

**AVI-TECH HOLDINGS LIMITED**  
(Company Registration No. 202002889W)

**Full Year Financial Statements and Dividend Announcement for the Year Ended 30 June 2024**

**PART I – Information required for announcements of results**

- 1(a) An income statement and statement of comprehensive income, or a statement of comprehensive income (for the Group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

Condensed interim consolidated statement of profit or loss and other comprehensive income  
For the second half and full year ended 30 June 2024

		Group					
		2nd Half Year Ended		Change	Financial Year Ended		Change
		2024	2023		2024	2023	
		\$'000	\$'000	%	\$'000	\$'000	%
		Unaudited	Unaudited		Unaudited	Audited	
Revenue	N3	8,445	17,128	(50.7)	25,075	34,896	(28.1)
Cost of sales		(7,435)	(13,688)	(45.7)	(18,549)	(26,896)	(31.0)
<b>Gross profit</b>		<u>1,010</u>	<u>3,440</u>	(70.6)	<u>6,526</u>	<u>8,000</u>	(18.4)
Other operating income		1,221	732	66.8	2,060	1,347	52.9
Distribution costs		(48)	(85)	(43.5)	(138)	(151)	(8.6)
Administrative expenses		(2,098)	(2,300)	(8.8)	(4,784)	(4,619)	3.6
Net foreign exchange gains/(loss)		60	(164)	(136.6)	(91)	(458)	(80.1)
Share of loss of associate		-	(29)	n.m.	-	(29)	n.m.
Impairment loss on associate		(171)	-	n.m.	(171)	-	n.m.
Finance costs		(10)	(9)	11.1	(18)	(20)	(10.0)
(Loss)/Profit before income tax	N4	<u>(36)</u>	<u>1,585</u>	(102.3)	<u>3,384</u>	<u>4,070</u>	(16.9)
Income tax expense	N5	(2)	(359)	(99.4)	(570)	(811)	(29.7)
		<u>          </u>	<u>          </u>		<u>          </u>	<u>          </u>	
<b>(Loss)/Profit for the year</b>		<u>(38)</u>	<u>1,226</u>	(103.1)	<u>2,814</u>	<u>3,259</u>	(13.7)
<b>Other comprehensive income/(loss):</b>							
Exchange differences arising on translation of foreign operation		<u>1</u>	<u>(3)</u>	n.m.	<u>-</u>	<u>(3)</u>	n.m.
<b>Total comprehensive (loss)/income for the year</b>		<u>(37)</u>	<u>1,223</u>	(103.1)	<u>2,814</u>	<u>3,256</u>	(13.6)

n.m. : not meaningful

**1(b)(i) A statement of financial position of the Company and the Group, together with a comparative statement as at the end of the immediately preceding financial year.**

**Condensed interim statements of financial position  
As at 30 June 2024**

<b>ASSETS</b>	<b>Group</b>		<b>Company</b>	
	<b>30-Jun-24</b>	<b>30-Jun-23</b>	<b>30-Jun-24</b>	<b>30-Jun-23</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
	<b>Unaudited</b>	<b>Audited</b>	<b>Unaudited</b>	<b>Audited</b>
<b>Current assets</b>				
Cash and bank balances	3,948	6,346	517	126
Fixed deposits	33,030	26,400	14,430	17,300
Trade receivables	N6 3,671	7,443	-	-
Other receivables and prepayments	821	1,126	206	407
Inventories	N7 3,680	5,153	-	-
<b>Total current assets</b>	<b>45,150</b>	<b>46,468</b>	<b>15,153</b>	<b>17,833</b>
<b>Non-current assets</b>				
Subsidiaries	-	-	51,464	51,464
Associate	-	171	-	-
Property, plant and equipment	N8 11,430	11,966	-	-
Right-of-use asset	538	786	-	-
Other financial assets at amortised cost	500	-	-	-
<b>Total non-current assets</b>	<b>12,468</b>	<b>12,923</b>	<b>51,464</b>	<b>51,464</b>
<b>Total assets</b>	<b>57,618</b>	<b>59,391</b>	<b>66,617</b>	<b>69,297</b>
<b>LIABILITIES AND EQUITY</b>				
<b>Current liabilities</b>				
Trade payables	1,787	3,296	100	91
Other payables	1,534	1,779	1,875	1,906
Lease liabilities	N9 308	254	-	-
Income tax payable	518	499	60	4
<b>Total current liabilities</b>	<b>4,147</b>	<b>5,828</b>	<b>2,035</b>	<b>2,001</b>
<b>Non-current liabilities</b>				
Other payables	184	-	-	-
Lease liabilities	N9 487	567	-	-
Deferred tax liabilities	1,279	1,296	-	-
<b>Total non-current liabilities</b>	<b>1,950</b>	<b>1,863</b>	<b>-</b>	<b>-</b>
<b>Total liabilities</b>	<b>6,097</b>	<b>7,691</b>	<b>2,035</b>	<b>2,001</b>
<b>Capital and reserves</b>				
Share capital	30,759	30,759	30,759	30,759
Reserves	20,762	20,941	33,823	36,537
<b>Total equity</b>	<b>51,521</b>	<b>51,700</b>	<b>64,582</b>	<b>67,296</b>
<b>Total liabilities and equity</b>	<b>57,618</b>	<b>59,391</b>	<b>66,617</b>	<b>69,297</b>

**1(b)(ii) Aggregate amount of Group's borrowings and debt securities**

See paragraph N9 of the "Notes to the condensed interim consolidated financial statements" below.

**1(c) A statement of cash flows for the Group together with a comparative statement for the corresponding period of the immediately preceding financial year.**

**Condensed interim consolidated statement of cash flows  
For the second half and full year ended 30 June 2024**

	30-Jun-24 2nd Half Year Ended \$'000	30-Jun-23 Financial Year Ended \$'000	30-Jun-24 Financial Year Ended \$'000	30-Jun-23 Financial Year Ended \$'000
<b>Operating activities</b>				
(Loss)/Profit before income tax	(36)	1,585	3,384	4,070
<b>Adjustments for:</b>				
Share of loss of associate	-	29	-	29
Impairment loss on associate	171	-	171	-
Depreciation of property, plant and equipment	598	566	1,170	1,085
Depreciation of right-of-use assets	124	124	248	247
Gain on disposal of property, plant and equipment	(145)	-	(145)	(3)
Allowance for inventories obsolescence	91	224	115	224
Interest expense	10	9	18	20
Interest income	(631)	(454)	(1,198)	(775)
Operating cash flows before movements in working capital	<u>182</u>	<u>2,083</u>	<u>3,763</u>	<u>4,897</u>
Trade receivables	2,065	(1,070)	3,772	606
Other receivables and prepayments	(19)	127	212	117
Inventories	(225)	(417)	1,358	(1,598)
Trade payables	(67)	1,347	(1,509)	386
Other payables	(422)	327	(61)	151
Cash generated from operations	<u>1,514</u>	<u>2,397</u>	<u>7,535</u>	<u>4,559</u>
Income tax paid	(304)	(430)	(568)	(755)
Interest paid	(10)	(9)	(18)	(20)
Interest received	724	(60)	1,291	261
Net cash from operating activities	<u>1,924</u>	<u>1,898</u>	<u>8,240</u>	<u>4,045</u>
<b>Investing activities</b>				
Additions to property, plant and equipment	(102)	(503)	(243)	(1,177)
Proceeds from disposal of property, plant and equipment	-	-	-	3
Purchase of held-to-maturity financial assets	(500)	-	(500)	-
Placement of fixed deposits	(3,850)	(1,100)	(4,030)	(8,900)
Net cash used in investing activities	<u>(4,452)</u>	<u>(1,603)</u>	<u>(4,773)</u>	<u>(10,074)</u>
<b>Financing activities</b>				
Dividend paid	(1,283)	(1,283)	(2,993)	(2,993)
Repayment of lease liabilities	(147)	(124)	(272)	(247)
Net cash used in financing activities	<u>(1,430)</u>	<u>(1,407)</u>	<u>(3,265)</u>	<u>(3,240)</u>
Net (decrease)/increase in cash and cash equivalents	(3,958)	(1,112)	202	(9,269)
Cash and cash equivalents at beginning of the year	12,005	8,961	7,846	17,118
Effects of exchange rate changes on the balance of cash held	1	(3)	-	(3)
<b>Cash and cash equivalents at end of the year (NOTE A)</b>	<u>8,048</u>	<u>7,846</u>	<u>8,048</u>	<u>7,846</u>

**NOTE A**

	30-Jun-24 2nd Half Year Ended \$'000	30-Jun-23 Financial Year Ended \$'000	30-Jun-24 Financial Year Ended \$'000	30-Jun-23 Financial Year Ended \$'000
Cash and cash equivalents consists of:				
Cash and bank balances	3,948	6,346	3,948	6,346
Fixed and call deposits	4,100	1,500	4,100	1,500
	<u>8,048</u>	<u>7,846</u>	<u>8,048</u>	<u>7,846</u>

Cash and cash equivalents comprise cash on hand, cash at bank and demand deposits (maturity within 3 months) that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

**1(d)(i) A statement for the Company and the Group showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year**

**CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY**

For the second half and full year ended 30 June 2024

<b>GROUP</b>	<b>Share capital \$'000</b>	<b>Currency translation reserve \$'000</b>	<b>Retained earnings \$'000</b>	<b>Total reserves \$'000</b>	<b>Total \$'000</b>
<b>Balance at 1 July 2023</b>	30,759	(3)	20,944	20,941	51,700
Total comprehensive income for the period	-	(1)	2,852	2,851	2,851
Dividends	-	-	(1,710)	(1,710)	(1,710)
<b>Balance at 31 December 2023 (*)</b>	30,759	(4)	22,086	22,082	52,841
Total comprehensive income for the period	-	1	(38)	(37)	(37)
Dividends	-	-	(1,283)	(1,283)	(1,283)
<b>Balance at 30 June 2024 (*)</b>	30,759	(3)	20,765	20,762	51,521
<b>Balance at 1 July 2022</b>	30,759	-	20,678	20,678	51,437
Total comprehensive income for the period	-	-	2,033	2,033	2,033
Dividends	-	-	(1,710)	(1,710)	(1,710)
<b>Balance at 31 December 2022 (*)</b>	30,759	-	21,001	21,001	51,760
Total comprehensive income for the period	-	(3)	1,226	1,223	1,223
Dividends	-	-	(1,283)	(1,283)	(1,283)
<b>Balance at 30 June 2023</b>	30,759	(3)	20,944	20,941	51,700

(\*) Unaudited

<b>COMPANY</b>	<b>Share capital \$'000</b>	<b>Capital reserve \$'000</b>	<b>Retained earnings \$'000</b>	<b>Total reserves \$'000</b>	<b>Total \$'000</b>
<b>Balance at 1 July 2023</b>	30,759	20,705	15,832	36,537	67,296
Total comprehensive income for the period	-	-	157	157	157
Dividends	-	-	(1,710)	(1,710)	(1,710)
<b>Balance at 31 December 2023 (*)</b>	30,759	20,705	14,279	34,984	65,743
Total comprehensive income for the period	-	-	122	122	122
Dividends	-	-	(1,283)	(1,283)	(1,283)
<b>Balance at 30 June 2024 (*)</b>	30,759	20,705	13,118	33,823	64,582
<b>Balance at 1 July 2022</b>	30,759	20,705	18,591	39,296	70,055
Total comprehensive income for the period	-	-	51	51	51
Dividends	-	-	(1,710)	(1,710)	(1,710)
<b>Balance at 31 December 2022 (*)</b>	30,759	20,705	16,932	37,637	68,396
Total comprehensive income for the period	-	-	183	183	183
Dividends	-	-	(1,283)	(1,283)	(1,283)
<b>Balance at 30 June 2023</b>	30,759	20,705	15,832	36,537	67,296

(\*) Unaudited

## Notes to the condensed interim consolidated financial statements

### N1. Corporate Information

The Company (Registration No. 202002889W) is incorporated in Singapore with its principal place of business and registered office at 19A Serangoon North Avenue 5, Singapore 554859. The Company is listed on the mainboard of the Singapore Exchange Securities Trading Limited. These condensed interim consolidated financial statements as at and for the second half and full year ended 30 June 2024 comprise the Company and its subsidiaries (collectively, the “Group”).

The principal activity of the Company is that of an investment holding company. The principal activities of the subsidiaries consist of the provision of burn-in and related services, design and manufacture of burn-in boards and boards related products, engineering services and equipment distribution, and trading of imaging equipment and energy-efficient products and provision of business support activities.

### N2. Basis of Preparation

The condensed interim financial statements as at and for the second half and full year ended 30 June 2024 have been prepared in accordance with SFRS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Committee. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last interim financial statements for the period ended 31 December 2023.

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 consolidated financial statements are presented in Singapore dollar which is the Company’s functional currency.

#### N2.1. New and amended standards adopted by the Group

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

#### N2.2. Use of judgements and 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 30 June 2023.

No critical judgement was made in the process of applying the Group’s accounting policies that would have a significant effect on the amounts recognised in the financial statements.

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.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next interim period are included in the following notes:

- Note 6 - Calculation of loss allowance for trade receivables
- Note 7 - Allowance for inventories
- Note 8 - Impairment of property, plant and equipment

### N3. Segment and revenue information

The Group is primarily engaged in three main operating divisions namely, Burn-In and related services (“Burn-in Services”), Burn-In boards and related products (“Manufacturing and PCBA Services”), and engineering services and equipment distribution (“Engineering”). These operating segments are reported in a manner consistent with internal reporting provided to the chief operating decision-maker who is responsible for allocating resources and assessing the performance of the operating segments.

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

#### N3.1. Reportable segments

For the full year ended 30 June 2024

<b>Business segments</b>	<b>Burn-in Services \$'000</b>	<b>Manufacturing and PCBA Services \$'000</b>	<b>Engineering \$'000</b>	<b>Eliminations \$'000</b>	<b>Total \$'000</b>
<b>Revenue</b>					
External revenue	5,410	12,589	7,076	-	<b>25,075</b>
Inter-segment revenue	338	1,383	394	(2,115)	-
	<u>5,748</u>	<u>13,972</u>	<u>7,470</u>	<u>(2,115)</u>	<u><b>25,075</b></u>
<b>Segment results</b>	404	(31)	1,502	-	<b>1,875</b>
Interest expense					<b>(18)</b>
Interest income					<b>1,198</b>
Rental income					<b>475</b>
Unallocated income					<b>162</b>
Unallocated expenses					<b>(308)</b>
Profit before income tax					<u><b>3,384</b></u>
Income tax expense					<b>(570)</b>
<b>Profit for the year</b>					<u><u><b>2,814</b></u></u>
<b>Other Information</b>					
Additions to non-current assets	178	307	149	-	<b>634</b>
Impairment loss on associate included in unallocated expenses					<b>171</b>
<b>Depreciation</b>					
Allocated	312	709	397	-	<b>1,418</b>

For the full year ended 30 June 2023

Business segments	Burn-in Services \$'000	Manufacturing and PCBA Services \$'000	Engineering \$'000	Eliminations \$'000	Total \$'000
<b>Revenue</b>					
External revenue	6,247	20,267	8,382	-	34,896
Inter-segment revenue	403	1,177	346	(1,926)	-
	<u>6,650</u>	<u>21,444</u>	<u>8,728</u>	<u>(1,926)</u>	<u>34,896</u>
<b>Segment results</b>	631	1,445	1,285	-	3,361
Interest expense					(20)
Interest income					775
Rental income					524
Unallocated expenses					(570)
Profit before income tax					<u>4,070</u>
Income tax expense					(811)
<b>Profit for the year</b>					<u><u>3,259</u></u>
<b>Other Information</b>					
Additions to non-current assets	139	947	91	-	1,177
<b>Depreciation</b>					
Allocated	240	772	320	-	1,332

For the second half year ended 30 June 2024

Business segments	Burn-in Services \$'000	Manufacturing and PCBA Services \$'000	Engineering \$'000	Eliminations \$'000	Total \$'000
<b>Revenue</b>					
External revenue	1,667	5,286	1,492	-	8,445
Inter-segment revenue	338	1,128	394	(1,860)	-
	<u>2,005</u>	<u>6,414</u>	<u>1,886</u>	<u>(1,860)</u>	<u>8,445</u>
<b>Segment results</b>	(512)	(126)	(489)	-	(1,127)
Interest expense					(10)
Interest income					631
Rental income					211
Unallocated income					393
Unallocated expenses					(134)
Loss before income tax					<u>(36)</u>
Income tax expense					(2)
<b>Loss for the period</b>					<u><u>(38)</u></u>
<b>Other Information</b>					
Additions to non-current assets	104	272	117	-	493
Impairment loss on associate included in unallocated expenses					171
<b>Depreciation</b>					
Allocated	155	403	164	-	722

For the second half year ended 30 June 2023

Business segments	Burn-in Services \$'000	Manufacturing and PCBA Services \$'000	Engineering \$'000	Eliminations \$'000	Total \$'000
<b>Revenue</b>					
External revenue	2,849	10,389	3,890	-	17,128
Inter-segment revenue	403	1,177	346	(1,926)	-
	<u>3,252</u>	<u>11,567</u>	<u>4,236</u>	<u>(1,926)</u>	<u>17,128</u>
<b>Segment results</b>	(20)	501	467	-	948
Interest expense					(9)
Interest income					454
Rental income					262
Unallocated expenses					(70)
Profit before income tax					<u>1,585</u>
Income tax expense					(359)
<b>Profit for the period</b>					<u><u>1,226</u></u>
<b>Other Information</b>					
Additions to non-current assets	114	307	82	-	503
<b>Depreciation</b>					
Allocated	117	415	158	-	690

Consolidated Statement of financial position

As at 30 June 2024

Business segments	Burn-in Services \$'000	Manufacturing and PCBA Services \$'000	Engineering \$'000	Eliminations \$'000	Total \$'000
<b>Assets</b>					
Segment assets	3,440	9,098	6,781	-	19,319
Unallocated corporate assets					38,299
Total assets					<u>57,618</u>
<b>Liabilities</b>					
Segment liabilities	946	2,150	1,204	-	4,300
Unallocated corporate liabilities					1,797
Total liabilities					<u>6,097</u>

As at 30 June 2023

Business segments	Burn-in Services \$'000	Manufacturing and PCBA Services \$'000	Engineering \$'000	Eliminations \$'000	Total \$'000
<b>Assets</b>					
Segment assets	3,635	13,738	7,975	-	25,348
Unallocated corporate assets					34,043
Total assets					<u>59,391</u>
<b>Liabilities</b>					
Segment liabilities	1,061	3,420	1,415	-	5,896
Unallocated corporate liabilities					1,795
Total liabilities					<u>7,691</u>



## Geographical Segments

	Revenue				Carrying amount of non-current assets	
	2nd Half Year Ended		Financial Year Ended		Financial Year Ended	
	2024	2023	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	Unaudited	Unaudited	Unaudited	Audited	Unaudited	Audited
Singapore	1,904	5,663	6,735	11,640	12,468	12,923
USA	2,483	5,468	9,294	11,232	-	-
China	2,036	2,165	3,667	4,615	-	-
Malaysia	1,149	1,361	3,042	2,689	-	-
Philippines	591	836	1,522	2,010	-	-
Others	282	1,635	815	2,710	-	-
	<u>8,445</u>	<u>17,128</u>	<u>25,075</u>	<u>34,896</u>	<u>12,468</u>	<u>12,923</u>

### For the second half year ended 30 June 2024 (“2H 2024”) vs. second half year ended 30 June 2023 (“2H 2023”)

Included in revenues of \$8,445,000 (2H 2023: \$17,128,000) is revenue of \$1,375,000 (2H 2023: \$5,051,000) arising from sales to a major customer from the Burn-in Services business segment and Manufacturing and PCBA Services business segment, revenue of \$1,094,000 (2H 2023: \$2,089,000) arising from sales to a major customer from the Manufacturing and PCBA business segment. In 2H 2023, revenue of \$2,286,000 arose from sales to a major customer from the Engineering business segment. These revenues account for approximately 29% (2H 2023: 55%) of the Group’s revenue.

### For the full year ended 30 June 2024 (“FY 2024”) vs. full year ended 30 June 2023 (“FY 2023”)

Included in revenues of \$25,075,000 (FY 2023: \$34,896,000) is revenue of \$5,444,000 (FY 2023: \$10,046,000) arising from sales to a major customer from the Burn-in Services and Manufacturing and PCBA Services business segments, revenue of \$2,736,000 (FY 2023: \$3,617,000) arising from sales to a major customer from the Manufacturing and PCBA business segment, and revenue of \$4,844,000 (FY 2023: \$6,255,000) arising from sales to a major customer from the Engineering business segment. These revenues account for approximately 52% (FY 2023: 57%) of the Group’s revenue.

### Breakdown of sales

	Financial Year Ended		Change %
	2024	2023	
	\$'000	\$'000	
<b>First Half</b>			
Revenue	16,630	17,768	(6.4)
Profit after tax	<u>2,852</u>	<u>2,033</u>	40.3
<b>Second Half</b>			
Revenue	8,445	17,128	(50.7)
(Loss)/Profit after tax	<u>(38)</u>	<u>1,226</u>	(103.1)

#### N4. (Loss)/Profit before income tax

(Loss)/Profit before income tax has been arrived at after (charging) crediting:

	2nd Half Year Ended		Change	Financial Year Ended		Change
	2024	2023		2024	2023	
	\$'000	\$'000	%	\$'000	\$'000	%
	Unaudited	Unaudited		Unaudited	Audited	
<b>(Loss)/Profit for the period is arrived at:-</b>						
Depreciation of property, plant and equipment	(598)	(566)	5.7	(1,170)	(1,085)	7.8
Depreciation of right-of-use asset	(124)	(124)	-	(248)	(247)	0.4
Interest expenses	(10)	(9)	11.1	(18)	(20)	(10.0)
Interest income	631	454	39.0	1,198	775	54.6
Rental income	211	262	(19.5)	475	524	(9.4)
Allowance for inventories obsolescence	(91)	(224)	(59.4)	(115)	(224)	(48.7)
Impairment loss on associate	(171)	-	n.m.	(171)	-	n.m.
Gain on disposal of property, plant and equipment	145	-	n.m.	145	3	n.m.

n.m. : not meaningful

#### N4.1. Related party transactions

There are no material related party transactions.

#### N5. Income tax expense

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

	2nd Half Year Ended		Change	Financial Year Ended		Change
	2024	2023		2024	2023	
	\$'000	\$'000	%	\$'000	\$'000	%
	Unaudited	Unaudited		Unaudited	Audited	
Income tax:						
- Current	(31)	85	n.m.	522	498	4.8
- Under provision in respect of prior years	50	81	(38.3)	65	120	(45.8)
Deferred tax	(17)	193	(108.8)	(17)	193	(108.8)
	<u>2</u>	<u>359</u>	(99.4)	<u>570</u>	<u>811</u>	(29.7)

n.m. : not meaningful

#### N6. Calculation of loss allowance for trade receivables

The Group uses a provision matrix to calculate expected credit losses ("ECLs") for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns. The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust historical credit loss experience with forward-looking information, where appropriate.

At every reporting date, the historically observed default rates are updated and changes in the forward-looking estimates are analysed. The assessment of the correlation between historically observed default rates, forecast economic conditions and ECLs is a significant estimate. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of a customer's actual default in the future. The Group has observed payments from customers continue to be forthcoming and therefore, the Group expects the probability of default to remain low.

The carrying amount of trade receivables of the Group at the end of the reporting period was \$3,671,000 (2023: \$7,443,000).

**N7. Allowance for inventories**

The Group reviews the carrying value of its inventories so that they are stated at the lower of cost and net realisable value. In assessing net realisable value, management identifies inventories where there has been a significant decline in price or cost, aged inventory items and inventory items that may not be realised as a result of certain events, and estimates the recoverable amount of such inventory based on values at which such inventory items are expected to be realised at the end of the reporting period. Management also reviews the possible future use of the aged inventory items as well as the demand for ongoing production and the ability to sell the products at prices above costs, taking into consideration the general economic conditions and market demand.

The carrying amount of inventories of the Group at the end of the reporting period was \$3,680,000 (2023: \$5,153,000), net of allowance amounting to \$621,000 (2023: \$538,000). The cost of inventories recognised as an expense including allowance made for obsolescence of inventories was \$115,000 (2023: \$224,000).

**N8. Impairment of property, plant and equipment**

The Group assesses at the end of each reporting period whether property, plant and equipment have any indication of impairment. If there are indicators of impairment, the recoverable amount of property, plant and equipment will be determined based on the higher of value in use calculations or the fair value less costs to sell.

A considerable amount of judgement is required in determining the recoverable amount of the property, plant and equipment, which includes, among other factors, the recent transaction prices for similar assets, the condition, utility, age, wear and tear and/or obsolescence of the property, plant and equipment.

The carrying amount of property, plant and equipment of the Group at the end of the reporting period was \$11,430,000 (2023: \$11,966,000).

**N9. Aggregate amount of Group's borrowings and debt securities****Amount repayable in one year or less, or on demand**

30 June 2024 (*)		30 June 2023	
Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
308	-	254	-

**Amount repayable after one year**

30 June 2024 (*)		30 June 2023	
Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
487	-	567	-

(\*) Unaudited

**Details of any collateral**

Certain plant and equipment with a carrying amount of \$394,000 (2023: \$Nil) are secured by the lessors' titles to the leased assets.

**N10. Financial assets and financial liabilities**

Set out below is an overview of the financial assets and financial liabilities of the Group and Company as at 30 June 2024 and 30 June 2023:

	Group		Company	
	30-Jun-24 \$'000 Unaudited	30-Jun-23 \$'000 Audited	30-Jun-24 \$'000 Unaudited	30-Jun-23 \$'000 Audited
<b>Financial assets</b>				
Financial assets at amortised cost	<u>41,846</u>	<u>40,840</u>	<u>15,139</u>	<u>17,831</u>
<b>Financial liabilities</b>				
Financial liabilities at amortised cost	<u>2,680</u>	<u>5,075</u>	<u>1,975</u>	<u>1,997</u>

**1(d)(ii) Details of any changes in the company's share capital arising from the rights issue, bonus issue, subdivision, consolidation, share buy-backs, the exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for the acquisition or 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.**

The Company does not have any subsidiary that holds shares issued by the Company.

	As at 30 June 2024	As at 30 June 2023
Number of shares that may be issued on conversion of all the outstanding convertibles	-	-
Treasury Shares	-	-
Total number of issued shares excluding treasury shares	171,046,041	171,046,041
Percentage of aggregate number of treasury shares and subsidiary holdings* held against the total number of issued shares excluding treasury shares	-	-

**1(d)(iii) 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.**

<b>Total number of issued shares excluding treasury shares</b>	<b>Number of shares</b>
Balance as at 30 June 2024	171,046,041
Balance as at 30 June 2023	171,046,041

**1(d)(iv) A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

As at 30 June 2024, there were no sales, transfers, cancellations and/or use of treasury shares.

**1(d)(v) 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 as the Company does not have any subsidiary that holds shares issued by the Company.

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

The figures have not been audited or reviewed by the Company's auditors.

**3. Where the figures have been audited or reviewed, the auditors' report (including any modifications or emphasis of a matter).**

Not applicable.

**3A. 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.**

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

**This is not required for any audit issue that is a material uncertainty relating to going concern.**

Not applicable.

**4. Whether the same accounting policies and methods of computations as in the Company's most recently audited annual financial statements have been applied.**

See paragraph N2 of the "Notes to the condensed interim consolidated financial statements".

**5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

See item 4 above.

6. 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: (a) Based on the weighted average number of ordinary shares on issue; and (b) On a fully diluted basis (detailing any adjustment made to the earnings).

Group	Period/Year ended 30 June			
	2H 2024	2H 2023	FY 2024	FY 2023
<b>Earnings per ordinary share (cents) ("EPS")</b>				
Basic	(0.02)	0.72	1.65	1.90
Diluted	(0.02)	0.72	1.65	1.90
Weighted average number of ordinary shares in issue for basic EPS	171,046,041	171,046,041	171,046,041	171,046,041
Weighted average number of ordinary shares in issue for diluted EPS	171,046,041	171,046,041	171,046,041	171,046,041

7. Net asset value (for the Company and the 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	
	30-Jun-2024	30-Jun-2023	30-Jun-2024	30-Jun-2023
Net assets value per ordinary share (cents)	30.12	30.22	37.76	39.34
Number of ordinary shares at period/year end	171,046,041	171,046,041	171,046,041	171,046,041

As of the balance sheet date, the numbers of ordinary shares of the Group and Company used for the above calculation have been adjusted to exclude the number of treasury shares.

8. Review of Group Performance for the Second Half ended 30 June 2024 ("2H 2024") vs. Second Half ended 30 June 2023 ("2H 2023") and Full Year ended 30 June 2024 ("FY 2024") vs. Full Year ended 30 June 2023 ("FY 2023").

#### Statement of Profit or Loss and Other Comprehensive Income

##### Revenue

##### FY 2024 vs. FY 2023

In FY 2024, the Group reported revenue of \$25.1 million, a decrease of \$9.8 million or 28.1% as compared to FY 2023 of \$34.9 million across all business segments. The Burn-In Services business segment registered revenue of \$5.4 million in FY 2024, as compared to revenue of \$6.2 million in FY 2023. The Manufacturing and PCBA Services business segment, which remained as the largest contributor to the Group's revenue, registered revenue of \$12.6 million in FY 2024 as compared to revenue of \$20.3 million in FY 2023. The Engineering Services business segment registered revenue of \$7.1 million in FY 2024, as compared to revenue of \$8.4 million in FY 2023.

##### 2H 2024 vs. 2H 2023

In 2H 2024, the Group reported revenue of \$8.5 million, a decrease of \$8.6 million or 50.7% as compared to 2H 2023 of \$17.1 million across all business segments. The Burn-In Services business segment registered revenue of \$1.7 million in 2H 2024, as compared to revenue of \$2.8 million in 2H 2023. The Manufacturing and PCBA Services business segment, which remained as the largest contributor to the Group's revenue, registered revenue of \$5.3 million in 2H 2024 as compared to revenue of \$10.4 million in 2H 2023. The Engineering Services business segment registered revenue of \$1.5 million in 2H 2024, as compared to revenue of \$3.9 million in 2H 2023.

## **Gross profit**

### FY 2024 vs. FY 2023

The Group reported a gross profit of \$6.5 million in FY 2024, a decrease of \$1.5 million or 18.4% as compared to \$8.0 million in FY 2023.

Despite a reduction in gross profit across the comparative periods, the Group achieved an increase in gross profit margin. This improvement was primarily driven by the Engineering Development business segment.

### 2H 2024 vs. 2H 2023

The Group reported a gross profit of \$1.0 million in 2H 2024, a decrease of \$2.4 million or 70.6% as compared to \$3.4 million in 2H 2023.

The Group reported a decrease in both gross profit and gross profit margin across the comparative periods, attributable to reduced sales across all business segments, which translated into higher underlying fixed costs.

## **Profit for the period**

### FY 2024 vs. FY 2023 / 2H 2024 vs. 2H 2023

The Group reported a profit of \$2.8 million for FY 2024 compared to \$3.3 million for FY 2023, with a loss of \$38,000 for 2H 2024 compared to a profit of \$1.2 million for 2H 2023.

The decrease in profit was aligned with the decrease in gross profit.

## **STATEMENT OF FINANCIAL POSITION**

The Group's total assets decreased by \$1.8 million or 3.0% from \$59.4 million as at 30 June 2023 to \$57.6 million as at 30 June 2024. The decrease was primarily due to the decrease in cash and bank balances of \$2.4 million, trade and other receivables of \$4.0 million, property, plant and equipment of \$0.5 million as well as inventories of \$1.5 million. The overall decrease was partly offset by the increase in fixed deposits of \$6.6 million.

The Group's total liabilities decreased by \$1.6 million or 20.7% from \$7.7 million as at 30 June 2023 to \$6.1 million as at 30 June 2024. The decrease was primarily due to the decrease in trade and other payables.

The Group had a positive working capital of \$41.0 million as at 30 June 2024 as compared to \$40.6 million as at 30 June 2023.

## **STATEMENT OF CASH FLOWS**

The Group generated net cash from operating activities of \$8.2 million for FY 2024.

Net cash used in investing activities was \$4.8 million, which was mainly attributed to the placement of fixed deposits with financial institutions over three (3)-month tenures. Net cash used in financing activities was \$3.3 million, which was primarily due to the dividend paid.

There was an increase in cash and cash equivalents of \$0.2 million for FY 2024.

The Group closed FY 2024 with cash and cash equivalents of \$8.0 million.

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

The Company did not make any forecasts and prospect statements in respect of the Group's results for the period ended 30 June 2024. The Group's results for the second half year ended 30 June 2024 were generally in line with the commentary under item 10 of the Group's previous results announcement in respect of the period ended 31 December 2023.

**10. 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.**

Despite the challenges faced by the industry in FY 2024, the Group maintained profitability through prudent business practices and disciplined financial management. While the industrial outlook remains uncertain, the Group is committed to strengthening its core competencies and enhancing its business operations to drive sustainable performance. Furthermore, the Group will continue to seek growth opportunities through mergers, acquisitions, and partnerships to expand its business and enhance shareholder returns.

**11. Dividends**

**(a) Any dividend declared for the current financial period reported on.**

Dividend declared and paid

<b>Period</b>	<b>31 December 2023</b>
<b>Name of Dividend</b>	Interim
<b>Dividend Type</b>	Cash
<b>Dividend Rate</b>	0.75 cents per ordinary share
<b>Tax Rate</b>	One tier tax exempt

Dividend proposed

<b>Period</b>	<b>30 June 2024</b>
<b>Name of Dividend</b>	Final
<b>Dividend Type</b>	Cash
<b>Dividend Rate</b>	0.75 cents per ordinary share
<b>Tax Rate</b>	One tier tax exempt

**(b) Any dividend declared for the corresponding period of the immediately preceding financial year?**

<b>Period</b>	<b>31 December 2022</b>	<b>30 June 2023</b>
<b>Name of Dividend</b>	Interim	Final
<b>Dividend Type</b>	Cash	Cash
<b>Dividend Rate</b>	0.75 cents per ordinary share	1.0 cent per ordinary share
<b>Tax Rate</b>	One tier tax exempt	One tier tax exempt

**(c) State the tax rate and the country where the dividend is derived.**

Not applicable.



**(d) The date the dividend is payable.**

Final dividend

The proposed one-tier tax exempt final dividend, which shall be subject to shareholders' approval at the forthcoming annual general meeting of the Company, are payable on 26 November 2024.

**(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**

Final dividend

Notice is hereby given that the Transfer books and the Register of Members will be closed on 11 November 2024 for the preparation of the final dividend.

Duly completed registrable transfers received by the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632, up to 5 p.m. on 8 November 2024 will be registered to determine shareholders' entitlement to the one-tier tax-exempt final dividend.

Members whose Securities Accounts with The Central Depository (Pte) Limited are credited with shares at 5:00 p.m. on 8 November 2024 will be entitled to the final dividend.

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

Not applicable.

**13. If the Group has obtained a general mandate from shareholders for interested person transactions ("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.**

The Group has not sought a general mandate from shareholders for IPTs.

**14. Please disclose the status on the use of proceeds raised from IPO and any offerings pursuant to Chapter 8 and whether the use of proceeds is in accordance with the stated use. Where the proceeds have been used for working capital purposes, a breakdown with specific details on how the proceeds have been applied must be disclosed.**

The Group raised approximately \$29.0 million from its IPO on 25 July 2007. As at 30 June 2024, the total net proceeds of approximately \$26.7 million (after deducting the IPO expenses of approximately \$2.3 million, as disclosed on page 33 of Avi-Tech Electronics Limited's prospectus dated 11 July 2007) from the IPO were used for the following purposes:

	<b>Use of IPO proceeds as at 30 June 2024 (S\$ million)</b>	<b>Balance as at 30 June 2024 (S\$ million)</b>
Expansion of our customer base and widen our portfolio of services	6.0	0.0
Potential mergers and acquisitions	3.3	4.7
Expansion of our overseas operations	3.0	0.0
Working capital	9.7	0.0
<b>Total</b>	<b>22.0</b>	<b>4.7</b>

The IPO proceeds used for working capital purposes have been applied to the following uses:

- Purchase of plant and equipment;
- Purchase and replenishment of inventories;
- Payments to suppliers and service providers;
- Loan repayments; and
- Payments for other day-to-day operations.

Management has confirmed that the above use of proceeds was in line with the Company's planned utilisation of funds.

**15. 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 it has procured undertakings from all its directors and executive officers in the format set out in Appendix 7.7 under Rule 720(1) of the Listing Manual.

## PART II - Additional Information Required for Full Year Announcement

16. **Segmented revenue and results for business or geographical segments (of the Group) in the form presented in the Company's most recently audited annual financial statements, with comparative information for the immediately preceding year.**

See paragraph N3.1 of the "Notes to the condensed interim consolidated financial statements" above.

17. **In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.**

See item 8 above.

18. **A breakdown of sales.**

See paragraph N3.1 of the "Notes to the condensed interim consolidated financial statements" above.

19. **A breakdown of the total annual dividend (in dollar value) for the Company's latest full year and its previous full year.**

	Financial year 30 June 2024 \$'000	Financial year 30 June 2023 \$'000
Ordinary - paid	2,993	2,993
Ordinary - proposed	-	-
Preference	-	-
Total	<u>2,993</u>	<u>2,993</u>

20. **Disclosure of person occupying a managerial position in the Company or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the Company pursuant to Rule 704(13) in the format below. If there are no such persons, the Company must make an appropriate negative statement.**

Name	Age	Family relationship with any director, CEO and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Mr Lim Eng Hong	75	Founder and substantial shareholder	Chief Executive Officer, 1985	Nil
Mr Alvin Lim Tai Meng	48	Son of Mr Lim Eng Hong	Chief Operating Officer, 2013	Nil

**BY ORDER OF THE BOARD**  
**Lim Eng Hong**  
**Chief Executive Officer**  
**27 August 2024**