



LINCOTRADE & ASSOCIATES

Press Release – For Immediate Release

**Lincotrade Continues Growth Momentum in 6M2024  
with Net Profit Before Tax Increasing 24.2%;  
Maiden Interim Dividend of 0.38 Singapore Cents  
Per Share Declared**

- *Strong performance from the Group’s commercial and residential business segments, which posted revenue growth of 29.3% and 48.0% respectively.*
- *Aligned with its business strategy, the proportion of the Group’s revenue from commercial business segment increased from 67.0% during 6M2023 to 82.9% during 6M2024*
- *Generated net cash flow of approximately S\$4.6 million from operating activities during 6M2024 and the Group’s cash and cash equivalents increased to approximately S\$15.7 million as at 31 December 2023*
- *Maiden interim dividend of 0.38 Singapore cents per share declared following the adoption of a dividend policy to distribute at least 20% of net profit attributable to shareholders of the Company that was announced today*
- *The Group’s order book stood at approximately S\$47.0 million as at 31 December 2023 and the Group continues to actively pursue new quality projects to strengthen its order book*
- *Recently set up new subsidiaries in Malaysia and the PRC to enhance the Group’s business model and harness new business opportunities*

*Current Reporting Period – For the Six Months Ended 31 December 2023*

<b>(S\$ million unless otherwise stated)</b>	<b>6M2023</b>	<b>6M2024</b>	<b>Change (%)</b>
Revenue	40.9	42.7	+ 4.6
Gross profit	4.3	4.5	+ 5.2
(Loss) / Profit before tax	(9.0)	2.2	N.M
Adjusted profit before tax	1.7 <sup>(1)</sup>	2.2	+ 24.2
Net asset value per share (Singapore cents)	5.10 <sup>(2)</sup>	6.14 <sup>(3)</sup>	+20.4

Notes:

(1) excluding one-off non-cash RTO expenses of approximately S\$10.8 million

(2) Net asset value per share as at 30 June 2023

(3) Net asset value per share as at 31 December 2023

**SINGAPORE, 14 February 2024** – Lincotrade & Associates Holdings Limited, (“Lincotrade” or the “Company” or “立鎧企業” and together with its subsidiaries, the “Group”), a specialist in interior fitting-out services, is pleased to announce its first half financial results ended 31 December 2023 (“6M2024”).



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Commenting on its 6M2024 results, Managing Director of Lincotrade, Mr. Tan Jit Meng (陈日明先生) said: *“It has been more than a year since our transition into a listed company and we are pleased to report another positive set of first half results – despite a continuously challenging market environment, which underscores the strength of our business model and project execution capabilities.*

*In particular, the performance in our commercial segment stands out and it is a testament to our business strategy to expand our business presence in this area.*

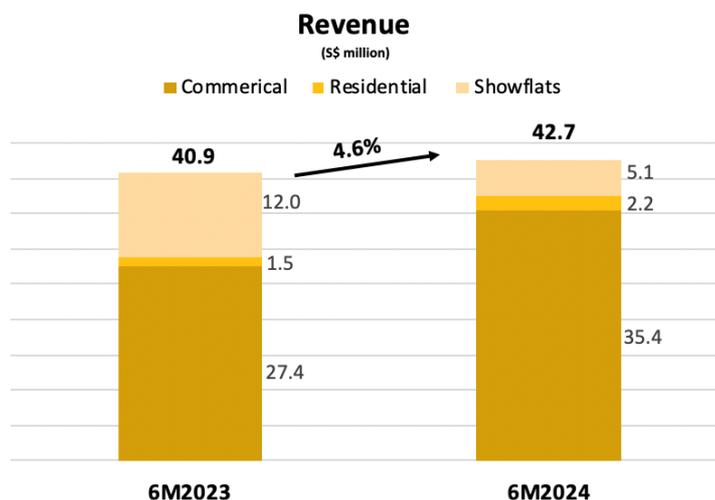
*To enhance our value propositions, we also pushed ahead with our strategic priorities and have made important progress in recent months that bolster our outlook for long-term growth.”*

On the Group’s maiden interim dividend declared, Mr. Tan added: *“Our consistent performance and healthy liquidity position have allowed us to declare our maiden interim dividend and announced the adoption of a dividend policy today. In the meantime, I would like to thank all of our shareholders for their patience.”*

**Driven by higher revenue contribution from the Group’s commercial and residential business segments, the Group’s revenue increased by 4.6% to approximately S\$42.7 million in 6M2024:** Lincotrade is engaged in the provision of interior fitting-out services, additions and alterations (“A&A”) works and other building construction services primarily for three business segments, commercial, residential and showflats.

During 6M2024, there was a higher percentage of revenue contribution from some of the Group’s larger commercial and residential projects while the larger showflat projects under the Group’s showflats segment were substantially completed during the financial year ended 30 June 2023. Proportion of the Group’s revenue from commercial business segment increased from 67.0% during 6M2023 to 82.9% during 6M2024.

As a result, revenue from commercial and residential segments increased by approximately S\$8.0 million or 29.3% and approximately S\$717,000 or 48.0% respectively in 6M2024.





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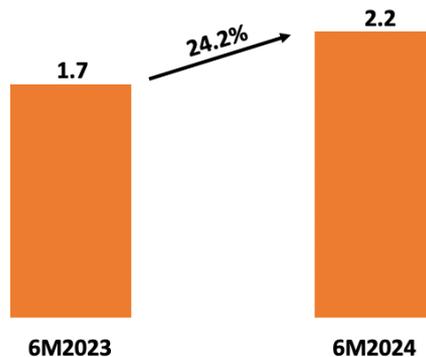
**Gross profit increased by 5.2% to approximately S\$4.5 million in 6M2024:** Corresponding to revenue growth during the period under review, the Group's gross profit margin increased marginally from 6M2023's 10.5% to 6M2024's 10.6%. The higher gross profit margin achieved in 6M2024 was mainly due to higher proportion of revenue generated from commercial segment, which generally yield higher margins for the Group.

**Registered higher profit before tax of S\$2.2 million in 6M2024:** Administrative expenses accounted for the majority of the Group's cost structure and in 6M2024, the Group's administrative expenses dipped by 1.1% to S\$1.5 million as compared to previous corresponding period.

With the completion of the RTO on 3 August 2022, the Group recognised the one-off non-cash RTO expenses of S\$10.8 million in accordance with the Singapore Financial Reporting Standards (International) in FY2023.

Excluding the one-off non-cash RTO expenses, Lincotrade would have recorded an adjusted profit before tax of approximately S\$1.7 million for 6M2023. As compared to its 6M2024's S\$2.2 million, the Group's profit before tax would have registered a growth of 24.2% in 6M2024.

**Adjusted Profit before Tax\***  
(S\$ million)



\* excluding one-off non-cash RTO expenses of approximately S\$10.8 million

**Generated net cash of approximately S\$4.6 million from operating activities during 6M2024:** The Group recorded operating cash flows before working capital changes of approximately S\$2.8 million and net cash of approximately S\$4.6 million generated from operating activities during 6M2024.

During 6M2024, the Group generated net cash of approximately S\$54,000 and S\$1.9 million from investing activities and financing activities respectively.

Overall, the Group registered a net increase of approximately S\$6.6 million in cash and cash equivalents during 6M2024 and the Group's cash and cash equivalents per statement of cash flows stood at S\$15.7 million as at 31 December 2023.



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**Total assets increased by 21.6% to approximately S\$42.7 million, of which cash and cash equivalents per statement of financial position increased to approximately S\$19.5 million as at 31 December 2023:** The Group's total assets comprise non-current assets of approximately S\$5.5 million and current assets of approximately S\$37.2 million as at 31 December 2023.

The key components of non-current assets are property, plant and equipment of approximately S\$1.1 million and non-current portion of trade and other receivables of approximately S\$4.4 million. The key components of current assets are cash and cash equivalents of approximately S\$19.5 million, contract assets of approximately S\$2.0 million and current portion of trade and other receivables of approximately S\$14.0 million.

As at end December 2023, the Group's total equity increased by 21.0% to approximately S\$10.6 million and total liabilities amounted to approximately S\$32.1 million, of which total non-current liabilities is approximately S\$902,000 and current liabilities is approximately S\$31.2 million. The key components of current liabilities are trade and other payables of approximately S\$15.7 million and other financial liabilities of approximately S\$14.5 million.

### *Recent Key Corporate Developments*

**Secured successful tender for a factory in Singapore that is larger than its current premises:** In January 2024, the Group announced the receipt of a Letter of Award by JTC Corporation ("JTC") dated 5 January 2024 in relation to the successful tender of a factory ("New JTC Property") located at 5 Tuas Avenue 12 Singapore 639025 with a bid price of approximately S\$9.6 million.

The New JTC Property is a leasehold property granted by JTC with a tenure of 20 years commencing from 26 March 2024. The New JTC Property is a 2-storey factory with a land area of approximately 6,498.50 square metres and a gross floor area of approximately 5,490.41 square metres.

The larger premises of the New JTC Property is suitable for the Group's existing operation's needs and also may cater to expected increase in business activities in the future. In addition, based on the Urban Redevelopment Authority's circular – Temporary Revision to Guidelines for Temporary Workers' Dormitories Within Industrial or Warehouse Developments dated 10 February 2023, temporary workers' dormitories can be considered on this JTC Property for up to 3 years, subject to relevant authorities' approvals. In accordance with the conditions of tenders, the Group has plans to install a solar photovoltaic system that can generate renewable energy for its operations.

**Establishment of new subsidiaries in Malaysia and the PRC to enhance the Group's business model and harness new business opportunities overseas:** The Group continues to proactively tender for new projects in Singapore, particularly those that are larger in terms of scale and contract value, to expand its order book with a healthy pipeline of new projects. As at 31 December 2023, the Group's order book stood at approximately S\$47.0 million which generally will be fulfilled during the next two years.



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To enhance its business model and harness new business opportunities beyond Singapore, the Group has set up subsidiaries in Malaysia and the People's Republic of China ("PRC").

In Malaysia, the Group intends to expand its business outreach with its niche in interior fitting-out works. While in China, the Group's subsidiary aims to strengthen its manufacturing capacity and enhance the quality of its carpentry products.

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*This press release is to be read in conjunction with Lincotrade's financial results announcement released on 14 February 2024, which can be downloaded via [www.sgx.com](http://www.sgx.com).*

### **About Lincotrade & Associates Holdings Limited**

(Bloomberg Code: LINASC:SP / SGX Code: BFT.SI)

Established in 1991 and based in Singapore, Lincotrade has over 30 years of experience in the interior fitting-out industry and have established a proven business track record since its inception. Since 2006, Lincotrade has had its own in-house processing facility to process, assemble and manufacture Carpentry Products to support and complement its interior fitting-out services.

Lincotrade is engaged in the provision of interior fitting-out services, additions and alterations ("A&A") works and other building construction services primarily for the following three segments:

- (a) commercial premises, such as offices, hotels, shopping malls and food and beverage establishments;
- (b) residential premises such as condominium developments; and
- (c) showflats and sales galleries.

Lincotrade's interior fitting-out projects encompass space planning and lay-out, interior construction and finishing works on floorings, ceilings, partitions, doors, fixtures and fittings, mechanical, electrical and plumbing works such as air-conditioning installation, water and sewage fit-outs, lighting, power and other works. Lincotrade also provide A&A works include minor alterations, extension, conversion and upgrading of buildings as well as minor repair and improvement works. In addition, Lincotrade provide building construction services which mainly consist of the construction of showflats and sales galleries.

As part of its sustainability strategy, the Group has an established environmental management system to enhance its environmental performance and reduce its impact on the environment.



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In addition to its commitment in the reduction of on-site energy consumption and construction waste, the Group has been using environmentally friendly materials, such as laminate and veneer made from reconstructed or recycled material, in its projects to reduce lumbering of forests. The Group was awarded the Singapore Green Label by the Singapore Environmental Council for its wooden panel doors which are made from renewable and sustainable materials.

For more information, please visit their website at <http://www.lincotrade.com.sg>

***Issued on behalf of Lincotrade and Associates Holdings Limited by 8PR Asia Pte Ltd.***

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*This announcement has been reviewed by the Company's sponsor, RHB Bank Berhad, through its Singapore branch (the "Sponsor") in accordance with Rule 226(2)(b) of the Catalist Rules. It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "Exchange") and the Exchange assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document.*

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