



ECOWISE HOLDINGS LIMITED
Company Registration No. 200209835C

Condensed Interim Financial Statements and Dividend Announcement for the 3-Month and 12-Month Financial Period ended 30 April 2024

The Board of Directors (the “Board” or “Directors”) of ecoWise Holdings Limited (the “Company”, and together with its subsidiaries, the “Group”) is pleased to announce the unaudited condensed interim consolidated financial statements of the Group for the 3-month and 12-month financial period ended 30 April 2024. In view of the disclaimer of opinion issued by the Company’s independent auditor, Baker Tilly TFW LLP, for the 18-month financial period ended 30 April 2023 (“FP2023”), quarterly reporting announcement is mandatory pursuant to Singapore Exchange Securities Trading Limited’s (“SGX-ST”) requirements under Rule 705(2)(d) of the SGX-ST Listing Manual Section B: Rules of Catalyst (the “Catalist Rules”).

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

	Note	Group					
		3-month period ended 30 April 2024 (“4Q FY2024”) (S\$’000) Unaudited	3-month period ended 30 April 2023 (“6Q FP2023”) (S\$’000) Unaudited	% Change +/-	12-month period ended 30 April 2024 (“12M FY2024”) (S\$’000) Unaudited	18-month period ended 30 April 2023 (“18M FP2023”) (S\$’000) Audited	% Change +/-
Continuing operations							
Revenue	4	9,538	7,859	21	31,388	43,446	(28)
Cost of sales		(7,576)	(6,747)	12	(26,337)	(39,541)	(33)
Gross profit		1,962	1,112	76	5,051	3,905	29
Other income/(losses) - net		584	(1,188)	n/m	1,054	(676)	n/m
Operating expenses							
Marketing and distribution expenses		(124)	(248)	(50)	(549)	(1,240)	(56)
Administrative expense		(1,692)	(1,196)	41	(5,630)	(7,458)	(25)
Finance costs		(181)	(217)	(17)	(823)	(1,232)	(33)
Profit/(loss) before income tax	5	549	(1,737)	n/m	(897)	(6,701)	(87)
Income tax expense		(269)	(101)	>100	(399)	(156)	>100
Profit/(loss) from continuing operations		280	(1,838)	n/m	(1,296)	(6,857)	(81)
Discontinued operations							
Loss from discontinued operations		-	(7,225)	n/m	-	(7,225)	n/m
Total profit/(loss)		280	(9,063)	n/m	(1,296)	(14,082)	(91)
Other comprehensive income/(loss)							
Items that may be reclassified subsequently to profit or loss:							
Exchange differences on translating foreign operations, net of tax		524	916	(43)	(239)	(827)	(71)
Cash flow hedges, net of tax		8	(13)	n/m	(48)	8	n/m
Defined benefit plan – actuarial gain		(9)	(52)	(83)	(9)	(46)	(80)
Total other comprehensive income/(loss) for the period		523	851	(39)	(296)	(865)	(66)
Total comprehensive income/(loss) for the period		803	(8,212)	n/m	(1,592)	(14,947)	(89)

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

	Note	Group					
		3-month period ended 30 April 2024 (S\$'000) Unaudited	3-month period ended 30 April 2023 (S\$'000) Unaudited	% Change +/-	12-month period ended 30 April 2024 (S\$'000) Unaudited	18-month period ended 30 April 2023 (S\$'000) Audited	% Change +/-
Total profit/(loss) for the period attributable to:							
Owners of the company		280	(9,017)	n/m	(1,295)	(14,032)	(91)
Non-controlling interests		-	(46)	n/m	(1)	(50)	(98)
		280	(9,063)	n/m	(1,296)	(14,082)	(91)
Total profit/(loss) for the period attributable to equity holders of the Company:							
Profit/(loss) from continuing operations		280	(1,792)	n/m	(1,295)	(6,807)	(81)
Profit/(loss) from discontinued operations		-	(7,225)	n/m	-	(7,225)	n/m
		280	(9,017)	n/m	(1,295)	(14,032)	(91)
Total comprehensive income/(loss) for the period attributable to:							
Owners of the company		803	(8,176)	n/m	(1,591)	(14,897)	(89)
Non-controlling interests		-	(36)	n/m	(1)	(50)	(98)
		803	(8,212)	n/m	(1,592)	(14,947)	(89)
Earnings/(loss) per share							
Basic and diluted (S\$ cents)		0.03	(0.95)	n/m	(0.14)	(1.48)	(91)

"n/m" denotes not meaningful.

B. Condensed Interim Consolidated Statements of Financial Position

	Note	Group		Company	
		As at 30 April 2024 (S\$'000) Unaudited	As at 30 April 2023 (S\$'000) Audited	As at 30 April 2024 (S\$'000) Unaudited	As at 30 April 2023 (S\$'000) Audited
ASSETS					
Current assets					
Inventories		2,335	3,546	-	-
Financial assets at fair value through profit or loss		1,013	1,513	-	-
Trade and other receivables	6	9,113	7,188	5,850	6,174
Lease receivables		1,516	1,369	-	-
Derivative financial assets		-	16	-	-
Other current assets		810	791	26	90
Cash and cash equivalents		746	908	17	141
		15,533	15,331	5,893	6,405
Assets held for sale	7	6,000	20	-	-
Disposal group assets classified as held for sale	13	938	1,056	-	-
Total current assets		22,471	16,407	5,893	6,405
Non-current assets					
Property, plant and equipment	8	7,953	12,140	183	90
Right-of-use assets	9	990	5,558	-	-
Investment properties		1,200	1,486	-	-
Investments in subsidiaries		-	-	19,191	21,438
Lease receivables		2,925	4,474	-	-
Total non-current assets		13,068	23,658	19,374	21,528
Total assets		35,539	40,065	25,267	27,933

B. Condensed Interim Consolidated Statements of Financial Position (cont'd)

	Note	Group		Company	
		As at 30 April 2024 (S\$'000) Unaudited	As at 30 April 2023 (S\$'000) Audited	As at 30 April 2024 (S\$'000) Unaudited	As at 30 April 2023 (S\$'000) Audited
LIABILITIES					
Current liabilities					
Income tax payable		279	137	54	65
Trade and other payables	11	7,237	7,461	14,830	13,816
Provisions		61	-	-	-
Derivative financial liabilities		32	-	-	-
Loans and borrowings	12	4,674	7,288	-	-
Lease liabilities	14	410	475	19	9
		12,693	15,361	14,903	13,890
Liabilities directly associated with disposal group classified as held for sale	13	2,140	2,410	-	-
Total current liabilities		14,833	17,771	14,903	13,890
Non-current liabilities					
Provisions		1,048	1,096	-	-
Loans and borrowings	12	3,645	3,448	-	-
Lease liabilities	14	127	341	86	-
Deferred tax liabilities		722	653	-	-
Total non-current liabilities		5,542	5,538	86	-
Total liabilities		20,375	23,309	14,989	13,890
NET ASSETS		15,164	16,756	10,278	14,043
EQUITY					
Share capital		47,890	47,890	47,890	47,890
Accumulated losses		(28,723)	(27,428)	(37,612)	(33,847)
Foreign currency translation reserves ("FCTR")		(6,091)	(5,852)	-	-
Other reserves		2,125	2,182	-	-
Equity attributable to owners of the Company		15,201	16,792	10,278	14,043
Non-controlling interests		(37)	(36)	-	-
Total equity		15,164	16,756	10,278	14,043

C. Condensed Interim Consolidated Statement of Cash Flows

	Group	
	12-month period ended 30 April 2024 (S\$'000) Unaudited	18-month period ended 30 April 2023 (S\$'000) Audited
<u>Cash flows from operating activities</u>		
Loss before tax from continuing operations	(897)	(6,701)
Loss from discontinued operations	-	(7,225)
	(897)	(13,926)
Adjustments for:		
Depreciation of property, plant and equipment	1,742	3,478
Depreciation of right-of-use assets	651	1,968
Depreciation of investment properties	453	149
Fair value loss on financial asset at fair value through profit or loss	500	-
(Reversal of impairment)/impairment loss on investment properties	(167)	43
(Reversal of impairment)/impairment loss on right-of-use assets	-	37
(Reversal of impairment)/impairment loss on property, plant and equipment	(240)	4,678
(Reversal of)/allowance for doubtful debts	(116)	2,710
Inventories written off	5	208
Amortisation of land use rights	-	84
Gain on disposal of property, plant and equipment	(158)	(232)
Gain on disposal of assets held for sale	(25)	-
Net fair value loss/(gain) on derivative financial instruments	48	(9)
Provision for retirement benefit obligations expenses, net	9	6
Finance lease income	(569)	(1,106)
Finance costs	823	1,232
Net currency exchange loss	619	846
Operating cash flows before changes in working capital	2,678	166
Change in working capital:		
Inventories	1,206	1,122
Trade and other receivables	(1,809)	(2,017)
Lease receivables	1,971	2,989
Other non-current assets	(19)	527
Trade and other payables	(1,349)	667
Net cash flows from operations	2,678	3,454
Income tax paid	(188)	(719)
Net cash flows from operating activities	2,490	2,735
<u>Cash flows from investing activities</u>		
Acquisition of property, plant and equipment	(120)	(1,190)
Proceeds from disposal of property, plant and equipment	555	552
Proceeds from disposal of assets held for sale	45	-
Net cash flows from/(used in) investing activities	480	(638)
<u>Cash flows from financing activities</u>		
Repayments of loans and borrowings	(2,417)	(809)
Lease liabilities – principal portion paid	(648)	(1,487)
Loan from director and key management	857	621
Retirement benefit obligation paid	(54)	-
Interest expense paid	(751)	(1,232)
Decrease in restricted cash	8	-
Net cash flows used in financing activities	(3,005)	(2,907)

C. Condensed Interim Consolidated Statement of Cash Flows (cont'd)

	Group	
	12-month period ended 30 April 2024	18-month period ended 30 April 2023
Net decrease in cash and cash equivalents	(35)	(810)
Effect of exchange rate changes on cash and cash equivalents	(119)	(183)
Cash and cash equivalents, beginning balance	779	1,772
Cash and cash equivalents, ending balance	625	779
Cash and cash equivalents as per consolidated statement of financial position	746	908
Cash restricted in use	(121)	(129)
Cash and cash equivalents as per consolidated statement of cash flows	625	779

D. Condensed Interim Consolidated Statements of Changes in Equity

	Share capital (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)
Group							
At 1 May 2023	47,890	(27,428)	(5,852)	2,182	16,792	(36)	16,756
Changes in equity							
Total comprehensive loss for the period	-	(1,295)	(239)	(57)	(1,591)	(1)	(1,592)
At 30 April 2024	47,890	(28,723)	(6,091)	2,125	15,201	(37)	(15,164)

	Share capital (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)
Group							
At 1 November 2021	47,890	(13,396)	(5,025)	2,220	31,689	14	31,703
Changes in equity							
Total comprehensive loss for the period	-	(14,032)	(827)	(38)	(14,897)	(50)	(14,947)
At 30 April 2023	47,890	(27,428)	(5,852)	2,182	16,792	(36)	16,756

D. Condensed Interim Consolidated Statements of Changes in Equity (cont'd)

	Share capital (S\$'000)	Accumulated losses (S\$'000)	Total equity (S\$'000)
<u>Company</u>			
At 1 May 2023	47,890	(33,847)	14,043
Total comprehensive loss for the period	-	(3,765)	(3,765)
At 30 April 2024	47,890	(37,612)	10,278
At 1 November 2021	47,890	(27,506)	20,384
Total comprehensive loss for the period	-	(6,341)	(6,341)
At 30 April 2023	47,890	(33,847)	14,043

E. 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 3-month and 12-month financial periods ended 30 April 2024 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 consolidated statement of financial position of the Group as at 30 April 2024 and the related condensed consolidated profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the period then ended and certain explanatory notes have not been audited or reviewed by the Company’s auditors.

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 since the last annual financial statements for the 18-month financial period ended 30 April 2023. 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 18-month financial period ended 30 April 2023. 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 May 2023. 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, 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 from differing from estimates.

*(i) Expected credit loss (“**ECL**”) allowance on trade receivables*

The Group uses a provision matrix to calculate ECL for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns. The provision matrix is initially based on the Group’s historical observed default rates. The Group will calibrate the matrix to adjust historical credit loss experience with forward-looking information. At every reporting date, historical default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECL is a significant estimate. The amount of ECL is sensitive to changes in circumstances and of forecast economic conditions. The Group’s historical credit loss experience and forecast of economic conditions may also not be representative of the customer’s actual default in the future. The estimates on ECL have included the expected effects that the current macroeconomic uncertainties and inflationary pressures have on the recoverability of the Group’s receivables.

2.2 Use of judgements and estimates (Cont'd)

(ii) *Impairment assessment of disposal group assets classified as held for sale, 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**”). The CEBEC Plant is held by Changyi Enersave Biomass to Energy Co., Ltd. (“**CEBEC**”), a company registered in the PRC. The immediate parent company of CEBEC is Hivern Investments Pte. Ltd. (“**Hivern**”). Both CEBEC and Hivern are wholly-owned subsidiaries of the Group.

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 re-commissioning 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**”).

As at 30 April 2024 and 30 April 2023, the carrying values of CEBEC Plant and land use rights where the plant is located were Nil and RMB5,421,000 (approximately S\$938,000), respectively.

(iii) *Valuation of financial asset at fair value through profit or loss*

The Group owned 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. In FP2023, this investment was reclassified as investments at fair value through profit or loss in accordance with SFRS(I) 9 Financial Instruments.

As at 30 April 2024, the Group has re-assessed and determined the fair value of CULCEC to be S\$1.01 million (RMB5.5 million) based on the latest information provided by the liquidator as at 21 June 2024. This amount represents the net expected amounts to be received by the Group upon the completion of liquidation and the distribution of remaining funds to the shareholders. Consequently, a fair value loss of S\$500,000 was recognised for the financial year ended 30 April 2024.

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

An assessment is made for the prior year to determine 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 unit are measured based on the higher of fair value less costs of disposal or value-in-use calculations. When value-in-use calculations are undertaken, management is required to estimate the expected future cashflows from the asset or cash-generating unit and a suitable discount rate, in order to determine the present value of those cashflows.

(v) *Measurement of impairment of subsidiaries*

The Company assesses at each balance sheet date whether there are any indicators of impairment for investments in subsidiaries. Investments in subsidiaries are tested for impairment when there are indicators that the carrying amounts may not be recoverable. An impairment exists when the carrying amount of the investment exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use.

When value-in-use calculations are undertaken, management is required to estimate the expected future cash flows from the business and a suitable terminal growth rate and pre-tax weighted average cost of capital, in order to determine the present value of those cash flows.

(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 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 judgmental and not susceptible to precise determination.

(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 a 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.

(ix) *Liabilities directly associated with disposal group classified as held for sale*

The Group's other payables to outside parties included a long outstanding payable of a subsidiary in the PRC amounting to RMB3,560,000 (approximately S\$665,000), which arose in 2013. The external law firm engaged by the Group, acting as management's expert, advised on 2 March 2022 that the subsidiary is not liable to repay the amount if there has been no request for repayment from the creditor concerned within the statutory time bar period. Management is, however, unable to ascertain if the creditor has requested repayment of this amount through other channels that have not reached the Company, and hence whether the statutory time bar period has indeed expired. The Group received a letter of demand from the creditor on 1 June 2022, which, if it represented a demand made since 2013, would be outside of the statutory limitation period.

2.3 **Going concern**

While the Board and Management continue to monitor the Group's ability to continue as a going concern, they are pleased to report that as at the end of FY2024, the Group is not under any material uncertainties in relation to its ability to operate as a going concern. Please refer to paragraph 4 (item F) of Section F for more details.

3. **Seasonal operations**

The Group's businesses are not significantly affected by seasonal or cyclical factors during the financial period. However, the Group's operations for the financial year ended 30 April 2024 have been affected by the Notice of Compliance ("**NOC**") dated 25 June 2021 issued by SGX-ST which requires significant management's attention. The Company has eventually fulfilled all relevant requirements under the NOC with the last requirement, being the internal review and the expanded scope carried out by Ernst & Young Advisory Pte Ltd ("**E&Y**") in accordance with the NOC, were completed on 28 March 2024.

4. **Segment and revenue information**

For management reporting purposes, the Group is organised into three strategic operating segments that offer different products and services. Such a structural organisation is determined by the nature of risks and returns associated with each business segment and it defines the management structure as well as the internal reporting system. It represents the basis on which the management reports the primary segment information that is available and that is evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing the performance. They are managed separately because each business requires different strategies.

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.

4.1 Financial information by operating segments

	Group					
	3-month period ended 30 April 2024 (S\$'000)	3-month period ended 30 April 2023 (S\$'000)	% Change +/-	12-month period ended 30 April 2024 (S\$'000)	18-month period ended 30 April 2023 (S\$'000)	% Change +/-
Revenue by segment						
Renewable energy	2,289	1,729	32	7,728	11,634	(34)
Resource recovery	7,222	6,101	18	23,551	31,647	(26)
Integrated environmental management solutions	27	29	(7)	109	165	(34)
Total	9,538	7,859	21	31,388	43,446	(28)
Gross profit	1,962	1,112	76	5,051	3,905	29
Gross profit margin	20.57%	14.15%		16.09%	8.99%	

4.1 Financial information by operating segments (cont'd)

Profit or loss from continuing operations and reconciliations

<u>Group</u>	<u>Renewable Energy</u>		<u>Resource Recovery</u>		<u>Integrated Environmental Management Solutions</u>		<u>Eliminations</u>		<u>Group</u>	
	12-month period ended 30 April 2024 (S\$'000)	18-month period ended 30 April 2023 (S\$'000)	12-month period ended 30 April 2024 (S\$'000)	18-month period ended 30 April 2023 (S\$'000)	12-month period ended 30 April 2024 (S\$'000)	18-month period ended 30 April 2023 (S\$'000)	12-month period ended 30 April 2024 (S\$'000)	18-month period ended 30 April 2023 (S\$'000)	12-month period ended 30 April 2024 (S\$'000)	18-month period ended 30 April 2023 (S\$'000)
Revenue										
Revenue from external customers	7,728	11,634	23,551	31,647	109	165	-	-	31,388	43,446
Inter-segment revenue	2,783	1,224	30	1,256	212	639	(3,025)	(3,119)	-	-
Segment revenue	10,511	12,858	23,581	32,903	321	804	(3,025)	(3,119)	31,388	43,446
Segment results before allocation of corporate management fees	425	2,026	2,224	(3,871)	219	(379)	(1,513)	(3,043)	1,355	(5,267)
Allocated corporate management Fees	(791)	(1,346)	(722)	(1,697)	-	-	1,513	3,043	-	-
Segment results	(366)	680	1,502	(5,568)	219	(379)	-	-	1,355	(5,267)
Unallocated corporate results									(1,429)	(206)
Loss before finance income, dividend income, finance costs and income tax expense									(74)	(5,473)
Finance income									-	4
Finance costs									(823)	(1,232)
Income tax expense									(399)	(156)
Loss from continuing operations, net of tax									(1,296)	(6,857)
Loss from discontinued operations, net of tax									-	(7,225)
Loss for the period									(1,296)	(14,082)

4.1 Financial information by operating segments (cont'd)

Profit or loss from continuing operations and reconciliations

Group	Renewable Energy		Resource Recovery		Integrated Environmental Management Solutions		Eliminations		Group	
	3-month period ended 30 April 2024 (S\$'000)	3-month period ended 30 April 2023 (S\$'000)	3-month period ended 30 April 2024 (S\$'000)	3-month period ended 30 April 2023 (S\$'000)	3-month period ended 30 April 2024 (S\$'000)	3-month period ended 30 April 2023 (S\$'000)	3-month period ended 30 April 2024 (S\$'000)	3-month period ended 30 April 2023 (S\$'000)	3-month period ended 30 April 2024 (S\$'000)	3-month period ended 30 April 2023 (S\$'000)
Revenue										
Revenue from external customers	2,289	1,729	7,222	6,101	27	29	-	-	9,538	7,859
Inter-segment revenue	676	300	3	566	47	107	(726)	(973)	-	-
Segment revenue	2,965	2,029	7,225	6,667	74	136	(726)	(973)	9,538	7,859
Segment results before allocation of corporate management fees	136	1,577	1,131	(3,348)	54	(351)	(330)	(372)	991	(2,494)
Allocated corporate management fees	(150)	(268)	(180)	(104)	-	-	330	372	-	-
Segment results	(14)	1,309	951	(3,452)	54	(351)	-	-	991	(2,494)
Unallocated corporate results									(261)	974
Profit/(loss) before finance income, dividend income, finance costs and income tax expense									730	(1,520)
Finance income									-	-
Finance costs									(181)	(217)
Income tax expense									(269)	(101)
Profit/(loss) from continuing operations, net of tax									280	(1,838)
Profit/(loss) from discontinued operations, net of tax									-	(7,225)
Profit/(loss) for the period									280	(9,063)

4.1 Financial information by operating segments (cont'd)

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>	
	As at 30 April 2024 (S\$'000)	As at 30 April 2023 (S\$'000)	As at 30 April 2024 (S\$'000)	As at 30 April 2023 (S\$'000)	As at 30 April 2024 (S\$'000)	As at 30 April 2023 (S\$'000)	As at 30 April 2024 (S\$'000)	As at 30 April 2023 (S\$'000)	As at 30 April 2024 (S\$'000)	As at 30 April 2023 (S\$'000)
Segment assets	26,918	31,214	39,142	44,032	14,710	14,451	(46,400)	(51,135)	34,370	38,562
Disposal group assets classified as held for sale	938	1,056	-	-	-	-	-	-	938	1,056
Unallocated corporate assets									231	447
Total assets									35,539	40,065
Segment liabilities	48,264	52,457	17,000	19,199	10,977	6,988	(69,055)	(71,506)	7,186	7,138
Loans and borrowings allocated to operating segments	-	-	6,597	8,829	1,722	1,907	-	-	8,319	10,736
Income tax payable allocated to operating segments	(37)	11	167	47	96	13	-	-	226	71
Unallocated income tax payable									54	65
Deferred tax liabilities									722	653
Liabilities directly associated with disposal group classified as held for sale	1,620	1,824	386	435	134	151	-	-	2,140	2,410
Unallocated corporate liabilities									1,728	2,236
Total liabilities									20,375	23,309
Capital expenditure allocated to operating segments:										
Property, plant and equipment	12	77	86	561	-	-	-	-	98	638
Right-of-use assets	-	-	-	6,357	-	-	-	-	-	6,357
Unallocated corporate capital expenditure									11	-
Total capital expenditure									109	6,995

4.1 Financial information by operating segments (cont'd)

Other material items

Group	Renewable Energy		Resource Recovery		Integrated Environmental Management Solutions		Discontinued operations		Eliminations		Group	
	12-month period ended 30 April 2024 (S\$'000)	18-month period ended 30 April 2023 (S\$'000)	12-month period ended 30 April 2024 (S\$'000)	18-month period ended 30 April 2023 (S\$'000)	12-month period ended 30 April 2024 (S\$'000)	18-month period ended 30 April 2023 (S\$'000)	12-month period ended 30 April 2024 (S\$'000)	18-month period ended 30 April 2023 (S\$'000)	12-month period ended 30 April 2024 (S\$'000)	18-month period ended 30 April 2023 (S\$'000)	12-month period ended 30 April 2024 (S\$'000)	18-month period ended 30 April 2023 (S\$'000)
Depreciation of property, plant and equipment and investment properties: Allocated to operating segments	526	1,369	1,431	1,818	210	380	-	-	-	-	2,167	3,567
Unallocated corporate depreciation											28	60
											<u>2,195</u>	<u>3,627</u>
Depreciation of right-of-use assets	360	533	291	1,435	-	-	-	-	-	-	651	1,968
Gain on disposal of property, plant and equipment: Allocated to operating segments	2	(19)	(169)	(173)	-	-	-	-	-	-	(167)	(192)
Unallocated corporate depreciation											9	(40)
											<u>(158)</u>	<u>(232)</u>
(Gain)/loss on disposal of asset held for sale	-	-	(25)	-	-	-	-	-	-	-	(25)	-
Amortisation of land use rights	-	-	-	-	-	-	-	84	-	-	-	84
(Reversal)/allowance for doubtful receivables	-	-	(116)	(72)	-	-	-	2,782	-	-	(116)	2,710
Impairment loss on property, plant and equipment	-	-	-	452	-	-	-	4,226	-	-	-	4,678
Impairment loss on investment properties	-	-	-	-	-	43	-	-	-	-	-	43

4.1 Financial information by operating segments (cont'd)

Other material items

<u>Group</u>	<u>Renewable Energy</u>		<u>Resource Recovery</u>		<u>Integrated Environmental Management Solutions</u>		<u>Discontinued operations</u>		<u>Eliminations</u>		<u>Group</u>	
	3-month period ended 30 April 2024	3-month period ended 30 April 2023	3-month period ended 30 April 2024	3-month period ended 30 April 2023	3-month period ended 30 April 2024	3-month period ended 30 April 2023	3-month period ended 30 April 2024	3-month period ended 30 April 2023	3-month period ended 30 April 2024	3-month period ended 30 April 2023	3-month period ended 30 April 2024	3-month period ended 30 April 2023
	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)
Depreciation of property, plant and equipment and investment properties:												
Allocated to operating segments	(99)	296	626	240	53	63	-	-	-	-	580	599
Unallocated corporate depreciation											10	29
											<u>590</u>	<u>628</u>
Depreciation of right-of-use assets	90	116	59	1,063	-	-	-	-	-	-	149	1,179
Gain on disposal of property, plant and equipment:	6	-	(21)	(46)	-	-	-	-	-	-	(15)	(46)
Amortisation of land use rights	-	-	-	-	-	-	-	28	-	-	-	28
Reversal of doubtful debts:	-	-	(26)	(79)	-	-	-	-	-	-	(26)	(79)
Impairment loss on property, plant and equipment	-	-	-	452	-	-	-	4,226	-	-	-	4,678
Impairment loss on investment properties	-	-	-	-	-	43	-	-	-	-	-	43

4.2 Disaggregation of revenue

	Group		Group	
	3-month period ended 30 April 2024 (S\$'000)	3-month period ended 30 April 2023 (S\$'000)	12-month period ended 30 April 2024 (S\$'000)	18-month period ended 30 April 2023 (S\$'000)
#A. Revenue classified by type of good or service:				
Sale of goods	7,483	6,411	23,856	33,208
Service income	1,888	1,288	6,840	8,842
Finance lease income	129	160	569	1,106
Others	38	-	123	290
Total revenue	9,538	7,859	31,388	43,446
#B. Revenue classified by duration of contract:				
Short term contracts	7,208	5,898	26,272	36,078
Long term contracts	2,330	1,961	5,116	7,368
Total revenue	9,538	7,859	31,388	43,446
#C. Revenue classified by timing of revenue recognition:				
Point in time	7,208	5,898	26,272	36,078
Over time	2,330	1,961	5,116	7,368
Total revenue	9,538	7,859	31,388	43,446

4.3 Geographical segment

The following table shows the distribution of the Group's combined sales based on geographical location of customers:

	Group		Group	
	3-month period ended 30 April 2024 (S\$'000)	3-month period ended 30 April 2023 (S\$'000)	12-month period ended 30 April 2024 (S\$'000)	18-month period ended 30 April 2023 (S\$'000)
Revenue				
Australia	4,908	3,722	14,728	17,027
Singapore	2,753	2,226	11,027	13,498
Malaysia	1,768	1,787	4,957	12,263
Others	109	124	676	658
Total revenue	9,538	7,859	31,388	43,446

5. **Profit/(loss) before income tax**

Profit/(loss) before income tax for the financial periods from continuing operations is arrived after charging/(crediting) the following:

	Group					
	3-month period ended 30 April 2024 (S\$'000)	3-month period ended 30 April 2023 (S\$'000)	% Change +/(–)	12-month period ended 30 April 2024 (S\$'000)	18-month period ended 30 April 2023 (S\$'000)	% Change +/(–)
Depreciation of property, plant and equipment	201	603	(67)	1,742	3,478	(50)
Depreciation of right-of-use assets	149	1,179	(87)	651	1,968	(67)
Depreciation of investment properties	389	25	>100	453	149	>100
Impairment loss on property, plant and equipment	-	4,678	n/m	-	4,678	n/m
Impairment loss on investment properties	-	43	n/m	-	43	n/m
Amortisation of land use rights	-	28	n/m	-	84	n/m
Gain on disposal of property, plant and equipment	(15)	(46)	(67)	(158)	(232)	(32)
Gain on disposal of assets held for sale	-	-	-	(25)	-	n/m
(Reversal of)/allowance for doubtful debts	(26)	(79)	(67)	(116)	2,710	>100
Finance lease income	(129)	(160)	(19)	(569)	(1,106)	(49)
Currency exchange (gain)/loss, net	(407)	666	n/m	(560)	591	n/m
Government Grant	(33)	(32)	3	(68)	(101)	(33)

6. **Trade and other receivables**

	Group		Company	
	As at 30 April 2024 (S\$'000)	As at 30 April 2023 (S\$'000)	As at 30 April 2024 (S\$'000)	As at 30 April 2023 (S\$'000)
<u>Trade receivables</u>				
Third parties	9,667	7,962	30	37
Less: allowance for impairment	(861)	(1,014)	(25)	(25)
Net	8,806	6,948	5	12
Subsidiaries	-	-	2,531	2,016
Subtotal	8,806	6,948	2,536	2,028
<u>Other receivables</u>				
Third parties	370	306	-	-
Less: allowance for impairment	(63)	(66)	-	-
Net	307	240	-	-
Subsidiaries	-	-	3,314	4,146
Subtotal	307	240	3,314	4,146
Total trade and other receivables	9,113	7,188	5,850	6,174

7. Assets Held for Sale

As at 30 April 2024, the assets held for sale is comprised of the following assets.

	GROUP	
	As at 30 April 2024 (S\$'000)	As at 30 Apr 2023 (S\$'000)
Property, plant and equipment	2,175	20
Right-of-use assets	3,825	-
Assets held for sale	6,000	20

As at 30 April 2024, the Group has reclassified certain non-core assets in Seremban and Sabah, Malaysia with a net book value of S\$3.61 million (MYR12.63 million) and S\$2.39 million (MYR8.38 million), respectively, as assets held for sale. The estimated market values of these properties are S\$4 million (MYR14 million) and S\$3 million (MYR10.5 million), respectively, based on the latest valuation report. The Group is actively looking for interested buyers of these properties and expects them to be disposed of in the next financial year.

As disclosed in paragraph 16 below, Sunrich Integrated Sdn. Bhd, a wholly-owned subsidiary of the Group and the legal owner of the abovementioned Seremban property, has entered into a conditional Sale and Purchase Agreement with the buyer of the Seremban property on 31 May 2024.

The Group is also actively looking for interested buyer of the remaining non-core assets in Sabah and expects them to be disposed of in the next financial year.

8. Property, plant and equipment (“PPE”)

During 12M FY2024, the Group acquired PPE amounting to S\$231,000 (18M FP2023: S\$794,000) and disposed of PPE amounting to S\$398,000 (18M FP2023: S\$10,182,000).

9. Right-of-use assets

During 12M FY2024 and 18M FP2023, there were no significant acquisitions and/or disposals made during that period except for the extension of the lease of Sarimbun Recycling Plant amounting to S\$258,000 in 2Q FY2024. The decrease in carrying amount in right-of-use assets was due mainly to: (i) reclassification of leased land in Seremban and Sabah, Malaysia to assets held for sale amounting to S\$3.82 million as disclosed in paragraph 7 above; (ii) annual depreciation of S\$651,000; (iii) transfer to PPE of S\$158,000 upon full repayment of hire purchase; and, (iv) currency translation difference of S\$227,000.

10. Net asset value

	Group		Company	
	As at 30 April 2024	As at 30 April 2023	As at 30 April 2024	As at 30 April 2023
Net assets attributable to owners of the Company (S\$'000)	15,201	16,792	10,278	14,043
Number of shares at the end of the financial 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 the financial period/year (S\$ cents)	1.60	1.77	1.08	1.48

11. **Other payables and other provisions**

	Group		Company	
	As at 30 April 2024 (S\$'000)	As at 30 April 2023 (S\$'000)	As at 30 April 2024 (S\$'000)	As at 30 April 2023 (S\$'000)
<u>Trade payables</u>				
Outside parties and accrued liabilities	4,572	5,578	849	1,058
Subsidiaries	-	-	3,114	2,143
Subtotal	4,572	5,578	3,963	3,201
<u>Other payables</u>				
Outside parties	1,188	1,262	3	3
Director and key management	1,477	621	879	650
Subsidiaries	-	-	9,985	9,962
Subtotal	2,665	1,883	10,867	10,615
Total trade and other payables	7,237	7,461	14,830	13,816

Other payables to subsidiaries are unsecured, interest-free and repayable on demand.

Other payable to a director is unsecured, with an interest rate of 6.5% per annum and repayable on demand. Please refer to paragraph 10 of Section F for more details.

Other payable to a key management is unsecured, interest-free and repayable on demand.

12. **Loans and borrowings**

	Group			
	At 30 April 2024		As at 30 April 2023	
	Secured	Unsecured	Secured	Unsecured
	S\$'000	S\$'000	S\$'000	S\$'000
Amount repayable in one year or less, or on demand	4,674	-	7,288	-
Amount repayable after one year	3,645	-	3,448	-

Details of collateral

As at 30 April 2024, secured loans and borrowings comprised:

- Loans and borrowings of S\$6.60 million (30 April 2023: S\$8.83 million), secured by property, plant and equipment and assets held for sale in Malaysia.
- Loans and borrowings of S\$1.72 million (30 April 2023: S\$1.91 million), secured by property, plant and equipment and investment properties of subsidiary 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.

13. **Discontinued operations and disposal group classified as held for sale**

In FP2023, following the resignation of the former executive director who was the legal representative for Chongqing ecoWise Investment Management Co., Ltd. ("**CQEIM**"), Chongqing eco-CTIG, Rubber Technology Co., Ltd. ("**CECRT**") and CEBEC in China, Management and the Board decided to discontinue the operations and dispose of them when the opportunity arose (or hereinafter also referred to as the "**China Subsidiaries**"). The China Subsidiaries did not contribute any revenue to the Group for the current reporting period.

The Group is in the midst of changing the legal representative for the China subsidiaries.

The assets and liabilities related to CQEIM, CECRT and CEBEC (which previously contributed to the Integrated Environmental Management Solutions, Resource Recovery and Renewable Energy segments, respectively in China) have been presented as a disposal group held for sale, and the results from the China Subsidiaries are presented separately on the income statement as "Discontinued operations".

14. Lease liabilities

	Group		Company	
	As at 30 April 2024 \$'000	As at 30 April 2023 \$'000	As at 30 April 2024 \$'000	As at 30 April 2023 \$'000
Current	410	475	19	9
Non-current	127	341	86	-
	537	816	105	9

As at 30 April 2024, finance lease liabilities of S\$537,000 (30 April 2023: S\$816,000) were secured by the lessors' charge over the leased assets.

15. Related party transactions

There are no material related party transactions apart from the outstanding loan from a director as disclosed in paragraph 10 of Section F, and the loan from a key management as disclosed in Note 11 of Section E.

16. Subsequent events

On 9 May 2024, Sunrich Integrated Sdn. Bhd. ("**Sunrich**"), a wholly-owned subsidiary of the Group and the legal owner of the Seremban property classified as Assets Held for Sale (refer to paragraph 7 of Section E above) ("**Property**"), received and accepted an offer to purchase with the third party buyer ("**Purchaser**") for a purchase consideration of MYR14 million for the disposal of the Property. On 31 May 2024, Sunrich entered into a conditional Sale and Purchase Agreement ("**SPA**") with the Purchaser. The completion of the SPA is subject to certain conditions, which include, among others, the grant of relevant State Authority's consent to transfer the property to the buyer. Please refer to the Company's announcements dated 13 May 2024 and 3 June 2024 for more information.

F. Other Information Required by Catalist Rule Appendix 7C

1 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.

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.

	Issued and paid-up ordinary shares	Share capital (S\$'000)
As at 30 April 2024 and 30 April 2023	957,483,029	48,170
		Percentage of the aggregate number of treasury shares held against total number of shares outstanding
As at 30 April 2024 and 30 April 2023	8,637,300	0.90%

The Company does not have any subsidiary holdings as at 30 April 2024 and 30 April 2023. There were no outstanding convertibles as at 30 April 2024 and 30 April 2023.

As at 30 April 2024, the total number of issued and paid-up ordinary shares (excluding treasury shares and subsidiary holdings) held was 948,845,729 shares (30 April 2023: 948,845,729 shares).

2 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 were no sales, transfers, cancellation and/or use of treasury shares during the 3-month and 12-month financial period ended 30 April 2024.

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

There were no sales, transfers, cancellation and/or use of subsidiary holdings during the 3-month and 12-month financial period ended 30 April 2024.

4 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 independent auditor of the Company, Baker Tilly TFW LLP ("**Baker Tilly**"), issued a disclaimer of opinion on the consolidated financial statements of the Group and the Company for FP2023. The basis for the disclaimer of opinion is in relation to the following:

- A. Opening balances and limitation of scope in relation to the China subsidiaries;
- B. Disposal Group classified as held for sale (in relation to the China subsidiaries);
- C. Internal audit under NOC;
- D. Impairment assessment of the Group's property, plant and equipment in Malaysia;
- E. Valuation of equity investment at fair value through profit or loss (previously classified as investment in an associate); and
- F. Going concern

With regard to items A and B above, the Management is working with its advisers to regain control of the companies in China so that the Management can take the next course of action.

In relation to item C above, the internal review and the expanded scope carried out by **E&Y** in accordance with the NOC were completed on 28 March 2024. The Management is currently addressing all the internal control weaknesses and recommendations raised by E&Y. An independent internal auditor has been appointed to perform a review of internal controls implemented by the Management in response to E&Y recommendations and other recommendations from the Company Sponsor in relation to the NOC. The internal audit is in progress.

With respect to item D above, the Management reassessed these at the balance sheet date and concluded that no further impairment is required.

With regard to item E above, Management was able to obtain updated information from the liquidator as at 21 June 2024. Based on this latest information, the management has re-assessed and determined that the fair value of the equity investment as at 30 April 2024 is about S\$1.01 million (RMB5.5 million), which approximates the net amount expected to be received by the Group upon the completion of liquidation and the distribution of remaining funds to the shareholders. A fair-value loss of S\$500,000 in fair value was recognised for the financial year ended 30 April 2024.

With regard to item F above, based on the assessment performed, the Board is of the opinion that as at the end of FY2024, there are no material uncertainties in relation to the Group's ability to continue as a going concern. Management noted that while the Group recorded a loss after tax of S\$1.30 million for 12M FY2024 (18M FP2023: loss after tax of S\$14.08 million), it has continued to generate positive cash flows from operations of S\$2.49 million for 12M FY2024 (18M FP2023: positive cash flows from operations of S\$2.74 million). Furthermore, as at 30 April 2024, the Group's net current assets of S\$7.64 million is a significant improvement over the net current liabilities of S\$1.36 million it recorded as at 30 April 2023.

The significant improvements in operations, cash flows and financial position resulted from Management's continuous efforts as follows:

- a) Stabilising the operations in Singapore and Malaysia by (i) securing more orders from existing customers; (ii) obtaining orders from new customers; and (iii) resuming former products and services that had been inactive or lost in the prior periods;
- b) Working with strategic partners to offer more products and services that are synergistic with current operations;
- c) Exploring collaboration opportunities with various technology companies in areas such as digitalisation, ICA (instrumentation, computerisation, and automation) and modularisation of process units for developing and owning intellectual properties and proprietary know-how in the environmental industries; and
- d) Monetising its non-core assets in Singapore and Malaysia.

The Board confirms that the impact of the outstanding audit issues on the financial statements has been adequately disclosed.

5 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.

Loss per ordinary share for the period based on loss for the period attributable to the owners of the Company as follows:

	Group		Group	
	3-month period ended 30 April 2024	3-month period ended 30 April 2023	12-month period ended 30 April 2024	18-month period ended 30 April 2023
Loss for the period attributable to the owners of the Company (S\$'000)	280	(9,017)	(1,295)	(14,032)
Weighted average number of shares in issue ('000)	948,846	948,846	948,846	948,846
(i) Basic loss per shares (S\$ cents)	0.03	(0.95)	(0.14)	(1.48)
(ii) On a fully diluted basis (S\$ cents)	0.03	(0.95)	(0.14)	(1.48)

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

6 Review of performance of the Group

Statement of Comprehensive Income

Revenue

Revenue for 4Q FY2024 of S\$9.54 million was S\$1.68 million or 21% higher than the revenue for 6Q FP2023 mainly due to (i) increase in revenue from Resource Recovery segment of S\$1.12 million as a result of increase in revenue from Malaysia's rubber compound business of about S\$1.73 million due to deferral of deliveries in 3Q FY2024 to current quarter as requested by a major customer, and offset by decrease in revenue from Malaysia's tyre retreading business of S\$609,000 due to stiff competition with cheaper brand new tyres from China; and (ii) increase in revenue from Renewable Energy segment of S\$560,000 as a result of increase in revenue from energy generation in Gardens by the Bay, ISOtank heating, and spent grain brought about by new contract with major food manufacturer secured in March 2024.

Revenue for 12M FY2024 of S\$31.39 million was S\$12.06 million or 28% lower than the revenue for 18M FP2023 of S\$43.45 million mainly due to the shorter financial period in FY2024, i.e., 12 months in FY2024 vs 18 months in FP2023. However, on an annualised basis, total revenue of S\$31.39 million in 12 FY2024 was S\$2.43 million higher than 12-month annualised total revenue of S\$28.96 million in FP2023, which was mainly from the increase in revenue from Resource Recovery segment as discussed below.

Revenue from Resource Recovery segment of S\$23.55 million in 12M FY2024 was S\$2.45 million higher compared to the 12-month annualised revenue of Resource Recovery segment in FP2023 of S\$21.10 million due to increase in revenue from rubber compound business of S\$4.14 million, offset by a decrease in revenue from tyre retreading of S\$1.69 million due to similar reasons as explained in 4Q FY2024 vs 6Q FP2023 above.

Revenue from Renewable Energy segment of S\$7.73 million in 12M FY2024 is comparable with the 12-month annualised revenue of Renewable Energy segment in FP2023 of S\$7.76 million. Whilst there is a noticeable increase in revenue from Renewable Energy Segment in 4Q FY2024 as mentioned above, it was offset by a lower revenue from spent grain during the first three quarters in FY2024.

Cost of Sales

Cost of sales for 4Q FY2024 of S\$7.58 million was S\$829,000 or 12% higher than the cost of sales for 6Q FP2023 of S\$6.75 million. Whilst the increase in cost of sales was expected due to an increase in revenue, the 12% increase was lower than the 21% increase in sales. This is due to cost savings and efficiencies brought about by tighter cost control measures initiated by the management. The S\$829,000 increase in cost of sales was mainly due to (i) increase in raw material cost in Malaysia of S\$1.72 million as a result of increase in revenue; (ii) increase in manpower cost of S\$181,000 due to slight increase in headcount and overtime work associated with increase in orders from a major customer in Malaysia; (iii) decrease in depreciation expense of S\$243,000; (iv) decrease in utilities expenses S\$306,000; and, (v) decrease in other indirect costs and expenses of S\$522,000 due to cost savings as a result of the cessation of business in Sabah in March 2023 and tighter cost control measures undertaken by the Group.

Cost of sales for 12M FY2024 of S\$26.34 million was S\$13.20 million or 33% lower than the cost of sales for 18M FP2023 of S\$39.54 million mainly due to the shorter financial period in FY2024, i.e., 12 months in FY2024 vs 18 months in FP2023. However, on an annualised basis, cost of sales of S\$26.34 million in 12M FY2024 is comparable with the 12-month annualised cost of sales in FP2023 of S\$26.36 million, whilst there is an increase in revenue of S\$2.43 million (12-month annualised) as mentioned above. This is mainly due to the cost savings and increase in efficiencies discussed above.

Gross Profit and Gross Profit Margin

The improvement in gross profit and gross profit margin for 4Q FY2024 vs. 6Q FP2023 and 12M FY2024 vs 18M FP2023 was due to the increase in revenue, cost savings and increase in efficiencies discussed above.

Other Income/(Losses) - Net

Other income - net in 4Q FY2024 of S\$584,000 consists mainly of: (i) reversal of impairment loss on PPE and ROU of S\$435,000; (ii) reversal of over accruals in prior period of S\$187,000; (iii) gain on currency translation of S\$406,000; (iv) write-back of allowance for doubtful debts of S\$26,000; (v) gain on disposal of fixed assets of S\$15,000; and (vi) other gains and income including government grants of S\$48,000; and offset by (vii) fair value loss on financial assets at fair value through profit or loss of S\$500,000 and (viii) impairment loss on PPE of 28k. These are the same items that contributed to the Other income – net for 12M FY2024 of S\$1.05 million.

Other losses – net in 6Q FP2023 of S\$1.19 million consist mainly of: (i) impairment loss on PPE of S\$672,000; (ii) currency translation loss of S\$666,000; and offset by (iii) gain on disposal of PPE of S\$39,000; (iv) reversal of allowance for doubtful debts of S\$79,000 and (v) government grants of S\$32,000. These are the same items that contributed to the Other losses – net for 18M FP2023 of S\$676,000.

Marketing and Distribution Expenses

In 4Q FY2024, marketing and distribution expenses were S\$124,000 or 50% lower than S\$248,000 in 6Q FP2023 which was mainly due to tighter cost control measures undertaken by the Group.

Marketing and distribution expenses for 12M FY2024 of S\$549,000 was S\$691,000 or 56% lower than S\$1.24 million in 18M FP2023 which was mainly due to the shorter financial period in FY2024, i.e., 12 months in FY2024 vs. 18 months in FP2023. On an annualised basis, marketing and distribution expenses of S\$549,000 in 12M FY2024 was S\$278,000 lower than 12-month extrapolated marketing and distribution expenses of S\$827,000 in FP2023, which was mainly due to tighter cost control measures undertaken by the Group.

Administrative Expense

Administrative expense increased by S\$496,000 or 41% for 4Q FY2024 vs 6Q FP2023 mainly due to (i) increase in manpower costs of S\$147,000 arising from increase in number of staff, payment of bonus and annual increment of staff salaries; (ii) increase in depreciation of S\$296,000 as a result of accelerated depreciation of certain property, plant and equipment; (iii) increase in insurance of S\$15,000; (iv) increase in other items in administrative expenses of \$38,000.

Administrative expense for 12M FY2024 of S\$5.63 million were S\$1.83 million or 24% lower than S\$7.46 million in 18M FP2023 which was mainly due to the shorter financial period in FY2024, i.e., 12 months in FY2024 vs. 18 months in FP2023. However, on an annualised basis, administrative expense of S\$5.63 million in FY2024 were S\$658,000 higher than 12-month annualised administrative expense of S\$4.97 million FP2023, which was mainly due to increase in manpower costs and depreciation expenses. Furthermore, legal and professional fees are higher in the current year as there were no reversal of over accruals compared to previous period.

Finance Costs

Finance costs decreased by S\$36,000 in 4Q FY2024 as compared to 6Q FP2023 which was mainly due to the downward adjustment on interest expense recognised in 6Q FP2023.

Finance cost for 12M FY2024 of S\$823,000 was S\$409,000 or 33% lower than S\$1.23 million in 18M FP2023 which was mainly due to the shorter financial period in FY2024, i.e., 12 months in FY2024 vs. 18 months in FP2023. However, on an annualised basis, finance cost of S\$823,000 in 12M FY2024 was S\$2,000 higher than 12-month extrapolated finance cost of S\$821,000 in FP2023 which was due mainly to interest expense during the loan restructuring period that was recognised as part of administrative expense rather than finance cost in FP2023.

Income Tax Expense

Income tax expense of S\$269,000 for 4Q FY2024 and S\$101,000 for 6Q FP2023 represent provision for income tax for profit making entities in Malaysia. The same explanation applies to income tax expense for 12M FY2024 and 18M FP2023.

Profit/(loss) Net of Tax

As a result of the above, the Group recorded a profit from continuing operations of S\$280,000 for 4Q FY2024 as compared to a net loss of S\$1.84 million for 6Q FP2023, and a lower net loss of S\$1.30 million for 12M FY2024 as compared to a net loss of S\$6.86 million for 18M FP2023.

Statement of Financial Position

Assets

Property, plant and equipment decreased by S\$4.19 million from S\$12.14 million as at 30 April 2023 to S\$7.95 million as at 30 April 2024 mainly due to (i) reclassification of S\$2.17 million to assets held for sale; (ii) depreciation of S\$1.74 million; (iii) disposal of property, plant and equipment with a net book value of S\$397,000; (iv) foreign currency translation of property, plant and equipment denominated in foreign currency of S\$503,000; and offset by (v) reversal of impairment loss of S\$240,000; (vi) total additions during the year of S\$231,000; and (vii) transfer from ROU of S\$159,000.

Right-of-use assets decreased by S\$4.57 million from S\$5.56 million as at 30 April 2023 to S\$990,000 as at 30 April 2024 mainly due to (i) reclassification of leased land in Seremban and Sabah, Malaysia to assets held for sales amounting to S\$3.82 million as disclosed in paragraph 7 above; (ii) annual depreciation of S\$651,000; and (iii) transfer to PPE of S\$159,000.

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

Financial assets at fair value through profit or loss relate to the Group's investment in CULCEC which is in the process of liquidation. As at 30 April 2024, the Group has re-assessed and determined the fair value of CULCEC to be S\$1.01 million (RMB5.5 million) based on the latest information provided by the liquidator as at 24 May 2024. This amount represents the net expected amounts to be received by Group upon the completion of liquidation and the distribution of remaining funds to the shareholders. Consequently, a fair value loss of S\$500,000 was recognised for the financial year ended 30 April 2024.

Lease receivables (non-current and current) relate to the Group's investment in the biomass co-generation power plant at Gardens by the Bay which is accounted for as a finance lease. Total non-current and current lease receivables decreased from S\$5.84 million as at 30 April 2023 to S\$4.44 million as at 30 April 2024, mainly attributable to the conversion of billings to collections from the customer.

Inventories decreased by S\$1.21 million from S\$3.55 million as at 30 April 2023 to S\$2.34 million as at 30 April 2024 as Malaysia adopted the "just-in-time" inventory system for better cash flow management.

Trade and other receivables increased by S\$1.93 million from S\$7.19 million as at 30 April 2023 to S\$9.11 million as at 30 April 2024, mainly due to an increase in trade receivables of Malaysia brought about by an increase in sales to a major customer.

Other current assets comprising prepayments and deposits slightly increased by S\$19,000 from S\$791,000 as at 30 April 2023 to S\$810,000 as at 30 April 2024 mainly due to increase in deposits, offset by amortisation of prepayments.

Cash and cash equivalents decreased by S\$162,000 from S\$908,000 as at 30 April 2023 to S\$746,000 as at 30 April 2024. Please refer to the "Statement of Cash Flow" section below for explanations on the net decrease in cash and cash equivalents of the Group.

Liabilities

Loans and borrowings (non-current and current) decreased by S\$2.42 million from S\$10.74 million as at 30 April 2023 to S\$8.32 million as at 30 April 2024 mainly due to regular loan repayments to Malaysian banks and monthly installments on property loans in Singapore.

Lease liabilities (non-current and current) decreased by S\$279,000 from S\$816,000 as at 30 April 2023 to S\$537,000 as at 30 April 2024 mainly due to (i) repayments of the finance lease of S\$639,000; offset by (ii) increase in finance lease liabilities of S\$258,000 for the extension of lease in Sarimbun Recycling Park and (iii) acquisition of new motor vehicle of S\$111,000.

Trade and other payables decreased by S\$224,000 from S\$7.46 million as at 30 April 2023 to S\$7.24 million as at 30 April 2024 mainly due to a decrease of S\$1.08 million in payables to third parties and offset by an increase in other payable to director and key management of S\$857,000.

Working Capital

The Group's working capital improved from a negative working capital of S\$1.36 million as at 30 April 2023 to a positive working capital of S\$7.64 million as at 30 April 2024.

Statement of Cash Flow

Net cash flows from operating activities for 12M FY2024 were S\$2.49 million, mainly attributable to (i) net cash inflows before changes in working capital of S\$2.68 million, (ii) increase in trade and other receivables of S\$1.81 million; (iii) decrease in lease receivables of S\$1.97 million; (iv) decrease in inventories of S\$1.21 million; (v) increase in other non-current assets of S\$19,000; (vi) decrease in trade and other payables of S\$1.34 million; and (vii) payments of income tax of S\$188,000.

Net cash flows from operating activities for 18M FP2023 were S\$2.74 million, mainly attributable to (i) net cash inflows before changes in working capital of S\$166,000 (ii) decrease in inventories of S\$1.12 million (iii) increase in trade and other receivables of S\$2.02 million; (iv) increase in trade and other payables of S\$667,000; (v) decrease in lease receivables of S\$2.99 million; (v) decrease in other non-current assets of S\$527,000; and (vi) payment of income tax of S\$719,000.

Net cash flows from investing activities for 12M FY2024 were S\$480,000, mainly attributable to proceeds from disposal of property, plant and equipment of S\$555,000 and assets held for sale of S\$45,000, and offset by additions to PPE of S\$120,000.

Net cash flows used in investing activities for 18M FP2023 were S\$638,000, mainly attributable to additions to PPE of S\$1.19 million, and offset by proceeds from disposal of PPE S\$552,000.

Net cash flows used in financing activities for 12M FY2024 were S\$3.01 million, mainly attributable to (i) repayments of loans and borrowings of S\$2.42 million, (ii) interest expenses paid of S\$751,000 and (iii) repayments of finance lease of S\$648,000, and partially offset by (iv) proceeds from loan from director of S\$857,000.

Net cash flows used in financing activities for 18M FP2023 were S\$2.91 million, mainly attributable to (i) repayments of loans and borrowings of S\$809,000, (ii) interest expenses paid of S\$1.23 million and (iii) repayments of finance lease liabilities of S\$1.49 million, and partially offset by (iv) proceeds from loan from director of S\$621,000.

7 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.

8 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.

As previously reported, the Board and the Management have worked cohesively to stabilise the Group operationally and financially. They have implemented risk-mitigating and cost-savings procedure, divested non-core assets (as and when appropriate opportunities arose), and strategically and optimally downsized two out of three core business segments of the Group, namely the Renewable Energy and Resource Recovery segments. The concerted efforts have not only boosted operational efficiency, but also resulted in a positive operating cashflow, marking a resumption of the Group's path towards profitability. In particular, the Group is analysing the business case for continuing its tyre retreading business. In FY2024, the tyre retreading business reported a loss of RM3.95 million, while the rubber compound business generated a profit of RM3.75 million, after deducting management fee due to the Company of RM2.09 million.

As noted above in paragraph 4 above, Management noted that while the Group recorded a loss after tax of S\$1.30 million for 12M FY2024 (18M FP2023: loss after tax of S\$14.08 million), it has continued to generate positive cash flows from operations of S\$2.49 million for 12M FY2024 (18M FP2023: positive cash flows from operations of S\$2.74 million). Furthermore, as at 30 April 2024, the Group's net current assets of S\$7.64 million is a significant improvement over the net current liabilities of S\$1.36 million it recorded as at 30 April 2023.

As previously stated, the Board and Management are evaluating a range of viable options and engaging with strategic partners to replicate similar successful Renewable Energy project(s) when the timing and circumstances are optimal.

In respect of the Resource Recovery segment, the Management continues its efforts to monetise the Group's non-core assets in Malaysia as and when the opportunity arises to reduce the Group's debt burden and to secure additional working capital to provide for higher operating loads and capacity in the Group's push to normalise and expand operations. To this end, Sunrich Integrated Sdn. Bhd, a wholly owned subsidiary of the Group and the legal owner of the abovementioned Seremban property, entered into a conditional Sale and Purchase Agreement with a buyer in respect of the Seremban property on 31 May 2024.

At the macro level, the Group continues to see the trend of investment in renewable energy sources increasing in both volume and value. Governments and large businesses have increasingly made sustainability their utmost priority in an effort to keep global temperature rise to below 2 degrees Celsius, conserve the bio-diversity of our natural environment, and to reduce or eliminate the use of fossil fuel for our energy needs. Various agencies of the Singapore government provide incentives and support for companies involved in renewable energy sector, including research and development activities, which the Group will avail itself of if it meets the qualifying requirements. To this end, the businesses of the Group are in substantive alignment with the goals as set out in The 2030 Agenda for Sustainable Development adopted by all United Nations Member States in 2015.

Notwithstanding, technologies in the renewable energy sector continues to develop and advance and this may pose challenges for the Group when compared to companies with larger financial resources who are able to acquire or adapt to new technologies to meet market demands.

To keep pace with competition from larger industry participants in the same industry segments as the Group, the Group will have to rely on its innovation and flexibility as a smaller organisation to compete and win projects, noting, however, that the Group may have to collaborate or joint-venture with larger organisations for larger and higher value projects.

9 Dividend information

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) Date payable

Not applicable

(e) Record date

Not applicable

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

No dividend has been declared or recommended for the 3-month and 12-month financial period ended 30 April 2024 as the Group made a net loss and there is no distributable income or reserves available for the payment of dividends.

10 Interested Party Transaction (“IPT”) – 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.

As previously reported, on 28 July 2022, Mr Lee Thiam Seng, Executive Chairman and CEO of the Company, granted a short-term and unsecured 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 to be mutually agreed upon by both parties. Since 1 January 2023, the loan bears an interest rate of 6.5% per annum and is repayable on demand. On 25 March 2024, Mr Lee Thiam Seng granted an additional loan of S\$200,000 for additional working capital to meet certain refundable deposits required for new contract secured by the Group. As at 30 April 2024, the loan from Mr Lee Thiam Seng has a remaining balance of S\$821,000 (30 April 2023: S\$621,000) plus accrued interest amounting to S\$58,000.

For the current financial year ended 30 April 2024 and for the financial year ending on 30 April 2025, the total amount of interest paid and payable to Mr Lee Thiam Seng will not exceed 3% of the Group's latest audited net tangible assets.

11 Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H of the Catalyst Rules) under Rule 720(1) of the Catalyst Rules

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

12 Disclosures pursuant to Rule 706A of the Catalyst Rules

There were no acquisition or sale of shares in any of the Group's subsidiary or associated company nor incorporation or winding up or striking off of any subsidiary or associated company by the Company or any of the Group's entities during 3-month and 12-month financial period ended 30 April 2024.

13. Breakdown of sales

	Group		% Increase / (Decrease)
	FY2024 S\$'000	FP2023 S\$'000	
Sales reported for first 6-month period	16,119	10,771	50
Loss after tax before deducting non-controlling interests reported for the first 6-month period	(1,031)	(2,636)	(61)
Sales reported for second 6-month period	15,269	18,810	(19)
Loss after tax before deducting non-controlling interests reported for the second 6-month period	(265)	(982)	(73)
Sales reported for third 6-month period	-	13,865	n/m
Loss after tax before deducting non-controlling interests reported for the third 6-month period	-	(10,464)	n/m

n/m – not meaningful

14 Breakdown of total annual dividend

No dividend has been declared in FY2024 and FP2023.

15 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 Catalist 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.

BY ORDER OF THE BOARD

Lee Thiam Seng

Executive Chairman and CEO

28 June 2024

This announcement has been prepared by ecoWise Holdings Limited ("**Company**") and its contents have 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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