



## **ASIAPHOS LIMITED**

*Company Registration Number: 201200335G*

---

### **UNAUDITED CONDENSED FINANCIAL STATEMENTS ANNOUNCEMENT FOR THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2024**

*This quarterly results announcement is mandatory, made pursuant to SGX-ST's requirements, as required under Rule 705(2C) of the Catalist Rules.*

---



## Table of contents

A. Condensed interim consolidated statement of profit or loss and other comprehensive income .....	3
B. Condensed interim statements of financial position.....	6
C. Condensed interim consolidated statement of cash flows .....	7
D. Condensed interim statements of changes in equity .....	9
E. Notes to the condensed interim consolidated financial statements .....	11
F. Other information required by Appendix 7C of the Catalist Rules .....	23



## A. Condensed interim consolidated statement of profit or loss and other comprehensive income

	Note	Group					
		Third Quarter Ended 30 September			Nine Months Ended 30 September		
		2024	2023	Change	2024	2023	Change
	\$'000	\$'000	%	\$'000	\$'000	%	
<b>Continuing operations</b>							
Revenue	E4	1,378	384	259	1,976	1,453	36
Cost of sales		(1,319)	(279)	373	(1,810)	(1,168)	55
Gross profit		59	105	(44)	166	285	(42)
Other income		2,019	104	1841	3,728	524	611
Selling and distribution costs		(10)	(29)	(66)	(54)	(104)	(48)
General and administrative costs		(708)	(373)	90	(1,646)	(1,449)	14
Finance costs		(27)	(163)	(83)	(231)	(216)	7
Other expenses		-	-	N.M.	-	(13)	(100)
<b>Profit/(loss) before tax, from continuing operations</b>		<b>1,333</b>	<b>(356)</b>	<b>N.M.</b>	<b>1,963</b>	<b>(973)</b>	<b>N.M.</b>
Taxation	E6	(12)	-	N.M.	(2)	-	N.M.
<b>Profit/(loss) from continuing operations, net of tax</b>		<b>1,321</b>	<b>(356)</b>	<b>N.M.</b>	<b>1,961</b>	<b>(973)</b>	<b>N.M.</b>
<b>Discontinued operation</b>							
<b>Profit/(loss) from discontinued operations, net of tax</b>	E9	-	318	(100)	(21)	551	N.M.
<b>Profit/(loss) for the period</b>		<b>1,321</b>	<b>(38)</b>	<b>N.M.</b>	<b>1,940</b>	<b>(422)</b>	<b>N.M.</b>
<b>Other comprehensive income</b>							
Items that may not be recycled to profit or loss							
Foreign currency translation gain/(loss) *		78	2	3800	103	(162)	N.M.
<b>Total comprehensive profit/(loss) for the period</b>		<b>1,399</b>	<b>(36)</b>	<b>N.M.</b>	<b>2,043</b>	<b>(584)</b>	<b>N.M.</b>
<b>Net profit/(loss) for the period attributable to:</b>							
<b>Owners of the Company</b>							
- Continuing operations, net of tax		1,312	(356)	N.M.	1,952	(973)	N.M.
- Discontinued operation, net of tax		-	318	(100)	(21)	551	N.M.
		<b>1,312</b>	<b>(38)</b>	<b>N.M.</b>	<b>1,931</b>	<b>(422)</b>	<b>N.M.</b>
<b>Non-controlling interest</b>							
- Continuing operations, net of tax		9	-	N.M.	9	-	N.M.
- Discontinued operation, net of tax		-	-	N.M.	-	-	N.M.
		<b>9</b>	<b>-</b>	<b>N.M.</b>	<b>9</b>	<b>-</b>	<b>N.M.</b>
<b>Profit/(loss) for the period</b>		<b>1,321</b>	<b>(38)</b>	<b>N.M.</b>	<b>1,940</b>	<b>(422)</b>	<b>N.M.</b>
<b>Total comprehensive profit/(loss) for the period attributable to:</b>							
<b>Owners of the Company</b>							
		1,389	(36)	N.M.	2,034	(590)	N.M.
Non-controlling interest		10	-	N.M.	9	6	50
<b>Total comprehensive profit/(loss) for the period</b>		<b>1,399</b>	<b>(36)</b>	<b>N.M.</b>	<b>2,043</b>	<b>(584)</b>	<b>N.M.</b>
<b>Attributable to owners of the Company</b>							
Total comprehensive profit/(loss) for the period from:							
- Continuing operations, net of tax *		1,312	(356)	N.M.	1,952	(973)	N.M.
- Discontinued operation, net of tax *		77	320	(76)	82	383	(79)
<b>Total comprehensive profit/(loss) for the period attributable to owners of the Company</b>		<b>1,389</b>	<b>(36)</b>	<b>N.M.</b>	<b>2,034</b>	<b>(590)</b>	<b>N.M.</b>

\* - Foreign currency translation gain/(loss) recognised as other comprehensive income was reclassified from continuing to discontinued operations for the comparative period.

N.M. - Not Meaningful



## A. Condensed interim consolidated statement of profit or loss and other comprehensive income (cont'd)

	Group			
	Third Quarter Ended		Nine Months Ended	
	30 September		30 September	
Earnings/(losses) per share	2024	2023	2024	2023
Earnings/(losses) per share for the period attributable to the owners of the Company:				
Basic earnings/(losses) per share (cents)				
- from continuing operations	0.09	(0.04)	0.13	(0.09)
- from discontinued operations	-	0.03	(0.001)	0.05
	0.09	(0.01)	0.13	(0.04)
Diluted earnings/(losses) per share (cents)				
- from continuing operations	0.09	(0.04)	0.13	(0.09)
- from discontinued operations	-	0.03	(0.001)	0.05
	0.09	(0.01)	0.13	(0.04)

Foreign currency translation gain represents exchange differences arising from the translation of the financial statements of the PRC subsidiaries whose functional currency (Renminbi, “RMB”) is different from that of the Group’s presentation currency (Singapore Dollar, “SGD”, “\$”). The Group’s net investment in PRC is not hedged as the currency positions in RMB are long-term in nature. Such translation gains/(losses) are unrealised in nature and have no impact on the current period profit/(loss) unless the underlying assets or liabilities of the PRC subsidiaries are disposed of.

In the third quarter ended 30 September 2024 (“3Q2024”), the Group recorded a translation loss of \$0.08 million in other comprehensive income due to exchange rate fluctuations.



## A. Condensed interim consolidated statement of profit or loss and other comprehensive income (cont'd)

The Group's net profit/(loss) for the period was arrived at after (charging)/crediting the following:

	Group					
	Third Quarter Ended 30 September			Nine Months Ended 30 September		
	2024	2023	Change	2024	2023	Change
\$'000	\$'000	%	\$'000	\$'000	%	
<b>Interest income</b>						
- continuing operations #	-	-	N.M.	4	1	300
<b>Rental income</b>						
- discontinued operations	-	380	(100)	-	682	(100)
<b>Gain on disposal of subsidiaries</b>						
- continuing operations #	1,490	-	N.M.	3,166	-	N.M.
<b>Write-back of payables</b>						
- continuing operations #	227	-	N.M.	227	-	N.M.
<b>Finance costs</b>						
- continuing operations	(27)	(163)	(83)	(231)	(216)	7
- discontinued operations	-	(62)	(100)	(21)	(131)	(84)
<b>Write-off of inventories</b>						
- continuing operations	-	-	N.M.	-	(13)	(100)
<b>Amortisation and depreciation</b>						
- continuing operations *	(12)	(4)	200	(34)	(66)	(48)
<b>Reversal of provision</b>						
- continuing operations #	147	-	N.M.	147	165	(11)
<b>Write-back of lease liabilities</b>						
- continuing operations #	-	90	(100)	-	90	(100)
<b>Foreign exchange gain/(loss)</b>						
- continuing operations #/(*)	180	13	1301	165	390	(58)

N.M. - Not Meaningful

\* - Included in General and administrative costs

# - Included in Other income

## B. Condensed interim statements of financial position

	Note	Group		Company	
		As at		As at	
		30 September 2024 \$'000	31 December 2023 \$'000	30 September 2024 \$'000	31 December 2023 \$'000
<b>ASSETS</b>					
<b>Non-current assets</b>					
Right-of-use assets	E7	161	186	-	-
Property, plant and equipment	E8	18	27	-	-
Mining properties	E10	-	-	-	-
Goodwill	E11	206	-	-	-
Intangible asset	E14	305	-	-	-
Deferred tax assets		-	178	-	-
Other receivables and prepayments		-	10	-	-
		690	401	-	-
<b>Current assets</b>					
Inventories		-	52	-	-
Trade receivables		816	51	-	50
Other receivables and prepayments	E5	1,622	468	36	50
Amount due from subsidiary		-	-	1,914	-
Cash and bank balances		2,944	865	719	61
		5,382	1,436	2,669	161
Assets of disposal group	E9	-	13,665	-	-
Non-current assets held for sale	E13	-	5,546	-	-
		5,382	20,647	2,669	161
<b>Total Assets</b>		<b>6,072</b>	<b>21,048</b>	<b>2,669</b>	<b>161</b>
<b>EQUITY</b>					
Share capital	E15	80,703	78,283	80,703	78,283
Reserves	D	(76,560)	(75,953)	(79,870)	(85,437)
Equity attributable to owners of the Company		4,143	2,330	833	(7,154)
Non-controlling interest		352	(2,533)	-	-
Total equity		4,495	(203)	833	(7,154)
<b>LIABILITIES</b>					
<b>Non-current liabilities</b>					
Deferred grant income		-	1,812	-	-
Provision for reinstatement cost	E12	-	767	-	-
Lease liability		136	159	-	-
		136	2,738	-	-
<b>Current liabilities</b>					
Trade payables		511	49	-	-
Other payables	E5	787	8,950	305	1,737
Contract liabilities		112	524	-	-
Loan due to a director		-	1,753	-	1,713
Loan due to controlling shareholders		-	1,121	-	1,121
Lease liability		31	30	-	-
Amounts due to subsidiaries		-	-	1,531	2,744
		1,441	12,427	1,836	7,315
Liabilities of disposal group	E9	-	6,086	-	-
		1,441	18,513	1,836	7,315
<b>Total Liabilities</b>		<b>1,577</b>	<b>21,251</b>	<b>1,836</b>	<b>7,315</b>
<b>Total Equity and Liabilities</b>		<b>6,072</b>	<b>21,048</b>	<b>2,669</b>	<b>161</b>

## C. Condensed interim consolidated statement of cash flows

	Note	Group			
		Third Quarter Ended 30 September		Nine Months Ended 30 September	
		2024	2023	2024	2023
		\$'000	\$'000	\$'000	\$'000
<b>Cash flows from operating activities:</b>					
Profit/(loss) before taxation from:					
- continuing operations		1,333	(356)	1,963	(973)
- discontinued operations		-	318	(21)	551
Profit/(loss) before taxation		1,333	(38)	1,942	(422)
Adjustments for:					
Depreciation and amortisation		15	4	37	66
Reversal of provision		(147)	-	(147)	(165)
Write-off of inventories		-	-	-	13
Write-back of lease liabilities		-	(90)	-	(90)
Finance costs		27	225	252	347
Interest income		-	-	(4)	(1)
Rental income		-	(380)	-	(682)
Gain on disposal of subsidiaries		(1,490)	-	(3,166)	-
Write-back of payables		(227)	-	(227)	-
Unrealised exchange (gain)/loss		(15)	8	(89)	(172)
Operating cash outflow before working capital changes		(504)	(271)	(1,402)	(1,106)
(Increase)/decrease in inventories		-	(1)	43	187
(Increase)/decrease in trade and other receivables		(1,339)	(398)	(1,422)	(869)
Increase/(decrease) in trade and other payables		(688)	(60)	(621)	(99)
Cash generated used in operations		(2,531)	(730)	(3,402)	(1,887)
Interest received		-	-	4	1
Tax received		-	-	44	-
Net cash flows used in operating activities		(2,531)	(730)	(3,354)	(1,886)
<b>Cash flows from investing activities:</b>					
Payments for property, plant and equipment		-	(1)	-	(2)
Payment received on disposal of assets		-	-	9,807	2,305
Acquisition of a subsidiary, net of cash acquired		30	-	30	-
Disposal of subsidiaries, net of cash disposed of		(207)	-	(207)	-
Net cash flows generated from/(used in) investing activities		(177)	(1)	9,630	2,303
<b>Cash flows from financing activities:</b>					
Repayment of bank loan		-	-	(3,390)	-
Decrease in pledged deposits		-	63	241	184
Repayment of lease liabilities		(5)	(7)	(19)	(20)
Interest paid		(1)	(65)	(27)	(189)
Drawdown/(repayment) of loans due to controlling shareholders		(1,477)	-	(1,477)	255
Repayment of loan from a director		-	-	-	(645)
Proceeds from issuance of rights shares		905	-	905	-
Net cash flows used in financing activities		(578)	(9)	(3,767)	(415)
Net increase/(decrease) in cash and cash equivalents		(3,286)	(740)	2,509	2
Cash and cash equivalents at beginning of period		6,217	1,010	426	271
Effects of exchange rate changes on cash and cash equivalents		13	1	9	(2)
Cash and cash equivalents at end of period	C1	2,944	271	2,944	271

## C. Condensed interim consolidated statement of cash flows (cont'd)

Note C1:

For the purpose of the consolidated statement of cash flows, cash and cash equivalents exclude the following:

		Group	
		30 September	
		2024	2023
		\$'000	\$'000
Cash and bank balances		2,944	566
Less: pledged deposits for bank loans		-	(94)
Less: restricted use of mining deposits		-	(201)
Cash and cash equivalents at end of period		2,944	271

The pledged deposits are related to amounts held in a specific bank account and earmarked for the payment of bank loan interests. There are no more pledged deposits following the repayment of the bank loan in January 2024.

The mining deposits relate to amounts held in specific bank accounts the use of which is restricted until the rehabilitation of mines previously owned by the Group is completed. There are no more mining deposits belonging to the Group following the disposal of subsidiaries in the current financial period.





## D. Condensed interim statements of changes in equity

Group	Share capital \$'000	Merger reserve \$'000	Accumulated losses \$'000	Foreign currency translation reserve \$'000	Safety fund surplus reserve \$'000	Total attributable to owners of the Company \$'000	Non-controlling interest \$'000	Total equity \$'000
<b>2024</b>								
Balance at 1 January 2024	78,283	850	(78,493)	140	1,550	2,330	(2,533)	(203)
Total comprehensive profit/(loss) for the period	-	-	(447)	31	-	(416)	(1)	(417)
Balance at 31 March 2024	78,283	850	(78,940)	171	1,550	1,914	(2,534)	(620)
Total comprehensive profit/(loss) for the period	-	-	1,066	(390)	-	676	-	676
Balance at 30 June 2024	78,283	850	(77,874)	(219)	1,550	2,590	(2,534)	56
Issuance of rights shares	2,420	-	-	-	-	2,420	-	2,420
Disposal of subsidiaries	-	(850)	2	142	(1,550)	(2,256)	2,531	275
Acquisition of a subsidiary	-	-	-	-	-	-	345	345
Total comprehensive profit/(loss) for the period	-	-	1,312	77	-	1,389	10	1,399
Balance at 30 September 2024	<b>80,703</b>	-	<b>(76,560)</b>	-	-	<b>4,143</b>	<b>352</b>	<b>4,495</b>
<b>2023</b>								
Balance at 1 January 2023	78,283	850	(80,567)	897	1,550	1,013	(2,538)	(1,525)
Total comprehensive profit/(loss) for the period	-	-	(658)	134	-	(524)	5	(519)
Balance at 31 March 2023	78,283	850	(81,225)	1,031	1,550	489	(2,533)	(2,044)
Total comprehensive profit/(loss) for the period	-	-	274	(304)	-	(30)	-	(30)
Balance at 30 June 2023	78,283	850	(80,951)	727	1,550	459	(2,533)	(2,074)
Total comprehensive profit/(loss) for the period	-	-	(38)	2	-	(36)	1	(35)
Balance at 30 September 2023	78,283	850	(80,989)	729	1,550	423	(2,532)	(2,109)
Total comprehensive profit/(loss) for the period	-	-	2,496	(589)	-	1,906	(1)	1,905
Balance at 31 December 2023	78,283	850	(78,493)	140	1,550	2,330	(2,533)	(203)



## D. Condensed interim statements of changes in equity (cont'd)

Company	Share capital \$'000	Accumulated losses \$'000	Total equity \$'000
<b>2024</b>			
Balance at 1 January 2024	78,283	(85,437)	(7,154)
Total comprehensive profit/(loss) for the period	-	(309)	(309)
Balance at 31 March 2024	78,283	(85,746)	(7,463)
Total comprehensive profit/(loss) for the period	-	(451)	(451)
Balance at 30 June 2024	78,283	(86,197)	(7,914)
Issuance of rights shares	2,420	-	2,420
Total comprehensive profit/(loss) for the period	-	6,327	6,327
Balance at 30 September 2024	<b>80,703</b>	<b>(79,870)</b>	<b>833</b>
<b>2023</b>			
Balance at 1 January 2023	78,283	(74,627)	3,656
Total comprehensive profit/(loss) for the period	-	(505)	(505)
Balance at 31 March 2023	78,283	(75,132)	3,151
Total comprehensive profit/(loss) for the period	-	2,061	2,061
Balance at 30 June 2023	78,283	(73,071)	5,212
Total comprehensive profit/(loss) for the period	-	(374)	(374)
Balance at 30 September 2023	78,283	(73,445)	4,838
Total comprehensive profit/(loss) for the period	-	(11,992)	(11,992)
Balance at 31 December 2023	78,283	(85,437)	(7,154)



## E. Notes to the condensed interim consolidated financial statements

### 1. Corporate information

The Company was incorporated in the Republic of Singapore on 3 January 2012 as a private company limited by shares under the name of “AsiaPhos Private Limited”. On 6 September 2013, the Company changed its name to “AsiaPhos Limited” in connection with its conversion to a public company limited by shares. The Company was listed on the Catalist Board of Singapore Exchange Securities Trading Limited (the “SGX-ST”) on 7 October 2013.

The Company’s registered office is located at 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632. The principal place of business is located at 22 Kallang Avenue, #03-02 Hong Aik Industrial Building, Singapore 339413.

These condensed interim financial statements comprised those of the Company and its subsidiaries (collectively the “Group”).

The principal activities of the Group were previously organised into product units and comprised of two reportable segments as follows:

- (a) The upstream segment which comprised the business of exploration, mining and sale of phosphate rocks; and
- (b) The downstream segment which comprised the business of manufacturing, sale and trading of phosphate chemical products such as Sodium Tripolyphosphate (“STPP”), Sodium Hexametaphosphate (“SHMP”) as well as other polyphosphate chemicals.

Following the cessation of the exploration, mining, production and sale of phosphate rocks and chemical products, the Group’s continuing activities comprised only that of the trading of phosphate chemical products and commodity products. Accordingly, the Group has included the trading of commodity products as another segment of its reportable operating activities.

### 2. Basis of preparation

The condensed interim financial statements for the financial period ended 30 September 2024 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 annual financial statements for the year ended 31 December 2023.

The accounting policies adopted are consistent with those of the previous financial period 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.



## **2. Basis of preparation (cont'd)**

The condensed interim financial statements have been prepared on the historical cost basis. These financial statements are presented in Singapore Dollars which is the Company's functional currency and rounded to the nearest thousand (\$'000) unless otherwise stated.

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

The Group has applied the same accounting policies for the current reporting period consistent with those of the previous financial period except for the adoption of new or revised standards that are effective for the financial period beginning on or after 1 January 2024. The adoption of these standards did not have a material impact on the financial statements.

### **2.2. 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 described in the last audited financial statements.

## **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

Notes:

	Note	Exploration, mining and sale of phosphate rocks (Discontinued)		Trading of phosphate chemical products (Continuing)		Trading of commodity products (Continuing)		Adjustments and eliminations		Total (Continuing)	
		Nine Months Ended 30 September		Nine Months Ended 30 September		Nine Months Ended 30 September		Nine Months Ended 30 September		Nine Months Ended 30 September	
		2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Revenue - external	4a	-	-	604	1,132	1,372	321	-	-	1,976	1,453
Rental income	4b	-	682	-	-	-	-	-	(682)	-	-
Finance costs	4b	(21)	(131)	-	-	-	-	(210)	(85)	(231)	(216)
Write-off of inventories		-	-	-	(13)	-	-	-	-	-	(13)
Amortisation and depreciation		-	-	(29)	(66)	(5)	-	-	-	(34)	(66)
Segment profit/(loss) before tax		(21)	551	8	146	124	60	1,852	(1,730)	1,963	(973)

4a – There was no inter-segment revenue. Revenue from continuing operations represented invoiced trading sales of phosphate chemical and commodity products, recognised at a point in time.

4b – Adjustments related to elimination of items related to discontinued operations and addition of items that cannot be allocated into a specific segment.

#### Geographical information

Revenue information based on the geographical location of customers and non-current assets are as follows:

	Revenue		Non-current assets	
	Nine Months Ended 30 September		As at 30 September	As at 31 December
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Asia	1,296	838	584	223
Europe	206	321	-	-
Others	474	294	-	-
	1,976	1,453	584	223

#### Information about major customers

	Group			
	Nine Months Ended 30 September 2024		Nine Months Ended 30 September 2023	
	\$'000	% of revenue	\$'000	% of revenue
<u>Revenue</u>				
Customer A	323	16%	775	53%
Customer B	58	3%	321	22%
Customer C	94	5%	134	9%

Note: The above customers represent the top three customers in each period. The customers may not be the same across the periods.

#### Information about products

The Group trading activities comprised phosphate chemical products and commodity products.



## 5. Financial assets and financial liabilities

The carrying amounts of financial assets and financial liabilities in each category at the reporting date are as follows:

	Note	Group		Company	
		30 September 2024	31 December 2023	30 September 2024	31 December 2023
		\$'000	\$'000	\$'000	\$'000
<b>Financial assets at amortised cost</b>					
Other receivables	5a	1,145	103	1	19
Trade receivables		816	51	-	50
Cash and bank balances		2,944	865	719	61
		4,905	1,019	720	130
<b>Financial liabilities at amortised cost</b>					
Trade and other payables	5b	1,298	2,393	305	1,737
Loan due to a director		-	1,753	-	1,713
Loan due to controlling shareholders		-	1,121	-	1,121
Lease liability		167	189	-	-
Amounts due to subsidiaries		-	-	1,531	2,744
		1,465	5,456	1,836	7,315

### Note 5a:

	Note	Group		Company	
		30 September 2024	31 December 2023	30 September 2024	31 December 2023
		\$'000	\$'000	\$'000	\$'000
Other receivables and prepayments (net of impairment)		1,622	468	36	50
Less: Prepayments		(477)	(365)	(35)	(31)
Other receivables (net of impairment)		1,145	103	1	19

Other receivables as at 31 December 2023 included fully-impaired deposits related to the mining operations, which were reclassified from assets of disposal group (Note 9) in the financial year ended 31 December 2023. As at 30 September 2024, the deposits had been derecognised upon the disposal of subsidiaries. Other receivables as at 30 September 2024 included an amount of RMB7.00 million (approximately \$1.20 million) owing from a previous subsidiary, partially offset by smaller amounts due to the previous subsidiary. Please refer to Note 3A(i)(b) of Section F for details.

### Note 5b:

	Note	Group		Company	
		30 September 2024	31 December 2023	30 September 2024	31 December 2023
		\$'000	\$'000	\$'000	\$'000
Trade payables		511	49	-	-
Other payables		787	8,950	305	1,737
		1,298	8,999	305	1,737
Less: Payments received on disposal of the Phase 2 Factory Assets (included in other payables)		-	(5,862)	-	-
Less: Payments received on disposal of the P4 Plant (included in other payables)		-	(744)	-	-
		1,298	2,393	305	1,737

## 6. Taxation

The components of income tax expense in the condensed interim consolidated statement of profit or loss are:

	Group			
	Third Quarter Ended		Nine Months Ended	
	30 September		30 September	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
<b>Continuing operations</b>				
Current income tax expense on unremitted foreign income	(12)	-	(46)	-
Tax refund on prior year tax payment	-	-	44	-
Income tax attributable to continuing operations	(12)	-	(2)	-

## 7. Right-of-use assets

Group	Land use rights	Office premises	Total
	\$'000	\$'000	\$'000
<b>Cost</b>			
At 1 January 2023	1,660	190	1,850
Currency realignment	26	-	26
Reclassified to non-current assets classified as held for sale	(1,686)	-	(1,686)
Additions	-	197	197
Lease expiry	-	(190)	(190)
At 31 December 2023	-	197	197
Currency realignment	-	-	-
<b>At 30 September 2024</b>	<b>-</b>	<b>197</b>	<b>197</b>
<b>Accumulated depreciation and impairment losses</b>			
At 1 January 2023	365	190	555
Depreciation	7	11	18
Currency realignment	6	-	6
Reclassified to non-current assets classified as held for sale	(378)	-	(378)
Lease expiry	-	(190)	(190)
At 31 December 2023	-	11	11
Depreciation	-	25	25
<b>At 30 September 2024</b>	<b>-</b>	<b>36</b>	<b>36</b>
<b>Net carrying amount</b>			
<b>At 30 September 2024</b>	<b>-</b>	<b>161</b>	<b>161</b>
At 31 December 2023	-	186	186

Land use rights related to a plot of leasehold land located in Sichuan Province, the PRC on which the P4 Plant is sited. The land use rights were for a tenure of approximately 50 years with effect from December 2011.



Pursuant to the Cooperation Agreement signed with Rongda in relation to the disposal of the P4 Plant Assets, land use rights with carrying value of \$1.31 million (RMB6.72 million) were reclassified to assets of disposal group (Note 9) in the financial year ended 31 December 2023.

Depreciation of right-of-use assets is recognised in the “General and administrative costs” in the consolidated statement of comprehensive income.

## 8. Property, plant and equipment

Group	Buildings	Leasehold improvements	Plant and machinery	Motor vehicles and office equipment	Mining infrastructure	Construction-in-progress	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Cost</b>							
At 1 January 2023	7,241	412	13,572	828	-	105	22,158
Additions	-	-	-	2	-	-	2
Reclassification from assets of disposal group (Note 9)	1,386	-	1,908	117	14,044	133	17,588
Reclassification to assets of disposal group (Note 9)	(7,179)	(371)	(13,487)	(428)	627	(99)	(20,937)
Currency realignment	(62)	-	(85)	(5)	(627)	(6)	(785)
At 31 December 2023	1,386	41	1,908	514	14,044	133	18,026
Currency realignment	(14)	-	(19)	(9)	(143)	(1)	(186)
Addition upon acquisition of a subsidiary	-	-	-	13	-	-	13
Derecognition upon disposal of subsidiaries	(1,372)	-	(1,889)	(502)	(13,901)	(132)	(17,796)
At 30 September 2024	-	41	-	16	-	-	57
<b>Accumulated depreciation and impairment losses</b>							
At 1 January 2023	5,137	385	6,766	782	-	105	13,175
Depreciation	37	6	4	4	-	-	51
Reversal of impairment loss	(1,108)	-	(2,984)	-	-	-	(4,092)
Reclassification from assets of disposal group (Note 9)	1,386	-	1,908	117	14,044	133	17,588
Reclassification to assets of disposal group (Note 9)	(4,004)	(371)	(3,701)	(390)	627	(99)	(7,938)
Currency realignment	(62)	-	(85)	(5)	(627)	(6)	(785)
At 31 December 2023	1,386	20	1,908	508	14,044	133	17,999
Depreciation	-	7	-	5	-	-	12
Currency realignment	(14)	-	(19)	(9)	(143)	(1)	(186)
Addition upon acquisition of a subsidiary	-	-	-	10	-	-	10
Derecognition upon disposal of subsidiaries	(1,372)	-	(1,889)	(502)	(13,901)	(132)	(17,796)
At 30 September 2024	-	27	-	12	-	-	39
<b>Net carrying amount</b>							
At 30 September 2024	-	14	-	4	-	-	18
At 31 December 2023	-	21	-	6	-	-	27

During the financial period ended 30 September 2024, the Group acquired fixed assets at cost of \$13,000 (30 September 2023: \$2,000) upon acquisition of a subsidiary and derecognised assets with net book value of \$Nil (30 September 2023: \$Nil) upon disposal of subsidiaries.

Property, plant and equipment as at 31 December 2023 included mining-related property, plant and equipment, which were reclassified from assets of disposal group (Note 9). As at 30 September 2024, they had been derecognised upon the disposal of subsidiaries.

Pursuant to the Cooperation Agreement signed with Rongda in relation to the disposal of the P4 Plant Assets, property, plant and equipment with carrying value of \$13 million (RMB66.83 million) were reclassified to assets of disposal group (Note 9) in the financial year ended 31 December 2023.

Depreciation of property, plant and equipment is recognised in the “General and administrative costs” in the Consolidated Statement of Profit or Loss.



## 9. Disposal group and discontinued operations

### Mining Assets and Liabilities

In 2017, the Group commenced discussions with the Chinese Government on the Mianzhu City Government's request for the Group to provide a letter of undertaking to inter alia, vacate and rehabilitate its mining sites in respect of SMNPC's Mine 2 and Fengtai Mine, and the non-renewal of SMNPC's Mine 1 mining and exploration licenses (collectively, the "Mining Assets"). Consequently, the Mining Assets were reclassified to assets of disposal group, and the provision made for the cost of rehabilitation of the mines was reclassified to liabilities of disposal group in the financial period ended 31 December 2017.

In February 2023, the International Arbitration Tribunal ruled that Article 13(3) of the China-Singapore Bilateral Investment Treaty (1985) did not afford jurisdiction over the Group's expropriation claims and Article 4 of the Treaty did not afford jurisdiction over the remaining claims. The Group filed a petition to the Swiss Supreme Court on 20 March 2023 seeking inter alia, to set aside the International Arbitration Tribunal jurisdictional award and the legal costs awarded to China. As announced on 25 January 2024, the Group was unsuccessful in its appeal to the Swiss Supreme Court. The Board had ascertained that it was no longer appropriate to continue to classify the Mining Assets Group as a disposal group. As such, the Mining Assets Group were reclassified from assets of disposal group to property, plant and equipment (Note 8), mining properties (Note 10), goodwill (Note 11) and other receivables (Note 5), and provision for rehabilitation was reclassified from liabilities of disposal group to provision for reinstatement cost (Note 12) during the financial year ended 31 December 2023.

As at 31 December 2023, the Mining Assets had been fully impaired. As at 30 September 2024, the Mining Assets had been derecognised upon the disposal of subsidiaries.

### P4 Plant Assets and Liabilities

In 2023, the Group, via SMNPC, entered into a Cooperation Agreement related to disposal of the P4 Plant to Rongda. Please see Note 3A(i)(b) of Section F for the details. Accordingly, the P4 Plant Assets and Liabilities were reclassified to assets and liabilities of disposal group in the Group's consolidated balance sheet in the financial year ended 31 December 2023.

In March and April 2024, the transfer of the P4 Plant Assets, relevant personnel, and the P4 Plant Liabilities from SMNPC to Rongdafeng had been completed. Concurrently, legal and operational control of Rongdafeng had been handed over to Rongda. Consequently, Rongdafeng was deconsolidated in April 2024 and the P4 Plant Assets and Liabilities were derecognised in the Group's Statement of Financial Position.



## 9. Disposal group and discontinued operations (cont'd)

The summaries of the P4 Plant Assets and Liabilities are as follows:

Group	\$'000
<b>Right-of-use assets (land use rights)</b>	
At 1 January 2023	-
Reclassification from right-of-use assets (Note 7)	1,308
Currency realignment	(61)
At 31 December 2023	1,247
Derecognition upon disposal of subsidiaries	(1,234)
Currency realignment	(13)
<b>At 30 September 2024</b>	<b>-</b>
<b>Property, plant and equipment</b>	
At 1 January 2023	-
Reclassification from property, plant and equipment (Note 8)	12,999
Currency realignment	(581)
At 31 December 2023	12,418
Derecognition upon disposal of subsidiaries	(12,291)
Currency realignment	(127)
<b>At 30 September 2024</b>	<b>-</b>
<b>Total</b>	
<b>At 30 September 2024</b>	<b>-</b>
At 31 December 2023	13,665

Group	\$'000
<b>Interest-bearing bank loan</b>	
At 1 January 2023	-
Reclassification from interest-bearing bank loan	3,367
At 31 December 2023	3,367
Repayment	(3,390)
Currency realignment	23
<b>At 30 September 2024</b>	<b>-</b>
<b>Other payables</b>	
At 1 January 2023	-
Reclassification from other payables	2,719
At 31 December 2023	2,719
Currency realignment	7
Derecognition on deconsolidation of subsidiary	(2,726)
<b>At 30 September 2024</b>	<b>-</b>
<b>Total</b>	
<b>At 30 September 2024</b>	<b>-</b>
At 31 December 2023	6,086

## 9. Disposal group and discontinued operations (cont'd)

### Results of discontinued operations

Discontinued operations consist of the activities related to the P4 Plant Assets.

The results of the Group's discontinued operations for the financial periods ended 30 September 2024 and 2023 are as follows:

Group	Note	Discontinued Operations			
		Third Quarter Ended 30 September		Nine Months Ended 30 September	
		2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
<b>Profit or Loss</b>					
Revenue		-	-	-	-
Cost of sales		-	-	-	-
Gross profit		-	-	-	-
Other income		-	380	-	682
Finance costs	9a	-	(62)	(21)	(131)
Profit/(loss) before tax		-	318	(21)	551
Taxation		-	-	-	-
Profit/(loss), net of tax		-	318	(21)	551

Note 9a:

Finance costs comprised interest incurred on an interest-bearing bank loan, for which the P4 Plant was pledged as collateral. The bank loan had been fully repaid in January 2024.

The cash flows attributed to discontinued operations for the financial periods ended 30 September 2024 and 2023 are as follows:

Discontinued Operations	Group			
	Third Quarter Ended 30 September		Nine Months Ended 30 September	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
<b>Cash flows from operating activities:</b>				
Profit/(loss) before taxation	-	318	(21)	551
Adjustments for:				
Interest expense	-	62	21	131
Other income	-	(380)	-	(682)
Net cash flows generated from operating activities	-	-	-	-
<b>Cash flows from investing activities:</b>				
Net cash flows generated from investing activities	-	-	-	-
<b>Cash flows from financing activities :</b>				
Net decrease in pledged deposits	-	62	21	131
Interest paid	-	(62)	(21)	(131)
Net cash flows generated from financing activities	-	-	-	-
<b>Net increase in cash and cash equivalents</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## 10. Mining properties

Group	Exploration and evaluation assets	Producing mines	Total
	\$'000	\$'000	\$'000
<b>Cost</b>			
At 1 January 2023, 31 March 2023, 30 June 2023, 30 September 2023	-	-	-
Reclassification from assets of disposal group (Note 9)	26,288	34,172	60,460
Currency realignment	(1,174)	(1,526)	(2,700)
At 31 December 2023	25,114	32,646	57,760
Derecognition upon disposal of a subsidiary	(24,858)	(32,313)	(57,171)
Currency realignment	(256)	(333)	(589)
<b>At 30 September 2024</b>	-	-	-
<b>Accumulated depreciation and impairment losses</b>			
At 1 January 2023, 31 March 2023, 30 June 2023, 30 September 2023	-	-	-
Reclassification from assets of disposal group (Note 9)	26,288	34,172	60,460
Currency realignment	(1,174)	(1,526)	(2,700)
At 31 December 2023	25,114	32,646	57,760
Derecognition upon disposal of a subsidiary	(24,858)	(32,313)	(57,171)
Currency realignment	(256)	(333)	(589)
<b>At 30 September 2024</b>	-	-	-
<b>Net carrying amount</b>			
<b>At 30 September 2024</b>	-	-	-
At 31 December 2023	-	-	-

Mining properties were reclassified from assets of disposal group (Note 9) in the financial year ended 31 December 2023. As at 31 December 2023, the mining properties had been fully impaired. As at 30 September 2024, they had been derecognised upon the disposal of subsidiaries.

## 11. Goodwill

	\$'000
<b>Cost</b>	
At 1 January 2023, 31 March 2023, 30 June 2023, 30 September 2023	-
Reclassification from assets of disposal group (Note 9)	12,249
At 31 December 2023	12,249
Addition upon acquisition of a subsidiary	206
Derecognition upon disposal of subsidiaries	(12,249)
<b>At 30 September 2024</b>	<b>206</b>
<b>Accumulated impairment losses</b>	
At 1 January 2023, 31 March 2023, 30 June 2023, 30 September 2023	-
Reclassification from assets of disposal group (Note 9)	12,249
At 31 December 2023	12,249
Derecognition upon disposal of subsidiaries	(12,249)
<b>At 30 September 2024</b>	<b>-</b>
<b>Net carrying amount</b>	
<b>At 30 September 2024</b>	<b>206</b>
At 31 December 2023	-

Goodwill that had arisen from a past acquisition of a subsidiary was reclassified from assets of disposal group (Note 9) in the financial year ended 31 December 2023. As at 31 December 2023, the said goodwill had been fully impaired and as at 30 September 2024, it had been derecognised upon the disposal of the subsidiary.

Separately, in the financial period ended 30 September 2024, goodwill arose from an acquisition of a new subsidiary (see Note 3A(i)(g) of Section F).

## 12. Provision for reinstatement cost

	\$'000
At 1 January 2023, 31 March 2023, 30 June 2023, 30 September 2023	27
Reclassification from assets of disposal group (Note 9)	764
Currency realignment	(24)
At 31 December 2023	767
Derecognition upon disposal of a subsidiary	(759)
Currency realignment	(8)
<b>At 30 September 2024</b>	<b>-</b>

Provision for the cost of rehabilitation of the mines was reclassified from liabilities of disposal group (Note 9) during the financial year ended 31 December 2023. As at 30 September 2024, they had been derecognised upon the disposal of subsidiaries.

## 13. Non-current assets held for sale

Non-current assets held for sale comprised the carrying value of the Phase 2 Factory Assets. As at 30 September 2024, they had been derecognised upon the disposal of subsidiaries.

The summary of the assets is as follows:

Group	\$'000
<u>Right-of-use assets (land use rights)</u>	
At 1 January 2023	2,406
Currency realignment	(107)
At 31 December 2023	2,299
Derecognition upon disposal of a subsidiary	(2,276)
Currency realignment	(23)
<b>At 30 September 2024</b>	<b>-</b>
<u>Property, plant and equipment</u>	
At 1 January 2023	3,399
Currency realignment	(152)
At 31 December 2023	3,247
Derecognition upon disposal of a subsidiary	(3,214)
Currency realignment	(33)
<b>At 30 September 2024</b>	<b>-</b>
<u>Total</u>	
<b>At 30 September 2024</b>	<b>-</b>
At 31 December 2023	5,546

#### 14. Intangible asset

In the financial period ended 30 September 2024, as described in Note 3A(i)(g) of Section F, the Company acquired a new subsidiary to diversify its trading business. Consequently, an intangible asset relating to the new subsidiary's long-standing customer and supplier relationships were valued and recognised. The intangible asset is amortised on a straight-line basis over 5 years.

The summary of the intangible asset is as follows:

	\$'000
<b>Cost</b>	
At 1 January 2023, 31 December 2023 and 1 January 2024	-
Addition upon acquisition of a subsidiary	310
<b>At 30 September 2024</b>	<b>310</b>
<b>Accumulated amortisation</b>	
At 1 January 2023, 31 December 2023 and 1 January 2024	-
Amortisation	5
<b>At 30 September 2024</b>	<b>5</b>
<b>Net carrying amount</b>	
<b>At 30 September 2024</b>	<b>305</b>
At 1 January 2023, 31 December 2023 and 1 January 2024	-

#### 15. Share capital

	Group and Company			
	30 September 2024		31 December 2023	
	Number of shares		Number of shares	
	'000	\$'000	'000	\$'000
Ordinary shares issued and fully paid, with no par value:				
Balance	1,479,627	80,703	1,031,525	78,283

As discussed in Note 3A(i)(f) of Section F, rights shares were allotted and issued by the Company during the financial period ended 30 September 2024.

#### 16. Related party transactions

Except as disclosed in Note 13 of Section F in this announcement, there were no other related party transactions.

#### 17. Events occurring after the reporting period

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

## F. Other information required by Appendix 7C of the Catalyst Rules

- 1(i) 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 period. 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 period.

As at 30 September 2024 and 31 December 2023, the number of issued ordinary shares of the Company ("Shares") (excluding treasury shares) was 1,479,627,207 and 1,031,524,685 respectively.

There were no outstanding convertibles as at 30 September 2024 and 2023.

As at 30 September 2024 and 2023, the Company did not hold any treasury shares and there were no subsidiary holdings.

- 1(ii) 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.

	As at	
	30 September 2024	31 December 2023
Total number of issued shares (excluding treasury shares)	1,479,627,207	1,031,524,685

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

Not applicable. The Company did not have any treasury shares during and as at the end of the current financial period reported on.

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

Not applicable. There were no subsidiary holdings during and as at the end of the current financial period reported on.



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

The figures have not been audited nor reviewed by the auditors.

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

Not applicable. The figures have not been audited nor reviewed by the auditors.

**3A. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:-**

**(a) Updates on the efforts taken to resolve each outstanding audit issue**

**(b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed**

The latest audited financial statements for the financial period ended 31 December 2023 were subjected to a disclaimer of opinion by the independent auditor of the Company (the "Auditor"). Please refer to the Group's annual report for the full audit opinion and the Company's announcement on 4 April 2024 for the Management's comprehensive set of comments on the Auditor's report. The following is a summary:

**i) Going concern**

The Board has taken into consideration the Group's plans regarding the basis of the preparation of the financial statements of the Group and the Company as a going concern and is of the view that the Group and the Company are able to continue as a going concern.

The Group reported a net profit after tax of \$1.96 million in 9M2024 (9M2023: loss of \$0.97 million) from continuing operations, and a net loss after tax from discontinued operations of \$0.02 million in 9M2024 (9M2023: profit of \$0.55 million). On the overall, from both continuing and discontinued operations, the Group reported a net profit after tax of \$1.94 million (9M2023: loss of \$0.42 million) and reported net operating cash outflows of \$3.35 million in 9M2024 (9M2023: \$1.89 million).

The Group's current assets exceeded its current liabilities by \$3.94 million as at 30 September 2024 (31 December 2023: net current liabilities of \$10.99 million).

The Company has accumulated losses of \$79.87 million as at 30 September 2024 (31 December 2023: \$85.44 million) and has net current assets of \$0.83 million as at 30 September 2024 (31 December 2023: net current liabilities of \$7.15 million).

The bases of the Board's opinion include the following:

(a) The Group continues to generate cash flows from its trading activities comprising phosphate chemical products and commodity products.

(b) As of 8 February 2024, the Group has received proceeds from the disposal of the yellow phosphorus plant asset including plants buildings, plants facilities and equipment, process devices, projects under construction, and such other civil constructions and structures etc. (excluding such other assets like mining assets) for the production of





yellow phosphorus (“**P4 Plant**”) sufficient to settle its existing obligations, as well as to fund its operations and future investment activities.

In 2023, the Group, via Sichuan Mianzhu Norwest Phosphate Chemical Co., Ltd (“**SMNPC**”), entered into a Cooperation Agreement and subsequent supplemental agreements (collectively hereinafter referred to as the “**Cooperation Agreement**”) with Sichuan Rongda Yuexiang Chemical Group Co., Ltd. (“**Rongda**”) related to disposal of the P4 Plant to Rongda, for a cash consideration of RMB71.39 million. The cash consideration is inclusive of RMB8 million in respect of a 12-month lease of the P4 Plant Assets to Rongda from March 2023 (the “**rental**”), RMB4 million of deposit (the “**deposit**”) and RMB20 million for repayment of SMNPC’s bank loan which is secured by the P4 Plant Assets. The rental and deposit are non-refundable if Sichuan Mianzhu is not in breach of the Cooperation Agreement.

As at 31 December 2023, the Group had received RMB12 million in respect of the rental and deposit. In January 2024, the Group received RMB20 million from Rongda and utilised the amount to repay the bank loan of RMB18.09 million (equivalent to \$3,367,000) as at 31 December 2023.

In February 2024, Rongda paid the remaining balance of the proceeds of RMB39.39 million into an escrow account pursuant to a Supplementary Cooperation Agreement II dated 29 January 2024.

In March and April 2024, the transfer of the P4 Plant, relevant personnel, and trade and other payables relating to the P4 Plant of RMB14.61 million (the “**P4 Plant Liabilities**”) from SMNPC to Sichuan Rongdafeng Chemical Co. Ltd. (“**Rongdafeng**”) had been completed. The amount in the escrow account had been released to the Group on 12 April 2024, save for a balance of RMB7 million that has to remain frozen in relation to an ongoing court order, which is separate from and not connected with the disposal of the P4 Plant to Rongda. Please see the Company’s announcement dated 17 July 2024 for the latest update on the court order.

As of 31 August 2024, SMNPC is no longer part of the Group following the Company’s disposal of subsidiaries (see (e)). The frozen escrow funds of RMB7 million, if released, shall still be remitted to the Group.

(c) The Group has not defaulted in the past on any of its bank loans. Barring unforeseen circumstances, the Board expects that the Group will be able to obtain requisite financing for its operations, where necessary.



i) Going concern (cont'd)

(d) As of 30 July 2024, loans due to the Group's controlling shareholders had been fully repaid. Additionally, the controlling shareholders have provided undertakings that they will continue to provide financial support to ensure that the Group is able to operate as a going concern for a period of at least twelve months from the date of approval of the issue of the financial statements for the year ended 31 December 2023. This is subject to the condition that the controlling shareholders' (and their respective connected parties as disclosed in the Company's announcement dated 28 March 2024) aggregate shareholding continues to remain above 50%.

(e) As announced on 29 July 2024, the Company had entered into a sales and purchase agreement to dispose of all its shares in a subsidiary, Norwest Chemicals Pte. Ltd. ("**NWC**"). Upon completion of the sale on 31 August 2024, the Group had substantially disposed of its business of exploration, mining and sale of phosphate rocks and the manufacturing, trading and selling of phosphate chemical products (the "**Mining Business**"). The Phase 2 Factory Assets refer to the STPP chemical production plant, storage, office building and ancillary facilities, and a land use right. Since the Mining Business was discontinued in 2017 due to a dispute with the PRC government and the shutdown of the Phase 2 Factory Assets and the P4 Plant, it has caused the Group to be in a loss-making position. Therefore, the Board is of the view that this disposal would allow for a more efficient allocation of available resources to grow the Group's Trading and Renewable Energy Businesses (as defined in the Circular dated 6 May 2024), ultimately being for the benefit and in the best interests of the Company and the Company's shareholders.

(f) As announced on 17 and 20 July 2024, the Group had completed a rights issue of shares for \$2.22 million in net proceeds. The Company had undertaken the rights issue with the objectives of: (i) augmenting and strengthening the Group's equity base, which had been eroded from past losses; and (ii) minimizing cash outflows needed for the repayment of the outstanding loans due to controlling shareholders.

Proceeds raised from the rights issue strengthened the Group's financial position by raising cash and working capital for the Group's existing operations and future expansion activities. Furthermore, as at the date of this announcement, the Board is not aware of any demand, claims or liabilities against or of the Group that it is not able to settle. The Group may explore other fundraising exercises as and when required.

(g) As announced on 16 August 2024, the Company entered into a Sales and Purchase Agreement for the purchase of an aggregate of 178,500 shares, comprising 51% of the total number of shares, in the capital of Velora Pte. Ltd. ("**Velora**"). Velora was incorporated in Singapore in 2015 and its principal business is in the wholesale trade of fertilisers, with operations in various countries. This acquisition is aligned with the Group's diversification strategy to augment its business and is expected to generate significant value for its shareholders.



**ii) Assets and liabilities of disposal group**

The Group had carried out the assessment of the carrying value of the P4 Plant Assets to ensure that it did not exceed its fair value less costs of disposal. Accordingly, a reversal of impairment of the P4 Plant Assets was made in the financial year ended 31 December 2023. After the reversal, the Group was satisfied that the carrying value of the P4 Plant Assets remained below its fair value less costs of disposal. Hence, the Group is of the opinion that no provision for impairment loss on the P4 Plant Assets is required in the current financial period.

In March and April 2024, the transfer of the P4 Plant Assets, relevant personnel, and the P4 Plant Liabilities from SMNPC to Rongdafeng had been completed. Concurrently, legal and operational control of Rongdafeng had been handed over to Rongda. Consequently, Rongdafeng was deconsolidated in April 2024 and the P4 Plant Assets and Liabilities were derecognised in the Group's Statement of Financial Position.

**iii) Recoverable amount of property, plant and equipment, right-of-use assets and investment in subsidiaries**

Mining Assets

The Group had been assessing the recoverable amount of the Mining Assets, including the carrying value of the goodwill of the said assets, on a yearly basis. Following its assessments, the Group concluded that the recoverable amount of the Mining Assets is zero. Hence, Management had determined that no adjustment to its carrying value is required. As at 30 September 2024, the Mining Assets had been derecognised upon the disposal of subsidiaries.

Right-of-use assets

Right-of-use assets related to the office premises occupied by the Company. The carrying value was \$186,000 on 31 December 2023. The lease was renewed for 3 years on 15 September 2023. Management estimated the value when it capitalised the amount and believed that there would not have been any significant change in its carrying value and that the Group will be able to recover the value through continuing use of the office premises.

P4 Plant Assets

Please see response in (ii).

Investment in subsidiaries

The Group assessed the recoverable amount of the Company's investment in subsidiaries based on the consolidated financial statements of Norwest Chemicals Pte. Ltd. ("NWC") after having taken into account the disposal of the P4 Plant Assets and Phase 2 Factory Assets. As a result, Management determined that it was appropriate to fully impair the Company's investment in NWC during the financial year ended 31 December 2023. As at 30 September 2024, NWC had been fully disposed for a consideration of \$2.



iv) **Trade and other payables**

Update:

The accrual in other payables was related to the legal and professional fees in connection with the past arbitration with the Chinese government. The accrual had been reversed in the financial year ended 31 December 2023 following certain waivers of legal fees.

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

**4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

Except as disclosed in Paragraph 5, the Group and the Company have applied the same accounting policies and methods of computation in the financial statements for the current reporting year as those of the most recently audited consolidated financial statements for the financial period ended 31 December 2023.

**5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

The Group and the Company have adopted the new and revised Singapore Financial Reporting Standards (International) ("**SFRS(I)**") and Interpretations of Singapore Financial Reporting Standards (International) ("**INT SFRS(I)**") that are mandatory for the financial period beginning on 1 January 2024. The adoption of these new/revised SFRS(I), INT SFRS(I) and amendments to SFRS(I) has no material impact on the financial performance or position of the Group and the Company.



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

- (a) based on the weighted average number of ordinary shares on issue; and  
(b) on a fully diluted basis (detailing any adjustments made to the earnings).

	Group			
	Third Quarter Ended 30 September		Nine Months Ended 30 September	
	2024	2023	2024	2023
Profit/(loss) attributable to owners of the Company used in the computation of basic earnings per share (\$'000)				
- from continuing operations	1,312	(356)	1,952	(973)
- from discontinued operations	-	318	(21)	551
	1,312	(38)	1,931	(422)
Weighted average number of ordinary shares for basic and diluted earnings/(losses) per share ('000)	1,479,627	1,031,525	1,479,627	1,031,525
Basic and diluted earnings/(losses) per share (cents)				
- from continuing operations	0.09	(0.04)	0.13	(0.09)
- from discontinued operations	-	0.03	(0.001)	0.05
	0.09	(0.01)	0.13	(0.04)

As at 30 September 2024 and 2023, there were no dilutive instruments.

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:

- (a) current financial period reported on; and  
(b) immediately preceding financial year.

	Group		Company	
	As at		As at	
	30 September 2024	31 December 2023	30 September 2024	31 December 2023
Net asset / (net liabilities) value (\$'000)	4,495	(203)	833	(7,154)
Number of ordinary shares ('000)	1,479,627	1,031,525	1,479,627	1,031,525
Net asset / (net liabilities) value per ordinary share (cents)	0.30	(0.02)	0.06	(0.69)

8. **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.**

The figures in this section where applicable, have been rounded to the nearest two (2) decimal places.

#### **Statement of Profit of Loss**

**A review of the performance of the Group in 3Q2024 and 9M2024 compared to 3Q2023 and 9M2023 respectively.**

#### **Revenue, cost of goods sold and gross profit**

The Group recorded a higher trading revenue in 3Q2024 and 9M2024 mainly due to increased sales of commodity products, following the acquisition of a new subsidiary, whose principal business is in the wholesale trade of fertilisers, in 3Q2024.

The cost of goods sold increased in line with the higher revenue and changes in gross profit were due to changes in the sales mix.

#### **Other income**

The increase in other income in 3Q2024 and 9M2024 was mainly due to the gain on the disposal of subsidiaries.

#### **Selling and distribution costs**

Selling and distribution costs decreased due to reduced sales activities of phosphate chemical products.

#### **General and administrative costs**

The increase in general and administrative expenses in 3Q2024 and 9M2024 was mainly attributed to higher professional fees incurred for various corporate exercises during the periods.



**8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business (cont'd).**

Finance costs

The decrease in finance costs in 3Q2024 against 3Q2023 was due to the full repayment of the only outstanding bank loan in January 2024 and the full repayments of loans due to controlling shareholders in July 2024.

Taxation

The tax expenses in 3Q2024 and 9M2024 were mainly due to deferred taxes accrued on unremitted foreign income.

Discontinued operations

The decrease in profit before tax from discontinued operations in 3Q2024 and 9M2024 was mainly due to the absence of rental income from the P4 Plant.

**Statement of Financial Position**

**A review of the performance of the Group as at 30 September 2024 compared to 31 December 2023.**

Non-current assets

The decreases in deferred tax assets, property, plant and equipment and other receivables and prepayments were mainly attributed to the disposal of subsidiaries in 9M2024.

Goodwill and an intangible asset arose from the abovementioned acquisition in 9M2024. Please refer to Notes 11 and 14 of Section E of this announcement for details.

Current assets

Inventory levels decreased due to the disposal of subsidiaries in 9M2024.

The increase in trade receivables was attributed to higher sales of commodity products following the acquisition of a new subsidiary in 9M2024.

The increase in other receivables and prepayments was mainly due to amounts receivable from a previous subsidiary that was disposed of in 9M2024.

The decreases in assets of disposal group and non-current assets held for sale were due to the disposal of subsidiaries in 9M2024.



**8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business (cont'd).**

Non-current liabilities

Deferred grant income and provision for reinstatement cost decreased due to the disposal of subsidiaries in 9M2024.

Lease liabilities decreased due to repayments made in 9M2024.

Current liabilities

Other payables, contract liabilities, and liabilities of disposal group decreased mainly due to the disposal of subsidiaries in 9M2024.

The decrease in other payables was also attributable to a reimbursement of legal costs to the PRC government. Please see the announcement dated 4 September 2024 for details.

Loans due to a director and controlling shareholders decreased due to capitalisations in connection with the rights issue and cash repayments made in 9M2024.

**Statement of Cash Flows**

The Group reported a net cash outflow for its operating activities in 3Q2024 and 9M2024 mainly due to payments made for legal costs awarded to China and to professionals in relation to various corporate exercises during the period.

The Group reported a net cash outflow for its investing activities in 3Q2024 mainly due to cash disposed of during the disposal of subsidiaries during the period. The net cash inflow in 9M2024 was mainly due to cash receipts from Rongda in connection with the disposal of the P4 Plant Assets.

The Group reported a net cash outflow for its financing activities in 3Q2024 and 9M2024 mainly due to the repayments of an interest-bearing bank loan and loans due to controlling shareholders, partially offset by proceeds from the rights issue.

As a result of the above, there was a net decrease in cash and cash equivalents of \$3.29 million and net increase of \$2.51 million in 3Q2024 and 9M2024 respectively.





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

The reported results for 3Q2024 and 9M2024 are in line with the profit guidance issued on 06 November 2024.

**10. 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.**

At an extraordinary general meeting of the Company held on 28 May 2024, the Company had sought and obtained its shareholders' approval for the diversification of the Group's business to expand its Trading Business and to include the Renewable Energy Business.

On 31 August 2024, the Group substantially disposed of its business of exploration, mining and sale of phosphate rocks and the manufacturing, trading and selling of phosphate chemical products (the "Mining Business"). Concurrently, the Company acquired a new subsidiary whose principal business is in the wholesale trade of fertilisers, thereby introducing a new stream of recurring trading revenue to the Group (refer to the Company's announcement on SGXNET dated 29 July 2024 on the above-mentioned disposal; and the announcement dated 16 August 2024 on the acquisition of shares in the capital of Velora Pte. Ltd.).

The management will continue to seek out suitable and profitable corporate, business and financing opportunities to enhance shareholders' value. Future plans for diversification may be subject to shareholders' approval at an Extraordinary General Meeting (EGM), where applicable.

**11. Dividend**

**(a) Current Financial Period Reported On:** Any dividend declared for the current financial period reported on?

Nil.

**(b) Corresponding Period of the Immediately Preceding Financial Year:** Any dividend declared for the corresponding period of the immediately preceding financial 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.

**12. 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 ended 30 September 2024 as the Company is not in the financial position to declare dividends.

**13. If the group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transaction 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 from shareholders of the Company.

On 21 June 2013, the Chief Executive Officer and Executive Director of the Company, Dr. Ong Hian Eng (“**Dr. Ong**”), Mr Ong Kwee Eng (an associate of Dr. Ong), and key executives Mr Wang Xuebo and Mr Chia Chin Hau (collectively, the “**Indemnitors**”) signed a deed of indemnity, under which they have jointly and severally undertaken, *inter alia*, to indemnify and hold harmless the Group against losses in connection with certain land use rights and certain licences, permits and approvals for the Group’s PRC operations (the “**Indemnity**”).

On 20 February 2017, the Company and the Indemnitors entered into a supplemental deed, pursuant to which it was agreed that the Indemnity shall terminate upon the occurrence of (i) any transaction or series of transaction resulting the Indemnitors and their associates (as defined in the Catalist Rules) collectively holding less than 51.0% of the total issued and paid-up share capital of the Company; and (ii) Dr. Ong, Mr Ong Eng Hock Simon, Mr Ong Eng Siew Raymond and Ms Ong Bee Pheng, and any relative (including by marriage) of Dr. Ong from time to time, no longer collectively constituting a majority representation on the Board.

As of 30 September 2024, the Indemnity has been terminated following the disposal of the subsidiaries as the Company is no longer exposed to losses in connection with the land use rights and certain licenses, permits and approvals for the PRC operations

As announced on 17 and 20 July 2024, loans from Dr. Ong and Astute Ventures to the Group were partly capitalised in connection with the rights issue. On 30 July 2024, the balances of the loans were repaid in full by means of cash.

As at 30 September 2024, the net loans from Dr. Ong amounted to \$Nil. The loans extended to the Company were for working capital, were unsecured, repayable on demand and bore interest at 11% per annum (8% per annum before 1 January 2023).

As at 30 September 2024, the loans from Astute Ventures amounted to \$Nil. The loans extended to the Company were for working capital, were unsecured, repayable on demand and bore interest at 11% per annum (8% per annum before 1 January 2023).



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

The interests for January to July 2024 were accrued following Singapore Exchange Trading Securities Limited (the “SGX-ST”) approval on the use of the Company’s market capitalization as at the end of the preceding financial year for the purpose of computing the IPT transactions thresholds under the Catalist Rules 905 and 906. The Company can continue to adopt the market capitalisation method as long as its net tangible assets (“NTA”) remains negative (as of the latest set of audited consolidated financial statements).

Based on the loans extended as at 30 July 2024, the total interest in January to July 2024 as a percentage of the Company’s market capitalisation as at 31 December 2023 was 1.9%. Please refer to the announcement on 27 October 2023 for details of the SGX-ST’s approval.

The Audit Committee has discussed the terms of the loans and is of the view that the loans were i) for the benefit of the Group; ii) on normal commercial terms; and iii) not prejudicial to the interests of the Company and its minority shareholders.

Name of interested person	Nature of relationship	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)
Dr Ong Hian Eng <sup>(c)</sup>	Director (until 30 April 2024), controlling shareholder	\$92,000 <sup>(a)</sup>	Not applicable
Astute Ventures Pte Ltd	Controlling shareholder	\$67,000 <sup>(b)</sup>	Not applicable

Note:

- a) The interest accrued from January to July 2024 amounted to \$92,000.
- b) The interest accrued from January to July 2024 amounted to \$67,000.
- c) Dr Ong Hian Eng retired as the Chief Executive Officer and Executive Director of the Company at the conclusion of the Company’s Annual General Meeting (AGM) which



took place on 30 April 2024. Please see the Company's announcement dated 12 April 2024 for details.

**14. Negative confirmation pursuant to the Rule 705(5) of the Catalist Listing**

The Board hereby confirms that, to the best of its knowledge, nothing has come to the attention of the Board which may render the unaudited financial statements for 3Q2024 and 9M2024 to be false or misleading in any material aspect.

**15. 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 Listing Manual**

The Company hereby confirms that it has procured signed undertakings from all its Directors and the relevant executive officers in the format as set out in Appendix 7H of the Catalist Listing Manual in accordance with Rule 720(1) of the Catalist Listing Manual.

On behalf of the Board,

Ong Eng Keong  
CEO and Executive Director

Ong Eng Hock Simon  
Non-Executive Director

13 November 2024

*This announcement has been reviewed by the Company's Sponsor, Evolve Capital Advisory 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.*

*The contact person for the Sponsor is Mr. Jerry Chua/Mr. Paul Kuo, at 160 Robinson Road, #20-01/02 SBF Center, Singapore 068914, Telephone number: 6241 6626*

