



## **Multi Ways Holdings Reports Robust Financial Performance in Fiscal Year 2023 Results**

SINGAPORE, May 16, 2024 -- Multi Ways Holdings Limited (“Multi Ways” or the “Company”) (NYSE American: MWG), a leading supplier of a wide range of heavy construction equipment for sales and rental in Singapore and the surrounding region, today announced fiscal year 2023 financial results.

"We are pleased to report on the strategic advancements Multi Ways Holdings Limited has achieved since our IPO a year ago," said Mr. James Lim, Chairman and Chief Executive Officer of Multi Ways Holdings Limited. "Our recent acquisition of cutting-edge SANY equipment and the formation of strategic partnerships underscore our commitment to delivering superior solutions to our customers across the region. With over two decades of industry experience, we have established ourselves as a reliable and trusted provider of heavy construction equipment."

"Despite a decrease in revenue, our focus on cost management and fleet optimization has resulted in improved net income and a strengthened financial position. The significant enhancement in our cash flows and working capital demonstrates our resilience and adaptability."

"Looking ahead, we are committed to maintaining our role as a comprehensive provider for heavy construction equipment needs. Our ongoing fleet renewal and expansion initiatives are designed to meet the evolving requirements of our clients, ensuring they have access to the most advanced and dependable machinery available. We remain focused on delivering exceptional value to our shareholders, customers, and the broader community, positioning Multi Ways for continued success in the competitive landscape," concluded Mr. Lim.

### **Fiscal Year 2023 Financial Highlights**

- Our total revenue decreased by approximately \$2.3 million or approximately 6.1% to approximately \$36.0 million for the year ended December 31, 2023 from approximately \$38.4 million for the year ended December 31, 2022. The decrease was mainly attributable to the decrease demand in our equipment sales of approximately \$7.5 million because of decrease in overseas demand.
- Our cost of revenues decreased by approximately \$1.3 million or approximately 4.4% to approximately \$27.4 million for the financial year ended December 31, 2023 from approximately \$28.6 million for the financial year ended December 31, 2022. Such decrease was mainly attributable to the decrease cost of revenues for the demand in our equipment sales of approximately \$1.5 million and offset the increase in Services of approximately \$0.3 million in 2023.

- Our total gross profit amounted to \$8.7 million and \$9.7 million for fiscal years ended December 31, 2023 and 2022, respectively. Our overall gross profit margins were approximately 24.0% and approximately 25.4% for fiscal years ended December 31, 2023 and 2022, respectively. Our total gross profit decrease was generally due to the lower profit margin through diversified purchasing networks from across various countries.
- Selling and distribution expenses mainly included promotion and marketing expenses and transportation expenses for inbound and outbound shipments. Our selling and distribution expenses were approximately \$1.0 million and approximately \$1.5 million for the fiscal years ended December 31, 2023 and 2022, respectively, representing approximately 2.6% and approximately 3.9% of our total revenue for the corresponding years.
- Administrative expenses were approximately \$10.8 million and approximately \$6.7 million for the years ended December 31, 2023 and 2022, respectively, representing approximately 29.9% and approximately 17.6% of our total revenue for the corresponding financial years.
  - Staff costs mainly represented the salaries, employee benefits and retirement benefit costs to our employees, directors' remuneration and directors' fees. Our staff costs were \$4.8 million and \$3.9 million for the fiscal years ended December 31, 2023 and 2022, respectively.
- Net income amounted to \$1.8 million and approximately \$1.0 million for the fiscal years ended December 31, 2023 and 2022, respectively

### **Cash Flows Summary**

- Cash and cash equivalents were approximately \$7.1 million as of December 31, 2023, compared to approximately \$1.0 million as of December 31, 2022.
- Cash provided by operating activities was approximately \$0.06 million for the fiscal year ended December 31, 2023, compared to approximately \$0.9 million for the fiscal year ended December 31, 2022
- Cash generated from investing activities was approximately \$6.8 million for the fiscal year ended December 31, 2023, primarily consisting of the purchases of property, plant and equipment of approximately \$2.0 million; the investment in equity securities of \$2.2 million and offset by the proceeds from disposal of property and equipment of approximately \$10.9 million and investment in financial assets available for sales of approximately \$0.1 million. This compares to net cash used in investing activities of approximately \$1.1 million for the fiscal year ended December 31, 2022.
- Cash used in financing activities for the fiscal year ended December 31, 2023 was \$0.9 million, which mainly consisted of bank loan repayment of \$7.4 million; the repayment of lease liabilities of \$6.4 million; the payment of dividend of \$10.5 million; loan from director of \$9.9 million and proceeds from share issuance net of deferred offering costs of \$13.5 million. This compares to cash used in financing activities of \$0.3 million for the fiscal year ended December 31, 2022.

## **Balance Sheet Summary**

- Total assets were approximately \$58.0 million, and total liabilities were approximately \$36.2 million at December 31, 2023.
- Working capital was approximately \$20.9 million at December 31, 2023, versus approximately \$2.9 million at December 31, 2022.
- Shareholders' equity was approximately \$21.8 million at December 31, 2023, as compared to approximately \$6.3 million at December 31, 2022.

## **About Multi Ways Holdings Limited**

Multi Ways Holdings supplies a wide range of heavy construction equipment for sales and rental in Singapore and the surrounding region. With more than two decades of experience in the sales and rental of heavy construction equipment business, the Company is widely established as a reliable supplier of new and used heavy construction equipment to customers from Singapore, Australia, UAE, Maldives, Indonesia, and the Philippines. With our wide variety of heavy construction equipment in our inventory and complementary equipment refurbishment and cleaning services, Multi Ways is well-positioned to serve customers as a one-stop shop. For more information, visit [www.multiwaysholdings.com](http://www.multiwaysholdings.com).

## **Safe Harbor Statement**

This press release contains forward-looking statements. In addition, from time to time, we or our representatives may make forward-looking statements orally or in writing. We base these forward-looking statements on our expectations and projections about future events, which we derive from the information currently available to us. Such forward-looking statements relate to future events or our future performance, including: our financial performance and projections; our growth in revenue and earnings; and our business prospects and opportunities. You can identify forward-looking statements by those that are not historical in nature, particularly those that use terminology such as “may,” “should,” “expects,” “anticipates,” “contemplates,” “estimates,” “believes,” “plans,” “projected,” “predicts,” “potential,” or “hopes” or the negative of these or similar terms. In evaluating these forward-looking statements, you should consider various factors, including: our ability to change the direction of the Company; our ability to keep pace with new technology and changing market needs; and the competitive environment of our business. These and other factors may cause our actual results to differ materially from any forward-looking statement. Forward-looking statements are only predictions. The forward-looking events discussed in this press release and other statements made from time to time by us or our representatives, may not occur, and actual events and results may differ materially and are subject to risks, uncertainties, and assumptions about us. We are not obligated to publicly update or revise any forward-looking statement, whether as a result of uncertainties and assumptions, the forward-looking events discussed in this press release and other statements made from time to time by us or our representatives might not occur.

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**MULTI WAYS HOLDINGS LIMITED AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
(Currency expressed in United States Dollars (“US\$”))

	<b>As of December 31</b>	
	<b>2023</b>	<b>2022</b>
	\$'000	\$'000
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	7,073	1,003
Accounts receivable, net	5,341	8,021
Inventories	36,692	31,442
Amounts due from related parties	1,068	50
Financial assets available for sales	242	325
Deposits, prepayments and other receivables	1,965	3,230
Total current assets	52,381	44,071
Non-current assets:		
Property and equipment, net	1,817	7,218
Right-of-use assets	1,592	1,489
Investment in equity securities	2,200	-
Deferred tax assets	11	8
Total non-current assets	5,620	8,715
<b>TOTAL ASSETS</b>	<b>58,001</b>	<b>52,786</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
Current liabilities:		
Accounts payable and accrued liabilities	4,758	4,781
Customer deposits	3,238	5,884
Amounts due to related parties	15,099	17,167
Bank borrowings	4,588	8,862
Lease liabilities	3,482	3,484
Income tax payable	313	1,007
Total current liabilities	31,478	41,185
Long-term liabilities:		
Bank borrowings	431	3,175
Lease liabilities	4,265	2,114
Total long-term liabilities	4,696	5,289
<b>TOTAL LIABILITIES</b>	<b>36,174</b>	<b>46,474</b>

Commitments and contingencies	-	-
Shareholders' equity		
Ordinary share, par value US\$0.00025, 400,000,000 shares authorized, 30,840,000 and 24,800,000 ordinary shares issued and outstanding as of December 31, 2023 and 2022, respectively	8	6
Additional paid-in capital	18,945	5,440
Retained earnings	3,024	1,235
Non-controlling interest	-	50
Accumulated other comprehensive loss	(150)	(419)
Total shareholders' equity	<u>21,827</u>	<u>6,312</u>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b><u>58,001</u></b>	<b><u>52,786</u></b>

**MULTI WAYS HOLDINGS LIMITED AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE**  
**INCOME**

(Currency expressed in United States Dollars (“US\$”))

	<b>Financial Years ended December 31,</b>		
	<b>2023</b>	<b>2022</b>	<b>2021</b>
	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
Revenues, net	36,016	38,359	33,406
Cost of revenue	<u>(27,366)</u>	<u>(28,617)</u>	<u>(24,049)</u>
Gross profit	<u>8,650</u>	<u>9,742</u>	<u>9,357</u>
Operating cost and expenses:			
Selling and distribution	(952)	(1,502)	(1,114)
General and administrative	<u>(10,776)</u>	<u>(6,745)</u>	<u>(6,609)</u>
Total operating cost and expenses	<u>(11,728)</u>	<u>(8,247)</u>	<u>(7,723)</u>
<b>Profit/(Loss) from operations</b>	<b><u>(3,078)</u></b>	<b><u>1,495</u></b>	<b><u>1,634</u></b>
Other income (expense):			
Gain on early termination on lease liability	113	-	-
Gain from disposal of plant and equipment	5,048	2	305
Interest income	57	*	19
Interest expense	(1,105)	(748)	(716)
Dividend income	16	7	-
Government grant	22	81	109
Foreign exchange (loss) gain, net	(43)	(93)	(44)
Other income	<u>656</u>	<u>813</u>	<u>724</u>
Total other income, net	<u>4,764</u>	<u>62</u>	<u>397</u>
<b>Income before income taxes</b>	<b>1,686</b>	<b>1,557</b>	<b>2,031</b>
Income tax expense (benefit)	<u>53</u>	<u>(529)</u>	<u>(230)</u>
<b>NET INCOME</b>	<b>1,739</b>	<b>1,028</b>	<b>1,801</b>
Less: Net income attributable to non-controlling interest	<u>50</u>	<u>(50)</u>	<u>-</u>

**NET INCOME ATTRIBUTABLE TO  
EQUITY HOLDER OF THE  
COMPANY**

	<u>1,789</u>	<u>978</u>	<u>1,801</u>
Net income per share			
Basic and Diluted	<u>0.06</u>	<u>0.04</u>	<u>0.07</u>
Weighted average number of ordinary shares outstanding			
Basic and Diluted ('000)	<u>29,284</u>	<u>24,800</u>	<u>24,800</u>

**NET INCOME ATTRIBUTABLE TO  
EQUITY HOLDER OF THE  
COMPANY**

	1,789	978	1,801
Other comprehensive income (loss):			
Foreign currency translation adjustment	<u>269</u>	<u>(74)</u>	<u>(345)</u>
<b>COMPREHENSIVE INCOME</b>	<u>2,058</u>	<u>904</u>	<u>1,456</u>

\* This figure is immaterial



**MULTI WAYS HOLDINGS LIMITED AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(Currency expressed in United States Dollars (“US\$”))

	<b>Financial Years ended December 31,</b>		
	<b>2023</b>	<b>2022</b>	<b>2021</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Cash flows from operating activities:</b>			
Net income before tax	1,686	1,557	2,031
Adjustments to reconcile net income to net cash provided by operating activities			
Depreciation of property and equipment	907	800	822
Depreciation of right-of-use assets	866	828	775
Inventories written down	452	-	1,508
Written off of advance to suppliers	956	-	-
Gain on disposal of property and equipment	(5,048)	(2)	(305)
Gain on early termination on lease liability	(113)	-	-
Provision (reversal) of impairment of trade receivables	145	193	(110)
Loss on revaluation of quoted share	22	-	-
Change in operating assets and liabilities:			
Accounts receivable	1,763	(2,644)	710
Inventories	3,631	940	(2,757)
Deposits, prepayments and other receivables	408	1,702	(1,900)
Accounts payable and accrued liabilities	(2,119)	1,964	(1,329)
Customer deposits	(2,826)	(4,387)	5,797
Income tax payable	(675)	(41)	388
Net cash provided by operating activities	<u>55</u>	<u>910</u>	<u>5,630</u>
<b>Cash flows from investing activities:</b>			
Purchase of property and equipment	(1,955)	(817)	-
Proceeds from disposal of property and equipment	10,894	2	343
Investment in equity securities	(2,200)	-	-
Proceeds from/ (investment in) financial assets available for sales	71	(325)	-
Net cash generated from (used in) investing activities	<u>6,810</u>	<u>(1,140)</u>	<u>343</u>

**Cash flows from financing activities:**

Repayment of bank borrowings	(7,369)	(105)	(3,712)
Repayment of lease liabilities	(6,369)	(114)	(1,046)
Proceeds from shares issuance net of deferred offering costs	13,506	-	-
Payment of dividends	(10,524)	(77)	-
Loan from director	9,881	-	-
Net cash used in financing activities	<u>(875)</u>	<u>(296)</u>	<u>(4,758)</u>

Effect on exchange rate change on cash and cash equivalents

80 (4) (7)

**Net change in cash and cash equivalent**6,070 (530) 1,208**BEGINNING OF YEAR**

1,003 1,533 325

**END OF YEAR**7,073 1,003 1,533**SUPPLEMENTAL CASH FLOW INFORMATION:**

Cash (paid) refund for income taxes	(675)	(40)	158
Cash paid for interest	<u>1,051</u>	<u>748</u>	<u>717</u>