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**Unaudited Condensed Interim Financial Statements**  
**For the Six Months and Full Year Ended 31 December 2024**

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

	Note	The Group					
		6 months ended 31.12.2024 RM'000	6 months ended 31.12.2023 RM'000	Change %	12 months ended 31.12.2024 RM'000	12 months ended 31.12.2023 RM'000	Change %
<b>Revenue</b>	4	377,410	274,753	37%	689,409	475,273	45%
Cost of sales		(157,334)	(184,411)	-15%	(323,286)	(306,673)	5%
<b>Gross profit</b>		220,076	90,342	>100%	366,123	168,600	>100%
Other income	5	23,585	95,423	-75%	564,039	90,698	>100%
Selling and administrative expenses		(39,547)	(25,520)	55%	(62,987)	(43,215)	46%
Other operating expenses		(127)	(10,221)	-99%	(14,270)	(12,220)	17%
<b>Operating profit</b>		203,987	150,024	36%	852,905	203,863	>100%
Finance costs		(9,718)	(13,760)	-29%	(18,984)	(27,407)	-31%
Share of results of equity accounted joint ventures, net of tax		(4,924)	5,617	<(100%)	(4,910)	5,696	<(100%)
Share of results of equity accounted associates, net of tax		(1,874)	2,959	<(100%)	27,784	4,131	>100%
<b>Profit before tax</b>	6	187,471	144,840	29%	856,795	186,283	>100%
Income tax expense	7	(17,953)	(13,616)	32%	(51,486)	(23,360)	>100%
<b>Profit for the financial period/year</b>		169,518	131,224	29%	805,309	162,923	>100%

n.m. : Not meaningful

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

	The Group					
	6 months ended 31.12.2024 RM'000	6 months ended 31.12.2023 RM'000	Change %	12 months ended 31.12.2024 RM'000	12 months ended 31.12.2023 RM'000	Change %
<b>Other comprehensive income/(loss)</b>						
Fair value gain on financial asset at fair value through other comprehensive income	20,167	-	n.m.	20,167	-	n.m.
Exchange differences on translating foreign operations	1,148	(14,293)	<(100%)	(18,103)	(40,691)	-56%
<b>Other comprehensive income/(loss) for the financial period/year, net of tax</b>	<u>21,315</u>	<u>(14,293)</u>	<(100%)	<u>2,064</u>	<u>(40,691)</u>	<(100%)
<b>Total comprehensive income for the financial period/year</b>	<u>190,833</u>	<u>116,931</u>	63%	<u>807,373</u>	<u>122,232</u>	>100%
<b>Profit attributable to:</b>						
Owners of the parent	163,500	126,044	30%	790,094	157,274	>100%
Non-controlling interest	6,018	5,180	16%	15,215	5,649	>100%
<b>Profit for the financial period/year</b>	<u>169,518</u>	<u>131,224</u>	29%	<u>805,309</u>	<u>162,923</u>	>100%
<b>Total comprehensive income attributable to:</b>						
Owners of the parent	184,815	111,751	65%	792,158	116,583	>100%
Non-controlling interest	6,018	5,180	16%	15,215	5,649	>100%
<b>Total comprehensive income for the financial period/year</b>	<u>190,833</u>	<u>116,931</u>	63%	<u>807,373</u>	<u>122,232</u>	>100%
<b>Earnings per share for profit for the period/year attributable to the owners of the Company</b>						
Weighted average number of shares in issue (basic)	393,398,425	80,715,378		393,398,425	80,715,378	
Weighted average number of shares in issue (diluted)	400,685,813	82,118,966		400,685,813	82,118,966	
Basic earnings per share (Malaysia sen)	41.56	156.16		200.84	194.85	
Diluted earnings per share (Malaysia sen)	<u>40.81</u>	<u>153.49</u>		<u>197.19</u>	<u>191.52</u>	

Condensed Interim Statements of Financial Position

	Note	The Group		The Company	
		31.12.2024 RM'000	31.12.2023 RM'000	31.12.2024 RM'000	31.12.2023 RM'000
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property, plant and equipment	10	709,606	543,837	-	-
Subsidiaries		-	-	261,130	-
Associates		36,671	9,415	-	-
Joint ventures		4,211	8,996	-	-
Other investments		2,426	-	-	-
		<u>752,914</u>	<u>562,248</u>	<u>261,130</u>	<u>-</u>
<b>Current assets</b>					
Inventories		92,481	23,959	-	-
Trade and other receivables	11	262,949	254,206	577,333	152
Prepayments		27,936	6,511	144	127
Current tax recoverable		41	184	-	41
Fixed deposits		7,288	6,887	-	-
Cash and bank balances		127,821	57,340	170	171
		<u>518,516</u>	<u>349,087</u>	<u>577,647</u>	<u>491</u>
<b>TOTAL ASSETS</b>		<u>1,271,430</u>	<u>911,335</u>	<u>838,777</u>	<u>491</u>
<b>EQUITY AND LIABILITIES</b>					
<b>Equity</b>					
Share capital	12	227	3,977	227	3,977
Share premium	12	586,604	312,471	586,604	312,471
Treasury shares		(4,097)	(4,097)	(4,097)	(4,097)
Other reserves		149,224	143,944	784,600	781,384
Accumulated losses		(175,375)	(965,469)	(802,883)	(1,963,734)
		<u>556,583</u>	<u>(509,174)</u>	<u>564,451</u>	<u>(869,999)</u>
<b>Non-controlling interest</b>		<u>14,040</u>	<u>6,988</u>	<u>-</u>	<u>-</u>
<b>Total equity</b>		<u>570,623</u>	<u>(502,186)</u>	<u>564,451</u>	<u>(869,999)</u>
<b>Non-current liabilities</b>					
Deferred tax liabilities		17,803	8,143	-	-
Lease liabilities		-	262	-	-
Borrowings	13	422,509	-	209,487	-
Trade and other payables		24,992	28,093	-	-
		<u>465,304</u>	<u>36,498</u>	<u>209,487</u>	<u>-</u>

Condensed Interim Statements of Financial Position (Cont'd)

	Note	The Group		The Company	
		31.12.2024 RM'000	31.12.2023 RM'000	31.12.2024 RM'000	31.12.2023 RM'000
<b>EQUITY AND LIABILITIES (Contd.)</b>					
<b>Current liabilities</b>					
Lease liabilities		262	834	-	-
Borrowings	13	35,602	1,042,482	26,596	758,223
Trade and other payables		159,818	279,191	7,928	60,393
Current tax payable		9,506	2,642	-	-
Provision for financial guarantee		30,315	51,874	30,315	51,874
		<u>235,503</u>	<u>1,377,023</u>	<u>64,839</u>	<u>870,490</u>
<b>Total liabilities</b>		<u>700,807</u>	<u>1,413,521</u>	<u>274,326</u>	<u>870,490</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>1,271,430</u>	<u>911,335</u>	<u>838,777</u>	<u>491</u>

Condensed Interim Statements of Changes in Equity

The Group	Share capital RM'000	Share premium RM'000	Treasury shares RM'000	Contributed surplus RM'000	Foreign currency translation reserve RM'000	Fair value reserve RM'000	Capital reserve RM'000	Share grant reserve RM'000	Accumulated losses RM'000	Equity attributable to owners of the Company RM'000	Non-controlling interest RM'000	Total equity RM'000
<b>At 1 January 2024</b>	3,977	312,471	(4,097)	-	145,210	(4,401)	359	2,776	(965,469)	(509,174)	6,988	(502,186)
Profit for the year	-	-	-	-	-	-	-	-	790,094	790,094	15,215	805,309
Other comprehensive (loss)/income	-	-	-	-	(18,103)	20,167	-	-	-	2,064	-	2,064
Share consolidation (Note 12)	(3,937)	-	-	3,937	-	-	-	-	-	-	-	-
Issuance of :												
- Conversion Shares	105	241,590	-	-	-	-	-	-	-	241,695	-	241,695
- Settlement Shares	7	2,618	-	-	-	-	-	-	-	2,625	-	2,625
- Private Placement Shares	75	29,925	-	-	-	-	-	-	-	30,000	-	30,000
Cancellation of												
Share grant plan	-	-	-	-	-	-	-	(2,776)	-	(2,776)	-	(2,776)
Share grant plan expenses	-	-	-	-	-	-	-	2,055	-	2,055	-	2,055
Dividend paid to non-controlling interest of a subsidiary	-	-	-	-	-	-	-	-	-	-	(8,163)	(8,163)
<b>At 31 December 2024</b>	<b>227</b>	<b>586,604</b>	<b>(4,097)</b>	<b>3,937</b>	<b>127,107</b>	<b>15,766</b>	<b>359</b>	<b>2,055</b>	<b>(175,375)</b>	<b>556,583</b>	<b>14,040</b>	<b>570,623</b>

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

The Group	Share capital	Share premium	Treasury shares	Foreign currency translation reserve	Fair value reserve	Capital reserve	Share grant reserve	Accumulated losses	Equity attributable to owners of the Company	Non-controlling interest	Total equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>At 1 January 2023</b>	3,904	310,850	(4,097)	185,901	(4,401)	-	2,776	(1,122,743)	(627,810)	3,133	(624,677)
Profit for the year	-	-	-	-	-	-	-	157,274	157,274	5,649	162,923
Other comprehensive loss	-	-	-	(40,691)	-	-	-	-	(40,691)	-	(40,691)
Issuance of term loan shares	73	1,621	-	-	-	-	-	-	1,694	-	1,694
Issuance of shares to non-controlling interest of a subsidiary	-	-	-	-	-	359	-	-	359	276	635
Non-controlling interest arising from incorporation of a subsidiary	-	-	-	-	-	-	-	-	-	17	17
Dividend paid to non-controlling interest of a subsidiary	-	-	-	-	-	-	-	-	-	(2,087)	(2,087)
<b>At 31 December 2023</b>	<b>3,977</b>	<b>312,471</b>	<b>(4,097)</b>	<b>145,210</b>	<b>(4,401)</b>	<b>359</b>	<b>2,776</b>	<b>(965,469)</b>	<b>(509,174)</b>	<b>6,988</b>	<b>(502,186)</b>

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

The Company	Share capital RM'000	Share premium RM'000	Treasury shares RM'000	Contributed surplus RM'000	Capital surplus RM'000	Share grant reserve RM'000	Accumulated losses RM'000	Equity attributable of the Company RM'000
<b>At 1 January 2024</b>	3,977	312,471	(4,097)	-	778,608	2,776	(1,963,734)	(869,999)
Profit for the year	-	-	-	-	-	-	1,160,851	1,160,851
Share consolidation (Note 12)	(3,937)	-	-	3,937	-	-	-	-
Issuance of :								
- Conversion Shares	105	241,590	-	-	-	-	-	241,695
- Settlement Shares	7	2,618	-	-	-	-	-	2,625
- Private Placement Shares	75	29,925	-	-	-	-	-	30,000
Cancellation of Share grant plan	-	-	-	-	-	(2,776)	-	(2,776)
Share grant plan expenses	-	-	-	-	-	2,055	-	2,055
<b>At 31 December 2024</b>	<b>227</b>	<b>586,604</b>	<b>(4,097)</b>	<b>3,937</b>	<b>778,608</b>	<b>2,055</b>	<b>(802,883)</b>	<b>564,451</b>
<b>At 1 January 2023</b>	<b>3,904</b>	<b>310,850</b>	<b>(4,097)</b>	<b>-</b>	<b>778,608</b>	<b>2,776</b>	<b>(1,940,240)</b>	<b>(848,199)</b>
Loss for the year	-	-	-	-	-	-	(23,494)	(23,494)
Issuance of term loan shares	73	1,621	-	-	-	-	-	1,694
<b>At 31 December 2023</b>	<b>3,977</b>	<b>312,471</b>	<b>(4,097)</b>	<b>-</b>	<b>778,608</b>	<b>2,776</b>	<b>(1,963,734)</b>	<b>(869,999)</b>



Condensed Interim Consolidated Statements of Cash Flows

	The Group			
	6 months ended 31.12.2024 RM'000	6 months ended 31.12.2023 RM'000	12 months ended 31.12.2024 RM'000	12 months ended 31.12.2023 RM'000
	<b>Operating activities</b>			
Profit before tax	187,471	144,840	856,795	186,283
Adjustments for:				
Depreciation of property, plant and equipment	21,376	14,231	37,613	26,448
Gain on discounting of trade payables	58	(5,227)	(1,542)	(5,227)
Gain on waiver of debts	(8,919)	-	(399,505)	-
Impairment losses on trade and other receivables reversed	(4,060)	(1,285)	(8,638)	(1,230)
Impairment on other investments reversed	10	(37)	(27)	(72)
Interest expense	9,718	13,760	18,984	27,407
Interest income	(880)	(969)	(1,386)	(1,760)
Loss/(Gain) on disposal of property, plant and equipment	1,179	(44,318)	(31,168)	(44,318)
Property, plant and equipment written-off	127	4	987	10
Reversal of share grant expense	82	-	(4,535)	-
Reversal of inventories written-down	83	(31,151)	(74,488)	(31,151)
Share of results of equity accounted joint ventures, net of tax	4,924	(5,617)	4,910	(5,696)
Share of results of equity accounted associate, net of tax	1,874	(2,959)	(27,784)	(4,131)
Total adjustments	25,572	(63,568)	(486,579)	(39,720)
<b>Operating cash before working capital changes</b>	213,043	81,272	370,216	146,563
Changes in working capital:				
Changes in inventories	(70,745)	(7,549)	(94,120)	(10,989)
Changes in receivables	106,444	(61,868)	26,332	(100,949)
Changes in prepayments	(19,756)	(2,177)	(21,433)	(4,722)
Changes in payables	(25,249)	348	(52,810)	19,962
Total changes in working capital	(9,306)	(71,246)	(142,031)	(96,698)
<b>Cash from operations</b>	203,737	10,026	228,185	49,865
Interest paid	(743)	(2,414)	(3,403)	(3,761)
Taxes paid, net of refund	(24,143)	(16,819)	(34,634)	(21,897)
<b>Net cash from/(used in) operating activities</b>	178,851	(9,207)	190,148	24,207

Condensed Interim Consolidated Statements of Cash Flows (Cont'd)

	The Group			
	6 months ended 31.12.2024 RM'000	6 months ended 31.12.2023 RM'000	12 months ended 31.12.2024 RM'000	12 months ended 31.12.2023 RM'000
	<b>Investing activities</b>			
Repayment from associates	1,604	7,544	9,097	7,544
Repayment to joint ventures	(19,922)	(12,456)	(55,001)	(12,456)
Interest received	880	969	1,386	1,760
Acquisition of property, plant and equipment	(81,524)	(28,989)	(98,239)	(78,258)
Proceeds from disposal of property, plant and equipment	(1,471)	61,649	38,894	61,649
<b>Net cash (used in)/from investing activities</b>	<b>(100,433)</b>	<b>28,717</b>	<b>(103,863)</b>	<b>(19,761)</b>
<b>Financing activities</b>				
Repayments of borrowings	(6,398)	(828)	(36,781)	(828)
Payments of lease liabilities	(421)	(600)	(834)	(793)
Proceeds from issuance of shares to non-controlling interest of a subsidiary	-	17	-	17
Increased in fixed deposits pledged as security	(874)	(3,380)	1,836	(3,380)
Increased in restricted cash with licensed banks	(2,678)	(1,942)	(6,087)	(1,942)
Proceeds from share issuance	-	-	30,000	-
Dividend paid to non-controlling interest of a subsidiary	(8,163)	(1,452)	(8,163)	(1,452)
<b>Net cash used in financing activities</b>	<b>(18,534)</b>	<b>(8,185)</b>	<b>(20,029)</b>	<b>(8,378)</b>
<b>Net changes in cash and cash equivalents</b>	<b>59,884</b>	<b>11,325</b>	<b>66,256</b>	<b>(3,932)</b>
<b>Effects of exchange fluctuations on cash and cash equivalents</b>	<b>779</b>	<b>461</b>	<b>375</b>	<b>(28)</b>
<b>Cash and cash equivalents at 1 January</b>	<b>59,344</b>	<b>41,590</b>	<b>53,376</b>	<b>57,336</b>
<b>Cash and cash equivalents at 31 December</b>	<b>120,007</b>	<b>53,376</b>	<b>120,007</b>	<b>53,376</b>
Cash and cash equivalents comprise the following as at the statements of financial position date:				
Fixed deposits with licensed banks	7,288	6,887	7,288	6,887
Cash and bank balances	127,821	57,340	127,821	57,340
	135,109	64,227	135,109	64,227
Less: Restricted cash with licensed banks	(10,885)	(4,798)	(10,885)	(4,798)
Less: Restricted fixed deposits with licensed banks	(4,217)	(6,053)	(4,217)	(6,053)
<b>Total cash and cash equivalents</b>	<b>120,007</b>	<b>53,376</b>	<b>120,007</b>	<b>53,376</b>

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## Notes to the Condensed Interim Consolidated Financial Statements

### 1. Corporate information

Nam Cheong Limited (the "Company") is incorporated as a limited liability company and domiciled in Bermuda. The Company's shares are publicly traded on the Mainboard of the Singapore Exchange. These condensed interim consolidated financial statements as at and for the twelve months ended 31 December 2024 comprise the Company and its subsidiaries (collectively, the "Group").

The principal activities of the Company are those relating to investment holding. The principal activities of the Group are those of shipbuilding and vessel chartering.

### 2. Basis of preparation

The condensed interim financial statements for the twelve months ended 31 December 2024 have been prepared in accordance with IAS 34 Interim Financial Reporting of International Financial Reporting Standards ("IFRS"). The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last annual financial statements for the year ended 31 December 2023.

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

The financial statements are presented in Malaysia ringgit ("RM") which is the Company's functional currency. All financial information is presented in RM and rounded to the nearest thousand, unless otherwise stated.

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

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

#### 2.2. Use of judgements and estimates

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

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the audited consolidated financial statements as at and for the year ended 31 December 2023.

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.

Notes to the Condensed Interim Consolidated Financial Statements (Cont'd)

3. Seasonal operations

Other than the vessels utilisation of the chartering business which is affected by monsoon, the Group's businesses are not affected significantly by seasonal or cyclical factors during the financial year.

4. Segment and revenue information

The Group is organised into the following main business segments:

- (i) Shipbuilding
- (ii) Vessel chartering
- (iii) Others - investment holding and trading of vessel machineries

	Shipbuilding RM'000	Chartering RM'000	Others RM'000	Eliminations RM'000	Total RM'000
<b>6 months ended 31 December 2024</b>					
<b>Revenue</b>					
External revenue	-	377,410	-	-	377,410
<b>Results</b>					
Depreciation of property, plant and equipment	(3,102)	(18,273)	(1)	-	(21,376)
Gain on discounting of trade payables	(58)	-	-	-	(58)
Loss on disposal of property, plant and equipment	-	(1,179)	-	-	(1,179)
Gain on waiver of debts	8,919	-	-	-	8,919
Interest income	230	649	(2,071)	2,072	880
Impairment on other investments made	-	(10)	-	-	(10)
Impairment losses on trade and other receivables reversed/(made)	5,213	470	(1,623)	-	4,060
Property, plant and equipment written-off	-	(127)	-	-	(127)
Reversal of inventories written-down	(83)	-	-	-	(83)
Restructuring expenses	-	-	-	-	-
Finance costs	-	(1,314)	(6,298)	(2,106)	(9,718)
Share of results of joint ventures	-	(4,910)	(14)	-	(4,924)
Share of results of associates	-	-	(1,874)	-	(1,874)
(Loss)/Profit before tax	(14,845)	236,144	(33,828)	-	187,471

Notes to the Condensed Interim Consolidated Financial Statements (Cont'd)

4. Segment and revenue information (Cont'd)

	Shipbuilding RM'000	Chartering RM'000	Others RM'000	Eliminations RM'000	Total RM'000
<b>6 months ended 31 December 2023</b>					
<b>Revenue</b>					
External revenue	-	274,753	-	-	274,753
<b>Results</b>					
Interest income	46	299	7,389	(6,765)	969
Depreciation of property, plant and equipment	(4,071)	(10,059)	-	(101)	(14,231)
Impairment on other investments reversed	-	37	-	-	37
Gain on discounting of trade payables	5,227	-	-	-	5,227
Gain on disposal of property, plant and equipment	-	44,318	-	-	44,318
Impairment losses on trade and other receivables (made)/reversed	(362)	135	1,457	-	1,230
Property, plant and equipment written-off	-	(4)	-	-	(4)
Reversal of inventories written-down	31,151	-	-	-	31,151
Restructuring expenses	-	-	(1,107)	-	(1,107)
Finance costs	-	(12,659)	(8,467)	7,366	(13,760)
Share of results of joint ventures	-	1,766	3,851	-	5,617
Share of results of associates	-	-	2,959	-	2,959
Profit before tax	5,173	123,808	15,859	-	144,840

Notes to the Condensed Interim Consolidated Financial Statements (Cont'd)

4. Segment and revenue information (Cont'd)

	Shipbuilding RM'000	Chartering RM'000	Others RM'000	Eliminations RM'000	Total RM'000
<b>12 months ended 31 December 2024</b>					
<b>Revenue</b>					
External revenue	-	689,409	-	-	689,409
<b>Results</b>					
Interest income	306	1,079	1	-	1,386
Depreciation of property, plant and equipment	(5,173)	(32,438)	(2)	-	(37,613)
Gain on discounting of trade payables	1,542	-	-	-	1,542
Gain on disposal of property, plant and equipment	-	31,168	-	-	31,168
Gain on waiver of debts	399,505	-	-	-	399,505
Impairment on other investments reversed	-	27	-	-	27
Impairment losses on trade and other receivables reversed	5,213	3,411	14	-	8,638
Property, plant and equipment written-off	-	(987)	-	-	(987)
Reversal of inventories written-down	74,488	-	-	-	74,488
Restructuring expenses	-	-	(13,283)	-	(13,283)
Finance costs	-	(12,686)	(6,298)	-	(18,984)
Share of results of joint ventures	-	(4,910)	-	-	(4,910)
Share of results of associates	-	-	27,784	-	27,784
Profit/(Loss) before tax	481,293	392,210	(16,708)	-	856,795

Notes to the Condensed Interim Consolidated Financial Statements (Cont'd)

4. Segment and revenue information (Cont'd)

	Shipbuilding RM'000	Chartering RM'000	Others RM'000	Eliminations RM'000	Total RM'000
<b>As at 31 December 2024</b>					
Additions to non-current assets	119,919	103,396	-	-	223,315
Investment in joint ventures	-	-	4,211	-	4,211
Investment in associate	-	-	36,671	-	36,671
Segment assets	1,011,986	1,913,231	842,023	(2,495,851)	1,271,389
Segment liabilities	884,599	1,793,311	490,891	(2,495,303)	673,498
<b>12 months ended 31 December 2023</b>					
<b>Revenue</b>					
External revenue	-	475,273	-	-	475,273
<b>Results</b>					
Interest income	80	714	13,951	(12,985)	1,760
Depreciation of property, plant and equipment	(4,762)	(21,683)	(3)	-	(26,448)
Gain on discounting of trade payables	5,227	-	-	-	5,227
Gain on disposal of property, plant and equipment	-	44,318	-	-	44,318
Gain on discounting of trade payables	5,227	-	-	-	5,227
Impairment on other investments reversed	-	72	-	-	72
Impairment losses on trade and other receivables (made)/reversed	(362)	135	1,457	-	1,230
Property, plant and equipment written-off	-	(10)	-	-	(10)
Reversal of inventories written-down	31,151	-	-	-	31,151
Restructuring expenses	-	-	(3,100)	-	(3,100)
Finance costs	-	(24,147)	(16,607)	13,347	(27,407)
Share of results of joint ventures	-	1,766	3,930	-	5,696
Share of results of associates	-	-	4,131	-	4,131
Profit/(Loss) before tax	22,165	182,120	(18,002)	-	186,283

Notes to the Condensed Interim Consolidated Financial Statements (Cont'd)

4. Segment and revenue information (Cont'd)

	Shipbuilding RM'000	Chartering RM'000	Others RM'000	Eliminations RM'000	Total RM'000
<b>As at 31 December 2023</b>					
Additions to non-current assets	102,790	44,649	-	-	147,439
Investment in associate	-	-	9,415	-	9,415
Investment in joint ventures	-	-	8,996	-	8,996
Segment assets	1,018,748	1,616,011	4,665	(1,728,273)	911,151
Segment liabilities	2,287,255	1,986,628	1,218,549	(4,089,696)	1,402,736
				<b>31.12.2024 RM'000</b>	<b>31.12.2023 RM'000</b>
<b>Non-current assets</b>					
Malaysia				752,913	562,246
Singapore				1	2
				<u>752,914</u>	<u>562,248</u>

Non-current assets information presented above consist of the following items as presented in the consolidated statement of financial position.

	31.12.2024 RM'000	31.12.2023 RM'000
Property, plant and equipment	709,606	543,837
Investment in associates	36,671	9,415
Investment in joint ventures	4,211	8,996
Other investments	2,426	-
	<u>752,914</u>	<u>562,248</u>



Notes to the Condensed Interim Consolidated Financial Statements (Cont'd)

5. Other income

	The Group			
	6 months	6 months	12 months	12 months
	ended	ended	ended	ended
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
	RM'000	RM'000	RM'000	RM'000
Deposit forfeited	11,144	-	11,144	-
Foreign exchange (loss)/gain, net	(788)	12,252	30,485	6,490
Gain on discounting of trade payables	(58)	5,227	1,542	5,227
Gain on disposal of property, plant and equipment	(1,179)	44,318	31,168	44,318
Gain on waiver of debts	8,919	-	399,505	-
Interest income	880	969	1,386	1,760
Impairment on other investments (made)/reversed	(10)	37	27	72
Impairment losses on trade and other receivables reversed	4,060	1,285	8,638	1,230
Miscellaneous	774	152	1,103	418
Rental income	8	32	18	32
Reversal of inventories written down	(83)	31,151	74,488	31,151
Reversal of share grant expenses, net	(82)	-	4,535	-
	<u>23,585</u>	<u>95,423</u>	<u>564,039</u>	<u>90,698</u>

6. Profit before tax

	The Group			
	6 months	6 months	12 months	12 months
	ended	ended	ended	ended
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
	RM'000	RM'000	RM'000	RM'000
The following amounts have been included in arriving at profit before tax:				
<i>Cost of sales</i>				
Depreciation of property, plant and equipment	<u>20,412</u>	<u>13,306</u>	<u>35,738</u>	<u>24,625</u>
<i>Administrative expenses</i>				
Depreciation of property, plant and equipment	<u>964</u>	<u>925</u>	<u>1,875</u>	<u>1,823</u>
<i>Other operating expenses</i>				
Late payment charges	-	2,968	-	2,968
Property, plant and equipment written-off	127	4	987	10
Provision for financial guarantee	-	6,142	-	6,142
Restructuring expenses	<u>-</u>	<u>1,107</u>	<u>13,283</u>	<u>3,100</u>

Notes to the Condensed Interim Consolidated Financial Statements (Cont'd)

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:

	<b>The Group</b>			
	<b>6 months ended 31.12.2024 RM'000</b>	<b>6 months ended 31.12.2023 RM'000</b>	<b>12 months ended 31.12.2024 RM'000</b>	<b>12 months ended 31.12.2023 RM'000</b>
Current income tax expense:				
- Current year	8,524	11,000	42,509	20,484
- Under/(Over) provision in prior year	21	834	(557)	1,098
Deferred tax expense:				
- Current year	8,407	3,079	8,407	3,079
- Under/(Over) provision in prior year	1,001	(1,297)	1,127	(1,301)
	<u>17,953</u>	<u>13,616</u>	<u>51,486</u>	<u>23,360</u>

8. Related party transactions

In addition to the related party information disclosed elsewhere in the condensed interim financial statements, the following are transactions with related parties made at terms agreed between the parties:

	<b>The Group</b>			
	<b>6 months ended 31.12.2024 RM'000</b>	<b>6 months ended 31.12.2023 RM'000</b>	<b>12 months ended 31.12.2024 RM'000</b>	<b>12 months ended 31.12.2023 RM'000</b>
Other related parties in which directors and key management have interest				
- purchases	290	84	473	346
- rental expense	433	432	866	859
	<u>433</u>	<u>432</u>	<u>866</u>	<u>859</u>

Notes to the Condensed Interim Consolidated Financial Statements (Cont'd)

9. Net asset value

	The Group		The Company	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
Net asset value per ordinary share (Malaysia sen)	145.0	(6.2)	143.5	(10.8)
Ordinary shares in issue	393,398,425	8,071,537,759	393,398,425	8,071,537,759

10. Property, plant and equipment

During the twelve months ended 31 December 2024, there were acquisition of assets amounting to RM98,239,000 (31 December 2023: RM78,258,000).

11. Trade and other receivables

	The Group		The Company	
	31.12.2024 RM'000	31.12.2023 RM'000	31.12.2024 RM'000	31.12.2023 RM'000
<b>Non-current</b>				
Trade receivables from a third party	3,779	8,600	-	-
Less: Allowance for impairment losses	(3,779)	(8,600)	-	-
	-	-	-	-
<b>Current</b>				
Trade receivables from:				
- third parties	219,810	226,269	-	-
- joint ventures	1,595	21,500	-	-
- associates	8,025	-	-	-
Less: Allowance for impairment losses				
- third parties	(15,958)	(21,452)	-	-
- joint ventures	(954)	(2,709)	-	-
	212,518	223,608	-	-
Amount due from subsidiaries (non-trade)	-	-	664,944	15,737
Amounts due from joint ventures (non-trade)	68,610	41,103	-	62
Amounts due from associates (non-trade)	2,579	1,762	57	-
Deposits and other receivables	10,498	18,082	140	152
Less: Allowance for impairment losses				
- amounts due from subsidiaries (non-trade)	-	-	(87,751)	(15,737)
- amounts due from joint ventures (non-trade)	(27,742)	(26,665)	-	(62)
- amounts due from associate (non-trade)	-	(635)	(57)	-
- other receivables	(3,514)	(3,049)	-	-
	50,431	30,598	577,333	152
Total trade and other receivables	262,949	254,206	577,333	152

Notes to the Condensed Interim Consolidated Financial Statements (Cont'd)

11. Trade and other receivables (Cont'd)

The aging analysis of trade receivables are as follows:

	31.12.2024 RM'000	Financial year of which respective sales were reported
<b>The Group</b>		
Not impaired:		
Not past due	54,997	2024
Past due 1 to 3 months	113,268	2024
Past due 3 to 6 months	30,052	2024
Past due more than 6 months	14,201	2023 -2024
	<u>212,518</u>	
Past due and impaired	20,691	2016 - 2023
	<u>233,209</u>	

Receivables that were determined to be impaired as at 31 December 2024 are related to those which have been past due and have insufficient information to justify recoverability of the respective receivables, including those which are related to customers who are facing financial difficulties in fulfilling their obligations.

Those receivables that were determined to be impaired were not from the Group's major customers. The Group has ceased to transact with customers which outstanding debts are deemed doubtful of collection.

As at even date, RM107.1 million (or 50%) of the net trade receivables of RM212.5 million in FY2024 has been collected from the customers subsequent to FY2024. The Group continue to monitor the aging and collection of receivables on an on-going basis. For those receivables which are past due and doubtful of collection, reminders have been sent to the relevant customers before issuance of demand letters and the recovery of debts via legal proceedings where necessary.

12. Share capital and share premium

	The Group and the Company			
	31.12.2024 '000	31.12.2023 '000	31.12.2024 RM'000	31.12.2023 RM'000
<u>Share capital</u>	<u>Number of ordinary shares</u>			
Issued and fully paid				
At 1 January	8,078,216	7,950,937	3,977	3,904
Share consolidation	(7,997,434)	-	(3,937)	-
Issuance of :				
- Term loan Shares	-	127,279	-	73
- Conversion Shares	176,193	-	105	-
- Settlement Shares	10,982	-	7	-
- Placement Shares	125,508	-	75	-
At 31 December	<u>393,465</u>	<u>8,078,216</u>	<u>227</u>	<u>3,977</u>

Notes to the Condensed Interim Consolidated Financial Statements (Cont'd)

12. Share capital and share premium (Cont'd)

	The Group and the Company	
	31.12.2024	31.12.2023
	RM'000	RM'000
<u>Share premium</u>		
At 1 January	312,471	310,850
Issuance of :		
- Term loan Shares	-	1,621
- Conversion Shares	241,590	-
- Settlement Shares	2,618	-
- Placement Shares	29,925	-
At 31 December	<u>586,604</u>	<u>312,471</u>

Share premium is the amount subscribed for ordinary shares in the capital of the Company in excess of the nominal value.

On 11 March 2024, pursuant to the terms of the Schemes of Arrangement in 2024 ("2024 Scheme"), Share consolidation and Capital reorganisation has taken effect. Each issued Share post Share Consolidation with a par value of HK\$0.10 shall be treated as one (1) fully paid Share with a par value of HK\$0.001 pursuant to the Capital Reorganisation and any liability of the holder of such Shares to make any further contribution to the share capital of the Company on each such Share shall be treated as satisfied.

On 12 March 2024, pursuant to the terms of the 2024 Scheme, an aggregate of 176,193,435 Conversion Shares were allotted and issued at an issue price of S\$0.40 per Conversion Shares to the Scheme Creditors in consideration of the repayment of outstanding debts and liabilities of the Company in accordance with the terms of the 2024 Scheme.

On 12 March 2024, pursuant to the terms of the 2024 Scheme, an aggregate of 10,981,923 Settlement Shares were allotted and issued at an issue price of S\$0.0697 per Settlement Shares to the Company's financial advisors as a part payment of professional fees, in accordance with the terms of the 2024 Scheme.

On 12 March 2024, pursuant to the terms of the 2024 Scheme, an aggregate of 125,507,689 Placement Shares were allotted and issued at an issue price of S\$0.0697 per Placement Shares to the Tan Sri Datuk Tiong Su Kouk as an interested person transaction.

13. Borrowings

	The Group		The Company	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
	RM'000	RM'000	RM'000	RM'000
Bilateral facilities debt (secured)	50,928	103,570	-	-
Term loan (secured)	20,784	-	-	-
Term loan (unsecured)	386,399	938,912	236,083	758,223
	<u>458,111</u>	<u>1,042,482</u>	<u>236,083</u>	<u>758,223</u>
Represented by:				
- Current	35,602	1,042,482	26,596	758,223
- Non-current	422,509	-	209,487	-
	<u>458,111</u>	<u>1,042,482</u>	<u>236,083</u>	<u>758,223</u>

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Notes to the Condensed Interim Consolidated Financial Statements (Cont'd)

13. Borrowings (Cont'd)

**Schemes of Arrangement in 2018 (the “2018 Schemes”)**

During the financial year ended 31 December 2018, the Group concluded the debt restructuring exercise via 2018 Schemes. The Group and the Company obtained creditors’ approval for the 2018 Schemes on 22 January 2018 and 24 January 2018, respectively, upon which the Group and the Company applied to The High Court of the Republic of Singapore and The High Court of Malaya for the sanction of the 2018 Schemes. Nam Cheong Dockyard Sdn. Bhd. (“NCD”) Scheme and Nam Cheong International Ltd. (“NCI”) Scheme were sanctioned by the Malaysia Court on 12 July 2018, subsequent to which the Nam Cheong Limited (“NCL”) Scheme was sanctioned by the Singapore Court on 3 August 2018. On 20 August 2018, the NCL Scheme was approved by the Company’s shareholders at a Special General Meeting for inter alia the issuance of new shares pursuant to the restructuring.

Following the issuance and allotment of the Rights Shares and Non-sustainable Debt Shares by the Company on 26 September 2018, and together with the payment by the Company under the Cash Out Option to eligible creditors pursuant to the 2018 Schemes on 28 September 2018, the Group and the Company have fulfilled the necessary steps to implement the 2018 Schemes.

Since the previous financial year, the Group breached the payment for Bilateral Facilities Debt, Term Loan Principal and Term Loan Cash Interest of Sustainable Debt until the completion of the debt restructuring exercise on 30 March 2024.

**Non-sustainable Debt**

Pursuant to the 2018 Schemes, each Non-sustainable Debt Share is allotted and issued at a conversion price of S\$0.045. Pursuant to the 2018 Schemes, an aggregate of 3,348,250,793 and 416,918,605 Non-Sustainable Debt Shares were allotted and issued in the financial year 2018 and 2021 respectively.

**Term Loan - Sustainable Debt**

US\$221,619,000 (equivalent to RM923,043,135) of the Sustainable Debt was restructured as the Term Loan. The tenure of the Term Loan is from 1 January 2018 to 31 December 2024. Interest is charged at 4% per annum. There will be no repayment of the principal from 2018 to 2020. The principal shall be repaid in eight half-yearly instalments from 2021 to 2024 in the percentage of 10%, 20%, 30% and 40%, respectively. The Group breached the payment for Term Loan Principal of 10% and 20% which was due on 31 December 2021 and 31 December 2022 respectively. The Group also breached the payment for Term Loan Cash Interest for the interest period from 1 January 2020 to 30 June 2020 which was due on 30 June 2020, interest period from 1 July 2020 to 31 December 2020 which was due on 31 December 2020, interest period from 1 January 2021 to 30 June 2021 which was due on 30 June 2021, interest period from 1 July 2021 to 31 December 2021 which was due on 31 December 2021, interest period from 1 January 2022 to 30 June 2022 which was due on 30 June 2022 and interest period from 1 July 2022 to 31 December 2022 which was due on 31 December 2022.

**Bilateral Facilities Debt**

Pursuant to 2018 Schemes, the Bilateral Facilities Debt is excluded from the 2018 Schemes. The maturity date of the Bilateral Facilities Debt was 31 December 2020. The Group breached the payment for Bilateral Facilities Debt amounting to RM100,568,000 which was due on 31 December 2020.

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Notes to the Condensed Interim Consolidated Financial Statements (Cont'd)

13. Borrowings (Cont'd)

**Scheme of Arrangement in 2024 (the “2024 Scheme”)**

The Group and the Company obtained creditors’ approval for the 2024 Scheme on 3 November 2023. The 2024 Scheme was subsequently sanctioned by the High Court of Malaya on 21 December 2023. Subsequently, on 29 February 2024, the proposed resolutions related to the restructuring was approved by the Company’s shareholders at a Special General Meeting for inter alia the issuance of new shares pursuant to the restructuring. On 30 March 2024, the Group concluded the debt restructuring exercise via 2024 Scheme and the Debt Restructuring Master Agreement (“DRMA”).

Following the issuance and allotment of the Conversion Shares, Settlement Shares and Placement Shares by the Company on 12 March 2024, and together with the payment of Conversion Cash by the Company to eligible creditors pursuant to the 2024 Scheme on or before 14 March 2024, the 2024 Scheme and the DRMA have become fully effective and unconditional on 30 March 2024.

**Non-sustainable Debt**

Pursuant to the 2024 Scheme, an aggregate of 176,193,435 Conversion Shares were allotted and issued at an issue price of S\$0.40 per Conversion Shares to the Scheme Creditors in consideration of the repayment of outstanding debts and liabilities of the Company in accordance with the terms of the 2024 Scheme.

**Bilateral Facilities Debt**

The Group has on 30 March 2024 concluded the debt restructuring exercise. Pursuant to 2024 Scheme the maturity date of the Bilateral Facilities Debt has been restructured and extended to 31 March 2026.

**Term Loan (Secured)**

Pursuant to 2024 Scheme, RM21,932,080 of the Bilateral Facilities Debt was restructured as the Restructured Term Loan (Secured). The tenure of Restructured Term Loan (“RTL”) 1A is from 30 March 2024 to 31 March 2031. Interest rates is charged at cost of funds plus 1 to 2% per annum. The principal of RTL 1A shall be repaid in 84 monthly instalments ranges between RM127,000 to RM468,000 per instalment commencing 30 April 2024.

**Term Loan (Unsecured)**

The Sustainable Debt was restructured as RTL 1B and RTL B respectively. The tenure of both RTL 1B and RTL B is from 30 March 2024 to 31 March 2031. Interest rates range between 3% to cost of fund plus 2% per annum. The principal of RTL 1B shall be repaid in 14 semi-annual instalments ranges between RM7,500,000 to RM27,500,000 per instalment commencing 30 September 2024. Whereas the principal of RTL B shall be repaid in 7 annual instalments ranges between RM13,000,000 to RM52,000,000 per instalment commencing 31 March 2025.

**Security**

The Bilateral facilities debts and Term Loan (Secured) are secured by the underlying assets, comprising leasehold lands, buildings and vessels with carrying amount of RM5,326,000 (31 December 2023: RM5,489,000), RM1,484,000 (31 December 2023: RM1,528,000) and RM35,357,000 (31 December 2023: RM38,506,000), respectively.

Notes to the Condensed Interim Consolidated Financial Statements (Cont'd)

14. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group and of the Company as at 31 December 2024 and 31 December 2023:

	The Group		The Company	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
	RM'000	RM'000	RM'000	RM'000
<b>Financial assets at amortised cost</b>				
Trade and other receivables	262,949	254,206	577,333	152
Cash and bank balances	127,821	57,340	170	171
Fixed deposits	7,288	6,887	-	-
	<u>398,058</u>	<u>318,433</u>	<u>577,503</u>	<u>323</u>
<b>Financial liabilities at amortised cost</b>				
Bilateral facilities debt	50,928	103,570	-	-
Term loans	407,183	938,912	236,083	758,223
Lease liabilities	262	1,096	-	-
Trade and other payables	181,817	304,838	7,782	60,247
Provision for financial guarantee	30,315	51,874	30,315	51,874
	<u>670,505</u>	<u>1,400,290</u>	<u>274,180</u>	<u>870,344</u>



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## Other Information Required by Listing Rule Appendix 7.2

1. A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on preceding year.

There were no movement in the treasury shares during the six month ended 31 December 2024. As at 31 December 2024, 66,785 shares were held as treasury shares by the Company.

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

There were no movement in the subsidiary holdings during the six month ended 31 December 2024. As at 31 December 2024, 1,143,564 shares were held as subsidiary holdings.

3. Whether the figures have been audited, or reviewed and in accordance with which standard (e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard).

The condensed consolidated statement of financial position of Nam Cheong Limited and its subsidiaries as at 31 December 2024 and the related condensed consolidated profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the twelve months then ended and certain explanatory notes have not been audited or reviewed.

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

Not applicable.

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

The accounting policies and methods of computation for the current reporting period adopted are consistent with those stated in the Annual Report for the financial year ended 31 December 2023.

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

The accounting policies and methods of computation for the current reporting period adopted are consistent with those stated in the Annual Report for the financial year ended 31 December 2023.

**Other Information Required by Listing Rule Appendix 7.2 (Cont'd)**

7. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss 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. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

**Review of Group Performance**

**(a) Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income**

**FY2024 vs FY2023**

	FY2024				FY2023				Variance			
	Revenue		Gross Profit		Revenue		Gross Profit		Revenue		Gross Profit	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Shipbuilding	-	-	-	-	-	-	-	-	-	-	-	-
Vessel Chartering	689,409	100%	366,123	53%	475,273	100%	168,600	35%	214,136	45%	197,523	117%
Total	689,409	100%	366,123	53%	475,273	100%	168,600	35%	214,136	45%	197,523	117%

For the twelve months ended 31 December 2024 ("FY2024"), the Group's revenue from the vessel chartering division increased by 45% from RM475.3 million in the previous corresponding twelve months ended 31 December 2023 ("FY2023") to RM689.4 million in FY2024. This increase was primarily driven by fleet expansion, improved daily charter rates, and higher utilisation of larger vessels.

The shipbuilding segment did not register any revenue for both FY2024 and FY2023 as there was no scheduled delivery of vessel sale during the year.

Gross profit surged by 117% year-on-year ("yoy") to RM366.1 million in FY2024, mainly driven by strong revenue growth. Accordingly, the gross margin stood at 53% for FY2024, up 18 percentage points.

Other income was higher at RM564.0 million in FY2024 as compared to RM90.7 million recorded in FY2023, mainly attributable to the waiver of debts pursuant to the 2024 Scheme and the DRMA which have become fully effective and unconditional on 30 March 2024.

7. (Contd.)

**Review of Group Performance (Contd.)**

**(a) Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income**

**FY2024 vs FY2023**

Selling and administrative expenses increased by 46% yoy to RM63.0 million for FY2024, in tandem with the increase in revenue.

Other operating expenses increased from RM12.2 million in FY2023 to RM14.3 million in FY2024, mainly due to the increase in restructuring expenses. The impact was partially off-set by the absence of late payment charges during the year.

Following the conclusion of the debt restructuring, the finance costs decreased by 31% to RM19.0 million for FY2024.

Share of loss of equity accounted joint ventures of RM4.9 million in FY2024 is lower than RM5.7 million share of profit recorded in FY2023 mainly due to lower business activities and higher maintenance cost during the year. Whereas, share of profit of associates of RM27.8 million in FY2024 is higher as compared to RM4.1 million in FY2023 mainly due to the realisation of asset by one of the associates during the year.

Consequently, the Group recorded a net profit after tax of RM805.3 million in FY2024 as compared to a net profit of RM162.9 million in FY2023.

**2H2024 vs 2H2023**

	2H2024				2H2023				Variance			
	Revenue		Gross Profit		Revenue		Gross Profit		Revenue		Gross Profit	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Shipbuilding	-	-	-	-	-	-	-	-	-	-	-	-
Vessel Chartering	377,410	100%	220,076	58%	274,753	100%	90,342	33%	102,657	37%	129,734	144%
Total	377,410	100%	220,076	58%	274,753	100%	90,342	33%	102,657	37%	129,734	144%

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**Other Information Required by Listing Rule Appendix 7.2 (Cont'd)**

7. (Contd.)

**Review of Group Performance (Contd.)**

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

**2H2024 vs 2H2023**

For the six months ended 31 December 2024 ("2H2024"), the Group's revenue from the vessel chartering division increased by 37% from RM274.8 million in the previous corresponding six months ended 31 December 2023 ("2H2023") to RM377.4 million in 2H2024. This increase was primarily driven by fleet expansion and improved daily charter rates.

The shipbuilding segment did not register any revenue for both 2H2024 and 2H2023 as there was no scheduled delivery of vessel sale during the period.

Gross profit surged by 144% yoy to RM220.1 million in 2H2024, mainly driven by strong revenue growth and lower maintenance costs during the financial period. Accordingly, the gross margin stood at 58% for 2H2024, up 25 percentage points.

Other income was lower at RM23.6 million in 2H2024 as compared to RM95.4 million in 2H2023 mainly due to the absence of gain on disposal of property, plant and equipment of RM44.3 million and reversal of inventories written down of RM31.2 million recorded in 2H2023 respectively.

Selling and administrative expenses increased by RM14.0 million from RM25.5 million recorded in 2H2023 to RM39.5 million in 2H2024, in tandem with the increase in revenue.

Other operating expenses of RM0.1 million in 2H2024 was lower than RM10.2 million recorded in 2H2023 mainly due to the absence of late payment charges and restructuring expenses during the period.

Following the conclusion of the debt restructuring, the finance costs decreased by 29% to RM9.7 million in 2H2024.

Share of loss of equity accounted joint ventures of RM4.9 million in 2H2024 is lower than share of profit of equity accounted joint ventures of RM5.6 million in 2H2023 mainly due to lower business activities and higher maintenance cost during the period. Whereas, share of results of associates recorded a loss of RM1.9 million in 2H2024 as compared to profit of RM3.0 million 2H2023 mainly due to lower level of offshore construction activities during the period.

Consequently, the Group registered a net profit after tax of RM169.5 million in 2H2024 as compared to a net profit after tax of RM131.2 million in 2H2023.

**Other Information Required by Listing Rule Appendix 7.2 (Cont'd)**

7. (Contd.)

**Review of Group Performance (Contd.)**

**(b) Condensed Interim Statements of Financial Position (Group)**

**Total Assets**

Total assets of the Group increased by 40% or RM360.1 million from RM911.3 million as at FY2023 to RM1.271 billion as at FY2024 mainly due to the following:

- (i) Property, plant and equipment increased by RM165.8 million or 30% from RM543.8 million as at FY2023 to RM709.6 million as at FY2024 mainly due to the acquisition of vessels during the year;
- (ii) Inventories increased by RM68.5 million from RM24.0 million as at FY2023 to RM92.5 million as at FY2024 mainly due to vessels under construction during the year;
- (iii) Prepayments increased by RM21.4 million from RM6.5 million as at FY2023 to RM27.9 million as at FY2024 mainly due to payment in advance for inventories during the year; and
- (iv) Cash and cash equivalents increased by RM70.9 million from RM64.2 million to RM135.1 million mainly due to the collection from customers during the year.

**Total Liabilities**

Total liabilities of the Group significantly decreased by 50% or RM712.7 million from RM1.413 billion as at FY2023 to RM700.8 million as at FY2024 mainly due to the 2024 Scheme and the DRMA which have become fully effective and unconditional on 30 March 2024.

- (i) Borrowings decreased by RM584.4 million or 56% from RM1.042 billion as at FY2023 to RM458.1 million as at FY2024 mainly due to the issuance and allotment of the Conversion Shares by the Company on 12 March 2024, and together with the payment of Conversion Cash by the Company to eligible creditors pursuant to the 2024 Scheme on or before 14 March 2024; and
- (ii) Trade and other payables decreased by RM122.5 million or 40% from RM307.3 million as at FY2023 to RM184.8 million as at FY2024 mainly due to waiver of interest on borrowings as a result of the 2024 Scheme.

**(c) Condensed Interim Consolidated Statements of Cash Flows**

**FY2024**

Net cash from operating activities of RM190.1 million in FY2024 was mainly due to collection from customers during the year.

Net cash used in investing activities of RM103.9 million in FY2024 was mainly due to payments made for acquisition of property, plant and equipment of RM98.2 million and repayment made to joint ventures of RM55.0 million, which was partially offset by proceeds received from disposal of property, plant and equipment of RM38.9 million and repayment received from associates of RM9.1 million.

Net cash used in financing activities of RM20.0 million in FY2024 was mainly due to the repayment of borrowings of RM36.8 million, payment of dividend of RM8.2 million to non-controlling interest of a subsidiary and increased in restricted cash with licensed banks of RM6.1 million, which was partially offset by the proceeds from share issuance of RM30.0 million.

**Other Information Required by Listing Rule Appendix 7.2 (Cont'd)**

7. (Contd.)

**Review of Group Performance (Contd.)**

**(c) Condensed Interim Consolidated Statements of Cash Flows (Contd.)**

**2H2024**

Net cash from operating activities of RM178.9 million in 2H2024 was mainly due to collection from customers during the period.

Net cash used in investing activities of RM100.4 million in 2H2024 was mainly due to payments made for acquisition of property, plant and equipment of RM81.5 million and the repayment made to joint ventures of RM19.9 million, which was partially offset by repayment received from associates of RM1.6 million.

Net cash used in financing activities of RM18.5 million in 2H2024 was mainly due to the repayment of borrowings of RM6.4 million, payment of dividend to non-controlling interest of a subsidiary of RM8.2 million, increase in restricted cash with licensed banks of RM2.7 million and increase in fixed deposits pledged as security of RM0.9 million.

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

There is no material change from the previous prospect statement.

9. **A commentary at the date of the announcement of the competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months**

In 2025, Malaysia's offshore support vessel ("OSV") market is expected to remain favourable, driven by steady upstream activities and ongoing supply constraints.

On the demand side, Petronas aims to increase and sustain Malaysia's domestic oil and gas production from 1.7 million barrels of oil equivalent per day ("mm boe") in 2024 to 2.0 mm boe between 2025 and 2027, supported by key projects such as the Kasawari gas development. Around 15 exploration wells are projected to be drilled annually over the next two years, while development wells are set to rise to 69 in 2025, up from 56 in 2024<sup>1</sup>. These activities are expected to drive strong OSV demand.

At the same time, OSV supply remains tight due to years of underinvestment. This structural shortage is further exacerbated by Malaysia's cabotage policies, which restrict foreign vessel entry. Additionally, regulations on vessel age further tighten the supply. With robust demand but constrained supply, OSV charter rates are expected to remain positive in 2025<sup>2</sup>.

Favourable OSV demand-supply dynamics are expected to support the Group's long-term growth. We will strategically leverage our remaining fleet portfolio to further enhance our growth trajectory.

<sup>[1]</sup> Reuters: Malaysia's Petronas aims to boost oil and gas output over next 3 yrs, 31 January 2025

<sup>[2]</sup> Bernama: OSV Sector Remains Bullish Due to Ongoing Supply Tightness -- Kenanga, 6 December 2024

**Other Information Required by Listing Rule Appendix 7.2 (Cont'd)**

10. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?  
None.

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?  
None.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

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

No dividend has been declared in the period under review as the Company is working through its restructuring arrangement and wishes to enhance the financial strength of the Company.

12. General mandate relating to interested person transactions

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

13. 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 (13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Name	Age	Family relationship with any director, CEO and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Tiong Chiong Soon	54 years	<ol style="list-style-type: none"> <li>1. Son of Executive Chairman and substantial shareholder, Tan Sri Datuk Tiong Su Kouk</li> <li>2. Brother of Executive Vice Chairman, Tiong Chiong Hiiung</li> <li>3. Brother-in-law of Chief Executive Officer, Leong Seng Keat</li> </ol>	Director of Nam Cheong Dockyard Sdn Bhd since 01.11.2009. Tiong Chiong Soon is responsible for the shipyard in Miri, Sarawak, Malaysia	Not Applicable
Leong Juin Zer Jonathan	34 years	<ol style="list-style-type: none"> <li>1. Grandson of Executive Chairman and substantial shareholder, Tan Sri Datuk Tiong Su Kouk</li> <li>2. Nephew of Executive Vice Chairman, Tiong Chiong Hiiung</li> <li>3. Son of Chief Executive Officer, Leong Seng Keat</li> </ol>	Executive Director of SKOSV Sdn Bhd since 20.2.2020	Not Applicable

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**Other Information Required by Listing Rule Appendix 7.2 (Cont'd)**

14. [Confirmation pursuant to Appendix 7.7 under Rule 720\(1\) of the Listing Manual](#)

The Board of Directors of Nam Cheong Limited hereby confirms that the undertakings from all its directors and executive officers as required in the format as set out in Appendix 7.7 under Rule 720(1) of the Listing Manual were procured.

15. [Confirmation from the Board](#)

We, the undersigned, hereby confirm that to the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the unaudited financial statements of the Group and of the Company for the six months and twelve months ended 31 December 2024 to be false or misleading in any material aspect.

On behalf of the Board of Directors

**Tan Sri Datuk Tiong Su Kouk**  
Executive Chairman

**Tiong Chiong Hiiung**  
Executive Vice Chairman cum Finance Director

28 February 2025