



Reclaims Global Limited

绿达环球有限公司

Company Registration No. 201834755M

Registered Address: 10 Tuas South Street 7 Singapore 637114

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**Unaudited Half Year Financial Statements and Dividend Announcement  
For the Financial Period Ended 31 July 2023 (“1H2024”)**

This announcement has been reviewed by the Company’s sponsor, SAC Capital Private Limited (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 announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

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Reclaims Global Limited (the “**Company**”) and together with its subsidiaries, the “**Group**”) was listed on the Catalist of the SGX-ST on 11 March 2019, pursuant to an initial public offering (the “**IPO**”) exercise. The Group is an eco-friendly integrated service provider in the construction industry, specialising in the recycling of construction and demolition waste, customisation of excavation solutions and operating fleet management. The Group’s business is organised into three main business segments as follows: (1) recycling; (2) excavation services; and (3) logistics and leasing. Since 2009, the Group has built an established reputation and a proven track record for effective execution and timely delivery of services of different nature and scales.

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**A) Condensed interim consolidated statement of profit or loss and other comprehensive income**

	Note	Group		
		6 months ended 31 July 2023 S\$'000	6 months ended 31 July 2022 S\$'000	Increase/ (Decrease) %
Revenue	4	10,722	13,861	(22.6)
Interest income		94	3	N.M.
Other income and gains		231	344	(32.8)
Cost of materials, services and consumables		(5,133)	(7,100)	(27.7)
Other losses		(100)	(36)	177.8
Finance costs		(19)	(16)	18.8
Depreciation of property, plant and equipment		(890)	(860)	3.5
Depreciation of right-of-use-assets		(126)	(126)	-
Employee benefits expense		(2,665)	(3,119)	(14.6)
Other expenses		(1,252)	(1,803)	(30.6)
Profit before tax from operations	6	862	1,148	(24.9)
Income tax expense	7	(122)	(235)	(48.1)
Profit from operations, net of tax		740	913	(18.9)
Other comprehensive income:				
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating foreign operations, net of tax		(3)	2	N.M.
Total comprehensive income for the period attributable to owners of the Company		737	915	(19.5)
Earnings per share (" <b>EPS</b> ") for profit of the period attributable to the owners of the Company:				
Basic and diluted* (SGD in cent)		0.56	0.70	

\* Diluted EPS is the same as basic EPS as no potential dilutive ordinary shares exist during the respective financial periods.

N.M. – Not meaningful.

**B) Condensed interim statements of financial position**

	Note	Group		Company	
		As at 31 July 2023 S\$'000	As at 31 January 2023 S\$'000	As at 31 July 2023 S\$'000	As at 31 January 2023 S\$'000
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property, plant and equipment	10	9,761	10,264	-	-
Investment in financial assets at FVTPL		840	940	-	-
Right-of-use assets		3,105	3,230	-	-
Investment in subsidiaries		-	-	15,327	15,327
<b>Total non-current assets</b>		<b>13,706</b>	<b>14,434</b>	<b>15,327</b>	<b>15,327</b>
<b>Current assets</b>					
Inventories		17	20	-	-
Trade and other receivables		7,169	7,444	2,479	1,887
Other assets, current		2,973	3,948	-*	7
Cash and cash equivalents		11,886	9,880	6,141	6,096
<b>Total current assets</b>		<b>22,045</b>	<b>21,292</b>	<b>8,620</b>	<b>7,990</b>
<b>Total assets</b>		<b>35,751</b>	<b>35,726</b>	<b>23,947</b>	<b>23,317</b>
<b>EQUITY AND LIABILITIES</b>					
<b>Equity</b>					
Share capital	12	19,388	19,388	19,388	19,388
Retained earnings		10,909	10,169	298	163
Other reserve		-	3	-	-
<b>Total equity</b>		<b>30,297</b>	<b>29,560</b>	<b>19,686</b>	<b>19,551</b>
<b>Non-current liabilities</b>					
Deferred tax liabilities		799	824	-	-
Loans and borrowings	11	-	285	-	-
Lease liabilities, non-current		60	85	-	-
<b>Total non-current liabilities</b>		<b>859</b>	<b>1,194</b>	<b>-</b>	<b>-</b>
<b>Current liabilities</b>					
Income tax payable		359	451	3	7
Loans and borrowings	11	713	856	-	-
Lease liabilities, current		400	437	-	-
Trade and other payables		3,123	3,228	4,258	3,759
<b>Total current liabilities</b>		<b>4,595</b>	<b>4,972</b>	<b>4,261</b>	<b>3,766</b>
<b>Total liabilities</b>		<b>5,454</b>	<b>6,166</b>	<b>4,261</b>	<b>3,766</b>
<b>Total equity and liabilities</b>		<b>35,751</b>	<b>35,726</b>	<b>23,947</b>	<b>23,317</b>

\*less than \$1,000

**C) Condensed interim consolidated statement of cash flows**

	Group	
	6 months ended 31 July 2023 S\$'000	6 months ended 31 July 2022 S\$'000
<b>Cash flows from operating activities</b>		
Profit before tax	862	1,148
Adjustments for:		
Interest income	(94)	(3)
Interest expense	19	16
Depreciation of property, plant and equipment	890	860
Depreciation of right-of-use-assets	126	126
Losses on fair value changes of investment at at FVTPL	100	36
Gain on disposal of plant and equipment	(108)	(130)
Net effect of exchange rate changes in consolidating subsidiary	(3)	2
Operating cash flows before changes in working capital	1,792	2,055
Inventories	3	46
Trade and other receivables	275	476
Other assets, current	975	(1,291)
Trade and other payables	(105)	(552)
Net cash flows from operations	2,940	734
Income taxes paid	(239)	(577)
<b>Net cash flows from operating activities</b>	<b>2,701</b>	<b>157</b>
<b>Cash flows from investing activities</b>		
Purchase of plant and equipment	(420)	(1,069)
Proceeds from disposal of plant and equipment	372	272
Investment in financial assets at FVTPL	-	(1,000)
Interest received	94	3
<b>Net cash flows from/(used in) investing activities</b>	<b>46</b>	<b>(1,794)</b>
<b>Cash flows from financing activities</b>		
Dividends paid	-	-
Interest paid	(19)	(16)
Proceeds from borrowings	-	1,712
Repayment of borrowings	(428)	(143)
Lease liabilities – principal portion paid	(294)	(296)
<b>Net cash flows (used in)/from financing activities</b>	<b>(741)</b>	<b>1,257</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>2,006</b>	<b>(380)</b>
Cash and cash equivalents, beginning balance	9,880	11,064
<b>Cash and cash equivalents, ending balance</b>	<b>11,886</b>	<b>10,684</b>

**D) Condensed interim statements of changes in equity**

<b>GROUP</b>	<b>Total equity S\$'000</b>	<b>Share capital S\$'000</b>	<b>Retained earnings S\$'000</b>	<b>Other reserve S\$'000</b>
<b>1H2024</b>				
Balance at 1 February 2023	29,560	19,388	10,169	3
Total comprehensive income for the period	737	-	740	(3)
Balance at 31 July 2023	30,297	19,388	10,909	-
<b>1H2023</b>				
Balance at 1 February 2022	27,563	19,388	8,173	2
Total comprehensive income for the period	915	-	913	2
Balance at 31 July 2022	28,478	19,388	9,086	4

<b>COMPANY</b>	<b>Total equity S\$'000</b>	<b>Share capital S\$'000</b>	<b>Retained earnings S\$'000</b>
<b>1H2024</b>			
Balance at 1 February 2023	19,551	19,388	163
Total comprehensive income for the period	135	-	135
Balance at 31 July 2023	19,686	19,388	298
<b>1H2023</b>			
Balance at 1 February 2022	19,495	19,388	107
Total comprehensive income for the period	66	-	66
Balance at 31 July 2022	19,561	19,388	173

## **E) Notes to the condensed interim consolidated financial statements**

### **1. Corporate Information**

Reclaims Global Limited (the “Company”) is incorporated and domiciled in Singapore and whose shares are traded on the Catalist Board of Singapore Exchange Securities Trading Limited (the “SGX-ST”). These condensed interim consolidated financial statements as at and for the six months ended 31 July 2023 comprise the Company and its subsidiaries (collectively, the “Group”). The primary activity of the Company is investment holding.

The principal activities of the Group are recycling of non-metal waste and refuse disposal including demolition and transportation services.

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

The condensed interim consolidated financial statements for the six months ended 31 July 2023 have been prepared in accordance with SFRS(I) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Committee under ACRA. The condensed interim consolidated 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 consolidated financial statements for the year ended 31 January 2023. The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with Singapore Financial Reporting Standards (International) (“SFRS(I)s”), except for the adoption of new and amended standards as set out in Note 2.1. The condensed interim consolidated financial statements are presented in Singapore dollar which is the Company’s functional currency.

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

A number of amendments to SFRS(I) 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 these standards.

#### **2.2 Use of judgements and estimates**

In preparing the condensed interim consolidated 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 applied to the consolidated financial statements as at and for the year ended 31 January 2023. 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**

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

#### 4. Segment and revenue information

The Group is organised into the following main business segments:

- Segment 1: Recycling – focuses on the reclaiming of natural and urban construction and demolition waste. The recycled waste is for sale as building materials to customers.
- Segment 2: Excavation services – performs land clearing, excavation and removal of construction and demolition waste. Excavation services consists of demolition works, site clearance, reshaping, backfilling, and compacting and turfing.
- Segment 3: Logistics and leasing – provides transportation services and leasing of machinery and equipment.

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

##### 4.1 Reportable segments

###### Profit or loss from operations

	<u>Recycling</u> S\$'000	<u>Excavation services</u> S\$'000	<u>Logistics and leasing</u> S\$'000	<u>Unallocated</u> S\$'000	<u>Group</u> S\$'000
<u>6 months ended 31 July 2023</u>					
<b>Revenue by segment</b>					
Total revenue	1,938	5,603	3,097	84	10,722
<b>Recurring EBITDA*</b>					
Depreciation of property, plant and equipment	347	528	1,108	(180)	1,803
Depreciation of right-of-use-asset	(339)	(345)	(71)	(135)	(890)
ORBIT**	(57)	–	–	(69)	(126)
Interest income	(49)	183	1,037	(384)	787
Finance costs					94
Income tax expense					(19)
Profit from operations					(122)
					<u>740</u>
<u>6 months ended 31 July 2022</u>					
<b>Revenue by segment</b>					
Total revenue	3,952	6,580	3,262	67	13,861
<b>Recurring EBITDA*</b>					
Depreciation of property, plant and equipment	1,445	574	312	(184)	2,147
Depreciation of right-of-use-asset	(200)	(426)	(94)	(140)	(860)
ORBIT**	(57)	–	–	(69)	(126)
Interest income	1,188	148	218	(393)	1,161
Finance costs					3
Income tax expense					(16)
Profit from operations					(235)
					<u>913</u>

\* Recurring EBITDA refers to earnings from operations before depreciation and amortisation, interests and income taxes.

\*\* ORBIT refers to operating result before interests and income taxes and other unallocated items.



#### 4.1 Reportable segments (cont'd)

##### Assets

	<u>Recycling</u> S\$'000	<u>Excavation</u> <u>services</u> S\$'000	<u>Logistics</u> <u>and</u> <u>leasing</u> S\$'000	<u>Unallocated</u> S\$'000	<u>Group</u> S\$'000
<u>31 July 2023</u>					
Total assets for reportable segments	5,687	11,594	1,311	5,273	23,865
Cash and cash equivalents					11,886
<b>Total group assets</b>					<u>35,751</u>
<u>31 January 2023</u>					
Total assets for reportable segments	7,315	12,097	1,461	4,973	25,846
Cash and cash equivalents					9,880
<b>Total group assets</b>					<u>35,726</u>

##### Liabilities

	<u>Recycling</u> S\$'000	<u>Excavation</u> <u>services</u> S\$'000	<u>Logistics</u> <u>and</u> <u>leasing</u> S\$'000	<u>Unallocated</u> S\$'000	<u>Group</u> S\$'000
<u>31 July 2023</u>					
Total liabilities for reportable segments	797	1,861	401	1,237	4,296
Deferred tax liabilities					799
Income tax payable					359
<b>Total group liabilities</b>					<u>5,454</u>
<u>31 January 2023</u>					
Total liabilities for reportable segments	1,330	1,884	794	883	4,891
Deferred tax liabilities					824
Income tax payable					451
<b>Total group liabilities</b>					<u>6,166</u>

##### Other material items

	<u>Recycling</u> S\$'000	<u>Excavation</u> <u>services</u> S\$'000	<u>Logistics</u> <u>and</u> <u>leasing</u> S\$'000	<u>Unallocated</u> S\$'000	<u>Group</u> S\$'000
Expenditure for non-current assets during:					
6 months ended 31 July 2023	–	462	190	–	652
6 months ended 31 July 2022	458	584	266	174	1,482

## 4.2 Disaggregation of revenue

	<u>Group</u>	
	6 months ended <u>31 July 2023</u> S\$'000	6 months ended <u>31 July 2022</u> S\$'000
<u>Type of goods and services</u>		
Sales of goods	1,938	3,952
Excavation services	5,603	6,580
Logistics and leasing services	3,097	3,262
Others	84	67
Total revenue	<u>10,722</u>	<u>13,861</u>
<u>Timing of revenue recognition</u>		
Point in time	5,119	7,281
Over time	5,603	6,580
Total revenue	<u>10,722</u>	<u>13,861</u>
<u>Duration</u>		
Short-term Contracts	5,119	7,281
Long-term Contracts	5,603	6,580
Total revenue	<u>10,722</u>	<u>13,861</u>

The Group's results are solely generated in Singapore.

## 5. Financial assets and financial liabilities

The following table categorises the carrying amount of financial assets and liabilities recorded at:

	<u>Group</u>		<u>Company</u>	
	31 July <u>2023</u> S\$'000	31 January <u>2023</u> S\$'000	31 July <u>2023</u> S\$'000	31 January <u>2023</u> S\$'000
<u>Financial assets:</u>				
Financial assets at fair value through profit and loss	840	940	–	–
Financial assets at amortised cost	<u>19,055</u>	<u>17,324</u>	<u>8,620</u>	<u>7,983</u>
<u>Financial liabilities:</u>				
Financial liabilities at amortised cost	<u>4,296</u>	<u>4,891</u>	<u>4,258</u>	<u>3,759</u>

## 6. Profit before taxation

### 6.1 Significant items

	<u>Group</u>	
	6 months ended <u>31 July 2023</u> S\$'000	6 months ended <u>31 July 2022</u> S\$'000
Gain on disposal of plant and equipment	108	130
Government grants	117	177
Cost of materials and disposal	(4,064)	(4,266)
Cost of transportation services	(241)	(495)
Cost of diesel	(898)	(2,279)
Interest expense – lease liabilities	(11)	(5)
Interest expense – bank loans	(8)	(11)
Rental expenses	(80)	(89)
Repair and maintenance expense	(258)	(658)
Upkeep of motor vehicles	(428)	(464)
Short term rental of equipment and machineries	(58)	(147)

### 6.2 Related party transactions

There are no material related party transactions apart from those disclosed elsewhere in the condensed interim consolidated financial statements.

## 7. Taxation

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 in the condensed interim consolidated statement of profit or loss are:

	<u>Group</u>	
	6 months ended <u>31 July 2023</u> S\$'000	6 months ended <u>31 July 2022</u> S\$'000
Current income tax expense	147	147
Deferred tax (income)/expense relating to origination/reversal of temporary differences	(25)	88
	<u>122</u>	<u>235</u>

## 8. Dividend

	<u>Dividend per share</u>		<u>Group and Company</u>	
	6 months ended 31 July <u>2023</u> Singapore cent	6 months ended 31 July <u>2022</u> Singapore cent	6 months ended 31 July <u>2023</u> S\$'000	6 months ended 31 July <u>2022</u> S\$'000
Ordinary dividends paid: Final dividend in respect of the previous financial year, approved and paid during the interim period	–	–	–	–

## 9. Net asset value (NAV)

	Group		Company	
	<u>31 July 2023</u>	<u>31 January 2023</u>	<u>31 July 2023</u>	<u>31 January 2023</u>
NAV attributable to owners of the Company (S\$'000)	30,297	29,560	19,686	19,551
Total number of issued shares excluding treasury shares ('000)	131,000	131,000	131,000	131,000
NAV per ordinary share (cents)	23.1	22.6	15.0	14.9

## 10. Property, plant and equipment

During the six-months period ended 31 July 2023, the Group acquired assets amounting to S\$652,000 (31 July 2022: S\$1,482,000) and disposed of assets amounting to S\$264,000 (31 July 2022: S\$142,000).

## 11. Borrowings

### Amount repayable in one year or less:

	Group			
	31 July 2023		31 January 2023	
	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
Bank loans	713	-	856	-

### Amount repayable after one year:

	Group			
	31 July 2023		31 January 2023	
	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
Bank loans	-	-	285	-

### Bank loans

The bank loan refers to bank borrowings drawn down to re-finance the land acquisition and construction of the Group's corporate headquarters at 10 Tuas South Street 7 Singapore 637114 ("**Tuas Property**") and are repayable by equal monthly instalments until April 2024.

The above bank loan is secured by:

- Corporate guarantee from the Company;
- First legal mortgage over the leasehold Tuas Property; and
- Assignment of all rights, title and benefits under existing and future tenancy agreements and rental income in respect of the leasehold Tuas Property.

## 12. Share Capital

	<u>31 July 2023</u>		<u>31 January 2023</u>	
	<u>No. of shares</u> <u>'000</u>	<u>S\$</u> <u>'000</u>	<u>No. of shares</u> <u>'000</u>	<u>S\$</u> <u>'000</u>
Fully paid ordinary shares, with no par value	<u>131,000</u>	<u>19,388</u>	<u>131,000</u>	<u>19,388</u>

The Company did not hold any convertibles and treasury shares as at 31 July 2023, 31 January 2023 and 31 July 2022. The Company's subsidiaries did not hold any shares in the Company as at 31 July 2023, 31 January 2023 and 31 July 2022.

### **13. Events subsequent to period end**

No new information or event, up till the date of this report, has come to the attention of the management that requires disclosures or adjustments to this set of interim financial statements.

## F) Other information required by Catalyst Rule Appendix 7C

### 1 Review

The condensed consolidated statement of financial position of Reclaims Global Limited and its subsidiaries as at 31 July 2023 and the related condensed consolidated profit or loss and other comprehensive income, condensed consolidated statements of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended and certain explanatory notes have not been audited or reviewed by the auditors. The latest audited annual financial statements were not subject to an adverse opinion, qualified opinion or disclaimer of opinion.

### 2 Performance of the Group

#### **Financial Performance Review**

##### **Revenue**

	1H2024 S\$'000	1H2023 S\$'000	Increase/ (Decrease) \$	Increase/ (Decrease) %
Recycling	1,938	3,952	(2,014)	(51.0)
Excavation services	5,603	6,580	(977)	(14.8)
Logistics and leasing	3,097	3,262	(165)	(5.1)
Others	84	67	17	25.4
Total	10,722	13,861	(3,139)	(22.6)

Revenue decreased by S\$3.1 million or 22.6% to S\$10.7 million in 1H2024 as compared to S\$13.9 million in 1H2023. The decrease is largely driven by a decrease in revenue from recycling and excavation services due to weaker market demand, recording a decrease of 51.0% from S\$4.0 million in 1H2023 to S\$1.9 million in 1H2024, and a decrease of 14.8% from S\$6.6 million in 1H2023 to S\$5.6 million in 1H2024 respectively.

##### **Other income and gains**

Other gains decreased by S\$0.1 million or 32.8% from S\$0.3 million in 1H2023 to S\$0.2 million in 1H2024. The decrease was mainly due to the decrease of S\$0.1 million in grants received from the Singapore Government.

##### **Cost of materials, services and consumables**

Cost of materials, services and consumables decreased by S\$2.0 million or 27.7% from S\$7.1 million in 1H2023 to S\$5.1 million in 1H2024 which is in line with the decrease in revenue. The cost of materials, services and consumables was 47.9% of revenue in 1H2024 which was lower than the 51.2% in 1H2023. This can be mainly attributed to the decrease in diesel prices.

##### **Other losses**

Other losses increased by S\$64,000 from S\$36,000 in 1H2023 to S\$100,000 in 1H2024 due to losses on fair value changes of investment at FVTPL recognised in 1H2024. The fair value loss on an underlying fund investment was due to exposure to geopolitical tensions, rising interest rates and uncertainties in the global economy.

## 2 Performance of the Group (cont'd)

### **Financial Performance Review (cont'd)**

#### **Finance costs**

Finance costs remain relatively stable in 1H2024 and 1H2023. The Group maintained its net cash position and the management will continue to exercise prudence in its capital management.

#### **Depreciation expenses**

Depreciation expenses for property, plant and equipment and right-of-use assets for 1H2024 and 1H2023 remained stable at S\$1.0 million.

#### **Employee benefits expense**

Employee benefits expense decreased by S\$0.4 million or 14.6% from S\$3.1 million in 1H2023 to S\$2.7 million in 1H2024. Employee benefits expense consists mainly of staff salaries, accrued bonuses, and statutory contributions. The decrease is in line with the lower level of business activities.

#### **Other expenses**

Other expenses decreased by S\$0.5 million or 30.6% to S\$1.3 million in 1H2024 from S\$1.8 million in 1H2023 mainly due to a decrease in rental of equipment and machineries, and repair and maintenance.

#### **Profit before tax**

As a result of the above, profit before tax for 1H2024 amounted to S\$0.9 million compared to profit before tax for 1H2023 of S\$1.1 million.

#### **Income tax expense**

The Group's effective tax rates for 1H2024 and 1H2023 were 14.2% and 20.5% respectively. The effective tax rate was lower in 1H2024 mainly due to reversal of temporary differences in deferred tax.

### **Financial Position Review**

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

Non-current assets decreased by S\$0.7 million or 5.0% to S\$13.7 million as at 31 July 2023 from S\$14.4 million as at 31 January 2023. The decrease is mainly attributed to depreciation and disposals of property, plant and equipment amounting to S\$1.3 million, and decrease in investment assets at FVTPL amounting to S\$0.1 million, partially offset by additions of property, plant and equipment amounting to S\$0.7 million.

#### **Current assets**

Current assets increased by S\$0.8 million or 3.5% to S\$22.0 million as at 31 July 2023 from S\$21.3 million as at 31 January 2023. The increase was mainly due to increase in cash and cash equivalents of S\$2.0 million, partially offset by the decrease in other assets by S\$1.0 million and decrease in trade and other receivables by S\$0.3 million.

## 2 Performance of the Group (cont'd)

### Financial Position Review (cont'd)

#### **Current assets (cont'd)**

Other assets as at 31 July 2023 mainly comprise of contract assets pertaining to work performed but not billed amounting to S\$2.2 million (31 January 2023: S\$2.9 million). The decrease shows that the certification by main contractors is relatively faster.

The trade receivables turnover as at 31 July 2023 was 112 days as compared to 101 days as at 31 January 2023 due to a general slowdown in repayments by customers.

#### **Non-current liabilities**

Non-current liabilities decreased by S\$0.3 million or 28.1% to S\$0.9 million as at 31 July 2023 from S\$1.2 million as at 31 January 2023. The decrease was mainly due to repayment of bank loans amounting to S\$0.3 million.

#### **Current liabilities**

Current liabilities decreased by S\$0.4 million or 7.6% to S\$4.6 million as at 31 July 2023 from S\$5.0 million as at 31 January 2023. The decrease was mainly due to decrease in bank loans amounting to S\$0.2 million, decrease in income tax payable of S\$0.1 million, and decrease in trade and other payables of S\$0.1 million.

The trade payables turnover as at 31 July 2023 was 54 days as compared to 70 days as at 31 January 2023.

### Cash Flow Review

During 1H2024, the Group generated net cash flows from operating activities of S\$2.7 million. A strong testament to the cash flows generating ability of the Group.

Net cash flows generated from investing activities was S\$46,000 in 1H2024, largely attributed to proceeds from disposal of plant and equipment amounting to \$0.4 million, and receipts of interest income amounting to \$0.1 million, partially offset by cash purchase of plant and equipment amounting to S\$0.4 million.

Net cash used in financing activities in 1H2024 was S\$0.7 million, which is largely attributed to repayment of bank borrowings and lease liabilities.

Overall, the Group generated a net increase of S\$2.0 million in 1H2023 and ended the period with cash and cash equivalents of S\$11.9 million.

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

No forecast or prospect statement has been previously disclosed to shareholders.



#### 4 **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**

Despite the construction sector growing by 6.9% and 6.8% year on year for the first and second quarter of 2023 respectively, the construction demand in terms of contracts awarded fell by 1% and 11.6% year on year in the first and second quarter of 2023 respectively, according to an economic survey conducted by the Ministry of Trade and Industry Economic of Singapore<sup>(1)</sup>.

Growth of the industry in the short to mid-term will remain resilient as the Singapore Government continues to push for the development of affordable housing, transport, and renewable energy infrastructure.

While economic uncertainties continue to be fuelled by geopolitical tensions and inflations, the Group remains focused in its operations in Singapore while cautiously assessing any new or additional investments. The Company will stay vigilant and continue to adjust its business and strategies as the global economic situation evolves.

Note:

(1) *Extracted from Ministry of Trade and Industry Economic Survey of Singapore Second Quarter 2023*  
(<https://www.mti.gov.sg/Resources/Economic-Survey-of-Singapore/2023/Economic-Survey-of-Singapore-Second-Quarter-2023>)

#### 5 **Dividend information**

##### 5.1 Current financial period reported on

The Board of Directors is pleased to declare a one-tier tax exempt interim dividend of S\$0.01 per ordinary share in respect of the half year ended 31 July 2023.

Name of dividend	Interim Dividend
Dividend type	Cash
Dividend per ordinary share	1.00 Singapore cent
Total dividend	S\$1,310,000

##### 5.2 Corresponding period of the immediate preceding financial year reported on

Any dividend declared for the corresponding period of the immediately preceding financial year?

No dividends were declared in the previous corresponding period.

##### 5.3 Date payable

Interim Dividend will be paid on 25 September 2023.

##### 5.4 Record date

The Register of Members and the Share Transfer Books of the Company will be closed on 18 September 2023 for the purpose of determining members' entitlement to the Interim Dividend.

Duly completed registrable transfers received by the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte Ltd, 1 Harbourfront Avenue #14-07 Keppel Bay Tower Singapore 098632, up to 5.00 p.m. on 18 September 2023 will be registered to determine members' entitlements to the Interim Dividend. Members (being depositors) whose securities accounts with The Central Depository (Pte) Limited are credited with Shares as at 5.00 p.m. on 18 September 2023 will be entitled to the Interim Dividend.

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

Not applicable.

**7 Interested person transactions**

Renewal of the general mandate for IPTs was obtained at the Annual General Meeting held on 26 May 2023.

During 1H2024, the Group entered into the following IPTs:

Name of Interested Persons and nature of transactions	Aggregate value of all IPTs during 1H2023 (excluding transactions less than S\$100,000)	
	Not conducted under shareholders' mandate pursuant to Rule 920 of the Catalist Rules S\$'000	Conducted under shareholders' mandate pursuant to Rule 920 of the Catalist Rules S\$'000
There were no transactions with interested parties amounting to more than S\$100,000.	-	-

**8 Confirmation by the Board pursuant to Rule 705(5) of the Catalist Rules**

The Board confirms that, to the best of its knowledge, nothing has come to the attention of the Board which may render the condensed interim consolidated financial statements for the six-month period ended 31 July 2023 to be false or misleading in any material aspect.

**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) of the Catalist Rules**

The Company confirms that it has procured undertakings from all its directors and executive officers in the format set out in Appendix 7H under Rule 720(1) of the Catalist Rules.

**10 Disclosure pursuant to Rule 706A of the Catalist Rules**

Please refer to the Company's announcement dated 12 June 2023 in relation to the striking-off of Reimagine Me Sdn Bhd ("Reimagine Me"), a wholly-owned subsidiary. Following the striking-off, Reimagine Me has ceased to be a subsidiary of the Group.

BY ORDER OF THE BOARD

Tan Kok Huat  
Executive Director and CEO  
8 September 2023