



**MOOREAST HOLDINGS LTD.**

Registration No: 202120164D Incorporated in Singapore

**Unaudited Financial Statements and Dividend Announcement For the Six Months and Full Year ended 31 December 2023**

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This announcement has been prepared by Mooreast Holdings Ltd. (the “**Company**”) and its contents have been reviewed by the Company’s sponsor, W Capital Markets Pte Ltd (the “**Sponsor**”).

This announcement has not been examined or approved by the Singapore Exchange Securities Trading Limited (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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**Background**

The Company was incorporated in Singapore on 8 June 2021 under the name Mooreast Holdings Pte. Ltd. The Company was converted to a public limited company on 28 October 2021 and the name of the Company was changed to Mooreast Holdings Ltd. in connection therewith.

The Company and its subsidiaries (the “**Group**”) is a Total Mooring Solutions specialist, serving mainly the offshore oil and gas, marine and offshore renewable energy industries. The Group’s operations are primarily in Singapore and it maintains sales offices in Rotterdam, the Netherlands and Scotland, United Kingdom.

The Company was listed on the Catalist Board of the SGX-ST on 24 November 2021. Unless otherwise defined, capitalized terms used in this announcement shall have the same meanings as ascribed to them in the Company’s Offer Document dated 17 November 2021 (the “**Offer Document**”).

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**A – CONDENSED INTERIM CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

Condensed Interim Consolidated Statements of Profit or Loss and Other Comprehensive Income for the six-months ended 31 December 2023 (“**2HFY2023**”), six-months ended 31 December 2022 (“**2HFY2022**”), twelve-months ended 31 December 2023 (“**FY2023**”), and twelve-months ended 31 December 2022 (“**FY2022**”).

	Note	<b>2HFY2023</b> S\$'000 Unaudited	<b>2HFY2022</b> S\$'000 Unaudited	Change %	<b>FY2023</b> S\$'000 Unaudited	<b>FY2022</b> S\$'000 Audited	Change %
<b>Revenue</b>	4	14,287	14,800	(3)	28,706	27,838	3
Cost of sales		(9,761)	(8,270)	18	(18,253)	(16,974)	8
<b>Gross profit</b>		4,526	6,530	(31)	10,453	10,864	(4)
<b>Other items of income</b>							
Interest income	5	318	164	94	637	492	29
Other income	5	70	508	(86)	641	2,705	(76)
<b>Other items of expense</b>							
Marketing and distribution		(400)	(315)	27	(730)	(504)	45
Administrative expenses		(4,494)	(4,121)	9	(8,859)	(7,785)	14
Research and development expenses		(65)	(291)	(78)	(84)	(858)	(90)
Interest expenses	5	(1,158)	(811)	43	(2,256)	(1,773)	27
Other expenses	5	(3,218)	(734)	338	(1,488)	(1,144)	30
(Loss)/profit before tax	5	(4,421)	930	nm	(1,686)	1,997	nm
Income tax expense	7	295	(429)	nm	(161)	(624)	(74)
<b>(Loss)/profit after tax</b>		(4,126)	501	nm	(1,847)	1,373	nm
<b>Other comprehensive income / (loss):</b>							
<b>Items that may be reclassified subsequently to profit or loss</b>							
Foreign currency translation		14	15	nm	(23)	69	nm
<b>Total comprehensive (loss) / income for the financial year attributable to shareholders of the Company</b>		(4,112)	516	nm	(1,870)	1,442	nm

*Nm=not meaningful*

**B. CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

	Note	Group		Company	
		31 December 2023 S\$'000 Unaudited	31 December 2022 S\$'000 Audited	31 December 2023 S\$'000 Unaudited	31 December 2022 S\$'000 Audited
		<b>Assets</b>			
<b>Non-current assets</b>					
Plant and equipment	8	4,122	4,985	3	–
Intangible asset		16	–	–	–
Right-of-use assets	9	29,991	31,659	–	–
Investment in subsidiaries		–	–	10,587	10,587
Trade and other receivables	10	2,181	2,555	–	–
		36,310	39,199	10,590	10,587
<b>Current assets</b>					
Inventories	11	7,971	6,265	–	–
Trade and other receivables	10	7,511	6,641	4,869	1,578
Contract assets		1,933	2,018	–	–
Prepaid operating expenses		1,757	1,638	38	26
Cash and bank balances	12	16,356	19,105	12,606	14,961
		35,528	35,667	17,513	16,565
<b>Total assets</b>		71,838	74,866	28,103	27,152
<b>Current liabilities</b>					
Trade and other payables	13	5,800	5,663	182	134
Contract liabilities		880	309	–	–
Lease liabilities	9	813	884	–	–
Loans and borrowings	14	1,358	1,060	–	–
Income tax payable		512	1,053	131	–
		9,363	8,969	313	134
<b>Net current assets</b>		26,165	26,698	17,200	16,431
<b>Non-current liabilities</b>					
Lease liabilities	9	9,238	9,965	–	–
Loans and borrowings	14	24,199	25,259	–	–
Convertible notes	15	5,024	4,768	5,024	4,768
Provision for reinstatement cost	16	2,195	2,095	–	–
Deferred tax liabilities	17	460	581	–	–
		41,116	42,668	5,024	4,768
<b>Total liabilities</b>		50,479	51,637	5,337	4,902
<b>Net assets</b>		21,359	23,229	22,766	22,250

**B. CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (CONT'D)**

	Note	Group		Company	
		31 December 2023 S\$'000 Unaudited	31 December 2022 S\$'000 Audited	31 December 2023 S\$'000 Unaudited	31 December 2022 S\$'000 Audited
<b>Equity attributable to Shareholders of the Company</b>					
Share capital	18	23,636	23,636	23,636	23,636
Capital reserve		(9,587)	(9,587)	–	–
Retained earnings/(accumulated losses)		6,798	8,645	(1,277)	(1,793)
Other reserve	15	407	407	407	407
Foreign currency translation reserve		105	128	–	–
<b>Total equity</b>		<b>21,359</b>	<b>23,229</b>	<b>22,766</b>	<b>22,250</b>
<b>Total equity and liabilities</b>		<b>71,838</b>	<b>74,866</b>	<b>28,103</b>	<b>27,152</b>

C. CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Share capital S\$'000	Capital reserve S\$'000	Retained earnings S\$'000	Other reserve S\$'000	Foreign currency translation reserve S\$'000	Total equity S\$'000
<b>Group</b>						
<b>As at 1 January 2022</b>	23,636	(9,587)	7,272	407	59	21,787
Profit net of tax	–	–	1,373	–	–	1,373
Foreign currency translation	–	–	–	–	69	69
Total comprehensive income for the year	–	–	1,373	–	69	1,442
<b>As at 31 December 2022</b>	<b>23,636</b>	<b>(9,587)</b>	<b>8,645</b>	<b>407</b>	<b>128</b>	<b>23,229</b>
<b>As at 1 January 2023</b>	23,636	(9,587)	8,645	407	128	23,229
Loss net of tax	–	–	(1,847)	–	–	(1,847)
Foreign currency translation	–	–	–	–	(23)	(23)
Total comprehensive loss for the year	–	–	(1,847)	–	(23)	(1,870)
<b>As at 31 December 2023</b>	<b>23,636</b>	<b>(9,587)</b>	<b>6,798</b>	<b>407</b>	<b>105</b>	<b>21,359</b>

	Share capital S\$'000	Accumulated losses S\$'000	Other reserve S\$'000	Total equity S\$'000
<b>Company</b>				
<b>As at 1 January 2022</b>	23,636	(1,539)	407	22,504
Total comprehensive loss for the year	–	(254)	–	(254)
<b>As at 31 December 2022</b>	<b>23,636</b>	<b>(1,793)</b>	<b>407</b>	<b>22,250</b>
<b>As at 1 January 2023</b>	23,636	(1,793)	407	22,250
Total comprehensive income for the year	–	516	–	516
<b>As at 31 December 2023</b>	<b>23,636</b>	<b>(1,277)</b>	<b>407</b>	<b>22,766</b>

**D. CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS**

	<b>FY2023 Unaudited S\$'000</b>	<b>FY2022 Audited S\$'000</b>
<b>Group</b>		
<b>Operating activities:</b>		
(Loss)/profit before tax	(1,686)	1,997
<u>Adjustments for:</u>		
Depreciation of plant and equipment	1,503	1,549
Depreciation of right-of-use assets	1,744	1,714
Gain on disposal of plant and equipment	(258)	(1,331)
Interest income	(637)	(492)
Interest expense	1,099	665
Interest expense on lease liabilities	451	482
Interest expense on convertible note	706	626
Unrealised foreign exchange loss	35	68
Reversal of allowance for inventories obsolescence	(7)	(14)
Bad debts written off	19	–
Allowance for expected credit losses	(39)	38
<b>Operating cash flows before changes in working capital</b>	<b>2,930</b>	<b>5,302</b>
<u>Changes in working capital:</u>		
(Increase)/decrease in inventories	(1,699)	2,358
Increase in contract assets, trade and other receivables	(683)	(2,303)
Increase in prepaid operating expenses	(119)	(853)
Increase/(decrease) in contract liabilities, trade and other payables	809	(103)
Restricted cash	58	(68)
<b>Cash flows from operations</b>	<b>1,296</b>	<b>4,333</b>
Interest paid	–	(1)
Income tax paid	(823)	(50)
<b>Net cash flows generated from operating activities</b>	<b>473</b>	<b>4,282</b>
<b>Investing activities</b>		
Purchase of plant and equipment	(1,019)	(2,623)
Development expenditure	(16)	–
Proceeds from disposal of plant and equipment	637	2,111
Interest received	631	160
<b>Net cash flows generated from/(used) in investing activities</b>	<b>233</b>	<b>(352)</b>

**D.CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS (CONT'D)**

	<b>FY2023 Unaudited S\$'000</b>	<b>FY2022 Audited S\$'000</b>
<b>Financing activities</b>		
Interest paid on lease liabilities	(451)	(482)
Repayment on lease liabilities	(874)	(804)
Interest paid on loan and borrowing	(771)	(349)
Repayment on loan and borrowing	(990)	(1,083)
Amount due to director	–	(2,000)
Interest paid on convertible notes	(450)	(450)
<b>Net cash flows used in financing activities</b>	<b>(3,536)</b>	<b>(5,168)</b>
Net decrease in cash and cash equivalents	(2,830)	(1,238)
Effect of exchange rate changes on cash and cash equivalents	139	(32)
Cash and cash equivalents at 1 January	18,974	20,244
Cash and cash equivalent at 31 December	16,283	18,974



## E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

These notes form an integral part of the condensed interim consolidated financial statements.

### 1. Corporate information

The Company was incorporated in Singapore on 8 June 2021 under the name Mooreast Holdings Pte. Ltd. The Company was converted to a public company limited by shares on 28 October 2021 and the name of the Company was changed to Mooreast Holdings Ltd. in connection herewith. The address of the Company's registered office is 51 Shipyard Road, Mooreast Offshore Base, Singapore 628139.

The financial statements of the Group as at and for the year ended 31 December 2023 comprise the Company and its subsidiaries (together referred to as the "Group").

The principal activities of the Company are those of investment holding. Details of the subsidiaries as at 31 December 2023 are as follows:

Name of subsidiaries	Principal activities	Country of incorporation
Mooreast Asia Pte. Ltd.	Provision of mooring systems and mooring system components and related services	Singapore
Mooreast Rigging Pte. Ltd.	Provision of mooring components to the marine industry	Singapore
Mooreast Renewables Pte. Ltd.	Provision of engineering, design and consultancy services	Singapore
Mooreast Europe B.V.	Sales and marketing to customers in Europe	The Netherlands
Mooreast UK Co Limited	Provision of mooring solutions for the Floating Renewable Energy Industry	United Kingdom

### 2. Basis of preparation

The condensed interim consolidated financial statements for the six months ended and twelve months ended 31 December 2023 have been prepared in accordance with SFRS(I) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore.

The condensed interim consolidated 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.

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

These condensed interim consolidated financial statements have been prepared on the historical cost basis except as otherwise described in the notes below.

These condensed interim consolidated financial statements are presented in Singapore dollars, which is the Company's functional currency. The financial information has been rounded to the nearest thousand, unless otherwise stated.

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

### 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 adjustment as a result of adopting those Standards.

### 2.2 Standards issued but not yet effective

The Group has not adopted the following Standards and amendments applicable to the Group that have been issued but not yet effective:

Description	Effective for annual periods beginning on or after
<i>Amendments to SFRS(I) 16: Lease Liability in a Sale and Leaseback</i>	1 January 2024
<i>Amendments to SFRS(I) 1-1: Non-current Liabilities with Covenants</i>	1 January 2024
<i>Amendments to SFRS(I) 1-21: Lack of Exchangeability</i>	1 January 2025

### 2.3 Use of estimates and judgements

The preparation of the condensed interim consolidated financial statements in conformity with SFRS(I)s requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. 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 applied to the consolidated financial statements as at and for the year ended 31 December 2022.

Estimates and judgements are continually evaluated and are based on historical experience and on other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about critical judgements in applying accounting policies that have the most significant effect on the amount recognized in the condensed interim financial statements is included in the following notes:

#### (a) *Useful lives and residual value of rental equipment*

The cost of rental equipment is depreciated on a straight-line basis over their estimated economic useful lives. The Group reviews the estimated useful lives and residual value of its rental equipment at the start of each reporting period. In determining the residual value and useful lives of rental equipment, management considers factors such as market prices of used rental equipment, expected usage levels, maintenance and repair cost, technical or commercial obsolescence. Changes in these factors could potentially impact the economic useful lives and residual value of these assets, and thereby resulting in changes in future depreciation charges. Such charges are accounted for prospectively.

#### (b) *Impairment of investment in subsidiaries*

The Company assesses at the end of each reporting period whether there is any objective evidence that the investments in subsidiaries are impaired. Management considers factors such as the historical and current performances, estimated value and probability of future cash flows.

When value in use calculations are undertaken, management must estimate the expected future cash flows from the subsidiaries using suitable discount rates to calculate the present value of those cash flows.

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

### 2.3 Use of estimates and judgements (cont'd)

#### (c) *Allowance for expected credit losses ("ECLs") of trade and other receivables*

The Group uses a provision matrix to calculate ECLs for trade and other receivables. The provision rates are based on days past due for groupings or various customer segments that have similar loss patterns.

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust historical credit loss experience with forward-looking information. At every reporting date, historical default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customers' actual default in the future.

#### (d) *Allowance for slow-moving and obsolete inventories*

The Group carries out inventories review on a product-by-product basis to determine the allowance for slow-moving and inventories obsolescence and whether inventories are stated at the lower of cost and net realisable value. For the purpose of determining whether inventories are stated at the lower of cost and net realizable value, management's estimates of the net realisable value of the inventories at the end of the reporting period are based primarily on the latest selling prices and the market conditions.

#### (e) *Leases – Estimating the incremental borrowing rate*

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay or borrow over a similar term, and with similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the IBR using observable inputs (such as market interest rates) when available and makes certain adjustment for entity-specific estimates.

## 3. Seasonal operations

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

#### 4. Revenue

##### *Disaggregation of revenue*

	6 months ended		12 months ended	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
	SS'000	SS'000	SS'000	SS'000
<b>Group</b>				
Sale of goods	8,406	7,478	16,500	15,905
Rental of equipment	1,036	1,797	1,447	4,040
Services rendered	4,845	5,525	10,759	7,893
	14,287	14,800	28,706	27,838
<b>Timing of transfer of goods or services</b>				
At a point in time	1,157	3,694	9,251	12,121
Over time	13,130	11,106	19,455	15,717
	14,287	14,800	28,706	27,838

#### 5. (Loss)/profit before tax

	6 months ended		12 months ended	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
	SS'000	SS'000	SS'000	SS'000
<b>Group</b>				
<b>Interest income</b>				
Interest income from:				
current account	318	164	637	492
<b>Other income</b>				
Gain on disposal of plant and equipment	–	–	258	1,331
Gain on foreign exchange	–	–	121	–
Sales of scrap metal	50	119	107	202
Government grants	–	376	95	1,139
Reversal of allowance for inventories obsolescence	7	8	7	14
Reversal of allowance for expected credit losses	–	–	39	–
Others	13	5	14	19
	70	508	641	2,705
<b>Interest expenses</b>				
Interest expenses on:				
- lease liabilities	222	238	451	482
- loan and borrowing	521	303	999	424
- convertible note	365	78	706	626
- significant financing component from contract with customers	–	144	–	144
- others	50	48	100	97
	1,158	811	2,256	1,773
<b>Other expenses</b>				
Loss on disposal of plant and equipment	2,436	33	–	–
Legal and other professional fees	283	251	575	473
Allowance for expected credit losses	–	38	–	38
Property tax	234	220	457	502
Donations	21	10	43	10
Bad debts written off	19	–	19	–
Others	225	182	394	121
	3,218	734	1,488	1,144

5. **(Loss)/profit before tax (cont'd)**

	6 months ended		12 months ended	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Group</b>				
Inventories recognised as an expense in cost of sales	6,580	4,945	10,968	10,946
Staff costs	3,187	2,552	5,596	5,107
Transport expenses	281	291	494	441
Depreciation of plant and equipment	737	834	1,503	1,549
Depreciation of right-of-use assets	873	872	1,744	1,714

6. **Earnings per share**

	6 months ended		12 months ended	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
	<b>Group</b>			
Basic earnings per share (cents)	(1.59)	0.19	(0.71)	0.53
Weighted-average number of ordinary shares ('000)	259,000	259,000	259,000	259,000
Diluted earnings per share (cents)	(1.59)*	0.18	(0.71)*	0.50
Weighted-average number of ordinary shares ('000)	276,483	276,483	276,483	276,483

The earnings per share is computed by dividing the profit after tax attributable to shareholders of the Company against the weighted average number of shares.

\* Diluted earnings per share is the same as basic earnings per share as the effect of conversion is anti-dilutive.

7. **Income tax expense**

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:

	6 months ended		12 months ended	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Group</b>				
<b>Current income tax:</b>				
- Current year	(237)	612	219	808
- Over provision in respect of prior year	64	(60)	64	(60)
	(173)	552	283	748
<b>Deferred tax:</b>				
- Origination and reversal of temporary differences	(122)	(123)	(122)	(124)
Income tax expense recognised in profit or loss	(295)	429	161	624

## 8. Plant and equipment

<b>Group</b>	<b>Motor vehicles</b>	<b>Furniture and fittings</b>	<b>Workshop and office equipment</b>	<b>Computers and software</b>	<b>Renovation</b>	<b>Rental equipment</b>	<b>Total</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
<b>Cost:</b>							
At 1 January 2022	566	71	2,353	341	583	8,959	12,873
Additions	193	–	813	247	167	1,203	2,623
Disposals	(237)	–	–	–	–	(2,161)	(2,398)
<hr/>							
At 31 December 2022 and 1 January 2023	522	71	3,166	588	750	8,001	13,098
Additions	149	6	169	65	198	432	1,019
Disposals	(48)	–	–	–	–	(1,986)	(2,034)
Exchange Difference	–	–	–*	–*	–	7	7
<hr/>							
At 31 December 2023	623	77	3,335	653	948	6,454	12,090
<hr/>							
<b>Accumulated depreciation:</b>							
At 1 January 2022	323	18	1,555	270	54	5,962	8,182
Depreciation charge for the year	52	20	238	84	181	974	1,549
Disposal	(237)	–	–	–	–	(1,381)	(1,618)
<hr/>							
At 31 December 2022 and 1 January 2023	138	38	1,793	354	235	5,555	8,113
Depreciation charge for the year	93	22	270	116	233	769	1,503
Disposal	(48)	–	–	–	–	(1,602)	(1,650)
Exchange Difference	–	–	–*	–*	–	2	2
<hr/>							
At 31 December 2023	183	60	2,063	470	468	4,724	7,968
<hr/>							
<b>Net carrying amount:</b>							
At 31 December 2022	384	33	1,373	234	515	2,446	4,985
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At 31 December 2023	440	17	1,272	183	480	1,730	4,122
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\* Below S\$1,000

## 9. Right-of-use assets and lease liabilities

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

	Leasehold properties	Motor vehicles	Workshop and office equipment	Software	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>Group</b>					
<b>As at 1 January 2022</b>	29,773	33	3,293	–	33,099
Lease modification	17	–	–	–	17
Additions	217	–	–	40	257
Depreciation	(1,467)	(17)	(219)	(11)	(1,714)
<b>As at 31 December 2022</b>	28,540	16	3,074	29	31,659
Lease modification	76	–	–	–	76
Depreciation	(1,496)	(16)	(219)	(13)	(1,744)
<b>As at 31 December 2023</b>	27,120	–*	2,855	16	29,991

Set out below are the carrying amounts of lease liabilities and the movements during the period:

	31 December 2023	31 December 2022
	S\$'000	S\$'000
<b>Group</b>		
<b>As at 1 January</b>	10,849	11,388
Accretion of interest	451	482
Lease modification	76	17
Additions	–	248
Disposal	–	–
Payments	(1,325)	(1,286)
<b>As at 31 December</b>	10,051	10,849
Current	813	884
Non-current	9,238	9,965
<b>As at 31 December</b>	10,051	10,849

\* Below S\$1,000

## 10. Trade and other receivables

	Group		Company	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Non-current assets</b>				
Trade receivables	2,181	2,555	–	–
<b>Current assets</b>				
Trade receivables	6,713	6,079	–	–
Deposits	51	99	–	11
GST receivables	367	74	–	–
Other receivables	380	389	164	76
Amount due from subsidiaries	–	–	4,705	1,491
	7,511	6,641	4,869	1,578
Total trade and other receivables	9,692	9,196	4,869	1,578

**10. Trade and other receivables (cont'd)**Trade receivables

Trade receivables are non-interest bearing and are generally on 30 to 90 days' terms. They are recognised at their original invoice amount which represents their fair values on initial recognition.

Trade and other receivables denominated in a foreign currency other than the respective functional currencies of the Company and its subsidiaries at 31 December is as follow:

	31 December 2023	31 December 2022
	S\$'000	S\$'000
United States Dollars	3,800	5,760

**11. Inventories**

	31 December 2023	31 December 2022
	S\$'000	S\$'000
<b>Group</b>		
Raw material, at cost	2,856	2,001
Work-in-progress, at cost	596	91
Finished goods, at cost	4,525	4,179
Consumables, at cost	74	81
	8,051	6,352
Less: Allowance for inventories obsolescence	(80)	(87)
	7,971	6,265

**12. Cash and bank balances**

	Group		Company	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
	S\$'000	S\$'000	S\$'000	S\$'000
Cash at banks	16,351	19,104	12,606	14,961
Cash on hand	5	1	–	–
	16,356	19,105	12,606	14,961
Less: Restricted cash	(73)	(131)	–	–
Cash and cash equivalents	16,283	18,974	12,606	14,961

Restricted cash of S\$73,102 as at 31 December 2023 (31 December 2022: S\$130,575) represents cash at bank that has been set aside, at the subsidiary level, as performance guarantee for ongoing contracts.

Cash and cash equivalents denominated in foreign currencies other than the respective functional currencies of the Company and its subsidiaries at 31 December are as follow:

	31 December 2023	31 December 2022
	S\$'000	S\$'000
United States Dollars	1,760	1,808



**13. Trade and other payables**

	<b>Group</b>		<b>Company</b>	
	<b>31 December 2023</b>	<b>31 December 2022</b>	<b>31 December 2023</b>	<b>31 December 2022</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
Trade payables	3,412	3,598	–	–
Other payables:				
Sundry payables	497	344	6	7
Accruals	1,862	1,713	143	120
GST payables	29	8	29	7
Amount due to a subsidiary	–	–	4	–
<b>Total trade and other payables</b>	<b>5,800</b>	<b>5,663</b>	<b>182</b>	<b>134</b>

Trade payables

Trade payables are non-interest bearing. Trade payables are normally settled on 60 days' terms.

Trade and other payables denominated in foreign currencies other than the respective functional currencies of the Company and its subsidiaries as at 31 December are as follow:

	<b>31 December 2023</b>	<b>31 December 2022</b>
	<b>S\$'000</b>	<b>S\$'000</b>
United States Dollars	1,240	1,839
Euro	106	252
GBP	–*	278

\* Below S\$1,000

**14. Loans and borrowings**

	<b>31 December 2023</b>	<b>31 December 2022</b>
	<b>S\$'000</b>	<b>S\$'000</b>
<b>Group</b>		
<b>Current</b>		
Commercial property loan (secured)	1,047	977
Shareholder loan	311	83
	<b>1,358</b>	<b>1,060</b>
<b>Non-current</b>		
Commercial property loan (secured)	11,199	12,259
Shareholder loan	13,000	13,000
	<b>24,199</b>	<b>25,259</b>
<b>Total loans and borrowings</b>	<b>25,557</b>	<b>26,319</b>

#### 14. Loans and borrowings (cont'd)

On 14 July 2021, Mooreast Asia Pte. Ltd. acquired a leasehold property at 51 Shipyard Road for an aggregate consideration of S\$18.5 million which was financed through a combination of commercial property loan and internal funding.

The loan is secured by an all-monies legal mortgage over the property and a corporate guarantee provided by the Mooreast Holdings Ltd. The loan is repayable in 144 monthly instalments between 14 July 2021 to 30 June 2033.

On 28 October 2021 the then shareholder approved an interim dividend pay-out of S\$15,000,000 of which S\$2,000,000 has been repaid in FY2022, and the remaining S\$13,000,000 has been converted to an interest-bearing loan due to the sole shareholder (“**Shareholder Loan**”). The Shareholder Loan is for a term of 5 years and repayment of the Shareholder Loan is subject to the Audit Committee’s approval. The interest rate payable on the Shareholder Loan for each 6-month period (such period an “**Interest Rate Period**”) is a percentage equal to 0.1% above (a) in respect of the first Interest Rate Period, the 6-month Compounded Singapore Overnight Rate Average (“**Compounded SORA**”); and (b) in respect of each other successive Interest Rate Period, the Compounded SORA published on the business day immediately following the last day of the previous Interest Rate Period.

#### 15. Convertible note

On 2 November 2021, the Company had entered into the Convertible Note Agreement with EDB Investments Pte Ltd (“**EDBI**”) to issue two series of unsecured convertible notes as follow:

##### (a) CN1

The first series of the EDBI Convertible Note (“**CN1**”) was issued for a principal amount of S\$5,000,000 and will automatically convert into shares of the Company two business days prior to the listing date. The conversion was completed on 22 November 2021.

##### (b) CN2

The second series of the EDBI Convertible Note (“**CN2**”) was issued for a principal amount of S\$5,000,000. Principal terms of CN2 as below:

Principal amount:	S\$5,000,000
Date of issuance:	22 November 2021
Interest rate:	9% per annum
Interest payment term:	Yearly
Maturity date:	22 November 2026
Mainboard transfer long stop date:	22 May 2025

The liability component of the convertible note is carried as a non-current liability on the amortised cost basis until extinguished on conversion or redemption.

The movement of the convertible note was as follows:

	<b>31 December 2023</b>	<b>31 December 2022</b>
	<b>S\$'000</b>	<b>S\$'000</b>
<b>Group and Company</b>		
<b>Equity component</b>		
As at 1 January /31 December	407	407
<b>Liability component</b>		
As at 1 January	4,768	4,592
Interest expense	706	626
Payments	(450)	(450)
As at 31 December	5,024	4,768

**16. Provision for reinstatement cost**

The Group recognises provision for reinstatement cost when the Group enters into lease agreements for the premises. This provision is recognised for the expected costs of dismantling, removal and restoration of leased properties to their original state upon expiry of the leases. In determining the amount of the provision for restoration cost, estimates are made in relation to the best estimates of the expenditure with reference to quotations provided by a third party contractor.

**17. Deferred tax liabilities**

Deferred tax liabilities relate to the following:

	<b>31 December 2023</b>	<b>31 December 2022</b>
	<b>S\$'000</b>	<b>S\$'000</b>
<b>Group</b>		
Differences in depreciation for tax purposes	460	581

**18. Share capital**

	<b>Group and Company</b>	
	<b>No. of shares</b>	<b>Amount S\$'000</b>
<i>Issued and fully paid ordinary shares:</i>		
<b>As at 31 December 2022, 1 January 2023 and 31 December 2023</b>	259,000,000	23,636

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions. The ordinary shares have no par value.

The number of Shares that may be issued on the conversion of the outstanding Convertible Note as at 31 December 2023 and 31 December 2022 is as follows:

	<b>Group and Company</b>	
	<b>No. of shares</b>	<b>Amount S\$'000</b>
<b>As at 31 December 2023 and 31 December 2022</b>		
New shares to be issued on conversion of outstanding Convertible Note of S\$5 million at the conversion price of S\$0.286	17,483,000	5,000

There are no treasury shares or subsidiary holdings as at 31 December 2023 and 31 December 2022.

## 19. Operating segments

The Group has the following five strategic divisions, which are reportable segments. Five divisions offer different services, and are managed separately. Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. The following summary describes the operations in each of the Group's reportable segments:

- **Mooring division**

Provision of design, engineering, fabrication, supply and installation and commissioning services for mooring systems and mooring system to the offshore oil and gas (“O&G”) and marine industries. The Group also provide leasing services for ready-made mooring systems and mooring systems components.

- **Rigging and heavy lifting division**

Provision of rigging and heavy lifting equipment to customers in the offshore O&G and marine as well as the construction industries in Singapore, including steel ropes, synthetic ropes and chains.

- **Marine supplies and services division**

Provision of mooring component products, such as synthetic ropes, shackles, chains, anchors and deck equipment to the marine industry.

- **Renewable energy division**

Provision of design, engineering, fabrication, supply and installation and commissioning services for mooring systems and mooring system components for floating wind turbine projects, offshore solar photovoltaic (“PV”) projects and tidal turbine projects in Asia and Europe.

- **Yard division**

Provision of on-board fabrication, repairs and testing of equipment and components for marine vessels that dock at its waterfront site.

- **Corporate division**

Involved in group-level corporate services and treasury functions.

Information regarding the result of each reportable segment is included below. Segment performance is evaluated based on operating profit or loss which in certain respects, as explained in the following table, measured differently from operating profit or loss in the consolidated financial statements.

19. Operating segments (cont'd)

<b>Group</b>	<b>Mooring</b>	<b>Rigging and Heavy Lifting</b>	<b>Marine Supplies and Services</b>	<b>Renewable Energy</b>	<b>Yard</b>	<b>Corporate</b>	<b>Elimination</b>	<b>Per consolidated financial statements</b>
	<b>SS'000</b>	<b>SS'000</b>	<b>SS'000</b>	<b>SS'000</b>	<b>SS'000</b>	<b>SS'000</b>	<b>SS'000</b>	<b>SS'000</b>
<b>For the six months ended 31 December 2023</b>								
Revenue from external customers	4,641	3,095	1,290	770	4,491	–	–	14,287
Intersegment revenue	756	–	–	–	–	–	(756)	–
Total revenue	<u>5,397</u>	<u>3,095</u>	<u>1,290</u>	<u>770</u>	<u>4,491</u>	<u>–</u>	<u>(756)</u>	<u>14,287</u>
Results:								
Depreciation	(691)	(97)	(34)	(34)	(418)	(336)	–	(1,610)
Interest income	33	–	–	–	–	313	(28)	318
Interest expense	(162)	(27)	(27)	(27)	(261)	(682)	28	(1,158)
Segment profit/(loss)	<u>(2,902)</u>	<u>388</u>	<u>94</u>	<u>77</u>	<u>704</u>	<u>(2,780)</u>	<u>(2)</u>	<u>(4,421)</u>

19. Operating segments (cont'd)

<b>Group</b>	<b>Mooring</b>	<b>Rigging and Heavy Lifting</b>	<b>Marine Supplies and Services</b>	<b>Renewable Energy</b>	<b>Yard</b>	<b>Corporate</b>	<b>Elimination</b>	<b>Per consolidated financial statements</b>
	<b>SS'000</b>	<b>SS'000</b>	<b>SS'000</b>	<b>SS'000</b>	<b>SS'000</b>	<b>SS'000</b>	<b>SS'000</b>	<b>SS'000</b>
<b>For the six months ended 31 December 2022</b>								
Revenue from external customers	4,939	1,795	1,421	1,728	4,917	–	–	14,800
Intersegment revenue	1,399	–	–	–	–	–	(1,399)	–
Total revenue	<u>6,338</u>	<u>1,795</u>	<u>1,421</u>	<u>1,728</u>	<u>4,917</u>	<u>–</u>	<u>(1,399)</u>	<u>14,800</u>
Results:								
Depreciation	(780)	(99)	(34)	(30)	(483)	(280)	–	(1,706)
Interest income	25	2	–	–	–	163	(26)	164
Interest expense	(399)	(43)	(42)	(42)	(405)	94	26	(811)
Segment profit/(loss)	<u>291</u>	<u>(288)</u>	<u>(34)</u>	<u>472</u>	<u>638</u>	<u>(136)</u>	<u>(13)</u>	<u>930</u>

19. Operating segments (cont'd)

	Mooring	Rigging and Heavy Lifting	Marine Supplies and Services	Renewable Energy	Yard	Corporate	Elimination	Per consolidated financial statements
	SS'000	SS'000	SS'000	SS'000	SS'000	SS'000	SS'000	SS'000
<b>Group</b>								
<b>For the twelve months ended 31 December 2023</b>								
Revenue from external customers	7,849	5,111	2,516	3,292	9,938	–	–	28,706
Intersegment revenue	955	–	–	–	–	–	(955)	–
Total revenue	8,804	5,111	2,516	3,292	9,938	–	(955)	28,706
Results:								
Depreciation	(1,435)	(196)	(69)	(69)	(836)	(642)	–	(3,247)
Interest income	61	–	–	–	–	631	(55)	637
Interest expense	(340)	(56)	(56)	(56)	(549)	(1,254)	55	(2,256)
Segment profit/(loss)	(588)	655	110	1,455	1,430	(4,785)	37	(1,686)
<b>As at 31 December 2023</b>								
Segment assets:	16,342	5,002	1,515	605	4,937	50,744	(7,307)	71,838
Segment liabilities (exclude tax payables and deferred tax liabilities):	6,599	257	211	1	2,600	48,122	(8,283)	49,507

19. Operating segments (cont'd)

<b>Group</b>	<b>Mooring</b>	<b>Rigging and Heavy Lifting</b>	<b>Marine Supplies and Services</b>	<b>Renewable Energy</b>	<b>Yard</b>	<b>Corporate</b>	<b>Elimination</b>	<b>Per consolidated financial statements</b>
<b>For the twelve months ended 31 December 2022</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
Revenue from external customers	12,733	3,752	2,579	1,760	7,014	–	–	27,838
Intersegment revenue	1,760	–	–	–	–	–	(1,760)	–
<b>Total revenue</b>	<b>14,493</b>	<b>3,752</b>	<b>2,579</b>	<b>1,760</b>	<b>7,014</b>	<b>–</b>	<b>(1,760)</b>	<b>27,838</b>
<b>Results:</b>								
Depreciation	(1,585)	(197)	(69)	(69)	(836)	(507)	–	(3,263)
Interest income	345	3	–	–	–	197	(53)	492
Interest expense	(402)	(43)	(42)	(44)	(436)	(859)	53	(1,773)
<b>Segment profit/(loss)</b>	<b>4,716</b>	<b>7</b>	<b>(15)</b>	<b>13</b>	<b>752</b>	<b>(3,459)</b>	<b>(17)</b>	<b>1,997</b>
<b><u>As at 31 December 2022</u></b>								
Segment assets:	15,605	3,958	1,347	1,592	4,670	51,071	(3,377)	74,866
Segment liabilities (exclude tax payables and deferred tax liabilities):	2,544	509	165	495	3,110	47,496	(4,316)	50,003



## 20. Related parties transactions

There are no related party transactions apart from those disclosed elsewhere in the financial statements for FY2023.

### *Key management personnel compensation*

Key management personnel of the Group are those persons having the authority and responsibility for planning, directing and controlling the activities of the Group. The executive directors of the Group are considered as key management personnel of the Group.

Key management personnel compensation comprises:

<b>Group</b>	<b>For the six month ended 31 December</b>		<b>For the twelve month ended 31 December</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>
Key management personnel remuneration:				
- Salaries and bonuses	503,750	847,224	1,093,709	1,408,586
- CPF contributions	60,544	197,541	129,823	229,904
	<hr/>			
<b>Comprises amounts paid to:</b>				
Directors' of the Company:				
- Salaries and bonuses	340,000	336,657	643,342	615,353
- CPF contributions	14,588	14,552	24,486	26,121
	<hr/>			

## 21. Commitments

### **Operating lease commitments - as lessor**

The Group has entered into leases of certain of its plant and equipment. Future minimum rental receivables under non-cancellable operating lease at the end of the reporting period are as follows:

	<b>31 December 2023 \$'000</b>	<b>31 December 2022 \$'000</b>
Not later than one year	331	81
Later than one year but not later than five years	88	23
	<hr/>	
	419	104
	<hr/>	

## F. OTHER INFORMATION REQUIRED BY CATALIST LISTING RULE APPENDIX 7C

### OTHER INFORMATION

#### PART I - INFORMATION REQUIRED FOR QUARTERLY, HALF-YEAR AND FULL YEAR ANNOUNCEMENTS

- 1(a)(i) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.**

Please refer to Section A – Condensed Interim Consolidated Statements of Profit or Loss and Other Comprehensive Income

- 1(a)(ii) Notes to statement of comprehensive income**

Please refer to Section E – Notes to the Condensed Interim Consolidated Financial Statements

- 1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.**

Please refer to Section B – Condensed Interim Statements of Financial Position

- 1(b)(ii) Aggregate amount of group's borrowings and debt securities.**

Please refer to Note 14 of Section E - Notes to the Condensed Interim Consolidated Financial Statements

- 1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.**

Please refer to Section D – Condensed Interim Consolidated Statement of Cash Flows

- 1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial period.**

Please refer to Section C – Condensed Interim Statements of Changes in Equity

- 1(d)(ii) Details of any changes in the Company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

Please refer to Note 15 and Note 18 of Section E – Notes to the Condensed Interim Consolidated Financial Statements.

- 1(d)(iii) Total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

Please refer to Note 18 of Section E - Notes to the Condensed Interim Consolidated Financial Statements

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

Not applicable

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

Not applicable

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

The condensed consolidated statement of financial position of Mooreast Holdings Ltd. and its subsidiaries as at 31 December 2023 and the related condensed consolidated profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period and full year ended 31 December 2023 and certain explanatory notes have not been audited nor reviewed.

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

Not applicable.

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

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

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

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

Not applicable.

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

Please refer to Note 2.1 of Section E - Notes to the Condensed Interim Consolidated Financial Statements.

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

Please refer to Note 2.1 of Section E - Notes to the Condensed Interim Consolidated Financial Statements.

**6 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.**

Please refer to Note 6 of Section E - Notes to the Condensed Interim Consolidated Financial Statements.

**7 Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares, excluding treasury shares of the issuer at the end of the (a) current period reported on and (b) immediately preceding financial year.**

	Group		Company	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
Net asset value (S\$'000)	21,359	23,229	22,766	22,250
Number of ordinary shares in issue ('000)	259,000	259,000	259,000	259,000
<b>Net asset value per ordinary share (cents)</b>	<b>8.2</b>	<b>9.0</b>	<b>8.8</b>	<b>8.6</b>

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

- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
- (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

**A. Consolidated Statement of Comprehensive Income**

**(FY2023 vs FY2022)**

**(1) Revenue:**

Segments	FY2023 S\$'000	FY2022 S\$'000	Increase/ (Decrease) S\$'000	Increase/ (Decrease) %
Mooring	7,849	12,733	(4,884)	(38)
Rigging and Heavy Lifting	5,111	3,752	1,359	36
Marine Supplies and Services	2,516	2,579	(63)	(2)
Renewable Energy	3,292	1,760	1,532	87
Yard	9,938	7,014	2,924	42
<b>Total</b>	<b>28,706</b>	<b>27,838</b>	<b>868</b>	<b>3</b>

Total revenue increased by S\$0.9 million or 3% from S\$27.8 million in FY2022 to S\$28.7 million in FY2023. The increase was mainly due to higher revenue contributions from the Yard, Renewable Energy and Rigging and Heavy Lifting divisions, partially offset by lower revenue contributions from the Mooring division.

Revenue from the Mooring division decreased by S\$4.9 million or 38% from S\$12.7 million in FY2022 to S\$7.8 million in FY2023. This was mainly due to fewer contracts secured amid a slowdown in market activities.

Revenue from the Rigging and Heavy Lifting division improved by S\$1.4 million in FY2023 compared to FY2022, mainly attributable to multiple high-value orders secured and delivered during the year as the Group continues to expand its customer base as well as its product range. Revenue from the Marine Supplies and Services division remained consistent at S\$2.5 million in FY2023.

Revenue from the Renewable Energy division was mainly derived from a new project to deliver mooring solutions (comprising 15 midwater arch buoys) to an offshore wind farm in Japan secured during the year.

Our Yard division recorded revenue of S\$9.9 million in FY2023, compared to S\$7.0 million in FY2022 as business momentum accelerated and the Group ramped up marketing of its full suite of afloat services such as inspection and testing services, afloat repairs and mobilisation and demobilisation.

**(2) Cost of Sales:**

In line with the increase in revenue, cost of sales increased by S\$1.3 million or 8% from S\$17.0 million in FY2022 to S\$18.3 million in FY2023. The increase was also attributed to higher costs related to fabrication and third-party goods purchased.

**(3) Gross Profit:**

Gross profit decreased by S\$0.4 million or 4% from S\$10.9 million in FY2022 to S\$10.5 million in FY2023. Overall gross profit margin decreased from 39% in FY2022 to 36% in FY2023, mainly due to higher third-party cost of goods and increased cost of fabrication.

**(4) Interest Income:**

Interest income increased from S\$0.5 million in FY2022 to S\$0.6 million in FY2023. This was due to higher amount of funds placed as fixed deposits, which comprises the proceeds from Convertible Note, as well as available operating cash flow of the Group.

**(5) Other Income:**

Other income decreased from S\$2.7 million in FY2022 to S\$0.6 million in FY2023. This was due to lower gain from sales of plant and equipment, decrease in government grants and income from the sale of scrap metal, partially offset by the reversal of allowance for expected credit losses.

**(6) Marketing and Distribution Expenses:**

Marketing and distribution expenses increased from S\$0.5 million in FY2022 to S\$0.7 million in FY2023 amid a pick-up in renewable energy opportunities developing globally and stepped-up marketing efforts across key markets.

**(7) Administrative Expenses:**

	<b>FY2023</b> <b>S\$'000</b>	<b>FY2022</b> <b>S\$'000</b>	<b>Increase/ (Decrease)</b> <b>S\$'000</b>	<b>Increase/ (Decrease)</b> <b>%</b>
Staff related costs	5,596	5,107	489	10
Depreciation	2,227	2,067	160	8
Upkeep of premises	432	183	249	136
Upkeep of IT	327	113	214	189
Other administrative costs	277	315	(38)	(12)
<b>Total</b>	<b>8,859</b>	<b>7,785</b>	<b>1,074</b>	<b>14</b>

Administrative expenses increased by S\$1.0 million or 14% from S\$7.8 million in FY2022 to S\$8.9 million in FY2023 mainly due to increase in staff-related costs, depreciation, upkeep of premises and IT-related costs.

The increase in staff-related costs was mainly due to adjustments to the remuneration package of employees as well as the recruitment of technical professionals and executives to support the Group's growth. The increase in depreciation expenses was due to the acquisition of plant and equipment during the year, which was partially offset by the disposal of rental equipment.

Upkeep of premises includes warehouse-related costs incurred and maintenance costs for the upkeep of the yard facilities at 51 Shipyard Road which was acquired in July 2021. The significant increase in the cost of upkeep was mainly attributable to the repair work on the quayside during the year.

Upkeep of IT-related costs increased from S\$0.1 million to S\$0.3 million, mainly contributed by cost incurred for upgrade of IT infrastructure and enhancement of IT security to strengthen the Group's cybersecurity infrastructure and reduce the risk of a cyberattack.

**(8) Research and Development Expenses:**

In FY2023, the research and development expenses of S\$0.1 million pertained to a project for a 10MW Wind Floater.

**(9) Interest Expenses:**

The increase in interest expenses of S\$0.5 million was attributable to the higher interest rate charged on the commercial property loan to finance the acquisition of the leasehold property at 51 Shipyard Road and shareholder loan, as well as the increase in the interest on convertible note.

Please refer to Note 5 for a detailed breakdown of interest expenses.

**(10) Other Expenses:**

Other expenses increased from S\$1.1 million in FY2022 to S\$1.5 million in FY2023 due to the increase in legal and other professional fees incurred for compliance with the Catalist Rules, increase in other expenses attributable to EMBA corporate sponsorship, increase in bad debts written off and increase in donations, which was partially offset by the decrease in allowance of expected credit losses.

**(11) (Loss)/profit after tax:**

For the reasons explained above, the Group has incurred a loss after tax of S\$1.8 million in FY2023.

**(2HFY2023 vs 2HFY2022)**

**(1) Revenue:**

Segments	2HFY2023 S\$'000	2HFY2022 S\$'000	Increase/ (Decrease) S\$'000	Increase/ (Decrease) %
Mooring	4,641	4,939	(298)	(6)
Rigging and Heavy Lifting	3,095	1,795	1,300	72
Marine Supplies and Services	1,290	1,421	(131)	(9)
Renewable Energy	770	1,728	(958)	(55)
Yard	4,491	4,917	(426)	(9)
<b>Total</b>	<b>14,287</b>	<b>14,800</b>	<b>(513)</b>	<b>(3)</b>

Total revenue decreased by S\$0.5 million or 3% from S\$14.8 million in 2HFY2022 to S\$14.3 million in 2HFY2023. The decrease was mainly due to lower contribution from the Renewable Energy division, following the completion of a project in June 2023 to deliver 15 midwater arch buoys to an offshore wind farm in Japan.

The decrease was partially offset by the significant increase in revenue contributed by the Rigging and Heavy Lifting division due to multiple high-value orders secured and delivered during the year as the Group continues to expand its customer base as well as its product range.

**(2) Cost of Sales:**

Despite the decrease in revenue, cost of sales increased by S\$1.5 million or 18% from S\$8.3 million in 2HFY2022 to S\$9.8 million in FY2023. This was attributable to higher costs related to fabrication and third-party goods purchased.

**(3) Gross Profit:**

As the costs related to fabrication and third-party goods purchased increased, the gross profit decreased from S\$6.5 million in 2HFY2022 to S\$4.5 million in 2HFY2023. Overall gross profit margin reduced from 44% in 2HFY2022 to 32% in 2HFY2023.

**(4) Interest Income:**

Interest income increased from S\$0.2 million in 2HFY2022 to S\$0.3 million in 2HFY2023. This was due to the placement of fixed deposits from the proceeds of the Convertible Note as well as available funds of the Group.

**(5) Other Income:**

Other income decreased from S\$0.5 million in 2HFY2022 to S\$0.1 million in 2HFY2023. This was due to the decrease in government grants, lower income from the sale of scrap metal and gain on disposal from plant and equipment.

**(6) Marketing and distribution expense:**

Marketing and distribution expense increased from S\$0.3 million in 2HFY2022 to S\$0.4 million in 2HFY2023 amid a pick-up in renewable energy opportunities developing globally and stepped-up marketing efforts to position the Group across key markets.

**(7) Administrative Expenses:**

	<b>2HFY2023</b> <b>S\$'000</b>	<b>2HFY2022</b> <b>S\$'000</b>	<b>Increase/ (Decrease)</b> <b>S\$'000</b>	<b>Increase/ (Decrease)</b> <b>%</b>
Staff related costs	2,703	2,552	151	6
Depreciation	1,127	1,322	(195)	(15)
Upkeep of premises	258	58	200	345
Upkeep of IT	271	79	192	243
Other administrative costs	135	110	25	22
<b>Total</b>	<b>4,494</b>	<b>4,121</b>	<b>373</b>	<b>9</b>

Administrative expenses increased by S\$0.4 million or 9% from S\$4.1 million in 2HFY2022 to S\$4.5 million in 2HFY2023 mainly due to increase in staff-related costs, upkeep of premises and IT-related costs and other administrative costs, partially offset by depreciation expenses.

The increase in staff-related costs was mainly due to adjustments to the remuneration package of employees as well as the recruitment of more technical professionals and executives to support the Group's growth.

Upkeep of premises includes warehouse-related costs incurred and maintenance costs for the upkeep of the yard facilities at 51 Shipyard Road which was acquired in July 2021. The significant increase in the cost of upkeep was mainly attributed to the repair work on the quayside during the year.

Upkeep of IT-related cost increased from S\$0.1 million to S\$0.3 million mainly contributed by the cost incurred for upgrade of IT infrastructure and enhancement of IT security to strengthen the Group's cybersecurity infrastructure and reduce the risk of a cyberattack.

The decrease in depreciation expenses was mainly due to an increase in fully-depreciated plant and machinery and the acquisition of plant and machinery in the last quarter of FY2023.

**(8) Research and development expense:**

In 2HFY2023, the research and development expenses of S\$0.1 million pertained to a project for a 10MW Wind Floater.

**(9) Interest expense:**

The increase in interest expense of S\$0.3 million was attributable to higher interest rate charged on the commercial property loan to finance the acquisition of the leasehold property at 51 Shipyard Road and shareholder loan, as well as the increase in the interest on convertible note.

Please refer to Note 5 for detailed breakdown of interest expense.

**(10) Other Expenses:**

Other expenses increased from S\$0.7 million in 2HFY2022 to S\$3.2 million in 2HFY2023 due to the increase in loss on disposal of plant and equipment, legal and other professional fees incurred for compliance with the Catalist Rules, increase in the property tax attributable to yard facilities at 51 Shipyard Road, increase in other expenses attributable to EMBA corporate sponsorship, increase in bad debts written off and increase in donations, which was partially offset by the allowance for expected credit losses.

**(11) (Loss)/profit after tax:**

For the reasons explained above, the Group incurred loss after tax of S\$4.1 million in 2HFY2023.



## **B. Consolidated Statement of Financial Position as at 31 December 2023**

### **(1) Non-Current Assets:**

Non-current assets decreased to S\$36.3 million as at 31 December 2023 from S\$39.2 million as at 31 December 2022, mainly due to a decrease in plant and equipment, right-of-use assets and trade and other receivables of S\$0.9 million, S\$1.7 million and S\$0.4 million respectively.

The decrease in plant and equipment was mainly due to a depreciation charge of S\$1.5 million during the year and disposal of rental equipment of S\$0.4 million, offset by the acquisition of plant and equipment of S\$1.0 million.

The decrease in right-of-use assets was mainly due to a depreciation charge of S\$1.7 million during the year. The decrease in trade and other receivables was mainly due to repayment from customers during the year.

### **(2) Current Assets:**

Current assets decreased to S\$35.5 million as at 31 December 2023 compared to S\$35.7 million as at 31 December 2022. The decrease was mainly due to decrease in cash and bank balances of S\$2.7 million, offset by the increase in inventories and trade and other receivables of S\$1.7 million and S\$0.9 million respectively.

Inventories, comprising mainly raw materials, work-in-progress and finished goods, amounted to approximately S\$8.0 million as at 31 December 2023 compared to S\$6.3 million as at 31 December 2022. Raw materials include a new batch of steel material purchased for fabrication received in December 2023.

The increase in trade and other receivables was mainly attributed to the completion of projects in December 2023, leading to billings being completed in the same month.

Cash and bank balances decreased from S\$19.1 million as at 31 December 2022 to S\$16.4 million as at 31 December 2023. Please refer to Section C. Consolidation Statement of Cash Flows (FY2023) for details.

### **(3) Current Liabilities:**

Current liabilities increased to S\$9.4 million as at 31 December 2023 from S\$9.0 million as at 31 December 2022 mainly due to:

- (i) increase in contract liabilities S\$0.6 million due to advance payment from customers for contracts secured; and
- (ii) increase of S\$0.3 million in loans and borrowings due to higher accrual of interest in line with rising interest rates during the period.

The increase is partially offset by the decrease in income tax payables mainly due to lower taxable income in FY2023.

The Group's working capital declined from S\$26.7 million as at 31 December 2022 to S\$26.2 million as at 31 December 2023.

### **(4) Non-Current Liabilities:**

Non-current liabilities decreased to S\$41.1 million as at 31 December 2023, compared to S\$42.7 million as at 31 December 2022. The decrease was mainly due to:-

- (i) decrease in commercial property loan of S\$1.0 million, mainly due to repayment of loan of S\$1.6 million during the year; and
- (ii) decrease in lease liabilities for rights-of-use assets of S\$0.8 million, mainly due to repayment of lease liabilities of S\$1.3 million during the year.

The decrease is partially offset by the increase in convertible note of S\$0.2 million.

### **C. Consolidated Statement of Cash Flows (FY2023)**

- (1) In FY2023, we generated net cash before changes in working capital of S\$2.9 million. Net cash used in working capital amounted to S\$1.6 million due mainly to an increase in inventories of S\$1.7 million, contract assets, trade and other receivables of S\$0.7 million, increase in prepaid operating expenses of S\$0.1 million, offset by the increase in contract liabilities, trade and other payables of S\$0.8 million. The Group also paid income tax of S\$0.8 million.
- (2) Net cash generated from investing activities in FY2023 amounted to S\$0.2 million. This was mainly due to proceeds from disposal of plant and equipment of S\$0.6 million and interest received of S\$0.6 million, partially offset by the acquisition of property, plant and equipment of S\$1.0 million.
- (3) Net cash used in financing activities in FY2023 amounted to S\$3.5 million. This was due mainly to:
  - (i) repayment of lease liabilities for rights-of-use assets of S\$1.3 million during the year;
  - (ii) repayment of loans and borrowings of S\$1.8 million during the year; and
  - (iii) interest paid on convertible notes of S\$0.5 million during the year.

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

There is no forecast or prospect statement which has been previously disclosed.

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

The Group is seeing a short-term uptick in demand for mooring and rigging products, particularly in Southeast Asia. This increase is partially offset by medium-term challenges in permanent mooring projects, as customers delay projects amid volatility in oil prices.

Building upon its strong track record, the Group is ramping up marketing efforts to position itself as a strong partner in the floating renewable market. By highlighting its deep domain expertise and commitment to driving global sustainability efforts to developers across key markets, the Group is confident of maintaining a healthy pipeline of renewable projects in the coming years.

The Group also offers geotechnical and geophysical studies such as soil data analysis to determine project feasibility and engineering design for mooring configuration for turbines, and expects demand to increase alongside a growing number of commercial floating renewable projects. These studies can later translate into opportunities for Mooreast to offer custom mechanical component design and tailored end-to-end mooring solutions.

Meanwhile, the Group's Yard division has continued to improve performance. For FY2023 the yard serviced 264 vessels compared to 228 in FY2022. Mooreast has also upgraded its welding facilities to better serve vessels, and expects this division to continue to capture market share and strengthen its value proposition, while generating synergies with the Group's other business divisions.

In line with its strategy to serve the European floating renewable energy market, the Group is working with non-profit organisation ETZ Ltd to establish a manufacturing facility in Aberdeen, Scotland. The facility's masterplan was approved by the Aberdeen City Council in January 2024, and onsite work is expected to commence in Q2 2025.

**11 Dividend Information**

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

No dividend has been declared or recommended for FY2023.

**(b) (i) Amount per share**

Not applicable.

**(ii) Previous corresponding period**

Not applicable.

**(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 shared).**

Not applicable.

**(d) Date the dividend is payable**

Not applicable.

**(e) Date on which Registrable Transfers received by the Company (up to 5pm) will be registered before entitlements to the dividend are determined**

Not applicable.

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

No dividend has been declared or recommended for FY2023 as the Group continues to operate prudently and intends to conserve cash.

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

The Group does not have a general mandate from its shareholders for the interested person transactions. There were no interested person transactions of S\$100,000 or more for the current financial period under review.

**14 Negative confirmation by the board pursuant to Rule 705(5)**

Not applicable for full year results announcement.

**15 Confirmation that the issuer has procured undertaking from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1)**

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

**16 Disclosure pursuant to Rule 706(A)**

There was no acquisition or sale of shares by the Company in FY2023 which requires disclosure pursuant to Rule 706(A) of the Catalist Rules.

**Part II – ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR RESULTS ANNOUNCEMENT**

**16 Segmented revenue and results for operating segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.**

Please refer to Note 19 of Section E – Notes to the Condensed Interim Consolidated Financial Statements

- 17 **In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the operating segments.**

Please refer to Note 8 of Section F – Other Information Required by the Catalist Rules

- 18 **A breakdown of sales**

	<b>FY2023</b> <b>SS'000</b>	<b>FY2022</b> <b>SS'000</b>	<b>Increase/ (Decrease)</b> <b>%</b>
Sales reported for first half year	14,419	13,038	11
Operating profit after tax before deducting non-controlling interests reported for first half year	2,279	872	161
Sales reported for second half year	14,287	14,800	(3)
Operating profit/(loss) after tax before deducting non-controlling interests reported for second half year	(4,126)	501	nm

- 19 **A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year as follows:**

	<b>FY2023</b>	<b>FY2022</b>
(a) Ordinary	Not applicable	Not applicable
(b) Preference	Not applicable	Not applicable
(c) Total	Not applicable	Not applicable

- 20 **Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to [Rule 704\(10\)](#) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.**

<b>Name</b>	<b>Age</b>	<b>Family relationship with any director and/or substantial shareholder</b>	<b>Current position and duties, and the year the position was held</b>	<b>Details of changes in duties and position held, if any, during the year</b>
Jaymes Sim	38	Nephew of Sim Koon Lam (CEO, Executive Director and Deputy Chairman) and Ms Elaine Sim (Executive Director)	Head, Commercial from 3 March 2022.  Mr Jaymes Sim is responsible for overseeing the sales and marketing function of the Group.	Not applicable

## 21 Use of proceeds

The gross proceeds of the Listing amounted to approximately S\$8.5 million (the “**Gross Proceeds**”). The Company has previously provided updates on the use of proceeds via financial statement announcement for the half year ended 30 June 2023 released on the SGXNET on 14 August 2023. As at 31 December 2023, a further S\$0.7 million out of the Gross Proceeds had been utilized according to the allocation set out in the Offer Document and the remaining balance of S\$2.2 million is expected to be utilized as intended.

Use of net proceeds	Amount allocated S\$'000	Balance as at 14 Aug 2023	Amount utilised S\$'000	Balance as at the date of this announcement S\$'000
Develop and grow our Renewable Division	500	169	(169)	–
Development of facilities and capacity of 51 Shipyard Road and scale up of operations & invest in plant, machineries & equipment	2,500	1,406	(159)	1,247
To explore opportunities in M&A & strategic alliances	1,000	1,000	–	1,000
General corporate and working capital purposes	2,743	380	(380) <sup>(1)</sup>	–
IPO expenses pursuant to listing	1,804	–	–	–
<b>Gross proceeds from the Invitation</b>	<b>8,547</b>	<b>2,955</b>	<b>(708)</b>	<b>2,247</b>

**Note:**

(1) Approximately S\$0.38 million was utilised as working capital of the Company to pay its ongoing professional expenses, directors' remuneration and other corporate and administrative expenses.

The Company will continue to make periodic announcements on the utilisation of the remaining proceeds as and when such balance of the proceeds is materially disbursed.

The Company has received S\$10 million from EDBI, which is currently placed in fixed deposit and pending deployment of fund. The Company will also utilise the proceeds in accordance with EDBI Notes Subscription Agreement.

### BY ORDER OF THE BOARD

Sim Koon Lam  
Chief Executive Officer  
29 February 2024