



SHANAYA LIMITED
(Company Registration Number 199804583E)
AND ITS SUBSIDIARIES

CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE HALF YEAR ENDED 30 JUNE 2023

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**CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED 30 JUNE 2023**

	<u>Note</u>	Group		Change %
		1HFY2023 Unaudited \$'000	1HFY2022 Unaudited \$'000	
Revenue		4,074	3,593	13
Other income		173	182	-5
Employee benefits expense		(1,028)	(1,116)	-8
Amortisation of right-of-use assets		(263)	(264)	-0
Depreciation of property, plant and equipment		(666)	(524)	27
Other operating expenses		(2,425)	(2,351)	3
Finance costs	6	(384)	(301)	28
Loss before tax	7	(519)	(781)	-34%
Income tax credit	8	55	48	15%
Loss for the financial period, net of tax		(464)	(733)	-37%
Other comprehensive income		-	-	n/m
Loss attributable to the owners of the Company		(464)	(733)	-37%
Total comprehensive loss attributable to the owners of the Company		(464)	(733)	-37%
Loss per share attributable to equity holders of the Company:				
Basic and diluted (cents per share)	9	(0.41)	(0.80)	-48%

"1HFY2023" denotes the half year ended 30 June 2023.

"1HFY2022" denotes the half year ended 30 June 2022.

"n/m" denotes not meaningful

CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION
AS AT 30 JUNE 2023

	<u>Note</u>	<u>Group</u>		<u>Company</u>	
		30.06.2023 Unaudited \$'000	31.12.2022 Audited \$'000	30.06.2023 Unaudited \$'000	31.12.2022 Audited \$'000
<u>ASSETS</u>					
Non-current assets					
Property, plant and equipment	11	12,454	13,112	-	-
Right-of-use assets	12	5,905	5,914	-	-
Investment in subsidiaries		-	-	8,409	8,409
Amount due from a subsidiary	13	-	-	4,507	3,931
Total non-current assets		18,359	19,026	12,916	12,340
Current assets					
Trade and other receivables	13	2,184	1,889	-	-
Prepayments		92	124	24	18
Cash and bank balances	14	1,627	1,854	752	670
Total current assets		3,903	3,867	776	688
Total assets		22,262	22,893	13,692	13,028
<u>LIABILITIES AND EQUITY</u>					
Non-current liabilities					
Loans and borrowings	15	6,409	7,094	-	-
Lease liabilities	16	5,581	5,667	-	-
Non-trade payables to shareholders	17	2,677	2,607	2,677	2,607
Deferred tax liabilities		274	331	-	-
Total non-current liabilities		14,941	15,699	2,677	2,607
Current liabilities					
Trade and other payables	18	1,405	1,153	944	639
Loans and borrowings	15	1,717	1,380	-	-
Lease liabilities	16	491	489	-	-
Income tax payable		-	-	-	-
Total current liabilities		3,613	3,022	944	639
Equity					
Share capital	19	10,344	10,344	44,464	44,464
Accumulated losses		(4,188)	(3,724)	(38,009)	(38,298)
Share-based payment reserve		-	-	10	10
Reverse acquisition reserve	20	(2,448)	(2,448)	-	-
Capital reserve	22	-	-	3,606	3,606
Total equity		3,708	4,172	10,071	9,782
Total liabilities and equity		22,262	22,893	13,692	13,028

**CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF YEAR ENDED 30 JUNE 2023**

	Group	
	1HFY2023 Unaudited \$'000	1HFY2022 Unaudited \$'000
Operating activities		
Loss before tax	(519)	(781)
Adjustments for:		
Amortisation on right-of-use assets	263	264
Depreciation of property, plant and equipment	666	524
Interest expense	384	301
Operating cash flows before movements in working capital	794	308
Trade and other receivables	(294)	(154)
Prepayments	15	(565)
Trade and other payables	252	36
Cash generated from /(used in) operations	767	(375)
Income tax paid	(3)	(39)
Net cash generated from /(used in) operating activities	764	(414)
Investing activities		
Purchase of property, plant and equipment	(8)	(87)
Advance payments for acquisition of property, plant and equipment	-	(578)
Additions to right-of-use assets	(75)	-
Net cash used in investing activities	(83)	(665)
Financing activities		
Proceeds from bank loan	300	-
Proceeds from lease financing	-	187
Repayment of bank borrowings	(648)	(969)
Repayment of lease obligations	(245)	(253)
Interest paid	(315)	(263)
Acquisition-related cost paid	-	-
Net cash used in financing activities	(908)	(1,298)
Net decrease in cash and cash equivalents	(227)	(2,377)
Cash and cash equivalents at beginning of financial period	1,458	4,902
Cash and cash equivalents at end of financial period (note 14)	1,231	2,525

**CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 30 JUNE 2023**

	Group			
	Share capital	Reverse acquisition reserve	Retained earnings / (accumulated losses)	Total
	\$'000	\$'000	\$'000	\$'000
<u>1HFY2023 (unaudited)</u>				
Balance at 01.01.2023	10,344	(2,448)	(3,724)	4,172
Loss for the financial period, representing total comprehensive loss for the financial period	-	-	(464)	(464)
Balance at 30.06.2023	10,344	(2,448)	(4,188)	3,708
<u>1HFY2022 (unaudited)</u>				
Balance at 01.01.2022	10,344	(2,758)	(2,296)	5,290
Loss for the financial period, representing total comprehensive loss for the financial period	-	-	(733)	(733)
Fair value adjustment of the deferred cash consideration pursuant to reverse acquisition	-	-	-	-
Balance at 30.06.2022	10,344	(2,758)	(3,029)	4,557

	Company				Total
	Share capital	Capital reserve	Share-based payment reserve	Accumulated losses	
	\$'000	\$'000	\$'000	\$'000	
<u>1HFY2023 (unaudited)</u>					
Balance at 01.01.2023	44,464	3,606	10	(38,298)	9,782
Loss for the financial period, representing total comprehensive loss for the financial period	-	-	-	289	289
Balance at 30.06.2023	44,464	3,606	10	(38,009)	10,071
<u>1HFY2022 (unaudited)</u>					
Balance at 01.01.2022	44,464	-	10	(20,561)	23,913
Loss for the financial period, representing total comprehensive loss for the financial period	-	-	-	(114)	(114)
Balance at 30.06.2022	44,464	-	10	(20,675)	23,799

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

1 Corporate information

Shanaya Limited (the “Company”) is incorporated and domiciled in Singapore and its shares are publicly traded on the Catalist of the Singapore Exchange Securities Trading Limited (“SGX-ST”). The Company’s registered office and principal place of business is at 3A Tuas South Street 15, Singapore 636845. These condensed interim consolidated financial statements as at and for the 6-month period ended 30 June 2023 comprise the Company and its subsidiaries (collectively, the “Group”).

The principal activity of the Company is that of the provision of management and office administration services on a fee, and investment holding. Through its subsidiaries, the Group is engaged in the provision of waste collection and waste management services.

2 Basis of Preparation

The condensed interim financial statements for the 6-month period ended 30 June 2023 have been prepared in accordance with SFRS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last audited annual financial statements for the year ended 31 December 2022.

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

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

2.1 New and amended standards adopted by the Group

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

2.2 New standards, amendments and interpretations issued but not yet effective

There are a number of standards, amendments to standards, and interpretations, which have been issued by the Accounting Standards Council Singapore that are effective in future accounting periods and the Group has not decided to early adopt. The Group does not expect any of these standards upon adoption to have a material impact to the Group.

2.3 Use of judgements and estimates

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that were applied to Group’s financial statements as at and for the financial year ended 31 December 2022.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

3 Seasonal operations

Generally, the business activities of the Group are not subject to any significant seasonal trends as the Group is engaged in the provision of waste management and disposal services, which are considered to be essential services, to mainly shipping agents who serve a broad spectrum of ships ranging from cargo vessels to cruise ships that are porting in Singapore or anchoring in the surrounding waters of Singapore and the South China Sea.

Notwithstanding the above and barring the impact of COVID-19, a seasonal trend may be observed for cruise ships porting in Singapore where a higher number of port calls by international cruises into Singapore is typically seen during the peak season from November to April, which coincides with the year-end holiday season and the seasonally colder months in the Northern Hemisphere. This seasonal trend in the cruise industry alone is not regarded to be significant due to the diversified nature of the Group’s revenue streams.

Ships involved in trade and the transport of cargoes are generally not subject to any seasonal trends.

4 Segment and revenue information

The Group's revenue, capital expenditure, assets and liabilities were mainly derived from only one primary business segment in Singapore which is that of the provision of waste management and disposal services to industrial and commercial clients and sales of recycling materials. Accordingly, no segmental information is prepared based on business or geographical segment as it is not meaningful.

5 Financial assets and financial liabilities

	Group		Company	
	30.06.2023 Unaudited \$'000	31.12.2022 Audited \$'000	30.06.2023 Unaudited \$'000	31.12.2022 Audited \$'000
Financial assets				
Financial assets at amortised cost				
- Trade and other receivables ^	2,184	1,852	4,507	3,931
- Cash and bank balances	1,627	1,854	752	670
	3,811	3,706	5,259	4,601
Financial liabilities				
Financial liabilities at amortised cost				
- Trade and other payables	1,405	1,153	944	639
- Lease liabilities	6,072	6,156	-	-
- Loans and borrowings	8,126	8,474	-	-
- Non-trade payables to shareholders	2,677	2,607	2,677	2,607
	18,280	18,390	3,621	3,246

^ Excluding net GST receivable.

6 Finance costs

	Group	
	1HFY2023 Unaudited \$'000	1HFY2022 Unaudited \$'000
Interest expenses		
- Lease liabilities	112	121
- Term loans	202	123
- Non-trade payables to shareholders	70	57
	384	301

7 Loss before tax

7.1 Significant items

In addition to the charges and credits disclosed elsewhere in the notes to the financial statements, the loss before tax includes the following credit/(charges):

	Group	
	1HFY2023 Unaudited \$'000	1HFY2022 Unaudited \$'000
Income:		
Government grant	66	182
Expenses:		
Crane and wharfage expenses	(274)	(299)
Diesel expenses	(232)	(233)
Waste disposal fees	(716)	(880)
Subcontractor and other labour costs	(355)	(379)

7.2 Related party transactions

There were no material related party transactions during the financial period reported on.

8 Income tax credit

The Group calculates the income tax (expense)/credit using the tax rate that would be applicable to the expected total earnings for the financial period. The major components of income tax (expense)/credit in the condensed interim consolidated statement of profit or loss and other comprehensive income are:

	Group	
	1HFY2023 Unaudited \$'000	1HFY2022 Audited \$'000
Current income tax credit		
- Current year	-	-
- Under-provision for prior year	(3)	-
Deferred income tax credit relating to origination/reversal of temporary differences	58	48
	55	48

9 Loss per share

Basic and diluted loss per share are calculated by dividing the net loss for the financial period attributable to owners of the Company by the weighted average number of ordinary shares in issue of 112,813,870 (1HFY2022: 112,813,870) during the financial period.

The basic and diluted earnings per share are the same as there were no potentially dilutive instruments.

10 Net asset value

	Group		Company	
	30.06.2023 cents	31.12.2022 cents	30.06.2023 cents	31.12.2022 cents
Net asset value per ordinary share based on existing issued share capital as at the end of the financial period reported on	3.29	3.70	8.93	8.67

11 Property, plant and equipment

During 1HFY2023, the Group acquired assets amounting to \$0.01 million (1HFY2022: \$0.09 million), and disposed of assets amounting to \$Nil (1HFY2022: \$Nil). None of the assets acquired during 1HFY2023 were financed by bank loans (1HFY2022: \$Nil).

12 Right-of-use assets

	Group			
	Leasehold lands \$'000	Motor vehicles \$'000	Plant and machinery \$'000	Total \$'000
<u>1HFY2023 (unaudited)</u>				
Balance at 01.01.2023	4,893	753	268	5,914
Additions	-	254	-	254
Amortisation charges	(184)	(53)	(26)	(263)
Balance at 30.06.2023	4,709	954	242	5,905
<u>1HFY2022 (unaudited)</u>				
Balance at 01.01.2022	5,261	1,011	83	6,355
Reclassifications (to)/from property, plant and equipment	-	(142)	228	86
Amortisation charges	(184)	(63)	(17)	(264)
Balance at 30.06.2022	5,077	806	294	6,177

13 Trade and other receivables

	Group		Company	
	30.06.2023 Unaudited \$'000	31.12.2022 Audited \$'000	30.06.2023 Unaudited \$'000	31.12.2022 Audited \$'000
<u>Non-current</u>				
Amount due from a subsidiary	-	-	4,507	3,931
<u>Current</u>				
Trade receivables				
- Third parties	1,996	1,704	-	-
- Less: Loss allowance for trade receivables	(136)	(136)	-	-
	1,860	1,568	-	-
Deposits	324	284	-	-
GST receivables	-	37	-	-
	2,184	1,889	-	-

Trade receivables from third parties are unsecured, non-interest bearing and generally on a 30 to 90 (1HFY2022: 30 to 90) days credit terms.

The non-current amount due from a subsidiary is unsecured, non-interest bearing and repayable on demand. As at 30 June 2023, the balance is classified as non-current as it is only expected to be realised after 12 months. The carrying amount of the non-current amount due from a subsidiary approximates its fair value as it is discounted at market rate.

14 Cash and bank balances

	Group		Company	
	30.06.2023 Unaudited \$'000	31.12.2022 Audited \$'000	30.06.2023 Unaudited \$'000	31.12.2022 Audited \$'000
Cash and bank balances	1,627	1,854	752	670
Less: Restricted cash	(396)	(396)	-	-
Cash and cash equivalents	1,231	1,458	752	670

Restricted cash as at 30 June 2023 comprises \$0.40 million held by a bank for the banking facilities granted.

Cash and bank balances are denominated in Singapore dollar.

15 Loans and borrowings

	Group		Company	
	30.06.2023 Unaudited \$'000	31.12.2022 Audited \$'000	30.06.2023 Unaudited \$'000	31.12.2022 Audited \$'000
<u>Amount repayable within one year or on demand</u>				
Secured	1,717	1,380	-	-
Unsecured	-	-	-	-
<u>Amount repayable after one year</u>				
Secured	6,409	7,094	-	-
Unsecured	-	-	-	-

The bank borrowings and credit facilities of the Group are secured by first legal mortgage over certain leasehold properties of the Group, guarantees by directors, and fixed and floating charge over certain plant and machinery.

16 Lease liabilities

	Group		Company	
	30.06.2023	31.12.2022	30.06.2023	31.12.2022
	Unaudited	Audited	Unaudited	Audited
	\$'000	\$'000	\$'000	\$'000
<u>Non-current portion</u>				
Leasehold lands	5,142	5,276	-	-
Motor vehicles	332	267	-	-
Plant and machinery	107	124	-	-
	5,581	5,667	-	-
<u>Current portion</u>				
Leasehold lands	265	254	-	-
Motor vehicles	177	172	-	-
Plant and machinery	49	63	-	-
	491	489	-	-

The Group leases leasehold lands in Singapore. As at 30 June 2023, the average incremental borrowing rate applied was 3.60% (31 December 2022: 3.60%).

The Group also leases certain motor vehicles and plant and machinery with lease term ranging from 4 to 5 years (31 December 2022: 4 to 5 years). The average interest rates implicit in the lease range from 3.26% to 6.92% per annum (31 December 2022: 3.26% to 6.92% per annum).

The Group's lease liabilities of \$665,000 (31 December 2022: \$626,000) are secured over certain right-of-use assets in respect of motor vehicles and plant and machinery, which will revert to the lessors in the event of default by the Group. These are guaranteed by the Directors of a subsidiary company.

All lease liabilities are denominated in Singapore dollar.

17 Non-trade payables to shareholders

The Group's non-trade payables to shareholders relates to discounted value of the deferred consideration of \$3,000,000 due to shareholders pursuant to the reverse acquisition ("**Reverse Acquisition**") completed in August 2021. The amount is unsecured, non-interest bearing and repayable within 48 months from the date of completion of the Reverse Acquisition. The carrying amount of the non-trade payables to shareholders approximate their fair value.

18 Trade and other payables

	Group		Company	
	30.06.2023	31.12.2022	30.06.2023	31.12.2022
	Unaudited	Audited	Unaudited	Audited
	\$'000	\$'000	\$'000	\$'000
Trade payables				
- third parties	314	213	-	-
Non-trade payables				
- third parties	495	403	61	40
- subsidiary	-	-	798	518
Accrued expenses	587	537	85	81
GST payable, net	9	-	-	-
	1,405	1,153	944	639

Trade payables are unsecured, non-interest bearing and normally settled on 30 days' credit term.

19 Share capital

	1HFY2023 Unaudited	1HFY2022 Unaudited	1HFY2023 Unaudited	1HFY2022 Unaudited
<u>Group</u>	Number of shares ('000)		\$'000	
<i>Ordinary shares</i>				
At beginning and end of financial period	112,814	112,814	10,344	10,344
<u>Company</u>				
<i>Ordinary shares</i>				
At beginning and end of financial period	112,814	112,814	44,464	44,464

Fully paid ordinary shares, which have no par value, carry one vote per share and a right to dividends as and when declared by the Company.

The Company did not have any outstanding treasury shares or subsidiary holdings as at 30 June 2023 and 31 December 2022.

The Company has no outstanding options and convertible securities as at 30 June 2023 and 31 December 2022.

20 Reverse acquisition reserve

Reverse acquisition reserve is the cash consideration payable for the acquisition of Shanaya Environmental Services Pte. Ltd. ("SES") which was accounted for as cash distribution from consolidated group to SES's shareholders. In view that the consolidated financial statement are a continuation of SES's financial statement in conjunction with the Reverse Acquisition, the cash consideration cannot form part of the consideration transferred by acquirer as the Company is the accounting acquiree.

21 Capital commitments

At each reporting date, commitments in respect of capital expenditure are as follows:

	Group	
	30.06.2023	31.12.2022
	Unaudited	Audited
	\$'000	\$'000
Capital expenditure contracted but not provided for		
- Property, plant and equipment	-	160

22 Capital reserve

The capital reserve relates to a waiver of a debt previously owed to Circuits Plus Pte Ltd, a subsidiary of the Company. On 5 June 2023, Circuits Plus Pte Ltd was struck off from the Register of Companies.

23 Subsequent events (after 30 June 2023)

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

OTHER INFORMATION REQUIRED BY APPENDIX 7C OF THE CATALIST RULES

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

The condensed statements of financial position of Shanaya Limited and its subsidiaries as at 30 June 2023 and the related condensed consolidated profit or loss and other comprehensive income, condensed statements of changes in equity and condensed consolidated statement of cash flows for the 6-month period then ended and certain explanatory notes have not been audited or reviewed.

The Group's latest financial statements for the year ended 31 December 2022 were not subject to an adverse opinion, qualified opinion or disclaimer of opinion.

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

Not applicable.

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

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

REVIEW OF STATEMENT OF PROFIT OR LOSS

1HFY2023 vs 1HFY2022

The Group's revenue increased by \$0.48 million, or 13%, from \$3.59 million to \$4.07 million for 1HFY2023. The increase was primarily driven by i) increase in the volume of general waste handled for cruise ships as the Singapore cruise industry recovered post-pandemic; and ii) sales of scrap metal driven by the X-Press Pearl shipwreck project.

Other income decreased by \$0.01 million, or 5%, from \$0.18 million to \$0.17 million for 1HFY2023, largely due to lower government grant received compared to prior to comparative period.

Employee benefits expense decreased by \$0.09 million, or 8%, from \$1.12 million to \$1.03 million for 1HFY2023. The decrease was mainly due to the decrease in salaries due to lower manpower.

Depreciation of property, plant and equipment ("**PPE**") increased by \$0.14 million, or 27%, from \$0.52 million to \$0.67 million for 1HFY2023. The increase was mainly due to i) commencement of depreciation of major portion of the Group's integrated recycling plant with effect from 1 May 2022, as well as ii) higher depreciation for motor vehicles and renovation.

Other operating expenses increased by \$0.07 million, or 3%, from \$2.35 million to \$2.43 million for 1HFY2023. The increase was considerably lower as compared to the increase in revenue mainly due to increased sorting of general waste for recycling which helped reduce waste disposal costs.

Finance costs increased by \$0.08 million, or 28%, from \$0.30 million to \$0.38 million for 1HFY2023. The increase was largely driven by the hike in borrowing rates especially from May 2022 onwards.

As a result of the above, the Group reported net loss of \$0.46 million for 1HFY2023, a decrease of \$0.27 million, or 37% from the loss of 1HFY2022.

REVIEW OF STATEMENT OF FINANCIAL POSITION

Non-current assets

Non-current assets decreased by \$0.67 million from \$19.03 million as at 31 December 2022 to \$18.36 million as at 30 June 2023, mainly due to the following:

- i) depreciation of PPE of \$0.66 million; and
- ii) amortisation of RoU assets of \$0.26 million;

partially offset by purchase of additional RoU asset under hire purchase of \$0.25 million.

Current assets

Current assets increased by \$0.04 million from \$3.87 million as at 31 December 2022 to \$3.90 million as at 30 June 2023, mainly due to a decrease in cash and bank balances of \$0.23 million (further explained in the review of the statement of cash flows below), offset by an increase in trade and other receivables of \$0.30 million. The increase in trade and other receivables was in line with the rise in revenue during the financial period.

Current liabilities

Current liabilities increased by \$0.59 million from \$3.02 million as at 31 December 2022 to \$3.61 million as of 30 June 2023, mainly due to the drawdown of revolving credit of \$0.30 million and increase in trade and other payables of \$0.25 million.

Non-current Liabilities

Non-current liabilities decreased by \$0.76 million from \$15.70 million as at 31 December 2022 to \$14.94 million as at 30 June 2023. The decrease was mainly due to the repayment of term loans and lease liabilities during 1HFY2023.

Equity

Total equity, after accounting for the loss for 1HFY2023, was \$3.71 million as at 30 June 2023 which compares against \$4.17 million as at 31 December 2022.

REVIEW OF STATEMENT OF CASH FLOWS

Operating activities

In 1HFY2023, net cash generated from operating activities was \$0.76 million. This was largely due to operating cash inflows before working capital movement of \$0.79 million which was partially offset by negative net working capital movement of \$0.03 million. The negative net working capital movement of \$0.03 million resulted from an increase in trade and other receivables of \$0.29 million which was partially offset by a decrease in prepayments of \$0.02 million and an increase in trade and other payables of \$0.25 million. The increase in trade and other receivables was largely attributable to the increase in revenue during 1HFY2023.

Investing activities

In 1HFY2023, net cash used in investing activities was \$0.08 million, mainly relating to the purchase of a hooklift truck.

Financing activities

In 1HFY2023, net cash used in financing activities was \$0.91 million, primarily due to i) repayment of bank borrowings of \$0.65 million; ii) repayment of obligations under lease liabilities of \$0.25 million; and iii) interest payments of \$0.32 million; partially offset by fresh proceeds of drawdown from revolving credit of \$0.30 million.

As a result of the above, cash and cash equivalents decreased by \$0.23 million to S\$1.23 million as at 30 June 2023 from \$1.46 million as at 31 December 2022.

4 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 had been previously disclosed to shareholders.

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

The Group had benefited from the recovery of Singapore cruise industry in 1HFY2023. Although the recovery could be uncertain, the Group is hopeful of an eventual recovery of its cruise waste business to pre-pandemic level.

On the biomedical waste handling and wood pelletising businesses, the Group experienced delay in commencement as more time will be needed to put in place certain pollution control measures as required by the regulatory authority.

Given the macroeconomic headwinds arising from an elevated inflationary and interest rate environment, the Group shall continue to exercise greater prudence in managing its operations and cashflows.

6 If a decision regarding dividend has been made:

(a) Whether a final ordinary dividend has been recommended for present period;

No.

(b) Previous corresponding period;

No.

(c) State the tax rate and the country where the dividend is derived

Not applicable.

(d) Date payable

Not applicable.

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

No dividend has been declared or recommended for the financial period reported on given the losses incurred by the Group.

8 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.

No IPT mandate has been obtained for the period under review.

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

The Company confirms that it has procured undertakings from all its Directors and Executive Officers (in the format set out in Appendix 7H) pursuant to Rule 720(1) of the Catalist Rules.

10 Acquisition or sale of shares in subsidiaries and/or associated companies under Rule 706A

The Company's wholly-owned subsidiary, Circuits Plus Pte. Ltd. was struck off from the Register of Companies on 5 June 2023. Save for the foregoing, the Group has not undertaken any acquisition or sales of shares in subsidiaries and/or associated companies during the financial period ended 30 June 2023.

Confirmation by the Board

We, Sukhvinder Singh Chopra and Mohamed Gani Mohamed Ansari, being two directors of Shanaya Limited (the "Company"), do hereby confirm on behalf of the directors of the Company that, to the best of their knowledge, nothing has come to the attention of the board of directors of the Company which may render the unaudited condensed interim financial statements of the Group for the 6-month financial period ended 30 June 2023 to be false or misleading in any material aspect.

On behalf of the Board,

Sukhvinder Singh Chopra
Chairman

Mohamed Gani Mohamed Ansari
Executive Director and Chief Executive Officer

Singapore
10 August 2023

This announcement has been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "Exchange") and the Exchange assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document.

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