



Company Registration No. 201311482K

## **KIM HENG LTD.**

### **CONDENSED FINANCIAL STATEMENTS FOR THE SIX MONTHS AND FULL YEAR ENDED 31 DECEMBER 2024**

*This announcement has been reviewed by the Company's sponsor, SAC Capital Private Limited ("Sponsor").*

*This announcement has not been examined or approved by the Singapore Exchange Securities Trading Limited ("SGX-ST") and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.*

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**A. Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income for the six months and full year ended 31 December 2024**

	Note	6 Months			12 Months		
		1 Jul 2024 to	1 Jul 2023 to	+ / (-)	1 Jan 2024 to	1 Jan 2023 to	+ / (-)
		31 Dec 2024 (Unaudited) ("2H 2024") S\$'000	31 Dec 2023 (Unaudited) ("2H 2023") S\$'000	%	31 Dec 2024 (Unaudited) ("FY 2024") S\$'000	31 Dec 2023 (Audited) ("FY 2023") S\$'000	%
Revenue	4	67,232	56,896	18	122,734	101,194	21
Cost of sales		(51,616)	(38,750)	33	(91,746)	(68,435)	34
<b>Gross profit</b>		15,616	18,146	(14)	30,988	32,759	(5)
<b>Gross profit margin</b>		23%	32%		25%	32%	
Other income		4,605	1,938	>100	5,144	2,966	73
Distribution expenses		(939)	(813)	15	(2,030)	(1,704)	19
Administrative expenses		(10,131)	(9,293)	9	(20,718)	(18,263)	13
Other operating expenses		(2,358)	(4,277)	(45)	(4,251)	(6,587)	(35)
Finance costs		(2,220)	(1,754)	27	(4,116)	(3,110)	32
Profit before tax	6	4,573	3,947	16	5,017	6,061	(17)
Tax expense	7	(2,457)	(3,532)	(30)	(2,473)	(3,716)	(33)
<b>Profit for the period/year</b>		2,116	415	>100	2,544	2,345	8
<b>Other comprehensive profit, net of tax</b>							
<b>Items that may be reclassified subsequently to profit or loss:</b>							
Foreign currency translation differences		196	(566)	N.M.	546	(428)	N.M.
<b>Items that will not be reclassified subsequently to profit or loss:</b>							
Foreign currency translation differences		171	(169)	N.M.	338	(207)	N.M.
<b>Total comprehensive profit/(loss) for the period/year</b>		2,483	(320)	N.M.	3,428	1,710	100
<b>Net profit/(loss) attributable to:</b>							
Owners of the Company		1,312	(173)	N.M.	270	1,565	(83)
Non-controlling Interests		804	588	37	2,274	780	>100
		2,116	415		2,544	2,345	
<b>Total comprehensive profit/(loss) attributable to:</b>							
Owners of the Company		1,508	(739)	N.M.	816	1,137	(28)
Non-controlling interests		975	419	>100	2,612	573	>100
		2,483	(320)		3,428	1,710	
<b>EBITDA</b>		11,227	10,167	10	17,929	17,903	N.M.
<b>Earnings/(loss) per Share (cents)</b>							
Basic	27	0.19	(0.02)		0.04	0.22	
Diluted	27	0.19	(0.02)		0.04	0.22	

*N.M. – not meaningful*

## B. Condensed Statement of Financial Position as at 31 December 2024

	Note	Group		Company	
		31 December 2024 (Unaudited) S\$'000	31 December 2023 (Audited) S\$'000	31 December 2024 (Unaudited) S\$'000	31 December 2023 (Audited) S\$'000
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property, plant and equipment	10	81,291	75,294	-	-
Right-of-use assets	11	24,202	21,893	-	-
Club memberships		63	63	-	-
Investment in subsidiaries		-	-	76,250	76,250
		<u>105,556</u>	<u>97,250</u>	<u>76,250</u>	<u>76,250</u>
<b>Current assets</b>					
Inventories	14	20,874	28,740	-	-
Trade and other receivables	15	51,737	29,868	23,409	7,265
Cash and cash equivalents		3,360	10,974	14	29
Assets held-for-sale		-	394	-	-
		<u>75,971</u>	<u>69,976</u>	<u>23,423</u>	<u>7,294</u>
<b>Total assets</b>		<u>181,527</u>	<u>167,226</u>	<u>99,673</u>	<u>83,544</u>
<b>EQUITY</b>					
Share capital	13	74,409	74,409	74,409	74,409
Treasury shares		(363)	(323)	(363)	(323)
Reserves		(37,601)	(33,600)	-	-
Accumulated profits		14,263	15,492	467	1,795
<b>Equity attributable to owners of the Company</b>		<u>50,708</u>	<u>55,978</u>	<u>74,513</u>	<u>75,881</u>
Non-controlling interests		7,585	7,285	-	-
<b>Total Equity</b>		<u>58,293</u>	<u>63,263</u>	<u>74,513</u>	<u>75,881</u>
<b>LIABILITIES</b>					
<b>Non-current liabilities</b>					
Loans and borrowings	12	12,229	20,909	-	3,055
Lease liabilities	12	11,278	12,045	-	-
Deferred tax liabilities		6,796	5,584	-	-
		<u>30,303</u>	<u>38,538</u>	<u>-</u>	<u>3,055</u>
<b>Current liabilities</b>					
Bank overdraft	12	3,279	1,054	-	-
Loans and borrowings	12	42,123	23,534	24,747	4,412
Lease liabilities	12	3,801	3,763	-	-
Trade and other payables	16	42,710	35,655	413	196
Current tax payable		1,018	1,419	-	-
		<u>92,931</u>	<u>65,425</u>	<u>25,160</u>	<u>4,608</u>
<b>Total liabilities</b>		<u>123,234</u>	<u>103,963</u>	<u>25,160</u>	<u>7,663</u>
<b>Total equity and liabilities</b>		<u>181,527</u>	<u>167,226</u>	<u>99,673</u>	<u>83,544</u>

### C. Condensed Consolidated Statement of Cash Flows for the full year ended 31 December 2024

	Note	Group 12 Months Ended	
		31 December 2024 (Unaudited) S\$'000	31 December 2023 (Audited) S\$'000
<b>Cash flows from operating activities</b>			
Profit before income tax		5,017	6,061
Adjustments for:			
Depreciation of property, plant and equipment and right-of-use assets	6	8,796	8,732
Loss/ (Gain) on disposal of property, plant and equipment and asset held for sale	6	197	(1,069)
(Reversal)/Provision of impairment loss on property, plant and equipment	6	(2,317)	195
(Reversal)/Provision of impairment loss on trade and other receivables	6	(32)	107
Interest income	6	(66)	(10)
Interest expense	6	4,116	3,110
		<u>15,711</u>	<u>17,126</u>
<b>Changes in working capital:</b>			
Inventories		15,523	(9,634)
Trade and other receivables		(18,614)	(4,182)
Trade and other payables		1,901	3,087
Cash generated from operations		<u>14,521</u>	<u>6,397</u>
Income tax paid		(1,794)	(747)
<b>Net cash generated from operating activities</b>		<u>12,727</u>	<u>5,650</u>
<b>Cash flows from investing activities</b>			
Deposits for purchase of property, plant and equipment/ right-of-use assets		-	(237)
Acquisition of property, plant and equipment and right-of-use assets		(11,581)	(11,211)
Proceeds from disposal of property, plant and equipment and assets held-for-sale		480	7,586
Interest received		66	10
<b>Net cash used in investing activities</b>		<u>(11,035)</u>	<u>(3,852)</u>
<b>Cash flows from financing activities</b>			
Interest paid		(4,046)	(3,110)
Dividend paid		(1,499)	(2,000)
Purchase of treasury shares		(40)	-
Acquisition of non-controlling interest		(6,859)	-
Repayment of lease liabilities		(4,573)	(3,427)
Repayment of term loans		(26,998)	(10,852)
Proceeds from trust receipts		7,074	3,257
Proceeds from term loans		24,133	12,394
Amounts due to directors		1,350	-
Changes in deposits pledged		297	8
<b>Net cash used in financing activities</b>		<u>(11,161)</u>	<u>(3,730)</u>
<b>Net decrease in cash and cash equivalents</b>		<u>(9,469)</u>	<u>(1,932)</u>
Cash and cash equivalents at beginning of the year		9,307	11,094
Effect of exchange rate fluctuations on cash and cash equivalents		(74)	145
<b>Cash and cash equivalents at end of the year</b>		<u>(236)</u>	<u>9,307</u>

**C. Condensed Consolidated Statement of Cash Flows for the full year ended 31 December 2024 (Cont'd)**

		Group	
		12 Months Ended	
		31 December 2024	31 December 2023
		(Unaudited)	(Audited)
		S\$'000	S\$'000
<b>Significant non-cash transactions during the year:</b>			
Acquisition of vessels		4,785	3,984
Acquisition of other plant and equipment		3,477	5,996
		8,262	9,980
<b>~Cash and cash equivalents consist of the following:</b>			
Cash at bank and in hand		3,043	10,361
Fixed deposits		317	613
Cash and cash equivalents		3,360	10,974
Bank overdraft	12	(3,279)	(1,054)
Deposits pledged		(317)	(613)
Cash and cash equivalents in the statements of cash flows		(236)	9,307

**D. Condensed Statements of Changes in Equity for the Financial Year ended 31 December 2024**

Group	Share capital S\$'000	Treasury shares S\$'000	Merger deficit S\$'000	Translation reserve S\$'000	Capital reserve S\$'000	Accumulated profits S\$'000	Total equity attributable to equity holders of the company S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
<b><u>2023 (Audited)</u></b>									
<b>As at 1 January 2023</b>	74,409	(323)	(32,763)	(409)	-	15,927	56,841	6,712	63,553
<b>Total comprehensive income for the year</b>									
Profit for the year	-	-	-	-	-	1,565	1,565	780	2,345
<b>Other comprehensive income</b>									
Translation differences relating to financial statements of foreign operations	-	-	-	(428)	-	-	(428)	(207)	(635)
Total comprehensive (loss)/income for the year	-	-	-	(428)	-	1,565	1,137	573	1,710
<b>Transactions with owners, recognised directly in equity</b>									
Dividends	-	-	-	-	-	(2,000)	(2,000)	-	(2,000)
<b>Total transactions with owners</b>	-	-	-	-	-	(2,000)	(2,000)	-	(2,000)
<b>As at 31 December 2023</b>	74,409	(323)	(32,763)	(837)	-	15,492	55,978	7,285	63,263

**D. Condensed Statements of Changes in Equity for the Financial Year ended 31 December 2024 (Cont'd)**

Group	Share capital S\$'000	Treasury shares S\$'000	Merger deficit S\$'000	Currency translation reserve S\$'000	Capital reserve S\$'000	Accumulated profits S\$'000	Total equity attributable to equity holders of the Company S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
<b>2024 (Unaudited)</b>									
<b>As at 1 January 2024</b>	74,409	(323)	(32,763)	(837)	-	15,492	55,978	7,285	63,263
<b>Total comprehensive income for the year</b>									
Profit for the year	-	-	-	-	-	270	270	2,274	2,544
<b>Other comprehensive income</b>									
Translation differences relating to financial statements of foreign operations	-	-	-	546	-	-	546	338	884
<b>Total comprehensive income for the year</b>	-	-	-	546	-	270	816	2,612	3,428
<b>Transactions with owners, recognised directly in equity</b>									
Purchase of treasury shares	-	(40)	-	-	-	-	(40)	-	(40)
Acquisition of non-controlling interest	-	-	-	-	(4,547)	-	(4,547)	(2,312)	(6,859)
Dividends	-	-	-	-	-	(1,499)	(1,499)	-	(1,499)
<b>Total transactions with owners</b>	-	(40)	-	-	(4,547)	(1,499)	(6,086)	(2,312)	(8,398)
<b>As at 31 December 2024</b>	74,409	(363)	(32,763)	(291)	(4,547)	14,263	50,708	7,585	58,293



**D. Condensed Statements of Changes in Equity for the Financial Year ended 31 December 2024 (Cont'd)**

Company	Share capital S\$'000	Treasury shares S\$'000	Accumulated profits S\$'000	Total equity S\$'000
<b><u>2023 (Audited)</u></b>				
<b>As at 1 January 2023</b>	74,409	(323)	2,103	76,189
Total comprehensive income for the year	-	-	1,692	1,692
<b>Transactions with owners, recognised directly in equity</b>				
Dividends	-	-	(2,000)	(2,000)
<b>As at 31 December 2023</b>	74,409	(323)	1,795	75,881
 <b><u>2024 (Unaudited)</u></b>				
<b>As at 1 January 2024</b>	74,409	(323)	1,795	75,881
Total comprehensive income for the year	-	-	171	171
<b>Transactions with owners, recognised directly in equity</b>				
Purchase of treasury shares	-	(40)	-	(40)
Dividends	-	-	(1,499)	(1,499)
<b>As at 31 December 2024</b>	74,409	(363)	467	74,513

## **E. NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

### **1. Corporate information**

Kim Heng Ltd. (the “Company”) is incorporated as a limited liability company domiciled in Singapore and listed on the Catalist Exchange of Singapore.

The registered office of the Company is located at 9 Pandan Crescent, Singapore 128465.

These condensed consolidated financial statements comprise the Company and its subsidiaries (collectively, the “Group”).

The principal activities of the Company are that of an investment holding company. The principal activities of the subsidiaries include chartering of vessels, marine support services, equipment rental, material sales and trading of vessels.

### **2. Basis of Preparation**

The condensed financial statements for the six months and full year ended 31 December 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 financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last interim financial statements for the period ended 30 June 2024.

The condensed financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

The condensed financial statements are presented in Singapore Dollar which is the Company’s functional currency. All financial information is presented in Singapore Dollar have been rounded to the nearest thousand, unless otherwise stated.

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

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial period and year, the Group has adopted all the amendments to SFRS(I)s that are effective for annual financial periods beginning on or after 1 January 2024. The adoption of these amendments did not have any material effect on the financial performance or position of the Group and the Company.

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

In preparing the condensed financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual result 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 were applied to the consolidated financial statements as at and for the financial year ended 31 December 2023.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

## 2.2 Use of judgements and estimates (Cont'd)

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities as at 31 December 2024 are included in the following notes:

- 2.2(a) - Impairment of Group's non-financial assets
- 2.2(b) - Provision for expected credit losses on trade receivables

### (a) Impairment of Group's non-financial assets

The current market uncertainties and sentiment have led to heightened uncertainty in estimating the recoverable amounts of the non-financial assets. Management has performed an impairment assessment on its property, plant and equipment and right-of-use assets based on the last valuation reports obtained from independent professional valuers as at 31 Dec 2024.

The recoverable amounts could change significantly as a result of changes in market conditions and the assumptions used in determining the market value. A 5% change in the fair value of the non-financial assets will not result in an impairment loss on the Group's non-financial assets.

### (b) Provision for expected credit losses on trade receivables

The Group uses a provision matrix to calculate expected credit losses ("ECL") for trade receivables and contract assets. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns. The provision matrix is based on the Group's historical observed default rates, adjusted for forecast economic conditions with forward-looking information. This assessment involves significant estimate. Additionally, the amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. A reasonable change in the estimates will not result in a significant impact to the Group's ECL.

## 3. Seasonal operations

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

## 4. Segment information

The Group has 5 reportable segments as described below:

- Marine Offshore Support Services: vessels repair, offshore rig & supply base services and crew management;
- Chartering and Towage: chartering of ships, barges and boats with crew;
- Equipment Rental: sale, rent and lease of industrial machinery & equipment and spare parts;
- Sale of Goods: value added logistic providers and supply chain; and
- Vessels Sales and Newbuild: trading of vessels.

These operating segments are reported in a manner consistent with internal reporting provided to the management committee whose members are responsible for allocating resources and assessing performance of the operating segments.

#### 4. Segment information (Cont'd)

	Offshore Rig Services and Supply Chain Management				Vessel Sales and Newbuild	Adjustments and eliminations	Total
	Marine Offshore Support services	Chartering and Towage	Equipment Rental	Sales of goods			
6 Months ended 31 December 2024	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Total revenue from external customers	28,302	19,106	994	1,627	17,203	-	67,232
Inter-segment revenue	6,198	12,795	1,345	34	7,486	(27,858)	-
Total segment revenue	34,500	31,901	2,339	1,661	24,689	(27,858)	67,232

Other income							4,605
Finance costs							(2,220)
Segment results							4,573
Income tax expense							(2,457)
Profit for the period							2,116

#### Other Information

Segment assets							181,527
Segment liabilities							123,234
Capital Expenditure							11,939

#### Other material non-cash items:

- Depreciation of property, plant and equipment and right-of-use assets							4,434
- Loss on disposal of property, plant and equipment							153
- Reversal of impairment loss on trade and other receivables							(27)
- Reversal of impairment loss on property, plant and equipment							(2,317)

	Offshore Rig Services and Supply Chain Management				Vessel Sales and Newbuild	Adjustments and eliminations	Total
	Marine Offshore Support services	Chartering and Towage	Equipment Rental	Sales of goods			
6 Months ended 31 December 2023	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Total revenue from external customers	21,461	14,423	1,750	4,870	14,392	-	56,896
Inter-segment revenue	1,293	7,471	735	113	-	(9,612)	-
Total segment revenue	22,754	21,894	2,485	4,983	14,392	(9,612)	56,896

Other income							1,938
Finance costs							(1,754)
Segment results							3,947
Income tax expense							(3,532)
Profit for the period							415

#### Other Information

Segment assets							167,226
Segment liabilities							103,963
Capital Expenditure							7,196

#### Other material non-cash items:

- Depreciation of property, plant and equipment and right-of-use assets							4,466
- Gain on disposal of property, plant and equipment							(496)
- Reversal of impairment loss on trade and other receivables							(65)
- Impairment loss on property, plant and equipment							195

#### 4. Segment information (Cont'd)

	Offshore Rig Services and Supply Chain Management				Vessel	Adjustments	Total
	Marine Offshore Support services	Chartering and Towage	Equipment Rental	Sales of goods	Sales and Newbuild	and eliminations	
12 Months ended 31 December 2024	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Total revenue from external customers	42,911	36,672	2,267	2,970	37,914	-	122,734
Inter-segment revenue	11,221	20,416	2,641	46	14,959	(49,283)	-
Total segment revenue	54,132	57,088	4,908	3,016	52,873	(49,283)	122,734
Other income							5,144
Finance costs							(4,116)
Segment results							5,017
Income tax expense							(2,473)
Profit for the year							2,544
<b>Other Information</b>							
Segment assets							181,527
Segment liabilities							123,234
Capital Expenditure							20,105
Other material non-cash items:							
- Depreciation of property, plant and equipment and right-of-use assets							8,796
- Loss on disposal of property, plant and equipment and asset held for sale							197
- Reversal of impairment loss on trade and other receivables							(32)
- Reversal of impairment loss on property, plant and equipment							(2,317)

	Offshore Rig Services and Supply Chain Management				Vessel	Adjustments	Total
	Marine Offshore Support services	Chartering and Towage	Equipment Rental	Sales of goods	Sales and Newbuild	and eliminations	
12 Months ended 31 December 2023	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Total revenue from external customers	44,110	25,920	4,140	10,413	16,611	-	101,194
Inter-segment revenue	9,514	13,450	1,592	791	-	(25,347)	-
Total segment revenue	53,624	39,370	5,732	11,204	16,611	(25,347)	101,194
Other income							2,966
Finance costs							(3,110)
Segment results							6,061
Income tax expense							(3,716)
Profit for the year							2,345
<b>Other Information</b>							
Segment assets							167,226
Segment liabilities							103,963
Capital Expenditure							13,490
Other material non-cash items:							
- Depreciation of property, plant and equipment and right-of-use assets							8,732
- Gain on disposal of property, plant and equipment, right-of-use assets and assets held for sale							(1,069)
- Impairment loss on trade and other receivables							107
- Impairment loss on property, plant and equipment							195

#### 4. Segment information (Cont'd)

The Group's operations are mainly in the region of Africa, Hong Kong, Taiwan, Southeast Asia, Australasia (comprising mainly Australia, Marshall Islands and Papua New Guinea), Middle East, Europe and North America. In presenting information on geographical segments, segment revenue is based on the delivery order address of customers. Segment assets, based on the geographical location of the assets, is all in Singapore.

	Group			
	6 Months Ended		12 Months Ended	
	31 December	31 December	31 December	31 December
	2024	2023	2024	2023
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Revenue</b>				
Africa	645	-	645	-
Australia	273	997	762	1,051
China	176	145	227	165
Hong Kong	5,964	-	6,262	-
Indonesia	3	-	146	-
Korea	-	-	438	-
Malaysia	10,032	11,070	19,623	17,639
Myanmar	-	4	-	4
Singapore	8,802	23,108	14,772	33,654
Taiwan	24,327	15,910	35,622	31,856
Thailand	6,957	-	10,489	-
United Arab Emirates	2,015	1,022	13,938	7,647
United States of America	459	512	2,532	1,494
Europe	7,193	1,320	16,065	4,606
Vietnam	60	1,890	819	1,890
Others	326	918	394	1,188
	<u>67,232</u>	<u>56,896</u>	<u>122,734</u>	<u>101,194</u>

#### 5. Financial assets and financial liabilities

The carrying amounts of financial assets and financial liabilities in each category are as follows:

	Group		Company	
	As at 31	As at 31	As at 31	As at 31
	December	December	December	December
	2024	2023	2024	2023
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Financial assets at amortised cost</b>				
Cash and cash equivalents	3,360	10,974	14	29
Trade and other receivables	43,411	18,087	23,383	7,245
	<u>46,771</u>	<u>29,061</u>	<u>23,397</u>	<u>7,274</u>
<b>Financial liabilities at amortised cost</b>				
Bank overdraft	3,279	1,054	-	-
Loan and borrowings	54,352	44,443	24,747	7,467
Lease liabilities	15,079	15,808	-	-
Trade and other payables	26,051	33,987	413	196
	<u>98,761</u>	<u>95,292</u>	<u>25,160</u>	<u>7,663</u>

## 6. Profit before tax

6.1 Profit for the period is arrived at after charging/ (crediting) the following:

	Group					
	6 Months Ended		+ / (-)	12 Months Ended		+ / (-)
	1 July 2024	1 July 2023		1 January 2024	1 January 2023	
	To	To	To	To		
31 December 2024	31 December 2023	%	31 December 2024	31 December 2023	%	
	S\$'000	S\$'000		S\$'000	S\$'000	
Interest income from bank deposits	(8)	(1)	>100	(66)	(10)	>100
Miscellaneous income	(71)	(4)	>100	(76)	(11)	>100
Gain on extinguishment of liabilities *	(118)	(494)	(76)	(129)	(494)	(74)
Insurance compensation income	(805)	(889)	(9)	(872)	(1,261)	(31)
Government grant income	(66)	(32)	>100	(170)	(99)	72
Loss / (Gain) on disposal of property, plant and equipment	153	(496)	N.M.	197	(1,069)	N.M.
(Reversal)/Provision of impairment loss on property, plant and equipment	(2,317)	195	N.M.	(2,317)	195	N.M.
Currency translation (gain)/losses - net	(1,221)	936	N.M.	(1,515)	1,223	N.M.
Interest expense on loans & borrowings	2,220	1,754	27	4,116	3,110	32
Depreciation of property, plant and equipment & right-of-use assets	4,434	4,466	(1)	8,796	8,732	1
(Reversal)/Provision of impairment loss on trade and other receivables	(27)	(65)	(58)	(32)	107	N.M.

*N.M. – not meaningful*

*\*The gain arises from the extinguishment of long outstanding liabilities*

## 6.2 Related party transactions

Please refer to paragraph 34 in this result announcement.

## 7. Tax expense

The major components of income tax expenses for the period/year ended 31 December 2024 and 31 December 2023 are:

	Group			
	6 Months Ended		12 Months Ended	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Current tax expense</b>				
(Over)/Under provision of current tax in respect of prior year	(87)	(82)	(71)	102
Current tax expense	1,505	1,270	1,505	1,270
<b>Deferred tax expenses</b>				
Movement in temporary differences	1,039	2,344	1,039	2,344
	<u>2,457</u>	<u>3,532</u>	<u>2,473</u>	<u>3,716</u>

## 8. Dividends

Group	2024 S\$'000	2023 S\$'000
Ordinary Dividend – Final*	-	1,499

\*No dividend has been recommended by the Group in respect of the financial year ended 31 December 2024. (FY2023: S\$1.5 million)

## 9. Net asset value

Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the (a) current financial year reported on; and (b) immediately preceding financial year:

	Group		Company	
	As at 31 December 2024	As at 31 December 2023	As at 31 December 2024	As at 31 December 2023
Net asset value per ordinary share (cents)	8.3	9.0	10.6	10.8
Number of ordinary shares used in calculating net asset value per ordinary share	704,932,400	705,442,100	704,932,400	705,442,100

## 10. Property, plant and equipment

During the financial year ended 31 December 2024, the Group acquired property, plant and equipment amounting to S\$15.2 million (FY2023: S\$17.0 million) and disposed of property, plant and equipment amounting to S\$3.2 million (FY2023: S\$4.9 million).

## 11. Right-of-use assets

During the financial year ended 31 December 2024, the Group acquired right-of-use assets amounting to S\$4.9 million (FY2023: S\$7.1 million). There was no disposal of right-of-use assets for FY2024 (FY2023: Nil).



## 12. Borrowings

Amount repayable in one (1) year or less, or on demand

	As at 31 December 2024 Secured S\$'000	As at 31 December 2023 Secured S\$'000
Bank overdraft	3,279	1,054
Loans and borrowings	42,123#	23,534*
Lease liabilities	3,801	3,763

Amount repayable after one (1) year

	As at 31 December 2024 Secured S\$'000	As at 31 December 2023 Secured S\$'000
Loans and borrowings	12,229	20,909
Lease liabilities	11,278	12,045

\*Includes renewable revolving money market line of S\$5.0 million.

#Includes renewable revolving money market line of S\$5.0 million and S\$10.97 million trust receipts utilised to be converted into term loan in 1H2025 for vessels.

### Details of any collateral as at 31 December 2024

The loans and borrowings are secured as follows:

- Property, plant and equipment amounting to S\$59.9 million (FY2023: S\$58.2 million) are pledged as collaterals for secured term loans, trust receipts and bank overdraft;
- Fixed deposits of approximately S\$0.3 million (FY2023: S\$0.6 million) are pledged as security deposits for the operating lease of office premises and warehouse as well as to secure term loans and finance lease liabilities; and
- Corporate guarantees by the Company amounting to S\$44.5 million (FY2023: S\$45.0 million).

For the financial period ended 31 December 2024, the Group had breached a loan covenant. On 19 December 2024 and 30 December 2024, the Group had obtained waiver letters from the financial institutions for the covenant breach.

## 13. Share capital

	The Group and the Company			
	31 December 2024		31 December 2023	
	Number of shares '000	Amount S\$'000	Number of shares '000	Amount S\$'000
1 January	705,442	74,409	705,442	74,409
Purchase of treasury shares	(510)	-	-	-
31 December	704,932	74,409	705,442	74,409

The Company's subsidiaries do not hold any shares in the Company as at 31 December 2024 and 31 December 2023.

#### 14. Inventories

	Group	
	As at 31 December 2024 S\$'000	As at 31 December 2023 S\$'000
Finished goods (bunkers and materials), at cost	1,061	1,560
Vessels held for trading	13,923	4,700
Vessels under construction	2,645	19,224
Construction work-in-progress	3,719	3,717
Allowance for inventory obsolescence	(474)	(461)
	<u>20,874</u>	<u>28,740</u>

#### 15. Trade and other receivables

	Group		Company	
	As at 31 December 2024 S\$'000	As at 31 December 2023 S\$'000	As at 31 December 2024 S\$'000	As at 31 December 2023 S\$'000
Trade receivables	27,117	13,359	-	-
Allowance for impairment loss	(693)	(746)	-	-
<b>Net trade receivables</b>	<b>26,424</b>	<b>12,613</b>	<b>-</b>	<b>-</b>
Deposits	4,131	1,269	-	-
Deposits for purchase of property, plant & equipment	-	237	-	-
Amount due from subsidiaries	-	-	23,383	5,745
Dividend receivable from a subsidiary	-	-	-	1,500
Other receivables	3,400	1,249	-	-
Advance payments to suppliers	9,456	2,719	-	-
<b>Financial assets at amortised cost</b>	<b>43,411</b>	<b>18,087</b>	<b>23,383</b>	<b>7,245</b>
Contract assets	6,417	9,722	-	-
GST receivables	206	254	3	5
Withholding tax	425	394	-	-
Prepayment	1,278	1,411	23	15
	<u>51,737</u>	<u>29,868</u>	<u>23,409</u>	<u>7,265</u>

#### 16. Trade and other payables

	Group		Company	
	As at 31 December 2024 S\$'000	As at 31 December 2023 S\$'000	As at 31 December 2024 S\$'000	As at 31 December 2023 S\$'000
Trade payables	12,159	13,650	267	98
Accrued operating expenses	10,650	5,713	146	98
Accrued capital expenditure	1,193	1,169	-	-
Other payables	159	272	-	-
Amount due to directors	1,386	-	-	-
Deposit received	504	13,183	-	-
<b>Financial liabilities at amortised cost</b>	<b>26,051</b>	<b>33,987</b>	<b>413</b>	<b>196</b>
Contract liabilities*	16,659	1,668	-	-
	<u>42,710</u>	<u>35,655</u>	<u>413</u>	<u>196</u>

\*Contract liabilities mainly relate to advance billings of S\$15.9 million billed to customers which will be transferred to revenue when the performance obligations are satisfied.

## 17. Subsequent events

There are no known subsequent events which have led to adjustments to this set of interim financial statements. The sale of "Bridgewater 108" vessel for cash proceeds of S\$14.2 million has been completed on 9 January 2025. Consequently, the group recognized a profit of S\$ 7.34 million arising from the sale in FY2025.

## F. OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7C

18. Details of any changes in the company's share capital arising from rights issue, bonus issue, subdivision, consolidation, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

	Number of Shares	Issued and paid-up share capital (S\$'000)
<b>Issued and fully paid ordinary shares</b>		
Balance as at 31 December 2023	705,442,100	74,409
Purchase of treasury shares	(509,700)	
Balance as at 31 December 2024	704,932,400	74,409

During FY2024, the Company bought back 509,700 shares by way of market acquisition and are held as treasury shares.

### Treasury shares

The number of treasury shares held by the Company as at 31 December 2024 is 5,067,600 representing 0.72% of the total number of issued shares outstanding as at 31 December 2024 (FY2023: 4,557,900 representing 0.65% of the total number of issued shares outstanding as at 31 December 2023).

There were no outstanding options, convertibles held by the Company as at 31 December 2024 and 31 December 2023.

19. To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

	As at 31 December 2024	As at 31 December 2023
<b>Total issued shares (excluding treasury shares)</b>	704,932,400	705,442,100

20. A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

During the financial year ended 31 December 2024, there were no sale, cancellation and/or use of treasury shares.

- 21. A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.**

Not applicable.

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

The condensed statement of financial position of Kim Heng Ltd and its subsidiaries as at 31 December 2024 and the related condensed consolidated profit or loss and other comprehensive income, condensed consolidated statement of change in equity and condensed consolidation of cash flows for the six months and 12 months then ended and certain explanatory notes have not been audited or reviewed.

- 23. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not applicable.

- 23.1 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.**

Not applicable. The Company's latest audited financial statements for the financial year ended 31 December 2023 were not subject to an adverse opinion, qualified opinion or disclaimer of opinion.

**(b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.**

Not applicable.

- 24. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

The financial statements have been prepared in accordance with the Singapore Financial Reporting Standards (International) ("SFRS(I)") including SFRS(I) 1-34 Interim Financial Reporting, and the same accounting policies and methods of computation adopted in the audited financial statements of the last financial year, except for those disclosed under paragraph 25 below.

- 25. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

The Group and the Company have adopted the new and revised SFRS(I)s, and Interpretations of SFRS(I) ("SFRS(I) INTs") that are effective for the annual period beginning on 1 January 2024. The adoption of these SFRS(I)s and SFRS(I) INTs did not have any significant effect on the financial statements of the Group and the Company.

- 26. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends:**

**Earnings per share based on the weighted average number of ordinary shares on issue:**

Earnings per share is calculated by dividing the net profit attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the financial period/year.

**27. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends: (Cont'd)**

	6 Months Ended		12 Months Ended	
	1 July 2024 to 31 December 2024	1 July 2023 to 31 December 2023	1 January 2024 to 31 December 2024	1 January 2023 to 31 December 2023
Net (loss)/profit attributable to equity holders of the Company (S\$'000)	1,312	(173)	270	1,565
Weighted average number of ordinary shares outstanding	704,932,400	705,442,100	704,956,991	705,442,100
Basic and fully diluted profit/(loss) per share (cents per share)	0.19	(0.02)	0.04	0.22

The diluted and basic profit/(loss) per share are the same for each of 2H 2024, 2H 2023, FY 2024 and FY 2023 as the Company has no dilutive equity instruments as at 31 December 2024, 30 June 2024, 31 December 2023 and 30 June 2023.

**28. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:**

- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
- (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

**GROUP FINANCIAL PERFORMANCE**

**Consolidated Statement of Comprehensive Income**

**2H 2024 vs 2H 2023 & FY 2024 vs FY 2023**

**Revenue**

**2H 2024 vs 2H 2023**

Revenue for 2H 2024 increased by S\$10.3 million or 18.2%, from S\$56.9 million in 2H 2023 to S\$67.2 million in 2H 2024 mainly due to the following:

- a) increase in revenue of S\$2.8 million from vessel sales and new build mainly due to delivery of vessels completed in 2H 2024;
- b) increase in revenue of S\$4.7 million from chartering and towage of vessels mainly due to higher market demand for vessel chartering;
- c) increase in revenue of S\$6.8 million from marine offshore support services mainly due to higher fabrication and installation jobs completed in 2H2024; offset by
- d) decrease in revenue of S\$3.3 million and S\$0.7 million respectively from sales of goods and equipment rental mainly due to lesser vessel supply chain job and lesser requirement for crane rental in the market.

**FY 2024 vs FY 2023**

Revenue increased by S\$21.5 million or 21.3%, from S\$101.2 million in FY 2023 to S\$122.7 million in FY 2024. The increase is attributed to:

- a) increase in revenue of S\$21.3 million from vessel sales and new build mainly due to delivery of vessels completed in FY 2024;

## **Consolidated Statement of Comprehensive Income (Cont'd)**

### **2H 2024 vs 2H 2023 & FY 2024 vs FY 2023 (Cont'd)**

- b) increase in revenue of S\$10.8 million from chartering and towage of vessels mainly due to higher market demand for vessel chartering; offset by
- c) decrease in revenue of S\$1.2 million from marine offshore support services mainly due to lesser demand during first half of the year; and
- d) decrease in revenue of S\$7.5 million and S\$1.9 million respectively from sales of goods and equipment rental mainly due to lesser demand during the year.

### **Cost of sales, gross profit and gross profit margin**

#### **2H 2024 vs 2H 2023**

Cost of sales for 2H 2024 increased by S\$12.8 million or 33.2%, from S\$38.8 million in 2H 2023 to S\$51.6 million in 2H 2024 mainly due to the following:

- a) increase in cost of sales of S\$5.1 million from cost of vessel and newbuild;
- b) increase in cost of sales of S\$4.6 million from chartering cost; and
- c) increase in cost of sales of S\$6.6 million from marine support services cost; offset by
- d) decrease in cost of sales of S\$ 3.3 million and S\$0.2 million respectively from cost of materials and supplies and equipment rental costs.

Gross profit decreased by S\$2.5 million or 13.9%, from S\$18.1 million in 2H 2023 to S\$15.6 million in 2H 2024 mainly due to gross loss from equipment rental.

Gross profit margin decreased from 31.9% in 2H 2023 to 23.2% in 2H 2024 mainly due to lower profit margin from sale of materials and supplies and equipment rental segments.

#### **FY 2024 vs FY 2023**

In line with the increase in revenue, cost of sales for FY 2024 increased by S\$23.3 million or 34.1%, from S\$ 68.4 million in FY 2023 to S\$ 91.7 million in FY 2024.

Gross profit decreased by S\$1.8 million or 5.4%, from S\$32.8 million in FY 2023 to S\$31.0 million in FY 2024.

Gross profit margin decreased from 32.4% in FY 2023 to 25.2% in FY 2024. The decrease was mainly due to the lower profit margin from the equipment rental segment.

### **Other income**

#### **2H 2024 vs 2H 2023**

Other income increased by S\$2.7 million, from S\$1.9 million in 2H 2023 to S\$4.6 million in 2H 2024, mainly due to exchange gain of S\$1.2 million and reversal of impairment loss on property, plant and equipment of S\$2.3 million partially offset by lower insurance compensation of S\$0.1 million, absence of gain on disposal of S\$0.4 million and lower in other income from AP written off of S\$0.3 million.

#### **FY 2024 vs FY 2023**

Other income increased by S\$2.1 million, from S\$3.0 million in FY 2023 to S\$ 5.1 million in FY 2024, mainly due the same reason as stated above.

## **Consolidated Statement of Comprehensive Income (Cont'd)**

### **2H 2024 vs 2H 2023 & FY 2024 vs FY 2023 (Cont'd)**

#### **Distribution expenses**

##### **2H 2024 vs 2H 2023**

Distribution expenses increased by S\$0.1 million or 15.5%, from S\$0.8 million in 2H 2023 to S0.9 million in 2H 2024 mainly due to higher vessel brokerage and commission incurred in 2H 2024.

##### **FY 2024 vs FY 2023**

Distribution expenses increased by S\$0.3 million or 19.1%, from S\$1.7 million in FY 2023 to S\$2.0 million in FY 2024 mainly due to higher vessel brokerage, commission and travelling expenses incurred in FY 2024.

#### **Administrative expenses**

##### **2H 2024 vs 2H 2023**

Administrative expenses increased by S\$0.8 million or 9.0%, from S\$9.3 million in 2H 2023 to S\$10.1 million in 2H 2024 mainly due to higher staff costs and foreign worker costs incurred in 2H 2024.

##### **FY 2024 vs FY 2023**

Administrative expenses increased by S\$2.5 million or 13.4%, from S\$18.2 million in FY 2023 to S\$20.7 million in FY 2024 mainly due to higher staff costs incurred as well as increase in professional fees.

#### **Other operating expenses**

##### **2H 2024 vs 2H 2023**

Other operating expenses decreased by S\$1.9 million or 44.9% from S\$4.3 million in 2H 2023 to S\$2.4 million in 2H 2024 mainly due to forex translation gain of S\$1.2 million in 2H 2024 as compared to forex exchange loss of S\$0.9 million in 2H 2023 and absence of reclassification of crew wages of S\$1.0 million from cost of sales to other operating expenses for non-operational vessels in FY2023.

##### **FY 2024 vs FY 2023**

Other operating expenses decreased by S\$2.3 million or 35.5% from S\$6.6 million in FY 2023 to S\$ 4.3 million in FY 2024 due to the same reason as stated above.

#### **Finance costs**

##### **2H 2024 vs 2H 2023**

Finance costs increased by S\$0.4 million or 26.6%, from S\$1.8 million in 2H 2023 to S\$2.2 million in 2H 2024, mainly due to increase in trust receipt interest and new term loan utilized.

##### **FY 2024 vs FY 2023**

Finance costs increased by S\$1.0 million or 32.3%, from S\$3.1 million in FY 2023 to S\$4.1 million in FY 2024 due to the same reason as stated above.

## **Consolidated Statement of Comprehensive Income (Cont'd)**

### **2H 2024 vs 2H 2023 & FY 2024 vs FY 2023 (Cont'd)**

#### **Tax expense**

##### **2H 2024 vs 2H 2023**

Income tax expenses decreased by S\$1.0 million or 30% from S\$3.5 million in 2H 2023 to S\$2.5 million in 2H 2024 mainly due to lower provision of deferred tax liabilities partially offset by higher provision of current tax.

##### **FY 2024 vs FY 2023**

Income tax expense decreased by S\$1.2 million or 33%, from S\$3.7 million in FY 2023 to S\$2.5 million in FY 2024 mainly due to the same reason as stated above.

#### **Net profit after tax**

##### **2H 2024 vs 2H 2023**

As a result of the above, the Group recorded a net profit after tax of S\$2.1 million in 2H 2024 as compared to S\$0.4 million in 2H 2023.

##### **FY 2024 vs FY 2023**

As a result of the above, the Group recorded a net profit after tax of S\$2.5 million in FY 2024 as compared to S\$2.3 million in FY 2023.

#### **EBITDA**

The Group achieved the same EBITDA of S\$17.9 million in FY 2024 and FY 2023.

## **Consolidated Statement of Financial Position**

#### **Non-current assets**

Non-current assets increased by S\$8.3 million from S\$97.3 million as at 31 December 2023 to S\$105.6 million as at 31 December 2024. The increase was mainly due to purchase of property, plant and equipment during the year partially offset by depreciation expenses of property, plant and equipment and reclassification to inventory.

#### **Current assets**

Current assets increased by S\$6.0 million from S\$70.0 million as at 31 December 2023 to S\$76.0 million as at 31 December 2024. This increase was mainly due to increase in trade and other receivables partially offset by decrease in inventories and cash and cash equivalents.

Inventories decreased by S\$7.8 million from S\$28.7 million as at 31 December 2023 to S\$20.9 million as at 31 December 2024 mainly due to utilization of bunker and sale of vessels from inventories partially offset by reclassification of vessels to inventories due to the change of use.

Cash and cash equivalents decreased by S\$7.6 million from S\$11.0 million as at 31 December 2023 to S\$3.4 million as at 31 December 2024 mainly due to higher cash used in investing and financing activities, offset by cash generated from operating activities.



## **Consolidated Statement of Financial Position (Cont'd)**

### **Current assets (Cont'd)**

Trade and other receivables increased by S\$21.8 million from S\$29.9 million as at 31 December 2023 to S\$51.7 million as at 31 December 2024, mainly due to payment sale of vessel in the end of December 2024 of S\$14.0 million which was collected in January 2025 and increase in advance payment to suppliers due to ongoing vessel building projects.

Receivable turnover days increased from 73 days in FY 2023 to 82 days in FY 2024.

### **Working capital**

The Group reported a net profit before tax of S\$5.0 million (FY 2023: S\$6.1 million) and total comprehensive income of S\$3.4 million (FY 2023: S\$1.7 million) for FY2024. Excluding Trust receipt borrowing of S\$10.9 million that will be converted to long term loan as disclosed in paragraph 12 (of which S\$1.0 million shall be classified as current liabilities), revolving banking facility of S\$5.0 million that is renewable every 6 months, deposits received from customers amounting to S\$0.4 million for vessels under construction in respect of the sale and delivery of related vessels under construction in the next 12 months as disclosed in paragraph 16 and advance payments to contractors for the construction of the vessels under construction amounting to S\$0.7 million, the Group's current liabilities have exceeded its current assets by S\$2.3 million. The Group has the ability to realise its property, plant and equipment and inventories to fund its financial obligations as and when required. Based on the above, the management is of the view that there are reasonable expectations that the Group and the Company have adequate resources to continue in operational existence for the next twelve months from the balance sheet date.

### **Shareholders' equity**

Shareholders' equity amounted to S\$50.7 million and S\$56.0 million as at 31 December 2024 and 31 December 2023 respectively.

### **Non-controlling interests**

Non-controlling interests increased by S\$0.3 million from S\$7.3 million as at 31 December 2023 to S\$7.6 million as at 31 December 2024 mainly due to share of profit for FY 2024 attributed to non-controlling interests partially offset by acquisition of non-controlling interest in FY 2024.

### **Non-current liabilities**

Non-current liabilities decreased by S\$8.2 million from S\$38.5 million as at 31 December 2023 to S\$30.3 million as at 31 December 2024, mainly due to early settlements and repayments loans and borrowings partially offset by the increase in deferred tax provision and additional loans and borrowings obtained.

### **Current liabilities**

Current liabilities increased by S\$27.5 million, from S\$65.4 million as at 31 December 2023 to S\$92.9 million as at 31 December 2024. This increase was mainly due to the increase in loans and borrowings as well as trade and other payables.

Loans and borrowings increased mainly due to new loans and borrowings obtained, increase in trust receipt and partially offset by repayment for loans and borrowings.

Trade and other payables increased mainly due to the increase in accrued operating expenses and advance billing to customers, partially offset by the recognition of deposits received from customers to revenue due to the completion of vessel sales.

Payable turnover days decreased from 93 days as at 31 December 2023 to 89 days as at 31 December 2024 as the Group was consistent in paying off trade suppliers on a timely basis to avoid business disruption.

## Consolidated Statement of Cash Flows

### **FY 2024 vs FY 2023**

In FY 2024, net cash generated from operating activities before changes in working capital amounted to S\$15.7 million due to profit before income tax of S\$5.0 million, and adjustments mainly for depreciation of property, plant and equipment and right-of-use assets of S\$8.8 million, reversal of impairment loss on property, plant and equipment of S\$2.3 million, interest expense of S\$4.1 million, loss on disposal of property, plant and equipment of S\$0.2 million. The overall net cash generated from operating activities after changes in working capital and income tax paid amounted to S\$12.7 million.

Net cash used in investing activities of S\$11.0 million in FY 2024 mainly due to purchase of property, plant and equipment partially offset by proceeds from disposal of property, plant and equipment.

Net cash used in financing activities of S\$11.1 million in FY 2024 mainly due to acquisition of non-controlling interest, repayment of term loans, lease liabilities, interest payment and dividend paid which is partially offset by proceeds from term loans and trust receipts as well as loan from a director.

As a result of the above and after adjusting for the effect of exchange rate fluctuations, there was a net decrease of S\$9.5 million in cash and cash equivalents (as adjusted for deposits pledged) in FY 2024.

### **29. A breakdown of sales as follows:-**

	<b>Financial Year 2024 S\$'000</b>	<b>Financial Year 2023 S\$'000</b>	<b>% increase/ (decrease)</b>
	<b>Group</b>	<b>Group</b>	<b>Group</b>
Sales reported for first half year	55,502	44,298	25
Operating profit after tax before deducting non-controlling interests reported for first half year	428	1,930	(78)
Sales reported for second half year	67,232	56,896	18
Operating profit after tax before deducting non-controlling interests reported for second half year	2,116	415	>100

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

Not applicable. No forecast or prospect statement has been made.

### **31. 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 remains ready to capitalize on emerging trends in the offshore industry including submarine fiber optic cable and power cable laying and the renewable markets. However, external factors such as policy changes, geopolitical tensions economic conditions and supply chain issues could potentially introduce some uncertainty and volatility. The offshore marine industry continues to see growth potential in Asia while demand for offshore vessels remains robust.

**32. If a decision regarding dividend has been made:-**

**(a) Whether an interim (final) ordinary dividend has been declared (recommended)**

No dividend has been declared or recommended for FY 2024.

**(b) Previous corresponding period**

<b>Name of dividend</b>	<b>Recommended final dividend for FY2023</b>
Dividend type	Ordinary
Dividend rate	S\$0.2126 Singapore cents per ordinary share
Tax rate	Tax exempt (one-tier)

**(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country whether the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated)**

Not applicable.

**(d) Date Payable**

Not applicable.

**(e) The date on which Registrable Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividend are determined**

Not applicable.

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

No dividend was declared or recommended for FY 2024 as the Group is in net current liabilities position. The Group intends to conserve cash for working capital and business expansion purposes.

**34. If the group has obtained a general mandate from shareholders for IPTs, 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 interested person transactions.

The aggregate value of the interested person transaction during FY2024 was as follows:-

Name of Interested Person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)
	Total value of the transaction	Total value of the transaction
	\$'000	\$'000
Interest expense to Mr Thomas Tan Keng Siong, who is the Executive Chairman, Chief Executive Officer and Controlling Shareholder of the Group *	395	-
Interest expense to Mr Thomas Tan Keng Siong, who is the Executive Chairman, Chief Executive Officer and Controlling Shareholder of the Group #	36	-

\*Please refer to the announcement dated 18 September 2023 for more details.

# This is for the S\$1.35 million temporary advance recorded in amount due to Mr. Thomas Tan Keng Siong at the interest rate of 7.5% p.a..

**35. Disclosure on Acquisition and Realisation of Share pursuant to Rule 706(A) of the Catalist Rules**

Save as disclosed below, there were no acquisition or realization of shares thereby resulting (i) in a change in the shareholding percentage in any of the subsidiary or associated company of the Group or (ii) an entity becoming or ceasing to be (as the case may be) a subsidiary or associated company of the Group during FY 2024.

During 2H 2024,

- (i) the Company's wholly-owned subsidiary, Adira Renewables Pte. Ltd. ("ARPL") incorporated the following wholly-owned subsidiary in South Korea:-

Name of company	:	Soiltech Adira Korea Co. Ltd ("SOILTECH-ADIRA")
Incorporation date	:	24 December 2024
Issued and paid-up shares capital	:	KRW 100,000,000 (SGD 95,572)
Percentage of issued and paid-up share capital held by ARPL	:	100%
Principal activity	:	Provision of geotechnical survey services
Directors of SOILTECH-ADIRA	:	Mr Chen Pengyao, the Chief Operation Officer of the Company.

- (ii) the Company's wholly-owned subsidiary, Bridgewater Discovery Pte. Ltd. ("**BDPL**") incorporated the following wholly-owned subsidiary in South Korea:-

Name of company	:	Bridgewater Discovery Korea Co. Ltd (" <b>BDKR</b> ")
Incorporation date	:	19 December 2024
Issued and paid-up shares capital	:	KRW 100,000,000 (SGD 95,572)
Percentage of issued and paid-up share capital held by <b>BDPL</b>	:	100%
Principal activity	:	Shipping companies, including chartering of ships and boats with crew.
Directors of BDKR	:	Mr Chen Pengyao, the Chief Operation Officer of the Company.

- (iii) the Company's indirect joint venture company, Thaitan International Pte Ltd ("**TIPL-SG**") incorporated the following branch in Thailand:-

Name of company	:	Thaitan International Pte Ltd (Thailand Branch) (" <b>TIPL-TH</b> ")
Incorporation date	:	12 November 2024
Issued and paid-up shares capital	:	BAHT 34,288,825 (SGD 1,398,984)
Percentage of issued and paid-up share capital held by TIPL-SG	:	100%
Principal activity	:	Installation and testing of onshore natural gas pipeline systems
Directors of TIPL-TH	:	Mr Trin Pimhataivoot, the director of TIPL-SG

The incorporation of SOILTECH-ADIRA, BDKR and TIPL-TH was funded through internal resources and is not expected to have any material impact on the earnings per share or net tangible assets of the Company for the financial year ending 31 December 2025.

- (iv) the Company's wholly-owned subsidiary, Kim Heng Offshore and Marine Pte Ltd ("**KHOMPL**") acquired the remaining 49% interest of Bridgewater Offshore Pte Ltd:-

Name of company	:	Bridgewater Offshore Pte Ltd
Share transfer date	:	23 Dec 2024
Issued and paid-up shares capital purchased	:	USD 4,265,026
Percentage of issued and paid-up share capital held by KHOMPL as at 31 Dec 2024	:	100%
Principal activity	:	Charter of vessel and marine support services

- (v) the Company's wholly-owned subsidiary, Adira Solar Sdn Bhd was strike off on 2 October 2024.

**36. Confirmation that the Issuer to has procured undertaking from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1).**

The Board of Directors confirms that they have procured undertakings from all its directors and executive officers in the format set out in Appendix 7H under Rule 720(1) of the Listing Manual of the SGX-ST.

**37. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(10) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.**

<b>Name</b>	<b>Age</b>	<b>Family relationship with any director and/or substantial shareholder</b>	<b>Current position and duties, and the year the position was first held</b>	<b>Details of changes in duties and position held, if any, during the year</b>
Tan Keng Hoe Melvin	62	Brother of Mr. Thomas Tan, CEO & Chairman	Chief Technical Officer  To oversee the engineering division of the Group.	N.A.
Tan Peck Ling Jocelyn	42	Daughter of Mr. Thomas Tan, CEO & Chairman	Head of Corporate Services  Responsible for corporate services and strategic planning for the Group and overseeing the coordination and allocation of Group resources for the achievement of the Group's strategic objectives since September 2014.	N.A.
Tan Peck Ching Jeliane	40	Daughter of Mr. Thomas Tan, CEO & Chairman	Head of Supply Chain  Responsible for identifying and screening procurement suppliers, negotiating terms and conditions, standardizing business and procurement best practice processes since April 2006.	N.A.
Tan Wen Hao Justin Anderson	34	Son of Mr. Thomas Tan, CEO & Chairman	Group Deputy Chief Executive Officer  Responsible for overseeing the shipyard operations, its heavy equipment business, the marine and offshore vessel charter and operations and horizontal directional drilling.	N.A.

**On Behalf of the Board of Directors**

Thomas Tan Keng Siong  
Executive Chairman and CEO  
28 February 2025