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**Kinergy Corporation Ltd.**

**精技集團有限公司\***

*(Incorporated in Singapore with limited liability)*

**(Stock Code: 3302)**

**ANNOUNCEMENT OF ANNUAL RESULTS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

The Board hereby announces the consolidated financial statements of the Group for the year ended 31 December 2023, together with the comparative figures for the year ended 31 December 2022.

**Highlight**

	For the year ended		Change	Percentage Change
	31 December 2023	2022		
	S\$'000	S\$'000	S\$'000	%
Revenue	<b>92,490</b>	124,202	(31,712)	-25.5
Gross Profit	<b>7,001</b>	19,001	(12,000)	-63.2
EBITDA <sup>(1)</sup>	<b>3,870</b>	13,579	(9,709)	-71.5
EBIT <sup>(2)</sup>	<b>(357)</b>	9,717	(10,074)	N/A
(Loss)/Profit for the year	<b>(926)</b>	7,277	(8,203)	N/A
Basic and diluted (loss)/earnings per share attributable to equity holders of the parent (Singapore cents)	<b>(0.28)</b>	0.50	(0.78)	N/A

Note(s):

- (1): EBITDA is calculated using profit for the year before income tax, taking out the aggregate of depreciation, amortisation, interest expenses and interest income for the year.
- (2): EBIT is calculated using profit/loss for the year taking out the interest expense, tax expense and interest income for the year.

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**

	<i>Notes</i>	<b>2023</b> <i>S\$'000</i>	2022 <i>S\$'000</i>
<b>Revenue</b>	4	<b>92,490</b>	124,202
Cost of sales		<b>(85,489)</b>	(105,201)
<b>Gross profit</b>		<b>7,001</b>	19,001
Other income and gains	5	<b>7,214</b>	6,917
Sales and marketing expenses		<b>(2,640)</b>	(3,256)
General and administrative expenses		<b>(14,333)</b>	(13,072)
Other expenses	6	<b>(866)</b>	(843)
Finance costs		<b>(849)</b>	(708)
Share of results of associates		<b>3,454</b>	1,322
<b>(Loss)/Profit before tax</b>	7	<b>(1,019)</b>	9,361
Income tax credit/(expense)	8	<b>93</b>	(2,084)
<b>(Loss)/Profit for the year</b>		<b>(926)</b>	7,277
<b>(Loss)/Profit for the year attributable to:</b>			
Equity holders of the parent		<b>(2,559)</b>	4,631
Non-controlling interests		<b>1,633</b>	2,646
		<b>(926)</b>	7,277
<b>Other comprehensive income:</b>			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Exchange differences on translation of foreign operations		<b>(3,364)</b>	(7,471)
<i>Items that will not be reclassified to profit or loss</i>			
Loss on equity instruments designated at fair value through other comprehensive income		<b>(5,388)</b>	(679)
Net gain on equity investment		<b>179</b>	—
<b>Total comprehensive income for the year</b>		<b>(9,499)</b>	(873)
<b>Total comprehensive income for the year attributable to:</b>			
Equity holders of the parent		<b>(10,520)</b>	(2,098)
Non-controlling interests		<b>1,021</b>	1,225
		<b>(9,499)</b>	(873)
<b>(Loss)/Earnings per Share attributable to equity holders of the parent</b>			
Basic and diluted (Singapore cents)	9	<b>(0.28)</b>	0.50

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2023

	<i>Notes</i>	2023 <i>S\$'000</i>	2022 <i>S\$'000</i>
<b>Non-current assets</b>			
Property, plant and equipment	<i>11</i>	25,987	24,675
Right-of-use assets		5,771	5,803
Intangible assets		83	194
Investment securities	<i>12</i>	23,033	30,957
Investment in associates	<i>13</i>	16,562	14,362
Deferred tax assets		2,365	664
Advance payment for property, plant and equipment		1,004	764
		<hr/>	<hr/>
Total non-current assets		74,805	77,419
<b>Current assets</b>			
Inventories	<i>14</i>	46,079	53,699
Trade receivables	<i>15</i>	17,427	15,151
Prepayments, deposits and other receivables	<i>16</i>	2,921	2,547
Cash and cash equivalents	<i>17</i>	18,141	20,098
		<hr/>	<hr/>
Total current assets		84,568	91,495
<b>Current liabilities</b>			
Trade payables	<i>18</i>	18,055	15,441
Other payables and accruals	<i>19</i>	8,132	7,682
Provision for warranty		71	88
Interest-bearing loans and borrowings	<i>20</i>	14,862	12,763
Income tax payable		55	617
		<hr/>	<hr/>
Total current liabilities		41,175	36,591
<b>Net current assets</b>		<hr/> <b>43,393</b>	<hr/> 54,904
<b>Non-current liabilities</b>			
Deferred tax liabilities		2,613	1,536
Interest-bearing loans and borrowings	<i>20</i>	6,030	8,485
		<hr/>	<hr/>
Total non-current liabilities		8,643	10,021
<b>Net assets</b>		<hr/> <b>109,555</b>	<hr/> 122,302
<b>Equity</b>			
Share capital	<i>21</i>	91,293	91,293
Reserves		3,327	15,191
		<hr/>	<hr/>
<b>Equity attributable to equity holders of the parent</b>		<b>94,620</b>	106,484
Non-controlling interests		14,935	15,818
		<hr/>	<hr/>
<b>Total equity</b>		<hr/> <b>109,555</b>	<hr/> 122,302

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 1. CORPORATE INFORMATION

The Company is a limited liability company incorporated and domiciled in Singapore and its Shares are listed on the Main Board of the Stock Exchange.

The registered office of business of the Company is located at 1 Changi North Street 1, Singapore 498789.

The principal activities of the Group are (i) to provide contract manufacturing, design, engineering and assembly for the electronics industry; (ii) to provide design, manufacture and sale of automated machines, apparatus, systems and equipment; and (iii) to provide fund management services and investment activities in equity securities and funds.

The Company operates in Singapore and the subsidiaries operate in Singapore, the PRC, the Philippines, Japan and Malaysia.

### 2. BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“**IFRS**”) and Singapore Financial Reporting Standards (International) (“**SFRS(I)**”).

The consolidated financial statements have been prepared on the historical cost basis, except for investment securities which have been measured at fair value.

The consolidated financial statements are presented in Singapore Dollars (S\$) and all values are rounded to the nearest thousand (S\$’000), except when otherwise indicated.

### 3. SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products or services and has three reportable operating segments as follows:

- (i) EMS, which focuses primarily on manufacturing of complete machines, sub-systems and components for original equipment manufacturers. Major products of the EMS division include complete machines such as dicing machines and lapping machines and sub-systems such as work-holders, sliders systems and magazine handlers;

- (ii) ODM, which is subdivided into the Automated Equipment Department and Precision Tooling Department, designs and manufactures the Group’s own “Kinergy” brand proprietary automated equipment, precision tools and spare parts for use mainly in the semiconductor back-end equipment industry. Major products of the ODM divisions include equipment such as auto frame loaders and precision tools such as encapsulation moulds, dies and spare parts; and
- (iii) Investment, which primarily engages in providing fund management services and conducting investment activities in equity securities and funds.

The chief operating decision maker of the Group is the chief executive officer, who reviews revenue and results of major type of products sold for the purpose of resource allocation and assessment of segment performance. The accounting policies of the operating segments are the same as the Group’s accounting policies. Segment performance is evaluated based on reportable segment profit, which is a measure of adjusted gross profit. No analysis of the assets and liabilities of the Group by operating segments is disclosed as it is not regularly provided to the chief operating decision maker for review.

### Revenue breakdown by business segment

The following table sets out our revenue by business segment for the years ended 31 December 2023 and 2022:

	<b>For the year ended 31 December</b>			
	<b>2023</b>		<b>2022</b>	
	<i>S\$’000</i>	<i>%</i>	<i>S\$’000</i>	<i>%</i>
EMS	<b>78,953</b>	<b>85.4</b>	109,176	87.9
ODM	<b>11,223</b>	<b>12.1</b>	11,921	9.6
Investment	<b>2,314</b>	<b>2.5</b>	3,105	2.5
	<b><u>92,490</u></b>	<b><u>100.0</u></b>	<b><u>124,202</u></b>	<b><u>100.0</u></b>

### Geographical information

The following table sets out our revenue by geographical location for the years ended 31 December 2023 and 2022. It should be noted that the following breakdown is based on the location of our customers. Our customers, in particular multinational corporations, may elect to place purchase orders from various regional offices. The locations where our products are used may be different from where our customers are located.

	For the year ended 31 December			
	2023		2022	
	S\$'000	%	S\$'000	%
Singapore	<b>50,566</b>	<b>54.7</b>	83,548	67.3
The United States	<b>10,910</b>	<b>11.8</b>	9,976	8.0
Mainland China	<b>13,001</b>	<b>14.1</b>	13,384	10.8
Japan	<b>4,850</b>	<b>5.2</b>	3,166	2.5
The Philippines	<b>6,673</b>	<b>7.2</b>	6,160	5.0
Other countries	<b>6,490</b>	<b>7.0</b>	7,968	6.4
	<b>92,490</b>	<b>100.0</b>	124,202	100.0

#### 4. REVENUE

##### Disaggregation of revenue

	EMS		ODM		Investment		Total revenue	
	For the year ended 31 December							
	2023	2022	2023	2022	2023	2022	2023	2022
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>Type of goods or services</b>								
Sale of goods	<b>78,210</b>	108,028	<b>11,221</b>	11,913	—	—	<b>89,431</b>	119,941
Rendering of services	<b>743</b>	1,148	<b>2</b>	8	<b>2,314</b>	3,105	<b>3,059</b>	4,261
	<b>78,953</b>	109,176	<b>11,223</b>	11,921	<b>2,314</b>	3,105	<b>92,490</b>	124,202
<b>Timing of transfer of goods or services</b>								
At a point in time	<b>78,953</b>	109,176	<b>11,223</b>	11,921	—	—	<b>90,176</b>	121,097
Over period of time	—	—	—	—	<b>2,314</b>	3,105	<b>2,314</b>	3,105
	<b>78,953</b>	109,176	<b>11,223</b>	11,921	<b>2,314</b>	3,105	<b>92,490</b>	124,202

## 5. OTHER INCOME AND GAINS

	<b>For the year ended</b>	
	<b>31 December</b>	
	<b>2023</b>	2022
	<i>S\$'000</i>	<i>S\$'000</i>
<b>Other income</b>		
Government grant <sup>(1)</sup>	<b>270</b>	850
Bank interest income	<b>186</b>	352
Dividend income	<b>36</b>	—
Others	<b>315</b>	206
	<hr/> <b>807</b>	<hr/> 1,408
<b>Gains</b>		
Gain on deemed disposal of associate	<b>394</b>	—
Net gain on disposal of investment securities	<b>852</b>	—
Net fair value gains on investment securities	<b>4,589</b>	5,468
Gain on bargain purchases of a business <sup>(2)</sup>	<b>538</b>	—
Gain on disposal of property, plant and equipment	<b>34</b>	41
	<hr/> <b>6,407</b>	<hr/> 5,509
	<hr/> <b>7,214</b>	<hr/> <b>6,917</b>

*Note(s):*

- (1): The amount represents grants received from government authorities under various support schemes, among others, of which (i) approximately S\$38,000 (31 December 2022: S\$440,000) was primarily from the Job Growth Incentive programmes by the Singapore government whose objectives were to provide cash flow support and help local companies retain their local employees during the COVID-19 pandemic period, and (ii) approximately S\$87,000 (31 December 2022: S\$392,000) was incentive from the PRC government for high technology enterprise award. There are no unfulfilled conditions and other contingencies relating to these grants.
- (2): The gain on bargain purchase of a business of approximately S\$538,000 arose from the difference between the consideration paid and the fair value of the net identifiable assets of an associate as at the acquisition date.

## 6. OTHER EXPENSES

	<b>For the year ended</b>	
	<b>31 December</b>	
	<b>2023</b>	2022
	<i>S\$'000</i>	<i>S\$'000</i>
Impairment of financial assets — trade receivables	—	2
Foreign exchange differences, net	<b>866</b>	841
	<u>866</u>	<u>843</u>

## 7. (LOSS)/PROFIT BEFORE TAX

The (loss)/profit before tax of the Group is arrived at after charging/(crediting) the following items:

	<b>For the year ended</b>	
	<b>31 December</b>	
	<b>2023</b>	2022
	<i>S\$'000</i>	<i>S\$'000</i>
Cost of inventories	<b>59,115</b>	80,654
Depreciation of property, plant and equipment	<b>2,913</b>	2,493
Depreciation of right-of-use assets	<b>1,203</b>	1,155
Amortisation of intangible assets	<b>111</b>	214
Research and development expenses	<b>2,688</b>	3,047
Short-term leases/minimum lease payments under operating leases	<b>513</b>	342
Auditor's remuneration	<b>339</b>	366
Professional fees	<b>326</b>	597
Employee benefit expense (excluding Directors' and chief executive's remuneration):		
— Wages and salaries	<b>24,139</b>	23,050
— Pension scheme contributions	<b>3,354</b>	3,402
— Share option expense/(writeback)	<b>37</b>	(55)
Provision for warranty	<b>65</b>	63
Writeback for inventory obsolescence	<b>(398)</b>	(37)
Foreign exchange differences, net	<b>866</b>	841
Government grants	<b>(270)</b>	(850)
Net gain on disposal of investment securities	<b>(852)</b>	—
Net fair value gains on investment securities	<b>(4,589)</b>	(5,468)
Bank interest income	<b>(186)</b>	(352)
Gain on disposal of property, plant and equipment	<b>(34)</b>	(41)



## 8. INCOME TAX CREDIT/(EXPENSE)

### Major components of income tax credit/(expense)

The major components of income tax credit/(expense) for the years ended 31 December 2023 and 2022 are as follows:

	For the year ended	
	31 December	
	2023	2022
	S\$'000	S\$'000
Current income tax:		
— Current income taxation	(531)	(583)
— Over provision in respect of previous years	—	118
	<u>(531)</u>	<u>(465)</u>
Deferred income tax:		
— Origination and reversal of temporary differences	<u>624</u>	<u>(1,619)</u>
Income tax credit/(expense) recognised in profit or loss	<u><u>93</u></u>	<u><u>(2,084)</u></u>

## 9. (LOSS)/EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT

The calculation of basic and diluted (loss)/earnings per Share is based on the profit for the year attributable to the equity holders of the parent and the weighted average number of ordinary Shares of 920,393,394 Shares in issue during each of the years ended 31 December 2023 and 2022.

No adjustment has been made to the basic and diluted (loss)/earnings per Share presented for the years ended 31 December 2023 and 2022 in respect of a dilution as the Group had no potentially dilutive ordinary shares in issue during the years ended 31 December 2023 and 2022.

The following table reflects the income and Share data used in the basic and diluted (loss)/earnings per Share calculations:

	<b>For the year ended</b>	
	<b>31 December</b>	
	<b>2023</b>	2022
	<i>S\$'000</i>	<i>S\$'000</i>
(Loss)/Profit for the year attributable to equity holders of the parent	<u>(2,559)</u>	<u>4,631</u>
	<b>As at 31 December</b>	
	<b>2023</b>	2022
<b>Number of Shares</b>		
Weighted average number of ordinary Shares	<u>920,393,394</u>	<u>920,393,394</u>
<b>(Loss)/Earnings per Share attributable to equity holders of the parent</b>		
Basic and diluted (Singapore cents)	<u>(0.28)</u>	<u>0.50</u>

## 10. DIVIDENDS

	<b>For the year ended</b>	
	<b>31 December</b>	
	<b>2023</b>	2022
	<i>S\$'000</i>	<i>S\$'000</i>
<b>Declared and paid during the year:</b>		
<i>Dividend on ordinary Shares:</i>		
— Final exempt (one-tier) dividend for 2022: 0.15 (2021: 0.52) Singapore cents per Share	<u>1,381</u>	<u>4,786</u>
<b>Proposed but not recognised as a liability as at 31 December</b>		
<i>Dividend on ordinary Shares, subject to Shareholders' approval at the AGM</i>		
— Final exempt (one-tier) dividend for 2022: 0.15 Singapore cents per Share	<u>—</u>	<u>1,381</u>

## 11. PROPERTY, PLANT AND EQUIPMENT

During year ended 31 December 2023, the Group acquired property, plant and equipment at a consideration of approximately S\$4,337,000 (31 December 2022: S\$5,434,000).

Property, plant and equipment with nil book value were disposed during the year ended 31 December 2023, resulting in a gain on disposal of approximately S\$34,000 (31 December 2022: S\$41,000).

## 12. INVESTMENT SECURITIES

	As at 31 December	
	2023	2022
	S\$'000	S\$'000
<b>Equity instruments at fair value through profit or loss</b>		
— Non-listed equity investments	20,589	17,366
— Listed equity investments	2,444	4,041
<b>Equity instruments at fair value through other comprehensive income</b>		
— Non-listed equity investment	—	9,550
	<u>23,033</u>	<u>30,957</u>

## 13. INVESTMENT IN ASSOCIATES

The investment in associates of the Group is summarised below:

	As at 31 December	
	2023	2022
	S\$'000	S\$'000
Continuumm Technologies	—	1,784
Liteleaf	450	428
Nantong Intelligent Fund	11,201	8,729
Nanyang Fund	4,911	3,421
	<u>16,562</u>	<u>14,362</u>

Particulars of the principal associates of the Group as at the respective dates are as follows:

Name of associate	Place of incorporation/ operation	Principal activities	Percentage of ownership interest attributable to the Group	
			As at 31 December 2023	2022
<i>Held through the Company:</i>				
Continuumm Technologies	Singapore	Manufacture of wire and cable assemblies and harnesses and electronic related industrial design services	—	49%
Liteleaf	Singapore	Growing of leafy and fruit vegetables (hydroponics) with agrotechnology consultancy services	8% <sup>(1)</sup>	49%

*Held through the subsidiaries of the Company:*

Nantong Intelligent Fund	The PRC	Private equity investment	20%	20%
Nanyang Fund	The PRC	Private equity investment	20%	20%

*Note(s):*

- (1) In June 2023, Liteleaf issued new shares to increase its paid up capital. As such, shareholding of the Company in Liteleaf was diluted to approximately 8% from approximately 49% as the Company did not subscribe for additional shares. On the other hand, as one of the Directors is a director of Liteleaf, Liteleaf is considered one of the principal associates of the Group although the Group owns only approximately 8% interest in Liteleaf.

## 14. INVENTORIES

	As at 31 December	
	2023	2022
	<i>S\$'000</i>	<i>S\$'000</i>
Raw materials	32,737	37,824
Work-in-progress	5,004	5,811
Finished goods	8,338	10,064
	<hr/>	<hr/>
Total inventories at lower of cost and net realisable value	<b>46,079</b>	<b>53,699</b>
	<hr/> <hr/>	<hr/> <hr/>

## 15. TRADE RECEIVABLES

The aged analysis of the trade receivables that are not individually nor collectively considered to be impaired is as follows:

	As at 31 December	
	2023	2022
	<i>S\$'000</i>	<i>S\$'000</i>
Neither past due nor impaired	14,130	12,754
Past due but not impaired:		
— 0 to 30 days	1,414	1,538
— 31 to 60 days	630	514
— 61 to 90 days	779	70
— Over 90 days	474	275
	<hr/>	<hr/>
	<b>17,427</b>	<b>15,151</b>
	<hr/> <hr/>	<hr/> <hr/>

## 16. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	As at 31 December	
	2023	2022
	<i>S\$'000</i>	<i>S\$'000</i>
Advance to suppliers	640	742
Deposits	565	500
Prepaid Goods and Services Tax/Value-added tax	610	593
Prepayments	305	292
Bills of exchange	425	183
Other receivables	376	237
	<u>2,921</u>	<u>2,547</u>

## 17. CASH AND CASH EQUIVALENTS

The following table sets forth the breakdown of our cash and cash equivalents as at the respective dates indicated:

	As at 31 December	
	2023	2022
	<i>S\$'000</i>	<i>S\$'000</i>
Cash and bank balances	18,126	11,290
Short-term deposits	15	8,808
	<u>18,141</u>	<u>20,098</u>
Denominated in RMB	12,592	14,281
Denominated in USD	4,781	4,333
Denominated in SGD	437	1,013
Denominated in other currencies	331	471
	<u>18,141</u>	<u>20,098</u>

## 18. TRADE PAYABLES

The following tables set forth the ageing analysis of our trade payables based on the invoice date as at the respective dates indicated:

	As at 31 December	
	2023	2022
	<i>S\$'000</i>	<i>S\$'000</i>
— 0 to 30 days	<b>6,869</b>	6,135
— 31 to 60 days	<b>3,555</b>	3,748
— 61 to 90 days	<b>2,642</b>	2,511
— Over 90 days	<b>4,989</b>	3,047
	<b><u>18,055</u></b>	<b><u>15,441</u></b>

## 19. OTHER PAYABLES AND ACCRUALS

	As at 31 December	
	2023	2022
	<i>S\$'000</i>	<i>S\$'000</i>
Accruals	<b>4,494</b>	4,248
Advances from customers	<b>3,034</b>	1,895
Other payables	<b>604</b>	1,539
	<b><u>8,132</u></b>	<b><u>7,682</u></b>

## 20. INTEREST-BEARING LOANS AND BORROWINGS

	As at 31 December	
	2023	2022
	S\$'000	S\$'000
Lease liabilities	4,881	4,748
2.0% unsecured bank loan of S\$5,000,000	2,132	3,377
2.5% unsecured bank loan of S\$5,000,000	2,578	3,565
1.67% unsecured bank loan of S\$408,333	408	—
Unsecured bank trade financing	10,294	8,526
Bank overdrafts	599	1,032
	<u>20,892</u>	<u>21,248</u>
Repayable details as follows:		
Current:		
— Within 1 year	14,862	12,763
Non-Current:		
— Within a period of more than 1 year but not exceeding 2 years	2,360	3,497
— Within a period of more than 2 years but not exceeding 5 years	3,670	4,988
	<u>20,892</u>	<u>21,248</u>

## 21. SHARE CAPITAL

### Share capital

	Number of Shares	Amount S\$'000
Issued and fully paid ordinary Shares <sup>(1)</sup> :		
As at 31 December 2022 and 31 December 2023	<u>920,393,394</u>	<u>91,293</u>

Note(s):

(1): All issued Shares are fully paid ordinary shares with no par value.



## **22. EVENTS AFTER REPORTING PERIOD**

On 9 January 2024, an aggregate of 2,900,000 share options were granted under the share option scheme of the Company at an exercise price of HK\$0.304 per Share by the Company to seven employees of the Group. Such share options shall be vested upon expiration of 12 months from the date of grant and shall be valid from the date of vesting of such options to 8 January 2029 (both days inclusive) and exercisable at any time during which. For details, please refer to the announcement of the Company dated 9 January 2024.

# MANAGEMENT DISCUSSION AND ANALYSIS

## OVERVIEW

The Group is mainly engaged in three reportable business segments, namely (i) electronics manufacturing services (EMS), (ii) original design manufacturing (ODM), and (iii) investment. We manufacture high-tech and high precision electronic equipment. Some of these high-tech electronic equipment are designed, manufactured and sold under the “Kinergy” trademark. Over 80% of the electronic equipment manufactured by the Group are produced under contract agreements for our customers who provide the design of their electronic equipment or their subsystems. The third division of the Group’s business is the investment funds operating under Shanghai Genlight. The Group owns 51% equity in Shanghai Genlight. This is the only division at the Group that is profitable during the year ended 31 December 2023.

During the year ended 31 December 2023, the Group’s revenue mainly derived from our EMS division which accounted for approximately 85.4% of the total revenue of the Group, whereas our ODM division and investment division accounted for approximately 12.1% and 2.5% of the total revenue of the Group, respectively.

## BUSINESS REVIEW AND PROSPECT

The Group recorded a revenue of approximately S\$92.5 million for the year ended 31 December 2023. Total revenue of the Group for the year ended 31 December 2023 decreased by approximately 25.5% year-on-year (“YOY”).

The continued economic quagmire of uncertainties, worsened by sporadic emergence of disruptive events like the Gaza war brought about some trading difficulties owing to the restrictions and safety unpredictability of ships sailing through the Suez Canal. Avoiding sailing through the Suez leads to increased transportation cost and time from circumnavigation around the Cape of Good Hope.

### EMS Division

Total revenue generated from our EMS Division for the year ended 31 December 2023 decreased by approximately 27.7% YOY mainly due to a decline in the semiconductor industry.

In spite of the abovementioned uncertainties, the semiconductor industry that the Group operates in is in business improvement mode for the wafer fabrication sector. The anticipated upswing in the business is affected by the Semiconductor Process Equipment (SPE) industry activating their manufacturing activities and supply chain. However, there is no certainty that the semiconductor conditions are fast improving in 2024. Under such uncertain conditions, the Group will have to prepare for the upswing and still keep the Group's operating costs as low as possible.

Meanwhile, our EMS division is gaining traction with many new customers. We focus sharply on conducting successful business with these new Wafer Fabrication Equipment (WFE) manufacturers.

During the year ended 31 December 2023, we acquired another 51% equity stakes in Continuum Technologies to own 100% equity of the said company.

### **ODM Division**

Our ODM division revenue has shown a slight revenue decline for the year ended 31 December 2023 by approximately 5.9% YOY.

This division focuses in SPE used in the Outsourced Semiconductor Assembly and Test (OSAT) at the moment. The business cycle of OSAT typically lags behind WFE manufacturers by 6 months. We therefore do not expect OSAT business to pick up until 2025.

Meantime, our ODM division is preparing to work on the OSAT market with the help of Towa Corporation which has about 57% in market share of the auto molding equipment worldwide among the OSAT companies worldwide.

Test socket machining of our ODM Division in Philippines is running into business downturn. We are re-purposing many of the machines to make precision ferrous and non-ferrous components for customers which are not allowed by their governments to buy these components from China.

The strong precision Kinetic equipment design capabilities of our ODM division is also used to help one of our associates, Liteleaf, in the precision agriculture industry to design Moving Gutters System (MGS). This MGS is an automated system for the cultivation of agriculture that saves significantly the use of labour and water and reduces other operating costs of fertilisers and environmental footprint. Liteleaf is owned as to approximately 8% by the Company as at the date of this announcement.

## **Investment Division**

Revenue from fund management fee for the year ended 31 December 2023 decreased by approximately 25.5% growth YOY due to a reduction of fund size in one of the funds under management of the Group. Net profit increased by approximately 6.7% YOY mainly due to higher fair value of investment securities.

Shanghai Genlight faced constraints in their operation during the year ended 31 December 2023. The trade and technology wars between China and the West (USA, Europe, Japan, South Korea, Taiwan) continue to adversely affect many export-oriented companies. As a result, the landscape of good performance companies has changed significantly. Consequent to this change, in the fortunes of industries in China it is imperative of Shanghai Genlight to re-examine the investable industries and companies in China.

The Shanghai Genlight team will closely study the change of business status in the China economy to discover industries and companies that are good investment targets. The SPE industry is still highly investment worthy as are high-tech equipment in the medical and test-and-analysis equipment.

On a consolidated basis, the Group recorded a revenue of approximately S\$92.5 million for the year ended 31 December 2023. This represents a decline of approximately 25.5% when compared with the revenue recorded of approximately S\$124.2 million for the year ended 31 December 2022. Net loss after tax for the year ended 31 December 2023 amounted to approximately S\$0.9 million as compared to net profit after tax of approximately S\$7.3 million for the year ended 31 December 2022. Loss per Share was approximately 0.28 Singapore cents was recorded for the year ended 31 December 2023 as compared to the earning per Share of approximately 0.5 Singapore cents per Share recorded for year ended 31 December 2022.

Looking ahead, barring unforeseen circumstances, the Group is cautiously hopeful for the current financial year 2024. The semiconductor industry is seeing greater demand for SPE as demand for Integrated Chips shows signs of picking up.

## FINANCIAL REVIEW

### Revenue

The following table sets forth the components of our revenue by operating segment for the years indicated:

	For the year ended 31 December		
	2023	2022	Percentage change
	<i>S\$'000</i>	<i>S\$'000</i>	%
EMS	<b>78,953</b>	109,176	-27.7
ODM	<b>11,223</b>	11,921	-5.9
Investment	<b>2,314</b>	3,105	-25.5
	<b><u>92,490</u></b>	<b><u>124,202</u></b>	<b><u>-25.5</u></b>

Revenue of the Group decreased by approximately S\$31.7 million or 25.5% from approximately S\$124.2 million for the year ended 31 December 2022 to approximately S\$92.5 million for the year ended 31 December 2023.

The decrease was primarily attributable to the decrease in sales volume from EMS division.

### Cost of sales

Cost of sales of the Group primarily consists of material costs, labour costs and overhead expenses. The following table sets forth a breakdown of our cost of sales by operating segment for the years indicated:

	For the year ended 31 December		
	2023	2022	Percentage change
	<i>S\$'000</i>	<i>S\$'000</i>	%
EMS	<b>74,905</b>	94,439	-20.7
ODM	<b>10,584</b>	10,762	-1.7
Investment	<b>—</b>	—	N/A
	<b><u>85,489</u></b>	<b><u>105,201</u></b>	<b><u>-18.7</u></b>

Cost of sales of the Group decreased by approximately S\$19.7 million or 18.7% from approximately S\$105.2 million for the year ended 31 December 2022 to approximately S\$85.5 million for the year ended 31 December 2023. The decrease was mainly attributable to the decrease in revenue from EMS division.

### **Gross profit and gross profit margin**

As a result of the changes in the revenue and cost of sales above, the gross profit decreased by approximately S\$12.0 million or 63.2% from approximately S\$19.0 million for the year ended 31 December 2022 to approximately S\$7.0 million for the year ended 31 December 2023.

Gross profit margin of the Group decreased by approximately 7.7% from approximately 15.3% for the year ended 31 December 2022 to approximately 7.6% for the year ended 31 December 2023. The decrease was primarily attributable to the decrease in the revenue for the year ended 31 December 2023. A substantial portion of the cost of sales is fixed cost, thus, a decline in sales revenue did not decrease the cost of sales.

### **Other income and gains**

Other income and gains increased by approximately S\$0.3 million or 4.3% from approximately S\$6.9 million for the year ended 31 December 2022 to approximately S\$7.2 million for the year ended 31 December 2023. The increase was primarily due to (i) net gain on disposal of investment securities of approximately S\$0.9 million; (ii) gain on deemed disposal of associate of approximately S\$0.4 million; (iii) gain on bargain purchase of a business of approximately S\$0.5 million; and (iv) increase in other income of approximately S\$0.1 million. The increase was partially offset by (i) decrease in government grant of approximately S\$0.6 million; (ii) decrease in bank interest income of approximately S\$0.2 million; and (iii) decrease in net fair value gains on investment securities of approximately S\$0.8 million.

### **Sales and marketing expenses**

Sales and marketing expenses of the Group decreased by approximately S\$0.6 million or 18.9% from approximately S\$3.3 million for the year ended 31 December 2022 to approximately S\$2.6 million for the year ended 31 December 2023, which was in line with the decrease in revenue of the Group for the year ended 31 December 2023.

### **General and administration expenses**

General and administration expenses of the Group increased by approximately S\$1.3 million or 9.6% from approximately S\$13.1 million for the year ended 31 December 2022 to approximately S\$14.3 million for the year ended 31 December 2023. The increase was mainly due to higher staff wages and salaries.

## **Other expenses**

Other expenses increased by approximately S\$23,000, which was mainly due to higher foreign exchange loss which was largely impacted by the exchange rate fluctuation from US Dollar to Singapore Dollar.

## **Finance cost**

Comparing to the year ended 31 December 2022, finance costs of the Group incurred during the year ended 31 December 2023 increased by approximately S\$0.1 million primarily due to additional of lease liabilities.

## **(Loss)/Profit before tax**

The Group suffered a loss before tax of approximately S\$1.0 million for the year ended 31 December 2023 as compared to a profit before tax of approximately S\$9.4 million for the year ended 31 December 2022. The main cause is due to a substantial decline in revenue from the semiconductor industry.

## **Income tax credit/(expense)**

Income tax credit of the Group amounted to approximately S\$93,000 for the year ended 31 December 2023 as compared to the income tax expense of approximately S\$2.1 million for the year ended 31 December 2022. This is in line with the change in profit/(loss) before tax.

## **(Loss)/Profit for the year**

As a result of the above, the Group recorded a net loss after tax of approximately S\$0.9 million for the year ended 31 December 2023 as compared to profit after tax of approximately S\$7.3 million recorded for the year ended 31 December 2022.

## **LIQUIDITY AND CAPITAL RESOURCES**

As at 31 December 2023, the Group had cash and cash equivalents of approximately S\$18.1 million. The Board is of the opinion that the financial position of the Group is healthy, and the Group has sufficient resources to support its operations and meet its foreseeable capital expenditures.

## Cash flow

The following table sets forth a summary of our cash flows for the years indicated:

	For the year ended	
	31 December	
	2023	2022
	S\$'000	S\$'000
Net cash flow generated from operating activities	1,151	2,939
Net cash flow generated from/(used in) investing activities	2,875	(12,320)
Net cash flow used in financing activities	(5,389)	(9,753)
	<hr/>	<hr/>
Net decrease in cash and cash equivalents	(1,363)	(19,134)
Effect of exchange rate changes on cash and cash equivalents	(594)	(2,474)
	<hr/>	<hr/>
Cash and cash equivalents as at 31 December	<u>18,141</u>	<u>20,098</u>

### *Net cash flow generated from operating activities*

The Group generates cash from operating activities primarily from sales of goods. Cash flows from operating activities reflects profit/(loss) before taxation for the year adjusted for (i) non-cash items such as depreciation of property, plant and equipment, depreciation of prepaid land lease payments, amortisation of intangible assets and other items, which lead to the operating cash generated before changes in working capital; (ii) effects of cash flows arising from changes in working capital, including changes in inventories, trade and other receivables and trade and other payables which lead to cash flow generated from operations; and (iii) interest income received, interest expense paid and income tax paid, which result in net cash generated from operating activities.

For the year ended 31 December 2023, net cash generated from operating activities of the Group was approximately S\$1.2 million and, primarily reflected: (i) decrease in inventories of approximately S\$8.7 million; (ii) increase in trade payables of approximately S\$1.9 million; and (iii) interest income received of approximately S\$0.2 million, which were partially offset by: (i) cash used in operating income before changes in working capital of approximately S\$5.3 million; (ii) increase in trade and other receivables of approximately S\$2.1 million; (iii) tax paid of approximately S\$1.1 million; and (iv) decrease in other payables and accruals of approximately S\$1.1 million.



### ***Net cash flow generated from investing activities***

Cash flow from investing activities mainly relates to purchase and disposal of property, plant and equipment and purchase of investment securities.

For the year ended 31 December 2023, the net cash flow generated from investing activities of the Group was approximately S\$2.9 million, which was primarily generated from: (i) proceeds from disposal of investment securities of approximately S\$7.2 million; and (ii) net cash inflow from acquisition of subsidiaries of approximately S\$0.2 million and which were partially set off by (i) purchase of property, plant and equipment of approximately S\$4.3 million; and (ii) an increase in advance payment for property, plant and equipment of approximately S\$0.2 million.

### ***Net cash flow used in financing activities***

Cash flows from financing activities includes net proceeds from bank loans, proceeds from ordinary Shares issued, payment of principal portion of lease liabilities and dividend paid on ordinary Shares.

For the year ended 31 December 2023, the net cash flow used in financing activities of the Group was approximately S\$5.4 million, which was mainly used in (i) payment of lease liabilities of approximately S\$1.1 million; (ii) payment of interest of lease liabilities of approximately S\$0.2 million; (iii) repayment of bank loan of approximately S\$11.1 million; (iv) payment of bank loan interest of S\$0.6 million; (v) dividend paid on ordinary Shares of approximately S\$1.3 million; and (vi) dividend paid to non-controlling interests of approximately S\$2.0 million, which were partially set off by proceeds from bank loan of approximately S\$10.9 million.

## **NET CURRENT ASSETS**

The net current asset of the Group decreased by approximately S\$11.4 million from approximately S\$54.9 million as at 31 December 2022 to approximately S\$43.5 million as at 31 December 2023. The decrease was primarily due to (i) decrease in cash and cash equivalents of approximately S\$2.0 million; (ii) an increase in trade and other payables and accruals of approximately S\$3.1 million; (iii) increase in interest-bearing loans and borrowings of approximately S\$2.0 million; and (iv) decrease in inventories of approximately S\$7.6 million; which were partially set off by (i) increase in trade receivables and prepayments, deposits and other receivables of approximately S\$2.7 million; and (ii) decrease in income tax payable of approximately S\$0.6 million.

## **CAPITAL EXPENDITURE**

Capital expenditure consisted of purchases cost relating to property, plant and equipment.

For the year ended 31 December 2023, capital expenditure of the Group amounted to approximately S\$4.3 million for the acquisition of property, plant and equipment. The Group funded such capital expenditure with bank borrowings and internal funds.

### **Capital and investment commitments**

Capital and investment commitments of the Group primarily relate to commitment for the equity investment and purchase of property, plant and equipment.

Capital and investment expenditure of the Group contracted for as at 31 December 2023 but not recognised in the financial statements are as follows:

	<b>As at 31 December 2023 S\$'000</b>
Contracted, but not provided for:	
Property, plant and equipment	877
Investment securities	8,683
	<hr/>
	<b>9,560</b>
	<hr/> <hr/>

### ***Investment securities***

The balance of approximately S\$8.7 million pertains to the remaining investment commitments of the Group.

## **INDEBTEDNESS**

### **Bank loan and other borrowings**

As at 31 December 2023, the Group has outstanding balances from interest-bearing loans and borrowings of approximately S\$21.0 million (31 December 2022: approximately S\$21.2 million).

## **Contingent liabilities**

As at 31 December 2023, the Group did not have any contingent liabilities, guarantees or any litigations or claims of material importance, pending or threatened against any member of the Group.

## **Net debt to equity ratio**

Net debt to equity ratio equals total interest-bearing loans and borrowings net of cash and cash equivalents divided by total equity. Net debt to equity ratio as at 31 December 2023 was approximately 0.03 (31 December 2022: 0.01).

## **Gearing ratio**

Gearing ratio equals total debt divided by total equity. Total debt includes bank loans and lease liabilities. Gearing ratio of the Group as at 31 December 2023 was approximately 0.19 (31 December 2022: 0.17).

## **FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS**

As of 31 December 2023, the Group has no future plans for material investments and capital assets.

## **SIGNIFICANT INVESTMENTS, ACQUISITIONS AND DISPOSALS**

The Company, Continuumm Technologies and Synesys Technologies Pte. Ltd. (“**Synesys**”) signed a subscription and shareholders agreement and a supplementary agreement on 7 January 2022 and 27 February 2022 (collectively referred to as the “**Agreements**”), respectively, pursuant to which the Company agreed to subscribe for 2,113,725 ordinary shares in Continuumm Technologies, representing approximately 49.0% equity interest for a cash consideration of S\$2,113,725. Synesys is the parent company of Continuumm Technologies and both Synesys and Continuumm Technologies are Independent Third Parties. Continuumm Technologies has its capabilities in wire harness and cable assembly for semiconductor industry. On 21 March 2022, the completion took place following the satisfaction of all conditions under the Agreements. Further, on 30 June 2023, the Company entered into a Share Sale Agreement (the “**2023 Share Agreement**”) with Synesys to purchase the remaining 2,200,000 shares in Continuumm Technologies at a consideration of S\$15,000. The completion took place on 12 July 2023 following the satisfaction of all conditions as set out in the 2023 Share Agreement and Continuumm Technologies has subsequently become a wholly-owned subsidiary of the Group.

On 6 September 2022, the Company, Ms. Cheng Tsing Liu and Mr. Shih Ching Yen (together the “**Parties**”) entered into a subscription agreement with Liteleaf pursuant to which the Company, Ms. Cheng and Mr. Shih have conditionally agreed to subscribe for, and Liteleaf has conditionally agreed to allot and issue, a total of 4,119,259, 3,486,756 and 300,637 new ordinary shares of Liteleaf at the subscription price of S\$1.00 per share, respectively. On 30 June 2023, given the change in Singapore’s domestic market environment affecting the potential investment return of Liteleaf, after arm’s length negotiations among the Parties, the Parties entered into a written mutual consent, pursuant to which the Parties unanimously agreed to terminate the said agreement and the Parties were released and discharged from their respective unperformed obligations under the said agreement with effect from 30 June 2023. For further details, please refer to the announcements of the Company dated 6 September 2022 and 30 June 2023.

Save as disclosed above and Notes 12 and 13, “Investment securities” and “Investment in associates” to this announcement, there were no other significant investments held, no material acquisitions or disposals of subsidiaries, associates and joint ventures during the year ended 31 December 2023.

## **FOREIGN EXCHANGE RISK MANAGEMENT**

The functional currency of the Group is SGD. The Group mainly operates in Singapore and China, hence the operating expenses are denominated in SGD and RMB. The majority of the revenue of the Group are denominated and settled in USD. Therefore, fluctuations in exchange rates of SGD, RMB and USD could materially impact the profit margin of the Group and overall results of operations, and there will be gains and losses resulting from fluctuations in the exchange rate. The Group practices certain amount of natural hedge of this risk through purchase raw material in USD and borrow USD short term loan for working capital need. In addition, a certain amount of USD forward sales contract has been done with our bankers. Going forward, the Group expects that exchange rates of SGD, RMB and USD will continue to fluctuate. The management of the Group will continue to monitor the Group’s foreign currency exchange exposure and will take prudent measures to minimise that currency exchange risk.

## **PLEDGE OF ASSETS**

As at 31 December 2023, the Group did not pledge any assets.

## **HUMAN RESOURCES**

As at 31 December 2023, the Group had 819 employees. The employees benefit expense (including directors' and chief executive's remuneration) incurred during the year ended 31 December 2023 was approximately S\$29.5 million. As required by the applicable laws and regulations, the Group participates in various employee social security plans for our employees that are administered by local governments. The remuneration policy of the Group rewards employees and directors based on individual performance, demonstrated capabilities, involvement, market comparable information and the performance of the Group. The Group improves the professional skills and management level of its employees through internal and external trainings. To ensure that the Group attracts and retains competent staff, remuneration packages are reviewed on a regular basis. Performance bonuses are offered to qualified employees based on individual and the performance of the Group. Besides offering competitive remuneration packages, the Company adopted the Share Option Scheme with the objective to recognise contributions made by eligible employees and to retain the eligible employees for the continual operation, growth and future development of the Group. We did not experience any labour disputes during the year ended 31 December 2023.

## **OFF-BALANCE SHEET COMMITMENTS AND ARRANGEMENTS**

As of the date of this announcement, the Group had not entered into any off-balance sheet transactions.

## **FINAL DIVIDEND**

The Board does not recommend a payment of final dividend for the year ended 31 December 2023.

## **EVENTS AFTER REPORTING PERIOD**

On 9 January 2024, an aggregate of 2,900,000 share options were granted under the share option scheme of the Company at an exercise price of HK\$0.304 per Share by the Company to seven employees of the Group. Such share options shall be vested upon expiration of 12 months from the date of grant and shall be valid from the date of vesting of such options to 8 January 2029 (both days inclusive) and exercisable at any time during which. For details, please refer to the announcement of the Company dated 9 January 2024.

## **CORPORATE GOVERNANCE CODE**

The Group is committed to the establishment of good corporate governance practices and procedures with a view to being a transparent and responsible organisation which is open and accountable to the Shareholders. The Board strives for adhering to the principles of corporate governance and has adopted sound corporate governance practices to meet the legal and commercial standards, focusing on areas such as internal control, fair disclosure and accountability to all Shareholders to ensure the transparency and accountability of all operations of the Company. The Company believes that effective corporate governance is an essential factor to create more value for its Shareholders. The Board will continue to review and improve the corporate governance practices of the Group from time to time to ensure that the Group is led by an effective Board in order to optimise return for its Shareholders.

The Company has complied with all the code provisions of the Corporate Governance Code during the year ended 31 December 2023.

## **MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS**

The Company has adopted the Model Code as its code of conduct regarding securities transactions by the Directors and relevant employees.

Having made specific enquiries with the Directors, all Directors confirmed that they had complied with the required standards set out in the Model Code during the year ended 31 December 2023.

## **PURCHASE, SALE OR REDEMPTION OF THE COMPANY LISTED SECURITIES**

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the listed securities of the Company during the year ended 31 December 2023.

## **REVIEW OF FINANCIAL INFORMATION BY THE AUDIT COMMITTEE**

The consolidated financial statements of the Group for the year ended 31 December 2023 have been reviewed by the audit committee of the Company, comprising solely the independent non-executive Directors of the Company.

## **SCOPE OF WORK OF THE AUDITORS ON THE ANNUAL RESULTS ANNOUNCEMENT**

The figures in respect of the announcement of the annual results of the Group for the year ended 31 December 2023 have been agreed by the auditors of the Group, Ernst & Young LLP (the “**Auditors**”), to the amounts set out in the draft consolidated financial statements of the Group for the year. The work performed by the Auditors in this respect was limited and did not constitute an audit, review or other assurance engagement and consequently no assurance has been expressed by the Auditors on this announcement.

## **PUBLICATION OF RESULT ANNOUNCEMENT AND ANNUAL REPORT**

This annual results announcement is published on the websites of the Stock Exchange ([www.hkex.com.hk](http://www.hkex.com.hk)) and the Company ([www.kinergy.com.sg](http://www.kinergy.com.sg)). The annual report of the Company for the year ended 31 December 2023 containing all the information required by Appendix 16 (renumbered as Appendix D2 since 31 December 2023) to the Listing Rules will be dispatched to the Shareholders and published on the websites of the Stock Exchange and the Company in due course.

## **DEFINITIONS**

Unless the context otherwise requires, the following expressions shall have the meaning set out below:

“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“CEL”	China Everbright Limited (中國光大控股有限公司), a company incorporated in Hong Kong on 25 August 1972, whose shares are listed on the Stock Exchange (stock code: 165), and a shareholder of the Company holding approximately 28.56% issued Shares
“China” or “PRC”	the People’s Republic of China, for the purpose of this announcement, excluding Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
“Company”	Kinergy Corporation Ltd. (精技集團有限公司*), a limited liability company incorporated in Singapore, the Shares of which are listed on the Main Board of the Stock Exchange (stock code: 3302)

“Continuum Technologies”	Continuum Technologies Pte. Ltd., a limited liability company incorporated in Singapore on 17 January 2017
“Corporate Governance Code”	Corporate Governance Code set out in Appendix 14 (re-numbered as Appendix C1 since 31 December 2023) to the Listing Rules
“Director(s)”	the director(s) of the Company
“EMS”	Electronics Manufacturing Services
“Group”, “we” or “us”	the Company and its subsidiaries
“Hong Kong”	The Hong Kong Special Administrative Region of the PRC
“Liteleaf”	Liteleaf Pte. Ltd., a limited liability company incorporated in Singapore on 17 April 2015
“Listing Rules”	the Rules Governing the Listing of Securities on the Main Board of the Stock Exchange
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 (renumbered Appendix C3 since 31 December 2023) to the Listing Rules
“Nantong Intelligent Fund”	Nantong CEL Intelligent Manufacturing Equity Investment Fund Partnership (Limited Partnership)* (南通光控智造股權投資基金合夥企業(有限合夥)), a limited partnership established in the PRC on 12 September 2019
“Nanyang Fund”	Nanyang Kinergy Equity Investment Fund Partnership (Limited Partnership)* (南陽精技股權投資基金合夥企業(有限合夥)), a limited partnership established in the PRC on 30 July 2021 pursuant to the Fund Partnership Agreement
“ODM”	Original Design Manufacturing
“RM”	Ringgit Malaysia, the lawful currency of Malaysia
“RMB”	Renminbi, the lawful currency of the PRC
“S\$” or “SGD”	Singapore Dollar, the lawful currency of the Republic of Singapore



“Shanghai Genlight ”	Shanghai GenLight Capital Management Co. Ltd. * 上海光朴創業投資管理有限公司 (formerly known as Shanghai CEL Puyan Equity Investment Management Limited* (上海光控浦燕股權投資管理有限公司), a limited liability company established in the PRC on 6 July 2015 and owned as to approximately 51.03% by the Company and ultimately and beneficially owned as to approximately 48.97% by CEL
“Share(s)”	ordinary shares(s) in the capital of the Company
“Shareholder(s)”	the Shareholder(s) of the Company
“Singapore”	the Republic of Singapore
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed to it in sections 15 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong).
“United States”	the United States of America
“USD”	United States Dollar, the lawful currency of the United States
“%”	per cent

\* *For identification purpose only.*

By order of the Board  
**Kinergy Corporation Ltd.**  
**Lim Kuak Choi Leslie**  
*Executive Director and Chief Executive Officer*

Hong Kong, 28 March 2024

*As at the date of this announcement, the executive Directors are Mr. Lim Kuak Choi Leslie (Chief Executive Officer), Mr. Du Xiaotang, Mr. Lim Khin Mann and Mr. Tay Kim Kah; the non-executive Directors are Mr. Loh Kin Wah (Chairman) and Mr. Fan Zhirong; and the independent non-executive Directors are Dr. Senerath Wickramanayaka Mudiyansele Sunil Wickramanayaka, Mr. Hoon Chee Wai and Dr. Ang Peng Huat.*