
**Unaudited Condensed Interim Financial Statements
For the Nine Months Ended 30 September 2024**

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Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income

	Note	The Group					
		3rd quarter ended 30.09.2024 RM'000	3rd quarter ended 30.09.2023 RM'000	Change %	9 months ended 30.09.2024 RM'000	9 months ended 30.09.2023 RM'000	Change %
Revenue	4	200,407	149,691	34%	512,406	350,211	46%
Cost of sales		(84,981)	(103,126)	-18%	(250,933)	(225,388)	11%
Gross profit		115,426	46,565	>100%	261,473	124,823	>100%
Other income	5	2,998	46,909	-94%	512,237	48,001	>100%
Selling and administrative expenses		(13,356)	(10,622)	26%	(36,796)	(28,317)	30%
Other operating expenses		(21,902)	(5,951)	>100%	(4,830)	(13,767)	-65%
Operating profit		83,166	76,901	8%	732,084	130,740	>100%
Finance costs		(5,400)	(7,044)	-23%	(14,666)	(20,691)	-29%
Share of results of equity accounted joint ventures, net of tax		(2,617)	2,042	<(100%)	(2,603)	2,121	<(100%)
Share of results of equity accounted associates, net of tax		(314)	1,876	<(100%)	29,344	3,048	>100%
Profit before tax	6	74,835	73,775	1%	744,159	115,218	>100%
Income tax expense	7	(23,968)	(11,043)	>100%	(57,501)	(20,787)	>100%
Profit for the financial period		50,867	62,732	-19%	686,658	94,431	>100%

Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income (Cont'd)

	The Group					
	3rd quarter ended 30.09.2024 RM'000	3rd quarter ended 30.09.2023 RM'000	Change %	9 months ended 30.09.2024 RM'000	9 months ended 30.09.2023 RM'000	Change %
Other comprehensive income/(loss)						
Exchange differences on translating foreign operations	472	(13,159)	<(100%)	(18,779)	(39,557)	(53%)
Other comprehensive income/(loss) for the financial period, net of tax	472	(13,159)	<(100%)	(18,779)	(39,557)	(53%)
Total comprehensive income for the financial period	51,339	49,573	4%	667,879	54,874	>100%
Profit attributable to:						
Owners of the parent	47,058	59,788	-21%	673,652	91,018	>100%
Non-controlling interest	3,809	2,944	29%	13,006	3,413	>100%
Profit for the financial period	50,867	62,732	-19%	686,658	94,431	>100%
Total comprehensive income attributable to:						
Owners of the parent	47,530	46,629	2%	654,873	51,461	>100%
Non-controlling interest	3,809	2,944	29%	13,006	3,413	>100%
Total comprehensive income for the financial period	51,339	49,573	4%	667,879	54,874	>100%
Earnings per share for profit for the period attributable to the owners of the Company						
Weighted average number of shares in issue (basic)	393,398,425	80,715,378		393,398,425	80,715,378	
Weighted average number of shares in issue (diluted)	400,685,813	82,118,966		400,685,813	82,118,966	
Basic profit per share (Malaysia sen)	11.96	74.07		171.24	112.76	
Diluted profit per share (Malaysia sen)	11.74	72.81		168.12	110.84	

Condensed Interim Statements of Financial Position

	Note	The Group		The Company	
		30.09.2024 RM'000	31.12.2023 RM'000	30.09.2024 RM'000	31.12.2023 RM'000
ASSETS					
Non-current assets					
Property, plant and equipment	10	640,625	543,837	-	-
Subsidiaries		-	-	666	-
Joint ventures		6,630	8,996	-	-
Associates		35,684	9,415	-	-
		<u>682,939</u>	<u>562,248</u>	<u>666</u>	<u>-</u>
Current assets					
Inventories		36,269	23,959	-	-
Trade and other receivables	11	317,020	254,206	55,905	152
Prepayments		21,314	6,511	28	127
Current tax recoverable		82	184	41	41
Fixed deposits		7,270	6,887	-	-
Cash and bank balances		91,781	57,340	69	171
		<u>473,736</u>	<u>349,087</u>	<u>56,043</u>	<u>491</u>
TOTAL ASSETS		<u>1,156,675</u>	<u>911,335</u>	<u>56,709</u>	<u>491</u>
EQUITY AND LIABILITIES					
Equity					
Share capital	12	227	3,977	227	3,977
Share premium	12	586,604	312,471	586,604	312,471
Treasury shares		(4,097)	(4,097)	(4,097)	(4,097)
Other reserves		127,536	143,944	783,755	781,384
Accumulated losses		(291,817)	(965,469)	(1,591,452)	(1,963,734)
		<u>418,453</u>	<u>(509,174)</u>	<u>(224,963)</u>	<u>(869,999)</u>
Non-controlling interest		<u>19,994</u>	<u>6,988</u>	<u>-</u>	<u>-</u>
Total equity		<u>438,447</u>	<u>(502,186)</u>	<u>(224,963)</u>	<u>(869,999)</u>
Non-current liabilities					
Deferred tax liabilities		8,269	8,143	-	-
Lease liabilities		-	262	-	-
Borrowings	13	413,680	-	204,297	-
Trade and other payables		26,720	28,093	-	-
		<u>448,669</u>	<u>36,498</u>	<u>204,297</u>	<u>-</u>

Condensed Interim Statements of Financial Position (Cont'd)

	Note	The Group		The Company	
		30.09.2024 RM'000	31.12.2023 RM'000	30.09.2024 RM'000	31.12.2023 RM'000
EQUITY AND LIABILITIES (Contd.)					
Current liabilities					
Lease liabilities		474	834	-	-
Borrowings	13	40,175	1,042,482	31,836	758,223
Trade and other payables		160,373	279,191	17,618	60,393
Current tax payable		40,616	2,642	-	-
Provision for financial guarantee		27,921	51,874	27,921	51,874
		<u>269,559</u>	<u>1,377,023</u>	<u>77,375</u>	<u>870,490</u>
Total liabilities		<u>718,228</u>	<u>1,413,521</u>	<u>281,672</u>	<u>870,490</u>
TOTAL EQUITY AND LIABILITIES		<u>1,156,675</u>	<u>911,335</u>	<u>56,709</u>	<u>491</u>

Condensed Interim Statements of Changes in Equity

The Group	Share capital RM'000	Share premium RM'000	Treasury shares RM'000	Contributed surplus RM'000	Foreign currency translation reserve RM'000	Fair value reserve RM'000	Capital reserve RM'000	Share grant reserve RM'000	Accumulated losses RM'000	Equity attributable to owners of the parent RM'000	Non-controlling interest RM'000	Total equity RM'000
At 1 January 2024	3,977	312,471	(4,097)	-	145,210	(4,401)	359	2,776	(965,469)	(509,174)	6,988	(502,186)
Profit for the period	-	-	-	-	-	-	-	-	673,652	673,652	13,006	686,658
Other comprehensive loss	-	-	-	-	(18,779)	-	-	-	-	(18,779)	-	(18,779)
Share consolidation (Note 12)	(3,937)	-	-	3,937	-	-	-	-	-	-	-	-
Issuance of :										-		
- Conversion Shares	105	241,590	-	-	-	-	-	-	-	241,695	-	241,695
- Settlement Shares	7	2,618	-	-	-	-	-	-	-	2,625	-	2,625
- Private Placement Shares	75	29,925	-	-	-	-	-	-	-	30,000	-	30,000
Cancellation of Share grant plan	-	-	-	-	-	-	-	(2,776)	-	(2,776)	-	(2,776)
Share grant plan expenses	-	-	-	-	-	-	-	1,210	-	1,210	-	1,210
At 30 September 2024	227	586,604	(4,097)	3,937	126,431	(4,401)	359	1,210	(291,817)	418,453	19,994	438,447
At 1 January 2023 (restated)	3,904	310,850	(4,097)	-	185,901	(4,401)	-	2,776	(1,122,743)	(627,810)	3,133	(624,677)
Profit for the period	-	-	-	-	-	-	-	-	91,018	91,018	3,413	94,431
Other comprehensive loss	-	-	-	-	(39,557)	-	-	-	-	(39,557)	-	(39,557)
Issuance of term loan shares	73	1,621	-	-	-	-	-	-	-	1,694	-	1,694
Issuance of shares to non-controlling interest of a subsidiary	-	-	-	-	-	-	-	-	-	-	635	635
Dividend paid to non-controlling interest of a subsidiary	-	-	-	-	-	-	-	-	-	-	(2,087)	(2,087)
At 30 September 2023	3,977	312,471	(4,097)	-	146,344	(4,401)	-	2,776	(1,031,725)	(574,655)	5,094	(569,561)

Condensed Interim Statements of Changes in Equity (Cont'd)

The Company	Share capital RM'000	Share premium RM'000	Treasury shares RM'000	Contributed surplus RM'000	Capital surplus RM'000	Share grant reserve RM'000	Accumulated losses RM'000	Equity attributable to owners of the parent RM'000
At 1 January 2024	3,977	312,471	(4,097)	-	778,608	2,776	(1,963,734)	(869,999)
Profit for the period	-	-	-	-	-	-	372,282	372,282
Share consolidation (Note 12)	(3,937)	-	-	3,937	-	-	-	-
Issuance of :								
- Conversion Shares	105	241,590	-	-	-	-	-	241,695
- Settlement Shares	7	2,618	-	-	-	-	-	2,625
- Private Placement Shares	75	29,925	-	-	-	-	-	30,000
Cancellation of Share grant plan	-	-	-	-	-	(2,776)	-	(2,776)
Share grant plan expenses	-	-	-	-	-	1,210	-	1,210
At 30 September 2024	227	586,604	(4,097)	3,937	778,608	1,210	(1,591,452)	(224,963)
At 1 January 2023 (restated)	3,904	310,850	(4,097)	-	778,608	2,776	(1,940,240)	(848,199)
Loss for the period	-	-	-	-	-	-	(63,382)	(63,382)
Issuance of term loan shares	73	1,621	-	-	-	-	-	1,694
At 30 September 2023	3,977	312,471	(4,097)	-	778,608	2,776	(2,003,622)	(909,887)

Condensed Interim Consolidated Statements of Cash Flows

	The Group			
	3rd quarter ended	3rd quarter ended	9 months ended	9 months ended
	30.09.2024	30.09.2023	30.09.2024	30.09.2023
	RM'000	RM'000	RM'000	RM'000
Operating activities				
Profit before tax	74,835	73,775	744,159	115,218
Adjustments for:				
Depreciation of property, plant and equipment	10,423	5,634	26,660	17,851
Gain on waiver of debts	(2,786)	-	(393,372)	-
Loss/(Gain) on disposal of property, plant and equipment	887	(44,317)	(31,460)	(44,317)
Property, plant and equipment written off	127	4	987	10
Impairment losses on trade and other receivables reversed	(2,641)	(2,084)	(7,219)	(2,029)
Impairment losses on other investment reversed	(26)	(27)	(63)	(62)
Reversal of inventories written-down	2,045	-	(72,526)	-
Interest expense	5,400	7,044	14,666	20,691
Interest income	(360)	(369)	(866)	(1,160)
Reversal of share grant expense	52	-	(4,565)	-
Share of results of equity accounted joint ventures, net of tax	2,617	(2,042)	2,603	(2,121)
Share of results of equity accounted associate, net of tax	314	(1,876)	(29,344)	(3,048)
Total adjustments	16,052	(38,033)	(494,499)	(14,185)
Operating cash before working capital changes	90,887	35,742	249,660	101,033
Changes in working capital:				
Changes in inventories	(17,784)	(3,897)	(41,159)	(7,337)
Changes in receivables	58,441	(32,447)	(21,671)	(71,528)
Changes in prepayments	(13,175)	(2,351)	(14,852)	(4,896)
Changes in payables	(12,124)	4,910	(41,285)	24,524
Total changes in working capital	15,358	(33,785)	(118,967)	(59,237)
Cash from operations	106,245	1,957	130,693	41,796
Interest paid	(757)	(2,356)	(3,417)	(3,703)
Taxes paid, net of refund	(8,683)	(2,542)	(19,174)	(7,620)
Net cash from/(used in) operating activities	96,805	(2,941)	108,102	30,473

Condensed Interim Consolidated Statements of Cash Flows (Cont'd)

	The Group			
	3rd quarter ended	3rd quarter ended	9 months ended	9 months ended
	30.09.2024 RM'000	30.09.2023 RM'000	30.09.2024 RM'000	30.09.2023 RM'000
Investing activities				
Repayment from associates	1,604	-	9,097	-
Repayment to joint ventures	(300)	-	(35,379)	-
Acquisition of property, plant and equipment	(62,078)	(22,556)	(78,793)	(71,825)
Interest received	360	369	866	1,160
Proceeds from disposal of property, plant and equipment	(1,107)	61,642	39,258	61,642
Net cash (used in)/from investing activities	(61,521)	39,455	(64,951)	(9,023)
Financing activities				
Repayments of bank borrowings	(4,760)	(821)	(35,143)	(821)
Payments of lease liabilities	(209)	(398)	(622)	(591)
Increased in fixed deposits pledged as security	(2,900)	(2,121)	(190)	(2,121)
Increased in restricted cash with licensed banks	(1,674)	-	(5,083)	-
Proceeds from share issuance	-	1,694	30,000	1,694
Dividend paid	-	(1,058)	-	(1,058)
Net cash used in financing activities	(9,543)	(2,704)	(11,038)	(2,897)
Net changes in cash and cash equivalents	25,741	33,810	32,113	18,553
Effects of exchange fluctuations on cash and cash equivalents	(2,158)	1,921	(2,562)	1,432
Cash and cash equivalents at 1 January	59,344	41,590	53,376	57,336
Cash and cash equivalents at 30 September	82,927	77,321	82,927	77,321
Cash and cash equivalents comprise the following as at the statements of financial position date:				
Fixed deposits with licensed banks	7,270	5,617	7,270	5,617
Cash and bank balances	91,781	79,354	91,781	79,354
	99,051	84,971	99,051	84,971
Less: Restricted cash with licensed banks	(9,881)	(2,856)	(9,881)	(2,856)
Less: Restricted fixed deposits with licensed banks	(6,243)	(4,794)	(6,243)	(4,794)
Total cash and cash equivalents	82,927	77,321	82,927	77,321

Notes to the Condensed Interim Consolidated Financial Statements

1. Corporate information

Nam Cheong Limited (the "Company") is incorporated as a limited liability company and domiciled in Bermuda. The Company's shares are publicly traded on the Mainboard of the Singapore Exchange. These condensed interim consolidated financial statements as at and for the nine months ended 30 September 2024 comprise the Company and its subsidiaries (collectively, the "Group").

The principal activities of the Company are those relating to investment holding. The principal activities of the Group are those of shipbuilding and vessel chartering.

2. Basis of preparation

The condensed interim financial statements for the nine months ended 30 September 2024 have been prepared in accordance with IAS 34 Interim Financial Reporting of International Financial Reporting Standards ("IFRS"). 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 year ended 31 December 2023.

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

The financial statements are presented in Malaysia ringgit ("RM") which is the Company's functional currency. All financial information is presented in RM and rounded to the nearest thousand, unless otherwise stated.

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 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 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 audited consolidated financial statements as at and for the 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.

Notes to the Condensed Interim Consolidated Financial Statements (Cont'd)

3. Seasonal operations

Other than the vessels utilisation of the chartering business which is affected by monsoon, the Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

4. Segment and revenue information

The Group is organised into the following main business segments:

- (i) Shipbuilding
- (ii) Vessel chartering
- (iii) Others - investment holding and trading of vessel machineries

	Shipbuilding RM'000	Chartering RM'000	Others RM'000	Eliminations RM'000	Total RM'000
3rd quarter ended 30 September 2024					
Revenue					
External revenue	-	200,407	-	-	200,407
Results					
Interest income	97	263	1	(1)	360
Depreciation of property, plant and equipment	(1,249)	(9,174)	-	-	(10,423)
Gain on disposal of property, plant and equipment	-	(887)	-	-	(887)
Gain on waiver of debts	2,786	-	-	-	2,786
Impairment losses on trade and other receivables reversed	339	1,120	1,182	-	2,641
Reversal of impairment on other investments	-	26	-	-	26
Finance costs	-	(5,342)	-	(58)	(5,400)
Share of results of joint ventures	-	-	(2,617)	-	(2,617)
Share of results of associates	-	-	(314)	-	(314)
(Loss)/Profit before tax	(60,161)	96,454	38,542	-	74,835

Notes to the Condensed Interim Consolidated Financial Statements (Cont'd)

4. Segment and revenue information (Cont'd)

	Shipbuilding RM'000	Chartering RM'000	Others RM'000	Eliminations RM'000	Total RM'000
3rd quarter ended 30 September 2023					
Revenue					
External revenue	-	149,691	-	-	149,691
Results					
Interest income	18	113	3,416	(3,178)	369
Depreciation of property, plant and equipment	(326)	(5,256)	-	(52)	(5,634)
Gain on disposal of property, plant and equipment	-	44,317	-	-	44,317
Impairment losses on trade and other receivables reversed	1	1,468	615	-	2,084
Restructuring expenses	-	-	(698)	-	(698)
Finance costs	-	(5,974)	(4,159)	3,089	(7,044)
Share of results of joint ventures	-	-	2,042	-	2,042
Share of results of associates	-	-	1,876	-	1,876
(Loss)/Profit before tax	(26,292)	100,951	(884)	-	73,775

Notes to the Condensed Interim Consolidated Financial Statements (Cont'd)

4. Segment and revenue information (Cont'd)

	Shipbuilding RM'000	Chartering RM'000	Others RM'000	Eliminations RM'000	Total RM'000
9 months ended 30 September 2024					
Revenue					
External revenue	-	512,406	-	-	512,406
Results					
Interest income	173	693	2,073	(2,073)	866
Depreciation of property, plant and equipment	(3,320)	(23,339)	(1)	-	(26,660)
Gain on disposal of property, plant and equipment	-	31,460	-	-	31,460
Gain on waiver of debts	393,372	-	-	-	393,372
Impairment losses on trade and other receivables reversed	339	4,061	2,819	-	7,219
Reversal of impairment on other investments	-	63	-	-	63
Restructuring expenses	-	-	(13,283)	-	(13,283)
Finance costs	-	(16,714)	-	2,048	(14,666)
Share of results of joint ventures	-	-	(2,603)	-	(2,603)
Share of results of associates	-	-	29,344	-	29,344
Profit before tax	460,679	280,159	3,321	-	744,159

Notes to the Condensed Interim Consolidated Financial Statements (Cont'd)

4. Segment and revenue information (Cont'd)

	Shipbuilding RM'000	Chartering RM'000	Others RM'000	Eliminations RM'000	Total RM'000
As at 30 September 2024					
Additions to non-current assets	77,021	103,147	-	-	180,168
Investment in joint ventures	-	-	6,630	-	6,630
Investment in associate	-	-	35,684	-	35,684
Segment assets	1,079,252	1,856,523	74,242	(1,853,424)	1,156,593
Segment liabilities	1,159,415	1,797,412	619,462	(2,906,946)	669,343
9 months ended 30 September 2023					
Revenue					
External revenue	-	350,211	-	-	350,211
Results					
Interest income	52	528	9,978	(9,398)	1,160
Depreciation of property, plant and equipment	(1,017)	(16,880)	(3)	49	(17,851)
Gain on disposal of property, plant and equipment	-	44,317	-	-	44,317
Impairment losses on trade and other receivables reversed/(made)	-	3,973	(1,944)	-	2,029
Reversal of impairment on other investments	-	-	62	-	62
Restructuring expenses	-	-	(2,691)	-	(2,691)
Finance costs	-	(17,462)	(12,299)	9,070	(20,691)
Share of results of joint ventures	-	-	2,121	-	2,121
Share of results of associates	-	-	3,048	-	3,048
(Loss)/Profit before tax	(9,300)	159,264	(34,745)	-	115,219

Notes to the Condensed Interim Consolidated Financial Statements (Cont'd)

4. Segment and revenue information (Cont'd)

	Shipbuilding RM'000	Chartering RM'000	Others RM'000	Eliminations RM'000	Total RM'000
As at 31 December 2023					
Additions to non-current assets	102,790	44,649	-	-	147,439
Investment in joint ventures	-	6,613	2,383	-	8,996
Investment in associate	-	-	9,415	-	9,415
Segment assets	1,018,748	1,616,011	4,665	(1,728,273)	911,151
Segment liabilities	2,287,255	1,986,628	1,218,549	(4,089,696)	1,402,736

	30.09.2024 RM'000	31.12.2023 RM'000
Non-current assets		
Malaysia	682,938	562,246
Singapore	1	2
	682,939	562,248

Non-current assets information presented above consist of the following items as presented in the consolidated statement of financial position.

	30.09.2024 RM'000	31.12.2023 RM'000
Property, plant and equipment	640,625	543,837
Investment in associates	35,684	9,415
Investment in joint ventures	6,630	8,996
	682,939	562,248

Notes to the Condensed Interim Consolidated Financial Statements (Cont'd)

5. Other income

	The Group			
	3rd quarter	3rd quarter	9 months	9 months
	ended	ended	ended	ended
	30.09.2024	30.09.2023	30.09.2024	30.09.2023
	RM'000	RM'000	RM'000	RM'000
Gain on discounting of trade payables	(44)	-	1,556	-
Gain on disposal of property, plant and equipment	(887)	44,317	31,460	44,317
Gain on waiver of debts	2,786	-	393,372	-
Impairment losses of trade and other receivables reversed	2,583	2,133	7,219	2,133
Impairment losses on other investments reversed	26	27	63	62
Interest income	360	369	866	1,160
Rental income	4	-	14	-
Reversal of inventories written down	(2,045)	-	72,526	-
Reversal of share grant expenses, net	(52)	-	4,565	-
Miscellaneous	267	63	596	329
	<u>2,998</u>	<u>46,909</u>	<u>512,237</u>	<u>48,001</u>

6. Profit before tax

	The Group			
	3rd quarter	3rd quarter	9 months	9 months
	ended	ended	ended	ended
	30.09.2024	30.09.2023	30.09.2024	30.09.2023
	RM'000	RM'000	RM'000	RM'000
The following amounts have been included in arriving at profit before tax:				
<i>Cost of sales</i>				
Depreciation of property, plant and equipment	9,947	5,207	25,273	16,526
<i>Administrative expenses</i>				
Depreciation of property, plant and equipment	476	427	1,387	1,325
<i>Other operating expenses</i>				
Impairment losses on trade and other receivables (reversed)/made	(58)	49	-	104
Property, plant and equipment written off	127	4	987	10
Foreign exchange loss/(gain), net	21,833	5,200	(9,440)	10,962
Restructuring expenses	-	698	13,283	2,691

Notes to the Condensed Interim Consolidated Financial Statements (Cont'd)

7. Income tax expense

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated statement of profit or loss are:

	The Group			
	3rd quarter ended 30.09.2024 RM'000	3rd quarter ended 30.09.2023 RM'000	9 months ended 30.09.2024 RM'000	9 months ended 30.09.2023 RM'000
Current income tax expense:				
- Current year	23,942	11,808	57,927	21,292
- Under/(Over)provision in prior year	26	534	(552)	798
Deferred tax expense:				
- (Over)/Underprovision in prior year	-	(1,299)	126	(1,303)
	<u>23,968</u>	<u>11,043</u>	<u>57,501</u>	<u>20,787</u>

8. Related party transactions

In addition to the related party information disclosed elsewhere in the condensed interim financial statements, the following are transactions with related parties made at terms agreed between the parties:

	The Group			
	3rd quarter ended 30.09.2024 RM'000	3rd quarter ended 30.09.2023 RM'000	9 months ended 30.09.2024 RM'000	9 months ended 30.09.2023 RM'000
Other related parties in which directors and key				
- purchases	230	7	413	269
- rental expense	216	216	649	643
	<u>216</u>	<u>216</u>	<u>649</u>	<u>643</u>

Notes to the Condensed Interim Consolidated Financial Statements (Cont'd)

9. Net asset value

	The Group		The Company	
	30.09.2024	31.12.2023	30.09.2024	31.12.2023
Net asset value per ordinary share (Malaysia sen)	111.5	(6.2)	(57.2)	(10.8)
Ordinary shares in issue	393,398,425	8,071,537,759	393,398,425	8,071,537,759

10. Property, plant and equipment

During the nine months ended 30 September 2024, there were acquisition of assets amounting to RM78,793,000 (30 September 2023: RM71,825,000).

11. Trade and other receivables

	The Group		The Company	
	30.09.2024	31.12.2023	30.09.2024	31.12.2023
	RM'000	RM'000	RM'000	RM'000
Non-current				
Trade receivables from a third party	4,284	7,585	-	-
Less: Allowance for impairment losses	(4,284)	(7,585)	-	-
	-	-	-	-
Current				
Trade receivables from:				
- third parties	268,839	226,269	-	-
- joint ventures	5,489	21,500	-	-
- associates	4,357	-	-	-
Less: Allowance for impairment losses	(17,287)	(21,452)	-	-
	261,398	226,317	-	-
Amount due from subsidiaries (non-trade)	-	-	55,995	15,737
Amounts due from joint ventures (non-trade)	74,280	41,103	54	62
Amounts due from associates (non-trade)	-	1,762	-	-
Deposits and other receivables	10,756	18,082	162	152
Less: Allowance for impairment losses				
- amounts due from subsidiaries (non-trade)	-	-	(252)	(15,737)
- amounts due from joint ventures (non-trade)	(26,751)	(29,374)	(54)	(62)
- amounts due from associate (non-trade)	-	(635)	-	-
- other receivables	(2,663)	(3,049)	-	-
	55,622	27,889	55,905	152
Total trade and other receivables	317,020	254,206	55,905	152

Notes to the Condensed Interim Consolidated Financial Statements (Cont'd)

11. Trade and other receivables (Cont'd)

The aging analysis of trade receivables are as follows:

	30.09.2024 RM'000	Financial year of which respective sales were reported
The Group		
Not impaired:		
Not past due	69,793	2024
Past due 1 to 3 months	140,416	2024
Past due 3 to 6 months	30,654	2024
Past due more than 6 months	20,535	2022 -2024
	<u>261,398</u>	
Past due and impaired	21,571	2016 - 2023
	<u>282,969</u>	

Receivables that were determined to be impaired as at 30 September 2024 are related to those which have been past due and have insufficient information to justify recoverability of the respective receivables, including those which are related to customers who are facing financial difficulties in fulfilling their obligations.

Those receivables that were determined to be impaired were not from the Group's major customers. The Group has ceased to transact with customers which outstanding debts are deemed doubtful of collection.

As at even date, RM76.9 million (or 29.4%) of the net trade receivables of RM261.4 million in 9M2024 has been collected from the customers subsequent to 9M2024. The Group continue to monitor the aging and collection of receivables on an on-going basis. For those receivables which are past due and doubtful of collection, reminders have been sent to the relevant customers before issuance of demand letters and the recovery of debts via legal proceedings where necessary.

12. Share capital and share premium

	The Group and the Company			
	30.09.2024 '000	31.12.2023 '000	30.09.2024 RM'000	31.12.2023 RM'000
<u>Share capital</u>	Number of ordinary shares			
Issued and fully paid				
At 1 January	8,078,216	7,950,937	3,977	3,904
Share consolidation	(7,997,434)	-	(3,937)	-
Issuance of :				
- Term loan Shares	-	127,279	-	73
- Conversion Shares	176,193	-	105	-
- Settlement Shares	10,982	-	7	-
- Placement Shares	125,508	-	75	-
At 30 September/31 December	<u>393,465</u>	<u>8,078,216</u>	<u>227</u>	<u>3,977</u>

Notes to the Condensed Interim Consolidated Financial Statements (Cont'd)

12. Share capital and share premium (Cont'd)

	The Group and the Company	
	30.09.2024	31.12.2023
	RM'000	RM'000
<u>Share premium</u>		
At 1 January	312,471	310,850
Issuance of :		
- Term loan Shares	-	1,621
- Conversion Shares	241,590	-
- Settlement Shares	2,618	-
- Placement Shares	29,925	-
At 30 September/31 December	<u>586,604</u>	<u>312,471</u>

Share premium is the amount subscribed for ordinary shares in the capital of the Company in excess of the nominal value.

On 11 March 2024, pursuant to the terms of the Schemes of Arrangement in 2024 ("2024 Scheme"), Share consolidation and Capital reorganisation has taken effect. Each issued Share post Share Consolidation with a par value of HK\$0.10 shall be treated as one (1) fully paid Share with a par value of HK\$0.001 pursuant to the Capital Reorganisation and any liability of the holder of such Shares to make any further contribution to the share capital of the Company on each such Share shall be treated as satisfied.

On 12 March 2024, pursuant to the terms of the 2024 Scheme, an aggregate of 176,193,435 Conversion Shares were allotted and issued at an issue price of S\$0.40 per Conversion Shares to the Scheme Creditors in consideration of the repayment of outstanding debts and liabilities of the Company in accordance with the terms of the 2024 Scheme.

On 12 March 2024, pursuant to the terms of the 2024 Scheme, an aggregate of 10,981,923 Settlement Shares were allotted and issued at an issue price of S\$0.0697 per Settlement Shares to the Company's financial advisors as a part payment of professional fees, in accordance with the terms of the 2024 Scheme.

On 12 March 2024, pursuant to the terms of the 2024 Scheme, an aggregate of 125,507,689 Placement Shares were allotted and issued at an issue price of S\$0.0697 per Placement Shares to the Tan Sri Datuk Tiong Su Kouk as an interested person transaction.

13. Borrowings

	The Group		The Company	
	30.09.2024	31.12.2023	30.09.2024	31.12.2023
	RM'000	RM'000	RM'000	RM'000
Bilateral facilities debt (secured)	48,335	103,570	-	-
Term loan (secured)	21,167	-	-	-
Term loan (unsecured)	384,353	938,912	236,133	758,223
	<u>453,855</u>	<u>1,042,482</u>	<u>236,133</u>	<u>758,223</u>
Represented by:				
- Current	40,175	1,042,482	31,836	758,223
- Non-current	413,680	-	204,297	-
	<u>453,855</u>	<u>1,042,482</u>	<u>236,133</u>	<u>758,223</u>

Notes to the Condensed Interim Consolidated Financial Statements (Cont'd)

13. Borrowings (Cont'd)

Schemes of Arrangement in 2018 (the “2018 Schemes”)

During the financial year ended 31 December 2018, the Group concluded the debt restructuring exercise via 2018 Schemes. The Group and the Company obtained creditors’ approval for the 2018 Schemes on 22 January 2018 and 24 January 2018, respectively, upon which the Group and the Company applied to The High Court of the Republic of Singapore and The High Court of Malaya for the sanction of the 2018 Schemes. Nam Cheong Dockyard Sdn. Bhd. (“NCD”) Scheme and Nam Cheong International Ltd. (“NCI”) Scheme were sanctioned by the Malaysia Court on 12 July 2018, subsequent to which the Nam Cheong Limited (“NCL”) Scheme was sanctioned by the Singapore Court on 3 August 2018. On 20 August 2018, the NCL Scheme was approved by the Company’s shareholders at a Special General Meeting for inter alia the issuance of new shares pursuant to the restructuring.

Following the issuance and allotment of the Rights Shares and Non-sustainable Debt Shares by the Company on 26 September 2018, and together with the payment by the Company under the Cash Out Option to eligible creditors pursuant to the 2018 Schemes on 28 September 2018, the Group and the Company have fulfilled the necessary steps to implement the 2018 Schemes.

Since the previous financial year, the Group breached the payment for Bilateral Facilities Debt, Term Loan Principal and Term Loan Cash Interest of Sustainable Debt until the completion of the debt restructuring exercise on 30 March 2024.

Non-sustainable Debt

Pursuant to the 2018 Schemes, each Non-sustainable Debt Share is allotted and issued at a conversion price of S\$0.045. Pursuant to the 2018 Schemes, an aggregate of 3,348,250,793 and 416,918,605 Non-Sustainable Debt Shares were allotted and issued in the financial year 2018 and 2021 respectively.

Term Loan - Sustainable Debt

US\$221,619,000 (equivalent to RM923,043,135) of the Sustainable Debt was restructured as the Term Loan. The tenure of the Term Loan is from 1 January 2018 to 31 December 2024. Interest is charged at 4% per annum. There will be no repayment of the principal from 2018 to 2020. The principal shall be repaid in eight half-yearly instalments from 2021 to 2024 in the percentage of 10%, 20%, 30% and 40%, respectively. The Group breached the payment for Term Loan Principal of 10% and 20% which was due on 31 December 2021 and 31 December 2022 respectively. The Group also breached the payment for Term Loan Cash Interest for the interest period from 1 January 2020 to 30 June 2020 which was due on 30 June 2020, interest period from 1 July 2020 to 31 December 2020 which was due on 31 December 2020, interest period from 1 January 2021 to 30 June 2021 which was due on 30 June 2021, interest period from 1 July 2021 to 31 December 2021 which was due on 31 December 2021, interest period from 1 January 2022 to 30 June 2022 which was due on 30 June 2022 and interest period from 1 July 2022 to 31 December 2022 which was due on 31 December 2022.

Bilateral Facilities Debt

Pursuant to 2018 Schemes, the Bilateral Facilities Debt is excluded from the 2018 Schemes. The maturity date of the Bilateral Facilities Debt was 31 December 2020. The Group breached the payment for Bilateral Facilities Debt amounting to RM100,568,000 which was due on 31 December 2020.

Notes to the Condensed Interim Consolidated Financial Statements (Cont'd)

13. Borrowings (Cont'd)

Scheme of Arrangement in 2024 (the "2024 Scheme")

The Group and the Company obtained creditors' approval for the 2024 Scheme on 3 November 2023. The 2024 Scheme was subsequently sanctioned by the High Court of Malaya on 21 December 2023. Subsequently, on 29 February 2024, the proposed resolutions related to the restructuring was approved by the Company's shareholders at a Special General Meeting for inter alia the issuance of new shares pursuant to the restructuring. On 30 March 2024, the Group concluded the debt restructuring exercise via 2024 Scheme and the Debt Restructuring Master Agreement ("DRMA").

Following the issuance and allotment of the Conversion Shares, Settlement Shares and Placement Shares by the Company on 12 March 2024, and together with the payment of Conversion Cash by the Company to eligible creditors pursuant to the 2024 Scheme on or before 14 March 2024, the 2024 Scheme and the DRMA have become fully effective and unconditional on 30 March 2024.

Non-sustainable Debt

Pursuant to the 2024 Scheme, an aggregate of 176,193,435 Conversion Shares were allotted and issued at an issue price of S\$0.40 per Conversion Shares to the Scheme Creditors in consideration of the repayment of outstanding debts and liabilities of the Company in accordance with the terms of the 2024 Scheme.

Bilateral Facilities Debt

The Group has on 30 March 2024 concluded the debt restructuring exercise. Pursuant to 2024 Scheme the maturity date of the Bilateral Facilities Debt has been restructured and extended to 31 March 2026.

Term Loan (Secured)

Pursuant to 2024 Scheme, RM21,932,080 of the Bilateral Facilities Debt was restructured as the Restructured Term Loan (Secured). The tenure of Restructured Term Loan ("RTL") 1A is from 30 March 2024 to 31 March 2031. Interest rates is charged at cost of funds plus 1 to 2% per annum. The principal of RTL 1A shall be repaid in 84 monthly instalments ranges between RM127,000 to RM468,000 per instalment commencing 30 April 2024.

Term Loan (Unsecured)

The Sustainable Debt was restructured as RTL 1B and RTL B respectively. The tenure of both RTL 1B and RTL B is from 30 March 2024 to 31 March 2031. Interest rates range between 3% to cost of fund plus 2% per annum. The principal of RTL 1B shall be repaid in 14 semi-annual instalments ranges between RM7,500,000 to RM27,500,000 per instalment commencing 30 September 2024. Whereas the principal of RTL B shall be repaid in 7 annual instalments ranges between RM13,000,000 to RM52,000,000 per instalment commencing 31 March 2025.

Security

The Bilateral facilities debts and Term Loan (Secured) are secured by the underlying assets, comprising leasehold lands, buildings and vessels with carrying amount of RM5,367,000 (31 December 2023: RM5,489,000), RM1,495,000 (31 December 2023: RM1,528,000) and RM37,862,000 (31 December 2023: RM38,506,000), respectively.

Notes to the Condensed Interim Consolidated Financial Statements (Cont'd)

14. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group and of the Company as at 30 September 2024 and 31 December 2023:

	The Group		The Company	
	30.09.2024	31.12.2023	30.09.2024	31.12.2023
	RM'000	RM'000	RM'000	RM'000
Financial assets at amortised cost				
Trade and other receivables	317,020	254,206	55,905	152
Cash and bank balances	91,781	57,340	69	171
Fixed deposits	7,270	6,887	-	-
	<u>416,071</u>	<u>318,433</u>	<u>55,974</u>	<u>323</u>
Financial liabilities at amortised cost				
Bilateral facilities debt	48,335	103,570	-	-
Term loans	405,520	938,912	236,133	758,223
Lease liabilities	474	1,096	-	-
Trade and other payables	185,552	304,838	17,472	60,247
Provision for financial guarantee	27,921	51,874	27,921	51,874
	<u>667,802</u>	<u>1,400,290</u>	<u>281,526</u>	<u>870,344</u>

Other Information Required by Listing Rule Appendix 7.2

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

There were no movement in the treasury shares during the third quarter of 2024. As at 30 September 2024, 66,785 shares were held as treasury shares by the Company.

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

There were no movement in the subsidiary holdings during the third quarter of 2024. As at 30 September 2024, 1,143,564 shares were held as subsidiary holdings.

3. Whether the figures have been audited, or reviewed and in accordance with which standard (e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard).

The condensed consolidated statement of financial position of Nam Cheong Limited and its subsidiaries as at 30 September 2024 and the related condensed consolidated profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the nine months then ended and certain explanatory notes have not been audited or reviewed.

4. Where the figures have been audited or reviewed, the auditors' report (including any modifications or emphasis of matter).

Not applicable.

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

The accounting policies and methods of computation for the current reporting period adopted are consistent with those stated in the Annual Report for the financial year ended 31 December 2023.

6. 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 accounting policies and methods of computation for the current reporting period adopted are consistent with those stated in the Annual Report for the financial year ended 31 December 2023.

Other Information Required by Listing Rule Appendix 7.2 (Cont'd)

7. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss 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. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Review of Group Performance

(a) Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income

9M2024 vs 9M2023

	9M2024				9M2023				Variance			
	Revenue		Gross Profit	Gross Profit Margin	Revenue		Gross Profit	Gross Profit Margin	Revenue		Gross Profit	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Shipbuilding	-	-	-	n.m.	-	-	-	n.m.	-	n.m.	-	n.m.
Vessel Chartering	512,406	100%	261,473	51%	350,211	100%	124,823	36%	162,195	46%	136,650	109%
Total	512,406	100%	261,473	51%	350,211	100%	124,823	36%	162,195	46%	136,650	109%

For the nine months ended 30 September 2024 ("9M2024"), the Group's revenue from vessel chartering division increased by 46% from RM350.2 million in the previous corresponding nine months ended 30 September 2023 ("9M2023") to RM512.4 million in 9M2024 mainly driven by improved daily charter rates and higher vessel utilisation of larger vessels.

The shipbuilding segment did not register any revenue for both 9M2024 and 9M2023 as there was no vessel scheduled for delivery during the period.

Gross profit increased by 109% year-on-year ("yoy") to RM261.5 million in 9M2024, in tandem with the increase in revenue. Accordingly, the gross profit margin stood at 51% for 9M2024, up 15 percentage points.

Other income was higher at RM512.2 million in 9M2024 as compared to RM48.0 million recorded in 9M2023, mainly attributable to the waiver of debts pursuant to the 2024 Scheme and the DRMA which have become fully effective and unconditional on 30 March 2024.

Other Information Required by Listing Rule Appendix 7.2 (Cont'd)

7. (Contd.)

Review of Group Performance (Contd.)

(a) Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income

9M2024 vs 9M2023

Selling and administrative expenses increased by 30% yoy to RM36.8 million for 9M2024, in tandem with the increase in revenue.

Other operating expenses decreased from RM13.8 million in 9M2023 to RM4.8 million in 9M2024, mainly due to the decrease in foreign exchange loss.

Following the conclusion of the debt restructuring, the finance costs decreased by 29% to RM14.7 million for 9M2024.

Share of loss of equity accounted joint ventures of RM2.6 million in 9M2024 is lower than RM2.1 million share of profit recorded in 9M2023 mainly due to lower vessel utilisation during the period. Whereas, share of profit of associates of RM29.3 million in 9M2024 is higher as compared to RM3.0 million in 9M2023 mainly due to the realisation of asset by one of the associates during the period.

Consequently, the Group delivered a net profit after tax of RM686.7 million in 9M2024, as compared to a net profit after tax of RM94.4 million in 9M2023.

3Q2024 vs 3Q203

	3Q2024				3Q2023				Variance			
	Revenue		Gross Profit	Gross Profit Margin	Revenue		Gross Profit	Gross Profit Margin	Revenue		Gross Profit	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Shipbuilding	-	-	-	n.m.	-	-	-	n.m.	-	n.m.	-	n.m.
Vessel Chartering	200,407	100%	115,426	58%	149,691	100%	46,565	31%	50,716	34%	68,861	148%
Total	200,407	100%	115,426	58%	149,691	100%	46,565	31%	50,716	34%	68,861	148%

Other Information Required by Listing Rule Appendix 7.2 (Cont'd)

7. (Contd.)

Review of Group Performance (Contd.)

(a) Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income (Cont'd)

3Q2024 vs 3Q2023

For the three months ended 30 September 2024 ("3Q2024"), the Group's revenue from vessel chartering division increased by 34% from RM149.7 million in the previous corresponding three months ended 30 September 2023 ("3Q2023") to RM200.4 million in 3Q2024 mainly driven by improved daily charter rates and increased in fleet size in 2024.

The shipbuilding segment did not register any revenue for both 3Q2024 and 3Q2023 as there was no vessel scheduled for delivery during the period.

Gross profit increased 148% yoy to RM115.4 million in 3Q2024, in tandem with the increase in revenue. Accordingly, the gross margin stood at 58% for 3Q2024, up 27 percentage points.

Other income was lower at RM3.0 million in 3Q2024 as compared to RM46.9 million in 3Q2023 mainly due to the absence of gain on disposal of property, plant and equipment of RM44.3 million recorded in 3Q2023.

Selling and administrative expenses increased by RM2.8 million from RM10.6 million recorded in 3Q2023 to RM13.4 million in 3Q2024, in tandem with the increase in revenue.

Other operating expenses of RM21.9 million in 3Q2024 was higher than RM6.0 million recorded in 3Q2023 mainly due to the increase in foreign exchange loss during the period.

Following the conclusion of the debt restructuring, the finance costs decreased by 23% to RM5.4 million for 3Q2024.

Share of loss of equity accounted joint ventures of RM2.6 million in 3Q2024 is lower than share of profit of equity accounted joint ventures of RM2.0 million in 3Q2023 mainly due to lower vessel utilisation during the period. Whereas, share of results of associates recorded a loss of RM0.3 million in 3Q2024 as compared to profit of RM1.9 million 3Q2023 mainly due to lower level of construction activities during the period.

Consequently, the Group registered a net profit after tax of RM50.9 million in 3Q2024 as compared to a net profit after tax of RM62.7 million in 3Q2023.

Other Information Required by Listing Rule Appendix 7.2 (Cont'd)

7. (Contd.)

Review of Group Performance (Contd.)

(b) Condensed Interim Statements of Financial Position (Group)

Total Assets

Total assets of the Group increased by 27% or RM245.3 million from RM911.3 million as at 31 December 2023 ("FY2023") to RM1.157 billion as at 30 September 2024 ("9M2024") mainly due to the following:

- (i) Property, plant and equipment increased by RM96.8 million or 18% from RM543.8 million as at FY2023 to RM640.6 million as at 9M2024 mainly due to the acquisition of vessels during the period;
- (ii) Trade and other receivables increased by RM62.8 million or 25% from RM254.2 million as at FY2023 to RM317.0 million as at 9M2024 in tandem with the increase in revenue during the period;
- (iii) Cash and cash equivalents increased by RM34.9 million or 54% from RM64.2 million to RM99.1 million mainly due to the collection from customers during the period;
- (iv) Prepayments increased by RM14.8 million from RM6.5 million as at FY2023 to RM21.3 million as at 9M2024 mainly due to payment in advance for inventories during the period.

Total Liabilities

Total liabilities of the Group significantly decreased by 49% or RM695.3 million from RM1.414 billion as at FY2023 to RM718.2 million as at 9M2024 mainly due to the 2024 Scheme and the DRMA which have become fully effective and unconditional on 30 March 2024.

- (i) Borrowings decreased by RM588.6 million or 56% from RM1.042 billion as at FY2023 to RM453.9 million as at 9M2024 mainly due to the issuance and allotment of the Conversion Shares by the Company on 12 March 2024, and together with the payment of Conversion Cash by the Company to eligible creditors pursuant to the 2024 Scheme on or before 14 March 2024;
- (ii) Trade and other payables decreased by RM120.2 million or 39% from RM307.3 million as at FY2023 to RM187.1 million as at 9M2024 mainly due to waiver of interest on borrowings as a result of the 2024 Scheme.

Other Information Required by Listing Rule Appendix 7.2 (Cont'd)

7. (Contd.)

Review of Group Performance (Contd.)

(c) Condensed Interim Consolidated Statements of Cash Flows

9M2024

Net cash from operating activities of RM108.1 million in 9M2024 was mainly due to collection from customers during the period.

Net cash used in investing activities of RM65.0 million in 9M2024 was mainly due to the repayment made to joint ventures of RM35.4 million and payments made for acquisition of property, plant and equipment of RM78.8 million, which was partially offset by proceeds received from disposal of property, plant and equipment of RM39.3 million and repayment received from associates of RM9.1 million.

Net cash used in financing activities of RM11.0 million in 9M2024 was mainly due to the repayment of borrowings of RM35.1 million and increased in restricted cash with licensed banks of RM5.1 million, which was partially offset by the proceeds from share issuance of RM30.0 million.

3Q2024

Net cash from operating activities of RM96.8 million in 3Q2024 was mainly due to collection from customers during the period.

Net cash used in investing activities of RM61.5 million in 3Q2024 was mainly due to payments made for acquisition of property, plant and equipment of RM62.1 million and the repayment made to joint ventures of RM0.3 million, which was partially offset by repayment received from associates of RM1.6 million.

Net cash used in financing activities of RM9.5 million in 3Q2024 was mainly due to the repayment of borrowings of RM4.8 million, increase in restricted cash with licensed banks of RM1.7 million and increase in fixed deposits pledged as security of RM2.9 million.

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

There is no material change from the previous prospect statement.

Other Information Required by Listing Rule Appendix 7.2 (Cont'd)

9. A commentary at the date of the announcement of the 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

Regional energy companies have ramped up offshore capital expenditure for new hydrocarbon projects and infrastructure maintenance in Asia-Pacific, boosting demand for offshore support vessels (“OSV”)¹. This momentum is expected to continue, with several planned final investment decisions, potentially amounting to US\$ 100 billion for offshore gas production in Southeast Asia, projected to materialise by 2028².

In Malaysia, Petronas reported 19 exploration discoveries last year, with a total yield exceeding 1 billion barrels of oil equivalent. These discoveries highlight the untapped potential in this market. With Petronas remaining committed to exploration and production investments in the region, Malaysia is expected to remain a major market for OSVs in the coming years.³

While the macroeconomic uncertainties remain, particularly with potential oil price fluctuations due to Trump’s energy policies⁴ and potentially higher inflation in 2025⁵, we will remain resilient and stand ready to leverage our strengths to navigate potential challenges and capitalise on opportunities in the expanding offshore market.

^[1] Riviera: Rising offshore expenditure: OSV market on fire in Asia, 12 September 2024

^[2] Splash: Southeast Asia offshore gas ‘renaissance’ to unlock \$100bn by 2028, 11 July 2024

^[3] Marinelink: The APAC Offshore Market: Riding the Wave of Success into 2024 and Beyond, 23 February 2024

^[4] Reuters: Commodities weaken amid heightened risks from Trump's second term, 7 November 2024

^[5] The Star: Higher inflation growth projected for next year, 28 October 2024

10. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

None.

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

None.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

Other Information Required by Listing Rule Appendix 7.2 (Cont'd)

11. [If no dividend has been declared \(recommended\), a statement to that effect and the reason\(s\) for the decision](#)

No dividend has been declared in the period under review as the Company is working through its restructuring arrangement and wishes to enhance the financial strength of the Company.

12. [General mandate relating to interested person transactions](#)

The Group has not obtained a general mandate from shareholders for interested person transactions.

13. [Confirmation pursuant to Appendix 7.7 under Rule 720\(1\) of the Listing Manual](#)

The Board of Directors of Nam Cheong Limited hereby confirms that the undertakings from all its directors and executive officers as required in the format as set out in Appendix 7.7 under Rule 720(1) of the Listing Manual were procured.

14. [Confirmation from the Board](#)

We, the undersigned, hereby confirm that to the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the unaudited financial statements of the Group and of the Company for the nine months ended 30 September 2024 to be false or misleading in any material aspect.

On behalf of the Board of Directors

Tan Sri Datuk Tiong Su Kouk
Executive Chairman

Tiong Chiong Hiung
Executive Vice Chairman cum Finance Director

13 November 2024