AEDGE GROUP LIMITED
Registration No: 201933214E
Incorporated in the Republic of Singapore

Unaudited Financial Statements Announcement
For the Six Months ended 31 December 2024

This announcement has been reviewed by UOB Kay Hian Private Limited (the "**Sponsor**").

This announcement has not been examined or approved by the Singapore Exchange Securities Trading Limited ("**SGX-ST**") and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

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A – CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Condensed Interim Consolidated Statement of Comprehensive Income for the six months ended 31 December 2024 ("1H FY2025") and six months ended 31 December 2023 ("1H FY2024"):

	Note	1H FY2025 S$'000 Unaudited	1H FY2024 S$'000 Unaudited	Change %
Revenue	13	13,315	11,330	17.5
Cost of sales		(11,710)	(10,378)	12.8
Gross profit		1,605	952	68.6
Other income		61	406	(85.0)
Administrative expenses		(1,864)	(1,878)	(0.7)
Other expenses		(201)	(482)	(58.3)
Results from operating activities		(399)	(1,002)	(60.2)
Finance income		-	-	nm
Finance costs		(245)	(141)	73.8
Net finance costs		(245)	(141)	73.8
Loss before tax	14	(644)	(1,143)	(43.7)
Income tax expense		(4)	-	nm
Loss and total comprehensive loss for the period		(648)	(1,143)	(43.3)
Loss for the period attributable to:				
Owners of the Company		(534)	(1,143)	(53.3)
Non-Controlling Interests		(114)	-	nm
		(648)	(1,143)	(43.3)
Basic and diluted loss per share (cents)	15	(0.50)	(1.08)	

nm=not meaningful

B. CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	Note	Group		Company	
		31 December 2024 $'000 Unaudited	30 June 2024 $'000 Audited	31 December 2024 $'000 Unaudited	30 June 2024 $'000 Audited
Assets					
Property, plant & equipment	5	5,062	5,312	-	-
Intangible asset		2	4	-	-
Investment in subsidiaries		-	-	7,151	7,151
Investment properties	6	17,195	8,831	-	-
Non current assets		**22,259**	**14,147**	**7,151**	**7,151**
Inventories		505	522	-	-
Trade and other receivables	7	7,182	6,035	2,997	2,354
Contract assets		1,086	1,057	-	-
Cash and cash equivalent	8	1,744	3,214	69	254
Current assets		**10,517**	**10,828**	**3,066**	**2,608**
Total assets		**32,776**	**24,975**	**10,217**	**9,759**
Equity					
Share capital	9	14,590	14,590	14,590	14,590
Reserves	10	(3,817)	(3,283)	(5,592)	(5,646)
		10,773	11,307	8,998	8,944
Non-Controlling Interest		81	195	-	-
Total equity		**10,854**	**11,502**	**8,998**	**8,944**
Liabilities					
Loans and borrowings	11	11,902	6,866	-	-
Lease liabilities		445	228	-	-
Deferred tax liabilities		21	21	-	-
Non current liabilities		**12,368**	**7,115**	**-**	**-**
Loans and borrowings	11	3,476	2,535	-	-
Lease liabilities		264	211	-	-
Trade and other payables	12	5,798	3,589	1,219	815
Current tax liabilities		16	23	-	-
Current liabilities		**9,554**	**6,358**	**1,219**	**815**
Total liabilities		**21,922**	**13,473**	**1,219**	**815**
Total equity & liabilities		**32,776**	**24,975**	**10,217**	**9,759**

C. CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Group	Share capital $'000	Capital reserve $'000	Merger reserve $'000	Retained earnings $'000	Equity attributable to owners of the Company $'000	Non-controlling interest $'000	Total equity $'000
As at 1 July 2023	14,590	200	(8,701)	5,810	11,899	-	11,899
Total comprehensive loss for the period	-	-	-	(1,143)	(1,143)	-	(1,143)
As at 31 December 2023	**14,590**	**200**	**(8,701)**	**4,667**	**10,756**	**-**	**10,756**
As at 1 July 2024	14,590	200	(8,701)	5,218	11,307	195	11,502
Total comprehensive loss for the period	-	-	-	(534)	(534)	(114)	(648)
As at 31 December 2024	**14,590**	**200**	**(8,701)**	**4,684**	**10,773**	**81**	**10,854**

Company	Share capital $'000	Retained earnings $'000	Total equity $'000
As at 1 July 2023	14,590	(4,558)	10,032
Total comprehensive profit for the period	-	80	80
As at 31 December 2023	**14,590**	**(4,478)**	**10,112**
As at 1 July 2024	14,590	(5,646)	8,944
Total comprehensive profit for the period	-	54	54
As at 31 December 2024	**14,590**	**(5,592)**	**8,998**

D. CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

	1H FY2025 Unaudited $'000	1H FY2024 Unaudited $'000
Cash flows from operating activities		
Loss before tax	**(644)**	**(1,143)**
Adjustments for:		
Depreciation of property, plant and equipment	845	894
Depreciation of investment property	531	197
Amortisation of intangible assets	2	2
Finance cost	245	141
Gain on disposal of property, plant and equipment	(16)	(29)
Operating cash flow before working capital changes	963	62
Changes in working capital:		
Inventories	17	91
Contract assets	(29)	380
Trade and other receivables	(1,147)	1,599
Trade and other payables	447	(6)
Cash generated from operations	251	2,126
Net tax paid	(11)	-
Net cash generated from operating activities	**240**	**2,126**
Cash flows from investing activities		
Acquisition of property, plant and equipment	(281)	(201)
Acquisition of investment property	(8,895)	(2,220)
Proceeds from disposal of property, plant and equipment	133	144
Net cash used in investing activities	**(9,043)**	**(2,277)**
Cash flows from financing activities		
Proceeds from non-controlling shareholders of subsidiaries	1,362	-
Loan from immediate and ultimate holding company	400	-
Payment of lease liabilities	(173)	(216)
Proceeds from loans and borrowings	7,309	300
Payment of loans and borrowings	(1,348)	(860)
Interest paid	(217)	(98)
Net cash generated from/(used in) financing activities	**7,333**	**(874)**
Net decrease in cash and cash equivalents	(1,470)	(1,025)
Cash and cash equivalents at beginning of the period	3,214	3,479
Cash and cash equivalents at end of the period	**1,744**	**2,454**

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

These notes form an integral part of the condensed interim consolidated financial statements.

1. Domicile and activities

Aedge Group Limited (the "Company") is a company incorporated in the Republic of Singapore on 3 October 2019 under the name Aedge Group Pte Ltd. The Company was converted to a public limited company on 24 March 2020 and the name of the Company was changed to Aedge Group Limited in connection therewith. The address of the Company's registered office is Block 4009 Ang Mo Kio Avenue 10, Tech Place I #04-33, Singapore 569738.

The financial statements of the Group as at and for the six months ended 31 December 2024 comprise the Company and its subsidiaries (together referred to as the "Group" and individually as "Group entities").

The immediate and ultimate holding company is PTCC Holdings Pte. Ltd., a company incorporated in the Republic of Singapore.

The principal activities of the Company are those of investment holding. The principal activities of the Group consist of provision of engineering services, transportation services, cleaning services, security and manpower services and properties investment.

2. Basis of preparation

2.1 Statement of compliance

The condensed interim consolidated financial statements as at and for the six months ended 31 December 2024 have been prepared in accordance with SFRS(I) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim consolidated 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 consolidated financial statements for the year ended 30 June 2024.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I), except for the adoption of new and amended standards as set out in Note 4.

These condensed interim consolidated financial statements have been prepared on the historical cost basis except as otherwise described in the notes below.

These condensed interim consolidated financial statements are presented in Singapore dollars, which is the Company's functional currency. The financial information has been rounded to the nearest thousand, unless otherwise stated.

2.2 **Use of estimates and judgements**

The preparation of the condensed interim consolidated financial statements in conformity with SFRS(I)s requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. 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 applied to the consolidated financial statements as at and for the year ended 30 June 2024.

Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values. The finance team has overall responsibility for all significant fair value measurements, including Level 3 fair values, and reports directly to the Chief Executive Officer.

When measuring the fair value of an asset or a liability, the Group uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- *Level 1:* quoted prices (unadjusted) in active markets for identical assets or liabilities.

- *Level 2:* inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

- *Level 3:* inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement (with Level 3 being the lowest).

The Group recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred.

3. Seasonal operations

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

4. New and amended standards adopted by the Group

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

5. Property, plant and equipment

During the six months ended 31 December 2024, the Group acquired assets amounting to approximately $712,000 (31 December 2023: $456,000) of which $431,000 (31 December 2023: $255,000) were acquired under lease arrangements and disposed of assets with a net book value amounting to approximately $117,000 (31 December 2023: $115,000).

6. Investment properties

	Group		Company	
	31 December 2024	30 June 2024	31 December 2024	30 June 2024
Cost	**$'000**	**$'000**	**$'000**	**$'000**
Beginning of financial period/year	9,420	–	–	–
Addition	8,895	9,420	–	–
End of financial period/year	18,315	9,420	–	–
Accumulated depreciation				
Beginning of financial period/year	589	–	–	–
Depreciation for the period	531	589	–	–
End of financial period/year	1,120	589	–	–
Net book value				
At end of financial period/year	17,195	8,831	–	–

During the six months ended 31 December 2024, the Group acquired investment properties amounting to approximately $8,895,000 (31 December 2023: $9,420,000), comprises of cost $8,500,000 and stamp duty $395,000 respectively, of which $6,375,000 (31 December 2023: $7,200,000) was under loan arrangement.

Investment properties are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

As at 31 December 2024, the fair value of the Group's investment properties is approximately $17,000,000. Management conducted an internal assessment of the valuation of the investment properties as at 31 December 2024, taking into consideration any significant changes in operating performance of the properties during the period and assessed whether movement in market data such as discount rates, and capitalisation rates have any significant impact to the valuation of the investment properties.

7. Trade and other receivables

	Group		Company	
	31 December 2024 $'000	30 June 2024 $'000	31 December 2024 $'000	30 June 2024 $'000
Trade receivables:				
- third parties	5,092	5,099	–	–
	5,092	5,099	–	–
Other receivables (non-trade):				
- dividend receivables from subsidiaries	–	–	2,994	2,303
- others	–	16	–	12
Deposits	1,651	701	–	–
	6,743	5,816	2,994	2,315
Prepayments	439	219	3	39
	7,182	6,035	2,997	2,354

8. Cash and cash equivalents

	Group		Company	
	31 December 2024 $'000	30 June 2024 $'000	31 December 2024 $'000	30 June 2024 $'000
Cash on hand	21	21	*	*
Cash at bank	1,723	3,193	69	254
Cash and cash equivalents	1,744	3,214	69	254
Presented in the statement of financial position as:				
Cash and cash equivalents (current)	1,744	3,214	69	254

	1,744	3,214	69	254
Cash and cash equivalents in the statement of cash flows	1,744	3,214	69	254

*Less than S$1,000

9. Share capital

	Group and Company
Issued and fully-paid ordinary shares with no par value:	**No. of shares**
As at 30 June 2024	106,000,000
As at 31 December 2024	106,000,000

There was no change in the Company's share capital since 30 June 2024.

The Company did not have any convertible securities, treasury shares and subsidiary holdings as at 31 December 2024, 30 June 2024 and 31 December 2023.

10. Reserves

The reserves of the Group comprise the following balances:

	Group		Company	
	31 December 2024 $'000	**30 June 2024 $'000**	**31 December 2024 $'000**	**30 June 2024 $'000**
Capital reserve	200	200	–	–
Merger reserve	(8,701)	(8,701)	–	–
Retained earnings	4,684	5,218	(5,592)	(5,646)
Totals	(3,817)	(3,283)	(5,592)	(5,646)

Capital reserve

The capital reserve relates to deemed contribution from the Company's shareholders for the acquisition of a subsidiary.

Merger reserve

The merger reserve relates to the difference between the consideration paid and the paid-in capital of entities under common control which were acquired by the Group.

Dividends

The Company did not declare dividends during the period from 1 July 2024 to 31 December 2024.

11. Loans and borrowings

	Group	
	31 December 2024 $'000	30 June 2024 $'000
Non-current		
Term loan (secured)	11,902	6,866
Current		
Term loan (secured)	3,476	2,535
	15,378	9,401

The Group's term loans are secured by corporate guarantees from the Company.

Two of the Group's term loans amounting to $13,575,000 (30 June 2024: $7,200,000) are secured by mortgage over the Group's investment properties. The effective interest rates on the term loans are ranging from 3.25% to 4.18% per annum (30 June 2024: 4.18%) and are repayable in monthly instalments between 9 October 2023 to 30 September 2030 and 9 November 2024 to 9 October 2029 respectively.

12. Trade and other payables

	Group		Company	
	31 December 2024 $'000	30 June 2024 $'000	31 December 2024 $'000	30 June 2024 $'000
Trade payables:				
- third parties	766	480	–	–
- GST payable	412	456	–	–
Customer deposits	445	130	–	–
	1,623	1,066	–	–
Other payables (non-trade):				
- immediate and ultimate holding company	1,050	650	1,050	650
- others	1,453	216	23	34
- GST payable	3	9	3	9
Accrued operating expenses	498	481	143	122
Accrued salaries and wages	1,171	1,167	–	–
	5,798	3,589	1,219	815

13. Revenue

	For the six months ended December	
	2024 $'000	2023 $'000
Revenue from contracts with customers:		
- Engineering services	3,973	3,667
- Transportation services	2,590	2,373
- Security and manpower services	6,333	5,290

- Investment properties leasing	419	–
	13,315	11,330

14. Loss before tax

The following items have been included in arriving at loss before tax:

	For the six months ended 31 December	
	2024	**2023**
	$'000	**$'000**
Other income		
Government grants	47	239
Sundry income	14	23
Rental income	–	144
	61	406

14. Loss before tax (cont'd)

	For the six months ended 31 December	
	2024	**2023**
	$'000	**$'000**
Finance expense		
Interest expense on:		
Lease liabilities	(12)	(18)
Loans and borrowings	(233)	(123)
	(245)	(141)
Other significant items:		
Depreciation of property, plant and equipment	(845)	(894)
Depreciation of investment properties	(531)	(197)
Amortisation of intangible assets	(2)	(2)
Gain on disposal of property, plant and equipment	16	29

15. Loss per share

	For the six months ended 31 December	
	2024	**2023**
Basic and diluted loss per share (cents)	(0.50)	(1.08)

The calculation of basic loss per share has been based on the loss attributable to owners of the Company and the following weighted-average number of ordinary shares outstanding.

	31 December 2024 No. of shares '000	31 December 2023 No. of shares '000
Weighted-average number of ordinary shares	106,000	106,000

Diluted earnings per share

There is no dilutive loss per share as there were no potential dilutive ordinary shares outstanding as at 31 December 2024 and 31 December 2023. The dilutive loss per share is the same as basic loss per share.

16. Operating segments

The Group has the following four strategic divisions, which are its reportable segments. These divisions offer different services, and are managed separately. The Group's Chief Executive Officer reviews internal management reports of each division at least quarterly. The following summary describes the operations in each of the Group's reportable segments:

- Engineering services

  Sales and installation of scaffolding equipment, insulation and passive fire protection systems. Provision of workers on contract or ad-hoc basis for engineering services.

- Transportation services

  Provision of bus services for public premium service routes, schools, corporates and ad hoc charters.

- Security and manpower services

  Provision of security services, cleaning services, manpower staffing for aviation technicians.

- Properties investment

  Leasing of investment properties to generate rental income and to gain from the appreciation in the value of the properties in the long term.

- Others

  Others relate to unallocated amounts that includes provision of management, treasury and administrative services.

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit (loss) before tax, as included in the internal management reports that are reviewed by the Group's CEO. Segment profit (loss) is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

Information about reportable segments

	Engineering services $'000	Transportation services $'000	Investment properties leasing $'000	Security and manpower services $'000	Total for reportable segments $'000	Others $'000	Inter-segment eliminations $'000	Total $'000
For the six months ended 31 December 2024								
External revenues	3,973	2,590	419	6,333	13,315	–	–	13,315
Inter-segment revenue	951	–	237	–	1,188	–	(1,188)	–
External cost of sales	(3,199)	(2,229)	(656)	(5,626)	(11,710)	–	–	(11,710)
Inter-segment cost of sales	(1,193)	–	(58)	(1)	(1,252)	–	1,252	–
Finance costs	(51)	(6)	(170)	(18)	(245)	–	–	(245)
Depreciation of property, plant and equipment, investment property and amortization of intangible assets	(411)	(427)	(531)	(7)	(1,376)	(2)	–	(1,378)
Reportable segment profit/(loss) before tax	(145)	121	(263)	321	34	(686)	8	(644)
Other material non-cash items:								
- Gain/(Loss) on disposal of property, plant and equipment	29	(7)	–	–	22	–	(6)	16
Capital expenditure	(197)	(3)	(8,895)	(81)	(9,176)	–	–	(9,176)
As at 31 December 2024								
Reportable segment assets	9,055	4,991	19,430	6,581	40,057	10,590	(17,871)	32,776
Reportable segment liabilities	(9,833)	(1,404)	(16,326)	(3,348)	(30,911)	(1,360)	10,349	(21,922)

	Engineering services $'000	Transportation services $'000	Investment properties leasing $'000	Security and manpower services $'000	Total for reportable segments $'000	Others $'000	Inter-segment eliminations $'000	Total $'000
For the six months ended 31 December 2023								
External revenues	3,667	2,373	–	5,290	11,330	–	–	11,330
Inter-segment revenue	764	4	–	–	768	–	(768)	–
External cost of sales	(3,325)	(2,295)	–	(4,758)	(10,378)	–	–	(10,378)
Inter-segment cost of sales	(946)	–	–	–	(946)	–	946	–
Finance costs	(114)	(10)	–	(17)	(141)	–	–	(141)
Depreciation of property, plant and equipment, investment properties and amortization of intangible assets	(625)	(459)	–	(7)	(1,091)	(2)	–	(1,093)
Reportable segment profit/(loss) before tax	(770)	(166)	–	415	(521)	(623)	1	(1,143)
Other material non-cash items:								
- Gain/(Loss) on disposal of property, plant and equipment	36	–	–	–	36	–	(7)	29
Capital expenditure	(2,379)	(41)	–	–	(2,420)	–	–	(2,420)
As at 31 December 2023								
Reportable segment assets	18,097	5,937	–	5,772	29,806	11,017	(16,121)	24,702
Reportable segment liabilities	(15,778)	(1,467)	–	(4,125)	(21,370)	(880)	8,304	(13,946)

Reconciliations of reportable segment revenues, profit or loss, assets and liabilities and other material items to SFRS(I) measures

	For the six months ended 31 December	
	2024	**2023**
Revenues	**$'000**	**$'000**
Total revenue for reportable segments	14,503	12,098
Elimination of inter-segment revenue	(1,188)	(768)
Consolidated revenue	13,315	11,330
Cost of sales		
Total cost of sales for reportable segments	(12,962)	(11,324)
Elimination of inter-segment cost of sales	1,252	946
Consolidated cost of sales	(11,710)	(10,378)
Loss before tax		
Total profit/(loss) before tax for reportable segments	34	(521)
Elimination of inter-segment profits	8	1
Unallocated amounts	(686)	(623)
Consolidated loss before tax from continuing operations	(644)	(1,143)

	As at 31 December	
	2024	**2023**
Assets	**$'000**	**$'000**
Total assets for reportable segments	40,057	29,806
Elimination of inter-segment assets	(17,871)	(16,121)
Other unallocated amounts	10,590	11,017
Consolidated total assets	32,776	24,702
Liabilities		
Total liabilities for reportable segments	(30,911)	(21,370)
Elimination of inter-segment liabilities	10,349	8,304
Other unallocated amounts	(1,360)	(880)
Consolidated total liabilities	(21,922)	(13,946)

Geographical information

The engineering services, transportation services, security and manpower services and properties investment are managed in Singapore.

17. Related parties

There were no significant transactions carried out by the Group with its related parties.

18. Subsequent events

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

F. OTHER INFORMATION REQUIRED BY CATALIST LISTING RULE APPENDIX 7C

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

The condensed consolidated statement of financial position of Aedge Group Limited and its subsidiaries as at 31 December 2024 and the related condensed consolidated profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six months ended 31 December 2024 and certain explanatory notes have not been audited nor reviewed.

2. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion: -

(a) Updates on the efforts taken to resolve each outstanding audit issue.

Not applicable.

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

Not applicable.

3. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the: -

(a) Current financial period reported on; and
(b) Immediately preceding financial year.

	Group		Company	
	31 December 2024	**30 June 2024**	**31 December 2024**	**30 June 2024**
Net asset value attributable to owners of the Company ($'000)	10,773	11,307	8,998	8,944
Number of ordinary shares in issue('000)	106,000	106,000	106,000	106,000
Net asset value per ordinary share (cents)	10.2	10.7	8.5	8.4

4. 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 on the following: -

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

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

A. Consolidated Statement of Comprehensive Income (1H FY2025 vs 1H FY2024)

(1) Revenue:
Total revenue increased by $1.98 million or 17.5% from $11.33 million in 1H FY2024 to $13.31 million in 1H FY2025. The increase in revenue is contributed by each of the engineering services, transportation services, investment properties leasing and security and manpower services segments.

Increase in revenue was due to more contracts being executed in 1H FY2025 and recognition of revenue in investment properties leasing which is a new business segment of the Group.

(2) Cost of Sales:
Cost of sales increased by $1.33 million or 12.8% from $10.38 million in 1H FY2024 to $11.71 million in 1H FY2025. The increase was in line with the increase in total revenue.

(3) Gross Profit:
Gross profit increased by $0.66 million or 68.6% from $0.95 million in 1H FY2024 to $1.61 million in 1H FY2025. Correspondingly, the gross profit margins improved from 8.4% in 1H FY2024 to 12.1% in 1H FY2025. The increase was due to higher profit margin contracts were executed in 1H FY2025.

(4) Other Income:
Other income decreased from $0.41 million in 1H FY2024 to $0.06 million in 1H FY2025. This was mainly due to decrease in government grants received in 1H FY2025 and absence of rental income which has been recognized as revenue of the new business segment of investment properties leasing.

(5) Administrative Expenses:
Administrative expenses decreased from $1.88 million in 1H FY2024 to $1.86 million in 1H FY2025, mainly due to decrease in rental expenses as some leases have been returned and operations were consolidated in industrial spaces that the Company owns.

(6) Other Expenses:
Other expenses decreased from $0.48 million in 1H FY2024 to $0.20 million in 1H FY2025 mainly due to absence of costs related to investment properties leasing such as utilities and depreciation which were recognized as cost of sales in 1H FY2025.

(7) Finance Costs:

Finance costs increased from $0.14 million in 1H FY2024 to $0.25 million in 1H FY2025. This was due to the increase in loan borrowings in conjunction with the acquisition of an investment property during 1H FY2025.

B. Consolidated Statement of Financial Position as at 31 December 2024

(1) Non-Current Assets:
Non-current assets increased to $22.26 million as at 31 December 2024 from $14.15 million as at 30 June 2024, mainly due to the acquisition of an investment property during 1H FY2025.

(2) Current Assets:
Current assets decreased to $10.52 million as at 31 December 2024 from $10.83 million as at 30 June 2024. This was mainly due to decrease in cash and cash equivalent, offset against increase in deposit paid for dormitory construction.

(3) Non-Current Liabilities:
Non-current liabilities increased to $12.37 million as at 31 December 2024 from $7.12 million as at 30 June 2024. This was mainly due to increase in non-current loans and borrowings.

(4) Current Liabilities:
Current liabilities increased to $9.55 million at 31 December 2024 from $6.36 million as at 30 June 2024, mainly due to increase in loans and borrowings. Increase in loans and borrowings was due to acquisition of an investment property in 1H FY2025.

C. Consolidated Statement of Cash Flows (1H FY2025)

(1) Net cash generated from operating activities in 1H FY2025 amounted to $0.24 million. This was mainly due to operating cash flow before working capital changes of $0.96 million, partially offset against increase in trade and other receivables.

(2) Net cash used in investing activities in 1H FY2025 amounted to $9.04 million. This was mainly due to the acquisition of an investment property.

(3) Net cash generated from financing activities in 1H FY2025 amounted to $7.33 million. This was mainly due to proceeds from additional loan for acquisition of investment property, proceeds from loan from holding company and proceeds from non-controlling shareholders of subsidiaries, offset with repayment of lease liabilities and loans and borrowings.

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

No specific forecasts or prospect statements were made previously.

6. 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.

For the Engineering business, Building and Construction Authority ("BCA") projects the total construction demand, i.e. the value of construction contracts to be awarded, to range between S$47 billion and S$53 billion in nominal terms in year 2025, underpinned by the expected award of contracts for several large-scale developments, such as Changi Airport Terminal 5 (T5) and the expansion of the Marina Bay Sands Integrated Resort, alongside public housing development and upgrading works.[1]

For our transportation business, the Group expects demand for its transport services to improve gradually and the improvement in the business to sustain. The Group is continually looking to take on new contracts with good margins, and supplementing this with the hiring of new drivers where possible.

For our security and manpower business, the Group expects the improvement in the business to sustain but mitigated by the continual increase in cost due to the progressive wage model implemented by Ministry of Manpower.

For our new investment properties business, the Group expects business to gradually pick up with increased marketing efforts as well as the various asset enhancement initiatives the Group has undertaken which would see an upward revision in the rental rates.

Operating within this current challenging and uncertain environment, the Group remains focused on its efforts to ride on any improvements in the economic situation, and to improve its results by opting to shift the focus to higher-margin opportunities for the business units.

7. Dividend Information

(a) Whether an interim (final) ordinary dividend has been declared (recommended):

No dividend has been recommended.

(b) (i) Amount per share: Not applicable
(ii) Previous corresponding period: Not applicable, no dividend was declared in 1H FY2024.

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).

[1] BCA, Construction Demand to Remain Strong for 2025, 23 January 2025.

Not applicable.

(d) The date the dividend is payable:

Not applicable.

(e) The date on which Registrable Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividend are determined:

Not applicable.

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

No dividend was declared or recommended for the current reporting period as the Group intends to preserve its cash for the growth of the Company.

9. If the group has obtained a general mandate from shareholders for interested person transactions ("IPT"), the aggregate value of such transactions as required under Rule 920(1)(a)(ii) of the Catalist Rules. If no IPT mandate has been obtained, a statement to that effect.

The Group does not have a general mandate from shareholders for IPTs pursuant to Rule 920(1)(a)(ii) of the Catalist Rules. There were no disclosable IPTs for the current financial period under review.

10. Confirmation that the issuer has procured undertaking from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1) of the Catalist Rules.

The Company confirms that it has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1) of the Catalist Rules.

11. Negative confirmation pursuant to Rule 705(5) on Half Year Financial Results

Mr Poh Soon Keng and Mr Lim Tai Toon, being two directors of the Company, do hereby confirm on behalf of the Board of Directors that, to the best of their knowledge, nothing has come to their attention which may render the half year financial statements ended 31 December 2024 to be false or misleading in any material aspect.

12. Disclosure on acquisition (including incorporations) and realization pursuant to Rule 706A

There is no acquisition (including incorporations) and realization during the six-month period ended 31 December 2024.

BY ORDER OF THE BOARD

Poh Soon Keng

Executive Chairman and Chief Executive Officer
13 February 2025