

HEATEC JIETONG HOLDINGS LTD AND ITS SUBSIDIARIES
Condensed Interim Financial Statements Announcement
For the Six Months and Full Year ended 31 December 2023

Condensed Interim Unaudited Financial Statements Announcement for the Six Months and Full Year ended 31 December 2023

This announcement has been prepared by Heatec Jietong Holdings Ltd. (the “**Company**”) and reviewed by the Company’s sponsor, Novus Corporate Finance Pte. Ltd. (the “**Sponsor**”), in compliance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) Listing Manual Section B: Rules of Catalist (the “**Catalist Rules**”).

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

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

<u>Group</u>	Note	6 months ended 31 December			12 months ended 31 December		
		2023	2022	Increase/ (Decrease)	2023	2022	Increase/ (Decrease)
		(unaudited) S\$'000	(unaudited) S\$'000	%	(unaudited) S\$'000	(audited) S\$'000	%
Revenue	4	14,374	11,324	27	26,125	21,361	22
Cost of sales		(10,277)	(7,305)	41	(18,062)	(14,575)	24
Gross profit		4,097	4,019	2	8,063	6,786	19
Other operating income							
- Interest		-	-	-	*	*	-
- Others	6	177	123	44	425	816	(48)
Expenses							
Administrative expenses		(3,848)	(3,987)	(3)	(7,783)	(7,757)	-
Other operating expenses		(69)	-	NM	(69)	-	NM
Net impairment gain/(losses) on financial assets		5	(141)	NM	41	(141)	NM
Finance costs	7	(253)	(249)	2	(501)	(497)	1
Share of results of associates		99	23	>100	123	41	>100
Profit/(loss) before tax	8	208	(212)	NM	299	(752)	NM
Income tax credit/(expense)	9	12	(8)	NM	2	(4)	NM
Profit/(loss) for the financial period/year		220	(220)	NM	301	(756)	NM
Other comprehensive income:							
<i>Items that are or may be reclassified subsequently to profit or loss:</i>							
Currency translation differences arising on consolidation		*	(52)	NM	(37)	(69)	(46)
Share of other comprehensive income of associates		(2)	(17)	(88)	(11)	(22)	(50)
Other comprehensive loss for the financial period/year, net of tax		(2)	(69)	(97)	(48)	(91)	(47)
Total comprehensive profit/(loss) for the financial period/year		218	(289)	NM	253	(847)	NM

NM denotes not meaningful

* Less than a thousand

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

<u>Group</u>	<u>Note</u>	6 months ended 31 December			12 months ended 31 December		
		2023 (unaudited) S\$'000	2022 (unaudited) S\$'000	Increase/ (Decrease) %	2023 (unaudited) S\$'000	2022 (audited) S\$'000	Increase/ (Decrease) %
Profit/(loss) attributable to:							
Equity holders of the Company		223	(220)	NM	266	(777)	NM
Non-controlling interests		(3)	-	NM	35	21	67
Profit/(loss) for the financial period/year		220	(220)	NM	301	(756)	NM
Total comprehensive income/(loss) attributable to:							
Equity holders of the Company		221	(289)	NM	218	(868)	NM
Non-controlling interests		(3)	-	NM	35	21	67
Total comprehensive income/(loss) for the financial period/year		218	(289)	NM	253	(847)	NM
<u>Profit/(loss) per share attributable to equity holders of the Company during the financial period/year:</u>							
Basic (Singapore cents)	10	0.11	(0.18)	NM	0.14	(0.63)	NM
Diluted (Singapore cents)	10	0.11	(0.18)	NM	0.14	(0.63)	NM

NM denotes not meaningful

* Less than a thousand

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B. Condensed Interim Statements of Financial Position

	Note	The Group		The Company	
		As at	As at	As at	As at
		31.12.2023 (unaudited) S\$'000	31.12.2022 (audited) S\$'000	31.12.2023 (unaudited) S\$'000	31.12.2022 (audited) S\$'000
ASSETS					
Non-current assets					
Property, plant and equipment	13	7,841	8,488	3,648	3,917
Investment in subsidiaries		-	-	7,303	5,503
Investment in associates		329	253	-	-
Intangible assets		1,612	-	-	-
Total non-current assets		9,782	8,741	10,951	9,420
Current assets					
Inventories		362	358	-	-
Contract assets		6,762	6,340	-	-
Trade receivables	14	6,055	4,724	-	-
Other receivables	14	1,223	547	4,178	4,483
Cash and bank balances		1,955	1,850	71	88
Total current assets		16,357	13,819	4,249	4,571
Total assets		26,139	22,560	15,200	13,991
LIABILITIES					
Non-current liabilities					
Borrowings	15	2,447	2,219	824	1,613
Deferred tax liabilities		261	269	-	-
Total non-current liabilities		2,708	2,488	824	1,613
Current liabilities					
Contract liabilities		235	825	-	-
Trade payables	16	1,955	888	-	-
Other payables	16	3,210	1,987	976	735
Provision for warranty		45	45	-	-
Borrowings	15	5,092	5,597	810	764
Tax payable		17	31	-	-
Total current liabilities		10,554	9,373	1,786	1,499
Total liabilities		13,262	11,861	2,610	3,112
NET ASSETS		12,877	10,699	12,590	10,879

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

	Note	<u>The Group</u>		<u>The Company</u>	
		As at	As at	As at	As at
		31.12.2023	31.12.2022	31.12.2023	31.12.2022
		(unaudited)	(audited)	(unaudited)	(audited)
		S\$'000	S\$'000	S\$'000	S\$'000
EQUITY					
Share capital	17	14,255	11,555	14,255	11,555
Reserves		(1,511)	(829)	(1,665)	(676)
Equity attributable to equity holders of the Company, total		12,744	10,726	12,590	10,879
Non-controlling interests		133	(27)	-	-
Total equity		12,877	10,699	12,590	10,879

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C. Condensed Interim Statements of Changes in Equity

Attributable to equity holders of the Group										
	Share capital	Translation reserve	Capital reserve	Merger Reserve	Share options reserve	Net discount received on equity	Retained earnings	Total	Non-controlling interests	Total
Group (unaudited)	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
At 1 January 2023	11,555	(136)	-	(3,914)	70	596	2,555	10,726	(27)	10,699
Profit for the financial year	-	-	-	-	-	-	266	266	35	301
<i>Other comprehensive loss</i>										
Currency translation differences arising on consolidation	-	(37)	-	-	-	-	-	(37)	-	(37)
Share of other comprehensive loss of associates	-	(11)	-	-	-	-	-	(11)	-	(11)
Other comprehensive loss for the financial year, net of tax	-	(48)	-	-	-	-	-	(48)	-	(48)
Total comprehensive (loss)/income for the financial year	-	(48)	-	-	-	-	266	218	35	253
Acquisition of a subsidiary	2,700	-	(900)	-	-	-	-	1,800	125	1,925
At 31 December 2023	14,255	(184)	(900)	(3,914)	70	596	2,821	12,744	133	12,877

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C. Condensed Interim Statements of Changes in Equity (Cont'd)

Attributable to equity holders of the Group									
Group (audited)	Share capital	Translation reserve	Merger Reserve	Share options reserve	Net discount received on equity	Retained earnings	Total	Non-controlling interests	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
At 1 January 2022	11,555	(45)	(3,914)	70	221	3,332	11,219	1,927	13,146
(Loss)/profit for the financial year	-	-	-	-	-	(777)	(777)	21	(756)
<i>Other comprehensive income</i>									
Currency translation differences arising on consolidation	-	(69)	-	-	-	-	(69)	-	(69)
Share of other comprehensive loss of associates	-	(22)	-	-	-	-	(22)	-	(22)
Other comprehensive loss for the financial year, net of tax	-	(91)	-	-	-	-	(91)	-	(91)
Total comprehensive (loss)/income for the financial year	-	(91)	-	-	-	(777)	(868)	21	(847)
Acquisitions of equity interest from Non-Controlling Interest without a change in control	-	-	-	-	375	-	375	(1,975)	(1,600)
At 31 December 2022	11,555	(136)	(3,914)	70	596	2,555	10,726	(27)	10,699

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C. Condensed Interim Statements of Changes in Equity (Cont'd)

	Share capital	Capital reserve	Share options reserve	Retained earnings	Total
Company (unaudited)	S\$'000	S\$'000	S\$'000	S\$'000	
At 1 January 2023	11,555	-	70	(746)	10,879
Loss and total comprehensive loss for the financial year	-	-	-	(89)	(89)
Acquisition of a subsidiary	2,700	(900)	-	-	1,800
At 31 December 2023	14,255	(900)	70	(835)	12,590

	Share capital	Capital Reserve	Share options reserve	Retained earnings	Total
Company (audited)	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
At 1 January 2022	11,555	-	70	(775)	10,850
Profit and total comprehensive income for the financial year	-	-	-	29	29
At 31 December 2022	11,555	-	70	(746)	10,879

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D. Condensed Interim Consolidated Statement of Cash Flows

		The Group	
		12 months ended	12 months ended
		31 December 2023	31 December 2022
		(unaudited)	(audited)
Note		S\$'000	S\$'000
	Cash flows from operating activities		
	Profit/(loss) before tax	299	(752)
	Adjustments for:		
	Interest expenses	501	497
	(Reversal)/net impairment losses on financial assets	(41)	141
	Depreciation of property, plant and equipment	1,001	1,140
	Gain on disposal of property, plant and equipment	(95)	(3)
	Share of results of associates	(123)	(41)
	Write back for inventory obsolescence	(17)	(17)
	Exchange differences	(33)	(64)
	Operating cash flows before movements in working capital	1,492	901
	Change in operating assets and liabilities		
	Trade and other receivables and contract assets	(1,772)	596
	Inventories	12	19
	Trade and other payables and contract liabilities	1,592	113
	Cash generated from operations	1,324	1,629
	Interest paid	(66)	(47)
	Income tax paid	(75)	(24)
	Net cash generated from operating activities	1,183	1,558

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D. Condensed Interim Consolidated Statement of Cash Flows (Cont'd)

	Note	The Group	
		12 months ended	12 months ended
		31 December	31 December
		2023	2022
		(unaudited)	(audited)
		S\$'000	S\$'000
Cash flows from investing activities			
Purchases of property, plant and equipment		(332)	(109)
Proceed from disposal of property, plant and equipment		95	3
Acquisition of a subsidiary, net of cash acquired		295	-
Dividends received from an associate		35	47
Net cash generated/(used in) investing activities		93	(59)
Cash flows from financing activities			
Interest paid	7	(435)	(449)
Increase in pledged fixed deposit		27	(101)
Acquisition of additional interest in subsidiaries		-	(1,400)
Proceeds from bank loans		2,279	100
Proceeds from trade financing		3,099	2,599
Repayments of bank loans		(3,664)	(2,702)
Repayment of trade financing		(2,343)	(2,424)
Repayments of lease liabilities		(107)	(98)
Net cash used in financing activities		(1,144)	(4,475)
Net increase/(decrease) in cash and cash equivalents		132	(2,976)
Cash and cash equivalents at beginning of the financial year		1,749	4,725
Cash and cash equivalents at end of the financial year		1,881	1,749
Group			
Comprising			
Cash at bank		1,955	1,850
Less: Pledged fixed deposits		(74)	(101)
Cash and cash equivalents for presentation on the consolidated statement of cash flows		1,881	1,749

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E. Notes to the condensed interim consolidated financial statements

1 Corporate Information

Heatec Jietong Holdings Ltd. (Co. Reg. No. 200717808Z) is incorporated and domiciled in Singapore and its shares are publicly traded on the Catalist Board of the SGX-ST. These condensed interim consolidated financial statements as at and for the six months and twelve months ended 31 December 2023 comprise the Company and its subsidiaries (collectively, the “Group”). The address of its registered office is at 10 Tuas South Street 15, Singapore 637076.

The principal activity of the Company is that of investment holding. The principal activities of its subsidiaries are:

- (a) Servicing and fabrication of heat exchangers;
- (b) To carry on the businesses of repairing ships, tankers and other ocean-going vessels;
- (c) To provide chemical cleaning services to ships and tankers; and
- (d) To provide trading services.

2 Basis of Preparation

The unaudited condensed consolidated interim financial statements for the six months and twelve months ended 31 December 2023 are presented in Singapore Dollars (“\$”), which is the Company’s functional currency. The unaudited condensed consolidated interim financial statements have been prepared in accordance with SFRS(I) 1-34 *Interim Financial Reporting* (“SFRS(I)”) issued by the Accounting Standards Council Singapore. The unaudited condensed consolidated interim financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies below.

The preparation of unaudited condensed consolidated interim financial statements in conformity with SFRS(I) requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the unaudited condensed consolidated interim financial statements and the reported amounts of revenues and expenses during the financial year. Although these estimates are based on management’s best knowledge of current events and actions and historical experiences and various other factors that are believed to be reasonable under the circumstances, actual results may ultimately differ from those estimates.

The unaudited condensed consolidated interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last interim financial statements for the six months ended 30 June 2023.

The accounting policies and methods of computation adopted for the unaudited condensed consolidated interim financial statements are consistent with those adopted by the Company in its most recently audited annual financial statements for the twelve months ended 31 December 2022, 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 below.

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E. Notes to the condensed interim consolidated financial statements (cont'd)

2 Basis of Preparation (cont'd)

2.1 Adoption of new or amended standards

In the current financial year, the Group has adopted all the new and revised SFRS(I) and SFRS(I) Interpretations (“**SFRS(I) INT**”) that are relevant to its operations and effective for the current financial year. Changes to the Group’s accounting policies have been made as required, in accordance with the transitional provisions in the respective SFRS(I) and SFRS(I) INT.

The adoption of these new and revised SFRS(I) and SFRS(I) INT did not have any material effect on the financial results or position of the Group and the Company.

2.2 Use of estimates and judgements

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

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that particular period, or in the period of the revision and future periods if the revision affects both current and future periods.

The carrying amounts of cash and bank balances, trade and other current receivables and payables approximate their respective fair values due to the relatively short-term maturity of these financial instruments.

3 Seasonal Operations

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

4 Segment Information

The Group is organised into business units based on its services for management purposes. The reportable segments are piping, heat exchanger, chemical cleaning and trading. The Trading segment is a new business segment, following the acquisition of a 60% shareholding in Setya Energy Pte. Ltd. These operating segments are reported in a manner consistent with internal reporting provided to the management who are responsible for allocation of resources and assessment of performances of each segment.

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4.1 Reportable segments

	Piping S\$'000	Heat exchanger S\$'000	Chemical cleaning S\$'000	Trading S\$'000	Unallocated S\$'000	Consolidated S\$'000
<u>1 July 2023 to</u>						
<u>31 December 2023</u>						
Total segment revenues	3,078	10,648	2,061	(59)	-	15,728
Inter-segment revenues	(238)	(685)	(369)	(62)	-	(1,354)
Revenue from external customers	2,840	9,963	1,692	(121)	-	14,374
Other income	91	84	2	-	-	177
Total revenue and other income	2,931	10,047	1,694	(121)	-	14,551
Depreciation of property, plant and equipment	(3)	(112)	(95)	-	(275)	(485)
Segment results	(578)	1,000	(57)	(3)	-	362
Share of results of associates						99
Finance costs	(43)	(105)	(41)	(11)	(53)	(253)
Profit before tax						208
Income tax credit						12
Profit for the financial period						220
Segment assets	5,759	8,769	3,646	1,076	6,889	26,139
- Additions to non-current assets (PPE)	-	16	41	-	-	57
Segment liabilities	1,653	5,986	2,961	485	2,177	13,262

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4.1 Reportable segments (cont'd)

	Piping S\$'000	Heat exchanger S\$'000	Chemical cleaning S\$'000	Unallocated S\$'000	Consolidated S\$'000
1 July 2022 to					
31 December 2022					
Total segment revenue	2,618	7,645	2,271	-	12,534
Inter-segment revenue	(6)	(549)	(655)	-	(1,210)
Revenue from external customers	2,612	7,096	1,616	-	11,324
Other income	135	(28)	16	-	123
Total revenue and other income	2,747	7,068	1,632	-	11,447
Depreciation of property, plant and equipment	(4)	(114)	(134)	(302)	(554)
Segment results	(590)	1,074	(470)	-	14
Share of results of associates					23
Finance costs	(40)	(117)	(19)	(73)	(249)
Loss before income tax					(212)
Income tax expense					(8)
Loss for the financial period					(220)
Segment assets	5,750	7,528	3,670	5,612	22,560
- Additions to non-current assets (PPE)	2	4	20	28	54
Segment liabilities	734	6,872	1,379	2,876	11,861

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4.1 Reportable segments (cont'd)

	Piping S\$'000	Heat exchanger S\$'000	Chemical cleaning S\$'000	Trading S\$'000	Unallocated S\$'000	Consolidated S\$'000
1 January 2023 to 31						
December 2023						
Total segment revenue	5,683	17,506	4,706	1,350	-	29,245
Inter-segment revenue	(272)	(1,330)	(1,456)	(62)	-	(3,120)
Revenue from external customers	5,411	16,176	3,250	1,288	-	26,125
Other income	174	149	102	-	-	425
Total revenue and other income	5,585	16,325	3,352	1,288	-	26,550
Depreciation of property, plant and equipment	(8)	(224)	(207)	-	(562)	(1,001)
Segment results	(1,292)	1,410	444	115	-	677
Share of results of associates						123
Finance costs	(75)	(229)	(61)	(19)	(117)	(501)
Profit before income tax						299
Income tax credit						2
Profit for the financial year						301
Segment assets	5,759	8,769	3,646	1,076	6,889	26,139
- Additions to non-current assets (PPE)	3	19	41	-	269	332
Segment liabilities	1,653	5,986	2,961	485	2,177	13,262

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4.1 Reportable segments (cont'd)

	Piping S\$'000	Heat exchanger S\$'000	Chemical cleaning S\$'000	Unallocated S\$'000	Consolidated S\$'000
<u>1 January 2022 to 31 December 2022</u>					
Total segment revenue	7,129	12,697	4,194	-	24,020
Inter-segment revenue	(33)	(1,006)	(1,620)	-	(2,659)
Revenue from external customers	7,096	11,691	2,574	-	21,361
Other income	491	228	97	-	816
Total revenue and other income	7,587	11,919	2,671	-	22,177
Depreciation of property, plant and equipment	(13)	(222)	(311)	(594)	(1,140)
Segment results	(333)	416	(379)	-	(296)
Share of results of associates					41
Finance costs	(60)	(253)	(38)	(146)	(497)
Loss before tax					(752)
Income tax expenses					(4)
Loss for the financial year					(756)
Segment assets	5,750	7,528	3,670	5,612	22,560
- Additions to non-current assets (PPE)	2	54	25	28	109
Segment liabilities	734	6,872	1,379	2,876	11,861

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4.2 Disaggregation of revenue

The following tables provide a disaggregation of the Group's revenue by timing of revenue recognition.

	The Group				
	6 months ended 31 December 2023 (unaudited)				
	Piping	Heat Exchanger	Chemical Cleaning	Trading	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Timing of revenue recognition:					
At a point in time	-	-	1,692	(121)	1,571
Over time	2,840	9,963	-	-	12,803
	2,840	9,963	1,692	(121)	14,374

	The Group				
	6 months ended 31 December 2022 (unaudited)				
	Piping	Heat Exchanger	Chemical Cleaning	Trading	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Timing of revenue recognition:					
At a point in time	-	-	1,616	-	1,616
Over time	2,612	7,096	-	-	9,708
	2,612	7,096	1,616	-	11,324

	The Group				
	12 months ended 31 December 2023 (unaudited)				
	Piping	Heat Exchanger	Chemical Cleaning	Trading	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Timing of revenue recognition:					
At a point in time	-	-	3,250	1,288	4,538
Over time	5,411	16,176	-	-	21,587
	5,411	16,176	3,250	1,288	26,125

	The Group				
	12 months ended 31 December 2022 (audited)				
	Piping	Heat Exchanger	Chemical Cleaning	Trading	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Timing of revenue recognition:					
At a point in time	-	-	2,574	-	2,574
Over time	7,096	11,691	-	-	18,787
	7,096	11,691	2,574	-	21,361

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4.2 Disaggregation of revenue (cont'd)

Segment assets

The amounts provided to the management with respect to total assets are measured in a manner consistent with that of the condensed interim consolidated financial statements. Management monitors the assets attributable to each segment for the purposes of monitoring segment performance and for allocating resources between segments.

Segment liabilities

The amounts provided to the management with respect to total liabilities are measured in a manner consistent with that of the condensed interim consolidated financial statements.

Geographical information

The Group's operations are primarily carried out in Singapore. Accordingly, no geographical segment assets and revenue from external customers' information are presented.

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4.2 Disaggregation of revenue (cont'd)

Information about major customer

Revenue is derived from 2 (2022: 2) external customers who individually contributed 10% or more of the Group's revenue and are attributable to the segments as detailed below:

		6 months ended 31 December 2023 (unaudited)	6 months ended 31 December 2022 (unaudited)	12 months ended 31 December 2023 (unaudited)	12 months ended 31 December 2022 (audited)
Attributable segments		S\$'000	S\$'000	S\$'000	S\$'000
Customer A	Piping segment	1,932	1,779	3,693	5,498
Customer B	Heat exchanger segment	2,455	2,047	4,042	3,104
		4,387	3,826	7,735	8,602

5 Financial Assets and Financial Liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group and the Company as at 31 December 2023 and 31 December 2022:

	The Group		The Company	
	As at 31.12.2023 (unaudited)	As at 31.12.2022 (audited)	As at 31.12.2023 (unaudited)	As at 31.12.2022 (audited)
	S\$'000	S\$'000	S\$'000	S\$'000
Financial Assets				
Cash and bank balances and trade and other receivables (Amortised cost)	8,906	6,918	4,217	4,525
Financial Liabilities				
Trade and other payables and borrowings (Amortised cost)	12,583	10,572	2,572	3,020

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6 Other income

	The Group			
	6 months ended 31 December 2023 (unaudited)	6 months ended 31 December 2022 (unaudited)	12 months ended 31 December 2023 (unaudited)	12 months ended 31 December 2022 (audited)
	S\$'000	S\$'000	S\$'000	S\$'000
Government grant income	64	96	122	668
Gain on disposal of property, plant and equipment	-	-	95	-
Sundry income	116	104	208	115
Net foreign exchange (loss)/gain	(3)	(77)	-	33
	177	123	425	816

7 Finance costs

	The Group			
	6 months ended 31 December 2023 (unaudited)	6 months ended 31 December 2022 (unaudited)	12 months ended 31 December 2023 (unaudited)	12 months ended 31 December 2022 (audited)
	S\$'000	S\$'000	S\$'000	S\$'000
Interest on:				
- Term loans	104	142	237	282
- Lease liabilities	72	53	124	107
- Trade financing	42	40	74	60
- Others	35	14	66	48
	253	249	501	497

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8 Profit before tax

8.1 Significant items

	The Group			
	6 months ended 31 December 2023 (unaudited)	6 months ended 31 December 2022 (unaudited)	12 months ended 31 December 2023 (unaudited)	12 months ended 31 December 2022 (audited)
	S\$'000	S\$'000	S\$'000	S\$'000
Expenses				
Interest on borrowings	104	142	237	282
Depreciation of property, plant and equipment	129	157	271	323
- Recognised in cost of sales				
- Recognised in administrative expenses	356	397	730	817

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8.2 Related party transactions

In addition to information disclosed elsewhere in this financial statement, the following transactions took place between the Group and related parties, who are not members of the Group during the financial period reported on, on terms agreed by the parties concerned:

	The Group			
	6 months ended 31 December 2023 (unaudited)	6 months ended 31 December 2022 (unaudited)	12 months ended 31 December 2023 (unaudited)	12 months ended 31 December 2022 (audited)
	S\$'000	S\$'000	S\$'000	S\$'000
With associates				
Purchases from	433	140	743	228
With shareholders which exert significant influence over the Company				
Rendering of services	48	7	51	51
Provision of consultancy Services	36	37	73	73
With entity controlled by Director of the Company				
Provision of legal and corporate secretarial services	14	35	38	80

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9 Income tax

The Group income tax was calculated on profit before income tax for the financial period reported on, using the effective tax rate for the year. The major components of income tax expenses in the condensed interim consolidated statement of profit or loss are:

	The Group			
	6 months ended 31 December 2023 (unaudited)	6 months ended 31 December 2022 (unaudited)	12 months ended 31 December 2023 (unaudited)	12 months ended 31 December 2022 (audited)
	S\$'000	S\$'000	S\$'000	S\$'000
Tax expense attributable to profit is made up of:				
- Provision for current year	-	(27)	-	(27)
- Over provision in respect of previous financial years	8	4	(6)	4
Deferred tax:				
- Provision for current year	4	33	8	37
- Under provision in respect of previous financial years	-	(18)	-	(18)
Income tax credit/(expense)	12	(8)	2	(4)

The income tax applicable to the Company is 17% (2022: 17%). The corporate income tax rate applicable to the subsidiaries in Singapore and People's Republic of China are 17% (2022: 17%) and 25% (2022: 25%) respectively.

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10 Earnings per share attributable to equity holders of the Company

	The Group	
	12 months ended 31.12.2023 (unaudited)	12 months ended 31.12.2022 (audited)
Basic and diluted earnings/(loss) per ordinary share (Singapore cents)	0.14	(0.63)
Weighted average number of ordinary shares in issue	196,483,628*	122,959,345

* The weighted average number of ordinary shares in issue for the 12 months ended 31 December 2023 was calculated after taking into account that 81,818,181 consideration shares were issued on 6 February 2023.

Earnings/(loss) per ordinary share of the Group for the twelve months ended 31 December 2023 (“FY2023”) and the twelve months ended 31 December 2022 (“FY2022”) is calculated based on net profit/(loss) attributable to equity owners of the Company for the respective financial year divided by the weighted average number of ordinary shares in issue during the respective financial year.

For FY2022, the diluted loss per share is equivalent to the basic loss per share as the exercise of the share options outstanding were anti-dilutive in nature. In addition, there are no other potential dilutive ordinary shares in existence.

For FY2023, the diluted earnings per share is equivalent to the basic earnings per share as the exercise of the share options outstanding were anti-dilutive in nature.

The following table reflects the weighted average number of ordinary shares used in the computation of basic and diluted earnings per share for 31 December 2023:

Basic earnings per share	196,483,628 ordinary shares
Diluted earnings per share	196,483,628 ordinary shares

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11 Dividends

In view of the Group's nascent return to profitability, no dividend has been declared or recommended by the Board of Directors, as the Group wishes to conserve cash to meet the operational and financial requirements of the Group.

12 Net Asset Value

	Group		Company	
	As at 31.12.2023	As at 31.12.2022	As at 31.12.2023	As at 31.12.2022
	(unaudited)	(audited)	(unaudited)	(audited)
Net asset value per share based on total number of issued ordinary shares excluding treasury shares (Singapore cents)	6.22	8.72	6.15	8.85

The net asset value per ordinary share of the Group and the Company as at 31 December 2023 and 31 December 2022 was calculated based on the total number of issued ordinary shares (excluding treasury shares) of 204,777,526 and 122,959,345 respectively.

13 Property, plant and equipment

During the six months ended 31 December 2023, the Group acquired assets amounting to S\$326,000 (31 December 2022: S\$54,000) and disposed of assets amounting to S\$284,000 (31 December 2022: S\$Nil).

As at 31 December 2023, the carrying amount of pledged property, plant and equipment to secure the bank borrowings was S\$2,415,000 (31 December 2022: S\$2,768,000); and the carrying amount of property, plant and equipment held under right-of-use assets were S\$809,000 (31 December 2022: S\$899,000).

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14 Trade and other receivables

	Group		Company	
	As at 31.12.2023 (unaudited)	As at 31.12.2022 (audited)	As at 31.12.2023 (unaudited)	As at 31.12.2022 (audited)
	S\$'000	S\$'000	S\$'000	S\$'000
Trade receivables				
Third parties	7,304	5,235	-	-
Less: Allowance for impairment loss	(1,249)	(511)	-	-
	6,055	4,724	-	-
Other receivables				
Subsidiaries	-	-	4,131	4,429
Other receivables	115	136	-	-
GST recoverable	20	41	-	-
Deposits	781	207	15	7
Prepayments	185	132	32	47
Advance payment to supplier	122	31	-	-
	1,223	547	4,178	4,483

Amount receivables from subsidiaries are unsecured, interest-free and repayable on demand.

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15 Borrowings

Amount repayable within one year or on demand

Group			
As at 31.12.2023 (unaudited)		As at 31.12.2022 (audited)	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
5,092	-	5,597	-

Amount repayable after one year

Group			
As at 31.12.2023 (unaudited)		As at 31.12.2022 (audited)	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
2,447	-	2,219	-

Amount repayable within one year or on demand

Company			
As at 31.12.2023 (unaudited)		As at 31.12.2022 (audited)	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
810	-	764	-

Amount repayable after one year

Company			
As at 31.12.2023 (unaudited)		As at 31.12.2022 (audited)	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
824	-	1,613	-

Details of any collateral

The bank loans are secured by:

- (i) a first legal mortgage over the Group's leasehold property; and
- (ii) corporate guarantees by the Company.

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16 Trade and other payables

	Group		Company	
	As at 31.12.2023	As at 31.12.2022	As at 31.12.2023	As at 31.12.2022
	(unaudited)	(audited)	(unaudited)	(audited)
	S\$'000	S\$'000	S\$'000	S\$'000
Trade payables				
Third parties	1,955	888	-	-
Other payables				
Subsidiaries	-	-	210	14
Accruals	1,483	1,190	390	331
Other payables	1,606	678	114	73
Financial guarantee	-	-	224	224
GST payables	121	119	38	93
	3,210	1,987	976	735

The amounts due to subsidiaries are non-trade in nature, unsecured, interest-free and repayable on demand.

17 Share Capital

	Group and Company			
	As at 31 December 2023		As at 31 December 2022	
	Number of issued shares '000	Total share capital S\$'000	Number of issued shares '000	Total share capital S\$'000
<u>Issued and fully paid up</u>				
At the beginning of year	122,959	11,555	122,959	11,555
Shares issued	81,818*	2,700	-	-
At the end of year	204,778	14,255	122,959	11,555

Following the allotment and issue of the consideration shares for the acquisition of a 60% shareholding of Setya Energy Pte. Ltd., the total number of issued shares has increased from 122,959,345 to 204,777,526.

*discrepancies due to rounding

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17 Share Capital (cont'd)

There has been no change in the Company's share capital since the end of the previous period reported on.

As at 31 December 2023, there were 3,000,000 outstanding share options under the Heatec Employee Share Option Scheme that may be exercised into 3,000,000 new ordinary shares (representing 1.5% of the Company's 204,777,526 ordinary shares as at 31 December 2023) in the capital of the Company (31 December 2022: 3,000,000 outstanding share options, exercisable into 3,000,000 new ordinary shares representing 2.4% of the Company's 122,959,345 ordinary shares as at 31 December 2022).

Save as disclosed above, there were no convertibles, treasury shares or subsidiary holdings as at 31 December 2023 and 31 December 2022.

The Company did not have any sale, transfer, cancellation and/or use of treasury shares or subsidiary holdings during the six-month period ended and as at 31 December 2023.

18 Acquisition of a subsidiary

On 6 February 2023, the Group acquired 60% shareholding interest in Setya Energy Pte. Ltd. ("Setya"). The consideration was satisfied entirely by issuance and allotment of 81,818,181 new ordinary shares in the capital of the Company at an issue price of S\$0.033 per consideration share.

The fair value of the ordinary shares issued was based on listed share price of the Company at 6 February 2023 at S\$0.022 per share.

Details of the consideration transferred, the assets acquired and liabilities assumed, the non-controlling interest recognized and the effects on the cash flows of the Group, at the acquisition date, are as follows:

	FY2023 S\$'000
Purchase consideration	
Equity instruments issued (81,818,181 ordinary shares at S\$0.022 per share)	1,800
Consideration transferred	<u>1,800</u>
Effect on cash flows of the Group	
Cash paid	-
Cash and cash equivalents acquired	<u>(295)</u>
Net cash inflow on acquisition	<u>(295)</u>

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18 Acquisition of a subsidiary (cont'd)

	FY2023 S\$'000
Identifiable assets acquired and liabilities assumed	
Trade and other receivables	638
Cash and cash equivalents	295
Trade and other payables	(131)
Borrowings	(434)
Income tax payables	(55)
Net identifiable assets acquired	<u>313</u>
Total identifiable net assets	313
Less: Non-controlling interests	(125)
Add: Goodwill acquired	<u>1,612</u>
Consideration transferred for the business	<u>1,800</u>

Goodwill

Goodwill arising from the acquisition has been recognized as follows:

	FY2023 S\$'000
Consideration transferred.	1,800
- 81,818,181 @ S\$0.022	
Non-controlling interest	125
Fair value of identifiable net assets	(313)
Goodwill	<u>1,612</u>

19 Subsequent events

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

No major subsequent event has occurred since the end of the financial period ended 31 December 2023 up to the date of this announcement.

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F Management's Discussion and Analysis – Financial Review

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 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.

1 Review of Group Performance

Revenue

FY2023 vs FY2022

Revenue increased by 22% or S\$4.7 million in, from S\$21.4 million in FY2022 to S\$26.1 million in FY2023. The increase was due to more projects in the Heat Exchanger and Chemical Cleaning segments and the acquisition of Setya Energy Pte Ltd in Trading segment, which contributed revenue to the Group in FY2023. This resulted in an increase of 46% in revenue from S\$14.2 million in FY2022 to S\$20.7 million in FY2023. The increase in revenue was offset by a decrease in the Piping segment of 25% or S\$1.7 million, from S\$7.1 million in FY2022 to S\$5.4 million in FY2023.

2H2023 vs 2H2022

Revenue increased by 27% or S\$3.1 million, from S\$11.3 million in 2H2022 to S\$14.4 million in 2H2023. The increase was due to more projects in the Heat Exchanger and Piping segments, which reported an increase of 32% in revenue from S\$9.7 million in 2H2022 to S\$12.8 million in 2H2023.

Operating Results

FY2023 vs FY2022

The Group recorded a lower gross profit margin of 31% in FY2023, as compared to 32% in FY2022. The decrease was mainly due to higher cost of materials and an increase in manpower cost.

Other income decreased by 48% or S\$0.4 million, from S\$0.8 million in FY2022 to S\$0.4 million in FY2023. The decrease was mainly due to lesser government grant received from Singapore.

Administrative expenses remained stable at S\$7.8 million for both FY2023 and FY2022.

Finance costs remained stable at S\$0.5 million for both FY2023 and FY2022.

Depreciation expenses decreased by 12% or S\$0.1 million, from S\$1.1 million in FY2022 to S\$1.0 million in FY2023 due to disposal of property, plant and equipment during the year.

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Overall, the Group recorded a net profit of S\$0.3 million in FY2023, as compared to a net loss of S\$0.8 million in FY2022, primarily as a result of the increase in revenue.

2H2023 vs 2H2022

The Group recorded a lower gross profit margin of 29% in 2H2023, as compared to 35% in 2H2022. The decrease was mainly due to higher cost of materials and an increase in manpower cost.

Other income increased by 44% or approximately S\$0.1 million, from approximately S\$0.1 million in 2H2022 to approximately S\$0.2 million in 2H2023, mainly due to a one-off grant received from Association of Singapore OSEA.

Administrative expenses decreased by 3% or S\$0.1 million, from approximately S\$4.0 million in 2H2022 to approximately S\$3.9 million in 2H2023 mainly due to lower professional fees incurred in 2H2023.

Finance costs remained stable at S\$0.25 million for both 2H2023 and 2H2022.

Depreciation expenses remained stable at S\$0.5 million for both 2H2023 and 2H2022.

Overall, the Group recorded a net profit of S\$0.2 million in 2H2023, as compared to a net loss of S\$0.2 million in 2H2022, primarily as a result of the increase in revenue.

2 Review of Statement of Financial Position

Non-Current Assets

The Group's non-current assets increased by 13% or approximately S\$1.1 million, from S\$8.7 million as at 31 December 2022 to S\$9.8 million as at 31 December 2023. The increase was mainly due to the recognition of goodwill after the acquisition of a 60% shareholding in Setya Energy Pte. Ltd. in February 2023.

Current Assets

The Group's current assets increased by 19% or S\$2.6 million, from S\$13.8 million as at 31 December 2022 to S\$16.4 million as at 31 December 2023. The increase was mainly due to an increase in trade receivables, other receivables and contract assets.

Trade receivables increased by S\$1.4 million, from S\$4.7 million as at 31 December 2022 to S\$6.1 million as at 31 December 2023, mainly due to an increase in revenue for FY2023. Other receivables increased by S\$0.7 million, from S\$0.5 million as at 31 December 2022 to S\$1.2 million as at 31 December 2023 due to an increase in deposits, prepayment and advance payment to suppliers.

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Non-Current Liabilities

The Group's non-current liabilities increased by 8% or S\$0.2 million, from S\$2.5 million as at 31 December 2022 to S\$2.7 million as at 31 December 2023, mainly due to reclassification of certain loans from current to non-current liabilities and partially offset by repayment of loan in FY2023.

Current Liabilities

The Group's current liabilities increased by 13% or S\$1.2 million, from S\$9.4 million as at 31 December 2022 to S\$10.6 million as at 31 December 2023. The increase was mainly due to an increase in trade and other payables, which arose due to an increase in purchases during 2H2023 for major projects in Heat Exchanger segment and partially offset by reclassification of certain loans from current to non-current liabilities.

Working Capital Position

The Group reported a positive working capital position of S\$5.8 million as at 31 December 2023, as compared to S\$4.4 million as at 31 December 2022.

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3 Review of Statement of Cash Flows

In FY2023, the Group recorded net cash generated from operating activities of S\$1.2 million, which was mainly a result of (i) operating cash inflows before changes in working capital of S\$1.5 million, (ii) net working capital outflows of S\$0.2 million, which was mainly due to the decrease in trade and other receivables and contract assets of S\$1.8 million and was partially offset by an increase in trade and other payables and contract liabilities of S\$1.6 million, and (iii) interest and income tax paid of S\$0.1 million.

Net cash generated from investing activities of S\$0.1 million in FY2023 was mainly due to the net cash acquired from the acquisition of 60% shareholding in Setya Energy Pte. Ltd. and partially offset by the purchase of property, plant and equipment of S\$0.3 million.

Net cash used in financing activities of S\$1.1 million in FY2023 was mainly due to repayment of bank loans and trade financing of S\$6.0 million and was partially offset by proceeds from bank loans and trade financing loans of S\$5.4 million. Net aggregate of interest paid and pledged fixed deposit was S\$0.4 million in FY2023.

Overall, the Group's cash and cash equivalents increased by S\$0.13 million, from S\$1.75 million as at 31 December 2022 to S\$1.88 million as at 31 December 2023.

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4 Future Prospects

The high crude oil prices over the last few years, coupled with strong offshore exploration activities, continue to support a buoyant FPSO market centered around Brazil, Latin America and Africa. Across the industry, there is a capacity crunch faced by the supply chain as the shipyards and contractors struggle to keep up with the demand. This is positive for the heat exchanger and piping sector and our challenge is to manage a pipeline of projects in the most efficient and productive way. We remain cautious about securing contracts with tight delivery schedules.

Heatec Jietong Vietnam, our newly set up base in Ho Chi Minh, Vietnam was operational in 2023 having recently completed its maiden heat exchanger project for an FPSO which was delivered to Dubai in early 2024. Having access to additional capacity and workers in Vietnam was a deliberate and strategic move to tackle the consistently tight labour market in Singapore which is expected to help us take on more projects in the near future. This also enables us to tap business opportunities in Vietnam, both onshore and offshore.

Singapore's foreign labour situation continues to be tight, with dormitory rentals rising by as much as 40%. To tackle the rising cost of accommodating our foreign workers in the short to medium term, we embarked on a project to convert the 3rd floor of our office building into a 75-bed dormitory which is targeted to be completed in the first half of 2024.

Meanwhile, Setya Energy, which specialises in the trading of marine petroleum in Southeast Asia, has begun contributing to the Group since it became a subsidiary in 2023. Barring unforeseen circumstances, prospects for Setya's oil bunkering and trading business remain buoyant as Singapore continues to grow as a trans-shipment hub.

In February 2023, the merger of Keppel Offshore & Marine Ltd, one of our biggest clients, with Sembcorp Marine Ltd was completed with the merged entity renamed Seatrium Limited. The Group will continue to engage with Seatrium Limited to strengthen the relationship and to capture new business opportunities.

Apart from focusing on the growing FPSO business, the Group continues to look for inorganic growth through synergistic and complementary opportunities.

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G Other information required by SGX-ST Catalist Rule Appendix 7C

1 Review

The condensed consolidated statement of financial position of Heatec Jietong Holdings Ltd. and its subsidiaries as at 31 December 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 six months and twelve months ended 31 December 2023 and certain explanatory notes have not been audited or reviewed by the Company's auditors.

2 Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:

- (i) Updates on the efforts taken to resolve each outstanding audit issue.**
- (ii) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.**

This is not required for any audit issue that is a material uncertainty relating to going concern.

The Company's auditor had issued a qualified opinion in respect of the Group's FY2022 audited financial statements. With regard to the audit issue raised by the Company's auditor in relation to certain consultancy service arrangements, the Board and Management have reviewed and strengthened the Company's internal control processes to ensure, among others, that the review process for, among others, entry into contracts with external service providers have been further tightened and enhanced in respect of specific delegation of authority for different threshold amounts, and segregated for both operational and non-operational (mainly financing and investment) activities, and to ensure that the terms of such said contracts specify, to the extent possible, the deliverables and stipulated payment milestones to match such deliverables.

Management will also ensure that meetings with external third parties are properly documented to record key discussion points and action plans so that such documentation may be readily furnished to the relevant parties, including the Company's independent auditors, to clarify and/or confirm any deliverables and/or work done by third parties, where required.

The Company has engaged its internal auditors to review its out-sourcing arrangements to identify gaps in the existing procedures and implement changes for more stringent processes. The internal auditors have held discussions with the Audit and Risk Management Committee on their findings and recommendations with regards to this area for improvement in FY2024.

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

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3 Review of performance of the Group

Please refer to section F, entitled “Management’s Discussion and Analysis – Financial Review”.

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

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

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

Please refer to section F, paragraph 4 entitled “Future Prospects”.

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6 Dividend

(a) Current Financial Period Reported On

Any dividend recommended/declared for the current financial period reported on?

No dividend has been declared/recommended for FY2023.

(b) Corresponding Period of the Immediately Preceding Financial Year

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

None.

(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) The date on which Registrable Transfers received by the Company (up to 5.00pm) will be registered before entitlements to the dividend are determined.

Not applicable.

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

In view of the Group's nascent return to profitability in FY2023, no dividend has been declared or recommended by the Board of Directors for FY2023, as the Group wishes to conserve cash to meet the operational and financial requirements of the Group.

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7 Interested Person Transactions (“IPTs”)

The Group has not obtained a general mandate from shareholders for interested person transactions.

8 A breakdown of sales

	Group		Increase/ (Decrease)
	12 months ended 31 December 2023 (unaudited)	12 months ended 31 December 2022 (audited)	
	S\$'000	S\$'000	%
(a) Sales reported for first half year	11,751	10,037	17
(b) Operating profit/(loss) after tax before deducting non-controlling interests reported for first half year	81	(536)	NM
(c) Sales reported for second half year	14,374	11,324	27
(d) Operating profit/(loss) after tax before deducting non-controlling interests reported for second half year	220	(220)	NM

NM denotes not meaningful

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9 Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704 (10) of the Catalist Rules.

Name	Age	Family relationship with any director, chief executive officer and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Soon Jenson	44	Brother of Mr Soon Jeffrey, the Chief Executive Officer and Executive Director of the Company and son of Mr Soon Yeow Kwee Johnny, Executive Chairman and a substantial shareholder of the Company	Group General Manager (Operation) since 1 January 2016. Responsible for the overall supervision and management of the Group's Engineering & operations include oversight of quality control and the adherence to Health and Safety Policy.	No change
Yong Chin Seng	44	Son of Mr Yong Yeow Sin, a substantial shareholder of the Company	General Manager of Chem-Grow Pte. Ltd. since 25 August 2023. Responsible for sourcing of new clients, sales administrative and sales management for the chemical cleaning segment of the Company.	Promoted to General Manager on 25 August 2023.

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

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

11 A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year

Not applicable as the Company did not declare and pay dividends for FY2022 and FY2023.

12 Disclosure of acquisition (including incorporations) and sale of shares as required under Rule 706A of the Catalist Rules

There were no acquisitions or realisation of shares thereby resulting (i) in a change in the shareholding percentage in any subsidiary or associated company of the Group or (ii) an entity becoming or ceasing to be (as the case may be) a subsidiary or associated company of the Group during 2H2023. No new subsidiary or associated company was incorporated by the Group during 2H2023.

BY ORDER OF THE BOARD
HEATEC JIETONG HOLDINGS LTD.

Soon Jeffrey
Executive Director and Chief Executive Officer

Singapore, 29 February 2024