

Pursuant to Rule 705(2C) of the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalyst, Asiatic Group (Holdings) Limited is required by SGX-ST to announce its quarterly financial statements.



Asiatic Group (Holdings) Limited and its Subsidiaries

Unique Entity Number: 200209290R

Condensed Interim Financial Statements

For the quarter ended 30 June 2024

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Condensed interim consolidated statement of profit or loss
Period Ended 30 June 2024

	Note	The Group		Change %
		3 months ended 30 June 2024 S\$'000	3 months ended 30 June 2023 S\$'000	
Revenue				
Sale of goods	5.2	4,106	4,830	(15.0)
Services rendered	5.2	6,777	6,398	5.9
		10,883	11,228	(3.1)
Other income		46	22	109.1
Costs and expenses				
Cost of sales		(7,516)	(7,815)	(3.8)
Foreign exchange gain		24	191	(87.4)
Staff costs		(1,643)	(1,663)	(1.2)
Depreciation of property, plant and equipment		(432)	(431)	0.2
Depreciation of right-of-use assets		(57)	(53)	7.5
Write back of impairment of financial assets		–	20	N.M.
Expected loss on financial guarantee provided to an associated company		–	(159)	N.M.
Other operating expenses		(637)	(633)	0.6
Finance costs		(251)	(226)	11.1
Profit before tax	7.1	417	481	(13.3)
Income tax expense	8	(141)	(99)	42.4
Profit for the period		276	382	(27.7)
Attributable to:				
Equity holder of the Company		201	291	(30.9)
Non controlling interest		75	91	(17.6)
		276	382	(27.7)

N.M. : Not meaningful

Condensed interim consolidated statement of other comprehensive income
Period Ended 30 June 2024

	The Group		Change %
	3 months ended 30 June 2024 S\$'000	3 months ended 30 June 2023 S\$'000	
Profit for the period	276	382	
Other comprehensive income			
<u>Items that may be reclassified subsequently to profit or loss</u>			
Foreign currency translation arising from foreign operations	70	543	(87.1)
<u>Items that will not be reclassified subsequently to profit or loss</u>			
Foreign currency translation arising from foreign operations attributable to non-controlling interest	3	29	(89.7)
Other comprehensive income for the period, net of tax (nil)	73	572	(87.2)
Total comprehensive income for the period	349	954	(63.4)
Attributable to:			
Equity holder of the Company	271	834	(67.5)
Non-controlling interest	78	62	25.8
	349	896	(61.0)
	Cents	Cents	
Profit per share (cent per share)			
Basic and diluted	0.01	0.02	

N.M. : Not meaningful

Asiatic Group (Holdings) Limited and its Subsidiaries

Condensed interim statements of financial position
As at 30 June 2024

	Note	The Group		The Company	
		30 June 2024	31 March 2024	30 June 2024	31 March 2024
		S\$'000	S\$'000 (Audited)	S\$'000	S\$'000 (Audited)
Assets					
Non-Current					
Property, plant and equipment	11	36,418	36,685	2	2
Investments in subsidiaries		–	–	26,417	26,194
Right-of-use assets		2,206	1,885	–	–
Goodwill	10	175	175	–	–
Deferred tax assets		299	298	–	–
Other investments		161	161	–	–
		39,259	39,204	26,419	26,196
Current					
Inventories		3,633	3,702	–	–
Trade receivables		7,348	6,888	–	–
Other receivables		1,138	1,128	–	–
Prepayments		335	261	27	27
Cash and short-term deposits		4,344	3,155	222	201
		16,798	15,134	249	228
Total assets		56,057	54,338	26,668	26,424
Equity and Liabilities					
Equity					
Share capital	13	54,815	54,815	54,815	54,815
Revenue reserve		(38,200)	(38,401)	(40,530)	(40,562)
Foreign currency translation reserve		1,391	1,321	–	–
Equity attributable to equity holders of the Company		18,006	17,735	14,285	14,253
Non-controlling interests		6,376	6,298	–	–
Total equity		24,382	24,033	14,285	14,253
Liabilities					
Non-Current					
Loans and borrowings	12	3,309	3,799	–	–
Lease liabilities		1,936	1,730	–	–
Deferred tax liabilities		298	298	–	–
		5,543	5,827	–	–

Condensed interim statements of financial position (cont'd)
As at 30 June 2024

	Note	The Group		The Company	
		30 June 2024	31 March 2024	30 June 2024	31 March 2024
		S\$'000	S\$'000 (Audited)	S\$'000	S\$'000 (Audited)
Current					
Trade payables		5,794	5,584	–	–
Provision for contribution to financial guarantee provided to an associated company		1,448	1,436	1,448	1,436
Other payables and accruals		6,700	5,720	588	646
Amounts due to subsidiaries		–	–	10,328	10,070
Loans and borrowings	12	11,111	10,693	–	–
Lease liabilities		213	66	–	–
Provision for taxation		866	979	19	19
		26,132	24,478	12,383	12,171
Total liabilities		31,675	30,305	12,383	12,171
Total equity and liabilities		56,057	54,338	26,668	26,424

Condensed interim statements of changes in equity
Period ended 30 June 2024

Group	Attributable to equity holders of the Company					
	Share capital (Note 13)	Revenue reserve	Foreign currency translation reserve	Total equity attributable to owners of the Company	Non- controlling interests	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
At 1 April 2023 (Audited)	51,047	(39,506)	860	12,401	6,035	18,436
Profit for the period	–	291	–	291	91	382
<u>Other comprehensive income</u>						
Foreign currency translation	–	–	543	543	(29)	514
Total comprehensive income for the period	–	291	543	834	62	896
As at 30 June 2023	51,047	(39,215)	1,403	13,235	6,097	19,332
At 1 April 2024 (Audited)	54,815	(38,401)	1,321	17,735	6,298	24,033
Profit for the period	–	201	–	201	75	276
<u>Other comprehensive income</u>						
Foreign currency translation	–	–	70	70	3	73
Total comprehensive income for the period	–	201	70	271	78	349
As at 30 June 2024	54,815	(38,200)	1,391	18,006	6,376	24,382

Condensed interim statements of changes in equity (cont'd)
Period ended 30 June 2024

Company	Share capital (Note 13) S\$'000	Revenue reserve S\$'000	Total S\$'000
At 1 April 2023 (Audited)	51,047	(40,607)	10,440
Loss for the period, representing total comprehensive income for the period	–	(58)	(58)
At 30 June 2023	51,047	(40,665)	10,382
At 1 April 2024 (Audited)	54,815	(40,562)	14,253
Profit for the period, representing total comprehensive income for the period	–	32	32
As at 30 June 2024	54,815	(40,530)	14,285

Condensed interim consolidated statement of cash flows
Period ended 30 June 2024

	3 months ended 30 June 2024 S\$'000	3 months ended 30 June 2023 S\$'000
Operating activities		
Profit before tax	417	481
Depreciation of property, plant and equipment	432	431
Depreciation of right-of-use assets	57	53
Interest expense	251	226
Expected loss on financial guarantee provided to an associated company	–	160
Write back of impairment of financial assets	–	(20)
Gain on disposal of property, plant and equipment	–	(2)
Gain on disposal of right-of-use assets	–	(9)
Currency alignment	3	14
Operating cash flows before changes in working capital	1,160	1,334
<u>Changes in working capital</u>		
Decrease/(increase) in inventories	69	(171)
Increase in trade and other receivables	(534)	(104)
Decrease in amount due from associates	–	20
Increase/(decrease) in trade and other payables	1,172	(847)
Cash flows generated from operations	1,867	232
Interest paid	(251)	(226)
Income tax paid	(256)	(59)
Net cash flows generated from/(used in) operating activities	1,360	(53)
Investing activities		
Purchase of property, plant and equipment	(39)	(8)
Purchase of right-of-use assets	(7)	(14)
Proceeds from sale of property, plant and equipment	–	4
Proceeds from sale of right-of-use assets	–	45
Net cash flows (used in)/generated from investing activities	(46)	27

Condensed interim consolidated statement of cash flows (cont'd)
Period ended 30 June 2024

	3 months ended 30 June 2024 S\$'000	3 months ended 30 June 2023 S\$'000
Financing activities		
Repayment of trust receipts and short-term borrowings	(69)	(24)
Repayment of interest bearing term loans	–	(347)
Repayment of principal portion of lease and hire purchase liabilities	(46)	(68)
Decrease in pledged fixed deposits	–	337
Net cash flows used in financing activities	(115)	(102)
Net increase/(decrease) in cash and cash equivalents	1,199	(128)
Effect of exchange rate changes on cash and cash equivalents	(7)	(16)
Cash and cash equivalents at beginning at 1 April	2,930	997
Cash and cash equivalents at 30 June	4,122	853
Cash and cash equivalents consist of the following:		
Cash and short-term deposits	4,344	1,069
Add: Bank overdraft	(222)	(216)
	4,122	853

Notes to the condensed interim consolidated financial statements

1. Corporate information

Asiatic Group (Holdings) Limited (the “**Company**”) is a limited liability company incorporated and domiciled in Singapore and is listed on the Catalist Board of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”). The registered office and principal place of business of the Company is located at 65 Joo Koon Circle, Singapore 629078. The principal activity of the Company is investment holding.

These condensed interim consolidated financial statements as at and for the three months ended 30 June 2024 comprise the Company and its subsidiaries (collectively, the “**Group**”). The principal activities of the Group are:

- (a) Fire Protection Solutions - With a focus on supplying, installing and maintaining firefighting and protection equipment; and
- (b) Energy Services – With a focus on power generation and the distribution of controlled power supply.

The Group operates in Singapore and Cambodia.

2. Basis of preparation

The condensed interim financial statements for the three months ended 30 June 2024 have been prepared in accordance with Singapore Financial Reporting Standards (International) (“**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 March 2024.

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

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

2.1. New and amended standards adopted by the Group

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

2.2. Use of judgements and estimates

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

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 March 2024.

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

3. Going concern assumption

As at 30 June 2024, the Group's current liabilities (which includes loan and borrowings of S\$11,111,000 (31 March 2024: S\$10,693,000)) exceeded the Group's current assets by S\$9,334,000 (31 March 2024: S\$9,344,000) and the Company's current liabilities exceeded the Company's current assets by S\$12,134,000 (31 March 2024: S\$11,943,000).

Notwithstanding the above, in the opinion of the board of directors ("**Board**"), the Group is able to continue as a going concern as the Board is of the view that the Group will (i) continue to receive financial support from the banks and (ii) generate positive cash flows from its operations in the next twelve (12) months taking the following and further considerations detailed on page 28 of this announcement into consideration:

Payment of settlement sum with white knight

Following the close of the rights issue on 2 August 2023, the Company raised gross proceeds of approximately S\$4.0 million. Out of the gross proceeds, the Company had utilised S\$0.2 million for the expenses for the rights issue and payment of S\$3.7 million (2023 – S\$1.3 million) to the white knight of Maju Intan Biomass Energy Sdn. Bhd. ("**MJE**"). Subsequent to the period ended 30 June 2024 and as at the date of this financial statements, the Company had paid an additional amount of S\$1.1 million (equivalent to RM4.0 million). The Company will finance the balance of S\$0.3 million (equivalent to RM1.0 million) payable to the white knight of MJE with its positive cash flows from its operations.

Amount due to a subsidiary

As at 30 June 2024, a subsidiary will continue to provide continuing financial support to the Company and not demand payment for the next twelve (12) months from the date of the financial statements for the balance of S\$10,328,000 (31 March 2024: S\$10,070,000) due to the subsidiary.

3. Going concern assumption (cont'd)

If the Group and Company are unable to continue in operational existence for the foreseeable future, the Group and Company may be unable to discharge its liabilities in the normal course of business. Adjustments may then have to be made to reflect the situation that assets may need to be realised other than in the normal course of business and at amounts which could differ significantly from the amounts at which they are currently recorded on the Group and Company's balance sheets. In addition, the Group and Company may have to reclassify non-current assets and liabilities as current assets and liabilities. The effect of these adjustments has not been reflected in the financial statements.

4. Seasonal operations

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

5. Segment and revenue information

The Group is organised into business units based on their products and services, and has two reportable segments as follows:

- (i) Fire Protection Solutions - With a focus on supplying, installing and maintaining firefighting and protection equipment
- (ii) Energy Services - With a focus on power generation and the distribution of controlled power supply

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

Asiatic Group (Holdings) Limited and its Subsidiaries

5.1 Reportable segments

	Fire Protection Solutions		Energy Services		Total	
	3 months ended 30 June 2024 S\$'000	3 months ended 30 June 2023 S\$'000	3 months ended 30 June 2024 S\$'000	3 months ended 30 June 2023 S\$'000	3 months ended 30 June 2024 S\$'000	3 months ended 30 June 2023 S\$'000
Revenue from external parties	5,219	5,658	5,664	5,570	10,883	11,228
Other income	46	22	–	–	46	22
Total revenue and other income	5,265	5,680	5,664	5,570	10,929	11,250
Reversal of impairment of financial asset	–	–	–	20	–	20
Expected loss on financial guarantee provided to an associated company	–	–	–	(159)	–	(159)
Depreciation of property, plant and equipment	(109)	(109)	(323)	(322)	(432)	(431)
Finance costs	(19)	(14)	(233)	(212)	(252)	(226)
Segment profit	496	589	172	118	668	707
Unallocated expenses					(251)	(226)
Profit before taxation					417	481
Income tax expense					(141)	(99)
Profit for the period					276	382

Asiatic Group (Holdings) Limited and its Subsidiaries

5.1. Reportable segments (cont'd)

	Fire Protection Solutions		Energy Services		Total	
	30 June 2024	30 June 2023	30 June 2024	30 June 2023	30 June 2024	30 June 2023
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Segment assets	34,039	30,973	39,085	37,809	73,124	68,782
Inter-segment assets					(17,793)	(15,950)
Goodwill					175	175
Deferred tax assets					300	300
Unallocated assets					251	109
Total assets per statement of financial position					56,057	53,416
Additions to property, plant and equipment	39	8	–	–	39	8
Additions to right-of-use assets	406	64	–	–	406	64
Expenditures for segment non-current assets	445	72	–	–	445	72
Segment liabilities	17,629	16,769	59,516	60,918	77,145	77,687
Inter-segment liabilities					(47,219)	(45,265)
Income tax payables					847	1,042
Deferred tax liabilities					298	120
Unallocated liabilities					604	500
Total liabilities per statement of financial position					31,675	34,084

5.2. Disaggregation of revenue

	The Group	
	3 months ended 30 June 2024 S\$'000	3 months ended 30 June 2023 S\$'000
<hr/>		
Types of goods or services:		
- Sales of goods	4,106	4,830
- Sales of services	6,777	6,398
	10,883	11,228
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Geographical information:		
- Singapore	5,004	4,931
- Cambodia	5,664	5,566
- Other countries	215	731
	10,883	11,228
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Asiatic Group (Holdings) Limited and its Subsidiaries

6. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group and Company as at 30 June 2024 and 31 March 2024:

Group	Carrying amount			Fair value			
	At amortised cost S\$'000	Fair value through profit or loss S\$'000	Total S\$'000	Level 1 S\$'000	Level 2 S\$'000	Level 3 S\$'000	Total S\$'000
30 June 2024							
Financial assets							
Other investments	–	161	161	–	–	161	161
Trade and other receivables *	7,905	–	7,905				
Cash and short-term deposits	4,344	–	4,344				
	12,249	161	12,410				
Financial liabilities							
Trade and other payables ^	(10,756)	–	(10,756)				
Loans and borrowings	(14,402)	–	(14,402)	–	–	(14,402)	(14,402)
Lease and hire purchase liabilities	(2,149)	–	(2,149)	–	–	(2,149)	(2,149)
	(27,307)	–	(27,307)				

* Excludes advances to supplier and GST receivables

^ Excludes deposits from customers, withholding tax payable and GST payables but include provision for contribution to financial guarantee provided to an associated company.

Asiatic Group (Holdings) Limited and its Subsidiaries

6. Financial assets and financial liabilities (cont'd)

Group	Carrying amount			Fair value			
	At amortised cost S\$'000	Fair value through profit or loss S\$'000	Total S\$'000	Level 1 S\$'000	Level 2 S\$'000	Level 3 S\$'000	Total S\$'000
31 March 2024 (Audited)							
Financial assets							
Other investments	–	161	161	–	–	161	161
Trade and other receivables *	7,453	–	7,453				
Cash and short-term deposits	3,155	–	3,155				
	10,608	161	10,769				
Financial liabilities							
Trade and other payables ^	(10,368)	–	(10,368)				
Loans and borrowings	(14,492)	–	(14,492)	–	–	(14,492)	(14,492)
Lease and hire purchase liabilities	(1,796)	–	(1,796)	–	–	(1,796)	(1,796)
	(26,656)	–	(26,656)				

* Excludes advances to supplier and GST receivables

^ Excludes deposits from customers, withholding tax payable and GST payables but include provision for contribution to financial guarantee provided to an associated company.

Asiatic Group (Holdings) Limited and its Subsidiaries

6. Financial assets and financial liabilities (cont'd)

Company	Carrying amount			Fair value			
	At amortised cost S\$'000	Fair value through profit or loss S\$'000	Total S\$'000	Level 1 S\$'000	Level 2 S\$'000	Level 3 S\$'000	Total S\$'000
30 June 2024							
Financial assets							
Cash and short-term deposits	222	-	222				
Financial liabilities							
Other payables and accruals *	(2,010)	-	(2,010)				
31 March 2024 (Audited)							
Financial assets							
Cash and short-term deposits	201	-	201				
Financial liabilities							
Other payables and accruals *	(2,054)	-	(2,054)				

* Excludes GST payables but include provision for contribution to financial guarantee provided to an associated company.

Asiatic Group (Holdings) Limited and its Subsidiaries

7. Profit before taxation

7.1 Significant items

The following items have been included in arriving at profit from operating activities:

	The Group	
	3 months ended 30 June 2024	3 months ended 30 June 2023
	S\$'000	S\$'000
Write back of impairment of financial assets	–	(20)
Contributions to defined contribution plans	93	91
Insurance	39	49
Inventories recognised as an expense in cost of sales	2,645	2,919
Legal fees	23	50
Travelling and transportation	43	31
Audit fees	23	22
Late payment interest to a supplier in Cambodia	84	83

7.2 Related party transactions

	The Group	
	3 months ended 30 June 2024	3 months ended 30 June 2023
	S\$'000	S\$'000
<u>Sale and purchase of goods and services</u>		
Purchase of goods from a firm related to a director	–	67
Sale of goods to a firm related to a director	–	24
<u>Directors' and executive officers' remuneration *</u>		
Directors' remuneration	120	159
Executive officers' remuneration	124	111

* Included in the above remuneration for the Group is payment for defined contribution plans of S\$8,000 for the 3 months ended 30 June 2024 (3 months ended 30 June 2023: S\$10,000)

8. Taxation

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated statement of profit or loss are:

	The Group	
	3 months ended 30 June 2024	3 months ended 30 June 2023
	S\$'000	S\$'000
Current income tax expense	141	99

9. Net asset value

	The Group		The Company	
	30 June 2024	31 March 2024	30 June 2024	31 March 2024
	(Audited)		(Audited)	
Net asset value per ordinary share based on total number of issued shares as at the end of the financial period (Singapore cents)	0.6	0.5	0.4	0.4

The net asset value per ordinary share as at 30 June 2024 is calculated based on 3,233,422,455 (31 March 2024: 3,233,422,455) ordinary shares in issue (excluding treasury shares).

10. Goodwill

	The Group	
	30 June 2024	31 March 2024
	S\$'000	S\$'000
	(Audited)	
Goodwill	175	175

Goodwill acquired through business combinations have been allocated to cash-generating unit (“CGU”), Colben System Pte Ltd (“**Colben System**”), a subsidiary whose principal activities are to carry on the business as distributors and representatives of controlled power supply and precision gear products.

The Board of Directors has assessed that the goodwill allocated to the CGU is not significant and accordingly an assessment of the goodwill has not been performed.

11. Property, plant and equipment

During the three months ended 30 June 2024, the Group acquired assets amounting to S\$39,000 (30 June 2023: S\$8,000) and did not dispose of any assets (30 June 2023: disposal of assets amounting to S\$1,000).

12. Loans and borrowings

	The Group	
	30 June 2024 S\$'000	31 March 2024 S\$'000 (Audited)
<hr/>		
<u>Amount repayable within one year or on demand</u>		
Secured	8,517	8,586
Unsecured	2,594	2,107
 <u>Amount repayable after one year</u>		
Unsecured	3,309	3,799
 Total loans and borrowings	14,420	14,492

Details of collaterals

The bank borrowings and credit facilities of the Group are secured by corporate guarantee provided by the Company and first fixed charge over certain property, plant and equipment.

Right-of-use assets purchased under hire purchase have a carrying amount of S\$334,000 as at 30 June 2024 (31 March 2024: S\$298,000).

The Group's factory building with a carrying value of S\$2,818,000 as at 30 June 2024 (31 March 2024: S\$2,841,000) is subject to a first charge to secure the bank loans and borrowings.

13. Share capital

	The Group and the Company			
	30 June 2024		31 March 2024	
	No. of shares '000	S\$'000	No. of shares '000 (Audited)	S\$'000 (Audited)
<u>Issued and fully paid ordinary shares</u>				
At beginning of year	3,233,423	54,815	1,741,648	51,047
Shares issued	-	-	1,491,775	4,028
Share issue expenses	-	-	-	(260)
At end of period	3,233,423	54,815	3,233,423	54,815

The total number of issued shares excluding treasury shares as at 30 June 2024 was 3,233,422,455 (31 March 2024: 3,233,422,455). There were no changes in the issued share capital of the Company since the last period reported on.

The Company did not hold any treasury shares and subsidiary holdings as at 30 June 2024 and 30 June 2023.

The Company did not have any outstanding options or convertibles as at 30 June 2024 and 30 June 2023.

14. Commitments and contingencies

Corporate guarantees

Corporate guarantees amounting to S\$29.4 million (31 March 2024: S\$29.4 million) have been provided by the Company to financial institutions to secure banking facilities granted to its subsidiaries.

Former associate company, MJE

As announced on 20 September 2023, the Company's obligations and liabilities under the corporate guarantee provided by the Company to Maybank Islamic Bhd have been fully discharged and that all formalities for the disposal of MJE have been completed.

As at 30 June 2024, the remaining provision for expected credit losses of Colben Energy Holdings (Maju Intan) Ltd's ("CEH") share of the settlement sum and share of the costs under the share purchase agreement ("SPA") amounted to S\$1.4 million (RM5.0 million) (31 March 2024: S\$1.4 million (RM5.0 million)).

Subsequent to the period ended 30 June 2024 and as at the date of this financial statements, the Company has an outstanding amount of S\$0.3 million (equivalent to RM1.0 million) owing to the white knight of MJE.

14. **Commitments and contingencies (cont'd)**

Legal claims

(a) Claims by Guan Heng Construction Sdn Bhd

Colben Energy Holdings (Maju Intan) Ltd, an indirect wholly-owned subsidiary which is registered as a foreign branch in Malaysia, had on 18 March 2020 received a writ of summons to attend in the High Court of Ipoh, Perak, Malaysia from Guan Heng Construction Sdn Bhd for the recovery of their principal sum for civil & construction, piling cost, accrued interest and any other cost amounting to approximately S\$1,056,000 (equivalent to RM3,646,000). A Statement of Defence and Counterclaim has been filed by Colben Energy Holdings (Maju Intan) Ltd on 22 September 2020 to make a counterclaim against Guan Heng Construction Sdn Bhd. As at 30 June 2024, there are no further development on the claims and counterclaims filed.

(b) Receipt of a civil judgment in relation to legal proceedings with Kampuchea Tela Limited (“Tela”), a supplier of Colben Energy (Cambodia) Limited (“Colben Cambodia”)

The Group’s announcements released on 17 February 2022, 14 November 2022, 23 November 2022 and 5 January 2023 made reference to a civil judgement between Tela and Colben Cambodia. On 2 November 2022, Colben Cambodia finally received translated copies of the civil judgment no. 127 dated 9 February 2022 issued by the Phnom Penh Court listing the following amounts or actions to be taken by Colben Cambodia and Colben System (as a co-defendant):

- i. Repayment of approximately US\$2,075,000 to Tela;
- ii. To pay a penalty interest at the rate of 2% per month on the amount of approximately US\$2,075,000 from June 2021 until the outstanding amount is fully repaid;
- iii. An order that Colben Cambodia and Colben System to pay damages, compensations, and legal service fees of US\$10,000, and any claim above this amount shall be dismissed;
- iv. Declare provisional execution of the above (i) of the judgment; and
- v. Litigation costs shall be borne by Colben Cambodia and Colben System.

As at 30 June 2024, Tela has yet to enforce their request for the repayment of outstanding amount of US\$2,205,000 (included in Trade payables and Other payables and accruals), due to them. Notwithstanding that, the Company will negotiate with Tela to see how it can work an amicable resolution on this matter.

The Company will provide further update to shareholders, as and when appropriate, should there be any material development concerning the above.

14. Commitments and contingencies (cont'd)

Legal claims (cont'd)

- (c) Provisional Court Order for the implementation of resolutions passed by joint venture partner, Royal Group Phnom Penh SEZ Plc, ("RGPPSEZ")

On 13 September 2023, Colben Energy Holdings (PPSEZ) Limited ("**CEH PPSEZ**") a 95% indirect subsidiary of the Company and Colben System Pte Ltd ("**CSPL**"), a wholly owned subsidiary of the Company commenced arbitration under the auspices of the Singapore International Arbitration Centre ("**SIAC**") against RGPPSEZ ("**Arbitration**") in relation to the control of Colben Energy (Cambodia) PPSEZ Limited ("**JV Company**"). The Arbitration seeks to enforce the terms of the shareholders' agreement and joint venture agreement and, in particular, CEH PPSEZ and CSPL's rights in the JV Company in relation to the management and running of the JV Company in Cambodia.

To-date, the tribunal has still not been constituted. The Company anticipates that the Arbitration process may be protracted.

CEH PPSEZ and CSPL, who are parties to the Arbitration, are subject to confidentiality obligations which only permit limited disclosures of information pertaining to the Arbitration. Meanwhile, the matter is under confidentiality until the tribunal has been constituted. CEH PPSEZ, CSPL and the Company will seek and be guided by the legal advice in relation to the information that can and should be disclosed. Any material information would be provided once there is an update on the ongoing Arbitration to the shareholders. There are also ongoing proceedings in the Singapore Court in support of and in relation to the Arbitration. The Company will provide material updates as and when available.

15. Subsequent events

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

Other Information Required by Catalist Rule Appendix 7C

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

The condensed consolidated statement of financial position of Asiatic Group (Holdings) Limited and its subsidiaries as at 30 June 2024 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 three-month period then ended and certain explanatory notes have not been audited or reviewed.

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

Not applicable.

2A. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion (this is not required for any audit issue that is a material uncertainty relating to going concern) :-

In the Group's latest audited financial statements for the financial year ended 31 March 2024 ("FY2024"), Foo Kon Tan LLP, the Group's auditors, have issued a disclaimer opinion in respect of:

- (i) the potential loss of control of the Company's subsidiary, Colben Energy (Cambodia) PPSEZ Limited and the appropriateness to classify and consolidate the subsidiary; and,
- (ii) the use of going concern as a basis of accounting as the auditors were not able to ascertain whether the bank will grant a deferment of principal repayment of borrowings of \$5,276,000, including the current portion, by a further 12 months from the date of resumption.

(collectively, the "**Audit Issues**").

Whether or not there will be a potential loss of control of Colben Energy PPSEZ Ltd will depend on the outcome of the Arbitration before SIAC (paragraph 14C above refers). Meanwhile, the matter is under confidentiality until the tribunal has been constituted.

Details relating to the Group's comments on the Group's and the Company's ability to continue as a going concern and the efforts taken to resolve the Audit Issues are detailed in Section 4 of "Other Information Required by Catalist Rule Appendix 7C" and Section 3 and 14 of the Notes to the condensed interim consolidated financial statements.

The Board confirms that the impact of the Audit Issues on the financial statements in relation to FY2024 have been adequately disclosed.

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

(Singapore Cents)	The Group	
	3 months ended 30 June 2024	3 months ended 30 June 2023
(a) Based on weighted average number of ordinary shares in Issue	0.01	0.02
(b) On a fully diluted basis	0.01	0.02

The profit per ordinary share for the respective financial periods were calculated based on the Group's profit after taxation attributable to equity holders of the Company of S\$201,000 for the 3 months ended 30 June 2024 (3 months ended 30 June 2023: S\$291,000), divided by the weighted average number of ordinary shares in issue of 3,233,422,455 as at 30 June 2024 (30 June 2023: 1,741,647,873).

The basic and diluted profit per ordinary share are the same for the 3 months ended 30 June 2024 and 30 June 2023 because there were no potentially dilutive ordinary securities as at 30 June 2024 and 30 June 2023 respectively.

4. Review of performance of the Group

Revenue

	3 months ended 30 June 2024		3 months ended 30 June 2023		Increase/ (Decrease)
	S\$'000	% of total revenue	S\$'000	% of total revenue	%
By business divisions					
- Fire Protection Solutions	5,219	48.0%	5,658	50.4%	(7.8)%
- Energy Services	5,664	52.0%	5,570	49.6%	1.7%
Total revenue	10,883	100.0%	11,228	100.0%	(3.1)%

The Group's revenue for 3 months ended 30 June 2024 decreased by 3.1% from the corresponding period in 2023. The Fire Protection Solutions division saw a small decrease in revenue as a result of lower sale of goods revenue from projects. The decrease is partially offset by increase in services rendered in the Fire Protection Solutions division and increase in revenue in the Energy Services division was attributed to the increase in the electricity demand by tenants in the Special Economic Zone power plant as compared to the 3 months ended 30 June 2023, mainly due to the persistent hot weather experienced globally and in Cambodia during April to June 2024.

Profitability

Increase in other income is mainly due to the increase in government grants received during the 3 months ended 30 June 2024.

Cost of sales decreased was mainly due to the decrease in revenue in the Fire Protection Solutions divisions during the 3 months ended 30 June 2024. During the period, the Fire Protection Solutions division saw an increase in gross margin due to the increase in services rendered which has a higher margin.

Foreign exchange gain during the period was mainly resulted from exchange gain arising from depreciation of USD against SGD on USD denominated payables to suppliers and related companies.

In the 3 months ended 30 June 2023, write back on impairment of financial assets relates to write back in the impairment previously recorded on the receivable from MJE following the exchange loss recognised on the MYR denominated receivables from MJE as a result of the depreciation of MYR against SGD. The Company and Group also recognised additional provision for contribution to financial guarantee provided to an associated company following the finalisation of the contribution sum in the same period. There were no such expenses incurred in the 3 months ended 30 June 2024 following the disposal of MJE and finalisation of contribution sum in the prior periods.

Increase in finance costs is mainly due to higher interest rates incurred for loan and borrowings due to the higher floating interest rate charged during the period.

Due to a combination of the above factors, the Group recorded a profit after tax of S\$276,000 during the 3 months ended 30 June 2024 as compared to a profit after tax of S\$382,000 for the corresponding period in 2023.

Movement in comprehensive income

As noted in the statement of comprehensive income, there was a foreign currency translation gain amounting to S\$73,000 (3 months ended 30 June 2023: foreign currency translation gain of S\$572,000). Translation gain was mainly due to the appreciation of USD against SGD on the Cambodia entities with USD as its functional currency.

Balance Sheet

As at 30 June 2024, non-current assets increased mainly due to the translation gain on the property, plant and equipment in the Cambodia entity as a result of the appreciation of USD against SGD and additions to property, plant and equipment and right-of-use asset during the period. The increase was partially offset by the depreciation of property, plant and equipment (S\$432,000) and depreciation of right-of-use assets (S\$57,000).

Inventories decreased as a result of the continuous efforts to reduce slow moving inventories and reduce the optimal inventory level to improve the cash position of the Group. Trade receivables saw an increase as a result of increase in milestone billings to customers during the period for work that were not completed as at 30 June 2024. Reasons for the increase in cash and short-term deposits during the financial period are provided below under Cash Flow section.

Increase in current liabilities was mainly due to the slower repayment of trade payables and higher deferred income recognised on milestone billings to its customers in its Fire Protection Solutions division. In addition, the Group also recognised a higher current portion of term loan as at 30 June 2024 as the loan moratorium on the principal repayment for the term loans held by the subsidiaries are expiring. The Group also saw a higher current portion of lease liabilities due to the additions to the right-of-use asset during the period.

Non-current loan and borrowings decreased due to the reclassification of non-current portion of term loan to current. The decrease is partially offset by the increase in non-current portion of lease liabilities due to the additions to the right-of-use asset during the period.

As at 30 June 2024, the Group had a net current liabilities position of S\$9,334,000 arising from the utilisation of short-term financing to support the Group's energy projects and provision for contribution to financial guarantee provided to an associated company. The net current liabilities position had slightly improved during the period. With respect to the Group's ability to continue as a going concern, in the opinion of the Board, the Group and the Company are able to continue as a going concern and is of the view that the Group's working capital is sufficient to meet its present requirements and for the next twelve (12) months as:

- (a) The Board is of the view that the Group will continue to receive financial support from the banks. Subsequent to 30 June 2024, the Group has successfully rolled exceeding 90% of short-term loans and has continued to fulfil its debt obligations. In addition, the bank had subsequently granted the Group extension for loan principal repayment moratorium for the term loans held by the subsidiaries of the Group; and
- (b) The Board has reviewed the cash flows forecast prepared by Management in August 2024, and is confident that the Group will generate positive cash flows from its operations for the next twelve (12) months with the focus and the stable performance of the Group's Fire Protection Solutions division.

Cash Flow

During the 3 months ended 30 June 2024, net cash generated from operating activities amounted to S\$1,360,000 after taking into account the working capital and payment of interest and tax. Net cash inflow from operating activities was mainly contributed by the positive operating cash flows before changes in working capital and slower repayment of trade payables during the period.

Net cash flow used in investing activities was resulted from the purchase of right-of-use assets and property, plant and equipment during the period.

The Group recorded a net cash outflow from its financing activities arising from repayment of trust receipt and short-term borrowings, and repayment of principal portion of the lease and hire purchase liabilities. As a result, overall cash balance increased by S\$1,199,000 during the period.

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

There is no change to the forecast or prospect statement made in the announcement dated 29 May 2024 in relation to its results for the financial year ended 31 March 2024.

6. 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

The Fire Protection Solutions division remains stable in its revenue despite lower revenue as at 30 June 2024. The Group will continue to explore new initiatives to broaden our Fire Protection Solutions customers' base, services and products.

As at the date of this announcement, the Arbitration remains ongoing. The Company will not speculate on the outcome and its impact. Further announcements will be made once there are material updates.

The Group will continue to be vigilant to proactively manage and mitigate the impact of rising costs across its respective business divisions. The Group will also continue to monitor its cash flow over the next twelve (12) months and where needed, implement strategies to minimise any potential impact on liquidity.

7. Dividend

(a) Current Financial Period Reported on

Any dividend declared for the current financial period reported on?

None.

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend 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 5.00 pm) will be registered before entitlements to the dividend are determined

Not Applicable.

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

No dividend has been recommended for the current financial period as the Group is currently in a negative revenue reserve position and the Board of Directors deems it appropriate to conserve funds for the Group's business activities and working capital requirements.

9. If the group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 902(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Group has not obtained a general mandate for IPTs under Rule 920 of the Catalist Rules. There was no IPT of S\$100,000 and above entered into during the period.

10. Utilisation of proceeds

	\$'000
Net proceeds from the rights issue	3,768
<u>Use of proceeds:</u>	
Financial assistance to either MJE or the white knight of MJE	(3,768)
Balance	-

The above utilisation is largely in line with the intended use as stated in the offer information statement dated 17 July 2023 in respect of the rights issue, where the proceeds are primarily to be used to pay for the financial assistance to the white knight of MJE. At the date of this announcement all the proceeds from the rights issue has been fully utilised.

11. Additional information required pursuant to Rule 706A

The Company did not acquire or dispose of any shares resulting in any of the prescribed situations under Rule 706A during the 3 months ended 30 June 2024.

12. 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)

The Company has received undertaking from all its directors and executive officers in the format as set out in Appendix 7H under Rule 720(1) of the Listing Manual of the SGX-ST.

13. Confirmation by the Directors pursuant to Rule 705(5) of the Listing Manual

On behalf of the Board of Directors of the Company, we, the undersigned, hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the financial statements for the three-month period ended 30 June 2024 to be false or misleading in any material aspect.

On behalf of the Board of Directors

Chia Soon Hin William
Chairman

Tan Boon Kheng
Managing Director

BY ORDER OF THE BOARD

Tan Boon Kheng
Managing Director

14 August 2024

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

The contact person for the Sponsor is Ms Lim Hui Ling, 16 Collyer Quay, #10-00 Collyer Quay Centre, Singapore 049318, sponsorship@ppcf.com.sg.