



(Company Registration No. 199206445M)

Metech International Limited

(Incorporated in the Republic of Singapore)

Condensed interim financial statements
For the six months and full year ended 30 June 2022

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UNAUDITED FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30 JUNE 2022 ("2H2022") AND FINANCIAL YEAR ENDED 30 JUNE 2022 ("FY2022").

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

	Note	Group		Inc/(Dec) %	Group		Inc/(Dec) %
		6 months ended 30/06/2022	6 months ended 30/06/2021		12 months ended 30/06/2022	12 months ended 30/06/2021	
		S\$'000	S\$'000		S\$'000	S\$'000	
Revenue	4	1,933	13,307	(85.5)	5,224	15,757	(66.9)
Cost of sales		(1,840)	(13,051)	(85.9)	(5,173)	(15,466)	(66.6)
Gross profit		93	256	(63.7)	51	291	(82.5)
Gross profit margin		4.8 %	1.9 %		1.0 %	1.8 %	
Other income:							
Others	6	226	134	68.7	224	117	91.5
Interest income		2	-	nm	2	2	-
Administrative expenses		(1,782)	(532)	nm	(2,670)	(1,273)	nm
Impairment losses on trade and other receivables		-	-	nm	-	(101)	(100.0)
Other expenses	7	(107)	(50)	nm	(338)	(221)	52.9
Finance costs		(21)	(29)	(27.6)	(32)	(39)	(18.0)
Loss before income tax	8	(1,589)	(221)	nm	(2,763)	(1,224)	nm
Income tax expense	9	-	-	nm	-	17	(100.0)
Loss from continuing operations		(1,589)	(221)	nm	(2,763)	(1,207)	nm
Profit from discontinued operations	10	41	-	nm	168	-	nm
Loss after income tax		(1,548)	(221)	nm	(2,595)	(1,207)	nm
Other comprehensive (loss)/income, net of income tax:							
Foreign currency translation difference		(162)	(48)	nm	(183)	94	nm
Total comprehensive loss, for the financial period		(1,710)	(269)	nm	(2,778)	(1,113)	nm
Loss attributable to:							
Equity holders of the Company		(938)	(269)	nm	(1,910)	(1,167)	63.7
Non-controlling interest		(610)	-	nm	(685)	(40)	nm
		(1,548)	(269)		(2,595)	(1,207)	
Total comprehensive loss attributable to:							
Equity holders of the Company		(1,098)	(269)	nm	(2,093)	(1,073)	95.1
Non-controlling interest		(612)	-	nm	(685)	(40)	nm
		(1,710)	(269)		(2,778)	(1,113)	
Total earning/(loss) per share, for the period/year attributable to the owners of the company							
Basic and diluted, from continuing operations	cents	(0.6354)	(0.2689)		(1.4999)	(1.1665)	
Basic and diluted, from discontinued operations	cents	0.0165	-		0.0753	-	

nm = not meaningful

B. Condensed interim statements of financial position

	Note	The Group		The Company	
		As at	As at	As at	As at
		30/06/2022	30/06/2021	30/06/2022	30/06/2021
		S\$'000	S\$'000	S\$'000	S\$'000
ASSETS					
Non-Current Assets					
Property, plant and equipment	13	6,403	150	-	-
Investment in subsidiaries	14	-	-	-	*
		<u>6,403</u>	<u>150</u>	<u>-</u>	<u>-</u>
Current Assets					
Inventories	15	483	-	-	-
Trade receivables	16	14	-	-	-
Other receivables	17	271	59	10,560	2,437
Cash and bank balances	18	6,053	2,138	629	46
		<u>6,821</u>	<u>2,197</u>	<u>11,189</u>	<u>2,483</u>
Total Assets		<u>13,224</u>	<u>2,347</u>	<u>11,189</u>	<u>2,483</u>
EQUITY AND LIABILITIES					
Equity attributable to owners of the Company					
Share capital	20	189,134	179,010	189,134	179,010
Other reserves		(157)	26	-	-
Accumulated losses		(179,036)	(177,126)	(178,388)	(177,051)
		<u>9,941</u>	<u>1,910</u>	<u>10,746</u>	<u>1,959</u>
Non-controlling interest	21	1,763	-	-	-
Total Equity		<u>11,704</u>	<u>1,910</u>	<u>10,746</u>	<u>1,959</u>
LIABILITIES					
Non-Current Liabilities					
Lease liabilities	22	600	100	-	-
Provision	23	75	-	-	-
		<u>675</u>	<u>100</u>	<u>-</u>	<u>-</u>
Current Liabilities					
Other payables	24	642	285	443	524
Contract liabilities	4	15	-	-	-
Lease liabilities	22	188	52	-	-
		<u>845</u>	<u>337</u>	<u>443</u>	<u>524</u>
Total Liabilities		<u>1,520</u>	<u>437</u>	<u>443</u>	<u>524</u>
Total Equity and Liabilities		<u>13,224</u>	<u>2,347</u>	<u>11,189</u>	<u>2,483</u>

*Less than S\$1,000

C. Condensed interim statements of changes in equity

The Group	Currency Translation Accumulated			Total	Non-Controlling Interest	
	Share	Reserve	Losses		Total	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
2022						
Balance at 1 July 2021	179,010	26	(177,126)	1,910	-	1,910
Loss for the financial year	-	-	(1,910)	(1,910)	(685)	(2,595)
Other comprehensive loss - Foreign currency translation	-	(183)	-	(183)	-	(183)
Total comprehensive loss for the financial year	-	(183)	(1,910)	(2,093)	(685)	(2,778)
Issuance of ordinary shares	10,248	-	-	10,248	-	10,248
Share issuance expenses	(124)	-	-	(124)	-	(124)
Subscription of interests in subsidiaries by non-controlling interests	-	-	-	-	2,555	2,555
Disposal of a subsidiary (Note 10)	-	-	-	-	(107)	(107)
Balance at 30 June 2022	189,134	(157)	(179,036)	9,941	1,763	11,704
2021						
Balance at 1 July 2020	179,010	(68)	(175,959)	2,983	40	3,023
Loss for the financial year	-	-	(1,167)	(1,167)	(40)	(1,207)
Other comprehensive income - Foreign currency translation	-	94	-	94	-	94
Total comprehensive income/(loss) for the financial year	-	94	(1,167)	(1,073)	(40)	(1,113)
Balance at 30 June 2021	179,010	26	(177,126)	1,910	-	1,910
The Company						
	Share	Accumulated		Total		
	S\$'000	Losses	Total	S\$'000		
		S\$'000	S\$'000			
2022						
Balance at 1 July 2021	179,010	(177,051)	1,959			
Loss for the financial year	-	(1,337)	(1,337)			
Total comprehensive loss for the financial year	-	(1,337)	(1,337)			
Issuance of ordinary shares	10,248	-	10,248			
Share issuance expenses	(124)	-	(124)			
Balance at 30 June 2022	189,134	(178,388)	10,746			
2021						
Balance at 1 July 2020	179,010	(174,878)	4,132			
Loss for the financial year	-	(2,173)	(2,173)			
Total comprehensive loss for the financial year	-	(2,173)	(2,173)			
Balance at 30 June 2021	179,010	(177,051)	1,959			

D. Condensed interim consolidated statement of cash flows

	Note	Group		Group	
		6 months ended	6 months ended	12 months ended	12 months ended
		30/06/2022	30/06/2021	30/06/2022	30/06/2021
		S\$'000	S\$'000	S\$'000	S\$'000
Cash flow from operating activities					
Loss before income tax from continuing operations		(1,589)	(221)	(2,763)	(1,224)
Profit before income tax from discontinued operations		41	-	168	-
Adjustments for:					
Depreciation of property, plant and equipment		140	13	190	191
Gain on disposal of a subsidiary		(1)	-	(1)	-
Gain on disposal of property, plant and equipment		-	-	-	(55)
Impairment losses on trade and other receivables		-	-	-	101
Unrealised loss on futures contracts		-	57	-	44
Loss on foreign currency exchange - unrealised		139	10	155	175
Loss on termination of right-of-use assets		-	-	-	4
Interest income		(1)	-	(2)	(2)
Interest expense		21	29	32	39
Operating loss before working capital changes		(1,250)	(112)	(2,221)	(727)
Changes in operating assets and liabilities					
Inventories		539	-	(483)	-
Trade and other receivables		2,982	41	(268)	121
Trade and other payables		(246)	84	(139)	(247)
Cash generated from/(used in) operations		2,025	13	(3,111)	(853)
Interest received		1	-	2	2
Interest paid		(21)	(29)	(32)	(39)
Net cash generated from/(used in) operating activities		2,005	(16)	(3,141)	(890)
Cash flows from investing activities					
Acquisition of property, plant and equipment		(2,849)	-	(3,360)	-
Proceeds from disposal of property, plant and equipment		-	-	-	55
Acquisition of a subsidiary	10	-	-	(507)	-
Disposal of a subsidiary	10	567	-	567	-
Net cash (used in)/generated from investing activities		(2,282)	-	(3,300)	55
Cash flows from financing activities					
Proceeds from issuance of ordinary shares, net of expenses		-	-	6,879	-
Proceeds from issuance of warrant shares		(1)	-	3,245	-
Adoption of FRS116 on operating lease		-	-	-	-
Repayment of lease liabilities		(81)	(11)	(110)	(56)
Subscription of interest in subsidiaries by non-controlling interests		-	-	245	-
Proceeds from third parties loan		-	707	-	707
Repayment of third parties loan		-	(707)	-	(707)
Loan from a shareholder		-	62	-	62
Repayment to a shareholder		-	(62)	-	(62)
Net cash (used in)/generated from financing activities		(82)	(11)	10,259	(56)
Net (decrease)/increase in cash and cash equivalents		(359)	(27)	3,818	(891)
Cash and cash equivalents at beginning of financial period/year		6,332	2,252	2,138	3,116
Effect of currency translation on cash and cash equivalents		80	(87)	97	(87)
Cash and cash equivalents at end of the financial year	18	6,053	2,138	6,053	2,138

E. Notes to the condensed interim consolidated financial statements

1. Corporate information

Metech International Limited (the "Company") is incorporated and domiciled in Singapore and whose shares are listed and publicly traded on the Catalist of the Singapore Exchange. The registered office and principal place of business at 100G Pasir Panjang Road, #04-07 Interlocal Centre, Singapore 118523.

These condensed interim consolidated financial statements as at and for the six months and full year ended 30 June 2022 comprise the Company and its subsidiaries (collectively, the "Group").

The primary activity of the Company is that of investment holding. The principal activities of the subsidiaries are as follows:

- (a) Manufacturing and distribution of lab-grown diamonds
- (b) General wholesale trading of metals products
- (c) Provision of management and advisory of recycling and supply chain services.

2. Basis of preparation

The condensed interim financial statements for the six months and full year ended 30 June 2022 have been prepared in accordance with SFRS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last interim financial statements for the period ended 31 December 2021.

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.

Other than as disclosed in the condensed interim consolidated financial statements, 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 30 June 2021.

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.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial period are included in the following notes:

Note 13 - Impairment for property, plant and equipment

Management reviews the Groups property, plant and equipment at each reporting date to determine whether there is any indication that this investment may have suffered an impairment loss. If any such

indication exists, the recoverable amount of the property, plant and equipment is estimated to determine the amount of impairment loss.

During the current financial year, based on external/and or internal sources of information, there are impairment indicators for the property, plant and equipment. The Group's management determined the recoverable amounts of the individual cash-generating units using value-in-use calculations, which involved significant judgements and estimates in estimating the gross and profit margins, expected growth rate and discount rate.

As at reporting date, the recoverable amounts are higher than the carrying amount of the Group's property, plant and equipment. The carrying amount of the Group's property, plant and equipment is disclosed in Note 13.

Note 15 - Valuation of inventories

The Group measures the inventories in accordance with the accounting policy as disclosed in Note 2. The Group's management measured the inventories at the lower of cost and net realisable value. In ascertaining net realisable value, significant judgements and estimates is involved in estimating the expected selling prices less the estimated costs of completion and the estimated costs to be incurred in marketing, selling and distribution.

There are no write off of inventories during the financial year. The carrying amount of the Group's inventories is disclosed in Note 15.

3. Seasonal operations

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

4. Segment and revenue information

The Group has three reportable segments as follows:

- Manufacturing and distribution of lab-grown diamonds*;
- Supply-Chain Management and Service segment provides general wholesale trading of metal products, provides management and advisory of recycling and supply chain services; and
- Corporate/segment consists of investment holding company which does not meet any of its quantitative thresholds for determining a reporting segment.

**New business segment during the financial year.*

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

4.1 Reportable segments

	Lab-grown Diamond		Supply-Chain Management		Corporate/other		Per consolidated financial statements	
	6 months ended	6 months ended	6 months ended	6 months ended	6 months ended	6 months ended	6 months ended	6 months ended
	30/06/2022	30/06/2021	30/06/2022	30/06/2021	30/06/2022	30/06/2021	30/06/2022	30/06/2021
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Revenue	1,722	-	211	13,307	-	-	1,933	13,307
Depreciation and amortisation	(115)	-	(25)	(13)	-	-	(140)	(13)
Gain on disposal of a subsidiary	-	-	-	-	1	-	1	-
Gain on disposal of plant and equipment	-	-	-	-	-	-	-	-
Unrealised loss on future contracts	-	-	-	(57)	-	-	-	(57)
Loss allowance on trade and other receivables	-	-	-	-	-	-	-	-
Payables written off	-	-	-	-	-	-	-	-
Finance cost	(14)	-	(7)	(29)	-	-	(21)	(29)
Segment (loss)/profit	(1,414)	-	108	141	(283)	(379)	(1,589)	(238)

	Lab-grown Diamond		Supply-Chain Management		Corporate/other		Per consolidated financial statements	
	12 months ended 30/06/2022	12 months ended 30/06/2021	12 months ended 30/06/2022	12 months ended 30/06/2021	12 months ended 30/06/2022	12 months ended 30/06/2021	12 months ended 30/06/2022	12 months ended 30/06/2021
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Revenue	2,782	-	2,442	15,757	-	-	5,224	15,757
Depreciation and amortisation	(115)	-	(75)	(24)	-	(167)	(190)	(191)
Gain on disposal of a subsidiary	-	-	-	-	1	-	1	-
Gain on disposal of plant and equipment	-	-	-	-	-	55	-	55
Unrealised loss on future contracts	-	-	-	(44)	-	-	-	(44)
Loss allowance on trade and other receivables	-	-	-	(101)	-	-	-	(101)
Payables written off	-	-	-	-	-	-	-	-
Finance cost	(14)	-	(18)	(39)	-	-	(32)	(39)
Segment (loss)/profit	(1,672)	-	(33)	(110)	(1,058)	(1,114)	(2,763)	(1,224)
Segment assets	8,334	-	3,414	2,279	1,476	68	13,224	2,347
Segment liabilities	(870)	-	(304)	(215)	(346)	(222)	(1,520)	(437)

4.2 Disaggregation of revenue

	Group		Group	
	6 months ended 30/06/2022	6 months ended 30/06/2021	12 months ended 30/06/2022	12 months ended 30/06/2021
	S\$'000	S\$'000	S\$'000	S\$'000
<i>Principal geographical market</i>				
People's Republic of China	1,916	-	1,916	-
Singapore	-	13,307	3,291	15,757
Others	17	-	17	-
Total	1,933	13,307	5,224	15,757

Major product or service line and time of recognition

Performance obligations satisfied at a point in time

Sale of goods - Nickel, Gold Ingot and Jewellery setting	211	13,307	2,442	15,757
Sale of goods - Lab-grown diamonds	1,722	-	2,782	-
Total	1,933	13,307	5,224	15,757

A breakdown of sales:

	Group		Inc/(Dec) %
	Financial year ended 30/06/2022	Financial year ended 30/06/2021	
	\$'000	\$'000	
Sales reported for the first half year	3,291	2,450	34.3
Operating loss after tax before deducting non-controlling interests reported for first half year	(1,174)	(986)	19.1
Sales reported for the second half year	1,933	13,307	(85.5)
Operating loss after tax before deducting non-controlling interests reported for second half year	(1,589)	(221)	nm

nm = not meaningful

Contract balances

	Group		Company	
	6 months ended	6 months ended	12 months ended	12 months ended
	30/06/2022	30/06/2021	30/06/2022	30/06/2021
	S\$'000	S\$'000	S\$'000	S\$'000
Contract liabilities				
Advances from customers	15	-	-	-

Advances from customers relate to deposits received from customers. The advances from customers are interest-free and are not secured by any collateral.

5. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group as at 30 June 2022 and 30 June 2021:

	Group		Company	
	As at	As at	As at	As at
	30/06/2022	30/06/2021	30/06/2022	30/06/2021
	S\$'000	S\$'000	S\$'000	S\$'000
Financial assets measured at amortised cost				
Trade and other receivables #	267	45	-	-
Cash and cash equivalents	6,053	2,138	629	46
Amount due from subsidiaries	-	-	10,546	2,423
	<u>6,320</u>	<u>2,183</u>	<u>11,175</u>	<u>2,469</u>
Financial liabilities measured at amortised cost				
Trade and other payables *	(642)	(285)	(291)	(221)
Amount due to subsidiaries	-	-	(152)	(303)
Lease liabilities	(788)	(152)	-	-
	<u>(1,430)</u>	<u>(437)</u>	<u>(443)</u>	<u>(524)</u>

Excludes prepayments

* Excludes deferred income

6. Other income

	Group			
	6 months ended 30/06/2022	6 months ended 30/06/2021	12 months ended 30/06/2022	12 months ended 30/06/2021
	S\$'000	S\$'000	S\$'000	S\$'000
Other income:				
Others				
- Foreign exchange gain/(loss)	220	91	213	(90)
- Gain on disposal of property, plant and equipment	-	-	-	55
- Gain on disposal of a subsidiary	1	-	1	-
- Government grant	5	41	10	41
- Rental income	-	2	-	111
	<u>226</u>	<u>134</u>	<u>224</u>	<u>117</u>

7. Other expenses

	Group			
	6 months ended 30/06/2022	6 months ended 30/06/2021	12 months ended 30/06/2022	12 months ended 30/06/2021
	S\$'000	S\$'000	S\$'000	S\$'000
Other expenses				
- Professional expenses	(106)	-	(337)	-
- Depreciation of property, plant and equipment	-	-	-	(167)
- Loss on termination of right-of-use assets	-	-	-	(4)
- Miscellaneous	(1)	(50)	(1)	(50)
	<u>(107)</u>	<u>(50)</u>	<u>(338)</u>	<u>(221)</u>

8. Loss before income tax

8.1 Significant items

	Group			
	6 months ended 30/06/2022	6 months ended 30/06/2021	12 months ended 30/06/2022	12 months ended 30/06/2021
	S\$'000	S\$'000	S\$'000	S\$'000
Depreciation of property, plant and equipment				
- included in administrative expenses	140	13	190	24
- included in other expenses	-	-	-	167
Impairment on trade and other receivables				
- included in other expenses	-	-	-	101
Interest expenses on lease liabilities	21	2	27	7
Interest expenses on loan from third party	-	27	5	32

8.2 Related party transactions

	Group			
	6 months ended 30/06/2022	6 months ended 30/06/2021	12 months ended 30/06/2022	12 months ended 30/06/2021
	S\$'000	S\$'000	S\$'000	S\$'000
<u>Non-controlling interests</u>				
Sale	-	-	1,061	-
Purchase (trade)	(770)	-	(770)	-
Board Adviser fees*	(36)	-	(36)	-
Consultant fees*	(49)	-	(49)	-
Purchase of property, plant and equipment	(4,678)	-	(4,678)	-
Purchase of inventories	(314)	-	(314)	-
Advances	(138)	-	(138)	-

* Paid for the financial year ended 30 June 2022.

The board of directors is of the opinion that the transactions above have been entered in normal course of businesses and have been established on terms and conditions that are not materially different from those obtainable in transactions with third parties.

9. 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:

	Group			
	6 months ended 30/06/2022	6 months ended 30/06/2021	12 months ended 30/06/2022	12 months ended 30/06/2021
	S\$'000	S\$'000	S\$'000	S\$'000
Current income tax expense				
Current year	-	-	-	-
Reversal of prior year provision	-	-	-	(17)
	-	-	-	(17)

10. Profit from discontinued operations

(a) Disposal of a subsidiary

On 21 September 2021, the Company's wholly-owned subsidiary, Metech Recycling (Singapore) Pte. Ltd. acquired 60% of Blufu Water (Xinmin) Co., Ltd., a company incorporated in People's Republic of China for a consideration of S\$516,000 (Note 10(d)), paid in cash. This subsidiary was subsequently disposed on 23 May 2022 for a consideration of S\$618,000 (Note 10(d)), paid in cash. Gain on disposal of this subsidiary is S\$803.

The above disposal was constituted as a discontinued operation of the Group and has been completed during the current financial year. All of the cash considerations for the disposal have also been fully received by the Group.

(b) Results of discontinued operations

The results of the discontinued operations, from 1 September 2021 to 31 January 2022, included in the Group's consolidated statement of comprehensive income is set out below.

	Group			
	6 months ended	6 months ended	12 months ended	12 months ended
	30/06/2022	30/06/2021	30/06/2022	30/06/2021
	S\$'000	S\$'000	S\$'000	S\$'000
Revenue	81	-	388	-
Expenses	(40)	-	(221)	-
Other income	-	-	1	-
Loss before income tax	41	-	168	-
Income tax expense	-	-	-	-
Loss after income tax	41	-	168	-

(c) Movement in goodwill

	Group	
	As At	As At
	30/06/2022	30/06/2021
	S\$'000	S\$'000
At 1 July 2021	-	-
Acquisition of a subsidiary	456	-
Disposal of a subsidiary	(456)	-
	-	-

(d) Assets and liabilities recognised as a result of the acquisition/disposal

	Date of acquisition S\$'000	Date of disposal S\$'000
<u>Carrying amounts of assets and liabilities</u>		
Cash and bank balances	9	51
Intangible assets - goodwill	-	456
Property, plant and equipment (Note 13)	5	5
Trade and other receivables	268	647
Contract asset	336	-
Trade and other payables	(518)	(435)
Total identifiable net assets recognised/de-recognised	100	724
Less: Non-controlling interests		(107)
Total net assets disposed off		617
Purchase consideration	516	
Plus: non-controlling interests	40	
Less: fair value of identifiable net assets acquired	(100)	
Goodwill arising on acquisition	456	
Net assets disposed off		617
Gain on disposal of a subsidiary		1
Cash proceeds on disposal		618
<u>Effect on cash flows of the Group</u>		
Cash (paid)/received	(516)	618
Add/Less: Cash and cash equivalents	9	(51)
Cash	(507)	567

11. Dividends

No interim dividend for the period ended 30 June 2022 (30 June 2021: Nil) is recommended.

12. Net asset value

	Group		Company	
	As at 30/06/2022 Cents	As at 30/06/2021 Cents	As at 30/06/2022 Cents	As at 30/06/2021 Cents
Net asset value per ordinary share	6.5593	1.9092	7.0905	1.9582

The calculation of net asset value per ordinary share was based on 151,555,655 shares as at 30 June 2022 (30 June 2021: 100,039,655).

13. Property, plant and equipment

	Group					Total S\$'000
	Leasehold buildings S\$'000	Renovation S\$'000	Plant and equipment S\$'000	Motor Vehicle S\$'000	Furniture and fittings and office equipment S\$'000	
<u>Cost</u>						
Balance at 1 July 2020	112	-	1,706	-	-	1,818
Additions	163	-	-	-	-	163
Disposals/Written off	(112)	-	(1,706)	-	-	(1,818)
Balance at 30 June 2021	163	-	-	-	-	163
Additions	634	765	4,720	300	24	6,443
Additions through business combination	-	-	-	5	-	5
Disposal of a subsidiary	-	-	-	(5)	-	(5)
Balance at 30 June 2022	797	765	4,720	300	24	6,606
<u>Accumulated depreciation and impairment</u>						
Balance at 1 July 2020	33	-	1,539	-	-	1,572
Depreciation for the year	24	-	167	-	-	191
Disposals/Written off	(44)	-	(1,706)	-	-	(1,750)
Balance at 30 June 2021	13	-	-	-	-	13
Depreciation for the year	116	12	39	22	1	190
Balance at 30 June 2022	129	12	39	22	1	203
<u>Carrying amount</u>						
Balance at 30 June 2022	668	753	4,681	278	23	6,403
Balance at 30 June 2021	150	-	-	-	-	150

Right-of-use assets acquired under leasing arrangement are presented together with the owned assets of the same class. During the current financial year, the property, plant and equipment included (a) additions of right-of-use assets under leasing arrangements of S\$813,000 and (b) addition of plant and equipment as investment by non-controlling interest of S\$2,270,000.

As at 30 June 2022, the Group has certain plant and equipment acquired by finance lease with a net book value of S\$278,000.

14. Investment in Subsidiaries

	<u>Company</u>	
	<u>As At</u> <u>30/06/2022</u> <u>S\$'000</u>	<u>As At</u> <u>30/06/2021</u> <u>S\$'000</u>
Equity investments, at cost	22,600	22,600
Less: Impairment losses	<u>(22,600)</u>	<u>(22,600)</u>
	<u>-</u> *	<u>-</u> *
Impairment losses on equity investments	<u>(22,600)</u>	<u>(22,600)</u>

* Less than S\$1,000

(a) The details of the subsidiaries held by the Group and the Company are as follows:

<u>Name of Company/ country of incorporation</u>	<u>Principal activities</u>	Percentage of effective equity interest held by <u>the Group</u>	
		<u>30/06/2022</u> %	<u>30/06/2021</u> %
<i><u>Held by the Company</u></i>			
<u>Metech Recycling (Singapore) Pte. Ltd.</u> Singapore	Provision of a one-stop recycling and processing service centre for the electronics industry and the trading of plastics and non-precious metal materials	100	100
<u>Metech Dynamics Pte Ltd (fka Nolash Tech Pte. Ltd.)</u> Singapore	General wholesale trade (including general importers and exporters) and wholesale trade of a variety of a goods without a dominant product.	100	100
<u>Asian Agritech Pte. Ltd.</u> Singapore	Carry out circular economy marketing, advisory and management services in relation to recycling and trading in Singapore and PRC	-	51
<u>Asian Green Tech Pte. Ltd.</u> Singapore	Engineering design and consultancy services in energy management and clean energy system	100	100
<i><u>Held by Metech Dynamics Pte. Ltd</u></i>			
<u>Zhongxin Minghua (Shanghai) International Trade Co., Ltd (fka Nolash Tech (Shanghai) Co., Ltd)</u> People's Republic of China	General wholesale trade	100	100
<i><u>Held by Asian Green Tech Pte. Ltd.</u></i>			
<u>Asian Eco Technology Pte. Ltd.</u> Singapore	Manufacturing and distribution of lab-grown diamonds	51	-

(b) On 4th October 2021, the Company's 60% owned subsidiary, Asian Agritech Pte. Ltd. was successfully struck off.

- (c) On 27 September 2021, the Company's wholly owned subsidiary, Asian Green Tech Pte. Ltd. incorporated a 51.0% owned subsidiary, Asian Eco Technology Pte. Ltd. in Singapore. Asian Eco Technology Pte. Ltd. has an initial issued and paid-up capital of S\$500,000 divided into 500,000 shares. This initial issued and paid-up capital was subsequently increased to S\$5.13 million divided into 5.13 million shares during the second half of the financial year ended 30 June 2022.
- (d) During the current financial year, the Group's wholly owned subsidiary, Metech Dynamics Pte. Ltd. further invested S\$400,000 to its subsidiary, Zhongxin Minghua (Shanghai) International Trade Co., Ltd (fka Nolash Tech (Shanghai) Co., Ltd).

15. Inventories

	Group	
	As At	As At
	30/06/2022	30/06/2021
	S\$'000	S\$'000
Raw materials	314	-
Finished goods	169	-
	<u>483</u>	<u>-</u>

During the financial year, finished goods recognised in cost of sales amounted to S\$5,173,000.

16. Trade receivables

	Group		Company	
	As At	As At	As at	As at
	30/06/2022	30/06/2021	30/06/2022	30/06/2021
	S\$'000	S\$'000	S\$'000	S\$'000
Trade receivables	<u>14</u>	<u>-</u>	<u>-</u>	<u>-</u>

Trade receivables are non-interest bearing and generally has credit of 30 to 120 (2021: 30 to 90) day terms. Loss allowance for trade receivables is measured at an amount equal to lifetime expected credit losses.

The Group's credit risk exposure in relation to trade receivables are set out in the provision matrix as presented below. The Group's provision for loss allowance is based on past due as the Group's historical credit loss experience does not show significantly different loss patterns for different customer segments.

	Lifetime expected loss rate	Gross carrying amounts	Lifetime expected credit losses	Net carrying amounts
	%	S\$'000	S\$'000	S\$'000
Group				
<u>As at 30/06/2022</u>				
< 30 days	*	14	*	-
<u>As at 30/06/2021</u>				
Current	*	101	(101)	-

* insignificant expected credit loss rate

The movements in the allowance account used to record the impairment loss during the financial year are as follows:

	Group	
	2022	2021
	S\$'000	S\$'000
Balance at 1 July	101	-
Impairment loss recognised in profit or loss	-	101
Write off impairment losses	(101)	-
Balance at 30 June	<u>-</u>	<u>101</u>

17. Other receivables

		Group		Company	
		As At	As At	As at	As at
		30/06/2022	30/06/2021	30/06/2022	30/06/2021
		S\$'000	S\$'000	S\$'000	S\$'000
Amount due from subsidiaries (non-trade)	(a)	-	-	15,149	6,711
Other receivables - third parties	(b)	1,238	1,226	-	-
Margin trading account:	(c)				
- Margin deposit		-	57	-	-
- Unrealised loss on derivative contracts		-	(44)	-	-
		-	13	-	-
Government grants receivable		-	3	-	3
Deposit	(d)	102	25	-	4
		<u>1,340</u>	<u>1,267</u>	<u>15,149</u>	<u>6,718</u>
Less: Allowance for impairment losses		(1,226)	(1,226)	(4,603)	(4,296)
Financial assets		114	41	10,546	2,422
Prepayments		18	14	14	14
Advances	(e)	138	-	-	-
GST receivable		1	4	-	1
		<u>271</u>	<u>59</u>	<u>10,560</u>	<u>2,437</u>

(a) Amounts due from subsidiaries (non-trade)

Except for a non-trade balance of S\$3,450,000 due from subsidiaries as at 30 June 2022, which is non-trade in nature, unsecured, interest bearing at 6% per annum and repayable by 22 October 2023, the remaining non-trade balance of S\$11,699,000 (2021: S\$6,711,000) due from subsidiaries are unsecured, interest-free and repayable on demand.

The movements in the allowance account used to record the impairment loss during the financial year are as follows:

	Company	
	2022	2021
	S\$'000	S\$'000
Balance at 1 July	4,296	2,618
Allowance for the year	307	1,678
Balance at 30 June	<u>4,603</u>	<u>4,296</u>

(b) Other receivables – third parties

As at 30 June 2022 and 30 June 2021, included in other receivables were amounts totaling S\$1,162,000 due from a former subsidiary that was disposed of in the financial year ended 30 June 2019. The gross amounts of S\$1,162,000 has been fully impaired in previous financial year ended 30 June 2019.

(c) Deposits

Deposits mainly relate to deposits paid by the Group for the leasing of the office, factory premises and plant and equipment.

(d) Advances

Advances payments of S\$138,000 to non-controlling interests in relation to advance payments for supply of inventories and business travel expenses.

18. Cash and cash equivalents

	Group		Company	
	As At	As At	As at	As at
	30/06/2022	30/06/2021	30/06/2022	30/06/2021
	S\$'000	S\$'000	S\$'000	S\$'000
Cash and bank balances	6,053	2,138	629	46

Bank balances are interest-bearing. Interest earned during the current and previous financial years are considered insignificant.

19. Borrowings

There are no borrowings as at 30 June 2022 and 30 June 2021.

20. Share capital

	30/06/2022		30/06/2021	
	Number of shares	Amount S\$'000	Number of shares	Amount S\$'000
Beginning of 1 January and end of 30 June	151,555,655	189,134	100,039,655	179,010

There was no change in the Company's share capital since 31 December 2021.

As at 30 June 2022, the Company has 8,503,750 warrants which were issued in October 2021 ("**2021 Warrants**") outstanding that are convertible into 8,503,750 ordinary shares (approximately 5.6% of the Company's total issued share capital as of 30 June 2022, excluding treasury shares and subsidiary holdings), at the exercise price of S\$0.21 per share. As at 30 June 2021, the Company had 10,000,000 warrants which was issued in October 2019. These warrants were convertible into 10,000,000 ordinary shares (approximately 10.0% of the Company's total issued share capital as of 30 June 2021, excluding treasury shares and subsidiary holdings), at the exercise price of S\$0.153 per share.

The total number of ordinary shares issued, excluding treasury shares and subsidiary holdings as at 30 June 2022 and 30 June 2021 were 151,555,655 and 100,039,655 respectively.

There were no treasury shares held during the six months ended and as at 30 June 2022 and 30 June 2021.

There were no subsidiary holdings during the six months ended and as at 30 June 2022 and 30 June 2021.

There were no sales, transfers, cancellation and/or use of treasury shares or subsidiary holdings as at 30 June 2022.

21. Non-controlling interest

- (a) The Group has the following subsidiaries that have material non-controlling interests as at the reporting date:

	Asian Eco Technology Pte. Ltd. (49%) <u>2022</u> S\$'000	Blufu Water (Xinmin) Co., Ltd. (40%) <u>2022</u> S\$'000
Investments by non-controlling interests during the year	2,515	40
(Loss)/profit allocate to non-controlling interests	(752)	67
Accumulated non-controlling interest as at 30 June	<u>1,763</u>	<u>-</u>

- (b) Summarised financial information (before intragroup eliminations) in respect of subsidiaries with material non-controlling interests is set out below:

	Asian Eco Technology Pte. Ltd. <u>2022</u> S\$'000
<u>Summarised Statement of Financial Position</u>	
Non-current assets	6,028
Current assets	2,306
Non-current liabilities	(488)
Current liabilities	<u>(4,248)</u>
Net assets	<u>3,598</u>
<u>Summarised Statement of Profit or Loss and Other Comprehensive Income</u>	
Revenue	2,782
Expenses	<u>(4,317)</u>
Loss and total comprehensive loss for the year	<u>(1,535)</u>
<u>Summarised Cash Flow</u>	
Net cash used in operating activities	(1,860)
Net cash used in investing activities	(3,239)
Net cash generated from financing activities	<u>6,680</u>

22. Lease liabilities

The Group have made period lease payments in relation to leasehold buildings, and motor vehicle. These are recognised within property, plant and equipment (Note 13).

The carrying amounts of right-of-use assets classified within property, plant and equipment are as follows:

	<u>Group</u>	
	<u>As At 30/06/2022</u> S\$'000	<u>As At 30/06/2021</u> S\$'000
Leasehold buildings	668	150
Motor Vehicle	<u>278</u>	<u>-</u>
	<u>946</u>	<u>150</u>

Additions of right-of-use assets classified within property, plant and equipment during the financial year are S\$813,000.

Depreciation charges on right-of-use assets classified within property, plant and equipment during the financial year are as follows:

	Group			
	6 months	6 months	12 months	12 months
	ended	ended	ended	ended
	30/06/2022	30/06/2021	30/06/2022	30/06/2021
	S\$'000	S\$'000	S\$'000	S\$'000
Leasehold buildings	72	13	116	24
Motor Vehicle	16	-	22	-
	<u>88</u>	<u>13</u>	<u>138</u>	<u>24</u>

Amounts recognised in the consolidated statement of comprehensive income and consolidated statements of cash flows are as follows:

	Group			
	6 months	6 months	12 months	12 months
	ended	ended	ended	ended
	30/06/2022	30/06/2021	30/06/2022	30/06/2021
	S\$'000	S\$'000	S\$'000	S\$'000
Interest expenses on lease liabilities	21	2	27	7
Expenses relating to short-term leases	-	6	-	24
Total cash outflows for leases (excluding short-term leases)	<u>81</u>	<u>11</u>	<u>110</u>	<u>56</u>

The Group recognised lease liabilities as follows:

	Group	
	As At	As At
	30/06/2022	30/06/2021
	S\$'000	S\$'000
Lease liabilities:		
Current	188	52
Non-current	600	100
	<u>788</u>	<u>152</u>

Other than as disclosed, the Group has no other third-party borrowings.

23. Provision

The provision relates to the future cost of dismantling and removing the items and restoring the site of the Group's leased factory premises in Singapore. The provision is assessed by management with reference to quotation obtained from third party contractor.

24. Other payables

	Group		Company	
	As At 30/06/2022 S\$'000	As At 30/06/2021 S\$'000	As at 30/06/2022 S\$'000	As at 30/06/2021 S\$'000
Sundry creditors	237	33	29	7
Accruals for:				
- professional fees	166	207	133	62
- staff costs	141	35	77	107
- other costs	65	5	36	45
Deposits	5	5	-	-
Amount due to subsidiaries (non-trade)	-	-	152	303
GST payable	28	-	16	-
	<u>642</u>	<u>285</u>	<u>443</u>	<u>524</u>

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

25. Subsequent events

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

OTHER INFORMATION REQUIRED PURSUANT TO APPENDIX 7C OF THE CATALIST RULES

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

The condensed interim consolidated statement of profit or loss and other comprehensive income of Metech International Limited and its subsidiaries as at 30 June 2022 and the related condensed interim consolidated statements of financial position, condensed interim consolidated statement of changes in equity and condensed profit or loss and other comprehensive income consolidated statement of cash flows for the six-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 modifications 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:

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

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

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

Not applicable.

3. A review of the performance of the group, to the extent necessary for a reasonable understanding of the Group's business. It must include a discussion of the following:-.

(a) any significant factors that affected the turnover, costs, and earnings of the Group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and

Review for the performance of the Group for the half year ended 30 June ("2H") and the full year ended 30 June ("FY").

(i) Revenue

The Group's revenue for 2H2022 decreased by \$11.37 million (85.5%) from \$13.30 million in 2H2021 to \$1.93 million in 2H2022. The full year revenue decreased by S\$10.53 million (66.9%) from S\$15.76 million in FY2021 to S\$5.22 million in FY2022. The decrease in revenue was mainly due to decrease in trading volume of metal business in FY2022 as the Group focused on the lab-grown diamond segment. Lab-grown diamond segment contributed S\$2.78 million of revenue to the Group throughout FY2022.

(ii) Gross profit

The Group earned a gross profit of S\$93,000 in 2H2022, as compared to S\$256,000 in 2H2021. In FY2022, the Group earned a gross profit of S\$51,000 as compared to S\$291,000 in FY2021. The decrease in gross profit earned in 2H2022 was due to the lower revenue earned in the period resulting in the lower gross profit margin.

(iii) Other income

Other income increased by S\$92,000 from S\$134,000 in 2H2021 to S\$134,000 in 2H2022 and increased by S\$107,000 from S\$117,000 in FY2021 to S\$224,000 in FY2022. The increase in other income was mainly due to substantial foreign exchange gain as compared to foreign exchange loss in FY2021 due to the strengthening of US Dollars against Singapore Dollars. The increase was partially offset by the absence of rental income and gain on disposal of property, plant and equipment, which were present in FY2021 amounting to S\$166,000.

(iv) Administrative expenses

Administrative expenses increased by S\$1.25 million from S\$532,000 in 2H2021 to S\$1.78 million in 2H2022. The full year administrative expenses increased by S\$1.40 million from S\$1.27 million to S\$2.67 million in FY2022. The increase was largely due to the development of the lab-grown business which mainly involves (i) the travel expenses, (ii) expenses for setting up the exhibition in relation to the lab-grown diamond business, (iii) the depreciation of plant and equipment being categorised under administrative expense in view that the production of lab-grown diamond had only commenced after 30 June 2022, and (iv) increase in the employee expenses due to the increased in manpower.

(v) Other expenses

Other expenses were S\$107,000 in 2H2022 and S\$338,000 in FY2022. The other expenses increased by S\$117,000 from S\$221,000 in FY2021 to S\$338,000 in FY2022. The increase is mainly due to ad-hoc professional fees incurred for corporate actions of the Group throughout FY2022, which was partially offset by the absence of depreciation charges in FY2022.

(vi) Finance costs

Finance cost slightly decreased by S\$8,000 (27.6%) from S\$29,000 in 2H2021 to S\$21,000 in 2H2022 and S\$7,000 (18.0%) from S\$39,000 in FY2021 to S\$32,000 in FY2022. There was a loan drawdown in July 2021 which was fully paid in August 2021. In view that the loan period was shorter as compared to the loan period in FY2021, lower finance costs were incurred.

(vii) Loss after income tax

The Group reported a net loss after income tax from continuing operations of S\$1.55 million in 2H2022 as compared to S\$221,000 in 2H2021. The net loss after income tax from continuing operations for FY2022 is S\$2.60 million as compared to S\$1.21 million. Higher loss was mainly due to lesser revenue as the production of the lab-grown diamond had only commenced after 30 June 2022. Thus, there was insufficient gross profit earned to set off higher expenses incurred during the financial year.

(viii) Foreign currency translation difference

Foreign currency translation difference was S\$162,000 in 2H2022 as compared to S\$48,000 in 2H2021. Further, in FY2022, there was a loss in the foreign currency translation difference of S\$183,000 as compared to a gain of S\$94,000 in FY2021. This was mainly due to the strengthening of US Dollars against Singapore Dollars in 2H2022 and FY2022.

(b) any material factors that affected the cash flow, working capital, assets or liabilities of the Group during the current financial period reported on

Condensed interim statements of financial position

(i) Property, plant and equipment increased by S\$6.25 million resulting from the addition of assets S\$6.44 million, offset by depreciation charge of S\$190,000.

(ii) There are inventories of S\$483,000 as at 30 June 2022 which consisted mainly of diamond seeds for production use and loose diamonds for trading purposes.

(iii) The outstanding trade receivables of S\$14,000 was generated from the trading of lab-grown diamonds which was sent to a customer before 30 June 2022.

(iv) Other receivables increased by S\$212,000 to S\$271,000 as at 30 June 2022 compared to S\$59,000 as at 30 June 2021 mainly due to (1) rental and utilities deposits paid and (2) advances made to acquire equipment. Some equipment was received as of the date of this announcement.

(v) Other reserves comprise the foreign exchange translation reserves. Accordingly, the decrease in other reserves was mainly due to the strengthening of US Dollar against Singapore Dollar during the financial year.

(vi) Lease liabilities were increased by S\$636,000 with addition of right-of-use assets of S\$747,000 acquired under leasing arrangement, netted off with repayment of S\$111,000.

(vii) The provision of S\$75,000 related to future reinstatement of factory premises at Kallang, which was leased for the lab-grown diamond segment.

- (viii) Other payables increased by S\$357,000 to S\$642,000 as at 30 June 2022 compared to S\$285,000 as at 30 June 2021. The increase was due to lower settlement of balances before 30 June 2022. The remaining balance as at 30 June 2022 consisted of payment to a contractor, accruals on professional fees, travel expenses, directors' fee and payroll expenses.

Condensed interim consolidated statement of cash flows

Net cash of S\$2.01 million was generated in operating activities of the Group in 2H2022 as compared to S\$16,000 which was used in 2H2021. This was mainly due to higher positive net changes in inventories and receivables. In FY2022, net cash used in operating activities of the Group was S\$3.14 million as compared to S\$890,000 in FY2021. The higher net cash used in operating activities was due to higher negative operating cash flow before working capital changes.

Net cash used in investing activities of the Group in 2H2022 was S\$2.28 million, due to acquisition of property, plant and equipment of S\$2.84 million which was offset by the disposal of a subsidiary of S\$567,000. In FY2022, net cash used in generating activities was S\$3.30 million as compared to a net cash generated from investing activities of S\$55,000 in FY2021. This was mainly due to the Company acquiring property plant and equipment and subsidiary in FY2022 as compared to a disposal of property, plant and equipment in FY2021 resulting in net cash generated position for investing activities.

Net cash used in financing activities of the Group in 2H2022 was S\$83,000, mainly due to the repayment of lease liabilities. In FY2022, net cash of S\$10.26 million was generated from financing activities due to proceeds from issuance of ordinary shares, and partially offset by the repayment of lease liabilities.

As a result of the above, the Group's cash and cash equivalents as of 30 June 2022 increased by S\$3.92 million from S\$2.14 million as at 30 June 2021 to S\$6.05 million as at 30 June 2022.

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

Not applicable.

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

On 2 June 2022, the Group entered into a sale and purchase and call option agreement to acquire issued and paid-up capital of X Diamond Capital Pte Ltd (the "XDC"). This acquisition allows the Group to have more control to manage the development of the business of XDC, integrate the business into the Group's lab-grown diamond business segment fully and consolidate the financial performance of XDC.

On 9 June 2022, the Group's joint venture company, Asian Eco Technology Pte. Ltd. ("AET") entered into a non-binding term sheet to acquire the entire issued and paid-up capital of Finebuild Holdings Pte Ltd (the "Finebuild"). Finebuild owns 54 Pandan Road Pte Ltd which owns the private lot A3008025 (the "Asset") at 54 Pandan Road Singapore 609292. AET intends to build and develop manufacturing facilities and/or an R&D lab on such Asset as part of its strategy to develop a full-service line and a one-stop shop with regards to the Group's Diversified Business, from manufacturing to distributing lab-grown diamonds.

As of the date of this announcement, the due diligence works for both proposed acquisitions mentioned above are still in progress.

Meanwhile, on 23 May 2022, the Group entered into a sale and purchase agreement to dispose of the investment in wastewater treatment business. The Company currently does not have plans to devote more resources to expand the wastewater treatment business. Thus, it has decided to realise its investment and utilise the sale proceeds to focus on its lab-grown diamond business. The disposal was completed in June 2022.

Impact of COVID-19 on the Company's operations:

The COVID-19 pandemic, coupled with the outbreak of war between Russia and Ukraine has caused disruption to the supply chain globally. As such, the Company expects certain impact on its operating business environment. However, the Group continues to embark on its cost control plan and focus on production efficiency.

6. If a decision regarding dividend has been made:

(a) Whether an interim (final ordinary dividend has been declared (recommended)); and
No.

(b) (i) Amount per share
Not applicable.

(ii) Previous corresponding period
No dividend has been declared or recommended for the previous corresponding period.

(c) Whether the dividend is before tax, net of 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) The date the dividend is 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.

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

No dividend has been declared or is recommended as the Group currently does not have accumulated profits available for the declaration of dividend.

8. Interested person transactions (“IPTs”)

There was no interested party transaction amounting to S\$100,000 and above during the financial year under review. The Group has not obtained a general mandate from its shareholders for IPTs.

9. 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 Listing Manual

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

10. Use of Proceeds

As at the date of this announcement, the utilization of the gross proceeds of approximately S\$8.7 million was raised from Placement Cum Warrant Issue completed on 19 October 2021 and subsequent partial exercise of 2021 Warrants is as follows:

	Allocation (S\$'000)	Amount utilised (S\$'000)	Balance (S\$'000)
General working capital	2,615	(2,304) ¹	311
To fund general corporate activities, including but not limited to the expansion	6,103	(6,103)	-

in environment and sustainability business and/or for strategic alliances			
Total	8,718	(8,407)	311

Note:

- 1 The amount was utilised for (A) Employee benefit expenses of S\$276,000, (B) Professional fees of S\$800,000, (C) Administrative and miscellaneous expenses of S\$1,053,000 and (D) Office rental and related expenses of S\$175,000.

The Company will make periodic announcements on the utilisation of proceeds from the Placement cum Warrant Issue and exercise of the 2021 Warrants as and when such proceeds are materially disbursed.

11. Disclosure of persons occupying managerial positions who are related to a director, CEO or substantial shareholder

As of the date of this announcement, there are no persons occupying a managerial position in the Company or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the Company.

On behalf of the Board of Directors

Mr. Chay Yiowmin
Independent Non-Executive Chairman

Ms. Samantha Hua Lei
Executive Director & Chief Executive Officer

29 August 2022

This announcement has been prepared by 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.

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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