

**XMH****XMH HOLDINGS LTD.****(Incorporated in the Republic of Singapore)
(Company Registration No: 201010562M)**

Condensed Interim Consolidated Financial Statements

For the First Half Year Ended 31 October 2023

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CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE FIRST HALF YEAR ENDED 31 OCTOBER 2023

A. Condensed interim consolidated statement of profit or loss and other comprehensive income/(loss)

(In S\$'000) Description	Note	Actual 1HFY2024	Actual 1HFY2023	Change %
Revenue	4	71,025	57,947	22.6
Cost of sales		(48,562)	(46,089)	5.4
Gross profit		22,463	11,858	89.4
Other income		990	968	2.3
Distribution expenses		(2,630)	(2,068)	27.2
Administrative expenses		(8,839)	(6,924)	27.7
Impairment losses on financial assets		(847)	(152)	NM
Net foreign exchange loss		(934)	(1,005)	(7.1)
Results from operating activities		10,203	2,677	NM
Finance income		53	8	NM
Finance costs		(1,460)	(786)	85.8
Net finance costs		(1,407)	(778)	80.8
Profit before tax	6	8,796	1,899	NM
Income tax expense	7	(2,329)	(800)	NM
Profit after tax		6,467	1,099	NM
Items that are or may be reclassified subsequently to profit or loss				
<i>Exchange differences arising from translation of the financial statements of the subsidiary corporations</i>		(1,402)	(973)	44.1
<i>Other comprehensive loss for the period, net of tax</i>		(1,402)	(973)	44.1
Total comprehensive income for the period, net of tax		5,065	126	NM
Profit/(loss) attributable to:				
Owners of the Company		6,479	1,077	NM
Non-controlling interests		(12)	22	NM
		6,467	1,099	NM
Total comprehensive income/(loss) attributable to:				
Owners of the Company		5,077	107	NM
Non-controlling interests		(12)	19	NM
		5,065	126	NM
Earnings per share attributable to the owners of the Company during the financial period:				
Basic (SGD in cent)		5.91	0.98	
Diluted (SGD in cent)		5.91	0.98	

Note:

NM denotes not meaningful where there is no comparative or the fluctuation is more than 100%

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE FIRST HALF YEAR ENDED 31 OCTOBER 2023

B. Condensed interim statements of financial position

(In S\$'000) Description	Note	Group		Company	
		31 Oct 2023	30 Apr 2023	31 Oct 2023	30 Apr 2023
ASSETS					
<u>Non-current assets</u>					
Property, plant and equipment	10	40,863	41,332	36,922	37,170
Right-of-use assets	14	5,314	5,478	5,240	5,375
Investment in subsidiary corporations		-	-	11,297	11,297
Intangible assets	11	8,506	8,506	-	-
Other financial assets	12	410	394	-	-
Club memberships		154	167	-	-
Deferred tax assets		629	656	-	-
Total non-current assets		55,876	56,533	53,459	53,842
<u>Current assets</u>					
Inventories		33,320	32,339	-	-
Trade and other receivables		9,345	14,539	13,151	19,024
Prepayment		157	184	25	33
Contract assets		19,772	23,038	-	-
Cash and short-term deposits	13	30,684	29,539	573	1,087
Tax recoverable		101	169	22	22
Total current assets		93,379	99,808	13,771	20,166
TOTAL ASSETS		149,255	156,341	67,230	74,008
EQUITY AND LIABILITIES					
<u>Current liabilities</u>					
Trade and other payables		46,753	54,542	2,083	2,043
Employee benefit liability		9	9	-	-
Contract liabilities		1,314	1,009	-	-
Loans and borrowings	15	18,861	14,617	6,126	2,865
Forex option structure	12	-	60	-	-
Current tax payables		2,988	2,086	224	190
Total current liabilities		69,925	72,323	8,433	5,098
Net current assets		23,454	27,485	5,338	15,068
<u>Non-current liabilities</u>					
Other payables		29	65	29	65
Employee benefit liability		93	96	-	-
Loans and borrowings	15	25,704	33,766	22,153	29,699
Deferred tax liabilities		146	153	-	-
Total non-current liabilities		25,972	34,080	22,182	29,764
TOTAL LIABILITIES		95,897	106,403	30,615	34,862

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE FIRST HALF YEAR ENDED 31 OCTOBER 2023

B. Condensed interim statements of financial position (cont'd)

(In S\$'000) Description	Note	Group		Company	
		31 Oct 2023	30 Apr 2023	31 Oct 2023	30 April 2023
EQUITY AND LIABILITIES					
EQUITY					
Equity attributable to owners of the Company					
Share capital	16	39,882	39,882	39,882	39,882
Treasury shares		(3,303)	(3,303)	(3,303)	(3,303)
Other reserves		(14,037)	(12,635)	-	-
Accumulated profits		30,816	25,982	36	2,567
		53,358	49,926	36,615	39,146
Non-controlling interests		-	12	-	-
Total equity		53,358	49,938	36,615	39,146
TOTAL EQUITY AND LIABILITIES		149,255	156,341	67,230	74,008

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE FIRST HALF YEAR ENDED 31 OCTOBER 2023

C. Condensed interim statements of changes in equity

Attributable to owners of the Company

GROUP Description (in S\$'000)	Share Capital	Treasury Shares	Foreign Currency Translation Reserve	Accumulated Profits	Total	Non- controlling Interests	Total Equity
1HFY2024							
At 1 May 2023	39,882	(3,303)	(12,635)	25,982	49,926	12	49,938
Profit/(loss) for the financial period	-	-	-	6,479	6,479	(12)	6,467
Other comprehensive income/(loss)							
Exchange differences arising from translation of the financial statements of the subsidiary corporations	-	-	(1,402)	-	(1,402)	-	(1,402)
Other comprehensive loss for the financial period, net of tax	-	-	(1,402)	-	(1,402)	-	(1,402)
Total comprehensive income/(loss) for the financial period	-	-	(1,402)	6,479	5,077	(12)	5,065
Contributions by and distributions to owners							
Dividend paid on ordinary shares	-	-	-	(1,645)	(1,645)	-	(1,645)
Total transactions with owners	-	-	-	(1,645)	(1,645)	-	(1,645)
At 31 October 2023	39,882	(3,303)	(14,037)	30,816	53,358	-	53,358

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE FIRST HALF YEAR ENDED 31 OCTOBER 2023

C. Condensed interim statements of changes in equity (cont'd)

Attributable to owners of the Company

GROUP Description (in S\$'000)	Share Capital	Treasury Shares	Share Option Reserve	Foreign Currency Translation Reserve	Accumulated Profits	Total	Non- controlling Interests	Total Equity
1HFY2023								
At 1 May 2022	39,780	(3,303)	2,292	(11,931)	20,496	47,334	(113)	47,221
Profit for the financial period	-	-	-	-	1,077	1,077	22	1,099
Other comprehensive loss								
Exchange differences arising from translation of the financial statements of the subsidiary corporations	-	-	-	(970)	-	(970)	(3)	(973)
Other comprehensive loss for the financial period, net of tax	-	-	-	(970)	-	(970)	(3)	(973)
Total comprehensive income/(loss) for the financial period	-	-	-	(970)	1,077	107	19	126
Changes in ownership interest in subsidiary corporation								
Subscription of shares of a subsidiary corporation	-	-	-	-	-	-	116	116
Contributions by and distributions to owners								
Dividend paid on ordinary shares	-	-	-	-	(768)	(768)	-	(768)
Issuance of ordinary shares	102	-	-	-	-	102	-	102
Total transactions with owners	102	-	-	-	(768)	(666)	-	(666)
At 31 October 2022	39,882	(3,303)	2,292	(12,901)	20,805	46,775	22	46,797

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE FIRST HALF YEAR ENDED 31 OCTOBER 2023

C. Condensed interim statements of changes in equity (cont'd)

COMPANY Description (in S\$'000)	Share Capital	Treasury Shares	Share Option Reserve	Accumulated Profit/(losses)	Total
1HFY2024					
At 1 May 2023	39,882	(3,303)	-	2,567	39,146
Total comprehensive loss for the financial period	-	-	-	(886)	(886)
Dividend paid on ordinary shares	-	-	-	(1,645)	(1,645)
At 31 October 2023	39,882	(3,303)	-	36	36,615
1HFY2023					
At 1 May 2022	39,780	(3,303)	2,292	892	39,661
Total comprehensive loss for the financial period	-	-	-	(1,048)	(1,048)
Dividend paid on ordinary shares	-	-	-	(768)	(768)
Issuance of ordinary shares	102	-	-	-	102
At 31 October 2022	39,882	(3,303)	2,292	(924)	37,947

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE FIRST HALF YEAR ENDED 31 OCTOBER 2023

D. Condensed interim consolidated statement of cash flows

(In S\$'000) Description	Note	6 months ended	
		1HFY2024	1HFY2023
<u>Cash flows from operating activities</u>			
Profit before tax		8,796	1,899
Adjustments for:			
Depreciation of right-of-use assets	6	161	164
Depreciation of property, plant and equipment	6	1,554	1,543
Interest income	6	(53)	(8)
Interest expense	6	1,252	786
Impairment loss on receivables and contract assets, net	6	846	162
Bad debts written-off	6	1	1
Recovery of bad debts	6	-	(11)
Fair value (gain)/loss on quoted equity securities	6	(17)	18
Allowance for stocks obsolescence	6	267	297
Gain on disposal of property, plant and equipment	6	(156)	(3)
Fair value loss on forex option structure	6	208	-
Net unrealised foreign exchange loss/(gain)		710	(191)
		13,569	4,657
Increase in inventories		(1,248)	(5,716)
Decrease/(increase) in trade and other receivables		3,875	(2,533)
Decrease in prepayment		27	268
Decrease/(increase) in contract assets		3,738	(10,927)
(Decrease)/increase in trade and other payables		(7,853)	13,940
Increase/(decrease) in contract liabilities		305	(565)
Cash generated from/(used in) operations		12,413	(876)
Income tax paid, net		(1,340)	(1,834)
Net cash generated from/(used in) operating activities		11,073	(2,710)
<u>Cash flows from investing activities</u>			
Interest received		53	8
Proceeds from sale of property, plant and equipment		-	1
Acquisition of property, plant and equipment		(845)	(475)
Payment for settlement of forex option structure		(267)	-
Prepayment of leases		-	(82)
Net cash used in investing activities		(1,059)	(548)

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE FIRST HALF YEAR ENDED 31 OCTOBER 2023

D. Condensed interim consolidated statement of cash flows (cont'd)

(In S\$'000) Description	Note	6 months ended	
		1HFY2024	1HFY2023
Cash flows from financing activities			
Repayment of borrowings		(4,971)	(1,773)
Proceeds from revolving credit facility		9,842	6,800
Repayment of revolving credit facility		(7,432)	(4,123)
Proceeds from trust receipts		13,279	9,437
Repayment of trust receipts		(14,558)	(10,994)
Repayment of principal portion of lease liabilities		(16)	(17)
Dividend paid		(1,645)	(768)
Interest paid		(1,223)	(786)
Proceed from issuance of ordinary shares		-	102
Capital injection from non-controlling interests		-	116
Net cash used in financing activities		(6,724)	(2,006)
Net increase/(decrease) in cash and cash equivalents			
Cash and cash equivalents at the beginning of the period		29,520	15,988
Effect of exchange rate fluctuations on cash and cash equivalents		(2,145)	(947)
Cash and cash equivalents at the end of the period		30,665	9,777
Represented by:			
Cash at bank and on hand		30,665	9,874
Short-term deposits		19	19
	13	30,684	9,893
Less: Pledged fixed deposits		(19)	(19)
Bank overdrafts		-	(97)
Cash and cash equivalents in the condensed interim consolidated statement of cash flows		30,665	9,777

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE FIRST HALF YEAR ENDED 31 OCTOBER 2023

E. Notes to the condensed interim consolidated financial statements

1. Corporate information

XMH Holdings Ltd. (the “**Company**”) is a limited liability company incorporated and domiciled in Singapore and is listed on the Singapore Exchange Securities Trading Limited (“**SGX-ST**”).

These condensed interim consolidated financial statements for the six-months financial period ended 31 October 2023 comprise the Company and its subsidiaries (collectively, the Group).

The principal activity of the Company is that of investment holding. The principal activities of the subsidiary corporations are:

- a) Distribution and provision of value-added products and services;
- b) After-sales services, trading and others; and
- c) Projects, which comprise the assembly and installation of standby generator sets and provision of related services.

2. Basis of preparation

The condensed interim financial statements for the six-months financial period ended 31 October 2023 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 and IAS 34 *Interim Financial Reporting*, and should be read in conjunction with the Group’s last annual consolidated financial statements as at and for the year ended 30 April 2023 (“last annual financial statements”). 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 30 April 2023.

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

The condensed interim financial statements are presented in Singapore dollar (S\$) which is the Company’s functional currency and all values are rounded to the nearest thousand (S\$’000) except when otherwise indicated.

2.1. New and amended standards adopted by the Group

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

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE FIRST HALF YEAR ENDED 31 OCTOBER 2023

E. Notes to the condensed interim consolidated financial statements (cont'd)

2. Basis of preparation (cont'd)

2.2. Use of judgements and estimates

The preparation of the Group's condensed interim financial statements in compliance with SFRS(I)s requires management to make judgements, estimates and assumptions that affect the Group's application of accounting policies and the reported amounts of assets and liabilities, revenue and expense.

Although these estimates are based on management's best knowledge of current events and actions, actual results may differ from these estimates.

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.

In the process of applying the Group's accounting policies, management has made those following judgements which have the most significant effect on the amounts recognised in the condensed consolidated financial statements:

Revenue recognition for project revenue

The Group has ongoing contracts at each reporting date with customers for performance obligation.

Project revenue is recognised over time by reference to the Group's progress towards completing the performance. The measurement of progress is determined based on the proportion of contract costs incurred to-date to the estimated total contract costs ("input method"). When it is probable that total contract costs will exceed total revenue, a provision for onerous contract is recognised in the profit or loss immediately. Revenue recognised on these contracts but unbilled to customers are presented as contract assets on the condensed statements of financial position.

Under the input method, estimated total contract costs on each project is a key input that is subject to significant estimation uncertainty. At every reporting date, management re-evaluates, inter alia, the estimated total contract costs by updating the estimated contract costs to be incurred from the reporting date to the completion date of the projects ("costs-to-complete").

In making estimation of the total costs-to-complete, management has applied its past experience of completing similar projects, as well as quotations from and contracts with suppliers and sub-contractors.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE FIRST HALF YEAR ENDED 31 OCTOBER 2023

E. Notes to the condensed interim consolidated financial statements (cont'd)

3. Seasonal operations

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

4. Segment and revenue information

The segment reporting format is determined to be business segments as the Group's risks and rates of return are affected predominantly by differences in the products and services offered. The operating businesses are organized and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

The Group has three reportable segments, as described below, which are the Group's strategic business units. The strategic business units offer different products and services, and are managed separately because they require different marketing strategies.

The Group is organised into three reportable segments, namely:

- Distribution: Relates to distribution of propulsion engines;
- After-sales: Relates to after-sales services provided which includes services/jobs, sales of spare parts and other trading; and
- Projects: Relates to manufacturing, sales and commission of power generator sets.

Other operations relate to general corporate activities.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE FIRST HALF YEAR ENDED 31 OCTOBER 2023

E. Notes to the condensed interim consolidated financial statements (cont'd)

4. Segment and revenue information (cont'd)

4.1 Reportable segments

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit before income tax, as included in the internal management reports that are reviewed by Group's Chairman and Managing Director.

1HFY2024 (in S\$'000)	Distribution	After-sales	Projects	Segments Total	Others	Elimination	Total	Note
External revenue	39,419	6,890	24,716	71,025	-	-	71,025	A
Inter-segment revenue	13,953	2,829	-	16,782	1,089	(17,871)	-	
Total revenue	53,372	9,719	24,716	87,807	1,089	(17,871)	71,025	
Interest income	-	-	2	2	301	(250)	53	B
Gain on disposal of property, plant and equipment	-	-	-	-	156	-	156	C
Fair value loss on forex option structure	-	-	-	-	(208)	-	(208)	
Interest expense	-	-	(710)	(710)	(769)	227	(1,252)	
Depreciation	(15)	(21)	(138)	(174)	(1,541)	-	(1,715)	D
Employee benefits expenses	(789)	(500)	(2,925)	(4,214)	(3,176)	-	(7,390)	
Other non-cash (expenses)/income	(94)	(137)	(879)	(1,110)	(9)	-	(1,119)	
Reportable segmental profit/(loss) before tax	11,172	2,612	(679)	13,105	(3,612)	(697)	8,796	E
Income tax expense							(2,329)	
Profit for the period							6,467	
Reportable segment assets	25,979	15,084	46,637	87,700	93,318	(31,763)	149,255	F
Capital Expenditure	-	-	54	54	1,153	-	1,207	
Reportable segment liabilities	45,539	2,721	34,838	83,098	44,168	(31,369)	95,897	G

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE FIRST HALF YEAR ENDED 31 OCTOBER 2023

E. Notes to the condensed interim consolidated financial statements (cont'd)

4. Segment and revenue information (cont'd)

4.1 Reportable segments (cont'd)

1HFY2023 (in S\$'000)	Distribution	After-sales	Projects	Segments Total	Others	Elimination	Total	Note
External revenue	22,790	6,064	29,093	57,947	-	-	57,947	
Inter-segment revenue	5,560	1,794	-	7,354	1,038	(8,392)	-	A
Total revenue	28,350	7,858	29,093	65,301	1,038	(8,392)	57,947	
Interest income	-	1	-	1	58	(51)	8	B
Gain on disposal of property, plant and equipment	1	-	2	3	-	-	3	
Interest expense	(9)	(9)	(314)	(332)	(482)	28	(786)	C
Depreciation	(7)	(22)	(143)	(172)	(1,535)	-	(1,707)	
Employee benefits expenses	(491)	(377)	(2,246)	(3,114)	(2,332)	-	(5,446)	
Other non-cash expenses	(161)	(16)	(277)	(454)	(13)	-	(467)	D
Reportable segmental profit/(loss) before tax	4,205	1,942	(400)	5,747	(3,536)	(312)	1,899	E
Income tax expense							(800)	
Profit for the period							1,099	
Reportable segment assets	16,619	13,916	61,089	91,624	84,952	(33,617)	142,959	F
Capital Expenditure	-	22	458	480	14	-	494	
Reportable segment liabilities	26,948	4,113	47,160	78,221	51,562	(33,621)	96,162	G

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE FIRST HALF YEAR ENDED 31 OCTOBER 2023

E. Notes to the condensed interim consolidated financial statements (cont'd)

4. Segment and revenue information (cont'd)

4.1 Reportable segments (cont'd)

Note Nature of adjustments and eliminations to arrive at amounts reported in the condensed interim consolidated financial statements

- A Inter-segments revenue are eliminated on consolidation.
- B Inter-segments interest income are eliminated on consolidation.
- C Inter-segments interest expenses are eliminated on consolidation and amortisation of fair value adjustment.
- D Other non-cash income/(expenses) consist of fair value gain/(loss) on quoted equity securities, allowance for stocks obsolescence, impairment loss on financial assets and loss on liquidation of subsidiary as presented in the respective notes to the financial statements.
- E The following items are (deducted from)/added to segment profit/(loss) to arrive at "profit before tax" presented in the condensed consolidated income statement.

	Group	
	1HFY2024	1HFY2023
	S\$'000	S\$'000
Unrealised gain from unsold stocks	(673)	(320)
Interest expense	227	28
Interest income	(250)	(51)
Elimination of intercompany transactions	(1)	31
	(697)	(312)

- F Items relating to inter-segment assets are deducted to arrive at total assets reported in the condensed interim consolidated statement of financial position.
- G The following items are added to segment liabilities to arrive at total liabilities reported in the condensed interim consolidated statement of financial position.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE FIRST HALF YEAR ENDED 31 OCTOBER 2023

E. Notes to the condensed interim consolidated financial statements (cont'd)

4. Segment and revenue information (cont'd)

4.1 Reportable segments (cont'd)

	Group	
	1HFY2024	1HFY2023
	S\$'000	S\$'000
Inter-segment liabilities	31,316	33,568
Accrual	53	53
	31,369	33,621

4.2 Disaggregation of Revenue

1HFY2024 (In S\$'000)	Group			
Description	6 months ended 31 October 2023			
Segments	Distribution	After-sales	Projects	Total Revenue
Primary geographical markets				
Singapore	469	1,490	18,548	20,507
Indonesia	38,273	3,401	–	41,674
Vietnam	569	160	–	729
Other countries	108	1,839	6,168	8,115
	39,419	6,890	24,716	71,025
<u>Timing of transfer of goods and services</u>				
At a point in time	39,419	6,890	–	46,309
Over time	–	–	24,716	24,716
	39,419	6,890	24,716	71,025

1HFY2023 (In S\$'000)	Group			
Description	6 months ended 31 October 2022			
Segments	Distribution	After-sales	Projects	Total Revenue
Primary geographical markets				
Singapore	79	1,541	29,057	30,677
Indonesia	22,198	3,219	–	25,417
Vietnam	–	405	–	405
Other countries	513	899	36	1,448
	22,790	6,064	29,093	57,947
<u>Timing of transfer of goods and services</u>				
At a point in time	22,790	6,064	–	28,854
Over time	–	–	29,093	29,093
	22,790	6,064	29,093	57,947

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE FIRST HALF YEAR ENDED 31 OCTOBER 2023

E. Notes to the condensed interim consolidated financial statements (cont'd)

4. Segment and revenue information (cont'd)

4.3 Contract assets and contract liabilities

Information about trade receivables, contract assets and contract liabilities from contracts with customers is disclosed as follows:

(In S\$'000) Description	Group		
	31 Oct 2023	30 Apr 2023	1 May 2022
Trade receivables	5,710	10,887	4,984
Contract assets	19,772	23,038	18,675
Contract liabilities	(1,314)	(1,009)	(1,420)

Contract assets primarily relate to the Group's right to consideration for work completed but not yet billed at reporting date for project work. Contract assets are transferred to receivables when the rights become unconditional.

Contract liabilities primarily relate to the Group's obligation to transfer goods or services to customers for which the Group has received advances from customers for project work.

Contract liabilities are recognised as revenue as the Group performs under the contract.

i) *Significant changes in contract assets are explained as follows:*

(In S\$'000) Description	Group	
	31 Oct 2023	30 Apr 2023
Contract assets reclassified to receivables	(14,947)	(14,721)
Changes in estimate of transaction price	726	404
Write-back of impairment loss on contract assets	472	36

ii) *Significant changes in contract liabilities are explained as follows:*

(In S\$'000) Description	Group	
	31 Oct 2023	30 Apr 2023
Revenue recognised that was included in the contract liabilities balance at the beginning of the period/year	1,009	1,420

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE FIRST HALF YEAR ENDED 31 OCTOBER 2023

E. Notes to the condensed interim consolidated financial statements (cont'd)

5. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group as at 31 October 2023 and 30 April 2023:

(In S\$'000) Description	Note	Group		Company	
		31 Oct 2023	30 Apr 2023	31 Oct 2023	30 Apr 2023
Financial assets at fair value through profit or loss					
- Quoted equity securities	12	410	394	-	-
Financial assets at amortised cost					
- Trade receivables		5,793	10,977	-	-
- Other receivables and deposits (excluding prepayment)		2,861	2,830	369	369
- Amount due from subsidiaries		-	-	12,782	18,655
- Cash and short-term deposits	13	30,684	29,539	573	1,087
Total financial assets		39,748	43,740	13,724	20,111
Presented as					
Non-current assets		410	394	-	-
Current assets		39,338	43,346	13,724	20,111
		39,748	43,740	13,724	20,111
Financial liability at fair value through profit or loss					
- Forex option structure	12	-	60	-	-
Financial Liabilities at amortised cost					
- Bank borrowings	15	44,299	48,300	28,079	32,564
- Lease liabilities	15	266	83	200	-
- Trade payables		13,520	21,490	-	-
- Advance deposits		26,670	27,456	-	-
- Other payables and accrual		6,333	5,545	1,988	1,979
- Employee benefit liability		102	105	-	-
- Amounts due to subsidiaries		-	-	23	13
Total financial liabilities		91,190	103,039	30,290	34,556
Presented as					
Non-current liabilities		25,826	33,927	22,182	29,764
Current liabilities		65,364	69,112	8,108	4,792
		91,190	103,039	30,290	34,556

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE FIRST HALF YEAR ENDED 31 OCTOBER 2023

E. Notes to the condensed interim consolidated financial statements (cont'd)

6. Profit before taxation

6.1 Significant items

The following items have been included in arriving at profit before tax.

(In S\$'000) Description	Group	
	1HFY2024	1HFY2023
Income		
Fair value gain on quoted equity securities	17	–
Gain on disposal of property, plant and equipment	156	3
Rental income	705	828
Recovery of transportation expense from customers	44	41
Scrap sales	25	13
Interest income on bank deposits	53	8
Others	38	31
Expenses		
Fair value loss on quoted equity securities	–	(18)
Interest expense on loans and borrowings	(1,252)	(786)
Net foreign exchange loss	(934)	(1,005)
Depreciation of property, plant and equipment	(1,554)	(1,543)
Depreciation of right-of-use assets	(161)	(164)
Impairment loss on receivables and contracts asset, net	(846)	(162)
Recovery of bad debt	–	11
Fair value loss on forex option structure	(208)	–
Allowance for stock obsolescence	(267)	(297)
Loss on liquidation of a subsidiary	(22)	–

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE FIRST HALF YEAR ENDED 31 OCTOBER 2023

E. Notes to the condensed interim consolidated financial statements (cont'd)

6. Profit before taxation (cont'd)

6.2 Related party transactions

For the six-months financial period ended 31 October 2023, the Group had no significant related party transactions.

7. Taxation

The Group calculates the 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:

(In S\$'000) Description	Group	
	1HFY2024	1HFY2023
Current income tax expense		
Current period	(2,161)	(777)
Under provision in prior period	(168)	(23)
	(2,329)	(800)

8. Dividends

No dividends have been declared or recommended for the current reporting financial period.

9. Net Asset Value

Description	Group		Company	
	31 Oct 2023	30 Apr 2023	31 Oct 2023	30 Apr 2023
Net asset value per share (cents)	48.66	45.53	33.39	35.70
Number of shares in issue	109,643,921	109,643,921	109,643,921	109,643,921

10. Property, plant and equipment

During the six-months financial period ended 31 October 2023, the Group acquired property, plant and equipment amounted to S\$1,207,000 (31 October 2022: \$494,000) of which \$200,000 (31 October 2022: Nil) is by means of leases. The cash outflow for the acquisition of property, plant and equipment amounted to S\$845,000 (31 October 2022: S\$475,000) after netting off the salvage value of \$162,000 (31 October 2022: Nil).

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE FIRST HALF YEAR ENDED 31 OCTOBER 2023

E. Notes to the condensed interim consolidated financial statements (cont'd)

11. Intangible assets

The Group acquired the entire equity interest of Mech-Power Generator Pte Ltd and its subsidiary (collectively, Mech-Power Generator Group (“**MPG Group**”)) on 7 September 2013. Intangible assets include goodwill acquired upon the acquisition of the MPG Group in prior years.

(In S\$'000)	Group Intellectual property rights		
Description	Goodwill	rights	Total
Cost:			
At 1 May 2022	9,393	436	9,829
Written-off	–	(9)	(9)
Currency translation differences	–	(31)	(31)
	9,393	396	9,789
At 30 April 2023 and 1 May 2023	–	(31)	(31)
	9,393	365	9,758
Accumulated amortisation and impairment loss:			
At 1 May 2022	887	436	1,323
Written-off	–	(9)	(9)
Currency translation differences	–	(31)	(31)
	887	396	1,283
At 30 April 2023 and 1 May 2023	–	(31)	(31)
	887	365	1,252
Net carrying amount:			
At 30 April 2023	8,506	–	8,506
At 31 October 2023	8,506	–	8,506

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE FIRST HALF YEAR ENDED 31 OCTOBER 2023

E. Notes to the condensed interim consolidated financial statements (cont'd)

11. Intangible assets (cont'd)

11.1 Goodwill impairment

The carrying amount of goodwill of S\$8,506,000 is attributable to the MPG Group as a single cash generating unit (“CGU”).

The recoverable amount of the MPG Group was determined based on its value in use (“VIU”). The VIU were calculated by discounting the future cash flows to be generated from the continuing use of the CGU.

The VIU approach was used based on discounted cash flow projections covering a five-year period. The discount rate applied to the cash flow projections and the forecasted growth rates used to extrapolate cash flow projections beyond the five-year period are as below. The discount rate and revenue growth rates did not exceed the long-term projected growth rate for the relevant market.

	Revenue growth rate *		Pre-tax discount rate		Terminal growth rate	
	FY2025- FY2028	FY2024- FY2027	2023	2022	2023	2022
	%	%	%	%	%	%
Key assumptions	2.0	2.0	12.9	12.9	2.0	2.0

* FY2024 (2022: FY2023) revenue was forecasted based on the secured orders and potential orders estimated from order books as at 30 April 2023.

The values assigned to the key assumptions represent management's assessment of future trends of the industry in which the MPG Group operates and are based on both external sources and internal sources (historical data).

Sensitivity to changes in assumption

With regards to the assessment of VIU for the MPG Group, management believes that no reasonably possible changes in any of the key assumptions would further cause the carrying value of the unit to materially exceed its recoverable amount.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE FIRST HALF YEAR ENDED 31 OCTOBER 2023

E. Notes to the condensed interim consolidated financial statements (cont'd)

12. Financial assets/(liability) at fair value through profit or loss

Financial assets/(liability) at fair value through profit or loss comprise the following:

(In S\$'000) Description	Group	
	31 Oct 2023	30 Apr 2023
<u>Financial assets</u>		
Quoted equity securities	410	394
<u>Financial liability</u>		
Forex option structure	-	(60)

During the financial period, the Group recognise fair value gain on quoted equity securities of S\$17,000 (1HFY2023: fair value loss of S\$18,000) and fair value loss on forex option structure of S\$208,000 (1HFY2023: Nil).

Fair value hierarchy

The Group categories fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

Level 1 – Quoted prices (unadjusted) in active market for identical assets or liabilities that the Group can access at the measurement date,

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, and

Level 3 – Unobservable inputs for the asset or liability.

Group Description	Level 1 S\$'000	Level 2 S\$'000	Level 3 S\$'000	Total S\$'000
31 October 2023				
Assets measured at fair value				
<u>Financial assets at fair value through profit or loss</u>				
– quoted equity securities	410	-	-	410
30 April 2023				
Assets/(liability) measured at fair value				
<u>Financial assets at fair value through profit or loss</u>				
– quoted equity securities	394	-	-	394
<u>Financial liability at fair value through profit or loss</u>				
– Forex option structure	-	(60)	-	(60)

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE FIRST HALF YEAR ENDED 31 OCTOBER 2023

E. Notes to the condensed interim consolidated financial statements (cont'd)

13. Cash and short-term deposits

(In S\$'000) Description	Group		Company	
	31 Oct 2023	30 Apr 2023	31 Oct 2023	30 Apr 2023
Cash at banks and on hand	30,665	29,520	573	1,087
Short-term deposits	19	19	–	–
	30,684	29,539	573	1,087

14. Right-of-use assets

Group as lessee

The Group has lease contracts for leasehold building and office equipment used in its operations. These leases generally have lease terms between 2 years and 5 years, while land use rights have a lease term of 30 years. The Group's obligations under its leases are secured by the lessor's title to the leased assets.

The Group also has leases of dormitories and motor vehicles with lease terms of 12 months or less and leases for office equipment at a low value. The Group applies the 'short-term lease' recognition exemptions for these leases.

During the six-months financial period ended 31 October 2023, the Group had a total cash outflow for leases of S\$144,000 (31 October 2022: S\$229,000). The Group do not have prepaid of right-of-use assets in the current financial period (31 October 2022: S\$82,000).

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE FIRST HALF YEAR ENDED 31 OCTOBER 2023

E. Notes to the condensed interim consolidated financial statements (cont'd)

15. Bank borrowings

(In S\$'000) Description	Group	
	31 Oct 2023	30 Apr 2023
Loans and borrowings		
Amount repayable in one year or less, or on demand		
- Secured ⁽¹⁾	18,854	14,610
Amount repayable after one year		
- Secured ⁽¹⁾	25,701	33,760
Total	44,555	48,370

⁽¹⁾ Excluded from the loans and borrowings above are lease liabilities of S\$10,000 which are secured over the right-of-use assets as at 31 October 2023 (30 April 2023: S\$13,000).

The Group has certain banking facilities which are secured by the following: -

- (a) Legal mortgage on factory buildings of the Group; and
- (b) Corporate guarantee by the Company.

16. Share capital

Description (Ordinary shares excluding treasury shares)	The Group and the Company			
	31 Oct 2023		30 Apr 2023	
	Number of Shares	Share Capital (S\$'000)	Number of Shares	Share Capital (S\$'000)
Balance at beginning of period/year	109,643,921	39,882	109,182,721	39,780
Issuance of ordinary shares	-	-	461,200	102
Balance at end of period/year	109,643,921	39,882	109,643,921	39,882

Purchase of treasury shares

There was no share buyback transaction, sales, transfers, disposal, cancellation and/or use of treasury shares in 1HFY2024 (1HFY2023: Nil). As at 31 October 2023, the total consideration for the treasury shares held under the share buy-back scheme was S\$3,303,000 (31 October 2022: S\$3,303,000) for a total of 5,329,850 shares (31 October 2022: 5,329,850 shares).

The number of treasury shares held by the Company represents 4.86% (31 October 2022: 4.86%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) of the Company as at 31 October 2023.

**CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE FIRST HALF
YEAR ENDED 31 OCTOBER 2023**

E. Notes to the condensed interim consolidated financial statements (cont'd)

17. Subsequent events

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

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE FIRST HALF YEAR ENDED 31 OCTOBER 2023

F. Other information required pursuant by listing rule appendix 7.2

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

The condensed consolidated statement of financial position of XMH Holdings Ltd. and its subsidiaries as at 31 October 2023 and the related condensed consolidated profit and other comprehensive income/(loss), condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the first half year then ended and certain explanatory notes have not been audited or reviewed.

2. Review of the performance of the Group

First half year ended 31 October 2023 (“1HFY2024”) vs first half year ended 31 October 2022 (“1HFY2023”)

(i) Revenue

The revenue in 1HFY2024 amounted to approximately S\$71.0 million, an increase of approximately S\$13.1 million or 22.6% compared to 1HFY2023. Both Distribution and After-Sales segments have recorded growth in revenue as follow:

- a. Distribution segment recorded a substantial increase of 73.0% or S\$16.6 million from S\$22.8 million in 1HFY2023 to S\$39.4 million in 1HFY2024. This was mainly due to increase demand for engines to build transportation tugboats in Indonesia; and
- b. After-Sales service segment recorded an increase of 13.6% or S\$0.8 million from S\$6.1 million in 1HFY2023 to S\$6.9 million in 1HFY2024.

The increase was partially offset by decrease in revenue from Project segment. Project revenue decreased by S\$4.4 million or 15.0% from S\$29.1 million in 1HFY2023 to S\$24.7 million in 1HFY2024. This was mainly because 1HFY2023 included revenue of a major project completed as well as income recognition based on performance obligations for some major contracts as compared to 1HFY2024.

(ii) Cost of Sales and Gross Profit Margin

The cost of sales increased by approximately S\$2.5 million or 5.4% from S\$46.1 million in 1HFY2023 to S\$48.6 million in 1HFY2024. While the gross profit increased significantly by S\$10.6 million or 89.4% to approximately S\$22.5 million in 1HFY2024 as compared to 1HFY2023.

This was due to the increase in gross profit margin from 20.5% in 1HFY2023 to 31.6% in 1HFY2024. The increase was attributed to:

- a. higher gross profit margin from Distribution and After-Sales segments as a result of increased demand for engines and spare parts; and
- b. increased gross profit margin from Project segment with completion of projects with better margins.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE FIRST HALF YEAR ENDED 31 OCTOBER 2023

F. Other information required pursuant by listing rule appendix 7.2 (cont'd)

2. Review of the performance of the Group (cont'd)

(iii) Other Income

Other income increased by approximately S\$0.02 million or 2.3% from S\$0.97 million in 1HFY2023 to S\$0.99 million in 1HFY2024. This was mainly due to higher gain from disposal of equipment and partially offset by decreased in rental income.

(iv) Distribution Expenses

Distribution expenses increased by approximately S\$0.6 million or 27.2% from S\$2.0 million in 1HFY2023 to S\$2.6 million in 1HFY2024. This was mainly attributed to:

- a. increase in staff cost of approximately S\$0.4 million as a result of annual increment and bonus provision; and
- b. increase in travelling, marketing and promotional expenses of approximately S\$0.2 million.

(v) Administrative Expenses

Administrative expenses increased by approximately S\$1.9 million or 27.7% from S\$6.9 million in 1HFY2023 to S\$8.8 million in 1HFY2024. This was mainly attributed to:

- a. increase in staff cost of approximately S\$1.5 million as a result of annual increment and bonus provision; and
- b. increase in professional fees of approximately S\$0.4 million.

(vi) Impairment Losses on Financial Assets

Impairment losses on financial assets increased by approximately S\$0.7 million from S\$0.15 million in 1HFY2023 to S\$0.85 million in 1HFY2024. This was due mainly to additional provision made in 1HFY2024.

(vii) Net Foreign Exchange Loss

Net foreign exchange loss decreased by approximately \$0.1M or 7.1% from \$1.0M in 1HFY2023 to \$0.9M in 1HFY2024. This was attributed to:

- a. lesser liabilities denominated in Singapore Dollar ("SGD") against Japanese Yen; and
- b. lesser outstanding intercompany balances denominated in Malaysian Ringgit against SGD in 1HFY2024 as compared to 1HFY2023.

This was partially offset by net realized exchange loss for intercompany balances settlement denominated in Indonesian Rupiah against SGD in 1HFY2024 vice versa in 1HFY2023.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE FIRST HALF YEAR ENDED 31 OCTOBER 2023

F. Other information required pursuant by listing rule appendix 7.2 (cont'd)

2. Review of the performance of the Group (cont'd)

(viii) Net Finance Costs

Net finance cost increased by approximately S\$0.7 million from S\$0.8 million in 1HFY2023 to S\$1.5 million in 1HFY2024. This was attributed to:

- a. interest cost on loans increased by approximately S\$0.5 million due to higher drawdown of revolving credit facility and increased in interest rate; and
- b. fair value loss on forex option structure of approximately S\$0.2 million in 1HFY2024, none in 1HFY2023.

(ix) Income Tax Expense

The Group's tax expense of approximately S\$2.3 million in 1HFY2024 as compared to S\$0.8 million in 1HFY2023 in line with increased taxable profit in 1HFY2024.

STATEMENT OF FINANCIAL POSITION REVIEW

The Group's shareholders' funds as at 31 October 2023 stood at S\$53.4 million as compared to S\$49.9 million at the end of the immediate preceding financial year ended on 30 April 2023.

(i) Property, Plant and Equipment

Property, plant and equipment decreased by approximately S\$0.5 million, from S\$41.4 million as at 30 April 2023 to S\$40.9 million as at 31 October 2023. This was because of depreciation charges partially offset by acquisition of property, plant and equipment during the financial period.

(ii) Right-of-use Assets

Right-of-use assets decreased by approximately S\$0.2 million, from S\$5.5 million as at 30 April 2023 to S\$5.3 million as at 31 October 2023. This was due to depreciation charges during the financial period.

(iii) Inventories

Inventories increased by approximately S\$1.0 million, from S\$32.3 million as at 30 April 2023 to S\$33.3 million as at 31 October 2023. The increase was to cater for anticipated demand.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE FIRST HALF YEAR ENDED 31 OCTOBER 2023

F. Other information required pursuant by listing rule appendix 7.2 (cont'd)

2. Review of the performance of the Group (cont'd)

(iv) Trade and Other Receivables

Trade and other receivables decreased by approximately S\$5.2 million, from S\$14.5 million as at 30 April 2023 to S\$9.3 million as at 31 October 2023 due mainly to collection during the financial period.

(v) Contract Assets

Contract assets decreased by approximately S\$3.2 million, from S\$23.0 million as at 30 April 2023 to S\$19.8 million as at 31 October 2023. This was due mainly to progress billing during the financial period.

(vi) Trade and Other Payables

Trade and other payables decreased by S\$7.8 million, from S\$54.5 million as at 30 April 2023 to S\$46.7 million as at 31 October 2023. This was due mainly to settlement of trade payables during the financial period.

(vii) Loans and Borrowings

Loans and borrowings decreased by approximately S\$3.8 million, from S\$48.4 million as at 30 April 2023 to S\$44.6 million as at 31 October 2023. The decrease was due mainly to partial prepayment of a term loan and repayment of term loan instalments and trade bills partially offset by drawdown of revolving credit facility during the financial period.

STATEMENT OF CASH FLOW REVIEW

The Group recorded net cash generated from operating activities of approximately S\$11.1 million in 1HFY2024 as compared to net cash used in operating activities of approximately S\$2.7 million in 1HFY2023. This was due mainly to:

- a. decrease in contract assets of approximately S\$14.7 million;
- b. higher profit before tax generated in 1HFY2024 after adjustment for non-cash items by approximately S\$8.9 million as compared to 1HFY2023;
- c. decrease in trade and other receivables of approximately S\$6.4 million;
- d. lower increase in inventories of approximately S\$4.5 million;
- e. increase in contract liabilities of approximately S\$0.9 million; and
- f. lower income tax payment of approximately S\$0.5 million.

This was partially offset by:

- a. decrease in trade and other payables of approximately S\$21.8 million; and
- b. decrease in prepayment of approximately S\$0.3 million.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE FIRST HALF YEAR ENDED 31 OCTOBER 2023

F. Other information required pursuant by listing rule appendix 7.2 (cont'd)

2. Review of the performance of the Group (cont'd)

STATEMENT OF CASH FLOW REVIEW (CONT'D)

Net cash used in investing activities was S\$1.0 million in 1HFY2024 as compared to S\$0.5 million in 1HFY2023. This was due mainly to:

- a. increase in acquisition of property, plant and equipment of approximately S\$0.4 million from S\$0.4 million in 1HFY2023 to S\$0.8 million in 1HFY2024; and
- b. payment for settlement of forex option structure of approximately S\$0.3 million in current period.

This was partially offset by:

- a. higher interest received of approximately S\$0.1 million in 1HFY2024 as compared to 1HFY2023; and
- b. prepayment of leases of approximately S\$0.1 million in 1HFY2023, none in 1HFY2024.

The net cash used in financing activities in current period was approximately S\$6.7 million as compared to S\$2.0 million in prior period. This was due mainly to:

- a. partial prepayment of a term loan and repayment of term loan instalments in 1HFY2024 as compared to 1HFY2023;
- b. higher dividend paid of approximately S\$0.9 million, increase from S\$0.8 million in 1HFY2023 to S\$1.6 million in 1HFY2024;
- c. higher interest paid of approximately S\$0.4 million, from S\$0.8 million in 1HFY2023 to S\$1.2 million in 1HFY2024 because of increase in interest rate and higher drawdown of revolving credit facility;
- d. capital injection by non-controlling interest of approximately S\$0.1 million in 1HFY2023, none in 1HFY2024; and
- e. proceed from issuance of ordinary shares of approximately S\$0.1 million in 1HFY2023, none in 1HFY2024.

In view of the above, overall net increase in cash was approximately S\$3.3 million in 1HFY2024, as compared to net decrease in cash of approximately S\$5.3 million in 1HFY2023.

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

Not applicable.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE FIRST HALF YEAR ENDED 31 OCTOBER 2023

F. Other information required pursuant by listing rule appendix 7.2 (cont'd)

4. A commentary at the date of announcement of the significant trends and 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.

Following through FY2023, the Group continues to experience strong demand for our engines for new or replacement tugboats used in resource/commodity transportation. As such, our order book for engines remains robust despite the persistent economic uncertainties and challenges.

On the contrary, our project business's order book has decreased as we are unable to tender for projects given the delays in the supply of raw materials arising from supply chain issues and low margins due to intense competition.

Moving forward, we expect the environment to be even more challenging and uncertain. The Group will continue to remain nimble, adaptable and resilient. We will constantly improve our operational procedures where necessary so as to address and adapt to changes where necessary and prepare ourselves for any unexpected events.

5. Dividend information

**5a. Current financial period reported on?
Any dividend recommended for the current financial period reported on?**

No.

**5b. Corresponding period of the immediately preceding financial period
Any dividend declared for the corresponding period of the immediately preceding financial period?**

No.

5c. Date payable.

Not applicable.

5d. Books closure date.

Not applicable.

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

The Board does not recommend any payment of dividend for 1HFY2024 as the Board wishes to conserve cash for its business and operational needs.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE FIRST HALF YEAR ENDED 31 OCTOBER 2023

- F. Other information required pursuant by listing rule appendix 7.2 (cont'd)**
- 7. If the Group has obtained a general mandate from shareholders for interested person transactions (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 sought a general mandate for interested person transaction(s) from the shareholders.

- 8. Confirmation pursuant to Rule 720(1) of the listing manual.**

The Company hereby confirms that it has procured undertakings from all its Directors and Executive Officers in the format set out in Appendix 7.7.

- 9. Confirmation by the Board**

On behalf of the Board of Directors of the Company, I, the undersigned, hereby confirms to the best of my knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the financial results for the six-months financial period ended 31 October 2023 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD
Mr. Tan Tin Yeow
Chairman and Managing Director
Singapore
8 December 2023