ECOWISE HOLDINGS LIMITED
Company Registration No. 200209835C

Condensed Interim Financial Statements and Dividend Announcement for the 3-Month Financial Period Ended 31 July 2023

The Board of Directors (the "Board" or "Directors") of ecoWise Holdings Limited (the "Company", and together with its subsidiaries, the "Group") is pleased to announce the unaudited condensed interim consolidated financial statements of the Group for the 3-month financial period ended 31 July 2023. In view of the disclaimer of opinion by the Company's independent auditor, Baker Tilly TFW LLP, for the 18-month financial period ended 30 April 2023 ("FP2023"), such quarterly reporting announcement is mandatory pursuant to the Singapore Exchange Securities Trading Limited's ("SGX-ST") requirements, as required under Rule 705(2)(d) of the SGX-ST Listing Manual Section B: Rules of Catalist (the "Catalist Rules").

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

	Note	Group		
		3-month period ended 31 July 2023 ("1Q FY2024") (S$'000) Unaudited	3-month period ended 31 July 2022 ("3Q FP2023") (S$'000) Unaudited	% Change +/(-)
Continuing Operations				
Revenue	4	**7,943**	6,848	16
Cost of Sales		**(6,943)**	(8,132)	(15)
Gross Profit		**1,000**	(1,284)	n/m
<u>**Other Items of Income**</u>				
Other Gain		**220**	299	(26)
<u>**Other Items of Expenses**</u>				
Marketing and Distribution Expenses		**(152)**	(177)	(14)
Administrative Expenses		**(1,334)**	(1,475)	(10)
Finance Costs		**(235)**	(145)	62
Loss before Income Tax	5	**(501)**	(2,782)	(82)
Income Tax Expense		**(204)**	(114)	79
Loss from Continuing Operations		**(705)**	(2,896)	(76)
Discontinued Operations				
Loss from Discontinued Operations		**-**	-	-
Loss for the Period		**(705)**	(2,896)	(76)
<u>**Other Comprehensive Loss**</u>				
Items that may be Reclassified Subsequently to Profit or Loss:				
Exchange Differences on Translating Foreign Operations, Net of Tax		**(104)**	(5)	>100
Cash Flow Hedges, Net of Tax		**-**	(2)	n/m
Defined Benefit Plan - Actuarial Gain		**-**	(5)	n/m
Other Comprehensive Loss for the Period		**(104)**	(12)	>100
Total Comprehensive Loss for the Period		**(809)**	(2,908)	(72)

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

	Note	Group		
		3-month period ended 31 July 2023 ("1Q FY2024") (S$'000) Unaudited	3-month period ended 31 July 2022 ("3Q FP2023") (S$'000) Unaudited	% Change +/(-)
Loss for the Period Attributable to:				
Owners of the Company		**(702)**	(2,893)	(76)
Non-Controlling Interests		**(3)**	(3)	-
Loss for the Period		**(705)**	(2,896)	(76)
Loss for the Period Attributable to Owners of the Company:				
Loss from Continuing Operations		**(702)**	(2,893)	(76)
Loss from Discontinued Operations		**-**	-	-
		(702)	(2,893)	(76)
Total Comprehensive Loss for the Period Attributable to:				
Owners of the Company		**(806)**	(2,905)	(72)
Non-Controlling Interests		**(3)**	(3)	-
Total Comprehensive Loss for the Period		**(809)**	(2,908)	(72)
Loss per Share				
Basic and diluted (S$ cents)		**(0.07)**	(0.30)	

"n/m" denotes not meaningful.

B. Condensed Interim Consolidated Statements of Financial Position

		Group		Company	
	Note	As at 31 July 2023 (S$'000) Unaudited	As at 30 April 2023 (S$'000) Audited	As at 31 July 2023 (S$'000) Unaudited	As at 30 April 2023 (S$'000) Audited
ASSETS					
Current Assets					
Inventories		**2,246**	3,546	**-**	-
Financial Assets at Fair Value through Profit or Loss		**1,513**	1,513	**-**	-
Trade and Other Receivables	6	**7,740**	7,188	**5,992**	6,174
Lease Receivables		**1,406**	1,369	**-**	-
Derivative Financial Instruments		**21**	16	**-**	-
Other Non-Financial Assets		**714**	791	**204**	90
Cash and Cash Equivalents		**791**	908	**20**	141
		14,431	15,331	**6,216**	6,405
Assets Held for Sale		**17**	20	**-**	-
Disposal group assets classified as held for sale	13	**1,056**	1,056	**-**	-
Total Current Assets		**15,504**	16,407	**6,216**	6,405
Non-Current Assets					
Property, Plant and Equipment	7	**11,318**	12,140	**85**	90
Right-of-use Assets	8	**5,302**	5,558	**-**	-
Investment Properties		**1,461**	1,486	**-**	-
Investments in Subsidiaries		**-**	-	**21,438**	21,438
Investment in an Associate		**-**	-	**-**	-
Lease Receivables		**4,110**	4,474	**-**	-
Other Non-Financial Assets		**-**	-	**-**	-
Total Non-Current Assets		**22,191**	23,658	**21,523**	21,528
Total Assets		**37,695**	40,065	**27,739**	27,933

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

	Note	Group		Company	
		As at 31 July 2023 (S$'000) Unaudited	**As at 30 April 2023 (S$'000) Audited**	**As at 31 July 2023 (S$'000) Unaudited**	**As at 30 April 2023 (S$'000) Audited**
LIABILITIES					
Current Liabilities					
Income Tax Payable		**112**	137	**54**	65
Trade and Other Payables	11	**6,773**	7,461	**13,452**	13,816
Derivative Financial Instruments		**-**	-	**-**	-
Loans and Borrowings	12	**6,700**	7,288	**647**	-
Lease Liabilities	14	**459**	475	**5**	9
		14,044	15,361	**14,158**	13,890
Liabilities directly associated with Disposal Group classified as Held for Sale	13	**2,410**	2,410	**-**	-
Total Current Liabilities		**16,454**	17,771	**14,158**	13,890
Non-Current Liabilities					
Provisions		**1,096**	1,096	**-**	-
Loans and Borrowings	12	**3,353**	3,448	**-**	-
Lease Liabilities	14	**198**	341	**-**	-
Deferred Tax Liabilities		**647**	653	**-**	-
Total Non-Current Liabilities		**5,294**	5,538	**-**	-
Total Liabilities		**21,748**	23,309	**14,158**	13,890
NET ASSETS		**15,947**	16,756	**13,581**	14,043
EQUITY					
Share Capital		**47,890**	47,890	**47,890**	47,890
Accumulated Losses		**(28,130)**	(27,428)	**(34,309)**	(33,847)
Foreign Currency Translation Reserves ("**FCTR**")		**(5,956)**	(5,852)	**-**	-
Other Reserves		**2,182**	2,182	**-**	-
Equity Attributable to Owners of the Company		**15,986**	16,792	**13,581**	14,043
Non-Controlling Interests		**(39)**	(36)	**-**	-
Total Equity		**15,947**	16,756	**13,581**	14,043

C. Condensed Interim Consolidated Statement of Cash Flows

	Group	
	3-month period ended 31 July 2023 (S$'000) Unaudited	**3-month period ended 31 July 2022 (S$'000) Unaudited**
<u>Cash Flows from Operating Activities</u>		
Loss before Income Tax from Continuing Operations	**(501)**	(2,782)
Loss before Income Tax from Discontinued Operations	**-**	-
Adjustments for:		
Depreciation of Property, Plant and Equipment	**843**	810
Depreciation of Right-of-use Assets	**167**	171
Depreciation of Investment Properties	**25**	25
Gain on Disposal of Property, Plant and Equipment	**(56)**	(203)
Gain on Disposal of Assets Held for Sale	**(12)**	-
Reversal of Allowance for Doubtful Debts	**(86)**	-
Amortisation of Land Use Rights	**-**	14
Net Fair Value (Gain)/Loss on Derivative Financial Instruments	**(5)**	2
Provision for Retirement Benefit Obligations Expenses, Net	**-**	2
Finance Costs	**235**	145
Net Foreign Exchange (Gain)/Loss	**(239)**	403
Operating Cash Flows before Changes in Working Capital	**371**	(1,413)
Inventories	**1,300**	806
Trade and Other Receivables	**(466)**	946
Lease Receivables	**327**	(877)
Other Non-Financial Assets	**77**	268
Trade and Other Payables	**(688)**	1,079
Net Cash Flows from Operations	**921**	809
Income Tax Paid	**(235)**	(430)
Net Cash Flows from Operating Activities	**686**	379
<u>Cash Flows from Investing Activities</u>		
Acquisition of Property, Plant and Equipment	**-**	(26)
Proceeds from Disposal of Property, Plant and Equipment	**66**	320
Proceeds from Disposal of Assets Held for Sale	**15**	-
Net Cash Flows from Investing Activities	**81**	294
<u>Cash Flows from Financing Activities</u>		
Net Repayments of Loans and Borrowings	**(512)**	(396)
Lease Liabilities - Principal Portion Paid	**(159)**	(262)
Loan from Directors	**-**	750
Interest Expense Paid	**(209)**	(145)
Cash Flows used in Financing Activities	**(880)**	(53)
Net (Decrease)/Increase in Cash and Cash Equivalents	**(113)**	620
Effect of Exchange Rate Changes on Cash and Cash Equivalents	**(4)**	21
Cash and Cash Equivalents, Beginning Balance	**908**	1,880
Cash and Cash Equivalents, Ending Balance	**791**	2,521

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

	Share Capital (S$'000)	Accumulated Losses (S$'000)	FCTR (S$'000)	Other Reserves (S$'000)	Equity Attributable to Owners of the Company (S$'000)	Non-Controlling Interests (S$'000)	Total Equity (S$'000)
<u>Group</u>							
For the 3-month period ended 31 July 2023							
At 1 May 2023	47,890	(27,428)	(5,852)	2,182	16,792	(36)	16,756
Changes in Equity							
Total Comprehensive Loss for the period	-	(702)	(104)	-	(806)	(3)	(809)
At 31 July 2023	**47,890**	**(28,130)**	**(5,956)**	**2,182**	**15,986**	**(39)**	**15,947**

	Share Capital (S$'000)	Accumulated Losses (S$'000)	FCTR (S$'000)	Other Reserves (S$'000)	Equity Attributable to Owners of the Company (S$'000)	Non-Controlling Interests (S$'000)	Total Equity (S$'000)
<u>Group</u>							
For the 3-month period ended 31 July 2022							
At 1 May 2022	47,890	(16,037)	(5,484)	2,226	28,595	19	28,614
Changes in Equity							
Total Comprehensive Income for the period	-	(2,896)	(5)	(7)	(2,908)	(3)	(2,911)
At 31 July 2022	47,890	(18,933)	(5,489)	2,219	25,687	16	25,703

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

	Share Capital (S$'000)	Accumulated Losses (S$'000)	Total Equity (S$'000)
<u>Company</u>			
For the 3-month period ended 31 July 2023			
At 1 May 2023	47,890	(33,847)	14,043
Total Comprehensive Loss for the Period	-	(462)	(462)
At 31 July 2023	47,890	(34,309)	13,581
For the 3-month period ended 31 July 2022			
At 1 May 2022	47,890	(27,558)	20,332
Total Comprehensive Loss for the Period	-	(89)	(89)
At 31 July 2022	47,890	(27,647)	20,243

E. Notes to the Condensed Interim Consolidated Financial Statements

1. Corporate Information

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

The condensed interim consolidated financial statements as at and for the 3-month financial period ended 31 July 2023 comprise the Company and its subsidiaries (collectively, the "**Group**"). The principal activity of the Company is that of investment holding.

The principal activities of the major subsidiaries are:
- Operation and maintenance of biomass co-generation plant;
- Processing and recycling of non-metal waste, horticultural waste and other waste; and
- Manufacturing and trading of retread tyres and related rubberised products.

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

2. Basis of Preparation

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

The condensed interim consolidated statement of financial position of the Group as at 31 July 2023 and the related condensed consolidated profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the period then ended and certain explanatory notes have not been audited or reviewed by the Company's auditors.

The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last annual financial statements for the 18-month financial period ended 30 April 2023. The accounting policies adopted are consistent with those of the previous financial period which were prepared in accordance with Singapore Financial Reporting Standards (International) ("**SFRS(I)**s"), except for the adoption of amended standards as set out in Note 2.1.

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

2.1. New and amended standards adopted by the Group

The condensed interim financial statements have been prepared based on accounting policies and methods of computation consistent with those adopted in the most recent audited financial statements of the Group for the 18-month financial period ended 30 April 2023. The Group has adopted new and revised SFRS (I) and interpretations of SFRS (I) applicable to the Group which are effective for the financial period beginning 1 May 2023. These are not expected to have a material impact on the Group's condensed interim financial statements.

2.2 Use of Judgements and estimates

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

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

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

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

2.2 Use of Judgements and estimates (Cont'd)

(ii) Impairment assessment of disposal group assets classified as held for sale, land use rights in relation to CEBEC

The Group owns a 24 MW biomass co-generation power plant (the "**CEBEC Plant**") located in Changyi, Shandong Province, People's Republic of China ("**PRC**"). The CEBEC Plant is held by Changyi Enersave Biomass to Energy Co., Ltd. ("**CEBEC**"), a company registered in the PRC. The immediate parent company of CEBEC is Hivern Investments Pte. Ltd. ("**Hivern**"). Both CEBEC and Hivern are wholly-owned subsidiaries in the Group.

The CEBEC Plant has not commenced operations since it was acquired by the Group in the reporting period ended 2013. The plant requires major retrofitting and re-commissioning before it can be placed into commercial operations as the contractor engaged by CEBEC did not deliver the plant to the Company in accordance with the technical specifications set out in the Engineering, Procurement and Construction Contract (the "**EPC Contract**").

As at 30 April 2023 and 31 July 2023, the carrying values of CEBEC Plant and land use rights where the plant is located were Nil and RMB5,421,000 (approximately S$1,056,000) respectively.

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

The Group owned a 20% equity interest in China-UK Low Carbon Enterprise Co. Ltd., ("**CULCEC**"). The Group's application for the liquidation of CULCEC was approved by the court in PRC on 21 December 2020. The carrying amount of the Group's investment in the associate, which was determined based on the Group's share of the net assets of CULCEC on 31 December 2020 (based on information provided by the liquidator), approximate to S$1.5million (RMB7 million). There was no change in the carrying amount of investment in the associate from 31 December 2020 to 31 October 2021. On 30 April 2023, the Group reclassified its investment in associate to equity investments at fair value through profit or loss in accordance with SFRS(I) 9 Financial Instruments.

The Group has assessed and determined the fair value of CULCEC on 31 July 2023 remains at $1.5million (RMB 7million) as there has been no update on the liquidation status of CULCEC. This amount represents the net expected amounts to be realised through sale of assets at fair market value, net of repayment obligations of CULCEC. However, as CULCEC is under liquidation, the Group is unable to determine the amount that it will eventually receive on completion of the liquidation process.

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

An assessment is made for the end of each reporting year whether there is any indication that the asset may be impaired. If any such indication exists, an estimate is made of the recoverable amount of the asset. The recoverable amounts of cash-generating unit are measured based on the higher of fair value less costs of disposal or value in use calculations. When value in use calculations are undertaken, management is required to estimate the expected future cashflows from the asset or cash-generating unit and a suitable discount rate, in order to determine the present value of those cashflows.

(v) Measurement of impairment of subsidiaries

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

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

(vi) Net realisable value of inventories

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

2.2 Use of Judgements and estimates (Cont'd)

(vii) Income tax

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

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

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

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

The Group's other payables to outside parties included a long outstanding payable of a subsidiary in the PRC amounting to RMB3,560,000 (approximately $729,000), which arose in 2013. The external law firm engaged by the Group, to act as management's expert, advised on 2 March 2022 that the subsidiary is not liable to repay the amount if there has been no request for repayment from the creditor concerned within the statutory time bar period. Management is, however, unable to ascertain if the creditor has requested for repayment of this amount through other channels that have not reached the Company, and hence whether the statutory time bar period had indeed expired. The Group received a letter of demand from the creditor on 1 June 2022, which if it represented a demand made since 2013, would be outside of the statutory limitation period.

2.3 Material uncertainties related to going concern

As at 31 July 2023, there are material uncertainties on the ability of the Group to continue as a going concern. Management noted that while the Group had loss before tax of S$501,000 for 1Q FY2024 (3Q FP2023: loss before tax of S$2,782,000) and had net current liabilities of S$950,000 (30 April 2023: net current liabilities of S$1,364,000), the Group generated net cash of S$686,000 for 1Q FY2024 (3Q FP2023: S$379,000) from operating activities.

During the current reporting period, Management continued to carry out the following measures to sustain the Group as a going concern:

a) Further stabilising the operations in Singapore and Malaysia by (i) securing more orders from existing customers, (ii) obtaining orders from new customers and (iii) resuming sale of products and services that had temporarily ceased to be offered in prior periods;

b) Continued to work with strategic partners to offer more products and services that are synergistic with current operations;

c) Continued to explore collaboration opportunities with various technology companies in areas such as digitalisation, ICA (instrumentation, computerisation, and automation) and modularisation of process unit for developing and owning intellectual properties and proprietary know-how in the environmental industries; and

d) Continued to monetise its non-core assets in Singapore and Malaysia;

Management prepared the financial statements using the going concern assumption on the basis that the actions has taken and continues to take to mitigate the going concern uncertainty have been adequately.

The Directors are of the view that the ability of the Company and the Group to pay their debts as and when they fall due is dependent on the continued success of the above efforts.

If, for any currently unforeseen circumstances, the Company and the Group are unable to continue in operational existence for the foreseeable future, the Group and Company may be unable to discharge its liabilities in the normal course of business and adjustments may have to be made to reflect the situation and assets may need to be realised other than in the normal course of business at amounts which could differ significantly from the amounts at which they are currently recorded in the statements of financial positions of the Group and the Company. In addition, the Company and the Group may have to reclassify non-current assets and liabilities as current assets and liabilities. No such adjustments have been made to these financial statements for the current reporting period.

3. Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period. However, the Group's businesses have been impacted by the actions the Company is required to comply with under the Notice of Compliance ("NOC") dated 25 June 2021 which has required a significant amount of management's attention.

4. Segment and revenue information

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

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

- Renewable Energy – Design, build and operate biomass co-generation systems, generate power for sale and provision of services related to the applications of heat.

- Resource Recovery – Process, recycle and repurpose waste and salvageable materials into environmentally friendly products for industrial applications, such as washed copper slag, compost and retreaded tyres.

- Integrated Environmental Management Solutions – Provision of resource management and integrated environmental engineering solutions for industrial waste and energy management, including designing, optimising, engineering, procurement, fabricating, commissioning, managing and maintenance of waste, energy management facilities and vertically integrated waste-to-feed process for fish and aquaculture business.

4.1 Reportable segments

The segment analysis on the Group's results for 1Q FY2024 and 3Q FP2023 are as follows:

	Group		
	3-month period ended 31 July 2023 (S$'000)	**3-month period ended 31 July 2022 (S$'000)**	**% Change +/(-)**
Revenue			
Renewable Energy Segment	1,958	1,766	11
Resource Recovery Segment	5,958	5,055	18
Integrated Environmental Management Solutions Segment	27	27	-
Total	7,943	6,848	16
Gross Profit/(Loss)	1,000	(1,284)	n/m
Gross Profit/(Loss) Margin	12.59%	(18.75%)	n/m

The segment analysis on the Group's profit or loss for 1Q FY2024 and 3Q FP2023 and assets and liabilities as at 31 July 2023 and 30 April 2023 are as follows:

Group	Renewable Energy		Resource Recovery		Integrated Environmental Management Solutions		Eliminations		Group	
	3-month period ended 31 July 2023 (S$'000)	**3-month period ended 31 July 2022 (S$'000)**	**3-month period ended 31 July 2023 (S$'000)**	**3-month period ended 31 July 2022 (S$'000)**	**3-month period ended 31 July 2023 (S$'000)**	**3-month period ended 31 July 2022 (S$'000)**	**3-month period ended 31 July 2023 (S$'000)**	**3-month period ended 31 July 2022 (S$'000)**	**3-month period ended 31 July 2023 (S$'000)**	**3-month period ended 31 July 2022 (S$'000)**
Revenue										
Revenue from external customers	**1,958**	1,766	**5,958**	5,055	**27**	27	**-**	-	**7,943**	6,848
Inter-segment revenue	**280**	194	**16**	217	**59**	106	**(355)**	(517)	**-**	-
Segment Revenue	**2,238**	1,960	**5,974**	5,272	**86**	133	**(355)**	(517)	**7,943**	6,848
Segment results before allocation of corporate management fees	**295**	542	**74**	(2,717)	**(100)**	(28)	**(293)**	(360)	**(24)**	(2,563)
Allocated corporate management fees	**(143)**	(150)	**(150)**	(150)	**-**	(60)	**293**	360	**-**	-
Segment results	**152**	392	**(76)**	(2,867)	**(100)**	(88)	-	-	**(24)**	(2,563)
Unallocated corporate results									**(242)**	(74)
Loss before finance income, dividend income, finance costs and income tax expense									**(266)**	(2,637)
Finance costs									**(235)**	(145)
Income tax expense									**(204)**	(114)
Loss net of tax									**(705)**	(2,896)

Group	Renewable Energy		Resource Recovery		Integrated Environmental Management Solutions		Eliminations		Group	
	As at 31 July 2023 (S$'000)	As at 30 April 2023 (S$'000)	As at 31 July 2023 (S$'000)	As at 30 April 2023 (S$'000)	As at 31 July 2023 (S$'000)	As at 30 April 2023 (S$'000)	As at 31 July 2023 (S$'000)	As at 30 April 2023 (S$'000)	As at 31 July 2023 (S$'000)	As at 30 April 2023 (S$'000)
Segment assets	**26,464**	31,214	**33,939**	44,032	**10,588**	14,451	**(34,586)**	(51,135)	**36,405**	38,562
Disposal group assets classified as held for sale	**1,056**	1,056	**-**	-	**-**	-	**-**	-	**1,056**	1,056
Unallocated corporate assets									**234**	447
Total assets									**37,695**	40,065
Segment liabilities	**50,846**	52,457	**18,854**	19,199	**10,828**	6,988	**(73,810)**	(71,506)	**6,718**	7,138
Loans and borrowings allocated to operating segments	**-**	-	**8,193**	8,829	**1,860**	1,907	**-**	-	**10,053**	10,736
Income tax payable allocated to operating segments	**11**	11	**42**	47	**13**	13	**-**	-	**66**	71
Unallocated income tax payable									**46**	66
Deferred tax liabilities									**647**	653
Liabilities directly associated with disposal group classified as held for sale	**1,824**	1,824	**435**	435	**151**	151	**-**	-	**2,410**	2,410
Unallocated corporate liabilities									**1,808**	2,235
Total liabilities									**21,748**	23,309
Capital expenditure allocated to operating segments:										
Property, plant and equipment	**-**	77	**-**	561	**-**	-	**-**	-	**-**	638
Right-of-use assets	**-**	-	**-**	6,357	**-**	-	**-**	-	**-**	6,357
Total capital expenditure									**-**	6,995

Group	Renewable Energy		Resource Recovery		Integrated Environmental Management Solutions		Eliminations		Group	
	3-month period ended 31 July 2023 (S$'000)	3-month period ended 31 July 2022 (S$'000)	3-month period ended 31 July 2023 (S$'000)	3-month period ended 31 July 2022 (S$'000)	3-month period ended 31 July 2023 (S$'000)	3-month period ended 31 July 2022 (S$'000)	3-month period ended 31 July 2023 (S$'000)	3-month period ended 31 July 2022 (S$'000)	3-month period ended 31 July 2023 (S$'000)	3-month period ended 31 July 2022 (S$'000)
Depreciation of property, plant and equipment and investment properties:										
Allocated to operating segments	**207**	382	**567**	354	**64**	64	-	-	**838**	800
Unallocated corporate depreciation									**5**	10
									843	810
Depreciation of right-of-use assets	**86**	89	**81**	82	**-**	-	-	-	**167**	171
Gain on disposal of property, plant and equipment:										
Allocated to operating segments	**-**	(34)	**(56)**	(129)	**-**	-	-	-	**(56)**	(163)
Unallocated corporate depreciation									**-**	(40)
									(56)	(203)
Gain on disposal of asset held for sale	**-**	-	**(12)**	-	**-**	**-**	**-**	**-**	**(12)**	-
Provision for retirement benefit obligations, net	**-**	-	**-**	2	**-**	-	-	-	**-**	2
Amortisation of land use rights	**-**	14	**-**	-	**-**	-	-	-	**-**	14
Reversal for doubtful receivables	**-**	-	**(86)**	-	**-**	-	-	-	**(86)**	-

4.2 Disaggregation of revenue

	Group	
	3-month period ended 31 July 2023 (S$'000)	3-month period ended 31 July 2022 (S$'000)
#A. Revenue classified by type of good or service:		
Sale of goods	**6,179**	5,140
Service income	**1,580**	1,455
Finance lease income	**156**	189
Others	**28**	64
Total revenue	**7,943**	6,848
#B. Revenue classified by duration of contract:		
Short term contracts	**6,801**	5,689
Long term contracts	**1,142**	1,159
Total revenue	**7,943**	6,848
#C. Revenue classified by timing of revenue recognition:		
Point in time	**6,801**	5,689
Over time	**1,142**	1,159
Total revenue	**7,943**	6,848

4.3 Geographical segment

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

	Group		
	3-month period ended 31 July 2023 (S$'000)	3-month period ended 31 July 2022 (S$'000)	% Change +/(-)
Revenue			
Australia	**4,045**	3,294	23
Singapore	**2,680**	2,799	(4)
Malaysia	**921**	723	27
Others	**297**	32	>100
Total	**7,943**	6,848	16

5. **Loss before income tax**

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

	Group		
	3-month period ended 31 July 2023 (S$'000)	**3-month period ended 31 July 2022 (S$'000)**	**% Change +/(-)**
Depreciation of property, plant and equipment	**843**	810	4
Depreciation of right-of-use assets	**167**	171	(2)
Depreciation of investment properties	**25**	25	-
Finance lease income	**156**	189	(17)
Gain on disposal of property, plant and equipment	**(56)**	(203)	(72)
Gain on disposal of assets held for sale	**(12)**	-	n/m
Reversal of allowance for doubtful debts	**(86)**	-	n/m
Foreign exchange transaction gain	**(52)**	(87)	(40)
Government grant income	**(14)**	(9)	56

6. **Trade and other receivables**

	Group		Company	
	As at 31 July 2023 (S$'000)	**As at 30 April 2023 (S$'000)**	**As at 31 July 2023 (S$'000)**	**As at 30 April 2023 (S$'000)**
Trade receivables				
Outside parties	**8,325**	7,962	**8**	37
Less: allowance for impairment	**(928)**	(1,014)	**-**	(25)
Net	**7,397**	6,948	**8**	12
Subsidiaries	**-**	-	**5,984**	2,016
Subtotal	**7,397**	6,948	**5,992**	2,028
Other receivables				
Outside parties	**409**	306	**-**	-
Less: allowance for impairment	**(66)**	(66)	**-**	-
Net	**343**	240	**-**	-
Subsidiaries	**-**	-	**-**	4,146
Subtotal	**343**	240	**-**	4,146
Total trade and other receivables	**7,740**	7,188	**5,992**	6,174

7. **Property, plant and equipment ("PPE")**

During 1Q FY2024, the Group did not acquire any PPE (3Q FP2023: S$51,000) and disposed of PPE amounting to S$10,000 (3Q FP2023: S$117,000).

8. **Right-of-use assets**

During 1Q FY2024 and 3Q FP2023, there are no acquisitions and disposals made.

9. **Intangible Assets**

Trademarks and goodwill had been fully impaired in the prior year due to weaker performance.

10. Net asset value

	Group		Company	
	As at 31 July 2023	As at 30 April 2023	As at 31 July 2023	As at 30 April 2023
Net assets attributable to owners of the Company (S$'000)	**15,986**	16,792	**13,581**	14,043
Number of shares at the end of the financial period/year, excluding treasury shares	**948,845,729**	948,845,729	**948,845,729**	948,845,729
Net asset value per ordinary share at the end of the financial period/year (S$ cents)	**1.68**	1.77	**1.43**	1.48

11. Other payables and other provisions

	Group		Company	
	As at 31 July 2023 (S$'000)	As at 30 April 2023 (S$'000)	As at 31 July 2023 (S$'000)	As at 30 April 2023 (S$'000)
Trade payables				
Outside parties and accrued liabilities	**4,919**	5,578	**1,124**	1,058
Subsidiaries	**-**	-	**2,372**	2,143
Subtotal	**4,919**	5,578	**3,496**	3,201
Other payables				
Outside parties	**1,193**	1,262	**29**	3
Director	**661**	621	**647**	650
Subsidiaries	**-**	-	**9,927**	9,962
Subtotal	**1,854**	1,883	**10,603**	10,615
Total trade and other payables	**6,773**	7,461	**14,099**	13,816

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

12. Loans and borrowings

	Group			
	At 31 July 2023		As at 30 April 2023	
	Secured	Unsecured	Secured	Unsecured
	S$'000	S$'000	S$'000	S$'000
Amount repayable in one year or less, or on demand	**6,700**	**-**	7,288	-
Amount repayable after one year	**3,353**	**-**	3,448	-

Unsecured loan repayable in one year or less or on demand represents loan from a Director during prior year with an interest rate of 6.3% per annum. Please refer to paragraph 10 of Section F OTHER INFORMATION REQUIRED BY CATALIST RULE APPENDIX 7C for more details.

Details of collaterals

As at 31 July 2023, secured loans and borrowings comprised:

- Loans and borrowings of S$8.19 million (30 April 2023: S$8.83 million), secured by property, plant and equipment and assets of certain subsidiaries in Malaysia.
- Loans and borrowings of S$1.86 million (30 April 2023: S$1.91 million), secured by property, plant and equipment of subsidiaries in Singapore.
- To date, banking facilities with the three banks in Malaysia have been restructured as announced on 6 June 2022, 28 June 2022 and 10 November 2022.

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

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

The Group is currently exploring all avenues to expedite the change of legal representative for the China subsidiaries.

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

14. **Lease Liabilities**

	Group		**Company**	
	As at 31 July 2023 **$'000**	As at 30 April 2023 $'000	**As at 31 July 2023** **$'000**	As at 30 April 2023 $'000
Current	**459**	475	**5**	9
Non-current	**198**	341	**-**	-
	657	816	**5**	9

As at 31 July 2023, finance lease liabilities of S$657,000 (30 April 2023: S$816,000), secured by the lessors' charge over the leased assets.

15. **Related party transactions**

There are no material related party transactions apart from the outstanding loan from a director as disclosed elsewhere in this announcement.

16. **Subsequent events**

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

F. Other Information Required by Catalist Rule Appendix 7C

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

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

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

To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

	Issued and paid-up ordinary shares	Share capital (S$'000)
As at 31 July 2023 and 30 April 2023	957,483,029	48,170

	Number of treasury shares	Percentage of the aggregate number of treasury shares held against total number of shares outstanding
As at 31 July 2023 and 30 April 2023	8,637,300	0.90%

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

As at 31 July 2023, the total number of issued and paid-up ordinary shares (excluding treasury shares and subsidiary holdings) held was 948,845,729 shares (30 April 2023: 948,845,729 shares).

2 A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

There were no sales, transfers, cancellation and/or use of treasury shares as at 31 July 2023.

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

There were no sales, transfers, cancellation and/or use of subsidiary holdings as at 31 July 2023.

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

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

A. Opening balances and limitation of scope in relation to the China subsidiaries;

B. Disposal Group classified as held for sale (in relation to the China subsidiaries);

C. Internal audit under NOC;

D. Impairment assessment of the Group's property, plant and equipment in Malaysia;

E. Valuation of equity investment at fair value through profit or loss (previously classified as investment in an associate); and

F. Going concern

With regard to items A and B above, the Management is working with professionals to regain control of the companies in China before the Management is able, legally, to take the next course of actions.

In relation item C above, the expanded scope carried out by Ernst & Young Advisory Pte. Ltd. as announced on 11 May 2022 is still ongoing.

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

With regard to item E above, the Management is in the midst of changing its authorised representative for the liquidation of its equity investment to be in a position to carry out a valuation of equity investment at fair value through profit or loss.

With regard to item F above, please refer to Section E, Note 2.3 of this announcement.

The Company will continue to engage with external and internal auditors and other relevant professionals to address all matters raised in the independent auditor's report for FP2023. Announcements will be made in the event these matters have or may have a significant or material impact on the Group's operations and financial statements.

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

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

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

	Group	
	3-month period ended 31 July 2023	**3-month period ended 31 July 2022**
Loss for the period attributable to the owners of the Company (S$'000)	**(702)**	(2,893)
Weighted average number of shares in issue ('000)	**948,846**	948,846
(i) Basic loss per shares (S$ cents)	**(0.07)**	(0.30)
(ii) On a fully diluted basis (S$ cents)	**(0.07)**	(0.30)

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

6 Review of performance of the Group

Statement of Comprehensive Income

Revenue

Revenue for the 3-month period ended 31 July 2023 of S$7.94 million was S$1.10 million or 16% higher than the revenue for the 3-month period ended 31 July 2022 mainly due to (i) increase in revenue from Resource Recovery segment of S$903,000 as a result of increase in sales order from major customers since July 2022 in Malaysia and (ii) increase in revenue from Renewable Energy segment of S$192,000 arising from higher demand for energy from the Gardens by the Bay project.

Cost of Sales

Cost of sales for the 3-month period ended 31 July 2023 of S$6.94 million was S$1.19 million or 15% lower than the cost of sales for the 3-month period ended 31 July 2022 mainly due to decrease in raw materials cost in Malaysia of S$1.11 million.

Gross Profit and Gross Profit Margin

For the 3-month period ended 31 July 2023, the Group generated a gross profit of S$1.00 million as compared to a gross loss of S$1.28 million for the 3-month period ended 31 July 2022 as a result of overall increase in revenue and decrease in cost of sales. These also explains the gross profit margins of 12.59% for the 3-month period ended 31 July 2023.

Other Gains

Other gains for the 3-month period ended 31 July 2023 of S$220,000 was S$79,000 or 26% lower than the other gains for the 3-month period ended 31 July 2022, mainly due to decrease in gain on disposal of fixed assets of S$147,000, offset by recovery of bad debts of S$86,000.

Marketing and Distribution Expenses, and Administrative Expenses

Marketing and distribution expenses decreased by S$25,000 or 14% while administrative expenses decreased by S$141,000 or 10% mainly due to tighter cost control measures undertaken by the Group.

Finance Costs

Finance costs increased by S$90,000 for the 3-month period ended 31 July 2023 as compared to the 3-month period ended 31 July 2022 as a result of the restructuring of bank borrowings in Malaysia which were completed between June 2022 to November 2022.

Income Tax Expense

Income tax expense increased by S$90,000 mainly due to timing difference between depreciation per accounting records and depreciation per income tax of S$72,000.

Loss, Net of Tax

As a result of the above, the Group recorded net loss from continuing operations of S$705,000 for the 3-month period ended 31 July 2023 as compared to net loss from continuing operations of S$2.90 million for the 3-month period ended 31 July 2022.

Statement of Financial Position

Assets

Property, plant and equipment decreased by S$822,000 from S$12.14 million as at 30 April 2023 to S$11.32 million as at 31 July 2023 mainly due to depreciation of S$843,000.

Right-of-use assets decreased by S$256,000 was mainly due to depreciation of S$167,000 for the 3-month period ended 31 July 2023 and foreign currency translation of right-of-use of assets denominated in foreign currency.

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

Financial assets at fair value through profit or loss relates to the Group’s investment in CULCEC which is in process of liquidation. There is no change in the carrying amount of this investment.

Lease receivables (non-current and current) relates to the Group’s investment in biomass co-generation power plant at Gardens by the Bay which is accounted for as a finance lease. Total non-current and current lease receivables decreased from S$5.84 million as at 30 April 2023 to S$5.52 million as at 31 July 2023, mainly attributable to the billing to collections from the customer.

Inventories decreased by S$1.30 million from S$3.55 million as at 30 April 2023 to S$2.25 million as at 31 July 2023 as Malaysia adopted the “just-in-time” system for better cashflow management.

Trade and other receivables increased by S$552,000 from S$7.19 million as at 30 April 2023 to S$7.74 million as at 31 July 2023, mainly due to (i) increase in trade receivables of Malaysia operations of S$359,000 as a result of increase in revenue; (ii) increase in trade receivables of Singapore operations of S$135,000 due to increase in revenue; and (iii) decrease in provision of doubtful debt of S$86,000 due to payments received from long outstanding debts in Singapore.

Other non-financial assets (non-current and current) comprise of prepayments and deposits decreased by S$77,000 from S$791,000 as at 30 April 2023 to S$714,000 as at 31 July 2023 mainly due to the amortisation of prepayments and decrease in tax recoverable due to profit making subsidiaries in Malaysia.

Cash and cash equivalents decreased by S$117,000 from S$908,000 as at 30 April 2023 to S$791,000 as at 31 July 2023. Please refer to "Statement of Cash Flow" section below for explanations on the decrease in cash and cash equivalents of the Group.

Liabilities

Loans and borrowings (non-current and current) decreased by S$683,000 from S$10.74 million as at 30 April 2023 to S$10.05 million as at 31 July 2023 mainly due to repayments as per the restructuring agreements with the Malaysian banks and monthly installments on property loans in Singapore.

Lease liabilities (non-current and current) decreased by S$159,000, from S$816,000 as at 30 April 2023 to S$657,000 as at 31 July 2023 mainly due to repayments.

Trade and other payables decrease by S$688,000 from S$7.46 million as at 30 April 2023 to S$6.77 million as at 31 July 2023 mainly due to (i) decrease in trade and other payables in Malaysia of S$576,000 as a result of tight control on raw materials purchases and (ii) decrease in trade and other payables in Singapore of S$152,000 due to repayment of outstanding payables, partially offset by (iii) accrual of interest arising from loan from director of $26,000.

Working Capital

The Group's working capital slightly improved from negative working capital of S$1.36 million as at 30 April 2023 to negative working capital of S$950,000 as at 31 July 2023.

Statement of Cash Flow

Net cash flows from operating activities for the 3-month period ended 31 July 2023 was S$686,000, mainly attributable to (i) net cash inflows before changes in working capital of S$371,000, (ii) decrease in inventories of S$1.30 million, (iii) decrease in non-financial assets of S$77,000 and (iv) decrease in finance lease receivables of S$327,000, partially offset by (v) decrease in trade and other payables of S$688,000, (vi) increase in trade and other receivables of S$466,000, and (vii) income tax paid of S$235,000.

Net cash flows from investing activities for the 3-month period ended 31 July 2023 was S$81,000, mainly attributable to proceeds from disposal of property, plant and equipment.

Net cash flows used in financing activities for the 3-month period ended 31 July 2023 was S$880,000, attributable to (i) repayments of loans and borrowing of S$512,000, (ii) repayments of finance lease of S$159,000, and (iii) interest expenses paid of S$209,000.

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

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

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

The Board and the Management have worked cohesively to stabilise the Group operationally and financially. They have implemented risk-mitigating and cost-savings procedure, divested non-core assets, and strategically and optimally downsized two out of three core business segments of the Group, namely Renewable Energy and Resource Recovery. The concerted efforts have not only boosted operational efficiency, but also resulted in a positive operating cashflow, marking a resumption the Group's path towards profitability.

Capitalising on the good track records of the Group in the Bioenergy sector, the Group has been exposed to various new business and project opportunities that may value-add to its existing businesses and further the Group's biomass waste to renewable energy sector. Our Board and Management are evaluating a range of viable options and engaging with strategic partners to replicate similar successful Renewable Energy project(s) when the timing and circumstances are optimal.

In respect of the Resource Recovery segment, the Management continues its efforts to monetise the Group's non-core assets in Malaysia as and when the opportunity arises to reduce the Group's debt burden and to secure additional working capital to provide for higher operating loads and capacity in the Group's push to normalise and expand operations. Based on the initiatives described, both Management and the Board are quietly confident that this business segment in Malaysia will be in a position to attract credible strategic partners for long-term participation in the business units, facilitating both horizontal and vertical expansions. There are also opportunities for ecoWise to extend its expertise in Renewable Energy to the businesses of manufacturing rubber compounds and tyre retreading.

The Group has also been exploring collaboration opportunities with various technology companies during FP2023 in areas such as digitalisation, ICA (instrumentation, computerisation, and automation) and modularisation of process unit for the development and ownership of intellectual properties and proprietary know-how in the environmental industries.

At the macro level, the Group sees the trend of investment in renewal energy sources to continue. Governments and businesses are increasingly adopting renewable energy technologies to meet sustainability goals and to reduce carbon emissions. Various agencies of the Singapore government provide incentives and support for companies involved in renewable energy, including research and development activities, which the Group will avail itself of if it meets the qualifying requirements.

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

As stated in Note 2.3 of Section E, the Group's ability to continue as going concerns continues to be under review by Management and the Board.

9 Dividend information

If a decision regarding dividend has been made:

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

None

(b)(i) Amount per share

Nil

(b)(ii) Previous corresponding period

Nil

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

Not applicable

(d) Date payable

Not applicable

(e) Record date

Not applicable

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

No dividend has been declared or recommended for the 3-month period ended 31 July 2023 as the Group made a net loss and there is no distributable income or reserves available for the payment of dividends.

10 Interested Party Transaction ("IPT") – If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii) of the Catalist Rules. If no IPT mandate has been obtained, a statement to that effect

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

On 28 July 2022, Mr Lee Thiam Seng, Executive Chairman and CEO of the Company, granted a short-term and unsecured loan for a total amount of S$750,000 to the Company. The loan is repayable on or before 31 December 2022, subject to an extension to be mutually agreed by both parties. Since 1 January 2023, the loan attracts an interest rate of 6.3% per annum and repayable on demand. As at 31 July 2023, the loan from Mr Lee Thiam Seng has a remaining balance of S$661,000 (30 April 2023: S$621,000) and the interest incurred during 1Q FY2024 amounted to S$26,000.

For the current reporting period ended on 31 July 2023 and for the financial period ended on 30 April 2024, the total amount of interest paid and payable to Mr. Lee will not exceed 3% of the Group's latest audited net tangible assets

11 Confirmation by the Board of Directors pursuant to Rule 705(5) of the Catalist Rules

The Board of Directors of the Company hereby confirms that, to the best of its knowledge, nothing has come to its attention which may render the unaudited financial statements for 1Q FY2024 to be false or misleading in any material aspect.

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

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

13 Disclosures pursuant to Rule 706A of the Catalist Rules

There were no acquisition or sale of shares in any of the Group's subsidiary or associated company nor incorporation or winding up or striking off of any subsidiary or associated company by the Company or any of the Group's entities during 1Q FY2024.

BY ORDER OF THE BOARD

Lee Thiam Seng

Executive Chairman and CEO

15 November 2023
