



**MTQ Corporation Limited and its Subsidiaries**  
(Company Registration No. 196900057Z)

**Unaudited Condensed Interim Financial Statements**  
**For the six-month financial period ended 30 September 2024**

## MTQ Corporation Limited and its Subsidiaries

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**MTQ Corporation Limited and its Subsidiaries**

**Condensed interim consolidated statement of comprehensive income  
For the six-month financial period ended 30 September 2024**

(In Singapore dollars)

|  | <b>Note</b> | <b>30.9.2024</b> | <b>30.9.2023</b> | <b>Change</b> |
|--|-------------|------------------|------------------|---------------|
|  |             | \$'000           | \$'000           | %             |
| Revenue  | 4           | 37,218           | 36,684           | 1%            |
| Cost of sales  |             | (24,877)         | (25,732)         | -3%           |
| Gross profit   |             | 12,341           | 10,952           | 13%           |
| Other income   | 5           | 220              | 6,691            | -97%          |
| Staff costs  |             | (4,349)          | (3,984)          | 9%            |
| Other operating expenses   |             | (5,204)          | (4,839)          | 8%            |
| <b>Profit from operating activities</b>                                    | 6           | 3,008            | 8,820            | -66%          |
| Finance costs  | 7           | (716)            | (937)            | -24%          |
| <b>Profit before tax from continuing operations</b>                        |             | 2,292            | 7,883            | -71%          |
| Tax expense  | 8           | (78)             | (81)             | -4%           |
| <b>Profit from continuing operations, net of tax</b>                       |             | 2,214            | 7,802            | -72%          |
| <b>Discontinued operations:</b>  |             |                  |                  |               |
| <b>Loss from discontinued operation, net of tax</b>                        | 11          | –                | (169)            | -100%         |
| <b>Profit for the period</b>   |             | 2,214            | 7,633            | -71%          |
| <b>Other comprehensive income:</b>   |             |                  |                  |               |
| <i>Items that may be reclassified subsequently to profit or loss:</i>      |             |                  |                  |               |
| Exchange difference on translation of subsidiaries                         |             | (2,244)          | 954              | n/m           |
| <i>Items that will not be reclassified subsequently to profit or loss:</i> |             |                  |                  |               |
| Net change in fair value of other investment                               |             | 306              | 1,079            | -72%          |
| <b>Other comprehensive income for the period, net of tax</b>               |             | (1,938)          | 2,033            | n/m           |
| <b>Total comprehensive income for the period</b>                           |             | 276              | 9,666            | -97%          |

**MTQ Corporation Limited and its Subsidiaries**

**Condensed interim consolidated statement of comprehensive income (cont'd)  
For the six-month financial period ended 30 September 2024**

(In Singapore dollars)

|  | Note | 30.9.2024<br>\$'000 | 30.9.2023<br>\$'000 | Change<br>% |
|--|------|---------------------|---------------------|-------------|
| <b>Profit for the period</b>   |      | 2,214               | 7,633               | -71%        |
| <b>Attributable to:</b>  |      |                     |                     |             |
| Owners of the Company  |      |                     |                     |             |
| From continuing operations   |      | 2,214               | 7,802               | -72%        |
| From discontinued operation  |      | –                   | (169)               | -100%       |
| <b>Profit for the period attributable to Owners of the Company</b>                       |      | 2,214               | 7,633               | -71%        |
| <b>Total comprehensive income for the period</b>   |      | 276                 | 9,666               | -97%        |
| <b>Attributable to:</b>  |      |                     |                     |             |
| Owners of the Company  |      |                     |                     |             |
| From continuing operations   |      | 276                 | 9,835               | -97%        |
| From discontinued operation  |      | –                   | (169)               | -100%       |
| <b>Total comprehensive income for the period</b>   |      | 276                 | 9,666               | -97%        |
| <b>Earnings/(loss) per share attributable to owners of the Company (cents per share)</b> |      |                     |                     |             |
| - Basic  |      |                     |                     |             |
| From continuing operations   | 9(a) | 0.98                | 3.48                |             |
| From discontinued operation  | 11   | –                   | (0.08)              |             |
| Total earnings per share   | 9(b) | 0.98                | 3.40                |             |
| - Diluted  |      |                     |                     |             |
| From continuing operations   | 9(a) | 0.98                | 3.48                |             |
| From discontinued operation  | 11   | –                   | (0.08)              |             |
| Total earnings per share   | 9(b) | 0.98                | 3.40                |             |

n/m: not meaningful

**MTQ Corporation Limited and its Subsidiaries**

**Condensed interim balance sheets  
As at 30 September 2024**

(In Singapore dollars)

|   | Note | Group               |                     | Company             |                     |
|---|------|---------------------|---------------------|---------------------|---------------------|
|   |      | 30.9.2024<br>\$'000 | 31.3.2024<br>\$'000 | 30.9.2024<br>\$'000 | 31.3.2024<br>\$'000 |
| <b>Non-current assets</b>                           |      |                     |                     |                     |                     |
| Goodwill  | 12   | 2,996               | 2,975               | –                   | –                   |
| Intangible assets                                   | 12   | 324                 | 271                 | –                   | –                   |
| Investment property                                 |      | –                   | –                   | 6,302               | 6,428               |
| Property, plant and equipment                       | 13   | 43,485              | 35,469              | 156                 | 181                 |
| Right-of-use assets                                 | 14   | 19,189              | 20,032              | 12,491              | 12,848              |
| Interests in subsidiaries                           |      | –                   | –                   | 41,323              | 34,036              |
| Other investment                                    | 15   | –                   | 8,903               | –                   | –                   |
| Investment in associate and joint venture           |      | –                   | –                   | 114                 | 114                 |
| Receivables   |      | –                   | –                   | 81                  | 9,082               |
| Prepayments   |      | 38                  | 793                 | 32                  | 31                  |
| Deferred tax assets                                 |      | 147                 | 166                 | –                   | –                   |
|   |      | 66,179              | 68,609              | 60,499              | 62,720              |
| <b>Current assets</b>                               |      |                     |                     |                     |                     |
| Inventories   |      | 19,191              | 19,764              | –                   | –                   |
| Trade and other receivables                         |      | 26,887              | 25,513              | 17,927              | 23,602              |
| Prepayments   |      | 1,871               | 2,160               | 118                 | 115                 |
| Cash and cash equivalents                           |      | 6,392               | 12,291              | 291                 | 4,636               |
|   |      | 54,341              | 59,728              | 18,336              | 28,353              |
| <b>Total assets</b>                                 |      | <b>120,520</b>      | <b>128,337</b>      | <b>78,835</b>       | <b>91,073</b>       |
| <b>Current liabilities</b>                          |      |                     |                     |                     |                     |
| Trade and other payables                            |      | 15,716              | 14,422              | 2,075               | 1,976               |
| Lease liabilities                                   | 14   | 862                 | 904                 | 482                 | 473                 |
| Bank borrowings                                     | 17   | 979                 | 1,508               | 479                 | 1,008               |
| Provision for taxation                              |      | 509                 | 860                 | 471                 | 860                 |
|   |      | 18,066              | 17,694              | 3,507               | 4,317               |
| <b>Net current assets</b>                           |      | <b>36,275</b>       | <b>42,034</b>       | <b>14,829</b>       | <b>24,036</b>       |
| <b>Non-current liabilities</b>                      |      |                     |                     |                     |                     |
| Lease liabilities                                   | 14   | 18,590              | 19,099              | 11,148              | 11,391              |
| Bank borrowings                                     | 17   | 5,642               | 12,361              | –                   | 9,000               |
| Deferred tax liabilities                            |      | 300                 | 317                 | 109                 | 134                 |
| Provisions  |      | –                   | 96                  | –                   | 96                  |
|   |      | 24,532              | 31,873              | 11,257              | 20,621              |
| <b>Total liabilities</b>                            |      | <b>42,598</b>       | <b>49,567</b>       | <b>14,764</b>       | <b>24,938</b>       |
| <b>Net assets</b>                                   |      | <b>77,922</b>       | <b>78,770</b>       | <b>64,071</b>       | <b>66,135</b>       |
| <b>Equity attributable to owners of the Company</b> |      |                     |                     |                     |                     |
| Share capital                                       | 18   | 50,836              | 50,836              | 50,836              | 50,836              |
| Treasury shares                                     | 18   | (41)                | (41)                | (41)                | (41)                |
| Reserves  |      | 27,127              | 27,975              | 13,276              | 15,340              |
| <b>Shareholders' fund and total equity</b>          |      | <b>77,922</b>       | <b>78,770</b>       | <b>64,071</b>       | <b>66,135</b>       |

**MTQ Corporation Limited and its Subsidiaries**

**Condensed interim statement of changes in equity  
For the six-month financial period ended 30 September 2024**

(In Singapore dollars)

| <b>Group</b>  | <b>Note</b> | <b>Share capital<br/>\$'000</b> | <b>Treasury shares<br/>\$'000</b> | <b>Foreign currency translation reserve<br/>\$'000</b> | <b>Retained earnings<br/>\$'000</b> | <b>Other reserves<br/>\$'000</b> | <b>Total equity<br/>\$'000</b> |
|---|-------------|---------------------------------|-----------------------------------|--|-------------------------------------|----------------------------------|--------------------------------|
| <b>Balance as at 1 April 2023</b>   |             | 49,579                          | (41)                              | (2,182)  | 18,439                              | (2,754)                          | 63,041                         |
| Profit for the period, net of tax   |             | –                               | –                                 | –  | 7,633                               | –                                | 7,633                          |
| Exchange difference on translation of subsidiaries  |             | –                               | –                                 | 954  | –                                   | –                                | 954                            |
| Net change in fair value of other investment  |             | –                               | –                                 | –  | –                                   | 1,079                            | 1,079                          |
| <b>Total comprehensive income for the period</b>  |             | –                               | –                                 | 954  | 7,633                               | 1,079                            | 9,666                          |
| Dividend paid in respect of previous financial year, tax exempt (one-tier)                    | 19          | –                               | –                                 | –  | (1,124)                             | –                                | (1,124)                        |
| Issuance of ordinary shares on exercise of warrants pursuant to MTQ Rights cum Warrants Issue | 18          | 1,257                           | –                                 | –  | –                                   | –                                | 1,257                          |
| <b>Total contributions by and distributions to owners</b>                                     |             | 1,257                           | –                                 | –  | (1,124)                             | –                                | 133                            |
| <b>Balance as at 30 September 2023</b>  |             | 50,836                          | (41)                              | (1,228)  | 24,948                              | (1,675)                          | 72,840                         |
| <b>Balance as at 1 April 2024</b>   |             | 50,836                          | (41)                              | (1,620)  | 25,605                              | 3,990                            | 78,770                         |
| Profit for the period, net of tax   |             | –                               | –                                 | –  | 2,214                               | –                                | 2,214                          |
| Exchange difference on translation of subsidiaries  |             | –                               | –                                 | (2,244)  | –                                   | –                                | (2,244)                        |
| Net change in fair value of other investment  | 15          | –                               | –                                 | –  | –                                   | 306                              | 306                            |
| <b>Total comprehensive income for the period</b>  |             | –                               | –                                 | (2,244)  | 2,214                               | 306                              | 276                            |
| Dividend paid in respect of previous financial year, tax exempt (one-tier)                    | 19          | –                               | –                                 | –  | (1,124)                             | –                                | (1,124)                        |
| <b>Total contributions by and distributions to owners</b>                                     |             | –                               | –                                 | –  | (1,124)                             | –                                | (1,124)                        |
| <b>Balance as at 30 September 2024</b>  |             | 50,836                          | (41)                              | (3,864)  | 26,695                              | 4,296                            | 77,922                         |

**MTQ Corporation Limited and its Subsidiaries**

**Condensed interim statement of changes in equity  
For the six-month financial period ended 30 September 2024**

(In Singapore dollars)

|  | Note | Share<br>capital<br>\$'000 | Treasury<br>shares<br>\$'000 | Retained<br>earnings<br>\$'000 | Other<br>reserves<br>\$'000 | Total equity<br>\$'000 |
|--|------|----------------------------|------------------------------|--------------------------------|-----------------------------|------------------------|
| <b>Company</b>   |      |                            |                              |                                |                             |                        |
| <b>Balance as at 1 April 2023</b>  |      | 49,579                     | (41)                         | 3,205                          | 2,507                       | 55,250                 |
| Profit for the period, net of tax  |      | –                          | –                            | 6,763                          | –                           | 6,763                  |
| <b>Total comprehensive income<br/>for the period</b>   |      | –                          | –                            | 6,763                          | –                           | 6,763                  |
| Dividend paid in respect of<br>previous financial year, tax<br>exempt (one-tier)                       | 19   | –                          | –                            | (1,124)                        | –                           | (1,124)                |
| Issuance of ordinary shares on<br>exercise of warrants pursuant<br>to MTQ Rights cum Warrants<br>Issue | 18   | 1,257                      | –                            | –                              | –                           | 1,257                  |
| <b>Total contributions by and<br/>distributions to owners</b>  |      | 1,257                      | –                            | (1,124)                        | –                           | 133                    |
| <b>Balance as at 30 September<br/>2023</b>   |      | 50,836                     | (41)                         | 8,844                          | 2,507                       | 62,146                 |
| <b>Balance as at 1 April 2024</b>  |      | 50,836                     | (41)                         | 12,833                         | 2,507                       | 66,135                 |
| Loss for the period, net of tax  |      | –                          | –                            | (940)                          | –                           | (940)                  |
| <b>Total comprehensive income<br/>for the period</b>   |      | –                          | –                            | (940)                          | –                           | (940)                  |
| Dividend paid in respect of<br>previous financial year, tax<br>exempt (one-tier)                       | 19   | –                          | –                            | (1,124)                        | –                           | (1,124)                |
| <b>Total contributions by and<br/>distributions to owners</b>  |      | –                          | –                            | (1,124)                        | –                           | (1,124)                |
| <b>Balance as at 30 September<br/>2024</b>   |      | 50,836                     | (41)                         | 10,769                         | 2,507                       | 64,071                 |

**MTQ Corporation Limited and its Subsidiaries****Condensed interim consolidated cash flow statement  
For the six-month financial period ended 30 September 2024**

(In Singapore dollars)

|  | <b>Note</b> | <b>30.9.2024</b> | <b>30.9.2023</b> |
|--|-------------|------------------|------------------|
|  |             | \$'000           | \$'000           |
| <b>Cash flows from operating activities:</b>   |             |                  |                  |
| Profit before tax from continuing operations   |             | 2,292            | 7,883            |
| Loss before tax from discontinued operation  |             | –                | (169)            |
| Adjustments for:   |             |                  |                  |
| Depreciation of property, plant and equipment  |             | 1,493            | 1,475            |
| Depreciation of right-of-use assets  | 6           | 679              | 650              |
| Amortization of intangible assets  | 6           | 100              | 73               |
| Gain/(loss) on disposal of property, plant and equipment, net  |             | 11               | (47)             |
| Gain on disposal of assets held for sale and liabilities directly associated with the assets held for sale, net of transaction costs | 5           | –                | (6,367)          |
| Allowance/(reversal of allowance) for inventory obsolescence and stock written-off, net  | 6           | 205              | (105)            |
| Interest income  |             | –                | (1)              |
| Interest expense   | 7           | 716              | 937              |
| Provisions made during the period  |             | –                | 4                |
|  |             | <hr/>            | <hr/>            |
| <b>Operating cash flows before changes in working capital</b>  |             | 5,496            | 4,333            |
| Increase in receivables and prepayments  |             | (2,184)          | (90)             |
| Increase in inventories and work-in-progress   |             | (267)            | (1,840)          |
| Increase/(decrease) in payables  |             | 592              | (4,212)          |
| Others   |             | (21)             | (68)             |
|  |             | <hr/>            | <hr/>            |
| <b>Cash generated from/(used in) operations</b>  |             | 3,616            | (1,877)          |
| Interest income received   |             | –                | 1                |
| Interest expense paid  |             | (611)            | (988)            |
| Income taxes paid  |             | (429)            | (9)              |
|  |             | <hr/>            | <hr/>            |
| <b>Net cash generated from/(used in) operating activities</b>  |             | 2,576            | (2,873)          |



**MTQ Corporation Limited and its Subsidiaries**

**Condensed interim consolidated cash flow statement (cont'd)  
For the six-month financial period ended 30 September 2024**

(In Singapore dollars)

|  | <b>Note</b> | <b>30.9.2024</b> | <b>30.9.2023</b> |
|--|-------------|------------------|------------------|
|  |             | \$'000           | \$'000           |
| <b>Cash flows from investing activities:</b>   |             |                  |                  |
| Purchase of property, plant and equipment  |             | (8,496)          | (1,837)          |
| Addition of intangible assets  | 12          | (166)            | –                |
| Indirect costs of obtaining a lease  |             | (14)             | (107)            |
| Proceeds from disposal of property, plant and equipment  | 13          | –                | 311              |
| Proceeds from disposal of assets held for sale and liabilities directly associated with the assets held for sale, net of transaction costs |             | –                | 5,548            |
| Proceeds from sale of quoted investment, net of brokerage  | 15          | 9,209            | –                |
| Loans repaid by staff  |             | 12               | 16               |
| <b>Net cash generated from investing activities</b>  |             | <b>545</b>       | <b>3,931</b>     |
| <b>Cash flows from financing activities:</b>   |             |                  |                  |
| Proceeds from exercise of warrants pursuant to MTQ Rights cum Warrants Issue   | 18          | –                | 1,257            |
| Dividend paid in respect of previous financial year, tax exempt (one-tier)   | 19          | (1,124)          | (1,124)          |
| Proceeds from bank borrowings  |             | 5,500            | –                |
| Repayment of bank borrowings   |             | (12,715)         | (5,670)          |
| Repayment of principal portion of lease liabilities  |             | (496)            | (641)            |
| <b>Net cash used in financing activities</b>   |             | <b>(8,835)</b>   | <b>(6,178)</b>   |
| <b>Net decrease in cash and cash equivalents</b>   |             | <b>(5,714)</b>   | <b>(5,120)</b>   |
| Cash and cash equivalents at beginning of financial period   |             | 12,291           | 13,568           |
| Effect of exchange rate changes on cash and cash equivalents   |             | (185)            | 134              |
| <b>Cash and cash equivalents at end of financial period</b>  |             | <b>6,392</b>     | <b>8,582</b>     |

## MTQ Corporation Limited and its Subsidiaries

### Notes to the condensed interim financial statements For the six-month financial period ended 30 September 2024

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(In Singapore dollars)

#### 1. Corporate information

MTQ Corporation Limited (the "Company") is a limited liability company incorporated and domiciled in Singapore and is listed on the Singapore Exchange Securities Trading Limited ("SGX-ST"). These condensed interim financial statements as at and for the six-month financial period ended 30 September 2024 comprise the Company and its subsidiaries (collectively, the "Group").

The principal activities of the Company relate to those of an investment holding and management company. The principal activities of the subsidiaries are disclosed in the Group's annual consolidated financial statements as at 31 March 2024.

#### 2. Basis of preparation

The condensed interim financial statements for the six-month financial period ended 30 September 2024 have been prepared in accordance with Singapore Financial Reporting Standards (International) ("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 annual financial statements for the financial year ended 31 March 2024.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

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

##### 2.1 ***New and amended standards adopted by the Group***

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

##### 2.2 ***Use of judgements and estimates***

In preparing the condensed interim financial statement, 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 the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 March 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.

**MTQ Corporation Limited and its Subsidiaries**

**Notes to the condensed interim financial statements  
For the six-month financial period ended 30 September 2024**

(In Singapore dollars)

**3. Seasonal operations**

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

**4. Segment and revenue information**

(a) *Revenue*

*Disaggregation of revenue*

|  | Services, repair and contract revenue |           | Trading sales |           | Rental income |           | Total continuing operations |           | Discontinued operation (Note 11) |           | Total     |           |
|--|---------------------------------------|-----------|---------------|-----------|---------------|-----------|-----------------------------|-----------|----------------------------------|-----------|-----------|-----------|
|  | 30.9.2024                             | 30.9.2023 | 30.9.2024     | 30.9.2023 | 30.9.2024     | 30.9.2023 | 30.9.2024                   | 30.9.2023 | 30.9.2024                        | 30.9.2023 | 30.9.2024 | 30.9.2023 |
|  | \$'000                                | \$'000    | \$'000        | \$'000    | \$'000        | \$'000    | \$'000                      | \$'000    | \$'000                           | \$'000    | \$'000    | \$'000    |
| <b>Major product or service lines</b>          |                                       |           |               |           |               |           |                             |           |                                  |           |           |           |
| <b>Oilfield Engineering</b>                    |                                       |           |               |           |               |           |                             |           |                                  |           |           |           |
| Oilfield services                              | 29,539                                | 29,820    | –             | –         | –             | –         | 29,539                      | 29,820    | –                                | –         | 29,539    | 29,820    |
| Trading/sales of oilfield equipment and spares | –                                     | –         | 6,634         | 6,382     | –             | –         | 6,634                       | 6,382     | –                                | 983       | 6,634     | 7,365     |
| Rental services                                | –                                     | –         | –             | –         | 521           | 142       | 521                         | 142       | –                                | –         | 521       | 142       |
| Other services                                 | 524                                   | 340       | –             | –         | –             | –         | 524                         | 340       | –                                | –         | 524       | 340       |
|  | 30,063                                | 30,160    | 6,634         | 6,382     | 521           | 142       | 37,218                      | 36,684    | –                                | 983       | 37,218    | 37,667    |
| <b>Timing of transfer of goods or services</b> |                                       |           |               |           |               |           |                             |           |                                  |           |           |           |
| At a point in time                             | –                                     | –         | 6,634         | 6,382     | –             | –         | 6,634                       | 6,382     | –                                | 983       | 6,634     | 7,365     |
| Over time                                      | 30,063                                | 30,160    | –             | –         | 521           | 142       | 30,584                      | 30,302    | –                                | –         | 30,584    | 30,302    |
|  | 30,063                                | 30,160    | 6,634         | 6,382     | 521           | 142       | 37,218                      | 36,684    | –                                | 983       | 37,218    | 37,667    |

**MTQ Corporation Limited and its Subsidiaries**

**Notes to the condensed interim financial statements  
For the six-month financial period ended 30 September 2024**

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(In Singapore dollars)

**4. Segment and revenue information (cont'd)**

(b) *Operating segments*

For management purposes, the Group's operating businesses are organised and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different industries as follows:

(i) *Investment holding*

Holds investments and provides management and corporate services to its subsidiaries. It also derives dividend and rental income from its subsidiaries and quoted investments. The Group's central overheads are also classified within this segment. This segment operates mainly in Singapore.

(ii) *Oilfield engineering*

Provides engineering services for the servicing, manufacturing, assembly and fabrication of oilfield equipment such as valves and blow-out-preventers used in the oil and gas industry. This segment also engages in the business of renting and sale of oilfield equipment and spare parts. This segment operates primarily in Singapore, Kingdom of Bahrain, United Kingdom and the United Arab Emirates.

The design and manufacturing of proprietary and custom-built pipe support and pipe suspension solutions for the oil and gas industry business in Australia has been represented as discontinued operation following the disposal in the prior year (Note 11).

Except as indicated above, no operating segments have been aggregated to form the above reportable operating segments.

Segment revenue, expenses and results include transfers between business segments. These transfers are eliminated on consolidation.

MTQ Corporation Limited and its Subsidiaries

Notes to the condensed interim financial statements  
For the six-month financial period ended 30 September 2024

(In Singapore dollars)

4. Segment and revenue information (cont'd)

(b) *Operating segments (cont'd)*

|  | Continuing operations        |                                |                        |      |                    | Discontinued operation<br>\$'000 | Per consolidated financial statements<br>\$'000 |
|--|------------------------------|--------------------------------|------------------------|------|--------------------|----------------------------------|---|
|  | Investment holding<br>\$'000 | Oilfield engineering<br>\$'000 | Eliminations<br>\$'000 | Note | Subtotal<br>\$'000 |                                  |   |
| <b>6 months ended 30.9.2024</b>                        |                              |                                |                        |      |                    |                                  |   |
| <b>Revenue:</b>  |                              |                                |                        |      |                    |                                  |   |
| External sales   | –                            | 37,218                         | –                      |      | 37,218             | –                                | 37,218  |
| Inter-segment sales                                    | 3,643                        | 1,833                          | (5,476)                | A    | –                  | –                                | –   |
| Total sales  | 3,643                        | 39,051                         | (5,476)                |      | 37,218             | –                                | 37,218  |
| <b>Results:</b>  |                              |                                |                        |      |                    |                                  |   |
| Rental income  | 54                           | –                              | –                      |      | 54                 | –                                | 54  |
| Depreciation and amortization                          | (715)                        | (1,557)                        | –                      |      | (2,272)            | –                                | (2,272)   |
| Loss on disposal of property, plant and equipment, net | (11)                         | –                              | –                      |      | (11)               | –                                | (11)  |
| Allowance for inventory obsolescence                   | –                            | (205)                          | –                      |      | (205)              | –                                | (205)   |
| Finance costs  | (345)                        | (371)                          | –                      |      | (716)              | –                                | (716)   |
| Segment (loss)/profit before tax                       | (3,736)                      | 6,028                          | –                      |      | 2,292              | –                                | 2,292   |
| Tax credit/(expense)                                   | 6                            | (84)                           | –                      |      | (78)               | –                                | (78)  |

**MTQ Corporation Limited and its Subsidiaries**

**Notes to the condensed interim financial statements  
For the six-month financial period ended 30 September 2024**

(In Singapore dollars)

**4. Segment and revenue information (cont'd)**

**(b) Operating segments (cont'd)**

|   | Continuing operations        |                                |                        |      |                    | Discontinued operation<br>\$'000 | Per consolidated financial statements<br>\$'000 |
|---|------------------------------|--------------------------------|------------------------|------|--------------------|----------------------------------|---|
|   | Investment holding<br>\$'000 | Oilfield engineering<br>\$'000 | Eliminations<br>\$'000 | Note | Subtotal<br>\$'000 |                                  |   |
| <b>6 months ended 30.9.2023</b>   |                              |                                |                        |      |                    |                                  |   |
| <b>Revenue:</b>   |                              |                                |                        |      |                    |                                  |   |
| External sales  | –                            | 36,684                         | –                      |      | 36,684             | 983                              | 37,667  |
| Inter-segment sales   | 4,320                        | 2,233                          | (6,572)                | A    | (19)               | 19                               | –   |
| <b>Total sales</b>  | <b>4,320</b>                 | <b>38,917</b>                  | <b>(6,572)</b>         |      | <b>36,665</b>      | <b>1,002</b>                     | <b>37,667</b>                                   |
| <b>Results:</b>   |                              |                                |                        |      |                    |                                  |   |
| Interest income   | –                            | –                              | –                      |      | –                  | 1                                | 1   |
| Rental income   | 57                           | –                              | –                      |      | 57                 | –                                | 57  |
| Depreciation and amortization   | (701)                        | (1,493)                        | –                      |      | (2,194)            | (4)                              | (2,198)   |
| (Loss)/gain on disposal of property, plant and equipment and fixed assets written-off, net  | (15)                         | 62                             | –                      |      | 47                 | –                                | 47  |
| Gain/(loss) on disposal of assets held for sale and liabilities directly associated with the assets held for sale, net of transaction costs | 6,384                        | (17)                           | –                      |      | 6,367              | –                                | 6,367   |
| Reversal of allowance for inventory obsolescence and stock written-off, net   | –                            | 105                            | –                      |      | 105                | –                                | 105   |
| Finance costs   | (683)                        | (254)                          | –                      |      | (937)              | –                                | (937)   |
| Segment profit/(loss) before tax  | 1,917                        | 5,966                          | –                      |      | 7,883              | (169)                            | 7,714   |
| Tax expense   | (34)                         | (47)                           | –                      |      | (81)               | –                                | (81)  |

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

Note A: Inter-segment revenues are eliminated on consolidation.

**MTQ Corporation Limited and its Subsidiaries**

**Notes to the condensed interim financial statements  
For the six-month financial period ended 30 September 2024**

(In Singapore dollars)

**4. Segment and revenue information (cont'd)**

**(b) Operating segments (cont'd)**

|  | <b>Continuing operations</b> |                             |                 | <b>Total</b>    |
|--|------------------------------|-----------------------------|-----------------|-----------------|
|  | <b>Investment holding</b>    | <b>Oilfield engineering</b> | <b>Subtotal</b> |                 |
|  | \$'000                       | \$'000                      | \$'000          | \$'000          |
| <b>Assets and liabilities:<br/>As at 30.9.2024</b> |                              |                             |                 |                 |
| Segment assets                                     | 27,239                       | 93,134                      | 120,373         | 120,373         |
| Deferred tax assets                                |                              |                             |                 | 147             |
| Total assets                                       |                              |                             |                 | <u>120,520</u>  |
| Segment liabilities                                | (16,277)                     | (18,891)                    | (35,168)        | (35,168)        |
| Provision for taxation                             |                              |                             |                 | (509)           |
| Deferred tax liabilities                           |                              |                             |                 | (300)           |
| Bank borrowings                                    |                              |                             |                 | (6,621)         |
| Total liabilities                                  |                              |                             |                 | <u>(42,598)</u> |

|  | <b>Continuing operations</b> |                             |                 | <b>Total</b>    |
|--|------------------------------|-----------------------------|-----------------|-----------------|
|  | <b>Investment holding</b>    | <b>Oilfield engineering</b> | <b>Subtotal</b> |                 |
|  | \$'000                       | \$'000                      | \$'000          | \$'000          |
| <b>Assets and liabilities:<br/>As at 31.3.2024</b> |                              |                             |                 |                 |
| Segment assets                                     | 41,661                       | 86,510                      | 128,171         | 128,171         |
| Deferred tax assets                                |                              |                             |                 | 166             |
| Total assets                                       |                              |                             |                 | <u>128,337</u>  |
| Segment liabilities                                | (16,440)                     | (18,081)                    | (34,521)        | (34,521)        |
| Provision for taxation                             |                              |                             |                 | (860)           |
| Deferred tax liabilities                           |                              |                             |                 | (317)           |
| Bank borrowings                                    |                              |                             |                 | (13,869)        |
| Total liabilities                                  |                              |                             |                 | <u>(49,567)</u> |

**MTQ Corporation Limited and its Subsidiaries****Notes to the condensed interim financial statements  
For the six-month financial period ended 30 September 2024**

(In Singapore dollars)

**4. Segment and revenue information (cont'd)****(c) Geographical segments**

|                      | External sales |           | Non-current assets |           |
|----------------------|----------------|-----------|--------------------|-----------|
|                      | 30.9.2024      | 30.9.2023 | 30.9.2024          | 31.3.2024 |
|                      | \$'000         | \$'000    | \$'000             | \$'000    |
| Singapore            | 20,809         | 16,662    | 30,536             | 40,153    |
| Bahrain              | 14,483         | 18,418    | 16,834             | 18,114    |
| Australia            | –              | 983       | –                  | –         |
| United Kingdom       | 1,926          | 1,604     | 3,207              | 3,207     |
| United Arab Emirates | –              | –         | 15,417             | 6,176     |
|                      | 37,218         | 37,667    | 65,994             | 67,650    |

Non-current assets information presented above consist of goodwill, intangible assets, property, plant and equipment, right-of-use assets, other investment and investment in associate and joint venture as presented in the consolidated balance sheet.

The Group's non-current assets and sales to external customers disclosed in geographical segments are based on the entities' country of domicile.

**5. Other income**

|  | Group     |           |
|--|-----------|-----------|
|  | 30.9.2024 | 30.9.2023 |
|  | \$'000    | \$'000    |
| Rental income  | 54        | 57        |
| Gain on disposal of property, plant and equipment and fixed assets written-off, net  | –         | 47        |
| Gain on disposal of assets held for sale and liabilities directly associated with the assets held for sale, net of transaction costs (Note 16) | –         | 6,367     |
| Commission received  | 3         | 51        |
| Gain on disposal of scrap material   | 58        | 127       |
| Government grants  | 58        | 10        |
| Other income   | 47        | 32        |
|  | 220       | 6,691     |



**MTQ Corporation Limited and its Subsidiaries****Notes to the condensed interim financial statements  
For the six-month financial period ended 30 September 2024**

(In Singapore dollars)

**6. Profit from operating activities**

Profit from operating activities is stated after charging the following:

|   | <b>Group</b>     |                  |
|---|------------------|------------------|
|   | <b>30.9.2024</b> | <b>30.9.2023</b> |
|   | \$'000           | \$'000           |
| <b>(a) Other operating expenses</b>   |                  |                  |
| Amortization of intangible assets   | 100              | 73               |
| Depreciation of property, plant and equipment   | 546              | 512              |
| Depreciation of right-of-use assets   | 623              | 591              |
| Directors' fees paid to directors of the Company  | 166              | 148              |
| Allowance/(reversal of allowance) for inventory obsolescence and stock written-off, net | 205              | (105)            |
| Loss on disposal of property, plant and equipment                                       | 11               | –                |
| Loss/(gain) on foreign exchange, net  | 538              | (121)            |
| Consultancy fees paid to a director of the Company                                      | 92               | 77               |
| Audit, legal, consultancy and professional fees   | 508              | 453              |
| Utilities expenses  | 446              | 680              |
| Property tax  | 241              | 268              |
| Relocation costs  | –                | 334              |
| Travelling expenses   | 466              | 419              |
|   | <hr/>            | <hr/>            |
| <b>(b) Cost of sales</b>  |                  |                  |
| Depreciation of right-of-use assets   | 56               | 59               |
| Depreciation of property, plant and equipment   | 947              | 959              |
|   | <hr/>            | <hr/>            |

**7. Finance costs**

|                     | <b>Group</b>     |                  |
|---------------------|------------------|------------------|
|                     | <b>30.9.2024</b> | <b>30.9.2023</b> |
|                     | \$'000           | \$'000           |
| Interest on:        |                  |                  |
| - Bank loans        | 252              | 601              |
| - Lease liabilities | 464              | 336              |
|                     | <hr/>            | <hr/>            |
|                     | 716              | 937              |
|                     | <hr/>            | <hr/>            |

**MTQ Corporation Limited and its Subsidiaries**

**Notes to the condensed interim financial statements  
For the six-month financial period ended 30 September 2024**

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(In Singapore dollars)

**8. Tax expense**

The major components of income tax expense for the periods ended 30 September are as follows:

|   | <b>Group</b>     |                  |
|---|------------------|------------------|
|   | <b>30.9.2024</b> | <b>30.9.2023</b> |
|   | \$'000           | \$'000           |
| <i>Consolidated statement of comprehensive income</i>       |                  |                  |
| <u>Current income tax</u>                                   |                  |                  |
| - Current income tax  | 62               | 113              |
| - Over provision in respect of previous years               | –                | (36)             |
| - Withholding tax expense                                   | 16               | 9                |
|   | 78               | 86               |
| <u>Deferred income tax</u>                                  |                  |                  |
| - Movement in temporary differences                         | 3                | 13               |
| - Over provision in respect of previous years               | (3)              | (18)             |
|   | –                | (5)              |
| Tax expense recognized in statement of comprehensive income | 78               | 81               |

**9. Earnings per share**

**(a) Continuing operations**

Basic earnings per share are calculated by dividing profit for the financial period, net of tax, attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial period.

Diluted earnings per share are calculated by dividing profit for the financial period, net of tax, attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial period plus the weighted average number of ordinary shares that would be issued upon the conversion of all the dilutive warrants into ordinary shares.

**MTQ Corporation Limited and its Subsidiaries****Notes to the condensed interim financial statements  
For the six-month financial period ended 30 September 2024**

(In Singapore dollars)

**9. Earnings per share (cont'd)****(a) Continuing operations (cont'd)**

The following tables reflect the profit and share data used in the computation of basic and diluted earnings per share for the financial periods ended 30 September:

|  | <b>Group</b>            |                      |
|--|-------------------------|----------------------|
|  | <b>30.9.2024</b>        | <b>30.9.2023</b>     |
|  | \$'000                  | \$'000               |
| Profit for the period attributable to owners of the Company  | 2,214                   | 7,633                |
| Add: Loss from discontinued operation, net of tax, attributable to owners of the Company (Note 11)   | –                       | 169                  |
|  | <hr/>                   | <hr/>                |
| Profit for the period attributable to owners of the Company used in the computation of basic and diluted earnings per share from continuing operations | <hr/> <b>2,214</b>      | <hr/> <b>7,802</b>   |
|  | <hr/>                   | <hr/>                |
|  | <b>Number of shares</b> |                      |
|  | <b>30.9.2024</b>        | <b>30.9.2023</b>     |
|  | '000                    | '000                 |
| Weighted average number of ordinary shares for basic earnings per share computation*   | 224,873                 | 224,690              |
| Effects of dilution:   |                         |                      |
| – Outstanding warrants pursuant to MTQ Rights cum Warrants Issue#  | –                       | 31                   |
|  | <hr/>                   | <hr/>                |
| Weighted average number of ordinary shares for diluted earnings per share computation  | <hr/> <b>224,873</b>    | <hr/> <b>224,721</b> |
|  | <hr/>                   | <hr/>                |

\* The weighted average number of shares took into account the weighted average effect of Nil (30 September 2023: 5,711,000) ordinary shares that the Company issued on exercise of warrants pursuant to MTQ Rights cum Warrants Issue (Note 18) during the financial period.

# Represents the dilutive effect of outstanding warrants prior to their expiry on 17 April 2023.

**(b) Earnings per share computation**

The basic and diluted earnings per share are calculated by dividing the earnings for the financial period, net of tax, attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial period for basic and diluted earnings per share computation. These profit and share data are presented in the tables in Note 9(a) above.

## MTQ Corporation Limited and its Subsidiaries

### Notes to the condensed interim financial statements For the six-month financial period ended 30 September 2024

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(In Singapore dollars)

#### 10. Net asset value per ordinary share

|   | Group     |           | Company   |           |
|---|-----------|-----------|-----------|-----------|
|   | 30.9.2024 | 31.3.2024 | 30.9.2024 | 31.3.2024 |
|   | \$        | \$        | \$        | \$        |
| Net asset value per ordinary share <sup>^</sup> | 0.35      | 0.35      | 0.28      | 0.29      |

<sup>^</sup> Based on the net assets divided by total number of issued shares excluding treasury shares as at end of financial period.

#### 11. Discontinued operation

In the prior period, the Group's wholly-owned subsidiary, Binder Group Pty Ltd ("Binder"), entered into an Asset Sale Agreement ("ASA") for the sale of its operating business and assets (together with certain receivables and liabilities) to an independent third party (the "Transaction") for an aggregate consideration of \$362,000 (equivalent to A\$412,000).

The Transaction was completed on 1 February 2024. As a result, the income and expenses of Binder's operating business are presented separately in the consolidated statement of comprehensive income as "Loss from discontinued operation, net of tax".

Following the completion of the Transaction, Binder Group Pty Ltd was renamed to MTQ (Aust) Pty Ltd and is currently an inactive company, save for some completed customer orders pending collection.

The summarized financial information of the discontinued operation is as follows:

##### Income statement disclosures

|   | 30.9.2024 | 30.9.2023 |
|---|-----------|-----------|
|   | \$'000    | \$'000    |
| Revenue   | –         | 983       |
| Cost of sales                                     | –         | (501)     |
| Gross profit                                      | –         | 482       |
| Other income                                      | –         | 1         |
| Staff costs                                       | –         | (557)     |
| Other operating expenses                          | –         | (95)      |
| Loss from from discontinued operation, net of tax | –         | (169)     |

**MTQ Corporation Limited and its Subsidiaries**

**Notes to the condensed interim financial statements  
For the six-month financial period ended 30 September 2024**

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(In Singapore dollars)

**11. Discontinued operation (cont'd)**

Cash flow statement disclosures

|                  | <b>30.9.2024</b> | <b>30.9.2023</b> |
|------------------|------------------|------------------|
|                  | \$'000           | \$'000           |
| Operating        | –                | 2                |
| Investing        | –                | –                |
| Financing        | –                | –                |
| Net cash inflows | <u>–</u>         | <u>2</u>         |

Loss per share disclosures

The information on loss per share from discontinued operation is as follows:

|   | <b>30.9.2024</b> | <b>30.9.2023</b> |
|---|------------------|------------------|
| Loss from discontinued operation attributable to owners of the Company (\$'000) | –                | (169)            |
| Basic and diluted loss per share (cents per share)                              | <u>–</u>         | <u>(0.08)</u>    |

The basic and diluted loss per share from discontinued operation are calculated by dividing the loss from discontinued operation, net of tax, attributable to owners of the Company by the weighted average number of ordinary shares for basic and diluted loss per share computation. The share data is presented in the table in Note 9(a).

## MTQ Corporation Limited and its Subsidiaries

### Notes to the condensed interim financial statements For the six-month financial period ended 30 September 2024

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(In Singapore dollars)

#### 12. Goodwill and intangible assets

During the six months ended 30 September 2024, there were additions to intangible assets amounting to \$166,000 (30 September 2023: \$Nil) mainly relating to welding procedures specifications and engineering design packages.

There were no movements to goodwill apart from currency realignments.

##### *Impairment testing of goodwill*

The Group performed its annual impairment test at year end and when circumstances indicated that the carrying amount may be impaired. The Group's impairment test for goodwill is based on value-in-use calculations. The key assumptions used in the value-in-use calculations were disclosed in the annual consolidated financial statements for the year ended 31 March 2024. The Group determined that there were no impairment indicators as at 30 September 2024 based on the cash generating unit's ("CGU's") performance, and any updates or reasonable changes to the estimates and assumptions applied since the audited financial statements as at 31 March 2024 have not caused the recoverable amount of the CGU to be materially lower than its carrying amount.

#### 13. Property, plant and equipment

During the six months ended 30 September 2024, there were additions amounting to \$10,668,000 (30 September 2023: \$1,287,000), mainly relating to the construction work-in-progress of a new facility as well as purchase of workshop equipment in the UAE (30 September 2023: mainly workshop equipment and leasehold improvements). The Group also disposed assets with carrying value of \$11,000 (30 September 2023: \$264,000) for proceeds of \$Nil (30 September 2023: \$311,000).

#### 14. Right-of-use assets

During the six months ended 30 September 2024, there were additions amounting to \$74,000 (30 September 2023: \$1,172,000), mainly relating to the renewal of rental agreements for workshop equipment and workers' accommodation entered during the period. In the prior period, the additions also included the remeasurement of the land-use rights associated with the leasehold property due to the revision of the annual rent payments of the land lease contracts with JTC Corporation.

#### 15. Other investment

|                                     | Group     |           |
|-------------------------------------|-----------|-----------|
|                                     | 30.9.2024 | 31.3.2024 |
|                                     | \$'000    | \$'000    |
| At beginning of period              | 8,903     | 6,130     |
| Fair value adjustment on investment |           |           |
| security carried at FVOCI           | 306       | 6,744     |
| Disposal                            | (9,209)   | (3,971)   |
| At end of period                    | –         | 8,903     |

**MTQ Corporation Limited and its Subsidiaries****Notes to the condensed interim financial statements  
For the six-month financial period ended 30 September 2024**

(In Singapore dollars)

**16. Assets held for sale  
Liabilities directly associated with the assets held for sale**

In the prior period, on 1 September 2022, the Company granted an option (“Option”) to an independent third party purchaser (“Purchaser”) for the sale of the Company’s property located at 182 Pandan Loop Singapore 128373 (“Pandan Property”) together with certain plant and equipment as particularised in the Option to the Purchaser for an aggregate consideration of \$6,000,000 (“Sale Price”). The Option was exercised on the same day and the Option fee and deposit of 5.0% of the Sale Price was received by the Company in the prior period ended 31 March 2023.

The sale was completed on 13 July 2023 and the Company received the balance of the Sale Price of \$5,700,000 on the same day. Accordingly, a gain on disposal of Pandan Property, net of transaction costs, amounting to \$6,367,000 was recognised in the Statement of Comprehensive Income (Note 5) in the prior period ended 30 September 2023.

The expenses attributable to the assets held for sale incurred for the period ended 30 September 2023 amounted to \$267,000, mainly arising from the investment holding segment.

**17. Bank borrowings**

|                                   | <b>Group</b>     |                  | <b>Company</b>   |                  |
|-----------------------------------|------------------|------------------|------------------|------------------|
|                                   | <b>30.9.2024</b> | <b>31.3.2024</b> | <b>30.9.2024</b> | <b>31.3.2024</b> |
|                                   | <b>\$'000</b>    | <b>\$'000</b>    | <b>\$'000</b>    | <b>\$'000</b>    |
| <b><i>Current portion</i></b>     |                  |                  |                  |                  |
| Secured                           | 479              | 1,008            | 479              | 1,008            |
| Unsecured                         | 500              | 500              | –                | –                |
|                                   | <b>979</b>       | <b>1,508</b>     | <b>479</b>       | <b>1,008</b>     |
| <b><i>Non-current portion</i></b> |                  |                  |                  |                  |
| Unsecured                         | 5,642            | 12,361           | –                | 9,000            |
|                                   | <b>5,642</b>     | <b>12,361</b>    | <b>–</b>         | <b>9,000</b>     |
| Total bank borrowings             | <b>6,621</b>     | <b>13,869</b>    | <b>479</b>       | <b>10,008</b>    |

During the six months period ended 30 September 2024, the Group’s bank borrowings decreased from \$13,869,000 to \$6,621,000 mainly due to repayment of bank loans. Details of the collateral for the secured bank borrowings are as follows:

- first all-monies registered legal mortgage over a 50-year leasehold land and property at Bahrain International Investment Park, HIDD, Kingdom of Bahrain;
- first registered fixed and floating charge over assets of a subsidiary; and
- registered charge over the interest-bearing loan from the Company to a subsidiary.

**MTQ Corporation Limited and its Subsidiaries**

**Notes to the condensed interim financial statements  
For the six-month financial period ended 30 September 2024**

(In Singapore dollars)

**18. Share capital and treasury shares**

|   | 6 months ended<br>30.9.2024 |        | Group and Company<br>6 months ended<br>31.3.2024 |        | 6 months ended<br>30.9.2023 |        |
|---|-----------------------------|--------|--|--------|-----------------------------|--------|
|   | No. of<br>shares            |        | No. of<br>shares                                 |        | No. of<br>shares            |        |
|   | '000                        | \$'000 | '000   | \$'000 | '000                        | \$'000 |
| <b>a) Ordinary shares issued and fully paid</b>   |                             |        |  |        |                             |        |
| At beginning of period  | 225,061                     | 50,836 | 225,061  | 50,836 | 219,350                     | 49,579 |
| Issuance of ordinary<br>shares on exercise of<br>warrants pursuant to<br>MTQ Rights cum<br>Warrants Issue | –                           | –      | –  | –      | 5,711                       | 1,257  |
| At end of period  | 225,061                     | 50,836 | 225,061  | 50,836 | 225,061                     | 50,836 |
| <b>b) Treasury shares</b>   |                             |        |  |        |                             |        |
| At beginning and end of<br>period   | 188                         | 41     | 188  | 41     | 188                         | 41     |
| <b>Total number of issued<br/>shares excluding treasury<br/>shares</b>                                    |                             |        |  |        |                             |        |
| At end of period  | 224,873                     |        | 224,873  |        | 224,873                     |        |

There was no movement in treasury shares during the period ended 30 September 2024.

There were no subsidiary holdings as at 30 September 2024, 31 March 2024 and 30 September 2023.



**MTQ Corporation Limited and its Subsidiaries****Notes to the condensed interim financial statements  
For the six-month financial period ended 30 September 2024**

(In Singapore dollars)

**18. Share capital and treasury shares (cont'd)**Warrants pursuant to MTQ Rights cum Warrants Issue

Following the expiry of the remaining unexercised warrants on 17 April 2023 as disclosed in the Group's latest annual financial statements for the financial year ended 31 March 2024, there were no outstanding warrants pursuant to the MTQ Rights cum Warrants Issue as at 30 September 2024, 31 March 2024 and 30 September 2023. The movements in the number of warrants for the comparative period are as follows:

|  | <b>Group and<br/>Company<br/>6 months ended<br/>30.9.2023<br/>'000</b> |
|--|--|
| At beginning of period   | 12,428   |
| Issuance of ordinary shares on exercise of warrants pursuant to MTQ<br>Rights cum Warrants Issue | (5,711)  |
| Expired  | (6,717)  |
| At end of period   | <u>          -</u>   |

**19. Dividends**

|   | <b>Group and Company</b> | <b>30.9.2024</b> | <b>30.9.2023</b> |
|---|--------------------------|------------------|------------------|
|   | <b>\$'000</b>            | <b>\$'000</b>    | <b>\$'000</b>    |
| <b>Paid during the financial period</b>   |                          |                  |                  |
| <i>Dividends on ordinary shares:</i>  |                          |                  |                  |
| - Final tax exempt (one-tier) dividend for FY2024: 0.5 cents<br>(FY2023: 0.5 cents) per share |                          | 1,124            | 1,124            |

Please refer to pages 29 and 30 for more information regarding interim dividends declared after but not recognized as liabilities as of 30 September 2024 and 2023.

**MTQ Corporation Limited and its Subsidiaries****Notes to the condensed interim financial statements  
For the six-month financial period ended 30 September 2024**

(In Singapore dollars)

**20. Commitments and contingencies****(a) Capital expenditure**

As at the end of the financial period, the Group had the following capital expenditure commitments for the acquisition of property, plant and equipment, but not recognised in the financial statement:

|   | Group     |           | Company   |           |
|---|-----------|-----------|-----------|-----------|
|   | 30.9.2024 | 31.3.2024 | 30.9.2024 | 31.3.2024 |
|   | \$'000    | \$'000    | \$'000    | \$'000    |
| <u>Authorized and committed</u>         |           |           |           |           |
| (a) Relating to UAE expansion:          |           |           |           |           |
| - Construction of new facility          | 5,860     | 13,472    | -         | -         |
| - Purchase of machineries and equipment | 7,530     | 7,225     | -         | -         |
| (b) Others                              | 309       | 103       | -         | -         |
| Total authorized and committed          | 13,699    | 20,800    | -         | -         |

**(b) Contingent liabilities**

|   | Group     |           | Company   |           |
|---|-----------|-----------|-----------|-----------|
|   | 30.9.2024 | 31.3.2024 | 30.9.2024 | 31.3.2024 |
|   | \$'000    | \$'000    | \$'000    | \$'000    |
| Corporate guarantees issued by the Company for bank facilities utilized by subsidiaries | -         | -         | 107       | 125       |
| Guarantees issued to external parties   | 716       | 901       | 608       | 724       |

The corporate guarantees have not been recognised by the Group and the Company as management has assessed the fair value of the corporate guarantees to be immaterial.

Guarantees to external parties comprise performance and warranty bonds issued to customers or third party service providers.

**(c) Financial support**

The Company has provided letters of financial support to certain subsidiaries that it will not demand repayment of the amounts owing by such subsidiaries unless such repayment will not jeopardize the ability of these subsidiaries to meet their obligations as and when they fall due. The total amounts owing from these subsidiaries, net of allowances for impairment, is \$28,617,000 (31 March 2024: \$30,533,000).

**MTQ Corporation Limited and its Subsidiaries****Notes to the condensed interim financial statements  
For the six-month financial period ended 30 September 2024**

(In Singapore dollars)

**21. Related party disclosure**

In addition to directors' fees and those related party information disclosed elsewhere in the condensed interim financial statements, the following significant transactions between the Company and related parties took place during the financial period on terms agreed by the parties concerned:

**(a) Sale and purchase of goods and services**

|  | Group     |           | Company   |           |
|--|-----------|-----------|-----------|-----------|
|  | 30.9.2024 | 30.9.2023 | 30.9.2024 | 30.9.2023 |
|  | \$'000    | \$'000    | \$'000    | \$'000    |
| Associate and Joint ventures             |           |           |           |           |
| - Sales of goods                         | 12        | 29        | –         | –         |
| - Purchase of goods                      | 625       | 594       | –         | –         |
| Subsidiaries                             |           |           |           |           |
| - Management fee income                  | –         | –         | 1,793     | 2,075     |
| - Rental income from investment property | –         | –         | 1,642     | 1,866     |
| - Other rental income                    | –         | –         | –         | 259       |
| - Interests on loans                     | –         | –         | 131       | 66        |
| - Recharge of staff costs                | –         | –         | (28)      | –         |

**(b) Compensation of key management personnel**

The amounts paid to a director and key management personnel during the financial period ended 30 September 2024 and 30 September 2023 are as follows:

|                                     | Group     |           |
|-------------------------------------|-----------|-----------|
|                                     | 30.9.2024 | 30.9.2023 |
|                                     | \$'000    | \$'000    |
| Director's remuneration:            |           |           |
| - Salaries, wages and bonuses       | 143       | 228       |
| - Defined contribution plan expense | 6         | 8         |
| - Others                            | 14        | 12        |
|                                     | 163       | 248       |
| Other key management personnel:     |           |           |
| - Salaries, wages and bonuses       | 595       | 631       |
| - Defined contribution plan expense | 33        | 43        |
| - Others                            | 141       | 94        |
|                                     | 769       | 768       |

## MTQ Corporation Limited and its Subsidiaries

### Notes to the condensed interim financial statements For the six-month financial period ended 30 September 2024

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(In Singapore dollars)

#### 22. Fair value of assets and liabilities

The fair value of a financial instrument is the amount at which the instrument could be exchanged or settled between knowledgeable and willing parties in an arm's length transaction, other than in a forced or liquidation sale.

##### (a) *Fair value hierarchy*

The Group classifies fair value measurement using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date,
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, and
- Level 3 – Unobservable inputs for the asset or liability.

##### (b) *Assets measured at fair value*

The following table shows an analysis of financial instruments carried at fair value by level of fair value hierarchy:

|                         | Note | Quoted prices<br>in active<br>markets for<br>identical<br>instruments<br>(Level 1)<br>\$'000 | Significant<br>other<br>observable<br>inputs<br>(Level 2)<br>\$'000 | Significant<br>unobservable<br>inputs<br>(Level 3)<br>\$'000 | Total<br>\$'000 |
|-------------------------|------|--|---|--|-----------------|
| <b>Group</b>            |      |  |   |  |                 |
| <b>30.9.2024</b>        |      |  |   |  |                 |
| <b>Financial asset:</b> |      |  |   |  |                 |
| Other investment        | 15   | –  | –   | –  | –               |
| <b>31.3.2024</b>        |      |  |   |  |                 |
| <b>Financial asset:</b> |      |  |   |  |                 |
| Other investment        | 15   | 8,903  | –   | –  | 8,903           |

The fair value of the other investment (Note 15) is determined by reference to its quoted closing prices at the balance sheet date.

**MTQ Corporation Limited and its Subsidiaries**

**Notes to the condensed interim financial statements  
For the six-month financial period ended 30 September 2024**

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(In Singapore dollars)

**22. Fair value of assets and liabilities (cont'd)**

(c) ***Financial instruments whose carrying amount approximates fair value***

Management has determined that the carrying amount of cash and cash equivalents, trade and other receivables (other than non-current amounts due from subsidiaries), trade and other payables, lease liabilities and bank borrowings based on their notional amounts, reasonably approximates their fair values either due to their short-term nature or that they are floating rate instruments that are re-priced to market interest rates on or near the end of the reporting period.

The carrying amount of non-current amounts due from subsidiaries reasonably approximate fair values as their discounted expected future cash flows are not materially different from their notional amounts.

**23. Subsequent events**

There are no known subsequent events which have led to the adjustments to this set of condensed interim financial statements.

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

The condensed interim financial statements for the six-month period ended 30 September 2024 have not been audited nor reviewed by the Company's auditors.

2. **Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:**  
(a) **Updates on the efforts taken to resolve each outstanding audit issue.**  
(b) **Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.**

Not applicable.

3. **Review of performance of the Group**

**Condensed Interim Balance Sheets**

The changes in Balance Sheets were mainly due to:

- a) increase in property, plant and equipment of S\$8,016,000 (please refer to Note 13);
- b) decrease in Other Investment by S\$8,903,000 (please refer to Note 15); and
- c) decrease in bank borrowings (please refer to Note 17).

Apart from the above, movements in working capital items were mainly due to timing differences. Further information on certain balance sheet items can be found in notes 11 to 18.

**Condensed Interim Consolidated Cash Flow Statement**

Cash-wise, the Group generated a net cash inflows of S\$2.6 million from operations in 1HFY2025. Investing cash flows included approximately S\$7.9 million in capital expenditure related to the Group's expansion into the UAE, which was largely offset by the net proceeds of S\$9.2 million from the disposal of the remaining MMA Shares, as previously announced. Within the financing activities, the Group voluntarily pared S\$6.5 million of its revolving bank facilities during the period to lower interest expenses. Overall, the Group had cash and cash equivalents of S\$6.4 million as at 30 September 2024 (31 March 2024: S\$12.3 million), after paying out FY2024's final dividend of S\$1.1 million in August 2024.

**Condensed Interim Consolidated Statement of Comprehensive Income**

The Group reported S\$37.2 million revenue for 1HFY2025, an increase of 1% year-on-year ("YOY") compared to S\$36.7 million in 1HFY2024, driven primarily by Singapore's strong performance. Revenue in Singapore grew 25% to S\$20.8 million, supported by improved execution and turnaround of key projects. Bahrain's revenue saw a slow start but has since stabilized, with the long-term outlook remaining positive. Gross profit margins improved to 33.2% with higher utilization and better job mix.

**3. Review of performance of the Group (cont'd)**

**Condensed Interim Consolidated Statement of Comprehensive Income (cont'd)**

During the period, the Group experienced a foreign exchange loss of approximately S\$0.5 million, which is largely unrealized, due to recent USD fluctuations and impacted the total Other Operating Expenses (OOE). Excluding this FX loss, the Group's OOE would have been S\$4.7 million, a decrease of about 6% from 1HFY24, mainly due to the absence of costs related to Pandan Property and relocation in the prior year. Staff costs increased in line with higher revenue while finance costs decreased due to lower borrowings during the period.

The Group achieved a profit before tax of S\$2.3 million in 1HFY2025, an increase of 51% YOY excluding the one-off gain on disposal of Pandan Property recognized a year ago.

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

No forecast nor prospect statement has been previously disclosed to shareholders.

**5. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

The Group is pleased to deliver another profitable period, driven primarily by the strong performance in Singapore. Bahrain has picked up after a slow start and the Group remains cautiously optimistic that this momentum will continue through the second half of the year, contributing to overall growth.

The expansion into the UAE is progressing well, with construction on track for completion in 2025. The Group has initiated the manpower hiring process and are actively engaging with key principals to ensure operations commence smoothly upon completion of the facility.

Looking ahead, the Group remains focused on strengthening our presence in existing markets while exploring opportunities in new regions.

**6. If a decision regarding dividend has been made, the required information has been disclosed:**

**(a) Current Financial Period Reported**

Any dividend declared for the present financial period? Yes.

For the financial period ended 30 September 2024

|                   |                              |
|-------------------|------------------------------|
| Name of Dividend: | Interim                      |
| Dividend Type:    | Cash                         |
| Dividend Rate:    | 0.5 cents per ordinary share |
| Tax Rate:         | Tax exempt (one-tier)        |

**6. If a decision regarding dividend has been made, the required information has been disclosed: (cont'd)**

**(b) Corresponding Period of the Immediate Preceding Financial Year**

Any dividend declared for the previous corresponding period? Yes.

For the financial period ended 30 September 2023

|                   |                              |
|-------------------|------------------------------|
| Name of Dividend: | Interim                      |
| Dividend Type:    | Cash                         |
| Dividend Rate:    | 0.5 cents per ordinary share |
| Tax Rate:         | Tax exempt (one-tier)        |

**(c) Date payable**

The proposed interim dividend will be paid at a date to be announced separately.

**(d) Record date**

Notice will be announced separately.

**7. If no dividend has been declared/recommended, a statement to that effect.**

Not applicable.

**8. If the Group has obtained a general mandate from shareholders for interested person transactions ("IPT"), the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

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

**9. Negative confirmation by the Board pursuant to Rule 705(5)**

The Board of Directors confirm that, to the best of their knowledge, nothing has come to their attention which may render the financial results of the Company and of the Group for the six-month ended 30 September 2024 to be false or misleading, in any material aspect.

**10. Confirmation of undertakings from all its directors and executive officers pursuant to Rule 720(1) of the SGX Listing Manual.**

Pursuant to Listing Rule 720(1), the Company has received undertakings from all its directors and executive officers in the form as set out in Appendix 7.7 of the SGX-ST Listing Manual.

BY ORDER OF THE BOARD

Tan Lee Fang  
Company Secretary  
30 October 2024