



## ASL MARINE HOLDINGS LTD.

(Incorporated in the Republic of Singapore)

Co. Reg. No. 200008542N

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### UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE THIRD QUARTER ENDED 31 MARCH 2024

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#### QUARTERLY FINANCIAL STATEMENTS

Pursuant to Rule 705(2C) of the Singapore Exchange Securities Trading Limited (“SGX-ST”) Listing Manual, the Company is required by SGX-ST to continue to announce its quarterly financial statements.

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## A. Statements of Financial Position

	Note	Group		Company	
		31-Mar-24	30-Jun-23	31-Mar-24	30-Jun-23
		\$'000	\$'000	\$'000	\$'000
<b>Non-current assets</b>					
Property, plant and equipment	3	355,059	394,252	-	-
Right-of-use assets		14,198	14,733	-	-
Investment in subsidiaries		-	-	32,986	32,986
Investment in joint ventures and associates		5,329	4,286	-	-
Intangible assets	4	-	-	-	-
Other receivables	7	-	-	5,167	5,167
		<b>374,586</b>	<b>413,271</b>	<b>38,153</b>	<b>38,153</b>
<b>Current assets</b>					
Inventories	5	27,421	29,150	-	-
Contract assets	6	45,523	29,343	-	-
Trade and other receivables	7	69,140	59,603	199,640	231,506
Prepayments		9,759	3,130	291	190
Finance lease receivables		-	554	-	-
Restricted cash		8,292	11,837	-	-
Cash and cash equivalents		10,063	12,893	3,945	5,110
		<b>170,198</b>	<b>146,510</b>	<b>203,876</b>	<b>236,806</b>
<b>Current liabilities</b>					
Trade and other payables	8	174,149	167,291	67,148	76,565
Contract liabilities	6	24,481	23,669	-	-
Trust receipts	9	19,143	12,399	-	-
Interest-bearing loans and borrowings	9	114,121	31,563	93,454	10,631
Lease liabilities		473	382	-	-
Income tax payables		14,356	10,922	14	14
		<b>346,723</b>	<b>246,226</b>	<b>160,616</b>	<b>87,210</b>
<b>Net current (liabilities)/ assets</b>		<b>(176,525)</b>	<b>(99,716)</b>	<b>43,260</b>	<b>149,596</b>
<b>Non-current liabilities</b>					
Other payables	8	-	1,453	-	-
Other liabilities		2,255	2,447	-	-
Contract liabilities	6	-	2,345	-	-
Interest-bearing loans and borrowings	9	99,403	217,048	58,410	155,062
Lease liabilities		11,009	11,155	-	-
Deferred tax liabilities		6,416	6,233	-	-
		<b>119,083</b>	<b>240,681</b>	<b>58,410</b>	<b>155,062</b>
<b>Net assets</b>		<b>78,978</b>	<b>72,874</b>	<b>23,003</b>	<b>32,687</b>
<b>Equity attributable to owners of the Company</b>					
Share capital	10	109,612	109,606	109,612	109,606
Treasury shares		(923)	(923)	(923)	(923)
Reserves		(28,994)	(35,138)	(85,686)	(75,996)
		<b>79,695</b>	<b>73,545</b>	<b>23,003</b>	<b>32,687</b>
<b>Non-controlling interests</b>		<b>(717)</b>	<b>(671)</b>	<b>-</b>	<b>-</b>
<b>Total equity</b>		<b>78,978</b>	<b>72,874</b>	<b>23,003</b>	<b>32,687</b>

## B. Consolidated Income Statement

	Note	Group					
		3 months ended 31 March			9 months ended 31 March		
		3Q FY2024	3Q FY2023	Increase/ (Decrease) %	9M FY2024	9M FY2023	Increase/ (Decrease) %
		\$'000	\$'000	%	\$'000	\$'000	%
Revenue	11	91,426	102,227	(10.6)	270,142	238,911	13.1
Cost of sales		(81,103)	(88,770)	(8.6)	(234,542)	(224,101)	4.7
<b>Gross profit</b>		<b>10,323</b>	<b>13,457</b>	<b>(23.3)</b>	<b>35,600</b>	<b>14,810</b>	<b>140.4</b>
Other operating income	12	5,632	14,428	(61.0)	4,413	19,084	(76.9)
Selling and distribution expenses		(222)	(1,123)	(80.2)	(974)	(1,756)	(44.5)
Administrative expenses		(4,413)	(3,992)	10.5	(12,285)	(11,505)	6.8
Other operating expenses	13	-	(2,519)	Nm	(24)	(5,047)	(99.5)
Finance costs	14	(6,324)	(6,952)	(9.0)	(20,200)	(20,894)	(3.3)
Reversal of impairment loss on financial assets, net		1,438	2,118	(32.1)	3,540	264	1,240.9
Share of results of joint ventures and associates		(534)	(541)	(1.3)	1,093	31	3,425.8
<b>Profit/ (Loss) before tax</b>	15	<b>5,900</b>	<b>14,876</b>	<b>(60.3)</b>	<b>11,163</b>	<b>(5,013)</b>	<b>Nm</b>
Income tax expense	16	(2,146)	(833)	157.6	(5,753)	(1,774)	224.3
<b>Profit/ (Loss) for the period</b>		<b>3,754</b>	<b>14,043</b>	<b>(73.3)</b>	<b>5,410</b>	<b>(6,787)</b>	<b>Nm</b>
<b>Attributable to:</b>							
Owners of the Company		3,998	13,974	(71.4)	5,489	(7,026)	Nm
Non-controlling interests		(244)	69	Nm	(79)	239	Nm
		<b>3,754</b>	<b>14,043</b>	<b>(73.3)</b>	<b>5,410</b>	<b>(6,787)</b>	<b>Nm</b>
<b>Earnings per share (cents per share)</b>	17						
Basic		0.61	2.22	(72.5)	0.84	(1.11)	Nm
Diluted		0.61	2.22	(72.5)	0.84	(1.11)	Nm
<b>Adjusted EBITDA* for the period</b>		<b>23,137</b>	<b>19,360</b>	<b>19.5</b>	<b>65,144</b>	<b>41,190</b>	<b>58.2</b>

### Notes:

\* Adjusted EBITDA is computed based on earnings of the Company and its subsidiaries before interest, tax, depreciation, amortisation, and after adjusting for impairment and write-off of financial and non-financial assets and any other non-cash flow items.

Nm: Not meaningful

## C. Consolidated Statement of Comprehensive Income

	<b>Group</b>			
	<b>3 months ended 31 March</b>		<b>9 months ended 31 March</b>	
	<b>3Q FY2024</b>	<b>3Q FY2023</b>	<b>9M FY2024</b>	<b>9M FY2023</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Profit/ (Loss) for the period</b>	<b>3,754</b>	<b>14,043</b>	<b>5,410</b>	<b>(6,787)</b>
<b>Items that may be reclassified subsequently to profit or loss:</b>				
Translation differences relating to financial statement of foreign subsidiaries, net of tax (i)	(559)	(354)	704	1,025
Share of other comprehensive income of joint ventures and associates	129	(39)	(16)	(171)
Net fair value changes to cash flow hedges (ii)	-	-	-	1
<b>Other comprehensive income for the period, net of tax</b>	<b>(430)</b>	<b>(393)</b>	<b>688</b>	<b>855</b>
<b>Total comprehensive income for the period</b>	<b>3,324</b>	<b>13,650</b>	<b>6,098</b>	<b>(5,932)</b>
<b>Attributable to:</b>				
Owners of the Company	3,639	13,454	6,144	(6,288)
Non-controlling interests	(315)	196	(46)	356
	<b>3,324</b>	<b>13,650</b>	<b>6,098</b>	<b>(5,932)</b>

### **Note:**

- (i) The movement in foreign currency translation reserves arose from the consolidation of subsidiaries whose functional currencies are United States Dollar ("USD"), Euro ("EUR") and Indonesian Rupiah ("IDR").
- (ii) The fair value gain on cash flow hedges was primarily due to fair value adjustments on foreign currency forward contracts entered for shipbuilding contracts.

## D. Statements of Changes in Equity

For the period ended 31-Mar-24									
<u>Group</u>	Attributable to owners of the Company								
	Share capital \$'000	Treasury shares \$'000	Foreign currency translation reserve \$'000	Warrant reserve \$'000	Accumulated losses \$'000	Total reserves \$'000	Equity attributable to owners of the Company \$'000	Non-controlling interests \$'000	Total Equity \$'000
<b>9M FY2024</b>									
<b>At 1-Jul-23</b>	109,606	(923)	2,333	859	(38,330)	(35,138)	73,545	(671)	72,874
<b>Profit for the period</b>	-	-	-	-	5,489	5,489	5,489	(79)	5,410
<u>Other comprehensive income</u>									
Translation differences relating to financial statements of foreign subsidiaries	-	-	669	-	-	669	669	35	704
Share of other comprehensive income of joint ventures and associates	-	-	(14)	-	-	(14)	(14)	(2)	(16)
<b>Other comprehensive income for the period, net of tax</b>	-	-	655	-	-	655	655	33	688
<b>Total comprehensive income for the period</b>	-	-	655	-	5,489	6,144	6,144	(46)	6,098
<u>Contribution by owners</u>									
Conversion of warrants	6	-	-	-	-	-	6	-	6
<b>At 31-Mar-24</b>	109,612	(923)	2,988	859	(32,841)	(28,994)	79,695	(717)	78,978

D. Statements of Changes in Equity (Cont'd)

For the period ended 31-Mar-23										
Group	Attributable to owners of the Company									
	Share capital \$'000	Treasury shares \$'000	Foreign currency translation reserve \$'000	Hedging reserve \$'000	Warrant reserve \$'000	Accumulated losses \$'000	Total reserves \$'000	Equity attributable to owners of the Company \$'000	Non-controlling interests \$'000	Total Equity \$'000
<b>9M FY2023</b>										
<b>At 1-Jul-22</b>	108,140	(923)	2,381	(1)	897	(41,911)	(38,634)	68,583	(828)	67,755
<b>Loss for the period</b>	-	-	-	-	-	(7,026)	(7,026)	(7,026)	239	(6,787)
<u>Other comprehensive income</u>										
Translation differences relating to financial statements of foreign subsidiaries	-	-	887	-	-	-	887	887	138	1,025
Share of other comprehensive income of joint ventures and associates	-	-	(151)	-	-	-	(151)	(151)	(21)	(172)
Net fair value changes to cash flow hedges	-	-	-	1	-	-	1	1	-	1
<b>Other comprehensive income for the period, net of tax</b>	-	-	736	1	-	-	737	737	(117)	854
<b>Total comprehensive income for the period</b>	-	-	736	1	-	(7,026)	(6,289)	(6,289)	356	(5,933)
<b>At 31-Mar-23</b>	108,140	(923)	3,117	-	897	(48,937)	(44,923)	62,294	(472)	61,822

**D. Statements of Changes in Equity (Cont'd)**

For the periods ended 31-Mar-24 and 31-Mar-23						
<u>Company</u>	Share capital \$'000	Treasury shares \$'000	Warrant reserve \$'000	Accumulated losses \$'000	Total reserves \$'000	Total equity \$'000
<b>9M FY2024</b>						
At 1-Jul-23	109,606	(923)	859	(76,855)	(75,996)	32,687
Loss for the period, representing total comprehensive income for the period	-	-	-	(9,690)	(9,690)	(9,690)
<u>Contributions by owners</u>						
Conversion of warrants	6	-	-	-	-	6
At 31-Mar-24	109,612	(923)	859	(86,545)	(85,686)	23,003
<b>9M FY2023</b>						
At 1-Jul-22	108,140	(923)	897	(75,029)	(74,132)	33,085
Loss for the period, representing total comprehensive income for the period	-	-	-	(8,586)	(8,586)	(8,586)
At 31-Mar-23	108,140	(923)	897	(83,615)	(82,718)	24,499

## E. Consolidated Statement of Cash Flows

	<b>Group</b>	
	<b>9 months ended 31 March</b>	
	<b>9M FY2024</b>	<b>9M FY2023</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Cash flows from operating activities</b>		
Profit/ (Loss) before tax	11,163	(5,013)
<b>Adjustments for:</b>		
Depreciation of property, plant and equipment	37,335	36,122
Depreciation of right-of-use assets	1,116	1,494
Gain on disposal of property, plant and equipment	(1,948)	(492)
Gain on remeasurement of lease liabilities	-	(40)
Loss on ineffective portion of cash flow hedges on forward currency contracts	-	1
(Reversal of)/ Impairment loss on financial assets, net:		
- Amount due from joint ventures and associates	(937)	(827)
- Contract assets	(26)	(51)
- Amount due from other receivables	29	-
- Amount due from trade receivables (third parties)	(2,606)	614
Reversal of impairment loss on non-financial assets, net:		
- Inventories	-	(13,449)
Inventories written off	24	-
Interest income	(61)	(448)
Interest expense	20,200	20,894
Property, plant and equipment written off	-	1,758
Provision for warranty, net	7	3
Provision for pension liabilities	22	26
Share of results of joint venture and associates	(1,092)	(31)
<b>Operating cash flows before changes in working capital</b>	<b>63,226</b>	<b>40,561</b>
<b>Changes in working capital:</b>		
Inventories	1,704	21,263
Contract assets and liabilities	(18,840)	(9,893)
Trade and other receivables	(6,215)	(3,761)
Prepayments	(6,629)	(545)
Trade and other payables	(2,424)	15,462
Finance lease receivables	554	2,977
Other liabilities	(65)	1
Balances with related parties (trade)	1,564	4,210
<b>Cash flows generated from operations</b>	<b>32,875</b>	<b>70,275</b>
Interest received from finance lease receivables	13	266
Income tax paid	(2,093)	(312)
<b>Net cash flows generated from operating activities</b>	<b>30,795</b>	<b>70,229</b>
<b>Cash flows from investing activities</b>		
Interest received	48	27
Purchase of property, plant and equipment	(18,637)	(9,935)
Proceeds from disposal of property, plant and equipment	35,155	2,658
Movement in balances with related parties (non-trade)	(355)	192
<b>Net cash flows generated from/ (used in) investing activities</b>	<b>16,211</b>	<b>(7,058)</b>



## E. Consolidated Statement of Cash Flows (Cont'd)

	<b>Group</b>	
	<b>9 months ended 31 March</b>	
	<b>9M FY2024</b>	<b>9M FY2023</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Cash flows from financing activities</b>		
Interest paid	(10,004)	(11,093)
Repayment of interest-bearing loans and borrowings	(48,842)	(57,218)
Principal repayment of lease liabilities	(1,096)	(1,538)
Repayment of trust receipts	(32,468)	(24,673)
Proceeds from trust receipts	39,167	26,277
Proceeds from issuance of ordinary shares upon conversion of warrants	6	-
Cash and bank balances (restricted use)*	3,545	6,466
<b>Net cash flows used in financing activities</b>	<b>(49,692)</b>	<b>(61,779)</b>
Net (decrease)/ increase in cash and cash equivalents	(2,686)	1,392
Cash and cash equivalents at beginning of period	12,893	7,438
Effects of exchange rate changes on cash and cash equivalents	(144)	(337)
<b>Cash and cash equivalents at end of period (Note 1)</b>	<b>10,063</b>	<b>8,493</b>
<b>Note 1:</b>		
<b>Cash and cash equivalents comprise the followings:</b>		
Bank balances and cash	18,355	16,660
Less: Restricted cash *		
- Cash at banks	(8,292)	(8,167)
<b>Cash and cash equivalents at end of period</b>	<b>10,063</b>	<b>8,493</b>

\* The Group's restricted cash has been set aside for specific use with respect to certain shipbuilding financing and banking facilities granted to the Group.

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

### **1. Corporate information**

ASL Marine Holdings Ltd. (the “**Company**”), incorporated in the Republic of Singapore on 4 October 2000, is a public limited company listed on the Mainboard of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”).

These condensed consolidated interim financial statements as at and for the nine months ended 31 March 2024 comprise the Company and its subsidiaries (collectively, the “**Group**”).

The principal activity of the Company is investment holding. The principal activities of the subsidiaries are those relating to shipbuilding, shiprepair and conversion, shipchartering, dredge engineering and other marine related services.

The condensed consolidated interim financial statements have not been audited nor reviewed by the Company’s auditors.

### **2. Basis of preparation**

#### **2.1 Statement of compliance**

The condensed consolidated interim financial statements for the nine months ended 31 March 2024 have been prepared in accordance with Singapore Financial Reporting Standards (International) (“**SFRS(I)**”) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore, and should be read in conjunction with the Group’s last annual consolidated financial statements as at and for the year ended 30 June 2023. The condensed consolidated interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last annual financial statements for the year ended 30 June 2023.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.5.

#### **2.2 Basis of measurement**

The condensed consolidated interim financial statements have been prepared on the historical cost basis except as otherwise disclosed.

The condensed consolidated interim financial statements are presented in Singapore dollars (“SGD” or “\$”), which is the Company’s functional currency, and all values in the tables are rounded to the nearest thousand (\$’000) except when otherwise indicated.

#### **2.3 Going concern basis of preparation of financial statements**

The Group achieved a profit after tax of \$5,410,000 (9M FY2023: loss after tax of \$6,787,000) for the financial period ended 31 March 2024 (“**9M FY2024**”). As at 31 March 2024, the Group’s current liabilities exceeded its current assets by \$176,525,000 (30 June 2023: \$99,716,000). As at 31 March 2024, the Group’s and Company’s total borrowings amounted to \$232,667,000 and \$151,864,000 (30 June 2023: \$261,010,000 and \$165,693,000) of which \$133,264,000 and \$93,454,000 (30 June 2023: \$43,962,000 and \$10,631,000) were classified as current liabilities respectively.

## 2.3 Going concern basis of preparation of financial statements (Cont'd)

The Group's businesses are capital intensive. As at 31 March 2024, the aggregate value of property, plant and equipment and right-of-use assets amounted to \$369,257,000 (30 June 2023: \$408,985,000), which represented 68% (30 June 2023: 73%) of its total assets. The majority of these assets were financed through bank loans, bonds and lease liabilities of \$225,006,000 (30 June 2023: \$260,148,000), which represented 48% (30 June 2023: 53%) of its total liabilities as of 31 March 2024. The Group has been generating positive operating cash flows in fulfilling its debt repayment obligations, with majority of its debts maturing in 2025 and beyond.

The management and directors of the Company, having assessed the available sources of liquidity and funding, believe that the Group and the Company can continue as a going concern for the foreseeable future. In analysing the validity of the going concern basis applied in the preparation of the condensed consolidated interim financial statements of the Group and the Company, the following factors were considered:

- (i) The Group is able to generate sufficient operating cash flows from operations to meet its working capital needs. This is supported by positive Earnings before Interest, Tax, Depreciation, Amortisation and after adjusting for impairments and any other non-cash flow items of \$ 65,144,000 for 9M FY2024 (9M FY2023: \$41,190,000). The consolidated net cash flows generated from operating activities have been consistently positive, and the Group has been meeting all its short-term obligations. The availability of the working capital banking facilities secured since August 2019 from its principal lenders provide the Group with short term trade financing when needed;
- (ii) Management has exerted increased efforts in
  - Elevating sales and acquiring new customers;
  - Broadening the sources of supply to enhance competitive procurement;
  - Improving productivity; and
  - Disposing vessels to decrease debt and interest expenses, thereby enhancing the cash flow position.
- (iii) Continuing support from principal lenders including trade line and project financing which provides a strong base in sustaining the businesses of the Group. The principal lenders had also granted the Group waivers from complying with certain financial covenants, a further request for the waiver may be sought, as appropriate; and
- (iv) The controlling shareholders of the Company remain supportive to the Company and the Group with their injection of funds during the Company's last two fund raising exercises in December 2016 and July 2019. The controlling shareholders remain committed to funding the Group, amongst others, provided an unsecured and interest-free loan of \$6,620,000 in October 2017 which remained unpaid as at reporting date.
- (v) With respect to our Series 6 and Series 7 Notes which are due on 28 March 2025 and 1 October 2026 of \$86,500,000 and \$42,500,000 respectively (the "Notes"), we are seeking to raise new funds to refinance the Notes.

## 2.4 Uses of estimates and judgements

The preparation of the condensed consolidated interim financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities. These are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

The critical judgement and key sources of estimation uncertainty made by the management remains unchanged from audited consolidated financial statements for the financial year ended 30 June 2023.

## 2.5 New and amended standards

During the current financial period, the Group and the Company have adopted new or amended Singapore Financial Reporting Standards (International) (“SFRS(I)”) which took effective for annual periods beginning on or after 1 July 2023.

The adoption of the new accounting standards does not have any significant impact on the financial statements of the Group and of the Company for the period ended 31 March 2024. Accordingly, it has no material impact on the earnings per share of the Group and the Company.

## 3. Property, plant and equipment

	Group	
	31-Mar-24	31-Mar-23
	\$'000	\$'000
<b>Balance as at 1 July</b>	<b>394,252</b>	<b>375,228</b>
Additions	31,053	11,799
Disposals/ Write-off	(34,111)	(5,031)
Depreciation charge	(35,485)	(35,825)
Transfer from inventories	-	62,093
Transfer from finance lease	-	5,101
Translation differences	(650)	(7,770)
<b>Balance as at 31 March</b>	<b>355,059</b>	<b>405,595</b>

The depreciation charge for the period as shown in profit or loss is arrived at as follows:

	Group			
	3 months ended 31 March		9 months ended 31 March	
	3Q FY2024	3Q FY2023	9M FY2024	9M FY2023
	\$'000	\$'000	\$'000	\$'000
Depreciation charge for the period	11,616	12,330	35,485	35,825
Depreciation included in construction work-in-progress carried forward	(340)	(346)	(2,085)	(3,955)
Depreciation capitalised in prior year construction work-in-progress now charged to consolidated income statement	-	-	3,935	4,252
<b>Depreciation charge as disclosed in Note 15</b>	<b>11,276</b>	<b>11,984</b>	<b>37,335</b>	<b>36,122</b>

#### 4. Intangible assets

Intangible assets comprise customer relationships, brand, goodwill, patented technology and order backlog which were acquired in a business combination. The intangible assets were fully amortised and impaired in the previous financial years.

#### 5. Inventories

	<b>Group</b>	
	<b>31-Mar-24</b>	<b>30-Jun-23</b>
	<b>\$'000</b>	<b>\$'000</b>
At cost or net realisable value:		
Raw materials and consumables	17,430	15,963
Finished goods	9,991	13,187
	<b>27,421</b>	<b>29,150</b>

#### 6. Contracts assets and contract liabilities

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

	<b>Group</b>	
	<b>31-Mar-24</b>	<b>30-Jun-23</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Contract assets</b>		
<b>Current</b>		
Accrued revenue	17,970	7,333
Construction work-in-progress	27,553	22,010
	<b>45,523</b>	<b>29,343</b>
<b>Contract liabilities</b>		
<b>Current</b>		
Deferred income and deposits received from customers	(13,073)	(18,729)
Progress billings in excess of construction work-in-progress	(11,408)	(4,940)
	(24,481)	(23,669)
<b>Non-current</b>		
Deferred income	-	(2,345)
	<b>(24,481)</b>	<b>(26,014)</b>

#### Construction work-in-progress/Progress billings in excess of construction work-in-progress

	<b>Group</b>	
	<b>31-Mar-24</b>	<b>30-Jun-23</b>
	<b>\$'000</b>	<b>\$'000</b>
At gross:		
Construction work-in-progress and attributable profits (less recognised losses) to date	88,618	90,127
Less: Progress billings	(72,473)	(73,057)
	<b>16,145</b>	<b>17,070</b>
Presented on a contract basis, net:		
Construction work-in-progress	27,553	22,010
Progress billings in excess of construction work-in-progress	(11,408)	(4,940)
	<b>16,145</b>	<b>17,070</b>

## 7. Trade and other receivables

	Group		Company	
	31-Mar-24 \$'000	30-Jun-23 \$'000	31-Mar-24 \$'000	30-Jun-23 \$'000
<b>Non-current</b>				
Other receivables:				
Amount due from a subsidiary	-	-	5,167	5,167
<b>Current</b>				
Trade receivables	64,306	57,658	-	-
Less: Allowance for impairment	(15,908)	(18,629)	-	-
	48,398	39,029	-	-
Other receivables and deposits	13,087	12,599	21	20
Amounts due from subsidiaries	-	-	267,325	299,284
Amounts due from joint ventures and associates	59,478	62,086	2,602	2,614
Amounts due from related parties	433	434	-	-
	72,998	75,119	269,948	301,918
Less: Allowance for impairment				
Other receivables	(1,444)	(1,437)	-	-
Amounts due from subsidiaries	-	-	(68,833)	(68,926)
Amounts due from joint ventures and associates	(50,768)	(53,064)	(1,475)	(1,486)
Amounts due from related parties	(44)	(44)	-	-
	(52,256)	(54,545)	(70,308)	(70,412)
	<b>20,742</b>	<b>20,574</b>	<b>199,640</b>	<b>231,506</b>
<b>Total trade and other receivables (current)</b>	<b>69,140</b>	<b>59,603</b>	<b>199,640</b>	<b>231,506</b>
<b>Total trade and other receivables (current and non-current)</b>	<b>69,140</b>	<b>59,603</b>	<b>204,807</b>	<b>236,673</b>

## 8. Trade and other payables

	Group		Company	
	31-Mar-24 \$'000	30-Jun-23 \$'000	31-Mar-24 \$'000	30-Jun-23 \$'000
<b>Non-current</b>				
Other payables:				
Amounts due to an associate	-	1,453	-	-
<b>Current</b>				
Trade payables and accruals	152,226	146,156	2,733	3,858
Payables for property, plant and equipment	4,956	4,348	-	-
Other payables	1,895	2,626	-	-
Other liabilities:				
- Deferred income	756	845	-	-
- Deposits received from customers	2,958	2,019	-	-
Amounts due to subsidiaries	-	-	64,415	72,707
Amounts due to joint ventures and associates	263	277	-	-
Amounts due to related parties	4,255	4,186	-	-
Amounts due to non-controlling interests of subsidiaries	206	207	-	-
Amounts due to a shareholder	6,620	6,620	-	-
Provision for warranty	14	7	-	-
	<b>174,149</b>	<b>167,291</b>	<b>67,148</b>	<b>76,565</b>
<b>Total trade and other payables (current and non-current)</b>	<b>174,149</b>	<b>168,744</b>	<b>67,148</b>	<b>76,565</b>

## 8. Trade and other payables (Cont'd)

The balances with joint ventures and associates and related parties and non-controlling interests of subsidiaries are unsecured, interest-free and repayable on demand.

Related parties are Koon Holdings Limited (“**KHL**”) and its subsidiaries (collectively known as “**Koon Group**”) and Sintech Metal Industries Pte Ltd (“**Sintech**”). KHL was placed under Creditors’ Voluntary Liquidation on 12 May 2022. Mr. Ang Sin Liu wholly owns Sintech, which is an exempt private company limited by share.

Mr. Ang Sin Liu is the father of Mr. Ang Kok Tian, Mr. Ang Ah Nui and Mr. Ang Kok Leong, all of whom are Directors and substantial shareholders of the Company.

## 9. Loans and Borrowings

	Group		Company	
	31-Mar-24 \$'000	30-Jun-23 \$'000	31-Mar-24 \$'000	30-Jun-23 \$'000
<b>Current</b>				
Trust receipts	19,143	12,399	-	-
Interest-bearing loans and borrowings:				
- Finance lease liabilities (secured)	1,737	1,012	-	-
- Floating rate (secured)	110,561	28,773	93,454	10,631
- Fixed rate (unsecured)	1,823	1,778	-	-
	<u>114,121</u>	<u>31,563</u>	<u>93,454</u>	<u>10,631</u>
	<b>133,264</b>	<b>43,962</b>	<b>93,454</b>	<b>10,631</b>
<b>Non-current</b>				
Interest-bearing loans and borrowings:				
- Finance lease liabilities (secured)	2,490	1,270	-	-
- Floating rate (secured)	96,448	213,939	58,410	155,062
- Fixed rate (unsecured)	465	1,839	-	-
	<u>99,403</u>	<u>217,048</u>	<u>58,410</u>	<u>155,062</u>
	<b>232,667</b>	<b>261,010</b>	<b>151,864</b>	<b>165,693</b>

Loans and borrowings of the Group and the Company are secured by certain assets of the Group as follows:

- Legal mortgages of certain leasehold properties of subsidiaries;
- Legal mortgages over certain vessels, plant and equipment of subsidiaries;
- Assignment of charter income and insurance of certain vessels of subsidiaries;
- Certain vessels under construction;
- Assignment and subordination of intercompany loans; and
- Corporate guarantees from the Company and certain subsidiaries.

The Group’s and the Company’s secured borrowings included the Series 006 and Series 007 notes issued pursuant to the S\$500,000,000 Multicurrency Debt Issuance Programme established by the Company (the “**Notes**”). The Series 006 and Series 007 notes with carrying value of \$83,735,000 (30 June 2023: \$77,298,000) and \$36,449,000 (30 June 2023: \$35,109,000) mature on 28 March 2025 and 1 October 2026 respectively. The Notes are secured by second priority mortgages of vessels pledged as securities for the \$99,900,000 5-year club term loan facility.

The total carrying value of the collateralized assets as of 31 March 2024 was \$304,990,000 (30 June 2023: \$378,149,000).

## 10. Share capital and treasury shares

	Group and Company					
	Number of shares			Amount		
	Total issued share capital	Treasury shares	Total issued share capital (Excluding treasury)	Issued share capital \$'000	Treasury shares \$'000	Total \$'000
<b>Fully paid ordinary shares, with no par value</b>						
<b>9M FY2024</b>						
Balance as at 1 July	656,942,041	(2,511,600)	654,430,441	109,606	(923)	108,683
Conversion of warrants	100,000	-	100,000	6	-	6
Balance as at 31 March	657,042,041	(2,511,600)	654,530,441	109,612	(923)	108,689
<b>FY2023</b>						
Balance as at 1 July	633,138,541	(2,511,600)	630,626,941	108,140	(923)	107,217
Conversion of warrants	23,803,500	-	23,803,500	1,466	-	1,466
Balance as at 30 June	656,942,041	(2,511,600)	654,430,441	109,606	(923)	108,683

	As at 31-Mar-24	As at 30-Jun-23	As at 31-Mar-23
Total number of issued shares	657,042,041	656,942,041	633,138,541
Total number of treasury shares	(2,511,600)	(2,511,600)	(2,511,600)
Total number of issued shares (excluding treasury shares)	654,530,441	654,430,441	630,626,941

The holders of ordinary shares (except for treasury shares) are entitled to receive dividends as and when declared by the Company. All ordinary shares (except for treasury shares) carry one vote per share without restriction.

### Treasury shares

Treasury shares relate to ordinary shares of the Company that are held by the Company, the Company's subsidiaries did not hold any treasury shares. During the financial periods ended 31 March 2024 and 31 March 2023, the Company did not buy back any shares and there were no sales, transfers, disposal, cancellation and/or use of treasury shares.

### Warrants

	Number of Warrants		
	As at 31-Mar-24	As at 30-Jun-23	As at 31-Mar-23
Balance at beginning	541,967,213	565,770,713	565,770,713
Warrants exercised	(100,000)	(23,803,500)	-
Balance at the end	541,867,213	541,967,213	565,770,713

### Other information

The percentage of the aggregate number of treasury shares held against the total number of shares outstanding that is listed as at 31 March 2024 and 31 March 2023 was 0.38% and 0.40% respectively.

Except for the warrants, there were no convertible securities as at 31 March 2024 and 31 March 2023. As at 31 March 2024, 25,263,500 warrants were exercised since the date of issuance of warrants on 25 July 2019 and the number of shares that may be issued on exercise of warrants were 541,867,213 (31 March 2023: 565,770,713).



## 10. Share capital and treasury shares (Cont'd)

There were no outstanding share options granted under the ASL Employee Share Option Scheme 2012 as at 31 March 2024 and 31 March 2023 which had expired on 25 October 2022.

The Company has no subsidiary holdings as at 31 March 2024 and 31 March 2023.

## 11 Segment and revenue information

### 11.1 (i) Business segments

The Group's operating segments are its strategic business units that offer different products and serves different markets. Management monitors the operating results of its business segments separately for purpose of making decisions about resource allocation and performance assessment. The Group has the following four main business segments:

Shipbuilding	: Construction of vessels
Shiprepair, conversion and engineering services	: Provision of shiprepair, dredging engineering products and related services
Shipchartering	: Provision for chartering of vessels and transportation services
Investment holding	: Provision of corporate and treasury services to the Group

## 11.1 (i) Business segments (Cont'd)

The following tables set out the Group's revenue and assets in various business segments:

<b>Group</b>						
<b>3 months ended 31 March</b>						
	<b>Shipbuilding</b>	<b>Shiprepair, conversion and engineering services</b>	<b>Shipchartering</b>	<b>Investment holding</b>	<b>Eliminations</b>	<b>Consolidated</b>
<b>Revenue and expenses</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>From 1 January 2024 to 31 March 2024</b>						
Revenue from external customers	15,647	44,795	30,984	-	-	91,426
Inter-segment revenue	5,643	12,760	3,486	-	(21,889)	-
<b>Total revenue</b>	<b>21,290</b>	<b>57,555</b>	<b>34,470</b>	<b>-</b>	<b>(21,889)</b>	<b>91,426</b>
Segment results	(916)	8,085	5,991	(403)	-	12,757
Interest income from finance lease receivables	-	-	1	-	-	1
Finance costs						(6,324)
Share of results of joint ventures and associates						(534)
Income tax expense						(2,146)
<b>Profit for the period</b>						<b>3,754</b>
<b>From 1 January 2023 to 31 March 2023</b>						
Revenue from external customers	47,330	35,666	19,231	-	-	102,227
Inter-segment revenue	(28,262)	13,867	3,313	-	11,062	-
<b>Total revenue</b>	<b>19,068</b>	<b>49,533</b>	<b>22,544</b>	<b>-</b>	<b>11,062</b>	<b>102,227</b>
Segment results	21,636	7,104	(6,182)	(207)	-	22,351
Interest income from finance lease receivables	-	-	18	-	-	18
Finance costs						(6,952)
Share of results of joint ventures and associates						(541)
Income tax expense						(833)
<b>Profit for the period</b>						<b>14,043</b>
<b>9 months ended 31 March</b>						
<b>From 1 July 2023 to 31 March 2024</b>						
Revenue from external customers	49,565	132,634	87,943	-	-	270,142
Inter-segment revenue	17,164	37,944	11,097	-	(66,205)	-
<b>Total revenue</b>	<b>66,729</b>	<b>170,578</b>	<b>99,040</b>	<b>-</b>	<b>(66,205)</b>	<b>270,142</b>
Segment results	(1,490)	30,324	2,340	(917)	-	30,257
Interest income from finance lease receivables	-	-	13	-	-	13
Finance costs						(20,200)
Share of results of joint ventures and associates						1,093
Income tax expense						(5,753)
<b>Profit for the period</b>						<b>5,410</b>
<b>From 1 July 2022 to 31 March 2023</b>						
Revenue from external customers	55,229	117,687	65,995	-	-	238,911
Inter-segment revenue	(28,744)	47,350	10,809	-	(29,415)	-
<b>Total revenue</b>	<b>26,485</b>	<b>165,037</b>	<b>76,804</b>	<b>-</b>	<b>(29,415)</b>	<b>238,911</b>
Segment results	20,381	20,661	(24,987)	(626)	-	15,429
Interest income from finance lease receivables	-	-	421	-	-	421
Finance costs						(20,894)
Share of results of joint ventures and associates						31
Income tax expense						(1,774)
<b>Loss for the period</b>						<b>(6,787)</b>

## 11.1 (i) Business segments (Cont'd)

	Group					Consolidated \$'000
	Shipbuilding \$'000	Shiprepair, conversion and engineering services \$'000	Shipchartering \$'000	Investment holding \$'000	Eliminations \$'000	
<b>Assets and liabilities</b>						
<b>As at 31 March 2024</b>						
Segment assets	52,303	155,792	325,816	5,544	-	539,455
Unallocated assets						5,329
<b>Total assets</b>						<b>544,784</b>
Segment liabilities	50,081	98,367	61,737	2,184	-	212,369
Unallocated liabilities						253,437
<b>Total liabilities</b>						<b>465,806</b>
<b>As at 31 March 2023</b>						
Segment assets	20,068	154,498	359,224	4,174	-	537,964
Unallocated assets						1,920
<b>Total assets</b>						<b>539,884</b>
Segment liabilities	23,057	110,838	62,385	2,492	-	198,772
Unallocated liabilities						279,290
<b>Total liabilities</b>						<b>478,062</b>

	Group					Consolidated \$'000
	Shipbuilding \$'000	Shiprepair, conversion and engineering services \$'000	Shipchartering \$'000	Investment holding \$'000	Eliminations \$'000	
<b>3 months ended 31 March</b>						
<b>Other segmental information</b>						
<b>From 1 January 2024 to 31 March 2024</b>						
Capital expenditure		1,556	4,128	6,533	-	12,217
Depreciation and amortisation		1,277	2,111	8,449	-	11,837
Other non-cash expense		-	9	-	-	9
Reversal of impairment loss on financial assets, net		-	(277)	(1,161)	-	(1,438)
Finance cost		533	1,709	1,117	2,965	6,324
Interest income		(3)	(11)	(5)	-	(19)
<b>From 1 January 2023 to 31 March 2023</b>						
Capital expenditure		245	510	1,395	-	2,150
Depreciation and amortisation		1,074	1,982	9,407	-	12,463
Other non-cash expense		-	9	126	-	135
Reversal of impairment loss on financial assets, net		-	(328)	(1,790)	-	(2,118)
Reversal of impairment loss on non-financial assets, net		-	-	(13,449)	-	(13,449)
Finance cost		742	2,086	1,425	2,699	6,952
Interest income		(2)	(3)	(27)	-	(32)
<b>9 months ended 31 March</b>						
<b>From 1 July 2023 to 31 March 2024</b>						
Capital expenditure		3,408	10,090	17,554	-	31,052
Depreciation and amortisation		3,724	8,797	25,930	-	38,451
Other non-cash expense		-	54	-	-	54
Reversal of impairment loss on financial assets, net		-	(2,860)	(680)	-	(3,540)
Finance cost		2,298	5,289	3,836	8,777	20,200
Interest income		(7)	(31)	(21)	(2)	(61)
<b>From 1 July 2022 to 31 March 2023</b>						
Capital expenditure		431	2,999	8,369	-	11,799
Depreciation and amortisation		3,006	8,078	26,532	-	37,616
Other non-cash expense		-	32	1,883	-	1,915
(Reversal of)/ Impairment loss on financial assets, net		-	68	(332)	-	(264)
Reversal of impairment loss on non-financial assets, net		-	-	(13,449)	-	(13,449)
Finance cost		1,175	7,331	4,442	7,946	20,894
Interest income		(2)	(13)	(433)	-	(448)

## 11.1 (ii) Geographical segments

The Group operates in Singapore, Indonesia, Rest of Asia, Europe, Australia and other countries. In presenting information on the basis of geographical segments, segment revenue is based on the countries in which customers are invoiced.

Non-current assets relate to property, plant and equipment, right-of-use assets, investment in joint ventures and associates, intangible assets and finance lease receivables. Non-current assets are based on the geographical location of the respective entities within the Group.

<b>Group</b>							
<b>3 months ended 31 March</b>							
<b>From 1 January 2024 to 31 March 2024</b>	<b>Singapore \$'000</b>	<b>Indonesia \$'000</b>	<b>Rest of Asia \$'000</b>	<b>Europe \$'000</b>	<b>Australia \$'000</b>	<b>Other Countries \$'000</b>	<b>Consolidated \$'000</b>
Revenue from external customers	39,185	18,084	9,611	5,625	8,528	10,393	91,426
Non-current assets	227,264	120,480	25,889	953	-	-	374,586
<b>From 1 January 2023 to 31 March 2023</b>							
Revenue from external customers	56,794	8,105	26,590	2,653	3,267	4,818	102,227
Non-current assets	258,014	116,122	39,961	917	-	-	415,014
<b>9 months ended 31 March</b>							
<b>From 1 July 2023 to 31 March 2024</b>							
Revenue from external customers	106,939	51,429	47,249	13,620	24,647	26,258	270,142
Non-current assets	227,264	120,480	25,889	953	-	-	374,586
<b>From 1 July 2022 to 31 March 2023</b>							
Revenue from external customers	103,690	27,271	67,697	17,072	7,898	15,283	238,911
Non-current assets	258,014	116,122	39,961	917	-	-	415,014

Management believes it would not be meaningful to analyse the segment assets by geographical segment because

- a. For charter services, certain vessels cannot be practically allocated to the different geographical areas. Charterers of the Group's vessels have the discretion to operate within a wide area and are not constrained by a specific sea route; and
- b. For shipyard operations, majority of the large scale repair works are performed in the Group's Batam shipyard, and where geographical location of customers is outside Indonesia, the segment revenue is presented based on the geographical location of customers.

## 11.2 Disaggregation of revenue

Group	3 months ended 31 March						9 months ended 31 March					
	3Q FY2024			3Q FY2023			9M FY2024			9M FY2023		
	At a point in time	Over time	Total	At a point in time	Over time	Total	At a point in time	Over time	Total	At a point in time	Over time	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Shipbuilding segment</b>												
Construction of tugs	-	7,304	7,304	33,518	3,755	37,273	-	19,468	19,468	33,518	5,003	38,521
Construction of barges and others	18,009	(9,666)	8,343	9,631	426	10,057	40,062	(9,965)	30,097	9,912	6,796	16,708
	18,009	(2,362)	15,647	43,149	4,181	47,330	40,062	9,503	49,565	43,430	11,799	55,229
<b>Shiprepair, conversion and engineering services segment</b>												
Provision of shiprepair and related services	-	39,065	39,065	-	32,628	32,628	-	116,456	116,456	-	109,617	109,617
Provision of engineering service and sales of components	1,846	3,884	5,730	1,109	1,929	3,038	5,564	10,614	16,178	4,512	3,558	8,070
	1,846	42,949	44,795	1,109	34,557	35,666	5,564	127,070	132,634	4,512	113,175	117,687
<b>Shipchartering segment</b>												
Leasing income	-	13,578	13,578	-	8,927	8,927	-	39,858	39,858	-	24,362	24,362
Mobilisation and demobilisation income	-	2,604	2,604	-	588	588	-	4,462	4,462	-	1,626	1,626
Freight income	-	7,504	7,504	-	3,592	3,592	-	21,511	21,511	-	15,728	15,728
Other charter ancillary and marine related service income	1,952	4,873	6,825	1,810	4,274	6,084	5,475	15,813	21,288	5,342	18,311	23,653
Ship management income	-	12	12	-	(12)	(12)	-	36	36	-	225	225
Trade sales	461	-	461	87	(35)	52	788	-	788	346	55	401
	2,413	28,571	30,984	1,897	17,334	19,231	6,263	81,680	87,943	5,688	60,307	65,995
	<b>22,268</b>	<b>69,158</b>	<b>91,426</b>	<b>46,155</b>	<b>56,072</b>	<b>102,227</b>	<b>51,889</b>	<b>218,253</b>	<b>270,142</b>	<b>53,630</b>	<b>185,281</b>	<b>238,911</b>

## 11.2 Disaggregation of revenue (Cont'd)

The following table set out the Group's revenue disaggregated by primary geographical markets and main business segments:

Group								
3 months ended 31 December								
	Shipbuilding		Shiprepair, conversion and engineering services		Shipchartering and rental		Total	
	2Q FY2024	2Q FY2023	2Q FY2024	2Q FY2023	2Q FY2024	2Q FY2023	2Q FY2024	2Q FY2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Singapore	(3,123)	-	11,841	12,490	17,682	9,965	26,400	22,455
Indonesia	8,102	1,017	10,523	10,386	4,468	1,885	23,093	13,288
Rest of Asia	8,210	722	12,333	15,160	2,278	7,365	22,821	23,247
Europe	-	-	5,647	5,159	781	877	6,428	6,036
Australia	3,194	-	(1,764)	753	2,168	1,159	3,598	1,912
Other countries	-	12	5,543	1,810	2,739	665	8,282	2,487
	<b>16,383</b>	<b>1,751</b>	<b>44,123</b>	<b>45,758</b>	<b>30,116</b>	<b>21,916</b>	<b>90,622</b>	<b>69,425</b>

  

9 months ended 31 March								
	1H FY2024	1H FY2023	1H FY2024	1H FY2023	1H FY2024	1H FY2023	1H FY2024	1H FY2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Singapore	7,022	-	29,430	27,589	31,302	19,307	67,754	46,896
Indonesia	8,102	1,522	17,744	13,058	7,499	4,586	33,345	19,166
Rest of Asia	14,188	1,248	16,795	24,467	6,655	15,392	37,638	41,107
Europe	-	-	7,146	12,933	849	1,486	7,995	14,419
Australia	4,606	-	7,045	874	4,468	3,757	16,119	4,631
Other countries	-	5,129	9,679	3,100	6,186	2,236	15,865	10,465
	<b>33,918</b>	<b>7,899</b>	<b>87,839</b>	<b>82,021</b>	<b>56,959</b>	<b>46,764</b>	<b>178,716</b>	<b>136,684</b>

## 11.3 Seasonality of operations

The Group's shipyard and shipchartering businesses are not affected significantly by seasonable factors quarter-to-quarter in a financial year.

## 12. Other operating income

	Group			
	3 months ended 31 March		9 months ended 31 March	
	3Q FY2024	3Q FY2023	9M FY2024	9M FY2023
	\$'000	\$'000	\$'000	\$'000
Gain/(Loss) on disposal of property, plant and equipment	2,295	(70)	1,948	492
Gain on foreign exchange	3,161	-	965	-
Gain on remeasurement of lease liabilities	-	40	-	40
Interest income from debt instruments at amortised costs:				
- Deposits and bank balances	18	14	48	27
- Finance lease receivables	1	18	13	421
Insurance claims/ (in excess)	-	1	(196)	3,147
Rental income	75	70	211	319
Reversal of impairment loss on non-financial assets, net:				
- Inventories	-	13,449	-	13,449
Miscellaneous income	82	906	1,424	1,189
	<b>5,632</b>	<b>14,428</b>	<b>4,413</b>	<b>19,084</b>

## 13. Other operating expenses

	Group			
	3 months ended 31 March		9 months ended 31 March	
	3Q FY2024	3Q FY2023	9M FY2024	9M FY2023
	\$'000	\$'000	\$'000	\$'000
Inventories written off	-	-	24	-
Loss on foreign exchange, net	-	2,392	-	3,162
Property, plant and equipment written off	-	127	-	1,885
	<b>-</b>	<b>2,519</b>	<b>24</b>	<b>5,047</b>

## 14. Finance costs

	Group			
	3 months ended 31 March		9 months ended 31 March	
	3Q FY2024	3Q FY2023	9M FY2024	9M FY2023
	\$'000	\$'000	\$'000	\$'000
<b>Interest expense on:</b>				
Bank loans and bonds	2,410	3,520	8,433	10,568
Finance lease	151	18	341	27
Lease liabilities	336	106	979	347
Trust receipts	252	128	725	319
Amortisation of bank loans and bonds	3,427	3,309	10,447	9,953
	<b>6,576</b>	<b>7,081</b>	<b>20,925</b>	<b>21,214</b>
<b>Less:</b>				
<b>Interest expense capitalised in contract assets:</b>				
Trust receipts	(3)	(5)	(59)	(8)
<b>Interest expense charged to cost of sales:</b>				
Trust receipts	(249)	(124)	(666)	(312)
	<b>6,324</b>	<b>6,952</b>	<b>20,200</b>	<b>20,894</b>

## 15. Profit/ (Loss) before tax

	Group			
	3 months ended 31 March		9 months ended 31 March	
	3Q FY2024	3Q FY2023	9M FY2024	9M FY2023
	\$'000	\$'000	\$'000	\$'000
<b>Profit/ (Loss) before tax is stated after charging/ (crediting):</b>				
Audit fees paid/ payable:				
- Auditor of the Company	109	88	281	263
- Overseas affiliates of the auditors of the Company	4	21	46	64
- Other auditors	2	14	30	42
- Non-audit fees paid/ payable to auditor of the Company	-	4	9	11
Depreciation of property, plant and equipment	11,276	11,984	37,335	36,122
Depreciation of right-of-use assets	561	479	1,116	1,494
Employee benefits expense	12,918	10,989	34,888	29,674
Loss on ineffective portion of cash flow hedges on forward currency contracts	-	-	-	1
<b>Impairment loss/ (Reversal of impairment loss) on financial assets, net</b>				
- Amount due from joint ventures and associates	(326)	(827)	(937)	(827)
- Contract assets	(78)	46	(26)	(51)
- Amount due from other receivables	-	-	29	-
- Amount due from trade receivables (third parties)	(1,034)	(1,337)	(2,606)	614
<b>Reversal of impairment loss on non-financial assets, net (recorded under other operating income):</b>				
- Inventories	-	(13,449)	-	(13,449)

## 16. Income tax expense

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense are:

	Group			
	3 months ended 31 March		9 months ended 31 March	
	3Q FY2024	3Q FY2023	9M FY2024	9M FY2023
	\$'000	\$'000	\$'000	\$'000
<b>Current income tax:</b>				
Current year income tax	(1,634)	(757)	(4,405)	(2,134)
(Under)/ overprovision in prior years	(511)	(81)	(1,159)	548
	<b>(2,145)</b>	<b>(838)</b>	<b>(5,564)</b>	<b>(1,586)</b>
<b>Deferred tax:</b>				
(Under)/ overprovision in prior years	(1)	5	(189)	(188)
	<b>(1)</b>	<b>5</b>	<b>(189)</b>	<b>(188)</b>
Income tax expense	<b>(2,146)</b>	<b>(833)</b>	<b>(5,753)</b>	<b>(1,774)</b>

## 17. Earnings per share

Basic earnings per share are calculated by dividing profit or loss, net of tax, attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial period.



## 17. Earnings per share (Cont'd)

Diluted earnings per share are calculated by dividing profit or loss, net of tax, attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial period plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares. The following table reflects the income or loss and share data used in the computation of basic and diluted earnings per share during the financial periods reported on:

	<b>Group</b>			
	<b>3 months ended 31 March 3Q FY2024</b>		<b>9 months ended 31 March 9M FY2024</b>	
<b>Earnings per ordinary share:</b>				
(i) On weighted average no. of ordinary shares in issue	0.61 cents	2.22 cents	0.84 cents	(1.11) cents
(ii) On a fully diluted basis	0.59 cents	2.22 cents	0.84 cents	(1.11) cents
<b>Net profit/ (loss) attributable to shareholders</b>	<b>\$3,998,000</b>	<b>\$13,974,000</b>	<b>\$5,489,000</b>	<b>(\$7,026,000)</b>
<b>Number of shares in issue:</b>				
(i) Weighted average no. of shares in issue	654,458,077	630,626,941	654,458,077	630,626,941
(ii) On a fully diluted basis	654,513,957	630,626,941	654,458,077	630,626,941

Treasury shares have not been included in the calculation of both basic and diluted earnings per share because the holders of these treasury shares are not entitled to dividend of the Company.

The outstanding warrants as disclosed in Note 10 have been included in the calculation of diluted earnings per share in 3Q FY2024. No adjustment has been made in 9M FY2024 because these were anti-dilutive.

## 18. Net asset value per share

	<b>Group</b>		<b>Company</b>	
	<b>31-Mar-24</b>	<b>30-Jun-23</b>	<b>31-Mar-24</b>	<b>30-Jun-23</b>
Net Asset Value (" <b>NAV</b> ") per ordinary share	12.18 cents	11.24 cents	3.51 cents	4.99 cents
NAV computed based on no. of ordinary shares issued	654,530,441	654,430,441	654,530,441	654,430,441

The calculation of net asset value per share as at 31 March 2024 and 30 June 2023 was computed based on the number of shares as at the end of the reporting periods.

## 19. Related party transactions

In addition to the related party information disclosed elsewhere in the condensed consolidated interim financial statements, the following significant transactions were entered by the Group and its related parties on terms agreed between the parties during the financial periods:

### (i) Sale and purchase of goods and services

	Group			
	3 months ended 31 March		9 months ended 31 March	
	3Q FY2024	3Q FY2023	9M FY2024	9M FY2023
	\$'000	\$'000	\$'000	\$'000
<b>Joint ventures and associates</b>				
Charter and trade expenses	(803)	(764)	(1,609)	(2,474)
Shiprepair income	145	-	450	-
<b>Related parties</b>				
Purchase of materials	-	(3)	-	(3)
Purchase of plant and machinery	(172)	-	(86)	-
Miscellaneous income	-	-	25	-
<b>Company</b>				
3 months ended 31 March		9 months ended 31 March		
3Q FY2024	3Q FY2023	9M FY2024	9M FY2023	
\$'000	\$'000	\$'000	\$'000	
<b>Subsidiaries</b>				
Interest income	1,265	1,655	4,332	4,868

### (ii) Settlement of liabilities on behalf by/(for) the Group

	Group			
	3 months ended 31 March		9 months ended 31 March	
	3Q FY2024	3Q FY2023	9M FY2024	9M FY2023
	\$'000	\$'000	\$'000	\$'000
Joint ventures and associates	35	358	480	607
Related parties	-	(370)	-	(370)

## 20. Fair value measurement

### (i) Financial assets and financial liabilities

The following table shows carrying amounts of financial assets and financial liabilities. It does not include fair value information for financial assets and financial liabilities measured at amortised cost if the carrying amount is a reasonable approximation of fair value.

## 20. Fair value measurement (Cont'd)

	Group		Company	
	31-Mar-24	30-Jun-23	31-Mar-24	30-Jun-23
	\$'000	\$'000	\$'000	\$'000
<b>Financial assets not measured at fair value</b>				
Trade and other receivables	70,312	59,603	204,807	236,673
Accrued revenue	17,970	7,333	-	-
Finance lease receivables	-	554	-	-
Cash and bank balances	10,063	24,730	3,945	5,110
<b>At amortised cost</b>	<b>98,345</b>	<b>92,220</b>	<b>208,752</b>	<b>241,783</b>
<b>Financial liabilities not measured at fair value</b>				
Trade and other payables*	170,421	165,873	67,148	76,565
Trust receipts	19,143	12,399	-	-
Interest bearing loans and borrowings	213,524	248,611	151,864	165,693
Lease liabilities	11,482	11,537	-	-
<b>At amortised cost</b>	<b>414,570</b>	<b>438,420</b>	<b>219,012</b>	<b>242,258</b>

### (ii) Measurement of fair values

#### (a) Fair value hierarchy

The Group and the Company classify fair value measurement using a fair value hierarchy that is dependent on the valuation inputs used as follows:

- Level 1: Quoted prices (unadjusted) in active markets of identical assets or liabilities that the Group can access at the measurement date,
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, and
- Level 3: Unobservable inputs for the asset or liability.

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

There have been no transfers between Level 1 and Level 2 and no transfers into or out of Level 3 during financial periods 31 March 2024 and 30 June 2023.

#### (b) Assets and liabilities measured at fair value

##### Level 3 fair value measurements

###### Property, plant and equipment

The recoverable amounts of certain plant and equipment were based on fair value less cost of disposal which was determined by an independent valuer. These considered replacement costs of similar plant and equipment currently owned by the Group adjusted for age, condition and technological obsolescence. In addition, the valuers also considered sales of similar plant and equipment that have been transacted in the open market.

## 20. Fair value measurement (Cont'd)

### Inventories

The recoverable amounts of certain inventories were based on fair value less cost of disposal which was determined by an independent valuer. The valuers considered sales of similar vessels that have been transacted in the open market.

- (c) *Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are a reasonable approximation of fair value*

The Group's financial assets and liabilities include cash and bank balances, trade and other receivables, contract assets, trade and other payables, contract liabilities, trust receipts, floating rate loans and current portion of fixed rate loans.

The carrying amounts of these financial assets and liabilities are reasonable approximation of fair values, because these are short-term in nature or that they are floating rate instruments that are repriced to market interest rates on or near to the end of the reporting period.

- (d) *Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are not a reasonable approximation of fair value*

The fair value of financial liabilities by classes that are not carried at fair value and whose carrying amounts are not reasonable approximation of fair value are as follows:

	Group			
	Carrying amount		Fair value	
	31-Mar-24	30-Jun-23	31-Mar-24	30-Jun-23
	\$'000	\$'000	\$'000	\$'000
<b>Financial liabilities</b>				
Finance lease liabilities (Non-current) (Note 9)	2,490	1,270	2,288	1,384
Fixed rate loans (Non-current) (Note 9)	465	1,839	894	1,806

These financial liabilities are categorised within Level 3 of the fair value hierarchy.

### Determination of fair value

The fair values of finance lease liabilities, interest-bearing loans and borrowings and lease liabilities with fixed interest rates are estimated by discounting expected future cash flows at market incremental lending rate for similar types of lending, borrowing or leasing arrangements at the end of the reporting period.

## (II) Other Information Required under Appendix 7.2 of the Listing Manual of SGX-ST

### A. Review of Group Performance

#### Consolidated Income Statement

##### Revenue by business segments

Group revenue of \$91.4 million for the 3 months ended 31 March 2024 ("3Q FY2024") was \$10.8 million (10.6%) lower as compared to the corresponding quarter in FY2023 ("3Q FY2023"), due to lower contribution from shipbuilding, partially offset by higher contribution from shiprepair and shipchartering. For the 9 months ended 31 March 2024 ("9M FY2024"), the Group revenue of \$270.1 million was \$31.2 million (13.1%) higher as compared to the corresponding period ended 31 March 2023 ("9M FY2023") due to higher contribution from shiprepair and shipchartering, partially offset by lower contribution from shipbuilding.

The breakdown of revenue generated from each segment is as follows:

	Group					
	3Q FY2024 \$'000	3Q FY2023 \$'000	Increase/ (Decrease) %	9M FY2024 \$'000	9M FY2023 \$'000	Increase/ (Decrease) %
Shipbuilding	15,647	47,330	(66.9)	49,565	55,229	(10.3)
Shiprepair, conversion and engineering services	44,795	35,666	25.6	132,634	117,687	12.7
Shipchartering	30,984	19,231	61.1	87,943	65,995	33.3
	<b>91,426</b>	<b>102,227</b>	<b>(10.6)</b>	<b>270,142</b>	<b>238,911</b>	<b>13.1</b>

##### Shipbuilding

Revenue and related costs of shipbuilding contracts with non-enforceability of right to payment for performance completed to-date are recognised only when the constructed vessels are delivered to customers ("**Completion method**"), instead of using the percentage of completion method ("**POC method**") in accordance with SFRS(I) 15 *Revenue from Contracts with Customers*. As a result, shipbuilding revenue and results can fluctuate depending on whether the revenue from shipbuilding contracts is recognised on Completion or POC methods.

The breakdown of shipbuilding revenue generated and the number of units recognised are as follows:

	Group									
	3Q FY2024		3Q FY2023		Increase/ (Decrease) %	9M FY2024		9M FY2023		Increase/ (Decrease) %
Units	\$'000	Units	\$'000	Units		\$'000	Units	\$'000		
Platform Supply Vessels (" <b>PSV</b> ")	-	-	1	33,519	Nm	-	-	1	33,519	Nm
Tugs	1	7,304	1	3,755	94.5	1	19,468	1	5,003	289.1
Barges and others	7	8,343	8	10,056	(17.0)	14	30,097	10	16,707	80.1
	<b>8</b>	<b>15,647</b>	<b>10</b>	<b>47,330</b>	<b>(66.9)</b>	<b>15</b>	<b>49,565</b>	<b>12</b>	<b>55,229</b>	<b>(10.3)</b>

Shipbuilding revenue decreased by \$31.7 million (66.9%) to \$15.6 million in 3Q FY2024 and \$5.7 million (10.3%) to \$49.6 million in 9M FY2024 as compared to corresponding periods mainly due to disposal of one PSV which was held as inventories for sale in last year, 3Q FY2023.

Excluding the disposal of the PSV, revenue would have increased by \$1.8 million (13.3%) and \$27.9 million (128.3%) in 3Q FY2024 and 9M FY2024 respectively. The increase was mainly due to higher percentage of completion recognised from the construction of tanker

during the current financial periods under review. In addition, there were more barges being constructed and completed in 9M FY2024 as compared to the corresponding period.

The Group secured and contracted additional 37 barges since second half of 2023. Consequently, the Group's outstanding shipbuilding order book from external customers as at 31 March 2024, increased to approximately \$81 million with progressive deliveries up to mid of 2025 (4Q FY2025).

### Shiprepair, conversion and engineering services

Shiprepair and conversion services are generally performed based on the customer's specifications and control is transferred progressively when the services are rendered. Recognition of shiprepair and conversion revenue is calculated based on project value multiplied by percentage of completion.

The shiprepair, conversion and engineering services revenue increased by \$9.1 million (25.6%) to \$44.8 million in 3Q FY2024 as compared to corresponding quarter mainly due to comparatively more higher value projects undertaken, higher production volume from precast projects as well as sale of more dredge components during the quarter under review.

### Shipchartering

The breakdown of revenue generated from the shipchartering segment are as follows:

	<b>Group</b>					
	<b>3Q</b>	<b>3Q</b>	<b>Increase/</b>	<b>9M</b>	<b>9M</b>	<b>Increase/</b>
	<b>FY2024</b>	<b>FY2023</b>	<b>(Decrease)</b>	<b>FY2024</b>	<b>FY2023</b>	<b>(Decrease)</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>%</b>	<b>\$'000</b>	<b>\$'000</b>	<b>%</b>
Offshore Support Vessels (" <b>OSV</b> ")	7,834	5,854	33.8	19,510	15,418	26.5
Tug Boats	7,778	5,956	30.6	24,587	24,245	1.4
Barges	11,074	3,877	185.6	31,974	13,037	145.3
<b>Total charter</b>	<b>26,686</b>	<b>15,687</b>	<b>70.1</b>	<b>76,071</b>	<b>52,700</b>	<b>44.3</b>
Trade sales and other services	4,298	3,544	21.3	11,872	13,295	(10.7)
	<b>30,984</b>	<b>19,231</b>	<b>61.1</b>	<b>87,943</b>	<b>65,995</b>	<b>33.3</b>

Charter revenue increased by \$11.0 million (70.1%) to \$26.7 million in 3Q FY2024 and \$23.4 million (44.3%) to \$76.1 million in 9M FY2024 mainly due to

- (i) higher contribution from OSV deployed in overseas infrastructure projects;
- (ii) higher contribution from new local marine infrastructure projects which commenced since second half of last financial year;  
partially offset by
- (iii) reduced contribution from overseas towage jobs and rock transportation.

Trade sales and other services comprised bunker sales, agency and management fees and ad-hoc marine-related services.

## Gross profit/ (loss) and gross margin

The breakdown of gross profit/ (loss) and gross margin for each segment is as follows:

	Group							
	3Q		3Q		9M		9M	
	FY2024		FY2023		FY2024		FY2023	
	\$'000	GPM	\$'000	GPM	\$'000	GPM	\$'000	GPM
Shipbuilding	(491)	Nm	9,462	20.0%	224	0.5%	8,770	15.9%
Shiprepair, conversion and engineering services	10,331	23.1%	9,545	26.8%	33,451	25.2%	26,372	22.4%
Shipchartering	483	1.6%	(5,550)	Nm	1,925	2.2%	(20,332)	Nm
	<b>10,323</b>	<b>11.3%</b>	<b>13,457</b>	<b>13.2%</b>	<b>35,600</b>	<b>13.2%</b>	<b>14,810</b>	<b>6.2%</b>

### Shipbuilding

The lower gross earnings in 3Q FY2024 and 9M FY2024 was mainly due to costs overruns (mainly caused by surge in labour costs) of a tanker being constructed, which has been delivered in the current quarter, partially offset by gross profit derived from the construction of barges.

The gross profit in the corresponding periods included profit from disposal of one PSV, which was held as inventories for sale. Excluding the disposal of the PSV, gross profit and gross margin would be reported at \$1.1 million (8.1%) and \$0.4 million (2.0%) in 3Q FY2023 and 9M FY2023 respectively.

### Shiprepair, conversion and engineering services

In line with the higher revenue, gross profit increased by \$0.8 million (8.2%) to \$10.3million in 3Q FY2024 and \$7.1million (26.8%) to \$33.5 million in 9M FY2024.

### Shipchartering

The breakdown of gross profit/ (loss) and gross margin from shipchartering segment are as follows:

	Group							
	3Q		3Q		9M		9M	
	FY2024		FY2023		FY2024		FY2023	
	\$'000	GPM	\$'000	GPM	\$'000	GPM	\$'000	GPM
OSV	770	9.8%	148	2.5%	946	4.8%	(4,467)	Nm
Tug boats and Barges	(1,023)	Nm	(6,644)	Nm	(2,426)	Nm	(19,479)	Nm
<b>Total charter</b>	<b>(253)</b>	<b>Nm</b>	<b>(6,496)</b>	<b>Nm</b>	<b>(1,480)</b>	<b>Nm</b>	<b>(23,946)</b>	<b>Nm</b>
Trade sales and other services	736	17.1%	946	26.7%	3,405	28.7%	3,614	27.2%
	<b>483</b>	<b>1.6%</b>	<b>(5,550)</b>	<b>Nm</b>	<b>1,925</b>	<b>2.2%</b>	<b>(20,332)</b>	<b>Nm</b>

The Group recorded a gross profit of \$0.5 million and \$1.9 million with gross profit margin of 1.6% and 2.2% in 3Q FY2024 and 9M FY2024 respectively. Gross loss were reported in the corresponding periods. This was mainly attributed to

- (i) increase in revenue contribution from OSV and new local marine infrastructure projects; and
- (ii) decrease in fuel costs and consumption in line with lower overseas towage jobs and contract of affreightment arrangements. The average fuel price decreased from S\$1.28/litre in 3Q FY2023 (9M FY2023: S\$1.47/litre), as compared to S\$1.06/litre in 3Q FY2024 (9M FY2024: S\$1.11/litre).

In the corresponding periods last year, the Group incurred high fuel and upkeep costs in mobilizing vessels deployed in overseas infrastructure projects under towage and contract of affreightment arrangements.

### Other operating income

Refer to breakdown of other operating income in section (I) F, Note 12 of this report. Other operating income decreased by \$8.8 million (61.0%) to \$5.6 million in 3Q FY2024 and \$14.7 million (76.9%) to \$4.4 million in 9M FY2024 mainly due to absence of reversal of impairment loss on two PSVs which were being transfer from inventories to property, plant and equipment in 3Q FY2023 pursuant to long term charters secured.

During the current financial periods under review, the Group however, recorded a higher gain on disposal of property, plant and equipment and net foreign exchange gain. The net foreign exchange gain in 3Q FY2024 was mainly due to appreciation of USD against SGD on SGD denominated liabilities of certain subsidiaries whose accounts are maintained in USD.

### Administrative expenses

Administrative expenses increased by \$0.4 million (10.5%) to \$4.4 million in 3Q FY2024 and 0.8 million (6.8%) to \$12.3 million in 9M FY2024 mainly due to higher travelling and transport expenses and staff salaries.

### Other operating expenses

Refer to breakdown of other operating expenses in section (I) F, Note 13 of this report. Other operating expenses was nil in 3Q FY2024 (3Q FY2023: \$2.5 million) and \$24,000 in 9M FY2024 (9M FY2023: \$5.0 million) mainly due to loss on foreign exchange and write-off of property, plant and equipment, recorded in last year corresponding periods.

### Finance costs

Group						
3Q FY2024	3Q FY2023	Increase/ (Decrease)	9M FY2024	9M FY2023	Increase/ (Decrease)	
\$'000	\$'000	%	\$'000	\$'000	%	
<b>Interest expense on:</b>						
Bank loans and bonds	2,410	3,520	(31.5)	8,433	10,567	(20.2)
Finance lease and lease liabilities	487	123	295.9	1,320	374	252.9
Amortisation of bank loans and bonds	3,427	3,309	3.6	10,447	9,953	5.0
<b>6,324</b>	<b>6,952</b>	<b>(9.0)</b>	<b>20,200</b>	<b>20,894</b>	<b>(3.3)</b>	

The lower interest expense was mainly due to

- a) lower loans interest pursuant to prepayments of loans arising from disposal of mortgaged vessels;  
partially offset by
- b) higher interest being amortised from lease liabilities which corresponded to the increase in ROU assets pursuant to extension of lease term of properties in Singapore in 4Q FY2023; and
- c) higher amortization of bank loans pursuant to prepayments of loans arising from disposal of mortgaged vessels.



The amortisation of bank loans and bond pertained to amortisation of fair value adjustments resulting from re-measurement of long term bank loans and bonds in prior years.

### **(Reversal of)/ Impairment loss on financial assets**

	Group			
	3Q	3Q	9M	9M
	FY2024	FY2023	FY2024	FY2023
	\$'000	\$'000	\$'000	\$'000
<b>Impairment loss/ (Reversal of impairment loss) on financial assets, net</b>				
- Amount due from joint ventures and associates	(326)	(827)	(937)	(827)
- Contract assets	(78)	46	(26)	(51)
- Amount due from other receivables	-	-	29	-
- Amount due from trade receivables (third parties)	(1,034)	(1,337)	(2,606)	614
	<b>(1,438)</b>	<b>(2,118)</b>	<b>(3,540)</b>	<b>(264)</b>
<b>Reversal of impairment loss on non-financial assets, net (recorded under other operating income):</b>				
- Inventories	-	(13,449)	-	(13,449)
	<b>(1,438)</b>	<b>(15,567)</b>	<b>(3,540)</b>	<b>(13,713)</b>

The impairment loss made on receivables is based on expected credit loss model and specific impairment on certain debts where recovery is uncertain.

The reversal of impairment loss from third parties was made based on recovery of the receivables. The reversal of impairment loss on amount due from associates resulted from progressive settlement of debts and reversal of prior year's impairment made in view of certainty of recoverability.

### **Share of results of joint ventures and associates**

The Group's share of results of joint ventures and associates comprised:

	Group's effective interest	Group			
		3Q	3Q	9M	9M
		FY2024	FY2023	FY2024	FY2023
		\$'000	\$'000	\$'000	\$'000
<b>Joint ventures</b>					
Sindo-Econ group	50%	-	-	-	-
<b>Associates</b>					
PT. Hafar Capitol Nusantara ("PT Hafar")	36.75%	(542)	(557)	1,065	(18)
PT Capitol Nusantara Indonesia ("PT CNI")	27%	8	16	28	49
		<b>(534)</b>	<b>(541)</b>	<b>1,093</b>	<b>31</b>

The Group has restricted its share of losses from Sindo-Econ group to its cost of investment since 1Q FY2018. Sindo-Econ Pte Ltd commenced creditors' voluntary winding up on 21 July 2020, which is still on going in the current financial period.

The share of loss from PT Hafar of \$0.5 million in 3Q FY2024 was mainly due to absence of charter of its pipe-lay barge.

The share of results of PTCNI relates to progressive recognition of the Group's proportionate interest of unrealised profits previously eliminated on sale of vessels to PT CNI. The Group has restricted its share of losses to its cost of investment since 4Q FY2017.

### **Profit/ (Loss) before tax**

The Group recorded a lower profit before tax of \$5.9 million in 3Q FY2024 (3Q FY2023: \$14.9 million), a decrease of \$9.0 million mainly due to a) lower shipbuilding earnings due disposal of one PSV, previously held as inventories for sale in 3Q FY2023; b) absence of reversal of impairment loss on non-financial assets, partially offset by c) gain on disposal of property, plant and equipment and net foreign exchange gain recorded in 3Q FY2024.

The Group recorded a profit before tax of \$11.2 million in 9M FY2024 (9M FY2023: loss before tax of \$5.0 million) mainly attributable to a) higher revenue and gross earnings, b) gain on disposal of property, plant and equipment, c) net foreign exchange gain and d) improved results from associates, partially offset by e) absence of reversal of impairment loss on non-financial assets.

Excluding the finance costs on amortisation of bank loans and bonds which pertained to amortisation of fair value adjustments resulting from re-measurement of long term bank loans and bonds in prior years, the Group's profit before tax would have been \$9.3 million in 3Q FY2024 (3Q FY2023: \$18.2 million) and \$21.6 million in 9M FY2024 (9M FY2023: \$4.9 million).

### **Non-controlling interests**

Non-controlling interests' share of profit or loss was mainly pertained to the results of non-wholly owned subsidiaries in Indonesia.

### **Consolidated Statement of Cash Flows**

The Group recorded a lower net cash inflow from operating activities of \$30.8 million in 9M FY2024 (9M FY2023: \$70.2 million) mainly due to higher working capital requirements in tandem with higher volume of business activities.

The net cash inflow from investing activities of \$16.2 million in 9M FY2024 (9M FY2023: net cash outflow of \$7.1 million) comprised net proceeds received from disposal and purchase of property, plant and equipment.

The lower net cash outflow from financing activities of \$49.7 million in 9M FY2024 (9M FY2023: \$61.8 million) was mainly due to lower repayment of interest-bearing loans and borrowings, partially offset by lower restricted cash being released from project accounts upon completion.

### **Consolidated Statement of Financial Position**

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

##### Property, plant and equipment

Refer movement in property, plant and equipment during the period in section I (F), Note 3 of this report. Property, plant and equipment decreased by \$39.2million (9.9%) from \$394.3 million as at 30 June 2023 to \$355.1 million as at 31 March 2024 mainly due to disposal and depreciation charge, partially offset by additions made.

The additions made during the period comprised:

	<b>\$'000</b>
Vessels and modification works	12,565
Plant and machinery, office equipment and motor vehicles	14,385
Leasehold property and buildings	121
Assets under construction	807
Drydocking expenditure on vessels capitalised	3,175
	<b><u>31,053</u></b>

The drydocking expenditure pertained to costs capitalized relating to regulatory dry dock activity including intermediate as well as special surveys (seaworthiness checks) on vessels so as to maintain the vessels in the standardized working condition.

### Right-of-use assets ("ROU assets")

The ROU assets pertained to leases of plant and machinery, leasehold property and buildings as well as land use rights over plots of land in Indonesia and Singapore where the shipyards of the Group operate. ROU assets decreased by \$0.5 million (3.6%) to \$14.2 million as at 31 March 2024 due to depreciation charge.

### **Current assets**

Current assets increased by \$23.7 million (16.2%) to \$170.2 million as at 31 March 2024 mainly due to increase in contract assets, trade and other receivables as well as prepayments, partially offset by decrease in cash and cash equivalents and inventories.

### Inventories

Refer to breakdown of inventories in section (I) F, Note 5 of this report. The decrease of \$1.7 million (5.9%) was mainly due to disposal of one vessel held as inventories and lower dredge component parts.

Majority of the raw materials are inventories meant for ongoing shipbuilding and shiprepair projects. Finished goods consist of vessels held for sale and dredge component parts.

### Contracts assets and liabilities

Referring to the breakdown of contracts assets and liabilities in section (I) F, Note 6 of this report. The accrued revenue of \$18.0 million as at 31 March 2024 (30 June 2023: \$7.3 million) relates to shiprepair and shipchartering services completed but invoices not yet raised at the end of financial period under review. Subsequent to the end of financial period, \$6.6 million of the accrued revenue have been invoiced.

The Group recorded a net construction work-in-progress in excess of progress billings of \$16.1 million as at 31 March 2024 (30 June 2023: \$17.1 million) mainly due to progressive milestone billings received from customers for the construction of barges.

Deferred income and deposits received from customers primarily relate to advance payments received from customers for which charter services have not been rendered and/or obligation to transfer goods. The deferred income and deposits will be recognised as income when the services are performed.

### Trade and other receivables

	Group			
	31-Mar-24 \$'000	30-Jun-23 \$'000	Increase/ (Decrease) \$'000	%
<b>Trade and other receivables (current)</b>				
Trade receivables	48,398	39,029	9,369	24.0
Other receivables and deposits	11,643	11,162	481	4.3
Amounts due from related parties	389	390	(1)	(0.3)
Amounts due from joint ventures and associates	8,710	9,022	(312)	(3.5)
	<b>69,140</b>	<b>59,603</b>	<b>9,537</b>	<b>16.0</b>

The increase in trade receivables was mainly due to higher receivables from shipbuilding segments, majority of which pertained to receivables where billings were made towards the end of the reporting period. Trade receivables of \$17.1 million have been received subsequent to the end of financial period under review.

Other receivables and deposits comprised mainly receivables from sale of vessels, advances to suppliers and subcontractors and recoverable from customers.

## Prepayments

The increase of \$6.6 million (211.8%) was mainly due to prepayment of insurances and advance payments made for goods not yet received at the end of reporting period.

## **Current liabilities**

Current liabilities increased by \$100.5 million (40.8%) to \$346.7 million as at 31 March 2024. The increase was mainly due to transfer of bullet payment of S\$86.5 million for the Series 6 Notes which was due on 28 March 2025, from non-current portion of interest-bearing loans and borrowings to current liabilities, higher trust receipts, trade and other payables as well as income tax payable due to increased business activities.

## Trade and other payables

Refer to breakdown of trade and other payables in section (I) F, Note 8 of this report. The increase in trade payables was mainly due to higher payables owing to subcontractors and suppliers with the increased business activities during the period under review.

## Total borrowings

The breakdown of the Group's total borrowings are as follows:

	<b>Group (Carrying Value)</b>				<b>Group (Face Value)</b>			
	<b>31-Mar-24</b>	<b>30-Jun-23</b>	<b>Increase/ (Decrease)</b>		<b>31-Mar-24</b>	<b>30-Jun-23</b>	<b>Increase/ (Decrease)</b>	
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>%</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>%</b>
<b>Current</b>								
Bonds	84,236	1,500	82,736	5,516	87,500	1,500	86,000	5,733
Trust receipts:								
- General	19,143	12,399	6,744	54.4	19,143	12,399	6,744	54.4
Term loans:								
- Vessels loan	8,865	8,867	(2)	(0.0)	10,593	10,650	(57)	(0.5)
- Assets financing	4,016	4,669	(653)	(14.0)	4,238	5,300	(1,062)	(20.0)
- Working capital	15,267	15,515	(248)	(1.6)	15,415	15,778	(363)	(2.3)
	28,148	29,051	(903)	(3.1)	30,246	31,728	(1,482)	(4.7)
Finance lease liabilities	1,737	1,012	725	71.6	1,737	1,012	725	71.6
	<b>133,264</b>	<b>43,962</b>	<b>89,302</b>	<b>203.1</b>	<b>138,626</b>	<b>46,639</b>	<b>91,987</b>	<b>197.2</b>
<b>Non-current</b>								
Bonds	35,949	110,907	(74,958)	(67.6)	43,250	130,500	(87,250)	(66.9)
Term loans:								
- Vessels loan	34,757	41,731	(6,974)	(16.7)	37,095	45,404	(8,309)	(18.3)
- Assets financing	3,280	17,146	(13,866)	(80.9)	3,866	18,162	(14,296)	(78.7)
- Working capital	22,927	45,994	(23,067)	(50.2)	23,157	46,258	(23,101)	(49.9)
	60,964	104,871	(43,907)	(41.9)	64,118	109,824	(45,706)	(41.6)
Finance lease liabilities	2,490	1,270	1,220	96.1	2,490	1,270	1,220	96.1
	<b>99,403</b>	<b>217,048</b>	<b>(117,645)</b>	<b>(54.2)</b>	<b>109,858</b>	<b>241,594</b>	<b>(131,736)</b>	<b>(54.5)</b>
	<b>232,667</b>	<b>261,010</b>	<b>(28,343)</b>	<b>(10.9)</b>	<b>248,484</b>	<b>288,233</b>	<b>(39,749)</b>	<b>(13.8)</b>
Total shareholders' funds	79,695	73,545						
Gearing ratio (times)	2.92	3.55						
Net gearing ratio (times)	2.79	3.21						

The Group's total borrowings (carrying value) decreased by \$28.3 million (10.9%) to \$232.7 million as at 31 March 2024 mainly due to prepayment of loans pursuant to disposal of mortgaged vessels as well as monthly repayment of interest-bearing loans and borrowings, partially offset by the accretion of interests on bank loans and bonds measured at fair value.

The Group re-measured its bonds and long term loans arising from the debts refinancing exercise at fair value (carrying value) pursuant to the adoption of SFRS(I)9. The face value (nominal value) of the bonds and long term loans, has been separately disclosed for information.

### **Net current liabilities**

The Group recorded a net current liabilities of \$176.5 million as at 31 March 2024 (30 June 2023: \$99.7 million). The financial statements are prepared on a going concern basis, the validity of which was disclosed in in section (I) F, Note 2.3 of this report.

### **Non-current liabilities**

Non-current liabilities decreased by \$121.6 million (50.5%) to \$119.1 million as at 31 March 2024 mainly due to a) transfer of bullet payment of \$86.5 million for Series 6 Notes due on 28 March 2025 to current portion of interest-bearing loans and borrowings; b) prepayment of loans pursuant to disposal of mortgaged vessels; c) repayment of other payables and d) transfer of current portion of contract liabilities (deferred income) to current liabilities where income is recognised over the period when the services were performed.

## **B. Variance from Prospect Statement**

Not applicable as no forecast or prospect statement has been made.

## **C. Outlook and Prospect**

**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.**

### **1. Market and industry outlook**

The outlook for the shipbuilding, ship repair, offshore and marine services industries is dependent on several factors, including the global economic conditions, demand for shipping, changes in regulations and environmental standards as well as technologies. The main macroeconomic variables affecting our performance include but are not limited to the global logistics trade, supply and demand of energy and natural resources and infrastructure expenditure in Asia.

The macro trends remain mixed and uncertain:

- a. International Monetary Fund (“IMF”) estimated global growth at 3.2 percent in 2023, and projected to continue at the same pace in 2024 and 2025. The pace of expansion is low by historical standards, owing to both near-term factors, such as still-high borrowing costs and withdrawal of fiscal support, and longer-term effects from the COVID-19 pandemic and Russia’s invasion of Ukraine; weak growth in productivity; and increasing geoeconomic fragmentation. The global headline inflation is expected to fall from an annual average of 6.8 percent in 2023 to 5.9 percent in 2024 and 4.5 percent in 2025, with advanced economies returning to their inflation targets sooner than emerging market and developing economies<sup>1</sup>.

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<sup>1</sup> IMF World Economic Outlook, Steady but Slow: Resilience Amid Divergence, April 2024

- b. Persistently high fuel prices, elevated interest rates and worker shortages continue to squeeze profit margins for transport companies. The global economic slowdown the Russia-Ukraine war and Israeli-Palestinian conflict add uncertainty to the outlook. These factors may lead to decreased demand for transport services in some sectors, while also causing disruptions in supply chains and further pressure on costs. Despite these challenges, there's still moderate growth projected for the transport and logistics industry, driven by ongoing global trade and pockets of strong economic performance in certain regions.
- c. Policymakers are increasingly implementing fiscal policies that support growth in infrastructure, green energy, decarbonization, and sustainable resources projects. Though the wider economy can benefit from the stronger and higher spending in the long run, the projects are of long term commitments with higher financial risks and burden, and it does not guarantee short to mid-term realization.

There are encouraging signs that the maritime industry is recovering in tandem, barring the adverse impact that may be caused by a) geopolitical rivalry; b) high interest rates and c) increase in the prices of energy, raw materials as well as labour costs. Whilst it is difficult to predict the impact of global events on the maritime industry, the overall long-term maritime industry outlook remains sustainable.

The management, with the support of various stakeholders, will continue to adapt, navigate and mitigate foreseeable risks and long-run disruptions that the current political, social, and economic environment present.

The management is closely monitoring the market demands on our core business, optimizing our current business processes and strengthening our foothold in the local and global maritime industry. The Group has embarked on leveraging on its core competencies and key resources to explore and expand to new growth areas anchored in environmental sustainability. Initiatives include recycling and low-emission marine related services.

## **2. Business segments**

### **Shipbuilding, Shiprepair, Conversion and Engineering Services**

For the shipbuilding segment, we continue to focus on securing orders for vessels of standard and generic designs like tugs, barges and workboats. To better manage financial risks, the management is working on contracts which have shorter delivery cycles and are less capital intensive. We will continue to exercise caution with our review of customers based on their creditworthiness.

For the shiprepair segment, the Group is expanding its dry-docking capacity by deploying a second floating dock in its Singapore yard to capture a larger share of the local shiprepair market for bunkering vessels and harbour crafts. The Group is actively expanding its marketing network and engaging international customers. Seaborne transport is essential for international trade and up swing of shipping activities will continue to spur the demand for maintenance and repairs of vessels.

### **Shipchartering**

The diversified vessel types in our fleet are expected to lend support to our chartering business. We expect continued inflow of business from customers in the marine infrastructure industry (e.g. land reclamation and dredging, port and bridge construction etc), oil and gas exploration and production, offshore renewable energy sectors and bulk cargo transshipment industry in Asia Pacific and South Asia region.

The Group is focusing on improving its operational efficiency and fleet utilisation, tighten cost control and exploring other business opportunities in regional markets. The management plans to dispose certain vessels to enhance liquidity, scrapping of ageing vessels to reduce maintenance cost and renewing its fleet to better meet its customer requirement.

### **Order book**

As at 31 March 2024, the Group had an outstanding shipbuilding order book from external customers of approximately \$81 million for 35 vessels with progressive deliveries up to mid of 2025 (4Q FY2025).

The Group's shipchartering revenue consists of mainly short-term and ad-hoc contracts. Approximately 23% of shipchartering revenue in 9M FY2024 was attributed to long-term chartering contracts (meaning contracts with a duration of more than one year). As at 31 March 2024, the Group had an outstanding shipchartering order book of approximately \$23 million with respect to long-term contracts. With the increase in demand for vessels from the traditional oil and gas industry, national infrastructure projects in the region and the emerging renewable energy market, we anticipate that we will be able to secure more employment for our fleet of vessels.

### **D. Dividend**

No dividend has been declared for the nine months ended 31 March 2024 and the previous corresponding period.

### **E. Interested Person Transactions**

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

The Group has not obtained a general mandate from shareholders for interested person transactions. During 9M FY2024, the following interested person transactions were entered into by the Group:

	Nature of relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920 of the SGX-ST Listing Manual) \$'000	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 of the SGX-ST Listing Manual (excluding transactions less than \$100,000) \$'000
<b><u>Expenses paid on behalf of</u></b>			
PT. Sindomas Precas	Joint venture of the Company and Koon Holdings Limited	245	-
		245	-

#### **Notes:**

Mr. Ang Sin Liu is the father of Ang Kok Tian, Ang Ah Nui and Ang Kok Leong, all of whom are Directors and substantial shareholders of the Company. He is also the father of Ang Kok Eng and Ang Swee Kuan, both of whom are also the substantial shareholders of the Company. Each of them is deemed to have an interest in the shares held by the other.



**F. Negative confirmation pursuant to Rule 705(5).**

We, the undersigned, hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the unaudited interim financial statements of the Group and the Company for the third quarter ended 31 March 2024 to be false or misleading in any material aspect.

**G. Confirmation pursuant to Rule 720(1).**

The Company confirms that it has procured the undertakings from all its Directors and Executive Officers in the format set out in Appendix 7.7 under Rule 720(1) of the SGX-ST Listing manual.

**H. Use of Proceeds**

Refer to breakdown of convertible securities in section (I) F, Note 10 of this report. As at 31 March 2024, 25,263,500 warrants were exercised since the date of issuance of warrants on 25 July 2019 and the number of shares that may be issued on exercise of warrants were 541,867,213 (31 March 2023: 565,770,713). Subsequent to the end of the financial period under review, there were 31,953,000 warrants exercised, a total proceeds of \$ 1,917,180 was received.

During the financial period under review, the Group utilised the proceeds of \$1,509,810 received from the conversion of 25,163,500 warrants (conversion up to 30 June 2023) for its semi-annual principal repayments of bonds on 28 September 2023 and 2 October 2023.

**BY ORDER OF THE BOARD**

Ang Kok Tian  
Chairman, Managing Director and CEO  
15 May 2024