

FINANCIAL STATEMENTS AND RELATED ANNOUNCEMENT::SECOND QUARTER AND/ OR HALF YEARLY RESULTS**Issuer & Securities****Issuer/ Manager**

HAI LECK HOLDINGS LIMITED

Securities

HAI LECK HOLDINGS LIMITED - SG1CC4000004 - BLH

Stapled Security

No

Announcement Details**Announcement Title**

Financial Statements and Related Announcement

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Please refer to the attachment.

Additional Details**For Financial Period Ended**

31/12/2024

Attachments[Hai Leck Holdings Limited - 2Q25 condensed interim.pdf](#)

Total size =3348K MB

Company Registration No. 199804461D

Hai Leck Holdings Limited And Subsidiary Companies

Condensed Interim Financial Statements
For the Second Quarter and Half Year ended 31 December 2024

Hai Leck Holdings Limited and Subsidiary Companies

Condensed interim consolidated income statement

		Group					
		3 months ended 31 December 2024	3 months ended 31 December 2023	Change	Half year ended 31 December 2024	Half year ended 31 December 2023	Change
Note		\$'000	\$'000	%	\$'000	\$'000	%
	Revenue	15,505	13,975	10.9	29,051	31,424	(7.6)
	Cost of sales	(6,782)	(6,027)	12.5	(12,791)	(13,480)	(5.1)
<hr/>							
	Gross profit	8,723	7,948	9.8	16,260	17,944	(9.4)
	Other income	914	561	62.9	1,910	1,084	76.2
	Distribution and selling expenses	(2,013)	(2,280)	(11.7)	(4,154)	(4,925)	(15.7)
	Administrative expenses	(3,546)	(4,721)	(24.9)	(7,298)	(9,988)	(26.9)
	Other expenses	(1,182)	(1,416)	(16.5)	(2,488)	(2,922)	(14.9)
	Interest expense	(34)	(36)	(5.6)	(65)	(66)	(1.5)
	Share of results of joint venture	722	588	22.8	1,440	1,067	35.0
<hr/>							
	Profit before taxation	3,584	644	456.5	5,605	2,194	155.5
	Taxation	(517)	(19)	n.m	(757)	(294)	157.5
<hr/>							
	Profit for the period	3,067	625	390.7	4,848	1,900	155.2
<hr/>							
	Attributable to:						
	Equity holders of the Company	3,067	625	390.7	4,848	1,900	155.2
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	Earnings per share						
	Basic (cents)	1.4	0.3		2.1	0.8	
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	Fully diluted (cents)	1.4	0.3		2.1	0.8	
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n.m. denotes not meaningful.

Hai Leck Holdings Limited and Subsidiary Companies

Condensed interim consolidated statement of comprehensive income

	Group			
	3 months ended 31 December 2024 \$'000	3 months ended 31 December 2023 \$'000	Half year ended 31 December 2024 \$'000	Half year ended 31 December 2023 \$'000
Profit net of tax	3,067	625	4,848	1,900
Other comprehensive income, net of tax:				
<u>Items that may be reclassified to profit and loss</u>				
Foreign currency translation	19	275	695	14
Realisation of foreign currency translation reserve on liquidation of a subsidiary company	–	16	(51)	16
Total comprehensive income for the period	3,086	916	5,492	1,930
Total comprehensive income attributable to:				
Equity holders of the Company	3,086	916	5,492	1,930

Hai Leck Holdings Limited and Subsidiary Companies

Condensed interim balance sheets

	Note	Group		Company	
		31 December 2024 \$'000	30 June 2024 \$'000	31 December 2024 \$'000	30 June 2024 \$'000
Non-current assets					
Property, plant and equipment	9	26,673	28,485	441	187
Right-of-use assets		3,244	3,004	–	–
Investments in subsidiary companies	15	–	–	49,570	49,674
Investment in joint venture	16	10,684	8,549	817	817
Intangible assets		200	240	68	52
Other receivables and deposits		88	16	–	–
Deferred tax assets		168	168	–	–
		41,057	40,462	50,896	50,730
Current assets					
Inventories		1,850	1,819	–	–
Trade receivables		16,316	11,481	–	–
Other receivables and deposits		740	813	213	265
Prepayments		706	698	50	44
Customer retention monies		111	24	–	–
Amount due from a subsidiary company (trade)		–	–	713	222
Contract assets		1,969	1,349	–	–
Cash and cash equivalents		68,626	67,928	38,858	39,988
		90,318	84,112	39,834	40,519

Hai Leck Holdings Limited and Subsidiary Companies

Condensed interim balance sheets

	Note	Group		Company	
		31 December 2024 \$'000	30 June 2024 \$'000	31 December 2024 \$'000	30 June 2024 \$'000
Current liabilities					
Trade and other payables		8,207	7,822	356	322
Amount due to a subsidiary company (non-trade)		–	–	10,611	11,961
Contract liabilities		159	–	–	–
Provisions, current		469	571	–	–
Lease liabilities, current	14	493	516	–	–
Income tax payable		831	212	419	249
		10,159	9,121	11,386	12,532
Net current assets		80,159	74,991	28,448	27,987
Non-current liabilities					
Provisions, non-current		1,863	1,919	–	–
Lease liabilities, non-current	14	3,132	2,805	–	–
Deferred tax liabilities		622	622	108	108
		5,617	5,346	108	108
Net assets		115,599	110,107	79,236	78,609
Equity attributable to equity holders of the Company					
Share capital	10(a)	65,403	65,403	65,403	65,403
Treasury shares	10(b)	(160)	(160)	(160)	(160)
Accumulated profits		50,646	45,798	13,993	13,366
Foreign currency translation reserve		(290)	(934)	–	–
Total equity		115,599	110,107	79,236	78,609

Hai Leck Holdings Limited and Subsidiary Companies

Condensed interim statements of changes in equity

Group	Attributable to equity holders of the Company				Total equity \$'000
	Share capital (Note 10(a)) \$'000	Treasury shares (Note 10(b)) \$'000	Accumulated profits \$'000	Foreign currency translation reserve \$'000	
Balance at 1 July 2024	65,403	(160)	45,798	(934)	110,107
Profit for the period	–	–	4,848	–	4,848
Other comprehensive income for the period	–	–	–	695	695
Total comprehensive income for the period	–	–	4,848	695	5,543
Realisation of foreign currency translation reserve on liquidation of a subsidiary company	–	–	–	(51)	(51)
Balance at 31 December 2024	65,403	(160)	50,646	(290)	115,599
Balance at 1 July 2023	65,403	(160)	50,466	(611)	115,098
Profit for the period	–	–	1,900	–	1,900
Other comprehensive income for the period	–	–	–	14	14
Total comprehensive income for the period	–	–	1,900	14	1,914
Realisation of foreign currency translation reserve on liquidation of a subsidiary company	–	–	–	16	16
<u>Contributions by and distributions to owners</u>					
Dividend on ordinary shares (Note 11)	–	–	(4,525)	–	(4,525)
Balance at 31 December 2023	65,403	(160)	47,841	(581)	112,503

Hai Leck Holdings Limited and Subsidiary Companies

Condensed interim statements of changes in equity

Company	Attributable to equity holders of the Company			
	Share capital (Note 10(a)) \$'000	Treasury shares (Note 10(b)) \$'000	Accumulated profits \$'000	Total equity \$'000
Balance at 1 July 2024	65,403	(160)	13,366	78,609
Profit for the period	–	–	627	627
Total comprehensive income for the period	–	–	627	627
Balance at 31 December 2024	65,403	(160)	13,993	79,236
Balance at 1 July 2023	65,403	(160)	8,923	74,166
Profit for the period	–	–	450	450
Total comprehensive income for the period	–	–	450	450
<u>Contributions by and distributions to owners</u>				
Dividend on ordinary shares (Note 11)	–	–	(4,525)	(4,525)
Balance at 31 December 2023	65,403	(160)	4,848	70,091

Hai Leck Holdings Limited and Subsidiary Companies

Condensed interim consolidated cash flow statement

	Group	
	Half year ended 31 December 2024 \$'000	Half year ended 31 December 2023 \$'000
	Note	
Cash flows from operating activities		
Profit before taxation	5,605	2,194
Adjustments:		
Depreciation of property, plant and equipment	6 1,923	2,367
Depreciation of right-of-use assets	6 456	367
Amortisation of intangible assets	6 92	111
Gain on disposal of property, plant and equipment	5 (787)	(243)
Share of results of joint venture	(1,440)	(1,067)
Interest income	5 (786)	(590)
Interest expense	65	66
Unrealised exchange (gain)/loss	(53)	16
Operating cash flows before working capital changes	5,075	3,221
Changes in working capital:		
(Increase)/decrease in customer retention monies, trade and other receivables, deposits and prepayments	(4,971)	2,236
(Increase)/decrease in inventories	(31)	434
(Increase)/decrease in contract assets/liabilities, net	(461)	1,983
Increase/(decrease) in trade and other payables	227	(1,328)
Cash (used in)/generated from operations	(161)	6,546
Tax (refund)/paid	(138)	118
Net cash flows (used in)/generated from operating activities	(299)	6,664
Cash flows from investing activities		
Interest received	828	757
Purchase of property, plant and equipment	(357)	(509)
Purchase of intangible assets	(52)	(69)
Proceeds from disposal of property, plant and equipment	1,035	392
Net cash flows generated from investing activities	1,454	571

Hai Leck Holdings Limited and Subsidiary Companies

Condensed interim consolidated cash flow statement

	Group	
	Half year ended	Half year ended
	31 December 2024	31 December 2023
Note	\$'000	\$'000
Cash flows from financing activities		
Interest paid	(65)	(66)
Payment of lease liabilities	(392)	(449)
Dividends paid	11	(4,525)
	<hr/>	<hr/>
Net cash flows used in financing activities	(457)	(5,040)
	<hr/>	<hr/>
Net increase in cash and cash equivalents	698	2,195
Cash and cash equivalents at the beginning of period	67,928	63,592
	<hr/>	<hr/>
Cash and cash equivalents at end of the period	68,626	65,787
	<hr/>	<hr/>

Hai Leck Holdings Limited and Subsidiary Companies

Notes to the condensed interim financial statements

1. Corporate information

Hai Leck Holdings Limited (the “Company”) is a limited liability company, domiciled and incorporated in Singapore and is listed on the Singapore Exchange Securities Trading Limited (“SGX-ST”).

The registered office and principal place of business of the Company is located at 47 Tuas View Circuit, Singapore 637357.

The principal activities of the Company are those of investment holding and providing managerial, administrative, supervisory and consultancy services to any company in which the Company has an interest. The principal activities of the subsidiary companies and joint venture are disclosed in Notes 15 and 16 to the financial statements respectively.

2. Basis of preparation

The condensed interim consolidated financial statements of the Group 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 interim financial statements for the period ended 30 September 2024.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s.

The condensed interim financial statements are presented in Singapore Dollars (SGD or \$) which is the Company’s functional currency. All values are rounded to the nearest thousand (\$’000), except when otherwise indicated.

2.1. Use of judgements and estimates

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

The significant judgements made by management in applying the Group’s accounting policies and 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 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.

2. Basis of preparation (cont'd)

2.1. Use of judgements and estimates (cont'd)

Key assumptions concerning the future and other key sources of estimation uncertainty are as follows:

Allowance for expected credit losses of trade receivables, customer retention monies and contract assets

The Group uses a provision matrix to calculate expected credit losses (ECLs) for trade receivables, customer retention monies and contract assets. 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. At every reporting date, historical default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and forecast of economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

Impairment of non-financial assets

The Group assesses whether there are any indicators of impairment for all non-financial assets at each reporting date. Non-financial assets are tested for impairment when there are indicators that the carrying value of an asset or cash-generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use.

The fair value less costs of disposal assessment of non-financial assets is based on available market data from recent transactions of similar assets less costs for disposing the asset.

When value in use calculations are undertaken, management estimates the expected future cash flows from the asset or cash-generating unit and applies a suitable discount rate in order to calculate the present value of those cash flows.

The carrying amount of the Group's property, plant and equipment, right-of-use assets and Company's investments in subsidiary companies as at 31 December 2024 were \$26,673,000 (30 June 2024: \$28,485,000), \$3,244,000 (30 June 2024: \$3,004,000) and \$49,570,000 (30 June 2024: \$49,674,000) respectively.

Revenue recognition

The Group recognises fixed-price contract revenue over time based on the stage of completion of the contract activity at the end of each reporting period. The stage of completion is determined based on proportion of total contract costs incurred to-date over the estimated budgeted costs.

The determination of the estimated budgeted costs (including rectification works and post-completion warranties) requires significant management estimations, which could have a material impact on the amounts of contract assets/liabilities, fixed-price contract revenues, costs and profits recognised in the period. In making these estimations, management relies on past experience and knowledge of job specialists.

2. Basis of preparation (cont'd)

2.2. Use of judgements and estimates (cont'd)

Revenue recognition (cont'd)

The management has determined that a cost-based input method provides a faithful depiction of the Group's performance in transferring control to the customers, as it reflects the Group's efforts incurred to-date relative to the total inputs expected to be incurred for the jobs.

Fixed-price contract revenue for the half year ended 31 December 2024 was \$6,513,000 (31 December 2023: \$8,842,000) for the Group.

Provision for warranty

Provision for warranty is recognised for expected warranty claims from painting works. Management has estimated the amount of provision based on their past experience and understanding of the historical trends of warranty claims and the warranty periods. It is expected that the provision will be utilised within the respective warranty periods. The provision for warranty as at 31 December 2024 amounted to \$469,000 (30 June 2024: \$469,000).

3. Seasonal operations

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

Hai Leck Holdings Limited and Subsidiary Companies

Notes to the condensed interim financial statements

4. Segment and revenue information

4.1. Segment information

The Group is organised into the following two reportable operating segments:

- Project and maintenance services
- Contact centre services

These operating segments are reported in a manner consistent with internal reporting provided to the Chief Executive Officer who is responsible for allocating resources and assessing performance of the operating segments.

	Project and maintenance services		Contact centre services		Adjustments and eliminations		Notes	Consolidated financial statements	
	3 months ended 31 December 2024	3 months ended 31 December 2023	3 months ended 31 December 2024	3 months ended 31 December 2023	3 months ended 31 December 2024	3 months ended 31 December 2023		3 months ended 31 December 2024	3 months ended 31 December 2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000		\$'000	\$'000
Revenue:									
External customers	12,587	10,596	2,918	3,379	–	–		15,505	13,975
Results:									
Interest income	317	255	49	37	–	–		366	292
Interest expenses	26	26	8	10	–	–		34	36
Depreciation and amortisation	884	1,059	297	331	–	–		1,181	1,390
Share of results of joint venture	722	588	–	–	–	–		722	588
Segment profit before tax	3,065	31	519	613	–	–		3,584	644
Assets:									
Additions to non-current assets	135	358	–	42	–	–	A	135	400
Segment assets	115,930	113,809	16,342	16,482	(897)	(155)	B	131,375	130,136
Segment liabilities	12,024	12,986	3,364	3,875	388	772	C	15,776	17,633

Hai Leck Holdings Limited and Subsidiary Companies

Notes to the condensed interim financial statements

4. Segment and revenue information (cont'd)

4.1. Segment information (cont'd)

	Project and maintenance services		Contact centre services		Adjustments and eliminations		Notes	Consolidated financial statements	
	Half year ended	Half year ended	Half year ended	Half year ended	Half year ended	Half year ended		Half year ended	Half year ended
	31 December 2024	31 December 2023	31 December 2024	31 December 2023	31 December 2024	31 December 2023		31 December 2024	31 December 2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000		\$'000	\$'000
Revenue:									
External customers	22,875	23,940	6,176	7,484	–	–		29,051	31,424
Results:									
Interest income	682	517	104	73	–	–		786	590
Interest expenses	54	52	11	14	–	–		65	66
Depreciation and amortisation	1,763	2,141	708	704	–	–		2,471	2,845
Share of results of joint venture	1,440	1,067	–	–	–	–		1,440	1,067
Segment profit before tax	4,417	781	1,188	1,413	–	–		5,605	2,194
Assets:									
Additions to non-current assets	357	454	748	292	–	–	A	1,105	746
Segment assets	115,930	113,809	16,342	16,482	(897)	(155)	B	131,375	130,136
Segment liabilities	12,024	12,986	3,364	3,875	388	772	C	15,776	17,633

Hai Leck Holdings Limited and Subsidiary Companies

Notes to the condensed interim financial statements

4. Segment and revenue information (cont'd)

4.1. Segment information (cont'd)

Notes Nature of adjustments and eliminations to arrive at amounts reported in the consolidated financial statements

A. Additions to non-current assets consist of additions to property, plant and equipment, right-of-use assets and intangible assets.

B. The following items are (deducted from)/added to segment assets to arrive at total assets reported in the consolidated balance sheet:

	3 months ended 31 December 2024 \$'000	3 months ended 31 December 2023 \$'000	Half year ended 31 December 2024 \$'000	Half year ended 31 December 2023 \$'000
Inter-segment assets	(1,065)	(405)	(1,065)	(405)
Deferred tax assets	168	250	168	250
	<u>(897)</u>	<u>(155)</u>	<u>(897)</u>	<u>(155)</u>

C. The following items are (deducted from)/added to segment liabilities to arrive at total liabilities reported in the consolidated balance sheet:

	3 months ended 31 December 2024 \$'000	3 months ended 31 December 2023 \$'000	Half year ended 31 December 2024 \$'000	Half year ended 31 December 2023 \$'000
Inter-segment liabilities	(1,065)	(405)	(1,065)	(405)
Income tax payable	831	521	831	521
Deferred tax liabilities	622	656	622	656
	<u>388</u>	<u>772</u>	<u>388</u>	<u>772</u>

Hai Leck Holdings Limited and Subsidiary Companies

Notes to the condensed interim financial statements

4. Segment and revenue information (cont'd)

4.2 Disaggregation of revenue

Revenue information based on the geographical location of customers are as follows:

	Group			
	3 months ended 31 December 2024 \$'000	3 months ended 31 December 2023 \$'000	Half year ended 31 December 2024 \$'000	Half year ended 31 December 2023 \$'000
Singapore	15,505	13,975	29,051	31,424
Others	–	–	–	–
Total	15,505	13,975	29,051	31,424

5. Other income

	Group			
	3 months ended 31 December 2024 \$'000	3 months ended 31 December 2023 \$'000	Half year ended 31 December 2024 \$'000	Half year ended 31 December 2023 \$'000
Interest income from:				
- bank deposits	366	292	786	590
Gain on disposal of property, plant and equipment	447	174	787	243
Government grant income	23	9	102	70
Others	78	86	235	181
	914	561	1,910	1,084

Hai Leck Holdings Limited and Subsidiary Companies

Notes to the condensed interim financial statements

6. Profit before taxation

6.1 Significant items

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

	Group			
	3 months ended 31 December 2024 \$'000	3 months ended 31 December 2023 \$'000	Half year ended 31 December 2024 \$'000	Half year ended 31 December 2023 \$'000
Depreciation of property, plant and equipment	(948)	(1,169)	(1,923)	(2,367)
Depreciation of right-of-use assets	(186)	(174)	(456)	(367)
Amortisation of intangible assets	(47)	(47)	(92)	(111)
Foreign exchange gain/(loss), net	9	4	(2)	2

6.2 Related party transactions

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

7. Taxation

The Group calculates the period income tax expense 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:

	Group			
	3 months ended 31 December 2024 \$'000	3 months ended 31 December 2023 \$'000	Half year ended 31 December 2024 \$'000	Half year ended 31 December 2023 \$'000
Current taxation - Current year	517	19	757	294
Tax expense	517	19	757	294

Hai Leck Holdings Limited and Subsidiary Companies

Notes to the condensed interim financial statements

8. Earnings per share

	Group			
	3 months ended 31 December 2024 \$'000	3 months ended 31 December 2023 \$'000	Half year ended 31 December 2024 \$'000	Half year ended 31 December 2023 \$'000
Profit attributable to ordinary equity holders of the Company used in computation of basic and diluted earnings per share	3,067	625	4,848	1,900
Weighted average number of ordinary shares for basic and diluted earnings per share computation ('000)	226,241	226,241	226,241	226,241
Adjusted weighted average number of ordinary shares for diluted earnings per share computation ('000)	226,241	226,241	226,241	226,241

9. Property, plant and equipment

During the half year ended 31 December 2024, the Group acquired assets amounting to \$357,000 (31 December 2023: \$509,000) and disposed of assets amounting to \$248,000 (31 December 2023: \$149,000).

10. Share capital and treasury shares

(a) Share capital

There were no changes in the Company's share capital arising from right issue, 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 previous period reported on.

There are no shares that may be issued on conversion of outstanding convertibles.

There were no sales, transfers, disposals, cancellation and/or use of treasury shares as at the end of the financial period reported on.

As at 31 December 2024, the total number of issued ordinary shares (excluding treasury shares) was 226,241,195 (30 June 2024: 226,241,195).

	Group and Company			
	As at 31 December 2024 No. of shares ('000)	\$'000	As at 31 December 2023 No. of shares ('000)	\$'000
At beginning and end of interim period	226,593	65,403	226,593	65,403

Hai Leck Holdings Limited and Subsidiary Companies

Notes to the condensed interim financial statements

10. Share capital and treasury shares (cont'd)

(a) Share capital (cont'd)

The Company's subsidiaries do not hold any shares in the Company as at 31 December 2024 and 30 June 2024.

(b) Treasury shares

	Group and Company			
	As at 31 December 2024		As at 31 December 2023	
	No. of shares (<i>'000</i>)	\$'000	No. of shares (<i>'000</i>)	\$'000
At beginning and end of interim period	352	160	352	160
Percentage of treasury shares against total number of shares outstanding	0.16%		0.16%	
Total shares excluding treasury shares as at end of the period	226,241		226,241	

Treasury shares relate to ordinary shares of the Company that are held by the Company.

11. Dividend

	Group and Company	
	Half year ended 31 December 2024 \$'000	Half year ended 31 December 2023 \$'000
Declared and paid during the period:		
<i>Dividends on ordinary shares:</i>		
- Final tax exempt (one-tier) dividend for 2024 : Nil (2023: \$0.02) per ordinary share	-	4,525

No dividends were proposed and recognised as a liability as at 31 December 2024.

Hai Leck Holdings Limited and Subsidiary Companies

Notes to the condensed interim financial statements

12. Financial assets and liabilities

Set out below is the carrying amount of each of the category of the Group's and the Company's financial instruments that are carried in the financial statements:

	31 December 2024	30 June 2024
	\$'000	\$'000
Group		
<i>Financial assets measured at amortised cost</i>		
Customer retention monies	111	24
Trade receivables (excluding GST receivable)	16,296	11,317
Other receivables and deposits (excluding government grant receivables)	828	829
Cash and cash equivalents	68,626	67,928
Total financial assets measured at amortised cost	<u>85,861</u>	<u>80,098</u>
<i>Financial liabilities measured at amortised cost</i>		
Trade and other payables (excluding GST payable and deferred income)	6,918	6,946
Lease liabilities	3,625	3,321
Total financial liabilities measured at amortised cost	<u>10,543</u>	<u>10,267</u>
	31 December 2024	30 June 2024
	\$'000	\$'000
Company		
<i>Financial assets measured at amortised cost</i>		
Other receivables and deposits	213	265
Amount due from a subsidiary company (trade)	713	222
Cash and cash equivalents	38,858	39,988
Total financial assets measured at amortised cost	<u>39,784</u>	<u>40,475</u>
<i>Financial liabilities measured at amortised cost</i>		
Trade and other payables (excluding net GST payable and deferred income)	321	286
Amount due to a subsidiary company (non-trade)	10,611	11,961
Total financial liabilities measured at amortised cost	<u>10,932</u>	<u>12,247</u>

13. Net asset value

	Group		Company	
	As at 31 December 2024	As at 30 June 2024	As at 31 December 2024	As at 30 June 2024
	\$	\$	\$	\$
Net asset value per ordinary share (cents)	51.1	48.7	35.0	34.7

Hai Leck Holdings Limited and Subsidiary Companies

Notes to the condensed interim financial statements

14. Borrowings

	Group		Company	
	As at 31 December 2024 \$'000	As at 30 June 2024 \$'000	As at 31 December 2024 \$'000	As at 30 June 2024 \$'000
<u>Amount repayable within one year or on demand</u>				
Secured	493	516	–	–
<u>Amount repayable after one year</u>				
Secured	3,132	2,805	–	–

The borrowings relate to lease liabilities relating to right-of-use assets.

15. Subsidiary companies

Details of subsidiary companies are as follows:

Name of company	Principal activities	Country of incorporation	Percentage of equity held by the Group	
			31 December 2024 %	30 June 2024 %
Held by the Company				
Hai Leck Engineering (Private) Limited	Oil & gas and chemical industries related construction and maintenance services	Singapore	100	100
Hai Leck Engineering & Construction Pte. Ltd.	Engineered solutions and mechanical works	Singapore	100	100
Hai Leck Industrial Services Pte. Ltd.	Trading and contracting for thermal insulations, refractories and fire- protection for steel structures	Singapore	100	100
Hai Leck Overseas Investments Pte. Ltd. *	Investment holding	Singapore	100	100
United Holding (1975) Pte. Ltd. *	Mixed construction activities and investment holding	Singapore	100	100
Hai Leck Integrated Services Pte. Ltd.	Provision of manpower supply, dormitory services and other dormitory related services	Singapore	100	100
Hai Leck Services Pte. Ltd.	Provision of dormitory services and other dormitory related services	Singapore	100	100

Hai Leck Holdings Limited and Subsidiary Companies

Notes to the condensed interim financial statements

15. Subsidiary companies (cont'd)

Name of company	Principal activities	Country of incorporation	Percentage of equity held by the Group	
			31 December 2024	30 June 2024
Held by the Company				
Tele-centre Services Pte Ltd	Providing call centre services, telecommunications and information technology	Singapore	100	100
Hai Leck Engineering (Thailand) Co., Ltd.^	Oil & gas and chemical industries related construction and maintenance services	Thailand	-	100

^ The Group commenced voluntary winding up procedures in respect of Hai Leck Engineering (Thailand) Co., Ltd. during the financial year ended 30 June 2024. During the half year ended 31 December 2024, the voluntary winding up procedures were completed.

* The Group commenced voluntary winding up procedures in respect of Hai Leck Overseas Investments Pte. Ltd. and United Holding (1975) Pte. Ltd. during the financial year ended 30 June 2024. As at 31 December 2024, the voluntary winding up procedures were still ongoing.

16. Joint venture

Details of the joint venture are as follows:

Name of company	Principal activities	Country of incorporation	Percentage of equity held by the Group	
			31 December 2024	30 June 2024
Held by a subsidiary company				
Logthai – Hai Leck Engineering Co., Ltd	Oil & gas and chemical industries related construction and maintenance services	Thailand	44.66	44.66

Hai Leck Holdings Limited And Subsidiary Companies

Other Information

For the Second Quarter and Half Year ended 31 December 2024

Hai Leck Holdings Limited and Subsidiary Companies

Other Information Required by Listing Rule Appendix 7.2

1. Review

Please refer to the attached review report by Baker Tilly TFW LLP.

2. Review of performance of the Group

Results for second quarter and half year ended 31 December 2024

Revenue

Revenue for the financial period ended 31 December 2024 (“HY25”) decreased by \$2.3 million to \$29.1 million compared to \$31.4 million recorded in the half year ended 31 December 2023 (“HY24”) due to lower revenue contribution from both project and maintenance as well as contact centre services segments.

Quarter-on-quarter, the revenue increased by \$1.5 million to \$15.5 million for the second quarter ended 31 December 2024 (“2Q25”) compared to \$14.0 million recorded in the second quarter ended 31 December 2023 (“2Q24”) due to higher revenue contribution from the project and maintenance services segment partially arising from a one-off project undertaken.

Cost of sales

For HY25, cost of sales decreased by \$0.7 million to \$12.8 million compared to \$13.5 million recorded in HY24. The decrease is in line with the decrease in revenue as mentioned above.

Quarter-on-quarter, cost of sales increased by 12.5% to \$6.8 million in line with the increase in revenue as mentioned above.

Other income

Other income increased from \$1.1 million in HY24 to \$1.9 million in HY25 mainly due to higher gain on disposal of property, plant and equipment and higher interest income from bank deposits.

Other income increased from \$0.6 million in 2Q24 to \$0.9 million in 2Q25 due to the same reasons as above.

Operating expenses

Operating expenses consist of distribution and selling expenses, administrative expenses and other operating expenses, including depreciation, amortisation and exchange differences.

For HY25, total operating expenses decreased from \$17.8 million in HY24 to \$13.9 million mainly due to lower manpower related costs and depreciation charges in HY25 amidst tighter cost control measures.

For 2Q25, operating expenses decreased from \$8.4 million in 2Q24 to \$6.7 million mainly due to the same reasons as above.

Hai Leck Holdings Limited and Subsidiary Companies

Notes to the condensed interim financial statements

Taxation

The tax expense recognised in 2Q25 is higher than the statutory tax rate applied to profit before taxation for 2Q25 mainly due to effects of non-tax deductible expenses.

Profit attributable to equity holders of the Company

The profit attributable to equity holders for HY25 increased by \$2.9 million to \$4.8 million compared to \$1.9 million in HY24.

Quarter-on-quarter, the profit attributable to equity holders for 2Q25 increased by \$2.4 million to \$3.1 million compared to \$0.6 million in 2Q24.

Review of Financial Position

Non-current assets

Non-current assets increased from \$40.5 million as at 30 June 2024 to \$41.1 million as at 31 December 2024 mainly due to increase in investment in joint venture, partially offset by depreciation on property, plant and equipment.

Current assets

Current assets increased by \$6.2 million from \$84.1 million as at 30 June 2024 to \$90.3 million as at 31 December 2024. The increase is mainly due to increase in trade receivables, contract assets, and cash and cash equivalents.

Current liabilities

Current liabilities increased by \$1.0 million from \$9.1 million as at 30 June 2024 to \$10.2 million as at 31 December 2024, mainly due to decrease in trade and other payables and income tax payable.

Non-current liabilities

Non-current liabilities increased from \$5.3 million as at 30 June 2024 to \$5.6 million as at 31 December 2024 due to additional lease obligations undertaken.

Review of Cash Flows

Cash flows from operating activities

Net cash flows used in operating activities was \$0.3 million in HY24 compared to net cash flows generated from operating activities of \$6.7 million in HY23, mainly due to higher level of cash tied up in working capital, notably in trade receivables.

Cash flows from investing activities

Net cash flows generated from investing activities increased to \$1.5 million in HY24 compared to \$0.6 million in HY23, mainly due to higher proceeds from disposal of property, plant and equipment in HY24.

Cash flows from financing activities

Net cash flows used in financing activities was lower in HY24 by \$4.6 million mainly due to absence of payment of dividends in HY24.

Cash and cash equivalents as at 31 December 2024 was higher at \$68.6 million compared to \$65.8 million as at 31 December 2023.

Hai Leck Holdings Limited and Subsidiary Companies

Notes to the condensed interim financial statements

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

Not applicable

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 operating period and the next half year

The current global political and economic environments appear to be increasingly uncertain. Developments in the global arena will have follow-on impact on the local economy. Furthermore, the oil and gas industry in which the Group mainly operates is sensitive to key market players' strategic decisions. Amidst these conditions and keen competition faced, the Group will continue to manage its operations and control costs judiciously.

5. Dividend information

5.1 Current financial period reported on

Any dividend recommended for the current financial period reported on?

Nil

5.2 Corresponding period of the immediate preceding financial year

Any dividend declared for the corresponding period of the immediately preceding financial year?

Nil

5.3 Date payable

Not applicable

5.4 Record date

Not applicable

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

No dividend has been declared/recommended in view of the Scheme of Arrangement announced on 9 December 2024.

6. Interested person transactions

The Group has not obtained a general mandate from shareholders of the Company for interested person transactions.

Hai Leck Holdings Limited and Subsidiary Companies

Notes to the condensed interim financial statements

7. Negative confirmation by the Board pursuant to Rule 705(5) of the Listing Manual

We, Cheng Buck Poh @ Chng Bok Poh and Cheng Wee Ling, being Directors of the Company, do hereby confirm, on behalf of the Board of Directors of the Company that, to the best of our knowledge, nothing has come to the attention of the Board which may render the unaudited financial results for the second quarter ended 31 December 2024 to be false or misleading in any material aspect.

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

The Company has received undertaking from all its directors and executive officers in the format as set out in Appendix 7.7 under Rule 720(1) of the Listing Manual of the SGX-ST.

9. Disclosure pursuant to Rule 706A of the Listing Manual

During 2Q25 and as at the date of this announcement, there were no other changes to the Company's and the Group's shareholding percentages in its respective subsidiaries or associated companies nor incorporation of any new subsidiary or associated company by the Company or any of the Group's entities.

BY ORDER OF THE BOARD

Cheng Buck Poh @ Chng Bok Poh
Executive Chairman and Chief Executive Officer
14 February 2025

HWS/TZX/08301

14 February 2025

The Board of Directors
Hai Leck Holdings Limited
47 Tuas View Circuit
Singapore 637357

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Singapore 188778

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Dear Sirs/Madams

REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS OF HAI LECK HOLDINGS LIMITED

Introduction

We have reviewed the accompanying condensed interim financial statements of Hai Leck Holdings Limited (the “Company”) and its subsidiary companies (collectively, the “Group”), which comprises the condensed interim consolidated income statement and condensed interim consolidated statement of comprehensive income of the Group for the six-month period ended 31 December 2024, the condensed interim balance sheets of the Group and the Company as at 31 December 2024, the condensed interim statements of changes in equity of the Group and the Company for the six-month period ended 31 December 2024, the condensed interim consolidated cash flow statement of the Group for the six-month period ended 31 December 2024 and notes to the condensed interim financial statements.

Management is responsible for the preparation and fair presentation of this interim financial information in accordance with Singapore Financial Reporting Standards (International) (“SFRS(I)”) 1-34 *Interim Financial Reporting*. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

We conducted our review in accordance with Singapore Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Singapore Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

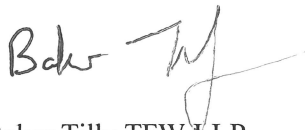
Based on our review, nothing has come to our attention that causes us to believe that the accompanying Condensed Interim Financial Statements is not prepared, in all material respects, in accordance with SFRS(I) 1-34 *Interim Financial Reporting*.

Cont'd Page 2

HWS/TZX/08301
14 February 2025

Restriction on use

Our report is provided in accordance with the terms of our engagement. Our work was undertaken so that we might report to you on the Condensed Interim Financial Statements for the purpose of assisting the Company to meet the requirements of paragraph 3 of the Appendix 7.2 of the Singapore Exchange Limited Listing Manual and to comply with the requirements of Rule 25 of Singapore Code of Take-Overs and Mergers and for no other purpose. Our report is included in the Company's announcement of its Condensed Interim Financial Statements for the information of its members. We do not assume responsibility to anyone other than the Company for our work, for our report, or for the conclusions we have reached in our report.



Baker Tilly TFW LLP
Public Accountants and
Chartered Accountants
Singapore



14 February 2025

HAI LECK HOLDINGS LIMITED

47 Tuas View Circuit
Singapore 637357

Attention: The Independent Directors (as defined herein)

PROPOSED ACQUISITION BY CHENG INVESTMENT MANAGEMENT PTE. LTD. OF ALL THE ISSUED ORDINARY SHARES IN THE CAPITAL OF HAI LECK HOLDINGS LIMITED (“HAI LECK” OR THE COMPANY) OTHER THAN THE EXCLUDED SHARES) BY WAY OF A SCHEME OF ARRANGEMENT (“ACQUISITION”)

On 9 December 2024 (the “**Joint Announcement Date**”), the respective boards of directors of the Company (and together with its subsidiaries, the “**Group**”) and the Offeror jointly announced the Acquisition by way of a scheme of arrangement in accordance with Section 210 of the Companies Act 1967 of Singapore and the Singapore Code on Take-overs and Mergers (the “**Code**”).

This letter is prepared pursuant to Rule 25 of the Code and is appended to the condensed interim financial statements of the Company and its subsidiaries (the “**Group**”) for six months ended 31 December 2024 (“**1H2025**”) announced by the Company on 14 February 2025 (the “**1H2025 Results Announcement**”).

For purposes of this letter, we have examined the 1H2025 Results Announcement and have discussed the same with the Directors and certain senior management of the Company who are involved in the preparation and finalisation of the 1H2025 Results Announcement. We have also considered the report dated 14 February 2025 issued to the Company by Baker Tilly TFW LLP, the independent auditors of the Company, entitled “Report on Review of Condensed Interim Financial Statements of Hai Leck Holdings Limited” in relation to the 1H2025 Results Announcement, a copy of which is also appended to the 1H2025 Results Announcement.

We have relied upon the accuracy and completeness of all financial and other information provided to and/or discussed with us by the Directors and certain senior management of the Company and have assumed such accuracy and completeness for the purpose of rendering this letter. We have not assumed any responsibility for independently verifying such information or undertaken any independent evaluation or appraisal of any of the assets or liabilities of the Company. The 1H2025 Results Announcement is solely the responsibility of the Directors. Save as provided in this letter, we do not express any other opinion or view on the 1H2025 Results Announcement.

Based on, and subject to the foregoing, we are of the view that the 1H2025 Results Announcement have been prepared and made by the Company after due and careful enquiry.



This letter is provided to the Directors solely for the purposes of complying with Rule 25 of the Code, and not for any other purpose. We do not accept any responsibility to any person (other than the Directors) in respect of, arising out of, or in connection, with this letter.

We have given and have not withdrawn our consent to the release of this letter as an appendix to the 1H2025 Results Announcement on the SGXNET.

Yours faithfully
For and on behalf of
XANDAR CAPITAL PTE. LTD.

LOO CHIN KEONG
EXECUTIVE DIRECTOR

PAULINE SIM POI LIN
HEAD OF CORPORATE FINANCE