Sow Chun will, upon re-election as Director of the Company, remain as Lead Independent Director, Chairman of AC and RC and member of the NC and IC, and will be considered independent for the purposes of Rule 704(8) of the Listing Manual of SGX-ST.

The Board has accepted NC's nomination and has recommended Mr Siak Wing Cheong, who is retiring as a Director of the Company pursuant to Regulation 97 of the Company's Constitution and has given his consent for re-election, to be put forward for re-election at the forthcoming AGM.

Mr Siak Wing Cheong will, upon re-election as Director of the Company, remain as Executive Director and Chief Executive Officer of the Company and member of the IC, and will be considered non-independent.

CORPORATE GOVERNANCE

Pursuant to Rule 720(6) of the Listing Manual of the SGX-ST, the information as set out in Appendix 7.4.1 relating to the above Director to be put forward for continued appointment at the forthcoming AGM is disclosed below:

Name	Leong Sow Chun	Siak Wing Cheong
Date of appointment	3 January 2023	16 May 2024
Date of last re-appointment	28 April 2023	Not Applicable
Age	66	57
Country of principal residence	Singapore	Singapore
The Board's comments on this appointment (including rationale, selection criteria, board diversity considerations, and the search and nomination process)	The Board, having considered the recommendation of the Nominating Committee and having assessed Mr Leong's requisite knowledge and experiences to assume the responsibilities as Lead Independent Director of the Company.	The Board, having considered the recommendation of the Nominating Committee and having assessed Mr Siak's requisite knowledge and experiences to assume the responsibilities as Executive Director and Chief Executive Officer of the Company.
Whether appointment is executive, and if so, the area of responsibility	Non-Executive Independent	Executive
Job title (e.g. Lead ID, AC Chairman, AC Member etc.)	Lead Independent Director, Chairman of Audit Committee and Remuneration Committee and Member of Nominating Committee and Investment Committee	Executive Director and Chief Executive Officer and Member of Nominating Committee and Investment Committee
Professional qualifications	Mr Leong has obtained Bachelor of Engineering (Electrical) from National University of Singapore	Mr Siak has obtained Diploma in Electronic Engineering from Ngee Ann Polytechnic, Diploma in Sales and Marketing from Marketing Institute of Singapore and Diploma in Marketing from Chartered Institute of Marketing
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	None	None
Conflict of interest (including any competing business)	None	None
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1)	Yes	Yes

CORPORATE GOVERNANCE

Name	Leong Sow Chun	Siak Wing Cheong
Working experience and occupation(s) during the past 10 years	Mr Leong was a Chief Operating Officer of Heptagon Micro Optics Pte Ltd, Senior Vice President of ams Sensors Asia Pte Ltd and Senior Executive Strategic Initiatives of Physik Instrumente.	2004 to 2014 – Divisional General Manager/ Senior Vice-President in Manufacturing Integration Technology Ltd ("the Company") 2010 to 2014 – General Manager, MIT (Shanghai) Co, Ltd, Subsidiary of the Company 2015 to 2018 – Sales Advisor in Manufacturing Integration Technology Ltd 2015 to 2021 – Own business in the F&B and Wellness industries. 2022 to 15 May 2024 – Business Development Director in Manufacturing Integration Technology Ltd 16 May 2024 to current – Appointed as Executive Director & Chief Executive officer of Manufacturing Integration Technology Ltd
Shareholding interest in the listed issuer and its subsidiaries	None	Yes
Shareholding details	Not Applicable	214 ordinary shares
Past (for the last 5 years)	<u>Directorships:</u> PI (Physik Instruments) Singapore LLP PI Changzhou Co Ltd	<u>Directorships:</u> Global Assets & Investment Alliances Pte. Ltd. AD Hospitality Pte. Ltd. Global Assets Capital Pte. Ltd. Global F&B Concepts Pte. Ltd. Global Financial Markets Capital Pte. Ltd. Gaia Woods Management Pte. Ltd. Tomoe Project 99 Management Pte. Ltd. KC HR Pte. Ltd. 18 HKST Pte. Ltd. Gen3 Semiconductor Pte. Ltd. YL Wellness Pte. Ltd.

CORPORATE GOVERNANCE

Name	Leong Sow Chun	Siak Wing Cheong
Present	Directorships Nil	Directorships Nil.
Information Required Pursuant to Rule 704(7) of the Listing Manual of SGX-ST		
(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No
(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No
(c) Whether there is any unsatisfied judgment against him?	No	No
(d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No

CORPORATE GOVERNANCE

Name	Leong Sow Chun	Siak Wing Cheong
(e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No
(f) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No
(g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No
(h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No
(i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No

CORPORATE GOVERNANCE

Name	Leong Sow Chun	Siak Wing Cheong
(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere of the affairs of:–		
(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	No	No
(ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	No	No
(iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or	No	No
(iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No	No
(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No

Each Director shall not serve more than a maximum of five (5) Board Directorships in public listed companies at any one time and each Director is required to disclose to the Board his board representation(s). Based on the attendance and participation of the Directors for FY2024, the Board has reviewed and is satisfied that the directors have been able to devote sufficient time and attention to the affairs of the Company to adequately discharge their duties as directors of the Company.

CORPORATE GOVERNANCE

Lead Independent Director

The Board concurs with the Code's recommendation and appointed Mr Leong Sow Chun as Lead Independent Director on 16 May 2024.

The major roles and responsibilities of the Lead Independent Director are as follows:

- To meet with shareholders if they have concerns which have not been resolved by the Chairman or the CEO or the Financial Controller ("FC") through the normal channels or for where such contact is inappropriate;
- To lead the Independent and Non-executive Director in providing and facilitating a non-executive perspective and contributing a balance of viewpoints to the Board in particular, acting as principal liaison between the Independent and Non-executive Director and the Chairman on sensitive issues;
- To coordinate the activities and schedule meetings of Independent and Non-executive Directors and to chair such meetings without the presence of the Executive Director, if necessary;
- To promote high standards of corporate governance; and
- To undertake such further responsibilities as may be determined by the Board from time to time.

Principle 5: Board Performance
The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its board committees and individual directors.

The NC has established a review process and proposed objective performance criteria set out in assessment checklists which are approved by the Board. The NC assesses the Board's effectiveness as a whole by completing the Board Assessment Checklist, which takes into consideration factors such as the Board's structure, conduct of meetings, risk management and internal control, and the Board's relationship with the Management.

The NC assesses the Board's performance based on a set of quantitative criteria and financial performance indicators as well as share price performance. The NC assesses the individual Directors' performance by completing an Individual Director Assessment Checklist, which takes into consideration factors such as commitment of time for meetings, level of participation and contribution at such meetings and the technical knowledge of the Directors.

The NC also undertakes a process to assess the effectiveness of the AC, RC and NC.

The NC, in considering the re-appointment of any Director, evaluates the performance of the Director. The NC and the Chairman of the Board implemented a collective assessment process that required each Director to assess the performance of the Board as a whole for FY2024. The assessment process took into consideration, inter alia, Board structure, corporate strategy and planning, risk management and internal control, performance measurement and compensation, succession planning, financial reporting, conduct of meetings and communication with shareholders.

Although the Board's performance evaluation does not include a benchmark index of its industry peers, the Board assesses its effectiveness holistically through the completion of a questionnaire by each individual Director which includes questions covering the above-mentioned areas of assessment. The NC collates the results of these questionnaires and formally discusses the results collectively with other Board members to address any areas for improvement.

CORPORATE GOVERNANCE

The NC has reviewed the overall performance of the Board in terms of its role and responsibilities and the conduct of its affairs as a whole for the financial year. It is of the view that the performance of the Board as a whole has been satisfactory. The criteria include the level of participation in the Company such as his commitment of time to the Board and Board Committee meetings and his performance of tasks delegated to him. The NC has reviewed and is satisfied with the contribution by individual Directors to the effectiveness of the Board for FY2024. No external facilitator was used in the process.

In view of the composition of our Board, the Board, in conducting the collective assessment of its effectiveness, also takes into account the performance and effective functioning of each Board Committee. The NC has also reviewed the performance of the AC, RC and NC in terms of their roles and responsibilities and the conduct of their affairs as a whole for FY2024. It is of the view that the performances of such Board Committees have been satisfactory.

The NC is of the view that the primary objective of the assessment exercise is to create a platform for the Board members to exchange feedback on the strengths and shortcomings of the Board with a view to strengthening its effectiveness. The assessment exercise also assists the Board to focus on their key responsibilities and helps the NC in determining whether to re-nominate Directors who are due for retirement at the next AGM including determining whether Directors with multiple Board representatives are able to and have adequately discharged their duties as Directors of the Company.

REMUNERATION MATTERS

Principle 6: Procedures for Developing Remuneration Policies
The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her own remuneration.

Remuneration Committee ("RC")

The RC comprises four (4) members, majority of whom, including the RC Chairman, are Independent Directors. The members of the RC at the date of this Report are:

Mr Leong Sow Chun	(Chairman)
Mr Kwong Kim Mone	
Dr Lim Ser Yong	

Notes:
Dr Lim Ser Yong was appointed as RC Member on 15 January 2024.

The terms of reference for RC are as follow:

- to review and recommend to the Board, a framework of remuneration for the Board and key executives, and to determine specific remuneration packages for each Executive Director. RC's recommendations will be made in consultation with the Chairman of the Board and submitted for endorsement by the entire Board. RC's review covers all aspects of remuneration, including but not limited to directors' fees, salaries, allowances, bonuses, options and benefits-in-kind;

- to function as "The Committee" referred to in the MIT Employees' Share Option Scheme ("the Scheme") and shall have all the powers as set out in the Scheme; and

- to administer the MIT Performance Share Plan upon the terms and conditions as defined in the MIT Performance Share Plan.

CORPORATE GOVERNANCE

As part of its review, the RC shall ensure that:

- all aspects of remuneration including directors' fees, salaries, allowances, bonuses, options and benefits in-kind are covered;
- the remuneration packages should be comparable within the industry and comparable companies and shall include a performance-related element coupled with appropriate and meaningful measures of assessing individual executive directors' and key executives' performances; and
- the remuneration package of employees related to executive directors and controlling shareholders of the Group are in line with the Group's staff remuneration guidelines and commensurate with their respective job scopes and levels of responsibilities.

Each RC member refrains from voting on any resolutions in respect of the assessment of his remuneration and that no RC member is involved in determining his own remuneration.

In FY2024, the number of RC meetings held and attended by each member of the Committee is as follows:

Name of director	Appointment	Number of meetings held	Attendance
Mr Leong Sow Chun (Chairman)	Independent	1	1
Mr Lee Yong Guan	Independent	1	1
Mr Kwong Kim Mone	Non-Executive Non-Independent	1	1
Dr Lim Ser Yong	Independent	1	1

Notes:
Mr Lee Yong Guan relinquished as RC member after his retirement at the conclusion of the AGM held on 26 April 2024.

During FY2024, the Company did not engage any remuneration consultant to seek advice on remuneration matters. Moving forward, the RC may consider the need to engage such external remuneration consultants and where applicable, it will review the independence of the external firm before engaging them.

Principle 7: Level and Mix of Remuneration
The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the company, taking into account the strategic objectives of the company.

The Group's remuneration policy is to provide compensation packages at market rates to reward, retain and motivate high levels of performance. In setting remuneration packages, the Company takes into consideration the remuneration and employment conditions within the same industry and in comparable companies, as well as the Group's relative performance and the performance of the individual.

The RC determines and reviews the remuneration packages for all Directors and key executives based on their job functions, the performance of the Group and their individual performance. Non-executive directors are being paid by directors' fees, which are determined by the full Board based on their contributions and scope of responsibilities. The payment of Directors' fees is subject to the approval of shareholders at each AGM. No director is involved in deciding his own remuneration.

CORPORATE GOVERNANCE

Currently, only the Executive Director/CEO has a Service Agreement. The Service Agreement is for a renewable period of two years and may be terminated by either party giving not less than three months written notice. The RC shall review the terms of the Service Agreement at the appropriate time prior to its expiry and shall submit their recommendations to the Board.

The performance of the CEO and key executives are reviewed periodically by the RC to ensure that their remuneration commensurate with their scope of responsibilities, contributions and performance. Companies are encouraged to consider the use of contractual provisions to allow companies to reclaim incentive components of remuneration from executive directors and key management personnel, in exceptional circumstances of misstatement and misconduct resulting in financial loss to the Company. These provisions have been made in the service contract of our CEO. Independent Directors do not have service agreements with the Company. The Independent Directors receive Directors' fees and shares which are recommended by the Board for approval at the Company's AGM.

The Independent Directors are paid Directors' fees which take into consideration their contribution, effort, time spent and responsibilities. They are not overly remunerated to the extent that their independence may be compromised.

Principle 8: Disclosure on Remuneration
The company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.

In FY2024, the remuneration of the Directors of the Company and Key Management Personnel of the Group are as follows:

Directors of the Company	Directors' Fees[5] (S$)	Salary & Fixed Allowance[4] (S$)	Bonus[4] (S$)	Total Remuneration (S$)
Mr Lim Chin Hong[1]	–	98,474	6,050	104,524
Mr Siak Wing Cheong[1]	–	168,900	20,546	189,446
Mr Kwong Kim Mone	48,000	–	–	48,000
Mr Lee Yong Guan[2]	12,333	–	–	12,333
Mr Leong Sow Chun	35,667	–	–	35,667
Dr Lim Ser Yong[3]	32,667	–	–	32,667

Key Executives of the Group	Salary & Fixed Allowance	Bonus	Total
<u>Below S$250,000</u>			
Mr Tommy Ng Fook Keong	93%	7%	100%
Mr Chan Hian Kim	93%	7%	100%
Mr Siak Wing Cheong[1]	100%	–	100%

Notes:
1 Mr Siak Wing Cheong, the Business Development Director of the Company was appointed as Executive Director and Chief Executive Officer on 16 May 2024 in place of Mr Lim Chin Hong who retired as Executive Director and Chief Executive Officer on 15 May 2024.
2 Mr Lee Yong Guan retired as Independent Director of the Company on 26 April 2024.
3 Dr Lim Ser Yong was appointed as Independent Director of the Company on 15 January 2024.
4 The Salary, allowances and bonus amounts shown are inclusive of CPF contributiions.
5 The Directors' fee for FY2024 was approved at the Annual General Meeting held on 26 April 2024.

The Company has only two Key Management Personnel as at the date of this report.

CORPORATE GOVERNANCE

The total annual aggregate remuneration of the key management personnel (who are not directors or the CEO) in FY2024 is S$489,214. The RC and the Board are of the view that the remuneration of the Directors and key management personnel are adequate but not excessive in order to attract, retain and motivate them to run the Company successfully. This is also to minimize potential staff movement and undue disruption to ensure stability and continued of the business by retaining a competent and experienced management team.

There are no employees who are immediate family members of the directors and whose remuneration exceeded S$100,000 during FY2024.

There is no employee who is a substantial shareholder of the Company whose remuneration exceeds S$100,000 for FY2024. There are no termination, retirement and post-employment benefits granted to Directors, the Chairman and Managing Director or the top two key management personnel in FY2024.

Accordingly, the Company is of the view that its practices of disclosing the remuneration of key management personnel in bands of S$250,000 are consistent with the intent of provision 8 of the Code, taking into account the strategic objectives of the Company pursuant to Principle 8 of the Code.

Long Term share incentives – MIT Performance Share Plan and Employees' Share Option Scheme

As the Group seeks to foster a culture that aligns the interests of employees with those of shareholders, it has put in place share-based plans for employees. These plans allow employees to participate, contribute and share in the Group's growth and success.

The Company had adopted the MIT Employee Share Option Scheme ("ESOS") in 2019 and information on ESOS is set out in the Statement by Directors on pages 68 and 69. There are 12,614,000 outstanding options as at the end of the year.

The MIT Performance Share Plan ("PSP") has been renewed for a further period of 10 years from 27 April 2017 to 26 April 2027 at the general meeting held on 21 April 2017. There are no outstanding performance share as at the end of the year.

ACCOUNTABILITY AND AUDIT

Principle 9: Risk Management and Internal Controls
The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the company and its shareholders.

The Board has put in place an internal control and risk management system to safeguard shareholders' investment and company's assets.

To assist the Board in carrying out its responsibilities, Management has established an Enterprise Risk Management Committee ("ERMC"). The ERMC is chaired by Mr Siak Wing Cheong, the CEO and comprises its key executives. It reports to the AC.

The system of internal control provides reasonable, but not absolute assurance that the Group will not be adversely affected by any event that could be reasonably foreseen in the light of current business environment and its inherent risks.

CORPORATE GOVERNANCE

The Group's internal auditors have in the course of their audits carried out stringent reviews to identify weak links and potential risk areas. The AC reviews these reports and ensures that appropriate and timely counter measures are taken by Management as part of its continuous improvement efforts to enhance further its internal control systems and practices.

During the financial year, the Group's internal auditors had conducted annual review of the adequacy and effectiveness of the Group's internal controls that address financial, operational, information technology and compliance risks. No significant weaknesses were noted.

The Board has received assurance from the CEO and FC[1] as well as concurrence of the AC that:

(a) the financial records of the Group have been properly maintained and the financial statements for the year ended 31 December 2024 give a true and fair view of the Group's operations and finances; and

(b) the Company has received assurance from other key management personnel of the Group confirming that the Company's and the Group's risk management and internal control systems including financial, operational, compliance and information technology controls were adequate and effective as at 31 December 2024.

(1) There is no Chief Financial Officer in the Company.

Based on the internal control and risk management systems established and maintained by the Group, work performed by external and internal auditors and periodic reviews by Management, the Board and various Board Committees, the Board with concurrence of the AC, is of the opinion that the Group's internal control and risk management systems were adequate and effective as at 31 December 2024 to address financial, operational, information technology and compliance risks, which the Group considers relevant and material to its operations.

Internal Audits

The Company has outsourced the internal audit function to Baker Tilly Consultancy (Singapore) Pte Ltd.

The primary reporting line of the internal auditor is to the AC and administratively to the FC. The hiring, removal, evaluation of the internal auditor and compensation to be paid to them is recommended by the AC and approved by the Board. The internal audit team has unrestricted access to the Company's documents, records, properties and personnel. The internal audit team is staffed with personnel with relevant qualifications and experience and takes reference from the International Standards for the Professional Practice of Internal Auditing set by the Institute of Internal Auditors when performing their reviews. The AC is satisfied that the internal auditors have adequate resources to perform its functions and have appropriate standing within the Group.

The internal audit function is to review key business processes of the Company and its material subsidiaries with the primary objective of identifying significant control issues that the AC and the Management should focus their attention on.

The AC is satisfied that the internal audit is staffed by suitably qualified and experienced personnel. The internal audit function is independent, effective and adequately resourced.

In the discharge of its functions, the internal auditor reports directly to the Chairman of the AC on functional matters and to the FC on administrative matters. The AC reviews and approves the internal audit plans annually and ensures that resources are adequate to perform the function effectively.

CORPORATE GOVERNANCE

Principle 10: Audit Committee
The Board has an Audit Committee ("AC") which discharges its duties objectively.

The AC comprises three (3) members, majority of whom, including the AC Chairman, are Independent Directors. The members of the AC at the date of this Report are:

Mr Leong Sow Chun (Chairman)
Mr Kwong Kim Mone
Dr Lim Ser Yong

Notes:
Mr Leong Sow Chun was appointed as AC Chairman on 16 May 2024.
Dr Lim Ser Yong was appointed as AC member on 15 January 2024.

The overall objective of the AC is to ensure that Management has created and maintained effective control mechanisms within the Company and that such controls are strictly adhered to by all levels of management and employees.

The AC has the explicit authority to investigate any matter within its terms of reference. It has full access to and the co-operation of Management and the full discretion to invite any director or senior manager to attend its meetings. The AC has adequate resources to enable it to discharge its responsibilities efficiently.

As a sub-committee of the Board, the AC provides a channel of communication between the Board, Management, the internal and external auditors with regards to findings and recommendations arising from internal and external audits.

The terms of reference for AC are as follows:

- assists the Board in discharging its statutory responsibilities on financial and accounting matters; reviews the financial and operating results and accounting policies of the Group;

- reviews significant financial reporting issues and judgments relating to financial statements for each financial year, interim and annual results announcement before the submission to the Board for approval and inclusion in external auditors' report;

- reviews the adequacy of the Company's internal controls (financial, compliance and operational) and risk management policies and systems established by the management; considers and reviews the assistance given by Management of the Group to the auditors;

- reviews the external audit plans and reports as well as the results of the external auditors' examination and evaluation of the Group's internal accounting control systems; and considers the effectiveness of the actions taken by Management on the external auditors' recommendations;

- recommends the re-appointment of the external auditors, approves their compensation and their terms of engagement;

CORPORATE GOVERNANCE

- reviews interested person transactions to ensure that they are on normal commercial terms and not prejudicial to the interests of the Company or its shareholders;

- reviews the internal audit plans and findings of the internal audit;

- reviews annually to ensure that the nature and extent of non-audit services provided by external auditors would not affect their independence as external auditors of the Group; and generally undertakes such other functions and duties as may be required by statute or the Listing Manual of the SGX-ST, and by such amendments made thereto from time to time; and

- meets with the external and the internal auditors at least once a year without the presence of management.

The AC also meets with the internal auditors and external auditors, without the presence of management, once in FY2024. With the full co-operation of Management given to external auditors and internal auditors during their course of audit reviews, there was no significant issue which warranted AC's attention.

In FY2024, the number of AC meetings held and attended by each member of the Committee is as follows:

Name of director	Appointment	Number of meetings held	Attendance
Mr Lee Yong Guan (Chairman)	Independent	2	1
Mr Leong Sow Chun (Chairman)	Independent	2	2
Mr Kwong Kim Mone	Non-Executive Non-Independent	2	2
Dr Lim Ser Yong	Independent	2	2

Note:
Mr Lee Yong Guan relinquished as AC Chairman after his retirement at the conclusion of the AGM held on 26 April 2024.

The Group has complied with Rules 712 and 715 of the Listing Manual of the SGX-ST in relation to the appointment of auditors. The group has complied with Rule 716 of the Listing Manual of SGX-ST as the AC and the Board are satisfied that the appointment of TGS TW PLT as auditors of Manufacturing Integration Technology Sdn. Bhd. would not compromise the standard and effectiveness of the audit of the Group.

In addition to the activities undertaken to fulfill its responsibilities, the AC is kept abreast by the Management, external and internal auditors on changes to accounting standards, stock exchange rules and other codes and regulations which could have an impact on the Group's business and financial statements.

The amount of audit and non-audit fees for FY2024 paid to the external auditors, RSM SG Assurance LLP, were S$73,000 and S$12,700 respectively. The AC confirms that it has undertaken a review of all the non-audit services provided by the external auditors, RSM SG Assurance LLP, during the year and is satisfied that such services, would not affect the independence of the external auditors. No former partner or director of the Company's existing auditing firm or auditing corporation is a member of the AC.

CORPORATE GOVERNANCE

Key Audit Matters

Refer to the key audit matters highlighted by the external auditor on pages 73 to 74 of the Annual Report, AC's view and responses are as follows:

Key audit matters	AC's view and responses
Assessment of going concern	The group incurred a loss after tax of S$3,455,000 and net operating cash outflows of S$1,642,000 for the reporting year and as at that date, its current liabilities exceeded its current assets by S$1,233,000. The AC considered the management's assessment and have assessed that the group has adequate resources to continue in operational existence for the foreseeable future. The AC also considered the observations and findings presented by the external auditor in their assessment. The above procedures provided the AC with the assurance to concur with the management's conclusion on the assessment of going concern as well as the appropriateness of the related disclosures made.
Impairment of trade receivables	The carrying amount of trade receivables, net of allowance for expected credit loss ("ECL") of S$1.2 million (2023: S$1.1 million), amounted to S$1.5 million (2023: S$1.8 million), which represents approximately 12% (2023: 12%) of the group's total assets as at the end of the reporting year. The AC considered the management's assessment and justification used to estimate for allowance taking into consideration of past good business relationship with the customers. The AC also considered the observations and findings presented by the external auditor on the historical repayments trend of trade receivables and adequacy of its impairment allowance. The above procedures provided the AC with the assurance to concur with the management's conclusion on the measurement and estimation made as well as the appropriateness of the related disclosures made.
Adequacy of inventory impairment allowance	The carrying amount of inventories amounted to S$1.7 million (2023: S$2.7 million), which accounted for approximately 13% (2023: 18%) of the group's total assets as at the end of the reporting year. The AC considered the management's formula and justification used for estimates for allowance. The AC also considered the observations and findings presented by the external auditor on the inventory aging and adequacy of its impairment allowance. The above procedures provided the AC with the assurance to concur with the management's conclusion on the adequacy of impairment allowance as well as the appropriateness of the related disclosures made.

CORPORATE GOVERNANCE

Whistle-Blowing Policy

The Company has put in place a whistleblowing framework, endorsed by the AC where employees of the Company may, in confidence, raise concerns about possible corporate improprieties on matters of financial reporting or other legal or ethical issues whilst ensuring that comprehensive procedures are in place to address them. The details of the whistle blowing policy and reporting mechanisms have been made available to all employees.

The whistleblowing officers are all members of the AC. Any whistleblowing officer to whom a concern has been raised, is obliged to make a report to the Board of the substance of the concern without breaching employee confidentiality. The AC is obliged to review all reports received and take or approve the appropriate actions.

The Company is committed to a high standard of corporate governance. In line with this commitment, the Whistleblowing Policy aims to (a) provide a trusted avenue for employees, vendors, customers and other stakeholders to report serious wrongdoings or concerns, particularly in relation to fraud, governance or ethics, without fear of reprisals when whistleblowing in good faith; and (b) ensure that robust arrangements are in place to facilitate independent investigation of the reported concern and for the appropriate follow up actions to be taken.

The policy which is accessible by the employees, aims to foster a workplace conducive to open communication regarding the Company's business practices and to protect the employees from unlawful retaliation and discrimination for the proper disclosing or reporting of illegal or unethical conduct in good faith.

Complaints or suspicions of impropriety can be made by employees and other stakeholders to a dedicated email address automated for transmission to all the Non-Executive and Independent Directors. The email address is published on the Company's website. Anonymous complaints may be looked into, taking into account factors such as seriousness of the issues raised, the credibility of the concern and the likelihood of confirming the allegation from attributable sources. All cases reported will be investigated objectively and thoroughly and appropriate action will be taken where warranted. The AC will inform the Board members after considering the circumstances with an update at Board meetings. The AC shall commission and review the findings of internal investigations in matters where these is any suspected fraud or irregularity, or failure of internal controls or infringement of any law, rule or regulation which has or is likely to have a material impact on the Group's operating results and/or financial position. The AC did not receive any complaint or whistleblowing report during the financial year and up to the date of the most recent AC meeting.

There was no whistleblowing complaints received during FY2024.

SHAREHOLDER RIGHTS AND ENGAGEMENT

Principle 11: Shareholder Rights and Conduct of General Meetings
The company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the company. The company gives shareholders a balanced and understandable assessment of its performance, position and prospects.

In line with the continuous disclosure obligations of the Company pursuant to Listing Manual of the SGX-ST and the Act, the Board's policy is that all shareholders should be equally informed of all major developments that impact the Group.

Any major or material development is first disseminated via SGXNet followed by a press release, whenever necessary. Price sensitive information is first publicly released, either before the Group meets with any group of investors or analysts or simultaneously with such meetings. Financial results and annual reports are announced or issued within the mandatory period. The Company does not practice selective disclosure of information.

CORPORATE GOVERNANCE

The Company has adopted a Dividend Policy that aims to provide shareholders of the Company with a target annual dividend payout of at least 25% of the net profit attributable to shareholders in any financial year. Such declaration and payment of dividends shall be determined at the sole discretion of the Board after taking into account the Company's financial performance, retained earnings and distributable reserves, working capital requirements and future expansion plans, and any other factors that the Board deemed appropriate. Any dividend payments are clearly communicated to shareholders via announcements on SGXNet.

The Company has implemented the use of electronic communications for the purposes of serving timely notices to shareholders of the Company which is in line with the Group's efforts to promote sustainability by conserving environmental and financial resources.

The Annual Report for the year ended 31 December 2024 ("AR2024"), Notice of Annual General Meeting, Proxy Form, Letter to Shareholders in relation to The Proposed Renewal of the Share Buy Back Mandate ("Letter") and Request Form (to request hardcopy of the Annual Report 2024 and the Letter) will be made available to members by electronic means via publication on the Company's corporate website at https://www.mitech-ltd.com.sg and are also made available on the SGX website at URL https://www.sgx.com/securities/company-announcements.

Printed copies of the Notice of AGM, the Proxy Form and the Request Form will be sent to members via post. Members who wish to obtain a printed copy of the Annual Report 2024 and the Letter should complete the Request Form and return it by post to the registered office address of the Company.

The AGM of the Company provides a principal forum for dialogue and interaction with shareholders. At each AGM, the Board encourages shareholders to participate in the question-and-answer session. Board Committees' Chairpersons, Members of the Board and the external auditors of the Company are present to answer questions raised at the AGM. Members may also submit questions related to the resolutions to be tabled for approval at the AGM in advance of the AGM.

Shareholders have the opportunity to participate effectively in and to vote at all general meetings. In addition, shareholders will also be provided with instructions on voting during general meetings, where voting is conducted by poll.

A shareholder who is unable to attend the general meetings is entitled to appoint up to two proxies, unless the shareholder is a relevant intermediary (as defined in Section 181 of the Act). A relevant intermediary is entitled to appoint more than two proxies, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such shareholder.

The Company also provides separate resolutions at general meetings on each substantially separate issue (where applicable) as recommended by the Code. Minutes of the general meeting which include substantial and relevant comments or queries from shareholders relating to the agenda of the meeting and response from the Committees' Chairpersons and Members of the Board were taken. Minutes of general meetings would be available to shareholders upon written requests.

The Company's Constitution does not allow for absentia voting at general meetings of shareholders as authentication of shareholder identity information and other related security issues remain a concern. However, the Constitution does allow a shareholder to vote either in person or appoint not more than two proxies to attend and vote in his stead. Such proxy to be appointed need not be a shareholder. A shareholder of a company who is a relevant intermediary (as defined in Section 181(6) of the Companies Act), the Company allows a shareholder who is a relevant intermediary to appoint more than 2 proxies to attend and vote in his stead at the forthcoming AGM.

Voting at general meetings would be conducted by way of poll pursuant to Rule 730A (2) of the Listing Manual of the SGX-ST. Announcement on the poll results (showing the number of votes cast for and against each resolution and the respective percentage) will be released after each of the meeting via SGXNet.

CORPORATE GOVERNANCE

The Company will review its Constitution from time to time and make amendments to the Constitution to be in line with the applicable requirements or rules and regulations governing the continuing obligations.

The Company prepares minutes of general meetings that include substantial and relevant comments or queries from shareholders relating to the agenda of the meeting and responses from the Board and the Management. These are available to shareholders upon their request.

The Company will publish minutes of general meetings of shareholders via SGXNet on SGX website and the Company's website.

In presenting the annual financial statements and half-yearly result announcements to shareholders, it is the responsibility of the Board to provide shareholders with a detailed analysis, explanation and assessment of the Group's financial position and prospects. News releases and half-yearly results announcements are published through SGXNet. For interim financial statements, it is released within 45 days from the end of the period whereas full-year results is released within 60 days from the financial year end. For interim financial statements, the Board has provided negative assurance confirmation to the shareholders. The Company's Annual Reports, results announcements and other announcements released via SGXNet are also made available on the Company's website at www.mitech-ltd.com.sg.

Management currently provides the Board with appropriately detailed management accounts of the Group's performance, position and prospects on a half yearly basis.

Principle 12: Engagement with Shareholders
The company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the company.

The Company uses various platforms to effectively engage the shareholders and the investment community, with an emphasis on timely, accurate, fair and transparent disclosure of information. In addition to general meetings and where the opportunities arise, the senior Management of the Company will also meet with investors, analysts and the media, as well as participate in investor relations activities to solicit and understand the views of the investment community.

The Company strives for timeliness and consistency in its disclosures to shareholders. It is the Company's policy to keep all shareholders informed of developments or changes that will have a material impact on the Company's share price, through announcements via SGXNet. Such announcements are communicated on an immediate basis, or as soon as possible where immediate disclosure is not practicable. Shareholders are provided with an update on the Group's performance, position and prospects through the Company's annual report.

The Company's half-year and full year results announcements, corporate presentations, announcements and press releases are issued via SGXNet. Shareholders have access to information on the Group via the Company's website. The Company discloses all material information on a timely basis to all shareholders. Where there is inadvertent disclosure made to a select group, the Company will endeavour to make the same disclosure publicly to all others promptly.

Shareholders are given the opportunity to pose questions to the Board or the Management at the general meetings. The members of the Board Committees will be present at the AGM to answer questions relating to matters overseen by the respective Board Committees.

CORPORATE GOVERNANCE

MANAGING STAKEHOLDERS RELATIONSHIPS

Principle 13: Engagement with Stakeholders
The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the company are served.

The Company takes pride in meeting and exceeding the expectations of our stakeholders. Our engagement with material stakeholder groups, including key areas of focus and engagement channels are disclosed in the "Sustainability Report" section of the Annual Report.

The Group takes opportunities to engage our stakeholders and welcomes feedback on our sustainability report. For more information on the Company's stakeholder engagement, please refer to the Company's Sustainability Report.

Investment Committee ("IC")

As at the date of this Report, the IC comprises all four (4) Directors: One (1) Executive Director, one (1) Non-Executive and Non-Independent Director and two (2) Independent Directors. The members of the IC as at the date of this Report are:

Mr Kwong Kim Mone (Chairman)
Mr Siak Wing Cheong
Mr Leong Sow Chun
Dr Lim Ser Yong

Notes:
Mr Siak Wing Cheong was appointed as IC member on 16 May 2024.
Dr Lim Ser Yong was appointed as IC member on 15 January 2024.

The duties of the IC include:

- to implement and review the Group's investment strategies and policies;
- to evaluate the investment decisions of a non-operating and non-revenue nature for the Group and/or its subsidiary companies;
- to review deployment of financial resources with a view to ensure efficient allocation to the various businesses of the Group;
- to review the incorporation of new subsidiary companies, corporate finance activities including joint ventures, mergers and acquisition; and
- to undertake any responsibilities relating to investment policy and procedures as determined by the Board.

CORPORATE GOVERNANCE

In FY2024, the number of IC meetings held and attended by each member of the Committee is as follows:

Name of director	Appointment	Number of meetings held	Attendance
Mr Kwong Kim Mone	Non-Executive Non-Independent	2	2
Mr Lee Yong Guan	Independent	2	1
Mr Leong Sow Chun	Independent	2	2
Mr Lim Chin Hong	Executive	2	1
Mr Siak Wing Cheong	Executive	2	2
Dr Lim Ser Yong	Independent	2	2

Notes:
Mr Lee Yong Guan relinquished as RC member after his retirement at the conclusion of the AGM held on 26 April 2024.
Mr Lim Chin Hong resigned as IC member on 15 May 2024.
Mr Siak Wing Cheong was appointed as IC member on 16 May 2024.
Dr Lim Ser Yong was appointed as IC member on 15 January 2024.

Material Contracts

There are no material contracts or loans of the Company or its subsidiaries involving the interests of any Director or Controlling Shareholder, either still subsisting at the end of the financial year or entered into since the end of the previous financial year.

Interested Person Transactions

The Company has established procedures to ensure that all transactions with interested persons are reported on a timely manner to the AC and that the transactions are at arm's length basis. All interested person transactions are subject to review by the AC to ensure compliance with the established procedures.

The Group has not obtained a general mandate from shareholders for Interested Person Transactions. All Interested Person Transactions are subject to review by the Board and the AC.

During FY2024, the Company did not enter into any interested person transaction.

Securities Transactions

The Company has a clear policy on the trading of its shares by directors and executives within the Group. The Company has adopted its own internal Code of Best Practices on Securities Transactions ("the Securities Transactions Code"). The Securities Transactions Code provides guidance to the directors and executives of the Group with regard to dealing in the Company's shares. It emphasizes that the law on insider trading is applicable at all times, notwithstanding the window periods for dealing in the shares. The Securities Transactions Code also enables the Company to monitor such share transactions by requiring employees to report to the Company whenever they deal in the Company's shares.

The Group issues circulars to its directors and officers informing them that they must not trade in the listed securities of the Company one month before the announcement of the Group's half-yearly and full year results and ending on the date of the announcement of such results. In compliance with Rule 1207(19)(b) of the Listing Manual of SGX-ST, directors and executives of the Group are also encouraged not to deal in the Company's securities on short-term considerations.

The directors are required to notify the Company of any dealings in the Company's securities (during the open window period) within two (2) business days of the transactions). The Board is satisfied with the Group's commitment in compliance with the Code and on the adequacy of internal controls within the Group.

FINANCIAL CONTENTS

STATEMENT BY DIRECTORS

The directors of the company are pleased to present the accompanying financial statements of the company and of the group for the reporting year ended 31 December 2024.

1. Opinion of the directors

In the opinion of the directors,

(a) the accompanying financial statements and the consolidated financial statements are drawn up so as to give a true and fair view of the financial position and performance of the company and, of the financial position and performance of the group for the reporting year covered by the financial statements or consolidated financial statements; and

(b) at the date of the statement, there are reasonable grounds to believe that the company will be able to pay its debts as and when they fall due.

The board of directors approved and authorised these financial statements for issue.

2. Directors

The directors of the company in office at the date of this statement are:

Kwong Kim Mone	(Non-Executive and Non-Independent Chairman)
Siak Wing Cheong	(Executive Director and Chief Executive Officer) (Appointed on 16 May 2024)
Leong Sow Chun	(Lead Independent Director)
Lim Ser Yong	(Independent Director)

3. Directors' interests in shares and debentures

The directors of the company holding office at the end of the reporting year had no interests in shares or in debentures of the company or other related body corporate as recorded in the register of directors' shareholdings kept by the company under section 164 of the Companies Act 1967 (the "Act"), except as follows:

Name of directors and companies in which interests are held	**Shareholdings registered in the name of the directors**		**Shareholdings in which directors are deemed to have an interest**	
	At beginning of the reporting year or date of appointment, if later	**At end of the reporting year**	**At beginning of the reporting year or date of appointment, if later**	**At end of the reporting year**
The company: Manufacturing Integration Technology Ltd.		Ordinary shares of no par value		
Kwong Kim Mone	6,734,118	6,734,118	120,627,910	120,627,910
Siak Wing Cheong	214	214	–	–

STATEMENT BY DIRECTORS

3. Directors' interests in shares and debentures (Continued)

Name of directors and companies in which interests are held	Shareholdings registered in the name of the directors: At beginning of the reporting year or date of appointment, if later	Shareholdings registered in the name of the directors: At end of the reporting year	Shareholdings in which directors are deemed to have an interest: At beginning of the reporting year or date of appointment, if later	Shareholdings in which directors are deemed to have an interest: At end of the reporting year
The company: Manufacturing Integration Technology Ltd.	Options issued in 2024			
Lim Ser Yong	–	800,000	–	–
Leong Sow Chun	–	800,000	–	–
Siak Wing Cheong	–	1,000,000	–	–
Ultimate parent company: MIT Technologies Pte Ltd	Ordinary shares of no par value			
Kwong Kim Mone	260,000	260,000	–	–

By virtue of section 7 of the Act, Mr. Kwong Kim Mone is deemed to have an interest in the company and in all the related body corporates of the company.

The directors' interests as at 21 January 2025 were the same as those at the end of the reporting year.

4. Arrangements to enable directors to acquire benefits by means of the acquisition of shares and debentures

Neither at the end of the reporting year nor at any time during the reporting year did there subsist arrangements to which the company is a party, being arrangements whose objects are, or one of whose objects is, to enable directors of the company to acquire benefits by means of the acquisition of shares in or debentures of the company or any other body corporate except for the options and other rights mentioned below.

5. Share options

Employees' Share Option Scheme ("ESOS") of Manufacturing Integration Technology Ltd.:

(i) enables directors and selected full-time employees of the company and/or its subsidiary companies to acquire unissued ordinary shares of the company.

(ii) is administered by the Remuneration Committee (the "Committee") comprising two independent directors and one non-executive and non-independent director of the company. It shall continue to be in force at the discretion of the Committee based on details as stated below. However, the period may be extended with the approval of shareholders at a general meeting of the company and any relevant approval which may then be required.

At the end of the reporting year, there were 12,614,000 (2023: 4,334,000) unissued share options granted pursuant to the ESOS.

STATEMENT BY DIRECTORS

5. Share options (Continued)

Details of the options to subscribe for ordinary shares of no par value in the capital of the company, pursuant to the ESOS are as follows:

Date of grant	Balance as at 1.1.2024	Granted	Lapsed	Exercised	Balance as at 31.12.2024	Exercise price $	Expiry date
Options to subscribe number of unissued ordinary shares of no par value:							
20 May 2016	**14,000**	–	–	–	**14,000**	0.1940*	19 May 2026#
20 May 2016	**20,000**	–	–	–	**20,000**	0.1550**	19 May 2026#
5 October 2021	**2,150,000**	–	(300,000)	–	**1,850,000**	0.0600*	4 October 2031#
5 October 2021	**2,150,000**	–	(300,000)	–	**1,850,000**	0.0480**	4 October 2031#
23 August 2024	**–**	4,500,000	(60,000)	–	**4,440,000**	0.0170*	22 August 2034#
23 August 2024	**–**	4,500,000	(60,000)	–	**4,440,000**	0.0140**	22 August 2034#
	4,334,000	9,000,000	(720,000)	–	**12,614,000**		

During the current reporting year, there were no employees who exercised their share options under ESOS.

* Market price
** 20% discount to the market price of the company's shares
# Includes options granted to directors

The following are details of options granted to the directors of the company under the scheme:–

Name of directors	Options granted during the reporting year	Aggregate options granted since commencement of scheme to end of the reporting year	Aggregate options exercised since commencement of scheme to end of the reporting year	Aggregate options cancelled since commencement of scheme to end of the reporting Year	Aggregate options outstanding as end of the reporting year	Exercise Price
Leong Sow Chun	800,000	–	–	–	800,000	$0.0140 – $0.0170
Lim Ser Yong	800,000	–	–	–	800,000	$0.0140 – $0.0170
Siak Wing Cheong	1,000,000	–	–	–	1,000,000	$0.0140 – $0.0170

The terms of the share options under the ESOS to the directors of the company are the same as those granted to the employees of the group.

The market price refers to average of the last three dealt prices for the three consecutive market days immediately preceding the grant date. No share options have been granted at a discount of more than 20% during the reporting year. Other than disclosed above, there is presently no other options scheme on unissued shares in respect of the company and of the group.

During the reporting year, there were 6 employees of the group and/or the ultimate parent company, MIT Technologies Pte Ltd, who were granted 5% or more of the total options available under the scheme.

STATEMENT BY DIRECTORS

6. Independent auditor

RSM SG Assurance LLP has expressed willingness to accept re-appointment.

7. Report of audit committee

The members of the audit committee at the date of this report are as follows:

Leong Sow Chun	(Chairman of Audit Committee and Lead Independent Director)
Kwong Kim Mone	(Non-Executive and Non-Independent Chairman)
Lim Ser Yong	(Independent Director)

The audit committee performs the functions specified by section 201B (5) of the Act. Among other functions, they performed the following:

- Reviewed with the independent external auditor their audit plan;

- Reviewed with the independent external auditor their evaluation of the company's internal accounting controls relevant to the statutory audit, and the report on the financial statements and the assistance given by management to the auditors;

- Reviewed with the internal auditor the scope and results of the internal audit procedures (including those relating to financial, operational, compliance controls and risk management) and the assistance given by the management to the internal auditors;

- Reviewed the financial statements of the group and the company prior to their submission to the directors of the company for adoption; and

- Reviewed the interested person transactions (as defined in Chapter 9 of the Singapore Exchange Securities Trading Limited's Listing Manual).

Other functions performed by the audit committee are described in the report on corporate governance included in the annual report of the company. It also includes an explanation of how independent auditor objectivity and independence is safeguarded where the independent auditor provides non-audit services.

The audit committee has recommended to the board of directors that the independent auditor, RSM SG Assurance LLP, be nominated for re-appointment as the independent auditor at the next annual general meeting of the company.

8. Directors' opinion on the adequacy of internal controls

Based on the internal controls established and maintained by the company, work performed by the internal and external auditors, and reviews performed by management, other committees of the board and the board, the board with the concurrence of the audit committee, is of the opinion that the company's internal controls (including financial, operational, compliance risks and information technology controls), and risk management systems were adequate and effective as at 31 December 2024 to address the risk that the company considers relevant and material to its operations.

STATEMENT BY DIRECTORS

9. Subsequent developments

There are no other significant developments subsequent to the release of the group's and the company's preliminary financial statements, as announced on 26 February 2025, which would materially affect the group's and the company's operating and financial performance as of the date of this report.

On behalf of the directors

Kwong Kim Mone Director	Siak Wing Cheong Director

26 March 2025

INDEPENDENT AUDITOR'S REPORT

To the Members of MANUFACTURING INTEGRATION TECHNOLOGY LTD.

Report on the audit of the financial statements

Opinion

We have audited the accompanying financial statements of Manufacturing Integration Technology Ltd. (the "company") and its subsidiaries (the "group"), which comprise the consolidated statement of financial position of the group and the statement of financial position of the company as at 31 December 2024, and the consolidated statement of profit or loss and other comprehensive income, statement of changes in equity and consolidated statement of cash flows of the group, and statement of changes in equity of the company for the reporting year then ended, and notes to the financial statements, including the material accounting policy information.

In our opinion, the accompanying consolidated financial statements of the group and the statement of financial position and statement of changes in equity of the company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS (I)") so as to give a true and fair view of the consolidated financial position of the group and the financial position of the company as at 31 December 2024 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the group and the changes in equity of the company for the reporting year ended on that date.

Basis for opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current reporting year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

INDEPENDENT AUDITOR'S REPORT

To the Members of MANUFACTURING INTEGRATION TECHNOLOGY LTD.

Key audit matters (Continued)

Assessment of going concern

As disclosed in Note 1 to the financial statements, the group incurred a loss after tax of $3,455,000 and net operating cash outflows of $1,642,000 for the reporting year and as at that date, its current liabilities exceeded its current assets by $1,233,000. Also refer to the audit committee report in the annual report.

Management is of the opinion that the use of the going concern basis in the presentation of these financial statements is appropriate based on the following considerations:

– The group is confident of its business' ability to generate sufficient operating cash flows to support its operating expenses in the next 12 months due to favourable arrangements with customers where advances are obtained prior to commencement of projects.

– Availability of the undrawn bank borrowing facilities of $2.8 million.

– Availability of an unencumbered investment property with a fair value of $5 million which can be sold or used to pledge for additional financing, if needed.

We identified this as a key matter because the going concern assessment including the preparation of the cash flow forecasts for the next 12 months from the end of the reporting year involves significant management judgement and estimations.

We performed the following procedures:

– We evaluated management's going concern assessments for the group.

– We reviewed the latest available cash flow forecasts for the next 12 months from the end of the reporting year and achievement of plans till the date of the financial statements.

– We assessed the inputs and assumptions within the cash flow forecast, prepared based on the budgets approved by the board of directors, by comparing them to historical trends and against our understanding and knowledge of the group's operations.

– We reviewed the available banking facilities.

– We obtained evidence to support the fair value of the investment property.

– We assessed the adequacy of the disclosure in the financial statements.

INDEPENDENT AUDITOR'S REPORT

To the Members of MANUFACTURING INTEGRATION TECHNOLOGY LTD.

Key audit matters (Continued)

Impairment of trade receivables

Refer to Note 2 for the relevant accounting policies, critical judgements, assumptions and estimation uncertainties and breakdown of trade receivables in Note 19. Also refer to the audit committee report in the annual report.

The carrying amount of trade receivables, net of allowance for expected credit loss ("ECL") of $1.2 million, amounted to $1.5 million, which represents approximately 12% of the group's total assets as at the end of the reporting year.

The group determines the ECL of trade receivables by making specific assessment of expected impairment loss for overdue trade receivables. The remaining balances of trade receivables were assessed based on the historical credit loss experience and debtors' ability to pay. This assessment requires management to exercise significant judgement.

We performed procedures to understand management's process over the monitoring of trade receivables and the assessment of loss allowance for trade receivables. We discussed with management and assessed the reasonableness of management's assumptions by comparing to historical credit losses. We also recomputed management's calculation for the loss allowance and tested the adequacy of prior year allowance by comparing against actual loss incurred in the current year.

For loss allowance recognised for individually identified debtors, we evaluated and reviewed management's assessment on credit quality and recoverability by considering factors such as subsequent receipts, payment history, settlement agreements, if any and/or the ongoing business relationship with the debtors involved.

We have also assessed the adequacy of the disclosures made in the financial statements.

Adequacy of inventory impairment allowance

Refer to Note 2 for the relevant accounting policies, critical judgements, assumptions and estimation uncertainties and Note 18 for details of inventory at the end of the reporting year. Also refer to the audit committee report in the annual report.

The carrying amount of inventories amounted to $1.7 million, which accounted for approximately 13% of the group's total assets as at the end of the reporting year.

We have reviewed the group's inventory aging at the end of the reporting year, as well as the group's computation for inventory allowance. We also reviewed the inventory turnover days and aging of the inventories to assess if there were any significant build-up of aged inventories. We have compared the carrying values of the inventories to the recent sales invoices and price lists and past sales prices where there are no recent sales to assess the reasonableness of the level of allowance recorded.

We have also assessed the adequacy of the disclosures made in the financial statements.

INDEPENDENT AUDITOR'S REPORT

To the Members of MANUFACTURING INTEGRATION TECHNOLOGY LTD.

Other information

Management is responsible for the other information. The other information comprises the information included in the statement by directors and the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and directors for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and the SFRS(I), and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the group's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

a) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

INDEPENDENT AUDITOR'S REPORT

To the Members of MANUFACTURING INTEGRATION TECHNOLOGY LTD.

Auditor's responsibilities for the audit of the financial statements (Continued)

b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control.

c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group to cease to continue as a going concern.

e) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

f) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

INDEPENDENT AUDITOR'S REPORT

To the Members of MANUFACTURING INTEGRATION TECHNOLOGY LTD.

Report on other legal and regulatory requirements

In our opinion, the accounting and other records required by the Act to be kept by the company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Uthaya Chandrikaa D/O Ponnusamy.

RSM SG Assurance LLP
Public Accountants and
Chartered Accountants
Singapore

26 March 2025

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Year Ended 31 December 2024

	Notes	Group 2024 $'000	Group 2023 $'000
Revenue	5	**6,664**	8,369
Cost of sales		**(6,067)**	(8,124)
Gross profit		**597**	245
Other income and gains	6	**868**	1,017
Marketing and distribution costs		**(210)**	(301)
Administrative expenses	7	**(3,890)**	(4,069)
Finance costs	8	**(128)**	(22)
Other losses	6	**(692)**	(320)
Loss before tax		**(3,455)**	(3,450)
Income tax benefit	11	**–**	–
Loss net of tax		**(3,455)**	(3,450)
Other comprehensive loss:			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translating foreign operations, net of tax		**(41)**	(35)
Other comprehensive loss for the year, net of tax		**(41)**	(35)
Total comprehensive loss for the year		**(3,496)**	(3,485)
Loss per share			
Loss per share currency unit		**Cents**	**Cents**
Basic	12	**(1.43)**	(1.43)
Diluted	12	**(1.43)**	(1.43)

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF FINANCIAL POSITION

As at 31 December 2024

	Notes	Group 2024 $'000	Group 2023 $'000	Company 2024 $'000	Company 2023 $'000
ASSETS					
Non-current assets					
Plant and equipment	13	**76**	217	**55**	188
Right-of-use assets	14	**733**	1,030	**245**	367
Investment properties	15	**7,438**	7,627	**7,438**	7,627
Intangible assets	16	**–**	–	**–**	–
Investments in subsidiaries	17	**–**	–	**–**	1,314
Total non-current assets		**8,247**	8,874	**7,738**	9,496
Current assets					
Inventories	18	**1,702**	2,669	**192**	236
Trade and other receivables	19	**1,635**	1,806	**317**	631
Other non-financial assets	20	**215**	221	**57**	98
Cash and cash equivalents	21	**800**	1,221	**619**	255
Total current assets		**4,352**	5,917	**1,185**	1,220
Total assets		**12,599**	14,791	**8,923**	10,716
EQUITY AND LIABILITIES					
Equity					
Share capital	22	**20,460**	20,460	**20,460**	20,460
Other reserves	24	**(155)**	(148)	**133**	99
Accumulated losses		**(13,665)**	(10,221)	**(15,449)**	(12,494)
Total equity		**6,640**	10,091	**5,144**	8,065
Non-current liability					
Lease liabilities	25	**374**	678	**129**	253
Total non-current liability		**374**	678	**129**	253
Current liabilities					
Other non-financial liabilities	26	**813**	1,185	**–**	358
Lease liabilities	25	**378**	357	**123**	117
Trade and other payables	27	**1,474**	1,187	**607**	630
Loans and borrowings	28	**2,920**	1,293	**2,920**	1,293
Total current liabilities		**5,585**	4,022	**3,650**	2,398
Total liabilities		**5,959**	4,700	**3,779**	2,651
Total equity and liabilities		**12,599**	14,791	**8,923**	10,716

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY

Year Ended 31 December 2024

Group	**Total equity $'000**	**Share capital $'000**	**Accumulated losses $'000**	**Translation reserve $'000**	**Share option reserve $'000**
Current year:					
Opening balance at 1 January 2024	**10,091**	**20,460**	**(10,221)**	**(247)**	**99**
Changes in equity:					
Total comprehensive loss for the year	**(3,496)**	**–**	**(3,455)**	**(41)**	**–**
Expiry of share options (Note 24B)	**–**	**–**	**11**	**–**	**(11)**
Share based payment expenses (Note 24B)	**45**	**–**	**–**	**–**	**45**
Closing balance at 31 December 2024	**6,640**	**20,460**	**(13,665)**	**(288)**	**133**
Previous year:					
Opening balance at 1 January 2023	13,540	20,460	(6,788)	(212)	80
Changes in equity:					
Total comprehensive loss for the year	(3,485)	–	(3,450)	(35)	–
Expiry of share options (Note 24B)	–	–	17	–	(17)
Share based payment expenses (Note 24B)	36	–	–	–	36
Closing balance at 31 December 2023	10,091	20,460	(10,221)	(247)	99

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY

Year Ended 31 December 2024

Company	Total equity $'000	Share capital $'000	Accumulated losses $'000	Share option reserve $'000
Current year:				
Opening balance at 1 January 2024	**8,065**	**20,460**	**(12,494)**	**99**
Changes in equity:				
Total comprehensive loss for the year	**(2,966)**	**–**	**(2,966)**	
Expiry of share options (Note 24B)	**–**	**–**	**11**	**(11)**
Share based payment expenses (Note 24B)	**45**	**–**	**–**	**45**
Closing balance at 31 December 2024	**5,144**	**20,460**	**(15,449)**	**133**
Previous year:				
Opening balance at 1 January 2023	10,901	20,460	(9,639)	80
Changes in equity:				
Total comprehensive loss for the year	(2,872)	–	(2,872)	–
Expiry of share options (Note 24B)	–	–	17	(17)
Share based payment expenses (Note 24B)	36	–	–	36
Closing balance at 31 December 2023	8,065	20,460	(12,494)	99

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

Year Ended 31 December 2024

	Group	
	2024	**2023**
	$'000	**$'000**
Cash flows used in operating activities		
Loss before tax	**(3,455)**	(3,450)
Adjustments for:		
Depreciation of plant and equipment	**74**	105
Depreciation of investment properties	**189**	189
Depreciation of right-of-use assets	**371**	487
Interest income	**(12)**	(32)
Finance expenses	**128**	22
Gain on disposal of plant and equipment	**–**	(218)
Share-based payment expenses	**45**	36
Allowance of impairment loss on inventories	**585**	270
Allowance (Reversal) of impairment loss on trade and other receivables	**107**	(18)
Net effect of exchange rate changes in consolidating foreign operations	**16**	(84)
Operating cash flows before changes in working capital	**(1,952)**	(2,693)
Trade and other receivables	**78**	(272)
Other non-financial assets	**7**	16
Inventories	**393**	(282)
Other non-financial liabilities	**(372)**	275
Trade and other payables	**204**	(1,013)
Net cash flows used in operating activities	**(1,642)**	(3,969)
Cash flows from investing activities		
Proceeds on disposal of plant and equipment	**80**	225
Purchase of plant and equipment	**(13)**	(105)
Interest received	**12**	32
Net cash flows from investing activities	**79**	152
Cash flows used in financing activities		
Increase in new loans and borrowings	**2,000**	–
Interest paid	**(85)**	(5)
Lease payments paid	**(400)**	(549)
Net cash flows used in financing activities	**1,515**	(554)
Net decrease in cash and cash equivalents	**(48)**	(4,371)
Cash and cash equivalents, statement of cash flows, beginning balance	**(72)**	4,299
Cash and cash equivalents, statement of cash flows, ending balance (Note 21A)	**(120)**	(72)

The accompanying notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

1. GENERAL INFORMATION

The company is incorporated in Singapore with limited liability. The financial statements are presented in Singapore dollars and they cover the company (referred to “parent”) and the subsidiaries.

The board of directors approved and authorised these financial statements for issue on the date of the statement by directors. The directors have the power to amend and reissue the financial statements.

The principal activities of the company are that of designing, developing, manufacturing and distributing automated equipment for the semiconductor and other industries and an investment holding company.

The company is listed on the Singapore Exchange Securities Trading Limited (“SGX-ST”).

The principal activities of the subsidiaries are described in Note 17 to the financial statements.

The registered office is: 5004, Ang Mo Kio Avenue 5, #05-01, Techplace II, Singapore 569872. The company is situated in Singapore.

Going concern disclosures

The reporting entity incurred a loss after tax of $3,455,000 (2023: $3,450,000) for the reporting year. The net cash outflows from operating activities was $1,642,000 (2023: $3,969,000) and as of that date, the group and the company’s current liabilities exceeded their current assets by $1,233,000 and $2,465,000 respectively. The disruptions arising from the current economic conditions may materially affect the reporting entity’s ability to generate sufficient cash flows from its operations.

Nevertheless, management has a reasonable expectation that the group and the company have adequate resources to continue in operational existence for the foreseeable future and continues to adopt the going concern basis of accounting in preparing the financial statements due to the following:–

– The group is confident of its business’ ability to generate sufficient operating cash flows to support its operating expenses in the next 12 months due to favourable arrangements with customers where advances are obtained prior to commencement of projects.

– Availability of the undrawn bank borrowing facilities of $2.8 million (Note 30E).

– Availability of an unencumbered investment property with a fair value of $5 million (Note 15) which can be sold or used to pledge for additional financing, if needed.

As a consequence and in view of the available financial resources and arrangements, the directors believe that the group is well placed to manage its business risks. After consideration of the above, the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the directors continue to adopt the going concern basis in preparing the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

1. GENERAL INFORMATION (CONTINUED)

Macroeconomic conditions related disclosures

The reporting entity continues to face challenges from the uncertain and challenging macroeconomic and geopolitical environment that has caused widespread increase in interest rates and a significant rise in inflation, affecting the cost of many of the goods and services for customers, suppliers and employees, and which had and will continue to have an effect on its financial position, financial performance of operations, cash flows and medium and long-term prospects for the foreseeable future. Improvements may be expected.

Statement of compliance with financial reporting standards

These financial statements have been prepared in accordance with the Singapore Financial Reporting Standards (International) ("SFRS (I)s") and the related Interpretations to SFRS (I) ("SFRS (I) INT") as issued by the Accounting Standards Committee under ACRA ("ASC"). They comply with the provisions of the Companies Act 1967 and with the IFRS Accounting Standards ("IFRSs") issued by the International Accounting Standards Board ("IASB").

Basis of preparation of the financial statements

The financial statements are prepared on a going concern basis under the historical cost convention except where a financial reporting standard requires an alternative treatment (such as fair values) as disclosed where appropriate in these financial statements. The accounting policies in the financial reporting standards may not be applied when the effect of applying them is not material. The disclosures required by financial reporting standards may not be provided if the information resulting from that disclosure is not material.

Basis of presentation and principles of consolidation

The consolidated financial statements include the financial statements made up to the end of the reporting year of the company and all of its subsidiaries. The consolidated financial statements are the financial statements of the group (the parent and its subsidiaries) presented as those of a single economic entity and are prepared using uniform accounting policies for like transactions and other events in similar circumstances. All significant intragroup balances and transactions are eliminated on consolidation. Subsidiaries are consolidated from the date the reporting entity obtains control of the investee. They are de-consolidated from the date that control ceases.

Changes in the group's ownership interest in a subsidiary that do not result in the loss of control are accounted for within equity as transactions with owners in their capacity as owners. The carrying amounts of the group and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. When the group loses control of a subsidiary, it derecognises the assets and liabilities and related equity components of the former subsidiary. Any gain or loss is recognised in profit or loss. Any investment retained in the former subsidiary is measured at fair value at the date when control is lost and is subsequently accounted as equity investments financial assets in accordance with the financial reporting standard on financial instruments.

The company's separate financial statements have been prepared on the same basis, and as permitted by the Companies Act 1967, the company's separate statement of profit or loss and other comprehensive income is not presented.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION AND OTHER EXPLANATORY INFORMATION

2A. Material accounting policy information

Revenue and income recognition

Revenue is recognised at an amount that reflects the consideration to which the entity expects to be entitled in exchange for transferring goods or services to a customer (which excludes estimates of variable consideration that are subject to constraints, such as right of return exists, and modifications), net of any related taxes and excluding any amounts collected on behalf of third parties. An asset (goods or services) is transferred when or as the customer obtains control of that asset. As a practical expedient, the effects of any significant financing component is not adjusted if the payment for the good or service will be within one year.

Sale of goods – Revenue is recognised at a point in time when the performance obligation is satisfied by transferring a promised good or service to the customer. Control of the goods is transferred to the customer, generally on delivery of the goods (in this respect, incoterms are considered).

Services – Revenue from service orders and term projects is recognised when the entity satisfies the performance obligation at a point in time generally when the significant acts have been completed and when transfer of control occurs or for services that are not significant transactions revenue is recognised as the services are provided.

Distinct goods or services in a series – For distinct goods or services in a series such as routine or recurring service contracts where the promise under the contract is for a specified quantity of goods or services that meets the over time criteria or is a stand-ready or single continuous service and if the nature of each good or service is distinct, substantially the same and has the same pattern of transfer or each time increment is distinct, then revenue is recognised at the amount that the entity has the right to bill a fixed amount for each unit of goods or service provided.

Rental income is recognised from operating leases on a straight-line basis. Interest income is recognised using the effective interest method.

Employee benefits

Contributions to a defined contribution retirement benefit plan are recorded as an expense as they fall due. The entity’s legal or constructive obligation is limited to the amount that it is obligated to contribute to an independently administered fund (such as the Central Provident Fund in Singapore, a government managed defined contribution retirement benefit plan). For employee leave entitlement, the expected cost of short-term employee benefits in the form of compensated absences is recognised in the case of accumulating compensated absences, when the employees render service that increases their entitlement to future compensated absences; and in the case of non-accumulating compensated absences, when the absences occur. A liability for bonuses is recognised where the entity is contractually obliged or where there is constructive obligation based on past practice.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION AND OTHER EXPLANATORY INFORMATION (CONTINUED)

2A. Material accounting policy information (Continued)

Share-based compensation

There is an option plan for employees and directors. For the equity-settled share-based compensation transactions, the fair value of the employee services received in exchange for the grant of the options is recognised as an expense. The total amount to be expensed on a straight-line basis over the vesting period is measured by reference to the fair value of the options granted ignoring the effect of non-market conditions such as profitability and sales growth targets. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. The fair value is measured using a relevant option pricing model. The expected lives used in the model are adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations. At the end of the reporting year, a revision is made of the number of options that are expected to become exercisable. It recognises the impact of the revision of original estimates, if any, in profit or loss with a corresponding adjustment to equity. The proceeds received net of any directly attributable transaction costs are credited to share capital when the options are exercised.

Cancellations of grants of equity instruments during the vesting period (other than a grant cancelled by forfeiture when the vesting conditions are not satisfied) are accounted for as an acceleration of vesting, therefore any amount unrecognised that would otherwise have been charged is recognised immediately in profit or loss.

Borrowing costs

Borrowing costs are interest and other costs incurred in connection with the borrowings. Interest expense is calculated using the effective interest rate method. Borrowing costs are recognised as an expense in the period in which they are incurred.

Foreign currency transactions

The functional currency is the Singapore dollar as it reflects the primary economic environment in which the entity operates. Transactions in foreign currencies are recorded in the functional currency at the rates ruling at the dates of the transactions. At each end of the reporting year, recorded monetary balances and balances measured at fair value that are denominated in non-functional currencies are reported at the rates ruling at the end of the reporting year and fair value measurement dates respectively. All realised and unrealised exchange adjustment gains and losses are dealt with in profit or loss except when a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is recognised in other comprehensive income. The presentation is in the functional currency.

Translation of financial statements of other entities

Each component in the group determines the appropriate functional currency as it reflects the primary economic environment in which the relevant reporting entity operates. In translating the financial statements of such an entity for incorporation in the consolidated financial statements in the presentation currency, the assets and liabilities denominated in other currencies are translated at end of the reporting year rates of exchange and the income and expense items for each statement presenting profit or loss and other comprehensive income are translated at average rates of exchange for the reporting year. The resulting translation adjustments (if any) are recognised in other comprehensive income and accumulated in a separate component of equity until the disposal of that relevant reporting entity.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION AND OTHER EXPLANATORY INFORMATION (CONTINUED)

2A. Material accounting policy information (Continued)

Income tax

Tax expense (tax benefit) is the aggregate amount included in the determination of profit or loss for the reporting year in respect of current tax and deferred tax. Current income tax is the expected tax payable on the taxable income for the reporting year; calculated using rates enacted or substantively enacted at the statement of financial position date; and inclusive of any adjustment to income tax payable or recoverable in respect of previous reporting years. Deferred tax is recognised using the liability method; based on temporary differences between the carrying amounts of assets and liabilities in the financial statements and their respective income tax bases; and determined using tax rates that have been enacted or substantively enacted by the reporting year end date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

A deferred tax amount is recognised for all temporary differences, unless the deferred tax amount arises from the initial recognition of an asset or liability in a transaction which (i) is not a business combination; and (ii) at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

Plant and equipment

Plant and equipment are carried at cost on initial recognition and after initial recognition at cost less any accumulated depreciation and any accumulated impairment losses. Depreciation is provided on a straight-line method to allocate the gross carrying amounts of the assets less their residual values over their estimated useful lives of each part of an item of these assets (or, for certain leased assets, the shorter lease term). An asset is depreciated when it is available for use until it is derecognised even if during that period the item is idle.

The useful lives of assets and recognised impairment losses are reviewed, and adjusted if appropriate, whenever events or circumstances indicate that a revision is warranted.

Right-of-use assets

The right-of-use assets are accounted and presented as if they were owned such as plant and equipment.

Investment properties

Investment properties are properties (land or a building or part of a building or both) held (by the owner or by the lessee as a right-of-use asset under a finance lease) to earn rentals or for capital appreciation or both, rather than for: (a) use in the production or supply of goods or services or for administrative purposes; or (b) sale in the ordinary course of business. It includes an investment property in the course of construction. After initial recognition at cost including transaction costs, the cost model is used to measure the investment property using the treatment for plant and equipment. An investment property that meets the criteria to be classified as held for sale is carried at the lower of carrying amount and fair value.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION AND OTHER EXPLANATORY INFORMATION (CONTINUED)

2A. Material accounting policy information (Continued)

Leases of lessee

A lease conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration. Where a lease arrangement is identified, a liability to the lessor is recognised as a lease obligation calculated at the present value of minimum unavoidable lease payments. A corresponding right-of-use asset is recorded. Lease payments are apportioned between finance costs and reduction of the lease liability so as to reflect the interest on the remaining balance of the liability. Finance charges are recorded as a finance cost. Leases with a term of 12 months or less and leases for low value are not recorded as a liability and lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term.

Inventories

Inventories are stated at the lower of cost and selling price less costs to complete and sell. Cost is calculated using the standard cost that approximate actual cost. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. In the case of manufactured inventories and work in progress, cost includes an appropriate share of overheads based on normal operating capacity.

Carrying amounts of non-financial assets

The amounts of the non-current non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised in the statement of profit or loss whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount.

Subsidiaries

A subsidiary is an entity including unincorporated and special purpose entity that is controlled by the reporting entity and the reporting entity is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The existence and effect of substantive potential voting rights that the reporting entity has the practical ability to exercise (that is, substantive rights) are considered when assessing whether the reporting entity controls another entity. In the reporting entity's separate financial statements, an investment in a subsidiary is accounted for at cost less any allowance for impairment in value. Impairment loss recognised in profit or loss for a subsidiary is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying value and the net book value of the investment in a subsidiary are not necessarily indicative of the amount that would be realised in a current market exchange.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION AND OTHER EXPLANATORY INFORMATION (CONTINUED)

2A. Material accounting policy information (Continued)

Financial instruments

Recognition and derecognition of financial instruments:

A financial asset or a financial liability is recognised when, and only when, the entity becomes party to the contractual provisions of the instrument. All other financial instruments (including regular-way purchases and sales of financial assets) are recognised and derecognised, as applicable, using trade date accounting or settlement date accounting. A financial asset is derecognised when the contractual rights to the cash flows from the financial asset expire or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the entity neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. A financial liability is removed from the statement of financial position when, and only when, it is extinguished, that is, when the obligation specified in the contract is discharged or cancelled or expires. At initial recognition, the financial asset or financial liability is measured at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Classification of financial assets and financial liabilities and subsequent measurement:

The financial reporting standard on financial instruments has four categories of financial assets and two categories for liabilities. At the end of the reporting year, the reporting entity had the following categories of financial assets and financial liabilities:

- Financial asset classified as measured at amortised cost: A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at fair value through profit or loss ("FVTPL"), that is (a) the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and (b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Typically trade and other receivables, bank and cash balances are in this class.

- Financial liabilities are classified as at FVTPL in either of the following circumstances: (1) the liabilities are managed, evaluated and reported internally on a fair value basis; or (2) the designation eliminates or significantly reduces an accounting mismatch that would otherwise arise. All other financial liabilities are carried at amortised cost using the effective interest method. Reclassification of any financial liability is not permitted.

Cash and cash equivalents

Cash comprises cash on hand.

For the statement of cash flows, cash and cash equivalents includes cash and cash equivalents less cash subject to restriction and bank overdrafts payable on demand that form an integral part of cash management. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION AND OTHER EXPLANATORY INFORMATION (CONTINUED)

2A. Material accounting policy information (Continued)

Cash and cash equivalents (Continued)

Cash flows are reported using the indirect method, whereby profit or loss is adjusted for the effects of transactions of a non-cash nature, and items of income or expense associated with investing or financing cash flows.

Fair value measurement

The fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When measuring the fair value of an asset or a liability, market observable data to the extent possible is used. If the fair value of an asset or a liability is not directly observable, an estimate is made using valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs (eg by use of the market comparable approach that reflects recent transaction prices for similar items, discounted cash flow analysis, or option pricing models refined to reflect the issuer's specific circumstances). Inputs used are consistent with the characteristics of the asset/liability that market participants would take into account. The entity's intention to hold an asset or to settle or otherwise fulfil a liability is not taken into account as relevant when measuring fair value.

Fair values are categorised into different levels in a fair value hierarchy based on the degree to which the inputs to the measurement are observable and the significance of the inputs to the fair value measurement in its entirety: Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (ie as prices) or indirectly (ie derived from prices). Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs). Transfers between levels of the fair value hierarchy are recognised at the end of the reporting period during which the change occurred.

The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments and the disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value. The fair values of non-current financial instruments may not be disclosed separately unless there are significant differences at the end of the reporting year and in the event the fair values are disclosed in the relevant notes to the financial statements.

Other specific material accounting policy and other explanatory information

These are disclosed at the relevant notes to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION AND OTHER EXPLANATORY INFORMATION (CONTINUED)

2B. Judgements and sources of estimation uncertainties

Disclosures on significant judgements made in the process of applying the accounting policies and on material information about the assumptions management made about the future, and other major sources of estimation uncertainty at the end of the reporting year, that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below or in the corresponding Notes to these financial statements. These estimates and assumptions are periodically monitored to ensure they incorporate all relevant information available at the date when financial statements are prepared. However, this does not prevent actual figures differing from estimates.

Assessing expected credit loss allowance on trade receivables:

The assessment of the expected credit losses ("ECL") requires a degree of estimation and judgement in measuring the expected credit losses. Management considers all reasonable and supportable information such as the reporting entity's past experience at collecting receipts and any increase in the number of delayed receipts in the portfolio past the average credit period. In particular, given the group largely deals with a few large customers, management reviews their credit quality in light of the subsequent receipts, payment history during the year, age of outstanding receivables and the ongoing orders on hand with the customer. The carrying amounts might change materially within the next reporting year but these changes may not arise from assumptions or other sources of estimation uncertainty at the end of the reporting year. The carrying amount is disclosed in Note 19 on trade and other receivables.

Assessing loss allowance on inventories:

The assessment of the allowance for impairment loss on inventories requires a degree of estimation and judgement. The level of the inventories' loss allowance is assessed by taking into account the estimated costs to completion against the committed selling price amongst other matters for the work-in-progress and finished goods. For raw materials, the recent sales experience and the ageing of inventories is considered in management's assessment. Possible changes in these estimates could result in revisions to the stated value of the inventories. The carrying amounts of inventories at the end of the reporting year is disclosed in Note 18 on inventories.

Assessing the carrying amounts of right-of-use assets:

Significant judgement is applied by management when determining impairment allowance of the right-of-use asset. Impairment allowance is assessed for separable parts of leased assets that have been or will be vacated or used in the near future. The impairment allowance is sensitive to changes in estimated future expected sublease income and sublease period. Judgement is also involved when determining whether sublease contracts are financial or operational, as well as when determining lease term for contracts that have extension or termination options. The carrying amount at the end of the reporting year is disclosed in Note 14 on right-of-use assets.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION AND OTHER EXPLANATORY INFORMATION (CONTINUED)

2B. Judgements and sources of estimation uncertainties (Continued)

Assessment of impairment for investment in subsidiaries:

Where a subsidiary is in net equity deficit and/or has suffered losses, a test is made whether the investment in the investee has suffered any impairment and whether receivables can be recovered. This determination requires significant judgement. An estimate is made of the future profitability of the investee, and the financial health of and near-term business outlook for the investee, including factors such as industry and sector performance, and operational and financing cash flows. It is impracticable to disclose the extent of the possible effects. It is reasonably possible, based on existing knowledge, that outcomes within the next reporting year that are different from assumptions could require a material adjustment to the carrying amount of the asset. The carrying amount of the specific asset (or class of assets) at the end of the reporting year affected by the assumption is approximately $Nil (2023: $1,314,000).

3. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS

The financial reporting standard on related party disclosures requires the reporting entity to disclose: (a) transactions with its related parties; and (b) relationships between parents and subsidiaries irrespective of whether there have been transactions between those related parties. A party is related to a party if the party controls, or is controlled by, or can significantly influence or is significantly influenced by the other party.

The ultimate controlling party is Mr. Kwong Kim Mone.

3A. Members of a group:

Name	Relationship	Country of incorporation
MIT Technologies Pte Ltd	Parent company	Singapore

Related companies in these financial statements include the members of the above group of companies.

There are transactions and arrangements between the reporting entity and related parties and the effects of these on the basis determined between the parties are reflected in these financial statements. The related party balances and transfer of resources, services or obligations, if any, are unsecured, without fixed repayment terms and interest or charge unless stated otherwise.

Intragroup transactions and balances that have been eliminated in these consolidated financial statements are not disclosed as related party transactions and balances below.

3B. Key management compensation:

	Group	
	2024	**2023**
	$'000	**$'000**
Salaries and other short-term employee benefits	**912**	1,093

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

3. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

3B. Key management compensation: (Continued)

The above amounts are included under employee benefits expense. Included in the above amounts are the following items:

	Group	
	2024	**2023**
	$'000	**$'000**
Remuneration of directors of the company	**294**	236
Remuneration of directors of subsidiaries	**–**	144
Fees to directors of the company	**129**	174

Further information about the remuneration of individual directors is provided in the report on corporate governance.

Key management personnel include the directors and those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly. The above amounts for key management compensation are for all the directors including resigned directors and key executives.

4. FINANCIAL INFORMATION BY OPERATING SEGMENTS

The group discloses financial and descriptive information about its consolidated reportable segments. Reportable segments are operating segments or aggregations of operating segments that meet specified criteria. Operating segments are components about which separate financial information is available that is evaluated regularly by the chief operating decision maker to allocate resources and in assessing performance. Generally, financial information on segments is reported on the same basis as is used internally for evaluating operating segment performance and deciding how to allocate resources to operating segments.

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

4A. Information about reportable segment profit or loss, assets and liabilities

For management purposes, the reporting entity is organised into the following major strategic operating segments that offer different products and services: (1) build-to-print and (2) customised automation within the non-semiconductor business. 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 board of directors (who are identified as the chief operating decision makers) in deciding how to allocate resources and in assessing the performance. They are managed separately because each business requires different strategies.

Two or more operating segments may be aggregated into a single operating segment if in the judgement of management the segments have similar economic characteristics, and the segments are similar in some aspects such as the nature of the products and services; production processes; type or class of customer; distribution methods.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

4. FINANCIAL INFORMATION BY OPERATING SEGMENTS (CONTINUED)

4A. Information about reportable segment profit or loss, assets and liabilities (Continued)

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

The build-to-print segment is mainly engaged in contract equipment manufacturing activities.

The customised automation segment is mainly engaged in designing, developing, and manufacturing of automated equipment.

Inter-segment sales are measured on the basis that the entity actually used to price the transfers. Internal transfer pricing policies of the reporting entity are as far as practicable based on market prices. The accounting policies of the operating segments are the same as those used by the reporting entity.

The management reporting system evaluates performances based on a number of factors. However the primary profitability measurement to evaluate segment's operating results comprises two major financial indicators: (1) earnings from operations before depreciation and amortisation, interests and income taxes (called "Recurring EBITDA").

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

4B. Profit or loss from continuing operations and reconciliations

Segment information about these businesses is presented below:

	Build-to-print $'000	Customised automation $'000	Unallocated $'000	Group $'000
2024				
Revenue by segment				
Total revenue by segment	**4,083**	**4,386**	**–**	**8,469**
Inter-segment sales	**(952)**	**(853)**	**–**	**(1,805)**
Total revenue	**3,131**	**3,533**	**–**	**6,664**
Recurring EBITDA	**(575)**	**(2,702)**	**572**	**(2,705)**
Interest income	**6**	**6**	**–**	**12**
Finance costs	**(77)**	**(51)**	**–**	**(128)**
Depreciation	**(326)**	**(119)**	**(189)**	**(634)**
(Loss) Profit before tax	**(972)**	**(2,866)**	**383**	**(3,455)**
Income tax benefit				**–**
Loss for the year				**(3,455)**
2023				
Revenue by segment				
Total revenue by segment	6,670	3,562	–	10,232
Inter-segment sales	(1,615)	(248)	–	(1,863)
Total revenue	5,055	3,314	–	8,369
Recurring EBITDA	(500)	(2,710)	531	(2,679)
Interest income	19	13	–	32
Finance costs	(13)	(9)	–	(22)
Depreciation	(332)	(260)	(189)	(781)
(Loss) Profit before tax	(826)	(2,966)	342	(3,450)
Income tax benefit				–
Loss for the year				(3,450)

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

4. FINANCIAL INFORMATION BY OPERATING SEGMENTS (CONTINUED)

4C. Assets and reconciliations

	Build-to-print $'000	Customised automation $'000	Unallocated $'000	Group $'000
2024:				
Total assets for reportable segments	**2,820**	**2,341**	**7,438**	**12,599**
Total group assets	**2,820**	**2,341**	**7,438**	**12,599**
2023:				
Total assets for reportable segments	4,070	3,094	7,627	14,791
Total group assets	4,070	3,094	7,627	14,791

4D. Liabilities and reconciliations

	Build-to-print $'000	Customised automation $'000	Unallocated $'000	Group $'000
2024:				
Total liabilities for reportable segments	**2,739**	**3,220**	**–**	**5,959**
Total group liabilities	**2,739**	**3,220**	**–**	**5,959**
2023:				
Total liabilities for reportable segments	2,182	2,518	–	4,700
Total group liabilities	2,182	2,518	–	4,700

4E. Other material items and reconciliations

	Build-to-print $'000	Customised automation $'000	Unallocated $'000	Group $'000
Impairment allowance for trade and other receivables				
2024	**–**	**107**	**–**	**107**
2023	–	–	–	–
Impairment allowance for inventories				
2024	**–**	**585**	**–**	**585**
2023	1	269	–	270
Capital expenditure				
2024	**9**	**4**	**–**	**13**
2023	52	53	–	105

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

4. FINANCIAL INFORMATION BY OPERATING SEGMENTS (CONTINUED)

4F. Geographical information

The group's geographical segments are based on the location of the group's assets. Sales to external customers disclosed in geographical segments are based on the geographical location of its customers. The group's operations are located predominantly in Singapore and China.

Revenues are attributed to countries on the basis of the customer's location, irrespective of the origin of the goods and services. The non-current assets are analysed by the geographical area in which the assets are located. The non-current assets exclude any financial instruments and deferred tax assets.

	Revenue		Non-current assets	
	2024	**2023**	**2024**	**2023**
	$'000	**$'000**	**$'000**	**$'000**
China	**1,184**	1,495	**2**	3
Singapore	**2,375**	2,884	**8,170**	8,838
Europe and USA	**3,105**	3,605	**–**	–
Asia excluding China and Singapore	**–**	385	**75**	33
Total continuing operations	**6,664**	8,369	**8,247**	8,874

	2024	**2023**
	$'000	**$'000**
Capital Expenditure:		
Malaysia	**–**	2
Singapore	**13**	103
	13	105

4G. Information about major customers

	2024	**2023**
	$'000	**$'000**
Top 1 customer in build-to-print segment	**2,055**	2,273
Top 2 customers in build-to-print segment	**3,073**	3,604
Top 1 customer in customised automation segment	**1,923**	1,678
Top 2 customers in customised automation segment	**2,599**	2,341

5. REVENUE

	Group	
	2024	**2023**
	$'000	**$'000**
Sale of goods		
– Point in time	**3,980**	5,874
– Over time	**2,684**	2,495
	6,664	8,369

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

5. REVENUE (CONTINUED)

Revenue classified by duration of contract:

	Group	
	2024	**2023**
	$'000	**$'000**
Short-term contracts – less than 12 months	**4,522**	7,315
Long-term contracts – over 12 months	**2,142**	1,054
Total revenue	**6,664**	8,369

The distribution of revenue by geographical regions is disclosed in Note 4F.

6. OTHER INCOME AND GAINS AND (OTHER LOSSES)

	Group	
	2024	**2023**
	$'000	**$'000**
Foreign exchange adjustment gains (losses) – net	**112**	(50)
Gain on disposal of plant and equipment	**–**	218
Impairment allowance on trade and other receivables (Note 19)	**(107)**	–
Impairment allowance for inventories (Note 18)	**(585)**	(270)
Reversal of allowance for impairment loss on account receivables (Note 19)	**–**	18
Interest income from financial institutions	**12**	32
Rental income – investment properties (Note 15)	**684**	626
Other rental income	**–**	13
Other income	**60**	110
Net	**176**	697
Presented in profit or loss as:		
Other income and other gains	**868**	1,017
Other losses	**(692)**	(320)
Net	**176**	697

7. ADMINISTRATIVE EXPENSES

The major components and other selected components include the following:

	Group	
	2024	**2023**
	$'000	**$'000**
Employee benefits expense (Note 9)	**2,324**	2,361
Depreciation expense (Notes 13, 14 and 15)	**634**	674
Professional fees	**218**	263

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

8. FINANCE COSTS

	Group	
	2024	**2023**
	$'000	**$'000**
Interest expense on lease liabilities	**42**	17
Interest expense on bank overdrafts	**85**	5
Interest expense on bank loan	**1**	–
Total finance costs	**128**	22

9. EMPLOYEE BENEFITS EXPENSE

	Group	
	2024	**2023**
	$'000	**$'000**
Short term employee benefits expense	**4,152**	4,922
Contributions to defined contribution plans	**355**	435
Share-based payment expenses (Note 24B)	**45**	36
Other benefits	**183**	508
Total employee benefits expense	**4,735**	5,901

The employee benefits expense is classified as follows:

	Group	
	2024	**2023**
	$'000	**$'000**
Cost of sales	**2,330**	3,374
Marketing and distribution costs	**81**	166
Administrative expenses (Note 7)	**2,324**	2,361
Total	**4,735**	5,901

10. ITEMS IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

In addition to the charges and credits disclosed elsewhere in the notes to the financial statements, the income statement includes the following charges:

	Group	
	2024	**2023**
	$'000	**$'000**
Audit fees to the independent auditor of the company	**73**	71
Audit fees to the other independent auditor	**6**	10
Other fees to the independent auditor of the company	**9**	14

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

11. INCOME TAX EXPENSE

11A. Components of tax expense recognised in profit or loss include:

The income tax in profit or loss varied from the amount of income tax amount determined by applying the Singapore income tax rate of 17% (2023: 17%) to loss before income tax as a result of the following differences:

	Group	
	2024	**2023**
	$'000	**$'000**
Loss before income tax	**(3,455)**	(3,450)
Income tax benefit at the above rate	**(587)**	(586)
Expenses not deductible for tax purposes	**452**	89
Income not subject to tax	**(84)**	(15)
Effect of different tax rates in different country	**(75)**	(41)
Deferred tax assets not recognised	**288**	566
Others	**6**	(13)
Total income tax benefit	**–**	–

There are no tax consequences of dividends to owners of the company.

11B. Deferred tax expense recognised in profit or loss includes:

	Group	
	2024	**2023**
	$'000	**$'000**
Excess of tax values over net book value of plant and equipment	**(6)**	29
Tax loss carryforwards	**150**	535
Provisions	**144**	2
Unrecognised deferred tax assets	**(288)**	(566)
	–	–

11C. Deferred tax assets recognised in statement of financial position:

	Group		Company	
	2024	**2023**	**2024**	**2023**
	$'000	**$'000**	**$'000**	**$'000**
Deferred tax assets:				
Excess of tax values over net book value of plant and equipment	**338**	344	**181**	189
Tax loss carryforwards	**5,847**	5,697	**1,340**	1,128
Wear and tear allowance carryforwards	**108**	108	**70**	70
Unrecognised deferred tax assets	**(6,468)**	(6,180)	**11**	10
Provisions	**175**	31	**(1,602)**	(1,397)
Net balance	**–**	–	**–**	–

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

11. INCOME TAX EXPENSE (CONTINUED)

11C. Deferred tax assets recognised in statement of financial position: (Continued)

Included in unrecognised tax losses are losses that will expire as follows:

	Group		Company	
	2024	**2023**	**2024**	**2023**
	$'000	**$'000**	**$'000**	**$'000**
Chinese subsidiary				
Expiring in year				
2023	**–**	1,489	**–**	–
2024	**1,083**	1,104	**–**	–
2025	**331**	338	**–**	–
2028	**2,336**	2,382	**–**	–
2029	**213**	–	**–**	–
Malaysian subsidiary				
2033	**349**	356	**–**	–
2034	**368**	–	**–**	–
Singapore companies				
Unlimited period	**28,720**	26,890	**7,883**	6,636
	33,400	32,559	**7,883**	6,636

For the Singapore companies, the realisation of the future income tax benefits from tax loss carryforwards and temporary differences is available for an unlimited future period subject to agreement by tax authority and conditions imposed by law including the retention of majority shareholders as defined. For the Chinese and Malaysian subsidiaries, the realisation of the future income tax benefits from tax loss carryforwards is available for a period of 5 years and 10 years respectively subject to the conditions imposed by their local laws.

No deferred tax assets for the tax losses (including deductible temporary difference and unused tax losses) have been recognised as the future profit streams are not probable for the relevant entities.

12. EARNINGS PER SHARE

The following table illustrates the numerators and denominators used to calculate basic and diluted earnings per share of no par value:

	Group	
	2024	**2023**
	$'000	**$'000**
A. Numerators: Loss attributable to equity		
Loss attributable to equity holders	**(3,455)**	(3,450)
	No: '000	**No: '000**
B. Denominators: weighted average number of equity shares		
Basic	**241,112**	241,112
Dilutive share options effect	**–**	–
C. Diluted	**241,112**	241,112

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

12. EARNINGS PER SHARE (CONTINUED)

The weighted average number of ordinary shares refers to shares in issue outstanding during the reporting year.

The basic earnings per share ratio is based on the weighted average number of ordinary shares outstanding during each reporting year. It is after the neutralisation by the treasury shares.

The dilutive effect derives from transactions such as share options. The diluted amount per share is based on the weighted average number of ordinary shares and dilutive ordinary share equivalents outstanding during each reporting year. The ordinary share equivalents included in these calculations are: (1) the average number of ordinary shares assumed to be outstanding during the reporting year and (2) shares of ordinary share issuable upon assumed exercise of share options which (if any) would have a dilutive effect.

13. PLANT AND EQUIPMENT

Group	Renovations $'000	Plant and equipment $'000	Total $'000
Cost:			
At 1 January 2023	1,192	4,730	5,922
Foreign exchange adjustments	–	(138)	(138)
Additions	27	78	105
Disposals	(757)	(2,736)	(3,493)
Written off	–	(9)	(9)
At 31 December 2023	462	1,925	2,387
Additions	–	13	13
Written off		(12)	(12)
Disposals	–	(133)	(133)
At 31 December 2024	**462**	**1,793**	**2,255**
Accumulated depreciation and impairment:			
At 1 January 2023	1,192	4,503	5,695
Foreign exchange adjustments	–	(135)	(135)
Depreciation for the year	8	97	105
Write off of impairment against disposal	–	(495)	(495)
Disposals	(757)	(2,234)	(2,991)
Written off	–	(9)	(9)
At 31 December 2023	443	1,727	2,170
Depreciation for the year	9	65	74
Written off	–	(12)	(12)
Disposals	–	(53)	(53)
At 31 December 2024	**452**	**1,727**	**2,179**
Carrying value:			
At 1 January 2023	–	227	227
At 31 December 2023	19	198	217
At 31 December 2024	**10**	**66**	**76**

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

13. PLANT AND EQUIPMENT (CONTINUED)

Allocation of the depreciation expense:

	Group 2024 $'000	Group 2023 $'000
Cost of sales	**–**	2
Administrative expenses	**74**	103
Total	**74**	105

Company	**Renovations $'000**	**Plant and equipment $'000**	**Total $'000**
Cost:			
At 1 January 2023	101	840	941
Additions	27	74	101
Disposals	–	(9)	(9)
At 31 December 2023	128	905	1,033
Additions	–	3	3
Disposals	–	(134)	(134)
At 31 December 2024	**128**	**774**	**902**
Accumulated depreciation:			
At 1 January 2023	101	686	787
Depreciation for the year	8	59	67
Written off	–	(9)	(9)
At 31 December 2023	109	736	845
Depreciation for the year	9	47	56
Disposals	–	(54)	(54)
At 31 December 2024	**118**	**729**	**847**
Carrying value:			
At 1 January 2023	–	154	154
At 31 December 2023	19	169	188
At 31 December 2024	**10**	**45**	**55**

The depreciation expense is recorded under administrative expenses.

The annual rates of depreciation are as follows:

Renovations	–	33%
Plant and equipment	–	10% – 100%

Cost also includes acquisition cost, borrowing cost capitalised and any cost directly attributable to bringing the asset or component to the location and condition necessary for it to be capable of operating in the manner intended by management. Subsequent costs are recognised as an asset only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss when they are incurred.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

14. RIGHT-OF-USE ASSETS

The details of right-of-use assets in the statement of financial position are as follows:

Group	Building $'000	Office and production premises $'000	Total $'000
Cost:			
At 1 January 2023	1,697	1,110	2,807
Addition	–	1,105	1,105
Written off upon expiry	(1,697)	(1,110)	(2,807)
At 31 December 2023	–	1,105	1,105
Additions	–	71	71
Written off upon expiry	–	(64)	(64)
Foreign exchange adjustments	–	4	4
At 31 December 2024	**–**	**1,116**	**1,116**
Accumulated depreciation:			
At 1 January 2023	1,495	893	2,388
Depreciation for the year	195	292	487
Written off upon expiry	(1,697)	(1,110)	(2,807)
Foreign exchange adjustments	7	–	7
At 31 December 2023	–	75	75
Depreciation for the year	–	371	371
Written off upon expiry	–	(64)	(64)
Foreign exchange adjustments	–	1	1
At 31 December 2024	**–**	**383**	**383**
Carrying value:			
At 1 January 2023	202	217	419
At 31 December 2023	–	1,030	1,030
At 31 December 2024	**–**	**733**	**733**

Allocation of the depreciation expense:

Group	2024 $'000	2023 $'000
Cost of sales	**23**	105
Administrative expenses	**348**	382
Total	**371**	487

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

14. RIGHT-OF-USE ASSETS (CONTINUED)

The details of right-of-use assets in the statement of financial position are as follows:

Company	**Office and production premises $'000**
Cost:	
At 1 January 2023	341
Additions	393
Written off upon expiry	(341)
At 31 December 2023 and 31 December 2024	393
Accumulated depreciation:	
At 1 January 2023	251
Depreciation for the year	116
Written off upon expiry	(341)
At 31 December 2023	26
Depreciation for the year	122
At 31 December 2024	**148**
Carrying value:	
At 1 January 2023	90
At 31 December 2023	367
At 31 December 2024	**245**

The depreciation expense is recorded under administrative expenses.

The right-of-use assets are accounted and presented as if they were owned such as plant and equipment. The useful lives are as follows:

Office and production premises – Over the remaining terms of lease of 2 years (2023: 3 years)

Other information about the leasing activities relating to the right-of-use assets are summarised as follows:

Group	**Office and production premises**	
	2024	**2023**
Number of right-of-use assets	**3**	3
Remaining term – range	**2 years**	3 years
Remaining term – average	**2.0 years**	3.0 years
Number of leases with termination options	**3**	3

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

14. RIGHT-OF-USE ASSETS (CONTINUED)

Company	Office and production premises 2024	2023
Number of right-of-use assets	**1**	1
Remaining term	**2 years**	3 years
Number of leases with termination options	**1**	1

The leases are for rentals payable for the factories and offices. The lease rental terms are negotiated for an average term of three years.

15. INVESTMENT PROPERTIES

	Group and company 2024 $'000	2023 $'000
<u>At cost:</u>		
At beginning of the year and at end of the year	**9,471**	9,471
<u>Accumulated depreciation:</u>		
At beginning of the year	**1,844**	1,655
Depreciation for the year	**189**	189
At end of the year	**2,033**	1,844
<u>Carrying value:</u>		
At end of the year	**7,438**	7,627
Fair value for disclosure purposes only:		
Fair value at end of the year	**15,000**	14,200
Rental income from investment properties (Note 6)	**684**	626

Details of leasehold properties:

Description/Location	Tenure of Land/ (Gross floor area)	Last valuation date
Singapore:		
(A) 7 Yishun Industrial Street 1, #07-38, Singapore 768162	Property: 60 years from 2011 (1,062 square metres)	Commercial property. Valued in December 2024.
(B) 7 Yishun Industrial Street 1, #06-38/39, Singapore 768162	Property: 60 years from 2011 (2,290 square metres)	Commercial property. Valued in August 2023.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

15. INVESTMENT PROPERTIES (CONTINUED)

The investment properties are leased out under operating leases. Also see Note 29 on operating lease income commitments. The management has not entered into contractual obligations for the maintenance or enhancement of the investment properties.

Investment property B at a carrying value of $4,981,000 is mortgaged or pledged as security for the bank facilities (see Note 28).

The depreciation expense is recorded under administrative expenses.

The annual rates of depreciation are as follows:

Investment properties – 2%

The fair value of each investment property as at the end of the reporting year is based on valuations made by GT Real Estate Pte Ltd and Premas Valuers & Property Consultants Pte Ltd, firms of independent professional valuers on 31 December 2024 and 11 August 2023 respectively. The valuation method was based on market comparison method, a comparison with recent transactions of similar properties, preferably in vicinity, and adjusted to take into account certain factors and circumstances.

For fair value measurements as disclosed, a description of the valuation techniques and the significant other observable inputs used in the fair value measurement are as follows:

Assets:	(A) 7 Yishun Industrial Street 1, #07-38, Singapore 768162 (B) 7 Yishun Industrial Street 1, #06-38/39, Singapore 768162
Fair value and fair value hierarchy – Level:	(A) $5,000,000 (2023: $4,200,000), Level 3 (2023: Level 3); (B) $10,000,000 (2023: $10,000,000), Level 3 (2023: Level 3).
Valuation technique for recurring fair value measurements:	Comparison with market evidence of recent offer to sell prices for similar properties.
Significant unobservable inputs and range:	Price per square meters. (A) $4,708 (2023: $3,955) (B) $4,367 (2023: $4,367)
Relationship of unobservable inputs to fair value:	Favourable (adverse) change in the latest selling price in the market will increase (decrease) fair value
Sensitivity on management's estimates – 10% variation from estimate	2024 Impact (A) – lower by $500,000; higher by $500,000 (B) – lower by $1,000,000; higher by $1,000,000

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

16. INTANGIBLE ASSETS

Patents	**Group and company $'000**
Cost:	
At 1 January 2023, 31 December 2023 and 31 December 2024	86
Accumulated depreciation:	
At 1 January 2023, 31 December 2023 and 31 December 2024	86
Carrying value:	
At 1 January 2023	–
At 31 December 2023	–
At 31 December 2024	**–**

17. INVESTMENTS IN SUBSIDIARIES

	Company	
	2024 $'000	**2023 $'000**
Movements during the year		
At beginning of the year	**1,314**	–
Additions	**117**	2,443
Allowance for impairment	**(1,431)**	(1,129)
At the end of the year	**–**	1,314
Carrying value in the books of the company comprising:		
Unquoted equity shares at cost	**2,484**	2,484
Quasi-equity loans (Note A)	**36,883**	36,766
Allowance for impairment on unquoted equity shares	**(2,484)**	(2,424)
Allowance for impairment on quasi-equity loans	**(36,883)**	(35,512)
Total carrying value	**–**	1,314
Movements in allowance for impairment:		
Balance at beginning of the year	**37,936**	36,807
Allowance for impairment on quasi-equity loans	**1,431**	1,129
Balance at end of the year	**39,367**	37,936

Note A:
These are interest free quasi-equity loans provided by the company to the following wholly-owned subsidiaries:

(i) Semiconductor Precision Technology Pte Ltd, which in turn holds 100% equity interest in MIT (Shanghai) Co., Ltd;

(ii) Casem (Asia) Pte Ltd; and

(iii) Automated Manufacturing Solutions Pte. Ltd.

(iv) Manufacturing Integration Technology Sdn. Bhd.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

17. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

The company does not expect repayment of the above interest free quasi-equity loans in the foreseeable future. The fair value is not determinable as the timing of the future cash flows arising from the loans cannot be estimated reliably.

The decreasing performance of certain subsidiaries was considered sufficient evidence to trigger the impairment test. As detailed in this note, the impairment test resulted in the recognition of a loss. Accordingly, the cost has been written down to the recoverable amount.

The subsidiaries held by the company are listed below:

Name of subsidiaries, country of incorporation, place of operations and principal activities and independent auditors	**Cost**		**Effective percentage of equity held**	
	2024	**2023**	**2024**	**2023**
	$'000	**$'000**	**%**	**%**
Held by the company:				
Casem (Asia) Pte Ltd[(a)] Singapore Design and manufacturing of automated equipment	**100**	100	**100**	100
Semiconductor Precision Technology Pte Ltd[(a)] Singapore Investment holding	**1,500**	1,500	**100**	100
Automated Manufacturing Solutions Pte. Ltd.[(a)] Singapore Manufacturing and repair of lifting and handling equipment	**824**	824	**100**	100
Manufacturing Integration Technology Sdn. Bhd.[(b)] Malaysia Manufacturing of industrial process control equipment	**60**	60	**100**	100
	2,484	2,484		
Held by Semiconductor Precision Technology Pte Ltd:				
MIT (Shanghai) Co., Ltd.[(c)] People's Republic of China Dormant			**100**	100

(a) Audited by RSM SG Assurance LLP, a member of RSM International.

(b) Audited by TGS TW PLT. Audited by firms of accountants other than member firms of RSM International network firms.

(c) Audited by SBA Stone Forest CPA Co., Ltd., an affiliated firm of RSM SG Assurance LLP.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

18. INVENTORIES

	Group		Company	
	2024 $'000	2023 $'000	2024 $'000	2023 $'000
Raw materials	**364**	557	**15**	33
Work-in-progress	**1,338**	1,922	**177**	–
Finished goods	**–**	190	**–**	203
	1,702	2,669	**192**	236

Inventories are stated after allowance. Movement in allowance:

	Group		Company	
	2024 $'000	2023 $'000	2024 $'000	2023 $'000
At beginning of the year	**1,055**	2,360	**28**	–
Reversed to profit or loss and included in other income and gains	**–**	–	**(1)**	28
Charged to profit or loss and included in other losses (Note 6)	**585**	270	**–**	–
Inventories previously impaired now written off	**–**	(1,575)	**–**	–
At end of the year	**1,640**	1,055	**27**	28
(Decrease) Increase in inventories of finished goods and work-in-progress	**(774)**	(139)	**(26)**	203
Raw materials and consumables used	**3,529**	4,515	**1,665**	1,542

There are no inventories pledged as security for liabilities.

19. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2024 $'000	2023 $'000	2024 $'000	2023 $'000
Trade receivables:				
Outside parties	**2,720**	2,832	**277**	605
Less: allowance for impairment	**(1,174)**	(1,067)	**–**	–
	1,546	1,765	**277**	605
Other receivables:				
Advances to employees	**14**	4	**12**	–
Other receivables	**75**	37	**28**	26
	89	41	**40**	26
Total trade and other receivables	**1,635**	1,806	**317**	631

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

19. TRADE AND OTHER RECEIVABLES (CONTINUED)

	Group		Company	
	2024	**2023**	**2024**	**2023**
	$'000	**$'000**	**$'000**	**$'000**
Movements in above allowance:				
At beginning of the year	**1,067**	1,126	**–**	–
Foreign exchange adjustments	**–**	(41)	**–**	–
Charge for other receivables and included in other losses (Note 6)	**107**	(18)	**–**	–
At end of the year	**1,174**	1,067	**–**	–

As part of the process of setting customer credit limits, different credit terms are used. The average credit period generally granted to trade receivable customers is about 85 days (2023: 77 days). However some customers take a longer period to settle the amount. The customers' balances are subject to the expected credit loss ("ECL") assessment under the financial reporting standard on financial instruments.

The ECL on the trade receivables are based on the simplified approach to measuring ECL which uses a lifetime ECL allowance approach for all such assets recognised from the initial recognition of these assets. These assets are grouped based on shared credit risk characteristics and the days past due for measuring the ECL including the impact of the current economic conditions.

The amounts are written off when there are indications that there is no reasonable expectation of recovery or the failure of a debtor to make contractual payments over an extended period.

The group has few customers and which can be graded as low risk individually. These trade receivables are individually assessed and are considered to have low credit risk. At the end of the reporting year, a loss allowance is recognised at an amount equal to life time expected credit losses because there has not been a significant financing component and significant increase in credit risk since initial recognition. There are no collateral held as security and other credit enhancements for the trade receivables.

At each subsequent reporting date, an evaluation is made whether there is a significant change in credit risk by comparing the trade receivable's credit risk at initial recognition (based on original, unmodified cash flows) with the credit risk at the reporting date. As the credit risk is low, no loss allowance is recognised based on the lifetime expected credit losses on the amount.

(a) Ageing analysis of the age of trade receivables amounts that are past due as at the end of the reporting year but not impaired:

	Group		Company	
	2024	**2023**	**2024**	**2023**
	$'000	**$'000**	**$'000**	**$'000**
Trade receivables:				
1 to 30 days	**143**	37	**21**	30
31 to 60 days	**1**	13	**–**	–
61 to 90 days	**–**	126	**–**	–
91 to 120 days	**87**	54	**–**	–
More than 180 days	**114**	12	**–**	–
Total	**345**	242	**21**	30

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

19. TRADE AND OTHER RECEIVABLES (CONTINUED)

(b) Ageing analysis as at the end of the reporting year of trade receivable amounts that are impaired:

	Group		Company	
	2024	**2023**	**2024**	**2023**
	$'000	**$'000**	**$'000**	**$'000**
Trade receivables:				
1 to 30 days	**2**	–	**–**	–
31 to 60 days	**2**	–	**–**	–
61 to 90 days	**2**	–	**–**	–
91 to 120 days	**6**	–	**–**	–
More than 180 days	**95**	–	**–**	–
Over 7 years	**1,067**	1,067	**–**	–

The balances have been fully provided and the group and the company no longer trades with the customers above.

Concentration of trade receivable customers as at the end of the reporting year:

	Group		Company	
	2024	**2023**	**2024**	**2023**
	$'000	**$'000**	**$'000**	**$'000**
Top 1 customer	**843**	443	**255**	340
Top 2 customers	**1,107**	783	**277**	599
Top 3 customers	**1,362**	1,091	**–**	605

Other receivables are normally with no fixed terms and therefore there is no maturity. Other receivables are regarded as low credit risk as if they have a low risk of default and the debtor has strong capacity to meet the contractual cash flows obligation in near term. The methodology applied for impairment loss depends on whether there has been a significant increase in credit risk.

20. OTHER NON-FINANCIAL ASSETS

	Group		Company	
	2024	**2023**	**2024**	**2023**
	$'000	**$'000**	**$'000**	**$'000**
Deposits to secure services	**79**	115	**4**	4
Prepayments	**136**	106	**53**	94
	215	221	**57**	98

21. CASH AND CASH EQUIVALENTS

	Group		Company	
	2024	**2023**	**2024**	**2023**
	$'000	**$'000**	**$'000**	**$'000**
Not restricted in use	**800**	1,221	**619**	255

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

21. CASH AND CASH EQUIVALENTS (CONTINUED)

21A. Cash and cash equivalents in the statement of cash flows

	Group	
	2024	**2023**
	$'000	**$'000**
Cash not restricted in use	**800**	1,221
Bank overdrafts (Note 28)	**(920)**	(1,293)
Cash and cash equivalents overdrawn for statement of cash flows purposes at end of the year	**(120)**	(72)

21B. Reconciliation of liabilities arising from financing activities:

	2023 $'000	Cash flows $'000	Non-cash changes $'000	2024 $'000
Loans and borrowings	–	2,000	–	**2,000**
Lease liabilities	1,035	(400)	117[(a), (b)]	**752**

	2022 $'000	Cash flows $'000	Non-cash changes $'000	2023 $'000
Lease liabilities	468	(549)	1,116[(a), (b)]	1,035

(a) Includes interest expense on lease liabilities of $42,000 (2023: $17,000) (Note 8) and exchange difference loss of $4,000 (2023: gain of $6,000) as at 31 December 2024.

(b) Includes cost of acquisition of right-of-use assets amounting to $71,000 (2023: $1,105,000). See Note 14.

22. SHARE CAPITAL

Company	**Number of ordinary shares issued '000**	**Share capital $'000**
Ordinary shares of no par value:		
Balance at 1 January 2023, 31 December 2023 and 31 December 2024	241,112	20,460

The ordinary shares of no par value are fully paid, carry one vote each and have no right to fixed income. The company is not subject to any externally imposed capital requirements.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

22. SHARE CAPITAL (CONTINUED)

Capital management:

The objectives when managing capital are: to safeguard the reporting entity's ability to continue as a going concern, so that it can continue to provide returns for owners and benefits for other stakeholders, and to provide an adequate return to owners by pricing the sales commensurately with the level of risk. The management sets the amount of capital to meet its requirements and the risk taken. There were no changes in the approach to capital management during the reporting year.

The management manages the capital structure and makes adjustments to it where necessary or possible in the light of changes in conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the management may adjust the amount of dividends paid to owners, return capital to owners, issue new shares, or sell assets to reduce debt. Adjusted capital comprises all components of equity (that is, share capital and reserves).

The management monitors the capital on the basis of the debt-to-adjusted capital ratio. This ratio is calculated as net debt/adjusted capital (as shown below). Net debt is calculated as total borrowings less cash and cash equivalents.

	Group		Company	
	2024	**2023**	**2024**	**2023**
	$'000	**$'000**	**$'000**	**$'000**
Net debt:				
All current and non-current borrowings including leases	**3,672**	2,328	**3,172**	1,663
Less: Cash and cash equivalents	**(800)**	(1,221)	**(619)**	(255)
Net debt	**2,872**	1,107	**2,553**	1,408
Adjusted capital:				
Total equity	**6,640**	10,091	**5,144**	8,065
Debt-to-adjusted capital ratio	**43.3%**	11.0%	**50.0%**	17.5%

In order to maintain its listing on the Singapore Stock Exchange, it has to have share capital with a free float of at least 10% of the shares. The company met the capital requirement on its initial listing and the rules limiting treasury share purchases mean it will continue to satisfy that requirement, as it did throughout the reporting year. Management receives a report from the share registrars frequently on substantial share interests showing the non-free float to ensure continuing compliance with the 10% limit throughout the year.

The management does not set a target level of gearing but uses capital opportunistically to support its business and to add value for shareholders. The key discipline adopted is to widen the margin between the return on capital employed and the cost of that capital.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

23. SHARE-BASED PAYMENTS

Employees' Share Option Scheme ("ESOS")

As at the end of the reporting year, share options granted to selected full-time employees and full-time executive directors under the Manufacturing Integration Technology Ltd. ESOS to take up 12,614,000 (2023: 4,334,000) unissued ordinary shares in the company were outstanding as follows:–

Date of grant	Balance as at 1.1.2024	New	Lapsed	Exercised	Balance as at 31.12.2024	Exercise Price $	Expiry date
Options to subscribe number of unissued ordinary shares of no par value:							
20 May 2016	**14,000**	–	–	–	**14,000**	0.1940*	19 May 2026
20 May 2016	**20,000**	–	–	–	**20,000**	0.1550**	19 May 2026
5 October 2021	**2,150,000**	–	(300,000)	–	**1,850,000**	0.0600*	4 October 2031
5 October 2021	**2,150,000**	–	(300,000)	–	**1,850,000**	0.0480**	4 October 2031
23 August 2024	**–**	4,500,000	(60,000)	–	**4,440,000**	0.0170*	22 August 2034
23 August 2024	**–**	4,500,000	(60,000)	–	**4,440,000**	0.0140**	22 August 2034
	4,334,000	9,000,000	(720,000)	–	**12,614,000**		

* Market price

** 20% discount to the market price of company's shares

During the current reporting year, no options were exercised under ESOS.

The following table illustrates the number and weighted average exercise prices ("WAEP") of, and movements in, share options during the reporting year:

	Year 2024	WAEP ($) 2024	Year 2023	WAEP ($) 2023
Outstanding at beginning of year	**4,334,000**	**0.03**	5,934,000	0.05
Granted	**9,000,000**	**0.03**	–	–
Expired during the year	**(720,000)**	**0.03**	(1,600,000)	0.03
	12,614,000	**0.03**	4,334,000	0.03
Exercisable at end of year	**12,614,000**	**0.03**	4,334,000	0.03

The options granted have a contractual life up to 10 years and there are no cash settlement alternatives.

During the current reporting year, the fair value of share options amounting to $133,000 (2023: $99,000) was estimated by the management, using a binomial model, taking into account the terms and conditions upon which the options were granted. The amount recognised as an expense in profit or loss during the reporting year is approximately $34,000 (2023: $19,000).

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

24. OTHER RESERVES

	Group		Company	
	2024	**2023**	**2024**	**2023**
	$'000	**$'000**	**$'000**	**$'000**
Foreign currency translation reserve (Note 24A)	**(288)**	(247)	**–**	–
Share option reserve (Note 24B)	**133**	99	**133**	99
At end of the year	**(155)**	(148)	**133**	99

All reserves classified on the face of the statements of financial position as retained earnings represents past accumulated earnings and are distributable as cash dividends. The other reserves are not available for cash dividends unless realised.

24A. Foreign currency translation reserve

	Group	
	2024	**2023**
	$'000	**$'000**
At beginning of the year	**(247)**	(212)
Exchange differences on translating foreign operations	**(41)**	(35)
At end of the year	**(288)**	(247)

The foreign currency translation reserve accumulates all foreign exchange differences arising from the translation of financial statements of entities that are denominated in currencies other than the presentation currency of the financial statements.

24B. Share option reserve

	Group and company	
	2024	**2023**
	$'000	**$'000**
At beginning of the year	**99**	80
Expiry of share options	**(11)**	(17)
Share based payment expenses (Note 9)	**45**	36
At end of the year	**133**	99

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

25. LEASE LIABILITIES

Lease liabilities are presented in the statements of financial position as follows:

	Group		Company	
	2024	**2023**	**2024**	**2023**
	$'000	**$'000**	**$'000**	**$'000**
Lease liabilities, current	**378**	357	**123**	117
Lease liabilities, non-current	**374**	678	**129**	253
	752	1,035	**252**	370

The group has three leases relating to office and production premises (2023: three leases relating to office and production premises). The company has one lease relating to office and production premises. Other information about the leasing activities relating to the right-of-use assets are summarised as follows: remaining terms of 24 months (2023: 12 months to 36 months); there are no variable payments linked to an index; there is no option to extend the lease for a further term.

A summary of the maturity analysis of lease liabilities that shows the remaining contractual maturities is disclosed in Note 30E. Total cash outflows from leases are shown in the statement of cash flows. The related right-of-use assets are disclosed in Note 14.

26. OTHER NON-FINANCIAL LIABILITIES

	Group		Company	
	2024	**2023**	**2024**	**2023**
	$'000	**$'000**	**$'000**	**$'000**
Contract liabilities	**813**	1,185	**–**	358

The contract liabilities represents consideration receivable during the reporting year that are unsatisfied as of the end of the reporting year. The contract liabilities are expected to be recognised within one year.

The movements in contract liabilities are as follows:

	Group		Company	
	2024	**2023**	**2024**	**2023**
	$'000	**$'000**	**$'000**	**$'000**
At the beginning of the year	**1,185**	910	**358**	–
Consideration received or receivable	**1,770**	2,770	**–**	358
Performance obligation satisfied – revenue recognised	**(2,142)**	(2,495)	**(358)**	–
At the end of the year	**813**	1,185	**–**	358

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

27. TRADE AND OTHER PAYABLES

	Group		Company	
	2024	**2023**	**2024**	**2023**
	$'000	**$'000**	**$'000**	**$'000**
Trade payables:				
Outside parties	**491**	501	**80**	8
Subsidiary (Notes 3 and 17)	**–**	–	**–**	160
	491	501	**80**	168
Other payables:				
Outside parties and accrued liabilities	**983**	686	**527**	462
	983	686	**527**	462
Total trade and other payables	**1,474**	1,187	**607**	630

28. LOANS AND BORROWINGS

	Group and company	
	2024	**2023**
	$'000	**$'000**
Bank overdrafts (secured)	**920**	1,293
Bank loan	**2,000**	–
	2,920	1,293

The effective interest rates paid were as follows:

	2024	**2023**
Bank overdrafts (secured)	**4.15%**	5%
Bank loan	**4.78%**	–

The bank facilities are secured by one of the investment properties (Note 15).

29. OPERATING LEASE INCOME COMMITMENTS – AS LESSOR

At the end of the reporting year, the total of future minimum lease receivables committed under non-cancellable operating leases are as follows:

Group and company	**2024**	**2023**
	$'000	**$'000**
Not later than one year	**684**	684
Between one to two years	**456**	684
Between two to three years	**–**	456
	1,140	1,824
Rental income for the year (Note 6)	**684**	626

Operating lease income commitments are for the investment properties. The lease rental income terms are negotiated for an average term of two (2023: three) years.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

30. FINANCIAL INSTRUMENTS: INFORMATION ON FINANCIAL RISKS AND OTHER EXPLANATORY INFORMATION

30A. Categories of financial assets and liabilities

The following table categorises the carrying amount of financial assets and financial liabilities recorded at the end of the reporting year:

	Group		Company	
	2024	**2023**	**2024**	**2023**
	$'000	**$'000**	**$'000**	**$'000**
Financial assets:				
Financial assets at amortised costs	**2,435**	3,027	**936**	886
At end of the year	**2,435**	3,027	**936**	886
Financial liabilities:				
Financial liabilities at amortised cost	**5,146**	3,515	**3,779**	2,293
At end of the year	**5,146**	3,515	**3,779**	2,293

Further quantitative disclosures are included throughout these financial statements.

30B. Financial risk management

The main purpose for holding or issuing financial instruments is to raise and manage the finances for the entity's operating, investing and financing activities. There are exposures to the financial risks on the financial instruments such as credit risk, liquidity risk and market price risk comprising interest rate and currency risk exposures. Management has certain practices for the management of financial risks. These guidelines set up the short and long term objectives and action to be taken in order to manage the financial risks. The guidelines includes the following:

1. Minimise interest rate, currency, credit and market risk for all kinds of transactions.

2. Maximise the use of "natural hedge": favouring as much as possible the natural off-setting of sales and costs and payables and receivables denominated in the same currency and therefore put in place hedging strategies only for the excess balance (if necessary). The same strategy is pursued with regard to interest rate risk.

3. All financial risk management activities are carried out and monitored by senior management staff.

4. All financial risk management activities are carried out following acceptable market practices.

5. When appropriate enter into derivatives or any other similar instruments solely for hedging purposes.

There have been no changes to the exposures to risk; the objectives, policies and processes for managing the risk and the methods used to measure the risks.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

30. FINANCIAL INSTRUMENTS: INFORMATION ON FINANCIAL RISKS AND OTHER EXPLANATORY INFORMATION (CONTINUED)

30C. Fair values of financial instruments

The analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 are disclosed in the relevant notes to the financial statements. These include the material financial instruments stated at amortised cost and at fair value in the statement of financial position. The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments. The disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value.

30D. Credit risk on financial assets

Financial assets subject to concentrations of credit risk and failures by counterparties to discharge their obligations in full or in a timely manner arise principally from cash balances with banks, receivables and other financial assets. The general approach in the financial reporting standard on financial instruments is applied to measure expected credit losses ("ECL") allowance on financial assets measured at amortised cost. On initial recognition, a loss allowance is recorded equal to the 12 month ECL unless the assets are considered credit impaired. The ECL allowance for debt assets is recognised at an amount equal to the lifetime ECL if the credit risk on that financial instrument has increased significantly since initial recognition. However, for trade receivables that do not contain a material financing component or when the reporting entity applies the practical expedient of not adjusting the effect of a material financing component, the simplified approach in calculating ECL is applied. Under the simplified approach, the loss allowance is recognised at an amount equal to lifetime ECL at each reporting date using historical loss rates for the respective risk categories and incorporating forward-looking estimates. Lifetime ECL may be estimated individually or collectively. For the credit risk on the financial assets, an ongoing credit evaluation is performed on the financial condition of the debtors and any loss is recognised in profit or loss. Reviews and assessments of credit exposures in excess of designated limits are made. Renewals and reviews of credits limits are subject to the same review process.

Note 21 discloses the cash balances. There was no identified impairment loss.

30E. Liquidity risk – financial liabilities maturity analysis

Liquidity risk refers to the difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. It is expected that all the liabilities will be paid at their contractual maturity. The average credit period taken to settle trade payables is about 30 days (2023: 30 days). The other payables are with short-term durations. The classification of the financial assets is shown in the statement of financial position as they may be available to meet liquidity needs and no further analysis is deemed necessary.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

30. FINANCIAL INSTRUMENTS: INFORMATION ON FINANCIAL RISKS AND OTHER EXPLANATORY INFORMATION (CONTINUED)

30E. Liquidity risk – financial liabilities maturity analysis (Continued)

The following table analyses the non-derivative financial liabilities by remaining contractual maturity (contractual and undiscounted cash flows):

Group	**Less than 1 year $'000**	**2 – 3 years $'000**	**Total $'000**
Non-derivative financial liabilities:			
2024:			
Gross lease liabilities	**404**	**385**	**789**
Gross loans and borrowings	**2,983**	**–**	**2,983**
Trade and other payables	**1,474**	**–**	**1,474**
At end of the year	**4,861**	**385**	**5,246**
2023:			
Gross lease liabilities	399	711	1,110
Gross loans and borrowings	1,358	–	1,358
Trade and other payables	1,187	–	1,187
At end of the year	2,944	711	3,655

Company	**Less than 1 year $'000**	**2 – 3 years $'000**	**Total $'000**
Non-derivative financial liabilities:			
2024:			
Gross lease liabilities	**132**	**132**	**264**
Gross loans and borrowings	**2,983**	**–**	**2,983**
Trade and other payables	**607**	**–**	**607**
At end of the year	**3,722**	**132**	**3,854**
2023:			
Gross lease liabilities	132	265	397
Gross loans and borrowings	1,358	–	1,358
Trade and other payables	630	–	630
At end of the year	2,120	265	2,385

The undiscounted amounts on the borrowings with fixed and floating interest rates are determined by reference to the conditions existing at the reporting date.

The above amounts disclosed in the maturity analysis are the contractual undiscounted cash flows and such undiscounted cash flows differ from the amount included in the statement of financial position. When the counterparty has a choice of when an amount is paid, the liability is included on the basis of the earliest date on which it can be required to pay. At the end of the reporting year, no claims on the financial guarantees are expected.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

30. FINANCIAL INSTRUMENTS: INFORMATION ON FINANCIAL RISKS AND OTHER EXPLANATORY INFORMATION (CONTINUED)

30E. Liquidity risk – financial liabilities maturity analysis (Continued)

For issued financial guarantee contracts, the maximum amount of the guarantee is allocated to the earliest period in which the guarantee could be called. At the end of the reporting year, no claims on the financial guarantees are expected to be payable. The following table shows the maturity analysis of the contingent liabilities from financial guarantees:

	Group	
	2024	**2023**
	$'000	**$'000**
Undertaking to support subsidiaries with deficits	**1,410**	1,350
Corporate guarantees in favour of lessor for office and production premises extended for a subsidiary	**33**	25

The undrawn borrowing facilities are available for operating activities and to settle other commitments. Borrowing facilities are maintained to ensure funds are available for the operations. A schedule showing the maturity of financial liabilities and unused bank facilities is provided regularly to management to assist in monitoring the liquidity risk.

	Group and company	
	2024	**2023**
	$'000	**$'000**
Undrawn borrowing facilities	**2,780**	4,407

30F. Interest rate risk

Interest rate risk arises on interest-bearing financial instruments recognised in statements of financial position. The following table analyses the breakdown of the significant financial instruments by type of interest rate:

	Group		Company	
	2024	**2023**	**2024**	**2023**
	$'000	**$'000**	**$'000**	**$'000**
Financial liabilities with interest:				
Fixed rate	**752**	2,328	**252**	1,663
Floating rates	**2,920**	–	**2,920**	–
At end of the year	**3,672**	2,328	**3,172**	1,663

Sensitivity analysis: The effect on pre-tax profit is not significant.

30G. Foreign currency risks

Foreign exchange risk arises on financial instruments that are denominated in a foreign currency, ie in a currency other than the functional currency in which they are measured. For the purpose of this financial reporting standard on financial instruments: disclosures, currency risk does not arise from financial instruments that are non-monetary items or from financial instruments denominated in the functional currency.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

30. FINANCIAL INSTRUMENTS: INFORMATION ON FINANCIAL RISKS AND OTHER EXPLANATORY INFORMATION (CONTINUED)

30G. Foreign currency risks (Continued)

Analysis of significant amounts denominated in non-functional currencies are as follows:

	United States ("US") dollar	
	2024	**2023**
	$'000	**$'000**
Group		
Financial assets:		
Cash and cash equivalents	**640**	299
Trade and other receivables	**541**	913
Total financial assets	**1,181**	1,212
Financial liabilities:		
Trade and other payables	**(206)**	(32)
Total financial liabilities	**(206)**	(32)
Net financial assets at end of the year	**975**	1,180
Company		
Financial assets:		
Cash and cash equivalents	**619**	255
Trade and other receivables	**277**	605
Total financial assets	**896**	860
Financial liabilities:		
Trade and other payables	**(65)**	–
Total financial liabilities	**(65)**	–
Net financial assets at end of the year	**831**	860

	Group		Company	
	2024	**2023**	**2024**	**2023**
	$'000	**$'000**	**$'000**	**$'000**
A hypothetical 10% strengthening in the exchange rate of the functional currency $ against the US$ with all other variables held constant would have an unfavourable effect on pre-tax loss of	**(97)**	(118)	**(83)**	(86)

The above table shows sensitivity to a hypothetical 10% variation in the functional currency against the relevant foreign currencies. The sensitivity rate used is the reasonably possible change in foreign exchange rates. For similar rate weakening of the functional currency against the relevant foreign currencies above, there would be comparable impacts in the opposite direction on the profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

30. FINANCIAL INSTRUMENTS: INFORMATION ON FINANCIAL RISKS AND OTHER EXPLANATORY INFORMATION (CONTINUED)

30G. Foreign currency risks (Continued)

The hypothetical changes in exchange rates are not based on observable market data (unobservable inputs). The sensitivity analysis is disclosed for each non-functional currency to which the entity has significant exposure at end of the reporting year. The analysis above has been carried out on the basis that there are no hedged transactions.

In management's opinion, the above sensitivity analysis is unrepresentative of the foreign currency risks as the historical exposure does not reflect the exposure in future.

31. CHANGES AND ADOPTION OF FINANCIAL REPORTING STANDARDS

For the current reporting year the ASC issued certain new or revised financial reporting standards. None had a material impact on the reporting entity.

SFRS(I) No.	Title
SFRS(I) 1-1	Presentation of Financial Statements – amendment relating to Classification of Liabilities as Current or Non-current
SFRS(I) 1-1	Presentation of Financial Statements – amendment relating to Non-current Liabilities with Covenants
SFRS(I) PS 2	SFRS(I) Practice Statement 2 Making Materiality Judgements

32. NEW OR AMENDED STANDARDS IN ISSUE BUT NOT YET EFFECTIVE

The ASC issued certain new or revised financial reporting standards for the future reporting years. The transfer to the applicable new or revised standards from the effective dates is not expected to result in material modification of the measurement methods or the presentation in the financial statements for the following reporting year from the known or reasonably estimable information relevant to assessing the possible impact that application of the new or revised standards may have on the entity's financial statements in the period of initial application. Those applicable to the reporting entity for future reporting years are listed below.

SFRS(I) No.	Title	Effective date for periods beginning on or after
SFRS(I) 9 and 7	Classification and Measurement of Financial Instruments – Amendments	1 Jan 2026
SFRS(I) 18	Presentation and disclosures in financial statements	1 Jan 2027

STATISTICS OF SHAREHOLDINGS

As at 20 March 2025

Class of Shares	:	Ordinary
Number of Ordinary Shares in issue (excluding treasury shares)	:	241,112,470
Voting rights	:	One vote per share
Number of Treasury Shares and Subsidiary Holdings	:	Nil

DISTRIBUTION OF SHAREHOLDINGS

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 – 99	4	0.13	233	0.00
100 – 1,000	863	27.26	842,345	0.35
1,001 – 10,000	1,657	52.34	7,443,548	3.09
10,001 – 1,000,000	621	19.61	47,873,750	19.85
1,000,001 AND ABOVE	21	0.66	184,952,594	76.71
TOTAL	**3,166**	**100.00**	**241,112,470**	**100.00**

TWENTY LARGEST SHAREHOLDERS

NO.	NAME	NO. OF SHARES	%
1	MIT TECHNOLOGIES PTE LTD	120,627,910	50.03
2	RAFFLES NOMINEES (PTE.) LIMITED	20,901,600	8.67
3	KWONG KIM MONE	6,734,118	2.79
4	TAN ENG CHUA EDWIN	6,486,600	2.69
5	DBS NOMINEES (PRIVATE) LIMITED	3,590,700	1.49
6	CHAN KOK TUNG TOM	3,039,726	1.26
7	CGS INTERNATIONAL SECURITIES SINGAPORE PTE. LTD.	2,768,846	1.15
8	UNITED OVERSEAS BANK NOMINEES (PRIVATE) LIMITED	2,364,500	0.98
9	KWONG KAM HOI	2,125,300	0.88
10	LAI WENG KAY	1,741,300	0.72
11	LIM CHIN TONG	1,711,200	0.71
12	LOW BOON YONG	1,527,400	0.63
13	IFAST FINANCIAL PTE. LTD.	1,523,000	0.63
14	KWONG KAM SENG	1,379,147	0.57
15	CHAN WING KIT DAVE	1,377,600	0.57
16	CHUA SOK KHIM	1,350,000	0.56
17	PHILLIP SECURITIES PTE LTD	1,279,200	0.53
18	CITIBANK NOMINEES SINGAPORE PTE LTD	1,214,100	0.50
19	EST OF KONG KIM YIT, DEC'D	1,139,147	0.47
20	LIM & TAN SECURITIES PTE LTD	1,046,200	0.43
	TOTAL	**183,927,594**	**76.26**

STATISTICS OF SHAREHOLDINGS

As at 20 March 2025

SUBSTANTIAL SHAREHOLDERS

	Direct Interest	%	Deemed Interest	%
Kwong Kim Mone[1]	6,734,118	2.79	120,627,910	50.03
Kwong Kim Ho[2]	–	–	120,627,910	50.03
MIT Technologies Pte Ltd	120,627,910	50.03	–	–
Teo Ee Nam (Zhang Dailan)[3]	700,000	0.29	21,281,300	8.83

Notes:

1 Kwong Kim Mone holds a total of 127,362,028 shares, of which 6,734,118 shares are held in his own name and 120,627,910 shares held in the name of MIT Technologies Pte Ltd ("MITT"). Kwong Kim Mone is deemed interested in the shares of MITT by virtue of section 7 of the Companies Act 1967.

2 Kwong Kim Ho is deemed interested in the shares of MITT by virtue of section 7 of the Companies Act 1967.

3 Mr. Teo Ee Nam (Zhang Dailan) is deemed to be interested in 19,246,700 Shares held in SCB trading account under the name of Raffles Nominees (Pte.) Limited, 1,035,100 Shares held in Citibank Nominees Singapore Pte Ltd and 999,500 Shares held in UOB SRS.

PERCENTAGE OF SHAREHOLDINGS IN HANDS OF THE PUBLIC

43.44% of the Company's shares (excluding treasury shares) are held in the hands of the public. Accordingly, the Company has complied with Rule 723 of the Listing Manual of the SGX-ST.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of **MANUFACTURING INTEGRATION TECHNOLOGY LTD.** (the "Company") will be convened and held at Emerald Suite, Orchid Country Club, 1 Orchid Club Road, Singapore 769162 on Monday, 28 April 2025 at 9.30 a.m. for the following purposes:

AS ORDINARY BUSINESS

1. To receive and adopt the Directors' Statement and the Audited Financial Statements of the Company for the financial year ended 31 December 2024 together with the Independent Auditor's Report thereon. **(Resolution 1)**

2. To re-elect Mr Leong Sow Chun as Director of the Company retiring pursuant to Regulation 91 of the Company's Constitution.
[See Explanatory Note (i)] **(Resolution 2)**

3. To re-elect Mr Siak Wing Cheong as Director of the Company retiring pursuant to Regulation 97 of the Company's Constitution.
[See Explanatory Note (ii)] **(Resolution 3)**

4. To approve the payment of Directors' Fees up to S$150,000 for the financial year ending 31 December 2025, to be paid yearly in arrears (FY2024: up to S$150,000). **(Resolution 4)**

5. To re-appoint RSM SG Assurance LLP as the Independent Auditor of the Company and to authorise the Directors of the Company to fix their remuneration. **(Resolution 5)**

6. To transact any other ordinary business which may properly be transacted at an Annual General Meeting.

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolutions with or without any modifications:

7. **Authority to issue shares**

That pursuant to Section 161 of the Companies Act 1967 of Singapore (the "Companies Act") and Rule 806 of the Listing Manual of the Singapore Exchange Securities Trading Limited, the Directors of the Company be authorised and empowered to:

a. (i) issue shares in the Company ("shares") whether by way of rights, bonus or otherwise; and/or

(ii) make or grant offers, agreements or options (collectively, "Instruments") that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into shares,

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors of the Company may in their absolute discretion deem fit; and

b. (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue shares in pursuance of any Instruments made or granted by the Directors of the Company while this Resolution was in force,

NOTICE OF ANNUAL GENERAL MEETING

provided that:

(1) the aggregate number of shares (including shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution) to be issued pursuant to this Resolution shall not exceed fifty per centum (50%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of shares to be issued other than on a pro rata basis to shareholders of the Company shall not exceed twenty per centum (20%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below);

(2) (subject to such calculation as may be prescribed by the Singapore Exchange Securities Trading Limited) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (1) above, the total number of issued shares (excluding treasury shares and subsidiary holdings) shall be based on the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company at the time of the passing of this Resolution, after adjusting for:

   (a) new shares arising from the conversion or exercise of any convertible securities;

   (b) new shares arising from exercising share options or vesting of share awards, provided the share options or share awards were granted in compliance with Part VIII of Chapter 8 of the Listing Manual of Singapore Exchange Securities Trading Limited; and

   (c) any subsequent bonus issue, consolidation or subdivision of shares;

(3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the Singapore Exchange Securities Trading Limited for the time being in force (unless such compliance has been waived by the Singapore Exchange Securities Trading Limited) and the Constitution of the Company; and

(4) unless revoked or varied by the Company in a general meeting, such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier.
[See Explanatory Note (iii)] **(Resolution 6)**

8. **Authority to issue shares under the MIT Performance Share Plan**

That pursuant to Section 161 of the Companies Act, the Directors of the Company be authorised and empowered to offer and grant awards in accordance with the provisions of the prevailing MIT Performance Share Plan (the "Plan") and (notwithstanding the authority conferred by this Ordinary Resolution may have ceased to be in force) to allot and issue and/or deliver such number of fully-paid shares in the form of the existing shares held as treasury shares and/or the new shares as may be required to be delivered pursuant to the vesting of the awards under the Plan, provided always that the aggregate number of shares (comprising new shares and/or treasury shares) to be delivered pursuant to the Plan, when added to the number of new shares issued and issuable and the number of treasury shares delivered pursuant to all other share schemes of the Company for the time being in force, shall not exceed fifteen per centum (15%) of the total number of issued shares in the capital of the Company (excluding treasury shares and subsidiary holdings) from time to time, and that such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier.
[See Explanatory Note (iv)] **(Resolution 7)**

NOTICE OF ANNUAL GENERAL MEETING

9. **Authority to issue shares under the MIT Employee Share Option Scheme 2019**

That pursuant to Section 161 of the Companies Act, the Directors of the Company be authorised and empowered to offer and grant options under the prevailing MIT Employee Share Option Scheme 2019 (the "Scheme") and to issue from time to time such number of shares in the capital of the Company as may be required to be issued pursuant to the exercise of options granted by the Company under the Scheme, whether granted during the subsistence of this authority or otherwise, provided always that the aggregate number of additional ordinary shares to be issued pursuant to the Scheme and MIT Performance Share Plan collectively shall not exceed fifteen per centum (15%) of the total number of issued shares in the capital of the Company (excluding treasury shares and subsidiary holdings) from time to time and that such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier.
[See Explanatory Note (v)] **(Resolution 8)**

10. **Proposed Renewal of Share Buy Back Mandate**

That:

(a) for the purposes of Sections 76C and 76E of the Companies Act, the exercise by the Directors of the Company of all the powers of the Company to purchase or otherwise acquire issued ordinary shares fully paid in the capital of the Company (the "Shares") not exceeding in aggregate the Maximum Percentage (as hereinafter defined), at such price or prices as may be determined by the Directors from time to time up to but not exceeding the Maximum Price (as hereafter defined), whether by way of:

(i) market purchases (each a "Market Purchase") transacted on the Singapore Exchange Securities Trading Limited (the "SGX-ST") through the SGX-ST's ready market trading system, through one or more duly licensed stockbrokers appointed by the Company for the purpose; and/or

(ii) off-market purchases (each an "Off-Market Purchase") (if effected otherwise than on the SGX-ST) in accordance with any equal access scheme(s) as may be determined or formulated by the Directors as they may consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act,

and otherwise in accordance with all other laws and regulations, including but not limited to, the provisions of the Companies Act and the listing rules of the SGX-ST as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the "Share Buy Back Mandate");

(b) unless varied or revoked by the Company in general meeting, the authority conferred on the Directors of the Company pursuant to the Share Buy Back Mandate may be exercised by the Directors of the Company at any time and from time to time during the period commencing from the date of the passing of this Ordinary Resolution and expiring on the earlier of:

(i) the date on which the next Annual General Meeting of the Company is held or required by law to be held; and

(ii) the date on which purchases or acquisitions of Shares by the Company pursuant to the Share Buy Back Mandate are carried out to the full extent mandated;

NOTICE OF ANNUAL GENERAL MEETING

(c) in this Ordinary Resolution:

"Average Closing Price" means the average of the closing market prices of the Shares traded on the SGX-ST over the last five (5) Market Days on which transactions in the Shares were recorded immediately preceding the date of the Market Purchase by the Company or, as the case may be, the date of the making of the offer (as defined below) pursuant to the Off-Market Purchase, and deemed to be adjusted for any corporate action that occurs during the relevant five-day period and the date of the Market Purchase or, as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase;

"date of the making of the offer" means the date on which the Company announces its intention to make an offer for an Off-Market Purchase, stating therein the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase;

"Market Day" means a day on which the SGX-ST is open for trading in securities;

"Maximum Percentage" means that number of issued Shares representing ten per centum (10%) of the total number of issued Shares as at the date of the passing of this Ordinary Resolution unless the Company has effected a reduction of the share capital of the Company in accordance with the applicable provisions of the Companies Act, in which event the total number of issued Shares of the Company shall be taken to be the total number of issued Shares of the Company as altered. Any Shares which are held as treasury shares or as subsidiary holdings will be disregarded for the purposes of computing the aforesaid 10% limit;

"Maximum Price", in relation to a Share to be purchased or acquired, means an amount (excluding brokerage, commission, stamp duties, applicable goods and services tax and other related expenses) not exceeding: (i) in the case of a Market Purchase, one hundred and five per centum (105%) of the Average Closing Price of the Shares; and (ii) in the case of an Off-Market Purchase, one hundred and twenty per centum (120%) of the Average Closing Price of the Shares; and

(d) the Directors of the Company and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they and/or he/she may consider expedient or necessary to give effect to the transactions contemplated and/or authorised by this Ordinary Resolution.
[See Explanatory Note (vi)] **(Resolution 9)**

By Order of the Board

Wong Yoen Har
Company Secretary
Singapore, 11 April 2025

NOTICE OF ANNUAL GENERAL MEETING

Explanatory Notes:

(i) Mr Leong Sow Chun will, upon re-election as Director of the Company, remain as Lead Independent Director, Chairman of the Audit Committee and Remuneration Committee, a member of the Nominating Committee and Investment Committee. The Board of Directors (save for Leong Sow Chun) considers him independent for the purposes of Rule 704(8) of the Listing Manual.

(ii) Mr Siak Wing Cheong will, upon re-election as Director of the Company, remain as Executive Director and Chief Executive Officer of the Company and a member of the Investment Committee and will be considered non-independent.

(iii) Ordinary Resolution 6 in item 7 above, if passed, will empower the Directors of the Company, effective until the conclusion of the next Annual General Meeting of the Company, or the date by which the next Annual General Meeting of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to issue shares, make or grant Instruments convertible into shares and to issue shares pursuant to such Instruments, up to a number not exceeding, in total, fifty per centum (50%) of the total number of issued shares in the capital of the Company (excluding treasury shares and subsidiary holdings), of which up to twenty per centum (20%) may be issued other than on a pro-rata basis to shareholders.

For determining the aggregate number of shares that may be issued, the total number of issued shares (excluding treasury shares and subsidiary holdings) will be calculated based on the total number of issued shares in the capital of the Company (excluding treasury shares and subsidiary holdings) at the time this Ordinary Resolution is passed after adjusting for new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards and any subsequent bonus issue, consolidation or subdivision of shares.

(iv) Ordinary Resolution 7 in item 8 above, if passed, will empower the Directors of the Company, from the date of this Annual General Meeting of the Company until the next Annual General Meeting of the Company, or the date by which the next Annual General Meeting of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to issue shares in the Company pursuant to the vesting of awards granted or to be granted under the Plan, provided always that the aggregate number of shares to be issued in respect of the Plan and Scheme collectively shall not exceed fifteen per centum (15%) of the total number of issued shares in the capital of the Company (excluding treasury shares and subsidiary holdings) from time to time.

(v) Ordinary Resolution 8 in item 9, if passed, will empower the Directors of the Company, effective until the conclusion of the next Annual General Meeting of the Company, or the date by which the next Annual General Meeting of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to issue shares in the Company pursuant to the exercise of options granted or to be granted under the Scheme up to a number not exceeding in aggregate (for the entire duration of the Scheme) fifteen per centum (15%) of the total number of issued shares in the capital of the Company (excluding treasury shares and subsidiary holdings) from time to time.

(vi) Ordinary Resolution 9 in item 10, if passed, will empower the Directors of the Company effective until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier, to repurchase ordinary Shares of the Company (whether by way of Market Purchases or Off-Market Purchases on an equal access scheme) of up to ten per centum (10%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company up to and not exceeding the Maximum Price. The rationale for, the authority and limitation on, the sources of funds to be used for the purchase or acquisition including the amount of financing and the financial effects of the purchase or acquisition of ordinary Shares by the Company pursuant to the Share Buy Back Mandate are set out in greater detail in the Company's Letter to Shareholders dated 11 April 2025 in relation to the Proposed Renewal of the Share Buy Back Mandate.

Notes:

1. Members of the Company are invited to **attend physically** at the Annual General Meeting (the "Meeting"). There will be no option for members to participate virtually.

   The Annual Report 2024, Notice of Annual General Meeting, Proxy Form, Letter to Shareholders in relation to the Proposed Renewal of Share Buy Back Mandate ("Letter") and Request Form (to request hardcopy of the Annual Report 2024 and the Letter) will be made available to members by electronic means via publication on the Company's corporate website at https://www.mitech-ltd.com.sg and are also made available on the SGX website at URL https://www.sgx.com/securities/company-announcements.

   Printed copies of the Notice of AGM, the Proxy Form and the Request Form will be sent to members via post. Members who wish to obtain a printed copy of the Annual Report 2024 and the Letter should complete the Request Form and return it by post to the registered office address of the Company at Blk 5004 Ang Mo Kio Avenue 5, #05-01 TECHplace II, Singapore 569872 or via email to meeting@mitech-ltd.com.sg **no later than 9.30 a.m. on 17 April 2025**.

2. A member who is not a relevant intermediary, is entitled to appoint one or two proxies to attend and vote at the Meeting. Where such member appoints two (2) proxies, the proportion of his shareholding to be represented by each proxy shall be specified. If no proportion is specified, the Company shall be entitled to treat the first named proxy as representing the entire number of shares entered against his name in the Depository Register and any second named proxy as an alternate to the first named. A proxy need not be a member of the Company.

NOTICE OF ANNUAL GENERAL MEETING

3. Members who hold shares of the Company through relevant intermediaries (as defined in Section 181 of the Companies Act), including CPF or SRS investors should approach their respective relevant intermediary or CPF Agent Banks or SRS Operators to submit their votes at least seven (7) working days before the Meeting, **by 5.00 p.m. on 15 April 2025**.

   A member who is a relevant intermediary, is entitled to appoint more than two proxies to attend and vote at the Meeting, but each proxy must be appointed to exercise the rights attached to a different Share or shares held by such member. Where such member appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.

   "**Relevant intermediary**" has the meaning ascribed to it in Section 181 of the Companies Act.

4. A member can appoint the Chairman of the Meeting as his/her/its proxy but this is not mandatory. The Chairman of the Meeting, as proxy, need not be a member of the Company.

5. Duly completed and signed instrument appointing the proxy or proxies or Chairman of the Meeting as proxy must either be submitted to the Company in the following manner:

   (a) if submitted by post, to be deposited at the registered office address of the Company at Blk 5004 Ang Mo Kio Ave 5, #05-01, TECHplace II, Singapore 569872; or

   (b) if submitted electronically, to be submitted via email to meeting@mitech-ltd.com.sg.

   in either case, by 9.30 a.m. on 25 April 2025 (being not less than seventy-two (72) hours before the time appointed for the Meeting.

   A member who wishes to submit an instrument of proxy must first complete and sign the proxy form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.

   Members are strongly encouraged to submit completed proxy forms electronically via email to meeting@mitech-ltd.com.sg.

6. Members may submit questions related to the resolutions to be tabled for approval at the Meeting in advance of the Meeting **by 9.30 a.m. on 19 April 2025**:

   (a) by post to the registered office address of the Company at Blk 5004 Ang Mo Kio Ave 5, #05-01, TECHplace II, Singapore 569872; or

   (b) by email to meeting@mitech-ltd.com.sg.

   The Board of Directors of the Company will endeavour to address all substantial and relevant questions received from shareholders prior to the Meeting by publishing the responses to those questions on SGXNet and the Company's website at the URL https://www.mitech-ltd.com.sg, at least forty-eight (48) hours prior to the closing date and time for the lodgement of the proxy forms **by 9.30 a.m. on 23 April 2025**.

   The Company shall only address relevant and substantial questions (as may be determined by the Company in its sole discretion) received. The Company will publish the minutes of the Meeting via SGXNet on SGX website and the Company's website within one (1) month from the date of the Meeting.

Personal data privacy:

By submitting a proxy form appointing the Chairman of the Meeting as proxy to attend, speak and vote at the Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of the appointment of the Chairman of the Meeting as proxy for the Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Meeting (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

Photographic, sound and/or video recordings of the Meeting may be made by the Company for record keeping and to ensure the accuracy of the minutes prepared of the Meeting. Accordingly, the personal data of a member of the Company (such as his name, his presence at the Meeting and any questions he may raise or motions he propose/second) may be recorded by the Company for such purpose.

This page has been intentionally left blank

MANUFACTURING INTEGRATION TECHNOLOGY LTD.
(Company Registration No. 199200075N)
(Incorporated in the Republic of Singapore)

IMPORTANT

1. Members of the Company are invited to **attend physically** at the Annual General Meeting (the "Meeting"). There will be no option for members to participate virtually. The Annual Report 2024, Notice of Annual General Meeting, Proxy Form and Letter to Shareholders are made available on the Company's corporate website: https://www.mitech-ltd.com.sg and SGX website at the URL https://www.sgx.com/securities/company-announcements.
2. For CPF/SRS investors who have used their CPF/SRS monies to buy Company's shares, this Proxy Form is not valid for use by CPF/SRS investors and shall be ineffective for all intents and purposes if used or purported to be used by them. CPF or SRS investors who wish to appoint the Chairman of the Meeting as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes **by 5.00 p.m. on 15 April 2025**.
3. By submitting this proxy form, the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 11 April 2025.

PROXY FORM

(Please see notes overleaf before completing this Form)

I/We (Name), ____________________ (NRIC/Passport No./Business Registration No.) ____________

of (Address) ____________________
being a member/members of **MANUFACTURING INTEGRATION TECHNOLOGY LTD.** (the "**Company**"), hereby appoint:

Name	**NRIC/Passport No.**	**Proportion of Shareholdings**	
		No. of Shares	**%**
Address			

and/or (delete as appropriate)

Name	**NRIC/Passport No.**	**Proportion of Shareholdings**	
		No. of Shares	**%**
Address			

or failing the person, or either or both persons referred to above, the Chairman of the Meeting as my/our proxy/proxies to vote for me/us on my/our behalf at the Annual General Meeting (the "**AGM**") of the Company to be held at Emerald Suite, Orchid Country Club, 1 Orchid Club Road, Singapore 769162 on Monday, 28 April 2025 at 9.30 a.m. and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against or abstain from voting the Resolutions proposed at the AGM as indicated hereunder. If no specific direction as to voting is given or in the event of any other matter arising at the AGM and at any adjournment thereof, the proxy/proxies will vote or abstain from voting at his/her discretion.

All resolutions put to the vote at the AGM shall be conducted by poll.

No.	**Ordinary Resolutions relating to:**	**For**(1)	**Against**(1)	**Abstain**(1)
Ordinary Business				
1	Directors' Statement and Audited Financial Statements for the financial year ended 31 December 2024			
2	Re-election of Mr Leong Sow Chun as Director pursuant to Regulation 91 of the Company's Constitution			
3	Re-election of Mr Siak Wing Cheong as Director pursuant to Regulation 97 of the Company's Constitution			
4	Approval of Directors' Fees up to S$150,000 for the financial year ending 31 December 2025			
5	Re-appointment of RSM SG Assurance LLP as Independent Auditor			
Special Business				
6	Authority to issue new shares			
7	Authority to issue shares under the MIT Performance Share Plan			
8	Authority to issue shares under the MIT Employee Share Option Scheme 2019			
9	Proposed Renewal of the Share Buy Back Mandate			

(1) If you wish to exercise all your votes "For" or "Against" a Resolution, please tick [✓] or [X] within the "For" or "Against" box provided. Alternatively, please indicate the number of votes "For" or "Against" the relevant Resolution. If you wish to abstain from voting on a Resolution, please tick [✓] or [X] within the "Abstain" box provided. Alternatively, if you wish to exercise some and not all of your votes "For" and/or "Against" the relevant resolution and/or to abstain from voting in respect of the resolution, please indicate the number of shares in the boxes provided.

Dated this ________ day of ___________ 2025

Total number of Shares in:	No. of Shares
(a) CDP Register	
(b) Register of Members	

____
Signature of Shareholder(s)
or, Common Seal of Corporate Shareholder

IMPORTANT: PLEASE READ NOTES OVERLEAF

Notes:

1. Please insert the total number of shares held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act 2001 of Singapore), you should insert that number of shares. If you have shares registered in your name in the Register of Members, you should insert that number of shares. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number of shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument ("Proxy Form") appointing the Chairman of the Meeting as proxy shall be deemed to relate to all the shares held by you.

2. A member of the Company (other than a relevant intermediary) is entitled to attend, speak and vote at a meeting of the Company is entitled to appoint one or two proxies to attend, speak and vote in his/her stead. A proxy need not be a member of the Company.

3. Where a member appoints two proxies, the appointments shall be invalid unless he/she specifies the proportion of his/her shareholding (expressed as a percentage of the whole) to be represented by each proxy.

4. A member who is a relevant intermediary entitled to attend the meeting and vote is entitled to appoint more than two proxies to attend, speak and vote instead of the member, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by such member. Where such member appoints more than two proxies, the appointments shall be invalid unless the member specifies the number of Shares in relation to which each proxy has been appointed.

   "Relevant intermediary" means:

   (a) a banking corporation licensed under the Banking Act 1970 or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;

   (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act 2001 and who holds shares in that capacity; or

   (c) the Central Provident Fund Board established by the Central Provident Fund Act 1953, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

5. Investors who hold their Shares through relevant intermediaries as defined in Section 181 of the Companies Act 1967 of Singapore (including Supplementary Retirement Scheme ("SRS") investors and holders under depository agents) and who wish to exercise their votes by appointing the Chairman of the Meeting as proxy should approach their respective relevant intermediaries (including their respective SRS Operators or depository agents) to submit their voting instructions in the Proxy Forms at least seven (7) working days before the Meeting, **by 5.00 p.m. on 15 April 2025**.

(1) Fold along this line

Affix
Postage
Stamp

MANUFACTURING INTEGRATION TECHNOLOGY LTD.
Blk 5004 Ang Mo Kio Ave 5
#05-01 TECHplace II
Singapore 569872

(2) Fold along this line

6. Completion and return of this instrument appointing a proxy shall not preclude a member from attending, speaking and voting at the Meeting. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the meeting in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument of proxy to the Meeting.

7. A member who wishes to submit a Proxy Form must complete and sign the Proxy Form before submitting it by post to Blk 5004 Ang Mo Kio Ave 5, #05-01, TECHplace II, Singapore 569872 or by scanning and sending it by email to meeting@mitech-ltd.com.sg as soon as possible, in either case, to arrive: (a) by post to the office of the Company's Registered Office at the above address, or (b) by email to an email address as mentioned **seventy-two (72) hours before the time fixed for the AGM, no later than 9.30 a.m. on 25 April 2025**.

8. This proxy form must be under the hand of the appointor or of his attorney duly authorised in writing. Where this proxy form is executed by a corporation, it must be executed either under its common seal or under the hand of an officer or attorney duly authorised.

9. Where this proxy form is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with this proxy form, failing which this proxy form shall be treated as invalid.

PERSONAL DATA PRIVACY:
By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 11 April 2025.

GENERAL:
The Company shall be entitled to reject the proxy form appointing the Chairman of the Meeting as proxy if it is incomplete, improperly completed or illegible, or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the proxy form appointing the Chairman of the Meeting as proxy. In addition, in the case of Shares entered in the Depository Register, the Company may reject any proxy form appointing the Chairman of the Meeting as proxy lodged if the member, being the appointor, is not shown to have Shares entered against his name in the Depository Register as at 72 hours before the time appointed for holding the Meeting, as certified by The Central Depository (Pte) Limited to the Company.

CORPORATE INFORMATION

BOARD OF DIRECTORS

EXECUTIVE

SIAK WING CHEONG
(Executive Director
and Chief Executive Officer)

NON-EXECUTIVE

KWONG KIM MONE
(Non-Executive and
Non-Independent Chairman)

LEONG SOW CHUN
(Lead Independent Director)

LIM SER YONG
(Independent Director)

BOARD OF COMMITTEES

AUDIT COMMITTEE

LEONG SOW CHUN
(Chairman)

KWONG KIM MONE
LIM SER YONG

NOMINATING COMMITTEE

LIM SER YONG
(Chairman)

KWONG KIM MONE
LEONG SOW CHUN

REMUNERATION COMMITTEE

LEONG SOW CHUN
(Chairman)

KWONG KIM MONE
LIM SER YONG

INVESTMENT COMMITTEE

KWONG KIM MONE
(Chairman)

SIAK WING CHEONG
LEONG SOW CHUN
LIM SER YONG

COMPANY SECRETARY

WONG YOEN HAR

REGISTERED OFFICE

Blk 5004 Ang Mo Kio Ave 5
#05-01, TECHplace II
Singapore 569872
Tel: +65 6867 8052
Fax:+65 6261 3181
Website: www.mitech-ltd.com.sg
Co. Registration No.: 199200075N

SHARE REGISTRAR

Boardroom Corporate & Advisory
Services Pte. Ltd.
1 Harbourfront Avenue
#14-07 Keppel Bay Tower
Singapore 098632
Tel: +65 6536 5355
Fax: +65 6536 1360

AUDITORS

RSM SG Assurance LLP
Public Accountants and Certified
Public Accountants
8 Wilkie Road, #03-08 Wilkie Edge
Singapore 228095

AUDIT PARTNER-IN-CHARGE

Uthaya C Ponnusamy
Partner-in-charge since financial
year ended 31 December 2020

PRINCIPAL BANKER

United Overseas Bank Limited

Manufacturing Integration Technology Ltd.
BLK 5004, ANG MO KIO AVE 5 #05-01 TECHPLACE II,
SINGAPORE 569872
TEL +65 68678052 FAX +65 62613181
www.mitech-ltd.com.sg