



ECOWISE HOLDINGS LIMITED  
Company Registration No. 200209835C

**Condensed Interim Financial Statements and Dividend Announcement for the 6-Month and 18-Month Financial Period  
Ended 30 April 2023**

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

	Group					
	6-month period ended 30 April 2023 ("3HFP2023") (S\$'000) Unaudited	6-month period ended 30 April 2022 ("1HFP2023") (S\$'000) Unaudited	% Change +/(-)	18-month period ended 30 April 2023 ("FP2023") (S\$'000) Unaudited	12-month period ended 31 October 2021 ("FY2021") (S\$'000) Audited	% Change +/(-)
<b>Continuing Operations</b>						
Revenue	15,084	10,771	40	44,665	35,566	26
Cost of Sales	(13,236)	(10,051)	32	(39,884)	(30,720)	30
<b>Gross Profit</b>	1,848	720	>100	4,781	4,846	(1)
<b>Other Items of Income</b>						
Finance Income	1	3	(67)	4	12	(67)
Other Gains/(Losses)	588	105	>100	559	(28)	n/m
<b>Other Items of Expenses</b>						
Marketing and Distribution Expenses	(333)	(441)	(24)	(1,162)	(1,382)	(16)
Administrative Expenses	(3,493)	(2,692)	30	(8,435)	(9,125)	(3)
Finance Costs	(253)	(305)	(17)	(1,047)	(822)	27
Share of Losses from Associate and Jointly Controlled Entity, Net of Tax	-	-	n/m	-	(553)	n/m
<b>Loss Before Income Tax</b>	(1,642)	(2,610)	(37)	(5,300)	(7,052)	(20)
Income Tax (Expense)/Credit	(57)	(26)	>100	39	220	(82)
<b>Loss from continuing operations</b>	(1,699)	(2,636)	(36)	(5,261)	(6,832)	(18)
<b>Discontinued operations</b>						
Loss from discontinued operations	(983)	-	n/m	(1,039)	-	n/m
<b>Total Loss</b>	(2,682)	(2,636)	2	(6,300)	(6,832)	(8)
<b>Other Comprehensive (Loss)/Income</b>						
<b>Items that may be Reclassified Subsequently to Profit or Loss:</b>						
Exchange Differences on Translating Foreign Operations, Net of Tax	(2,018)	(459)	>100	(1,872)	(43)	>100
Effective Portion of Changes in Fair Value of Cash Flow Hedges	(1)	6	n/m	8	(129)	n/m
Defined Benefit Plan - Actuarial gain	53	-	n/m	47	79	(41)
<b>Total Other Comprehensive Loss for the Period</b>	(1,966)	(453)	>100	(1,817)	(93)	>100
<b>Total Comprehensive Loss for the Period</b>	(4,648)	(3,089)	50	(8,117)	(6,925)	17

A. Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income (continued)

Group						
	6-month period ended 30 April 2023 ("3HFP2023") (\$'000) Unaudited	6-month period ended 30 April 2022 ("1HFP2023") (\$'000) Unaudited	% Change +/(-)	18-month period ended 30 April 2023 ("FP2023") (\$'000) Unaudited	12-month period ended 31 October 2021 ("FY2021") (\$'000) Audited	% Change +/(-)
<b>(Loss)/Income for the Period Attributable to:</b>						
Owners of the Company	(2,643)	(2,641)	n/m	(6,251)	(6,999)	(11)
Non-Controlling Interests	(39)	5	n/m	(49)	167	n/m
<b>Loss for the Period</b>	<b>(2,682)</b>	<b>(2,636)</b>	<b>2</b>	<b>(6,300)</b>	<b>(6,832)</b>	<b>(8)</b>
<b>Loss for the Period Attributable to Equity Holders of the Company:</b>						
Loss from continuing operations	(1,660)	(2,641)	(37)	(5,212)	(6,999)	(26)
Loss from discontinued operations	(983)	-	n/m	(1,039)	-	n/m
	<b>(2,643)</b>	<b>(2,641)</b>	<b>n/m</b>	<b>(6,251)</b>	<b>(6,999)</b>	<b>(11)</b>
<b>Total Comprehensive (Loss)/Income for the Period Attributable to:</b>						
Owners of the Company	(4,609)	(3,084)	49	(8,068)	(7,107)	14
Non-Controlling Interests	(39)	(5)	>100	(49)	182	n/m
<b>Total Comprehensive Loss for the Period</b>	<b>(4,648)</b>	<b>(3,089)</b>	<b>50</b>	<b>(8,117)</b>	<b>(6,925)</b>	<b>17</b>

"n/m" denotes not meaningful.

**Change of Financial Year End**

On 6 September 2022, the Company announced a change of financial year end from 31 October to 30 April to better reflect the new management's efforts and performance for a full financial year from the date of the effective change of its management and board members in April 2022. Therefore, the financial statements presented in this announcement cover:

- 1) the 6-month financial period from 1 November 2022 to 30 April 2023 ("3HFP2023") and its comparative preceding financial period covers the 6-month financial period from 1 November 2021 to 30 April 2022 ("1HFP2023"); and
- 2) the 18-month financial period from 1 November 2021 to 30 April 2023 ("FP2023") and its comparative preceding financial period covers the 12-month financial period from 1 November 2020 to 31 October 2021 ("FY2021"),

as the case may be.

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## Notes to Condensed Interim Consolidated Statement of Comprehensive (Loss)/Income

Loss for the period is after crediting/(charging):

	Group					
	6-month period ended 30 April 2023 ("3HFP2023") (S\$'000) Unaudited	6-month period ended 30 April 2022 ("1HFP2023") (S\$'000) Unaudited	% Change +/-(-)	18-month period ended 30 April 2023 ("FP2023") (S\$'000) Unaudited	12-month period ended 31 October 2021 ("FY2021") (S\$'000) Audited	% Change +/-(-)
Finance Lease Income <sup>(1)</sup>	352	385	(9)	1,116	896	25
Depreciation of Property, Plant and Equipment	(1,019)	(1,009)	1	(3,061)	(2,453)	25
Impairment of assets of disposal group classified as held-for-sale <sup>(2)</sup>	(955)	-	n/m	(955)	-	n/m
Depreciation of Investment Properties	(48)	(51)	(6)	(150)	(102)	47
Depreciation of Right-of-use Assets	(472)	(401)	18	(1,130)	(1,066)	6
Amortisation of Intangible Assets	-	-	-	-	(73)	n/m
Amortisation of Land Use Rights <sup>(2)</sup>	(28)	(28)	-	(84)	(56)	50
Provision for Retirement Benefit Obligations Expenses, Net	(16)	(6)	>100	(21)	(23)	9

"n/m" denotes not meaningful.

## Notes:

(1) Finance lease income relates to income generated by the Group's plant acquired under finance lease agreements. Finance lease income decreased systematically over lease terms.

(2) Impairment of assets of disposal group classified as held-for-sale and amortisation of land use rights relate to underlying assets of Changyi Enersave Biomass to Energy Co Ltd ("CEBEC"). As at the date of this announcement, the business valuation for the Group's investment in Hivern Investments Pte. Ltd. ("Hivern") and its underlying assets (i.e CEBEC) is still on-going. Such amounts may change upon completion of the business valuation.

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## Notes to Condensed Interim Consolidated Statement of Comprehensive (Loss)/Income

Other Gains/(Losses) comprised of:

	Group					
	6-month period ended 30 April 2023 ("3HFP2023") (\$'000) Unaudited	6-month period ended 30 April 2022 ("1HFP2023") (\$'000) Unaudited	% Change	18-month period ended 30 April 2023 ("FP2023") (\$'000) Unaudited	12-month period ended 31 October 2021 ("FY2021") (\$'000) Audited	% Change
Gain on disposal of property, plant and equipment <sup>(1)</sup>	36	-	n/m	232	86	>100
Write-off of property, plant and equipment	(10)	-	n/m	(10)	-	n/m
Government grant income <sup>(2)</sup>	46	46	-	106	207	(49)
Foreign exchange transaction gain/(loss), net <sup>(3)</sup>	640	(3)	n/m	291	424	(31)
Recovery of/(Allowance for) impairment on trade and other receivables, net <sup>(4)</sup>	(124)	62	n/m	(60)	(130)	(54)
Impairment loss on investment properties <sup>(5)</sup>	-	-	-	-	(283)	n/m
Allowance for impairment on non-financial assets	-	-	-	-	(114)	n/m
Gain recognised on disposal of subsidiaries <sup>(6)</sup>	-	-	-	-	1,467	n/m
Impairment loss on goodwill <sup>(7)</sup>	-	-	-	-	(115)	n/m
Impairment loss on trademark <sup>(7)</sup>	-	-	-	-	(645)	n/m
Impairment loss on leasehold properties <sup>(8)</sup>	-	-	-	-	(367)	n/m
Write down of land use rights	-	-	-	-	(166)	n/m
Fines <sup>(9)</sup>	-	-	-	-	(105)	n/m
Legal claim <sup>(9)</sup>	-	-	-	-	(320)	n/m
Other gains	-	-	-	-	33	n/m
Net	588	105	>100	559	(28)	n/m

"n/m" denotes not meaningful.

## Notes:

- (1) Gain on disposal of property, plant and equipment for the 6-month period ended 30 April 2023 relates to sale of motor vehicles in Malaysia. Gain on disposal of property, plant and equipment for the 18-month period ended 30 April 2023 increased as compared to 12-month period ended 31 October 2021 due to sale of motor vehicles in Singapore and Malaysia.
- (2) Government grant income decreased for the 18-month period ended 30 April 2023 as the financial assistance from government tapered down during the current financial period.
- (3) Foreign exchange gain for the 6-month period and 18-month period ended 30 April 2023 was due to the weakening of Malaysia Ringgit against Australian Dollar ("AUD") and US Dollar ("USD") as the majority of the revenue generated in Malaysia is denominated in AUD while the majority of its purchases is denominated in USD.
- (4) Impairment on trade and other receivables was due to long outstanding debts in Malaysia.
- (5) No impairment loss for investment properties were made for the 6-month period and 18-month period ended 30 April 2023.
- (6) Gain on disposal of a subsidiary for the 12-month period ended 31 October 2021 relates to the disposal of Saiko Rubber (Malaysia) Sdn Bhd which was completed on 23 April 2021. Other than the disposal of business, including the retreading machines and other assets of Sun Tyre (Sabah) Sdn Bhd as announced on 22 March 2023, there is no other disposal in the current financial period.
- (7) Impairment loss on goodwill and impairment loss on trademark was provided for the 12-month period ended 31 October 2021 in view of the decline in performance of the two subsidiaries in Malaysia. No such impairment has been made for the current financial period.
- (8) No impairment loss on leasehold properties were made for the 6-month period and 18-month period ended 30 April 2023.
- (9) There were no fines and legal claims in the current period as these were provided for in prior year.

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**B. Condensed Interim Statements of Financial Position**

	Group		Company	
	As at 30 April 2023 (S\$'000) Unaudited	As at 31 October 2021 (S\$'000) Audited	As at 30 April 2023 (S\$'000) Unaudited	As at 31 October 2021 (S\$'000) Audited
<b>ASSETS</b>				
<b>Current Assets</b>				
Inventories	3,328	4,876	-	-
Trade and Other Receivables	9,422	7,881	-	-
Finance Lease Receivables	1,459	1,254	-	-
Derivative Financial Instruments	15	9	-	-
Other Non-Financial Assets	759	1,026	203	59
Cash and Cash Equivalents	1,195	1,900	141	12
	16,178	16,946	344	71
Assets of disposal group classified as held-for-sale	1,056	-	-	-
<b>Total Current Assets</b>	<b>17,234</b>	16,946	<b>344</b>	<b>71</b>
<b>Non-Current Assets</b>				
Property, Plant and Equipment	18,392	21,148	90	372
Right-of-use Assets	5,611	7,421	-	-
Investment Properties	1,528	1,678	-	-
Land Use Rights	-	1,140	-	-
Investments in Subsidiaries	-	-	26,470	26,470
Investment in an Associate	1,513	1,513	-	-
Finance Lease Receivables	4,694	6,472	-	-
Other Non-Financial Assets	311	293	-	-
<b>Total Non-Current Assets</b>	<b>32,049</b>	39,665	<b>26,560</b>	<b>26,842</b>
<b>Total Assets</b>	<b>49,283</b>	56,611	<b>26,904</b>	<b>26,913</b>

	Group		Company	
	As at 30 April 2023 (S\$'000) Unaudited	As at 31 October 2021 (S\$'000) Audited	As at 30 April 2023 (S\$'000) Unaudited	As at 31 October 2021 (S\$'000) Audited
<b>LIABILITIES</b>				
<b>Current Liabilities</b>				
Income Tax Payable	131	361	65	44
Trade and Other Payables	10,621	8,583	8,115	6,299
Derivative Financial Instruments	-	2	-	-
Loans and Borrowings	3,308	7,161	-	-
Financial Liabilities – Lease Liabilities	617	915	9	48
	14,677	17,022	8,189	6,391
Liabilities directly associated with disposal group classified as held-for-sale	1,058	-	-	-
<b>Total Current Liabilities</b>	<b>15,735</b>	<b>17,022</b>	<b>8,189</b>	<b>6,391</b>
<b>Non-Current Liabilities</b>				
Provision for Retirement Benefit Obligations	385	411	-	-
Loans and Borrowings	8,049	4,384	-	-
Financial Liabilities – Lease Liabilities	198	1,388	-	138
Deferred Tax Liabilities	675	993	-	-
Provision for Reinstatement Cost	710	710	-	-
<b>Total Non-Current Liabilities</b>	<b>10,017</b>	<b>7,886</b>	<b>-</b>	<b>138</b>
<b>Total Liabilities</b>	<b>25,752</b>	<b>24,908</b>	<b>8,189</b>	<b>6,529</b>
<b>NET ASSETS</b>	<b>23,531</b>	<b>31,703</b>	<b>18,715</b>	<b>20,384</b>
<b>EQUITY</b>				
Share Capital	47,890	47,890	47,890	47,890
Accumulated Losses	(19,647)	(13,396)	(29,175)	(27,506)
Foreign Currency Translation Reserves ("FCTR")	(6,897)	(5,025)	-	-
Other Reserves	2,220	2,220	-	-
<b>Equity Attributable to Owners of the Company</b>	<b>23,566</b>	<b>31,689</b>	<b>18,715</b>	<b>20,384</b>
Non-Controlling Interests	(35)	14	-	-
<b>Total Equity</b>	<b>23,531</b>	<b>31,703</b>	<b>18,715</b>	<b>20,384</b>

C. Condensed Interim Consolidated Statement of Cash Flows

	Group	
	18-month period ended 30 April 2023 (S\$'000) Unaudited	12-month period ended 31 October 2021 (S\$'000) Audited
<b>Cash Flows From Operating Activities</b>		
Net Loss	(6,300)	(6,832)
Adjustments for:		
Income Tax Credit	(39)	(220)
Depreciation of Property, Plant and Equipment	3,061	2,453
Depreciation of Investment Properties	150	102
Depreciation of Right-of-use Assets	1,130	1,066
Write-off of Property, Plant and Equipment	10	-
Gain on Disposal of Property, Plant and Equipment	(232)	(86)
Impairment on Assets of Disposal Group Classified as Held-for-Sale	955	-
Impairment Loss on Investment Properties	-	283
Impairment Loss on Goodwill	-	115
Impairment Loss on Trademark	-	645
Impairment Loss on Property, Plant and Equipment	-	367
Write-down of Land use Right	-	166
Amortisation of Intangible Assets	-	73
Amortisation of Land Use Rights	84	56
Share of Results from an Associate and a Jointly-Controlled Entity, Net of Tax	-	553
Gain on Disposal of Subsidiary	-	(1,467)
Net Fair Value Gain on Derivative Financial Instruments	(8)	-
Provision for Retirement Benefit Obligations Expenses, Net	21	23
Finance Income	(4)	(12)
Finance Costs	1,047	822
Net Foreign Exchange Difference	(488)	(449)
<b>Operating Cash Flows Before Changes in Working Capital</b>		
Inventories	(613)	(2,342)
Trade and Other Receivables	1,548	139
Finance Lease Receivables	(2,496)	5,381
Other Non-Financial Assets	1,573	1,037
Trade and Other Payables	249	1,705
Deferred Income	2,788	(2,957)
Provisions	-	(82)
<b>Net Cash Flows from Operations Before Income Tax</b>		
Income Tax Paid	3,010	2,643
<b>Net Cash Flows from Operating Activities</b>	(201)	(522)
	2,809	2,121
<b>Cash Flows From Investing Activities</b>		
Acquisition of Property, Plant and Equipment <sup>(a)</sup>	(613)	(1,876)
Proceeds from Disposal of Property, Plant and Equipment	552	2,071
Proceeds from Disposal of Subsidiary	-	1,648
Acquisition of subsidiaries	-	(397)
Interest Received	4	12
Increase in Cash Restricted in Use Over 3 Months	-	1,955
<b>Net Cash Flows (Used In)/From Investing Activities</b>	(57)	3,413

	Group	
	18-month period ended 30 April 2023 (\$'000) Unaudited	12-month period ended 31 October 2021 (\$'000) Audited
<b><u>Cash Flows From Financing Activities</u></b>		
Share Buy-back	-	(200)
(Repayments of)/Proceeds from Loans and Borrowings	(762)	(4,354)
Principal Elements of Lease Payments	(1,585)	(1,714)
Interest Paid	(1,047)	(768)
Dividends Paid to Non-Controlling Interests of Subsidiaries	-	(12)
<b><u>Cash Flows Used in Financing Activities</u></b>	<b>(3,394)</b>	<b>(7,048)</b>
<b><u>Net Decrease in Cash and Cash Equivalents</u></b>	<b>(642)</b>	<b>(1,514)</b>
Effect of Exchange Rate Changes on Cash and Cash Equivalents	(67)	(69)
Cash and Cash Equivalents, Statement of Cash Flows, Beginning Balance	1,772	3,355
<b><u>Cash and Cash Equivalents, Statement of Cash Flows, Ending Balance</u></b>	<b>1,063</b>	<b>1,772</b>
<b><u>Cash and Cash Equivalents in the Statement of Cash Flows</u></b>		
Cash and Cash Equivalents <sup>(b)</sup>	1,195	1,900
Cash Restricted in Use	(132)	(128)
<b><u>Cash and Cash Equivalents at End of Period</u></b>	<b>1,063</b>	<b>1,772</b>

**Non-Cash Transactions**

(a) Property, plant and equipment amounting to S\$51,000 and Nil (12-month period ended 31 October 2021: S\$202,000 and S\$2,698,000) were acquired through finance leases and borrowings respectively.

**Comprised fixed deposits held by banks for revolving banking and credit facilities.**

(b) Included in cash and cash equivalents are fixed deposits of S\$132,000 as at 30 April 2023 (31 October 2021: S\$128,000).

**D. Condensed Interim Statements of Changes in Equity**

	Share Capital (S\$'000)	Treasury Shares (S\$'000)	Accumulated Losses (S\$'000)	FCTR (S\$'000)	Other Reserves (S\$'000)	Equity Attributable to Owners of the Company (S\$'000)	Non-Controlling Interests (S\$'000)	Total Equity (S\$'000)
<b><u>Group</u></b>								
<b>For the 18-month period ended 30 April 2023</b>								
At 1 November 2021	48,090	(200)	(13,396)	(5,025)	2,220	31,689	14	31,703
<b>Changes in Equity</b>								
Total Comprehensive Loss for the period	-	-	(6,251)	(1,872)	-	(8,123)	(49)	(8,172)
<b>At 30 April 2023</b>	<b>48,090</b>	<b>(200)</b>	<b>(19,647)</b>	<b>(6,897)</b>	<b>2,220</b>	<b>23,566</b>	<b>(35)</b>	<b>23,531</b>
	Share Capital (S\$'000)	Treasury Shares (S\$'000)	Accumulated Losses (S\$'000)	FCTR (S\$'000)	Other Reserves (S\$'000)	Equity Attributable to Owners of the Company (S\$'000)	Non-Controlling Interests (S\$'000)	Total Equity (S\$'000)
<b><u>Group</u></b>								
<b>For the 12-month period ended 31 October 2021</b>								
At 1 November 2020	48,090	-	(6,461)	(5,018)	2,409	39,020	4,001	43,021
<b>Changes in Equity</b>								
Total Comprehensive (Loss)/Income for the year	-	-	(6,999)	(7)	(165)	(7,171)	167	(7,004)
Disposal of Equity Interests of Subsidiary	-	-	-	-	-	-	(4,181)	(4,181)
Purchase of Equity Interests of Subsidiary	-	-	-	-	(24)	(24)	12	(12)
Purchase of Treasury Shares	-	(200)	-	-	-	(200)	-	(200)
Defined benefit plan	-	-	64	-	-	64	15	79
<b>At 31 October 2021</b>	<b>48,090</b>	<b>(200)</b>	<b>(6,935)</b>	<b>(7)</b>	<b>(189)</b>	<b>(7,331)</b>	<b>(3,987)</b>	<b>(11,318)</b>

	Share Capital (S\$'000)	Accumulated Losses (S\$'000)	Total Equity (S\$'000)
<b><u>Company</u></b>			
<b>For the 18-month period ended 30 April 2023</b>			
<b>At 1 November 2021</b>	47,890	(27,506)	20,384
Total Comprehensive Loss for the Period	-	(1,669)	(1,669)
<b>At 30 April 2023</b>	47,890	(29,175)	18,715
 <b>For the 12-month period ended 31 October 2021</b>			
<b>At 1 November 2020</b>	48,090	(21,022)	27,068
Total Comprehensive Loss for the Period	-	(6,484)	(6,484)
Treasury Shares	(200)	-	(200)
<b>At 31 October 2021</b>	47,890	(27,506)	20,384

**E. Financial information by operating segments**

**1. Profit or loss from continuing operations and reconciliations**

<b>Group</b>	<b>Renewable Energy</b>		<b>Resource Recovery</b>		<b>Integrated Environmental Management Solutions</b>		<b>Eliminations</b>		<b>Group</b>	
	18-month period ended	12-month period ended	18-month period ended	12-month period ended	18-month period ended	12-month period ended	18-month period ended	12-month period ended	18-month period ended	12-month period ended
	30 April 2023	31 October 2021	30 April 2023	31 October 2021	30 April 2023	31 October 2021	30 April 2023	31 October 2021	30 April 2023	31 October 2021
	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)
Revenue										
Revenue from external customers	12,079	7,486	32,421	27,896	165	184	-	-	44,665	35,566
Inter-segment revenue	3,607	811	7,997	1,277	639	812	(12,243)	(2,900)	-	-
Segment Revenue	15,686	8,297	40,418	29,173	804	996	(12,243)	(2,900)	44,665	35,566
Segment results before allocation of corporate management fees	1,703	(1,052)	(3,474)	713	709	(595)	(2,501)	(2,348)	(3,563)	(3,282)
Allocated corporate management fees	(1,345)	(1,007)	(796)	(1,341)	(360)	-	2,501	2,348	-	-
Segment results	358	(2,059)	(4,270)	(628)	349	(595)	-	-	(3,563)	(3,282)
Share of results from associates and jointly-controlled entity, allocated to operating segments	-	(95)	-	(458)	-	-	-	-	-	(553)
Unallocated corporate results									(1,733)	(2,407)
Loss before finance income, dividend income, finance costs and income tax expense									(5,296)	(6,242)
Finance income									4	12
Finance costs									(1,047)	(822)
Income tax credit									39	220
Loss net of tax									(6,300)	(6,832)

<u>Group</u>	<u>Renewable Energy</u>		<u>Resource Recovery</u>		<u>Integrated Environmental Management Solutions</u>		<u>Eliminations</u>		<u>Group</u>	
	6-month period ended 30 April 2023	6-month period ended 30 April 2022	6-month period ended 30 April 2023	6-month period ended 30 April 2022	6-month period ended 30 April 2023	6-month period ended 30 April 2022	6-month period ended 30 April 2023	6-month period ended 30 April 2022	6-month period ended 30 April 2023	6-month period ended 30 April 2022
	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)
<b>Revenue</b>										
Revenue from external customers	3,404	4,233	11,624	6,484	56	54	-	-	15,084	10,771
Inter-segment revenue	1,155	1,364	1,364	2,616	213	213	(2,732)	(4,193)	-	-
Segment Revenue	4,559	5,597	12,988	9,100	269	267	(2,732)	(4,193)	15,084	10,771
Segment results before allocation of corporate management fees	(588)	723	(1,026)	(1,228)	859	(111)	(956)	(1,175)	(1,711)	(1,791)
Allocated corporate management fees	(582)	(499)	(374)	(676)	-	-	956	1,175	-	-
Segment results	(1,170)	224	(1,400)	(1,904)	859	(111)	-	-	(1,711)	(1,791)
Unallocated corporate results									(662)	(517)
Loss before finance income, dividend income, finance costs and income tax expense									(2,373)	(2,308)
Finance income									1	3
Finance costs									(253)	(305)
Income tax expense									(57)	(26)
Loss net of tax									(2,682)	(2,636)

2. Assets and liabilities reconciliation

<u>Group</u>	<u>Renewable Energy</u>		<u>Resource Recovery</u>		<u>Integrated Environmental Management Solutions</u>		<u>Eliminations</u>		<u>Group</u>	
	<u>As at 30 April 2023</u>	<u>As at 31 October 2021</u>	<u>As at 30 April 2023</u>	<u>As at 31 October 2021</u>	<u>As at 30 April 2023</u>	<u>As at 31 October 2021</u>	<u>As at 30 April 2023</u>	<u>As at 31 October 2021</u>	<u>As at 30 April 2023</u>	<u>As at 31 October 2021</u>
	<u>(S\$'000)</u>	<u>(S\$'000)</u>	<u>(S\$'000)</u>	<u>(S\$'000)</u>	<u>(S\$'000)</u>	<u>(S\$'000)</u>	<u>(S\$'000)</u>	<u>(S\$'000)</u>	<u>(S\$'000)</u>	<u>(S\$'000)</u>
Segment assets	10,352	15,399	31,149	32,594	3,231	3,567	2,703	2,979	47,435	54,539
Investments in associates, allocated to operating segments	1,513	1,513	-	-	-	-	-	-	1,513	1,513
Unallocated corporate assets									335	559
Total assets									49,283	56,611
Segment liabilities	28,718	32,738	21,610	12,715	9,000	10,394	(46,818)	(44,818)	12,510	11,029
Loans and borrowings allocated to operating segments	-	-	8,829	9,363	1,907	2,182	-	-	10,736	11,545
Income tax payable allocated to operating segments	-	107	21	168	45	42	-	-	66	317
Unallocated income tax payable									65	44
Deferred tax liabilities									675	993
Unallocated corporate liabilities									1,700	980
Total liabilities									25,752	24,908
Capital expenditure allocated to operating segments:										
Property, plant and equipment	84	584	541	3,694	-	23	-	-	625	4,301
Investment properties	-	-	-	-	-	190	-	-	-	190
Unallocated corporate capital expenditure on property, plant and equipment									-	285
Total capital expenditure									625	4,776

3. Other material items

Group	Renewable Energy		Resource Recovery		Integrated Environmental Management Solutions		Eliminations		Group	
	18-month period ended	12-month period ended	18-month period ended	12-month period ended	18-month period ended	12-month period ended	18-month period ended	12-month period ended	18-month period ended	12-month period ended
	30 April 2023	31 October 2021	30 April 2023	31 October 2021	30 April 2023	31 October 2021	30 April 2023	31 October 2021	30 April 2023	31 October 2021
	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
Depreciation of property, plant and equipment and investment properties:										
Allocated to operating segments	1,138	676	1,683	1,515	330	304	-	-	3,151	2,495
Unallocated corporate depreciation									60	60
									3,211	2,555
Depreciation of right-of-use assets	526	303	604	763	-	-	-	-	1,130	1,066
Gain on disposal of property, plant and equipment:										
Allocated to operating segments	20	-	173	40	-	88	-	-	193	128
Unallocated corporate gain/(loss) on disposal of property, plant and equipment									39	(42)
									232	86
Amortisation of intangible assets	-	-	-	73	-	-	-	-	-	73
Amortisation of land use rights	84	56	-	-	-	-	-	-	84	56
Impairment loss on property, plant and equipment	-	-	-	-	-	367	-	-	-	367
Impairment loss on investment properties	-	-	-	-	-	283	-	-	-	283
Provision for retirement benefit obligations expenses, net	-	-	21	23	-	-	-	-	21	23
Allowance for doubtful receivables	-	-	60	130	-	-	-	-	60	130

<u>Group</u>	<u>Renewable Energy</u>		<u>Resource Recovery</u>		<u>Integrated Environmental Management Solutions</u>		<u>Eliminations</u>		<u>Group</u>	
	6-month period ended	6-month period ended	6-month period ended	6-month period ended	6-month period ended	6-month period ended	6-month period ended	6-month period ended	6-month period ended	6-month period ended
	30 April 2023	30 April 2022	30 April 2023	30 April 2022	30 April 2023	30 April 2022	30 April 2023	30 April 2022	30 April 2023	30 April 2022
	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
Capital expenditure allocated to operating segments:										
Property, plant and equipment	42	-	225	-	-	-	-	-	267	-
Depreciation of property, plant and equipment and investment properties:										
Allocated to operating segments	400	412	526	437	77	127	-	-	1,003	976
Unallocated corporate depreciation									16	33
									1,019	1,009
Depreciation of right-of-use assets	118	206	354	195	-	-	-	-	472	401
Gain on disposal of property, plant and equipment:										
Allocated to operating segments	-	-	36	-	-	-	-	-	36	-
Amortisation of land use rights	28	28	-	-	-	-	-	-	28	28
Provision for retirement benefit obligations expenses, net	-	-	16	6	-	-	-	-	16	6
Allowance for doubtful receivables	-	-	(124)	62	-	-	-	-	(124)	62

## **F. Notes to the Condensed Interim Consolidated Financial Statements.**

### **1. Corporate Information**

ecoWise Holdings Limited (the “**Company**”) is incorporated in Singapore with limited liability. It is listed on the Catalist Board of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”).

The condensed interim consolidated financial statements as at and for the 6-month period and 18-month period ended 30 April 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 major subsidiaries are:

- Operation and maintenance of biomass co-generation plant;
- Processing and recycling of non-metal waste, horticultural waste and other waste; and
- Manufacturing and trading of retread tyres and related rubberised products

The registered office and principal place of business of the Company is located at 1 Commonwealth Lane, #07-28 One Commonwealth, Singapore 149544.

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

The condensed interim financial statements have been prepared in accordance with SFRS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore.

The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last annual financial statements for the financial period ended 31 October 2021. The accounting policies adopted are consistent with those of the previous financial period which were prepared in accordance with Singapore Financial Reporting Standards (International) (“**SFRS(I)s**”), except for the adoption of amended standards as set out in Note 2.1.

The condensed interim financial statements are presented in Singapore dollar which is the Company's functional currency.

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

The condensed interim financial statements have been prepared based on accounting policies and methods of computation consistent with those adopted in the most recent audited financial statements of the Group for the financial year ended 31 October 2021. The Group has adopted new and revised SFRS (I) and interpretations of SFRS (I) applicable to the Group which are effective for the financial period beginning 1 November 2021. These are not expected to have a material impact on the Group's condensed interim financial statements.

#### **2.2 Use of Judgements and estimates**

The critical judgements made in the process of applying the accounting policies that have the most significant effect on the amounts recognised in the financial statements and the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities currently or within the next reporting period are discussed below. These estimates and assumptions are periodically monitored to ensure they incorporate all relevant information available at the date when financial statements are prepared. However, this does not prevent actual figures differing from estimates

##### *(i) Expected credit loss allowance on trade receivables*

The allowance for expected credit losses (“**ECL**”) assessment requires a degree of estimation and judgement. It is based on the lifetime ECL for trade receivables. In measuring the expected credit losses, management considers all reasonable and supportable information such as the reporting entity's past experience at collecting receipts, any increase in the number of delayed receipts in the portfolio past the average credit period, and forward-looking information such as forecasts of future economic conditions (including the impact of the Covid-19 pandemic). The carrying amounts might change materially within the next reporting period but these changes may not arise from assumptions or other sources of estimation uncertainty at the end of the reporting period.

##### *(ii) Impairment assessment of property, plant and equipment and land use rights in relation to CEBEC*

The Group owns a 24 MW biomass co-generation power plant (the “**CEBEC Plant**”) located in Changyi, Shandong Province, People's Republic of China (“**PRC**”). CEBEC is a company registered in the PRC. The immediate parent company of CEBEC is Hivern. Both CEBEC and Hivern are wholly-owned subsidiaries in the Group.

As at 30 April 2023, the carrying values of CEBEC Plant and land use rights where the plant is located is Nil and RMB5.42 million (approximately S\$1.05 million) respectively.

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

### (ii) *Impairment assessment of property, plant and equipment and land use rights in relation to CEBEC (Cont'd)*

The CEBEC Plant has not commenced operations since it was acquired by the Group in the reporting period ended 2013. The plant requires major retrofitting and recommissioning before it can be placed into commercial operations as the contractor engaged by CEBEC did not deliver the plant to the company in accordance with the technical specifications set out in the Engineering, Procurement and Construction Contract (the “**EPC Contract**”). For the purpose of assessment of impairment of the carrying values of CEBEC Plant and land use rights where the plant is located as at 30 April 2023, the management has engaged an independent valuer to conduct business valuation of the Group's investment in Hivern and its underlying assets (ie CEBEC's assets). As at the date of this announcement, the business valuation is still on-going. The impairment on CEBEC's assets may change upon completion of the business valuation.

### (iii) *Impairment assessment of investment in an associate*

The Group owns a 20% equity interest in China-UK Low Carbon Enterprise Co. Ltd., (“**CULCEC**”). The Group's application for the liquidation of CULCEC was approved by the court in PRC on 21 December 2020. The carrying value of the Group's investment in the associate net of foreign currency translation reserve amounts to approximately S\$1.20 million as at 30 April 2023 and 31 October 2021. Based on the valuation report prepared by a valuation firm for the liquidation of CULCEC that was obtained by management, the Group's share of the net assets of CULCEC is approximately RMB7.00 million (approximately S\$1.50 million) as of 31 December 2020. Management has exercised and determined that the Group's share of net assets of CULCEC as of 30 April 2023 and 31 October 2021 is not materially different from RMB7.00 million as the associate did not operate since the commencement of liquidation. Therefore, management concluded that there is no impairment in the carrying value of the investment in associate as the estimated recoverable amount approximates the carrying value. No independent valuation is performed as at 30 April 2023.

### (iv) *Assessment of carrying values of other property, plant and equipment, right-of-use assets and intangible assets*

An assessment is made for the reporting year whether there is any indication that the asset may be impaired. If any such indication exists, an estimate is made of the recoverable amount of the asset. The recoverable amounts of cash-generating units if applicable is measured based on the fair value less costs of disposal or value in use calculations. Based on management's assessment, no further impairment is required.

### (v) *Measurement of impairment of subsidiaries*

Where an investee is in net equity deficit and or has suffered losses a test is made whether the investment and loans in the investee have suffered any impairment loss. This measurement requires significant judgement. An estimate is made of the future profitability of the investee, and the financial health of and near-term business outlook for the investee, including factors such as industry and sector performance, and operational and financing cash flow. It is impracticable to disclose the extent of the possible effects. It is reasonably possible, based on existing knowledge, that outcomes within the next reporting year that are different from assumptions could require a material adjustment to the carrying amount of the asset or liability affected.

### (vi) *Net realisable value of inventories*

The allowance for impairment of inventories assessment requires a degree of estimation and judgement. The level of the loss allowance is assessed by taking into account the recent sales experience, the ageing of inventories, other factors that affect inventory obsolescence and subsequent events. Possible changes in these estimates could result in revisions to the stated value of the inventories.

### (vii) *Income tax*

The entity recognises tax liabilities and assets tax based on an estimation of the likely taxes due, which requires significant judgement as to the ultimate tax determination of certain items. Where the actual amount arising from these issues differs from these estimates, such differences will have an impact on income tax and deferred tax amounts in the period when such determination is made. In addition, management judgement is required in determining the amount of current and deferred tax recognised and the extent to which amounts should or can be recognised. A deferred tax asset is recognised for unused tax losses if it is probable that the entity will earn sufficient taxable profit in future periods to benefit from a reduction in tax payments. This involves the management making assumptions within its overall tax planning activities and periodically reassessing them in order to reflect changed circumstances as well as tax regulations. Moreover, the measurement of a deferred tax asset or liability reflects the manner in which the entity expects to recover the asset's carrying value or settle the liability. As a result, due to their inherent nature assessments of likelihood are judgemental and not susceptible to precise determination.

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

### (viii) Accrual of land use rights tax and property tax

The Group accrued for estimated property and land use taxes in the financial statements. Management has previously been submitting applications to local tax authority for waiver to pay land use rights tax and property tax in prior years in accordance with local regulations. Management has taken the view that the local tax authority would grant the waiver for payment of these taxes as they believe CEBEC met the conditions for the waiver and there was neither a response from nor enforcement by the local tax authority previously. Management submitted new applications to the local tax authority for waiver of these taxes after making payments in July, August and September 2021. If the outcome of CEBEC's application is favourable, the accruals made would be reversed in the relevant reporting year.

## 3. Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period. However, the Group's businesses are seriously affected by the impact of the Notice of Compliance ("NOC") dated 25 June 2021 which requires management's attention.

## 4. Segment and revenue information

For management purposes, the Group is organised into three major business segments/operating divisions based on their services as follows:

The segments and the types of products and services are as follows:

- Renewable Energy – Design, build and operate biomass co-generation systems, generate power for sale and provision of services related to the applications of heat.
- Resource Recovery – Process, recycle and repurpose waste and salvageable materials into environmentally friendly products for industrial applications, such as washed copper slag, compost and retreaded tyres.
- Integrated Environmental Management Solutions – Provision of resource management and integrated environmental engineering solutions for industrial waste and energy management, including designing, optimising, engineering, procurement, fabricating, commissioning, managing and maintenance of waste, energy management facilities and vertically integrated waste-to-feed process for fish and aquaculture business.

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

## 5. Financial assets and liabilities

	Group		Company	
	As at 30 April 2023 (S\$'000)	As at 31 October 2021 (S\$'000)	As at 30 April 2023 (S\$'000)	As at 31 October 2021 (S\$'000)
<b><u>Financial assets</u></b>				
Financial assets at amortised cost	6,153	7,726	-	-
Financial assets at fair values	10,617	9,781	141	12
Derivative financial assets at FVTOCI	15	9	-	-
	16,785	17,516	141	12
<b><u>Financial liabilities</u></b>				
Financial liabilities at amortised cost	12,172	13,848	9	186
Financial liabilities at fair values	10,621	8,583	8,115	6,299
Derivative financial assets at FVTOCI	-	2	-	-
	22,793	22,433	8,124	6,485

**G. Other Information required by Catalist Rule Appendix 7C**

**PART I INFORMATION REQUIRED FOR ANNOUNCEMENTS OF HALF-YEAR AND FULL YEAR RESULTS**

**1(a)(i) An income statement and statement of comprehensive income or a statement of comprehensive income for the group together with a comparative statement for the corresponding period of the immediately preceding financial year.**

Please refer to Section A – Condensed Interim Consolidated Statements of Profit or Loss and Other Comprehensive Income

**1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.**

Please refer to Section B – Condensed Interim Statements of Financial Position.

**1(b)(ii) Aggregate amount of group's borrowings and debt securities**

	Group			
	At 30 April 2023		As at 31 October 2021	
	Secured	Unsecured	Secured	Unsecured
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Amount repayable in one year or less, or on demand</b>	3,304	621	8,076	-
<b>Amount repayable after one year</b>	8,247	-	5,772	-

**Details of any collateral**

As at 30 April 2023, secured loans and borrowings comprised:

- Finance lease liabilities of S\$815,000 (31 October 2021: S\$2.30 million), secured by the lessors' charge over the leased assets.
- Loans and borrowings of S\$8.83 million (31 October 2021: S\$9.36 million), secured by property, plant and equipment and assets of certain subsidiaries in Malaysia.
- Loans and borrowings of S\$1.91 million (31 October 2021: S\$2.19 million), secured by property, plant and equipment of subsidiaries in Singapore.
- To date, banking facilities with the three banks in Malaysia have been restructured as announced on 6 June 2022, 28 June 2022 and 10 November 2022.

1(c) **A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.**

Please refer to Section C – Condensed Interim Consolidated Statement of Cash Flows.

1(d)(i) **A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.**

Please refer to Section D – Condensed Interim Statements of Changes in Equity.

1(d)(ii) **Details of any changes in the company's share capital arising from rights issue, bonus issue, subdivision, consolidation, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on.**

**State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

**State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

	<b>Issued and paid-up ordinary shares</b>	<b>Share capital (S\$'000)</b>
As at 30 April 2023 and 31 October 2021	957,483,029	48,090
		<b>Percentage of the aggregate number of treasury shares held against total number of shares outstanding</b>
As at 30 April 2023 and 31 October 2021	8,637,300	0.90%

As at 30 April 2023 and 31 October 2021, the total number of treasury shares held was 8,637,300 shares, representing 0.90% of total number of issued shares.

The Company does not have any subsidiary holdings as at 30 April 2023 and 31 October 2021. There were no outstanding convertibles as at 30 April 2023 and 31 October 2021.

1(d)(iii) **To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

The total number of issued shares, excluding treasury shares, was 948,845,729 ordinary shares as at 30 April 2023 (31 October 2021: 948,845,729 ordinary shares).

1(d)(iv) **A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

There was no sale, transfer, cancellation and/or use of treasury shares during and as at the end of the current financial period reported on.

1(d)(v) **A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.**

Not applicable. The Company did not have any subsidiary holdings during and as at the end of the current financial period reported on.

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

The figures have not been audited or reviewed by the Company's auditors.

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

Not applicable. The figures have not been audited or reviewed by the Company's auditors.

**3A. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion: to provide (a) updates on the efforts taken to resolve each outstanding audit issue; and (b) confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been disclosed. This is not required for any audit issue that is a material uncertainty relating to going concern.**

The preceding independent auditor, RSM Chio Lim LLP ("RSM"), has issued a disclaimer of opinion on the consolidated financial statements of the Group and the Company for FY2021. The basis for the disclaimer of opinion is in relation to the following:

- A. Service agreements entered by Chongqing ecoWise Investment Management Co., Ltd;
- B. Disclosures of related party relationships, transactions and balances
- C. Unconsolidated entities;
- D. Internal audit under NOC;
- E. Accounting of long outstanding payable;
- F. Bank confirmation replies not received;
- G. Documents required for review of subsequent events;
- H. Recoverability of receivables;
- I. Impairment assessment of property, plant and equipment in Malaysia; and
- J. Going concern

On 11 May 2022, the Company announced that SGX RegCo has directed Ernst & Young Advisory Pte Ltd to expand the scope of the internal audit to include, *inter alia*, the following:

- a) the service agreements entered by Chongqing ecoWise Investment Management Co., Ltd;
- b) the disclosures of related party relationships, transactions and balances;
- c) the unconsolidated entities highlighted in RSM's auditor's report;
- d) recoverability of assets in a jointly controlled entity; and
- e) potential breaches of the Catalist Rules

With regards to the accounting of long outstanding payables, notwithstanding that the external law firm engaged by the Group as management's expert advised on 2 March 2022 that the subsidiary is not liable to repay the amount in the event there has been no request for repayment from the creditor concerned within the statutory time bar period and the statutory time bar period has been met; however, owing to different representations given by previous management, the preceding auditor was not able to obtain sufficient audit evidence to determine that the statutory time bar applied to these long outstanding payables. The current management will endeavour to satisfy the Company's new auditors with sufficient evidence showing that no claims have been made by the relevant creditors since expiry of the statutory time periods.

With regards to documents required for review of subsequent events, the current management will ensure that all corporate records, including statutory books of its Malaysian subsidiaries are up to date and all resolutions and minutes of directors as required to be sighted by the Company's new auditors are available.

With regards to the recoverability of receivables of the amounts of \$200,000 and \$1,690,000, the current management will endeavour to satisfy the Company's new auditors with sufficient evidence to support the management's assessment of the recoverability of these receivables.

With regards to bank confirmation replies not received by the preceding auditor during their audit of the 31 October 2021 financial statements, the Company has sent out all the required confirmations and will ensure that such confirmations as required by the Company's new auditors will be furnished as management understands that such bank confirmations were available but were not provided within the time required by the preceding auditor.

With respect to the impairment assessment of property, plant and equipment in Malaysia, the current management reassessed these at the balance sheet date and concluded that no further impairment is required.

With regards to going concern, the Group continued its efforts to:

- i) Stabilise the operations in Singapore and Malaysia. This includes:
  - a) Assessing and improving various aspects of the biomass plants in Singapore;
  - b) Conducting repairs and refitting of equipment in Malaysia. These have been completed in June 2022;
  - c) Restructuring of the bank facilities in Malaysia. To date, banking facilities with the three banks in Malaysia have been restructured as announced on 6 June 2022, 28 June 2022 and 10 November 2022.
- ii) Monetising non-core assets in Singapore, Malaysia and the People's Republic of China. The Group is still exploring all possible opportunities.

The Company will continue to engage with external and internal auditors and other relevant professionals to address all matters raised in the preceding auditor's independent auditor's report for FY2021. Announcements will be made in the event these matters resulted in any significant or material impact on the Group's operations and financial statements.

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

The Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current reporting period as with the most recently audited financial statements for the financial year ended 31 October 2021.

**5. 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.**

Please refer to section 4 above.

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

Earnings per ordinary share for the period based on profit for the period attributable to owners of the Company

	Group			
	6-month period ended 30 April 2023	6-month period ended 30 April 2022	18-month period ended 30 April 2023	12-month period ended 31 October 2021
Loss for the period attributable to the owners of the Company (S\$'000)	(2,643)	(2,641)	(6,251)	(6,999)
Weighted average number of shares in issue ('000)	948,846	948,846	948,846	948,846
(i) Basic (loss)/profit per shares (S\$ cents)	(0.28)	(0.28)	(0.66)	(0.74)
(ii) On a fully diluted basis (S\$ cents)	(0.28)	(0.28)	(0.66)	(0.74)

The basic and diluted (loss)/profit per share for the respective periods were the same as there were no outstanding convertible securities during the respective periods.

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

	Group		Company	
	As at 30 April 2023	As at 31 October 2021	As at 30 April 2023	As at 31 October 2021
Net assets attributable to owners of the Company (S\$'000)	23,566	31,689	18,715	20,384
Number of shares at the end of the period/year, excluding treasury shares	948,845,729	948,845,729	948,845,729	948,845,729
Net asset value per ordinary share at the end of period/year (S\$ cents)	2.48	3.34	1.97	2.15

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

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

**Statement of Comprehensive Income**

Set out below are the Group's revenue, gross profit and gross profit margin by business segments:

	Group					
	6-month period ended 30 April 2023 (S\$'000)	6-month period ended 30 April 2022 (S\$'000)	% Change +/(-)	18-month period ended 30 April 2023 (S\$'000)	12-month period ended 31 October 2021 (S\$'000)	% Change +/(-)
<b>Revenue</b>						
Renewable Energy Segment	3,404	4,233	(20)	12,079	7,486	61
Resource Recovery Segment	11,624	6,484	79	32,421	27,896	16
Integrated Environmental Management Solutions Segment	56	54	4	165	184	(10)
<b>Total</b>	<b>15,084</b>	<b>10,771</b>	<b>40</b>	<b>44,665</b>	<b>35,566</b>	<b>26</b>
<b>Gross Profit</b>	<b>1,848</b>	<b>720</b>	<b>&gt;100</b>	<b>4,781</b>	<b>4,846</b>	<b>(1)</b>
<b>Gross Profit Margin</b>	<b>12.25%</b>	<b>6.68%</b>		<b>10.70%</b>	<b>13.63%</b>	

Set out below are the Group's revenue, gross profit and gross profit margin by geographical segments:

	Group					
	6-month period ended 30 April 2023 (S\$'000)	6-month period ended 30 April 2022 (S\$'000)	% Change +/(-)	18-month period ended 30 April 2023 (S\$'000)	12-month period ended 31 October 2021 (S\$'000)	% Change +/(-)
<b>Revenue</b>						
<b>Singapore</b>	<b>4,350</b>	3,890	12	<b>13,305</b>	8,674	53
<b>Malaysia</b>	<b>3,382</b>	4,092	(17)	<b>12,283</b>	13,735	(11)
<b>Australia</b>	<b>7,352</b>	2,789	>100	<b>19,077</b>	7,401	>100
<b>China</b>	-	-	-	-	518	n/m
<b>Others<sup>(1)</sup></b>	-	-	-	-	5,238	n/m
<b>Total</b>	<b>15,084</b>	10,771	40	<b>44,665</b>	35,566	26
<b>Gross Profit</b>	<b>1,848</b>	720	>100	<b>4,781</b>	4,846	(1)
<b>Gross Profit Margin</b>	<b>12.25%</b>	6.68%		<b>10.70%</b>	13.63%	

(1) Others consists of Japan, Indonesia, Korea, Thailand, Uganda, Jordan and Turkey

#### Revenue

Revenue for the 6-month period ended 30 April 2023 of S\$15.08 million was S\$4.31 million or 40.04% higher than the revenue for the 6-month period ended 30 April 2022 mainly due to:

- Increase in revenue from Malaysia due to increase in sales order from a major customer since July 2022.
- Decrease in revenue from spent grain and collection fee on wood waste.

Revenue for the 18-month period ended 30 April 2023 of S\$44.67 million was S\$9.11 million or 25.56% higher than revenue for the 12-month period ended 31 October 2021 mainly due to:

- Increase in revenue from Malaysia operations as a result of the increase in orders from a major customer (such orders tapered down from December 2022 till mid-January 2023 and picked up thereafter) and 18 months of operations in the current period as compared to 12-month period in FY2021.
- Increase in revenue from spent grain and collection fee on wood waste.

#### Gross Profit and Gross Profit Margin

Gross profit of S\$1.85 million for the 6-month period ended 30 April 2023 was higher than the gross profit for the 6-month period ended 30 April 2022 as a result of overall increase in revenue. This also explains the improvement in gross profit margin from 6.68% for the 6-month period ended 30 April 2022 to 12.25% for the 6-month period ended 30 April 2023.

Gross profit of S\$4.78 million for the 18-month period ended 30 April 2023 was slightly lower than the gross profit for the 12-month period ended 31 October 2021 as a result of increase in cost of sales arising from increase in diesel cost, repairs and maintenance, and direct labour cost. These also explain the 2.93% decrease in gross profit margin from 13.63% for the 12-month period ended 31 October 2021 to 10.70% for the 18-month period ended 30 April 2023.

#### Other Gains/(Losses)

Refer to section A(1) for detailed analysis of other gains/(losses).

#### Marketing and Distribution Expenses

Marketing and distribution expenses decreased by S\$108,000 (3HFP2023 vs 1HFP2023) and S\$220,000 (FP2023 vs FY2021) mainly due to tighter cost control measures undertaken by the Group as well as lesser marketing activities since the Group focused its efforts in stabilising its operations in Singapore and Malaysia for FP2023.

#### Administrative Expenses

Administrative expenses increased by S\$801,000 for the 6-month period ended 30 April 2023 as compared to 6-month period ended 30 April 2022 mainly due to increase in the following expenses:

- Professional fees increased by S\$626,000;
- Staff costs and other staff related costs increased by S\$354,000; and
- Court fine of S\$180,000 in relation to accident in 2018;

The above increases were offset by decrease in directors' remuneration and directors' fees of S\$359,000 due to the resignation of Mr Cao Shixuan who was the executive director and Deputy Chief Executive Officer and certain independent directors in April and May 2022.

Administrative expenses decreased by S\$690,000 for the 18-month period ended 30 April 2023 as compared to 12-month period ended 31 October 2021 mainly due to the following expenses:

- Prepayments written-off in relation to inactive China subsidiaries decreased by S\$663,000;
- Land use tax decreased by S\$424,000;
- Tax fines decreased by S\$229,000; and
- Rental expenses decreased by S\$159,000.

The above decreases were offset by the increase in the following expenses:

- Professional fees increased by S\$385,000;
- Directors' fee and remuneration increased by S\$274,000; and
- Insurance expenses increased by S\$119,000;

#### Finance Costs

Finance costs decreased by S\$52,000 for the 6-month period ended 30 April 2023 as compared to the 6-month period ended 30 April 2022 due to lower bank charges as a result of the bank loans restructuring in Malaysia.

Finance costs increased by S\$225,000 for the 18-month period ended 30 April 2023 as compared to the 12-month period ended 31 October 2021 due to higher bank charges prior to bank loans restructuring in Malaysia.

#### Share of Losses from Associate and Jointly-Controlled Entity, Net of Tax

Share of results from an associate and a jointly-controlled entity relates to the Group's share of profit or loss in China-UK Low Carbon Enterprise Co. Ltd. ("CULCEC") and Chongqing eco-CTIG Rubber Technology Co Ltd ("CECRT") for the 12-month period ended 31 October 2021. No such share of results of associate and jointly-controlled entity as CULCEC ceased its operations and have been under liquidation since December 2020 while CECRT became a wholly-owned subsidiary in May 2021.

#### Income Tax Expense / Credit

The Group recorded income tax expense of S\$57,000 for the 6-month period ended 30 April 2023 due to provision for income tax for profit-making entities.

The Group recorded income tax credit of S\$39,000 for the 18-month period ended 30 April 2023 due to overprovision of income tax in prior years and utilisation of deferred tax benefit.

#### Loss from Discontinued Operations

This is mainly due to impairment of assets of disposal group classified as held-for-sale and amortisation of land use rights relate to underlying assets of CEBEC.

#### Loss, Net of Tax

As a result of the above, the Group recorded net loss from both continuing and discontinued operations of S\$2.68 million and S\$6.30 million for the 6-month period and 18-month period ended 30 April 2023 respectively, as compared to net loss of S\$2.64 million for the 6-month period ended 30 April 2022 and S\$6.83 million for the 12-month period ended 31 October 2021, respectively.

#### Statement of Financial Position

##### Assets

Property, plant and equipment decreased by S\$2.76 million from S\$21.15 million as at 31 October 2021 to S\$18.39 million as at 30 April 2023 mainly due to (i) depreciation of S\$3.06 million and (ii) disposal of motor vehicles of S\$338,000 offset by major repairs that have been capitalised and acquisition of motor vehicles of S\$648,000.

Right-of-use assets arose due to the adoption of SFRS(I) 16 in FY2020, and relates to the Group's plants in Singapore and Malaysia. The decrease of S\$1.81 million was mainly due to depreciation of S\$1.13 million for the 18-month period ended 30 April 2023 and foreign currency translation of right-of-use of assets denominated in foreign currency.

Investment properties relates to the Group's properties leased to third parties.

In FY2021, land use rights relate to the property where CEBEC plant is located. Such land use rights were included in the assets of disposal group classified as held-for-sale as at 30 April 2023.

Investment in an associate relates to the Group's investment in CULCEC which is in process of liquidation. There is no change in the carrying amount of this investment.

Finance lease receivables (non-current and current) relate to the Group's investment in biomass co-generation power plant at Gardens by the Bay which is accounted for as a finance lease. Total non-current and current finance lease receivables decreased from S\$7.73 million as at 31 October 2021 to S\$6.15 million as at 30 April 2023, mainly attributable to the billing to collections from the customer.

Inventories decreased by S\$1.55 million from S\$4.88 million as at 31 October 2021 to S\$3.33 million as at 30 April 2023 as Malaysia adopted the "just-in-time" system for better cashflow management.

Trade and other receivables increased by S\$1.54 million from S\$7.88 million as at 31 October 2021 to S\$9.42 million as at 30 April 2023, mainly due to increase in trade receivables of Malaysia operations of S\$3.16 million as a result of increase in revenue; offset by (i) decrease in other receivables of Singapore of S\$503,000 due to collection; (ii) reclassification of other receivables of CEBEC into "Assets of disposal group classified as held-for-sale" amounting to S\$951,000 which was fully impaired at balance sheet date; and (iii) decrease in other receivables of Malaysia of S\$170,000.

Other non-financial assets (non-current and current) comprise of prepayments and deposits, decreased by S\$249,000 from S\$1.32 million as at 31 October 2021 to S\$1.07 million as at 30 April 2023 mainly due to reduction of deposits placed with vendors.

Cash and cash equivalents decreased by S\$705,000 million from S\$1.90 million as at 31 October 2021 to S\$1.20 million as at 30 April 2023. Please refer to "Statement of Cash Flow" section below for explanations on the decrease in cash and cash equivalents of the Group.

#### Liabilities

Loans and borrowings (non-current and current) decreased by S\$188,000 from S\$11.55 million as at 31 October 2021 to S\$10.36 million as at 30 April 2023 mainly due to repayments as per the restructuring agreements with the Malaysian banks and monthly installments on property loans in Singapore.

Financial liabilities - lease liabilities (non-current and current) decreased by S\$1.49 million, from S\$2.30 million as at 31 October 2021 to S\$815,000 as at 30 April 2023 due to repayments.

Trade and other payables increased by S\$2.04 million from S\$8.58 million as at 31 October 2021 to S\$10.62 million as at 30 April 2023 mainly due to (i) increase in trade and other payables in Malaysia of S\$2.96 million as a result of increase in raw materials purchases; (ii) increase in trade and other payables in Singapore of S\$138,000 due to accrual of professional fees. Such increases were offset by the reclassification of trade and other payables of CEBEC into "Liabilities directly associated with disposal group classified as held-for-sale" amounting to S\$1.06 million.

Income tax payable decreased by S\$230,000 from S\$361,000 as at 31 October 2021 to S\$131,000 as at 30 April 2023 mainly due to payment of income tax.

Deferred tax liabilities decreased by S\$318,000 from S\$993,000 as at 31 October 2021 to S\$675,000 as at 30 April 2023 due to utilisation of deferred tax benefit offset by current income tax provision.

#### Working Capital

The Group's working capital improved from negative working capital of S\$76,000 as at 31 October 2021 to a positive working capital of S\$1.50 million as at 30 April 2023.

#### Statement of Cash Flow

Net cash provided by operating activities for the 18-month period ended 30 April 2023 was S\$2.81 million, mainly attributable to (i) increase in trade and other payables of S\$2.79 million, (ii) decrease in finance lease receivables of S\$1.57 million, (iii) decrease in inventories of S\$1.55 million, (iv) decrease in other non-financial assets of S\$249,000, partially offset by (i) cash flows used in operations before changes in working capital of S\$613,000, (ii) increase in trade and other receivables of S\$2.50 million and (iii) payment of income tax of S\$201,000.

Net cash flows used in investing activities of S\$57,000 for the 18-month period ended 30 April 2023 was mainly attributable to acquisition and disposal of property, plant and equipment.

Net cash flows used in financing activities of S\$3.39 million for the 18-month period ended 30 April 2023 comprised mainly (i) repayments of loans and borrowings of S\$762,000, (ii) repayment of finance lease of S\$1.59 million and (iii) interest expenses paid of S\$1.05 million.

As a result of the above, the Group's cash and cash equivalents increased by S\$166,000 for the 6-month period and decreased by S\$642,000 for the 18-month period ended 30 April 2023.

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

Not applicable. No forecast or prospect statement has been previously disclosed to shareholders.

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

The Directors remain cautious in the near term as the markets that the Group operates in have recently just come out of the various restrictions imposed during the height of the COVID-19 pandemic. While supply-chain issues caused by the pandemic have eased, head-winds to the world economy posed by a high interest rates and high inflation, geo-political events, such as the Russian-Ukraine war as well as the increased tensions between the United States and China remain factors and challenges that continue to create a lot of uncertainties for the economies of Malaysia and Singapore where the Group has its main operations. The performance and health of the overall world economy will also have a direct impact on the Group's business and operations as the Group's customers are both local and overseas.

As of the end of this financial period, the Group has loss of S\$1.04 million from discontinued operations, assets of disposal group classified as held-for-sale of S\$1.06 million and liabilities directly associated with disposal group classified as held-for-sale of S\$1.06 million. The disposal group relates to the Group's investment in Hivern and its underlying assets and liabilities in China (i.e. CEBEC).

The actions and procedures required by the NOC issued by the SGX RegCo to the Company on 25 July 2021 continue to be acted on and taken, with the Company having incurred total amount of S\$1.02 million in professional and other fees relating to the NOC.

The Group has submitted, via a consortium, a proposal for a new project put out for tender by Gardens-by-the-Bay. The Group will make an announcement as and when there are material developments on this front.

**11. If a decision regarding dividend has been made:**

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

None

**(b)(i) Amount per share**

Nil

**(b)(ii) Previous corresponding period**

Nil

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

Not Applicable

**(d) The date dividend is payable.**

Not Applicable

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

Not Applicable

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

No dividend has been declared or recommended for the 18-month period ended 30 April 2023 as the Group made a net loss and there is no distributable income or reserves available for the payment of dividends.

**13. Breakdown of total annual dividend**

No dividend has been declared in FP2023 and FY2021.

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

The Group has not obtained an IPT general mandate from the Company's shareholders.

On 28 July 2022, Mr Lee Thiam Seng, Executive Chairman and CEO of the Company, granted a short-term, unsecured and interest-free loan for a total amount of S\$750,000 to the Company. The loan is repayable on or before 31 December 2022, subject to an extension that has to be mutually agreed by both parties. As at 30 April 2023, the loan from Mr Lee Thiam Seng has a remaining balance of \$621,000.

Save as disclosed above, there is no other IPT entered into by the Group during FP2023 as required to be disclosed pursuant to Rule 1204(17) of the Catalyst Rules.

**15.** **Breakdown of sales**

	Group		% Increase / (Decrease)
	FP2023 S\$'000	FY2021 S\$'000	
Sales reported for first 6-month period (1 November to 30 April)	10,771	23,708	(55)
(Loss)/profit after tax before deducting non-controlling interests reported for the first 6-month period	(2,636)	160	n/m
Sales reported for second 6-month period (1 May to 31 October)	18,810	11,858	59
Loss after tax before deducting non-controlling interests reported for the second 6-month period	(982)	(6,652)	(85)
Sales reported for third 6-month period (1 November to 30 April)	15,084	-	n/m
Loss after tax before deducting non-controlling interests reported for the third 6-month period	(2,682)	-	n/m

**16.** **In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the operating segments.**

Please refer to paragraph 8 under "Other Information required by Catalyst Rule Appendix 7C" section of this announcement for the review of performance of the Group.

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

The Company confirms that as at the date of this announcement, there is no person occupying a managerial position in the Company or any of its principal subsidiaries who is related to a director, chief executive officer or substantial shareholder of the Company.

**18.** **Confirmation pursuant to Rule 720(1) of the Catalyst Rules**

The Company confirms that the undertakings as required under Rule 720(1) of the Catalyst Rules have been obtained from all its directors and executive officers in the format set out in Appendix 7H of the Catalyst Rules.

**19.** **Disclosure pursuant to Rule 706A of the Catalyst Rules**

There were no acquisition or realisation of shares thereby resulting (i) in a change in the shareholding percentage in any subsidiary or associated company of the Group or (ii) an entity becoming or ceasing to be (as the case may be) a subsidiary or associated company of the Group during financial period under review. Neither was there any incorporation of new subsidiary or associated company by the Group during the financial period under review.

**BY ORDER OF THE BOARD**

**Lee Thiam Seng**

Executive Chairman and CEO

**29 June 2023**

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This announcement has been prepared by ecoWise Holdings Limited (“**Company**”) and has been reviewed by the Company’s sponsor, SAC Capital Private Limited (“**Sponsor**”).

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

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