

FINANCIAL STATEMENTS AND RELATED ANNOUNCEMENT::HALF YEARLY RESULTS

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SUNRIGHT LIMITED

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For Financial Period Ended

31/01/2025

Attachments

[SR_1HFY2025_ResultsAnnt.pdf](#)[SR_1HFY2025_PressRelease.pdf](#)

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SUNRIGHT LIMITED AND ITS SUBSIDIARIES
(Company Reg. No. 197800523M)

Condensed Interim Financial Statements
For the First Half Year ended 31 January 2025

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A. Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income

	Note	The Group		
		1st Half Year ended 31 January 2025	1st Half Year ended 31 January 2024	Increase/ (decrease)
		S\$'000	S\$'000	%
Revenue	4	34,878	42,508	(18%)
Other items of income:				
Interest income		1,368	1,331	3%
Dividend income		63	40	58%
Other income		634	1,165	(46%)
Items of expenses:				
Raw materials and consumables used		(4,683)	(7,413)	(37%)
Changes in inventories of finished goods and work-in-progress		411	36	NM
Employee benefits expense		(17,538)	(18,898)	(7%)
Depreciation of property, plant and equipment		(7,476)	(7,658)	(2%)
Finance costs		(580)	(688)	(16%)
Other expenses		(11,926)	(12,609)	(5%)
Loss before tax	6	(4,849)	(2,186)	NM
Income tax credit/(expense)	8	271	(426)	NM
Loss, net of tax		(4,578)	(2,612)	75%
Other comprehensive income:				
Item that will not be reclassified to profit or loss				
Remeasurement gain arising from net defined benefit liabilities, net of tax		-	41	(100%)
Item that may be reclassified subsequently to profit or loss				
Foreign currency translation gain/(loss)		2,740	(3,849)	NM
Foreign currency translation differences reclassified to profit or loss upon liquidation of a subsidiary		(5)	-	NM
Other comprehensive income/(loss) for the period, net of tax		2,735	(3,808)	NM
Total comprehensive loss for the period		(1,843)	(6,420)	(71%)
(Loss)/profit attributable to:				
Owners of the Company		(3,402)	(2,768)	23%
Non-controlling interests		(1,176)	156	NM
		(4,578)	(2,612)	75%
Total comprehensive (loss)/income attributable to:				
Owners of the Company		(2,340)	(4,631)	(49%)
Non-controlling interests		497	(1,789)	NM
		(1,843)	(6,420)	(71%)
Loss per share attributable to owners of the Company (cents)				
- Basic		(2.8)	(2.3)	23%

NM : Not meaningful

B. Condensed Interim Statements of Financial Position

	Note	The Group		The Company	
		31 January 2025	31 July 2024	31 January 2025	31 July 2024
		S\$'000	S\$'000	S\$'000	S\$'000
ASSETS					
Non-current assets					
Property, plant and equipment	11	48,053	51,345	73	107
Investment in subsidiaries		-	-	7,549	7,549
Deferred tax assets		1,828	1,785	-	-
Other receivables		470	512	-	-
Loans to a subsidiary		-	-	295	411
Total non-current assets		50,351	53,642	7,917	8,067
Current assets					
Investment securities		4,005	4,559	411	382
Inventories		1,183	1,044	-	-
Prepayments		981	641	201	118
Tax recoverables		1,689	1,627	-	-
Derivatives		-	30	-	-
Trade and other receivables		13,382	15,535	3,848	3,285
Loans to a subsidiary		-	-	233	233
Cash and short-term deposits		91,409	95,081	19,816	19,775
Total current assets		112,649	118,517	24,509	23,793
Total assets		163,000	172,159	32,426	31,860
EQUITY AND LIABILITIES					
Equity					
Share capital	13	35,727	35,727	35,727	35,727
Retained earnings/(accumulated losses)		27,877	31,279	(6,766)	(7,411)
Other reserves		7,931	6,869	155	155
Total equity attributable to owners of the Company		71,535	73,875	29,116	28,471
Non-controlling interests		53,326	53,334	-	-
Total equity		124,861	127,209	29,116	28,471
Liabilities					
Non-current liabilities					
Loans and borrowings	12	6,801	11,502	8	130
Defined benefit liabilities		1,804	1,675	-	-
Deferred tax liabilities		1,486	2,028	-	-
Total non-current liabilities		10,091	15,205	8	130
Current liabilities					
Trade and other payables		13,053	14,980	826	1,108
Derivatives		9	-	-	-
Loans and borrowings	12	14,834	14,493	2,338	1,940
Provisions		6	6	-	-
Income tax payable		146	266	138	211
Total current liabilities		28,048	29,745	3,302	3,259
Total liabilities		38,139	44,950	3,310	3,389
Total equity and liabilities		163,000	172,159	32,426	31,860

C. Condensed Interim Statements of Changes in Equity

The Group	Total equity	Total equity attributable to owners of the Company	Share capital	Retained earnings/ (accumulated losses)	Foreign currency translation reserve	Capital reserve	Statutory reserve fund	Non-controlling interests
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
FY2025								
As at 1 August 2024	127,209	73,875	35,727	31,279	(4,480)	10,489	860	53,334
Loss for the period	(4,578)	(3,402)	-	(3,402)	-	-	-	(1,176)
Other comprehensive loss for the period, net of tax	2,735	1,062	-	-	1,062	-	-	1,673
Total comprehensive loss for the period	(1,843)	(2,340)	-	(3,402)	1,062	-	-	497
Dividends payable to non-controlling interests	(505)	-	-	-	-	-	-	(505)
As at 31 January 2025	124,861	71,535	35,727	27,877	(3,418)	10,489	860	53,326
FY2024								
As at 1 August 2023	126,583	72,274	35,727	29,062	(3,872)	10,497	860	54,309
(Loss)/profit for the period	(2,612)	(2,768)	-	(2,768)	-	-	-	156
Other comprehensive loss for the period, net of tax	(3,808)	(1,863)	-	41	(1,904)	-	-	(1,945)
Total comprehensive loss for the period	(6,420)	(4,631)	-	(2,727)	(1,904)	-	-	(1,789)
Dividends paid to non-controlling interests	(383)	-	-	-	-	-	-	(383)
As at 31 January 2024	119,780	67,643	35,727	26,335	(5,776)	10,497	860	52,137

The Company	Total equity	Share capital	Accumulated loss	Capital reserve
	S\$'000	S\$'000	S\$'000	S\$'000
FY2025				
As at 1 August 2024	28,471	35,727	(7,411)	155
Profit for the period	645	-	645	-
Total comprehensive income for the period	645	-	645	-
As at 31 January 2025	29,116	35,727	(6,766)	155
FY2024				
As at 1 August 2023	32,622	35,727	(3,260)	155
Profit for the period	313	-	313	-
Total comprehensive income for the period	313	-	313	-
As at 31 January 2024	32,935	35,727	(2,947)	155

D. Condensed Interim Consolidated Cash Flow Statement

		The Group	
		First Half Year ended 31 January 2025	First Half Year ended 31 January 2024
Note		S\$'000	S\$'000
	Cash flows from operating activities:		
	Loss before tax	(4,849)	(2,186)
	Adjustments for:		
	Net gain on disposal of property, plant and equipment	-	(240)
6	Depreciation of property, plant and equipment	7,476	7,658
	Plant and equipment written off	10	4
6	Net write-down of inventories	22	133
	Dividend income	(63)	(40)
6	Net fair value loss/(gain) on investment securities	708	(106)
	Finance costs	580	688
	Interest income	(1,368)	(1,331)
	Net unrealised loss on derivatives	39	64
	Net unrealised exchange gain	(30)	(141)
	Operating cash flows before changes in working capital	2,525	4,503
	Increase in inventories	(161)	(22)
	Decrease in prepayments and receivables	1,575	5,098
	Decrease in payables and contract liabilities	(1,446)	(3,931)
	Cash flows from operations	2,493	5,648
	Net income taxes paid	(469)	(196)
	Interest paid	(631)	(699)
	Interest received	1,545	1,210
	Net cash flows from operating activities	2,938	5,963
	Cash flows from investing activities:		
	Decrease/(increase) in short-term deposits with maturity more than three months	6,623	(2,948)
	Dividend received	63	40
	Purchase of property, plant and equipment	(3,096)	(3,216)
	Proceeds from disposal of property, plant and equipment	-	236
	Purchase of investment securities	(309)	(1,212)
	Proceeds from disposal of investment securities	306	-
	Net cash flows from/(used in) investing activities	3,587	(7,100)
	Cash flows from financing activities:		
	Proceeds from bank loans	3,187	53
	Repayment of bank loans	(7,545)	(5,037)
	Repayment of principle portion of lease liabilities	(980)	(1,053)
	Dividends paid to non-controlling interests	(505)	-
	Net cash flows used in financing activities	(5,843)	(6,037)
	Net increase/(decrease) in cash and cash equivalents	682	(7,174)
	Effect of exchange rate changes on cash and cash equivalents	2,269	(2,553)
	Cash and cash equivalents at beginning of period	33,811	44,597
	Cash and cash equivalents at end of period	36,762	34,870

D. Condensed Interim Consolidated Cash Flow Statement

Cash and cash equivalents comprised the following:

	The Group	
	31 January 2025	31 January 2024
	S\$'000	S\$'000
Cash at banks and on hand	11,116	9,798
Bank deposits	80,293	72,097
Cash and short-term deposits	91,409	81,895
Less: Bank deposits with maturity more than three months	(54,647)	(47,025)
Cash and cash equivalents	<u>36,762</u>	<u>34,870</u>

E. Notes to the Condensed Interim Financial Statements

1. Corporate information

Sunright Limited (the "Company") is a limited liability company incorporated and domiciled in Singapore and is listed on the Mainboard of the Singapore Exchange Securities Trading Limited ("SGX-ST"). These condensed interim consolidated financial statements as at and for the first half year ended 31 January 2025 comprise the Company and its subsidiaries (collectively, the "Group"). The principal activities of the Company are that of investment holding and provision of management services.

The principal activities of the Group are in the business of manufacturing burn-in/test equipment, provision of semiconductor burn-in and testing services, and research and development of burn-in and test related activities.

2. Basis of Preparation

The condensed interim financial statements for the first half year ended 31 January 2025 have been prepared in accordance with SFRS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last annual financial statements for the year ended 31 July 2024.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The condensed interim financial statements are presented in Singapore dollar which is the Company's functional currency and all values are rounded to the nearest thousand (\$'000) unless otherwise stated.

2.1. New and amended standards adopted by the Group

A number of amendments to standards have become applicable for the current reporting period¹. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

2.2. Use of judgements and estimates

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the reported amounts of assets and liabilities, revenues and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 July 2024.

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

¹ Refer to Annual Report FY2024, Notes to the Financial Statements (Note 2.3).

3. Seasonal operations

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

4. Segment and revenue information

The Group is organised into the following main business segments:

- a) Burn-in and testing segment is in the business of burn-in and test related activities.
- b) "Others" segment involves Group-level corporate services, treasury and investments functions (which does not meet any of the quantitative thresholds for disclosure under SFRS(I) 8 Operating Segments), and consolidation adjustments which are not directly attributable to particular business segment above.

Key management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which in certain respects, as explained in the table below, is measured differently from operating profit or loss in the consolidated financial statements. Group financing (including finance costs) and income taxes are managed on a group basis and are not allocated to operating segments.

4.1 Business segment

	Burn-in and testing		Others		Consolidated	
	2025 S\$'000	2024 S\$'000	2025 S\$'000	2024 S\$'000	2025 S\$'000	2024 S\$'000
1st Half Year ended 31 January						
Revenue:						
External customers	34,878	42,508	-	-	34,878	42,508
Results:						
Segment (loss)/profit	(6,139)	(2,908)	502	79	(5,637)	(2,829)
Interest income					1,368	1,331
Finance costs					(580)	(688)
Loss before tax					(4,849)	(2,186)
Income tax credit/(expense)					271	(426)
Loss for the period					(4,578)	(2,612)
Other information:						
Depreciation of property, plant and equipment	7,443	7,602	33	56	7,476	7,658
Additions to property, plant and equipment	2,669	6,292	-	10	2,669	6,302

4. Segment and revenue information (cont'd)

4.2 Disaggregation of Revenue

	The Group	
	1st Half Year ended 31 January 2025	1st Half Year ended 31 January 2024
	S\$'000	S\$'000
Burn-in and testing		
 <i>Major type of goods and services</i>		
Sale of goods	3,266	6,474
Rendering of services	31,612	36,034
Total Revenue	34,878	42,508
 <i>Primary geographical markets</i>		
Singapore	2,481	5,805
Malaysia	21,307	24,674
China	6,286	7,515
United States	2,254	1,796
Others	2,550	2,718
Total Revenue	34,878	42,508

The goods and services are transferred to the customers at a point in time.

5. Financial assets and liabilities

Set out below is an overview of the financial assets and liabilities of the Group and the Company as at 31 January 2025 and 31 July 2024

	The Group		The Company	
	31 January 2025	31 July 2024	31 January 2025	31 July 2024
	S\$'000	S\$'000	S\$'000	S\$'000
Financial Assets				
Trade and other receivables:				
- Trade receivables, net	11,819	13,779	2,503	2,154
- Sundry deposits	751	796	1	1
- Sundry receivables	1,282	1,472	111	206
- Amounts due from subsidiaries (non-trade)	-	-	1,233	924
Total trade and other receivables	13,852	16,047	3,848	3,285
Loans to a subsidiary	-	-	528	644
Cash and short-term deposits	91,409	95,081	19,816	19,775
Financial assets, at amortised costs	105,261	111,128	24,192	23,704
Derivatives, at fair value through profit or loss	-	30	-	-
Investment securities, at fair value through profit or loss	4,005	4,559	411	382
Total financial assets	109,266	115,717	24,603	24,086
Financial Liabilities				
Trade and other payables:				
- Trade payables	(3,352)	(3,323)	-	-
- Accrued operating expenses	(4,292)	(5,162)	(819)	(1,086)
- Sundry payables	(5,409)	(6,495)	(7)	(22)
Total trade and other payables	(13,053)	(14,980)	(826)	(1,108)
Loans and borrowings	(21,635)	(25,995)	(2,346)	(2,070)
Financial liabilities, at amortised costs	(34,688)	(40,975)	(3,172)	(3,178)
Derivatives, at fair value through profit or loss	(9)	-	-	-
Total financial liabilities	(34,697)	(40,975)	(3,172)	(3,178)

6. Profit before taxation

6.1 Significant items

	The Group	
	1st Half Year ended 31 January 2025	1st Half Year ended 31 January 2024
	S\$'000	S\$'000
Net write-down of inventories	(22)	(133)
Net exchange (loss)/gain	(88)	253
Net gain/(loss) on derivatives	28	(26)
Net fair value (loss)/gain on investment securities	(708)	106
Net gain on disposal of property, plant and equipment	-	240

6. Profit before taxation (cont'd)

6.2 Related party transactions

There are no material related party transactions apart from those disclosed in the condensed interim financial statements.

7. Significant commitments for purchases of property, plant and equipment

Commitments for purchases of property, plant and equipment amounted to \$1,016,000 as at 31 January 2025.

8. Income tax

The Group calculates the income tax (credit)/expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax (credit)/expense in the condensed interim consolidated statement of profit or loss are:

	The Group	
	1st Half Year ended 31 January 2025	1st Half Year ended 31 January 2024
	S\$'000	S\$'000
<i>Current income tax:</i>		
Current income tax expense	506	288
Over provision in respect of previous year	(161)	-
	<u>345</u>	<u>288</u>
<i>Deferred tax:</i>		
Origination and reversal of temporary differences	(616)	138
	<u>(616)</u>	<u>138</u>
Income tax (credit)/expense	<u>(271)</u>	<u>426</u>

9. Dividends

No dividend was recognised or declared during the current financial period or corresponding period of the immediately preceding financial year.

10. Net asset value

	The Group		The Company	
	31 January 2025	31 July 2024	31 January 2025	31 July 2024
Net asset value per ordinary share attributable to the owners of the Company (cents)	58.3	60.2	23.7	23.2

11. Property, plant and equipment

For the first half year ended 31 January 2025, the Group acquired property, plant and equipment amounting to \$2,669,000 (2024: \$6,302,000) and disposed off assets amounting to \$10,000 (2024: \$4,000).

12. Loans and borrowings

	The Group		The Company	
	31 January 2025	31 July 2024	31 January 2025	31 July 2024
	S\$'000	S\$'000	S\$'000	S\$'000
Amount repayable within one year or less or on demand				
Secured	1,463	1,635	53	52
Unsecured	13,371	12,858	2,285	1,888
	<u>14,834</u>	<u>14,493</u>	<u>2,338</u>	<u>1,940</u>
Amount repayable after one year				
Secured	2,173	2,677	8	35
Unsecured	4,628	8,825	-	95
	<u>6,801</u>	<u>11,502</u>	<u>8</u>	<u>130</u>
Total loans and borrowings	<u>21,635</u>	<u>25,995</u>	<u>2,346</u>	<u>2,070</u>

Obligations under leases are secured on certain assets of the companies within the Group.

13. Share capital

Details of any changes in the company's share capital arising from rights issue, bonus issue, subdivision, consolidation, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

There was no change in share capital during the current financial period.

The Company did not have any outstanding convertibles as at 31 January 2025 and 31 January 2024.

There were neither treasury shares nor subsidiary holdings as at 31 January 2025 and 31 January 2024.

To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year

	The Group and the Company			
	31 January 2025		31 July 2024	
	Number of shares	Amount	Number of shares	Amount
	'000	S\$'000	'000	S\$'000
<i>Issued and fully paid ordinary shares:</i>				
Balance at beginning and end of the period	122,806	35,727	122,806	35,727

A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on

Not applicable. The Company did not hold any treasury shares as at 31 January 2025.

A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on

Not applicable. The Company's subsidiaries do not hold any shares in the Company as at 31 January 2025 and 31 July 2024.

14. Earnings per share

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

Basic loss per ordinary share amounts are calculated by dividing loss net of tax, attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the current financial period.

	The Group	
	31 January 2025	31 January 2024
Loss attributable to owners of the Company (\$'000)	(3,402)	(2,768)
Weighted average number of ordinary shares ('000)	122,806	122,806
Loss per ordinary share (cents)	(2.8)	(2.3)

15. Subsequent events

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

F. Other Information required by Listing Rule Appendix 7.2

1. Review

The condensed interim statements of financial position of the Group and the Company as at 31 January 2025 and the related condensed interim statements of changes in equity of the Group and the Company, condensed interim consolidated statement of profit or loss and other comprehensive income and condensed interim consolidated cash flow statement for the six-month period then ended and certain explanatory notes have not been audited or reviewed.

2. Review of performance of the Group

A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-

(i) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and

(ii) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on

Review of performance

6 Months ended 31 January 2025 (1HFY2025) vs 6 Months ended 31 January 2024 (1HFY2024)

The Group recorded revenue of \$34.9 million in 1HFY2025, a decrease of \$7.6 million or 18% as compared to \$42.5 million in 1HFY2024. The decline was due to lower equipment deliveries as a result of reduced demand in the computing market, and lower volume for processing of automotive chips in burn-in and test services.

Other income decreased by \$0.5 million or 46%, to \$0.6 million, mainly due to absences of net foreign exchange gain², net gain on disposal of property, plant and equipment and net fair value gain on investment securities, amounting to \$0.2 million, \$0.2 million and \$0.1 million respectively.

Raw materials and consumables used, as well as changes in inventories of finished goods and work-in-progress, totalling \$4.3 million, were lower by \$3.1 million or 42%, in line with reduced equipment deliveries.

Employee benefits expense decreased by \$1.4 million or 7%, to \$17.5 million, with reduced labour resource required to process lower volume.

Other expenses decreased by \$0.7 million or 5%, to \$11.9 million, as a result of cost reductions in utilities, repairs and maintenance and recruitment expenses by \$0.6 million, \$0.5 million and \$0.2 million respectively. These reductions were partially offset with net fair value loss on investment securities of \$0.7 million.

Consequently, the Group recorded a higher loss before tax of \$4.8 million in 1HFY2025, as compared with loss of \$2.2 million in 1HFY2024.

² Included net loss on derivatives.

2. Review of performance of the Group (cont'd)

Review of financial position

Property, plant and equipment was lower by \$3.3 million or 6%, from \$51.3 million as at 31 July 2024, to \$48.1 million as at 31 January 2025. The decrease was primarily due to depreciation charge of \$7.5 million, partially offset by additions of \$2.7 million and the foreign translation effect of \$1.5 million.

Investment securities decreased by \$0.6 million or 12%, from \$4.6 million to \$4.0 million, as a result of net fair value loss on investment securities of \$0.7 million.

Current trade and other receivables decreased by \$2.2 million or 14%, from \$15.5 million to \$13.4 million, due to lower revenue in 1HFY2025 as compared to 2HFY2024.

Cash and short-term deposits declined by \$3.7 million or 4%, from \$95.1 million to \$91.4 million, represented net cash outflows in repayment of bank loans, and foreign translation effect arising from a strengthened Ringgit Malaysia.

Trade and other payables decreased by \$1.9 million or 13%, from \$15.0 million to \$13.1 million, mainly due to the settlement of purchases of machinery and test equipment, and reductions in other sundry payables and accrued operating expenses.

Total loans and borrowings decreased by \$4.4 million or 17%, from \$26.0 million to \$21.6 million, mainly due to net repayments of bank loans of \$4.4 million.

Deferred tax liabilities decreased by \$0.5 million or 27%, from \$2.0 million to \$1.5 million, as a result of lower taxable temporary differences, arising from the differences in depreciation for tax purposes.

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

There is no material variance from our full year financial statement announcement for the year ended 31 July 2024 commentary under Section F, paragraph 4.

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

According to International Monetary Fund's January 2025 outlook report, global economic growth in 2025 is projected at 3.3%, from 2024 of 3.2%. This outlook reflects an upward revision in the United States whilst offsetting downward revisions in other major economies, from its October 2024 outlook report.

The semiconductor industry continues to evolve, presenting both challenges and opportunities. Worldwide semiconductor revenue in 2024, estimated at USD626 billion, is an increase of 18.1% from 2023, primarily driven by high demand for graphics processing units and artificial intelligence (AI) processors in data center applications. In 2025, the revenue forecast is estimated at USD705 billion, with growth in memory and AI semiconductors.

However, the Group operates in an environment shaped by geopolitical tensions and escalating trade tariffs. Major semiconductor manufacturers are adjusting their inventory levels in response to ongoing market softness. Demand for computing and automotive markets is expected to remain soft in the near term. As a result, customers have scaled back orders and adopted a more cautious approach to procurement, which has impacted our performance. There is also an ongoing shift toward AI-driven technologies and power-efficient solutions.

Hence, despite present challenges, the Group remains focused on expanding opportunities in AI, power semiconductors and next-generation computing. It is making steady progress with customers qualifications for new product introductions. The Group also continues to align its cost structure with customers' roadmaps and maintains agility to scale up its production capacity to meet the potential demand in growth areas.

5. Dividend Information

(a) Current Financial Period Reported On

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

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? No

(c) Date payable

Not applicable

(d) Books closure date

Not applicable

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

The directors do not recommend any interim dividend to be declared in view of the losses.

6. Interested person transactions

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

No IPT mandate had been obtained.

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

The Company confirms that undertakings under Rule 720(1) have been obtained from all its directors and executive officers in the format set out in Appendix 7.7.

8. Confirmation by Board pursuant to Rule 705(5) of the Listing Manual

The Board confirmed to the best of its knowledge that nothing has come to its attention which may render the unaudited interim financial results for the half year ended 31 January 2025 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

Adeline Lim Kim Swan
Company Secretary
Date: 14 March 2025