

Press Release

Mooreast Posts FY2022 Net Profit of S\$1.4 Million, Compared to Net Loss (Excluding One-Off IPO Expenses) of \$1.0 Million, on 96% Rise in Revenue, Underscoring Recovery From Pandemic-Related Disruptions

- FY2022 net profit of S\$1.4 million compared to net loss (excluding one-off IPO expenses) of S\$1.0 million a year ago
- 2HFY2022 revenue more than doubles to S\$14.8 million from S\$7.0 million in 2HFY2021, driven by improved performance in all business segments; full-year revenue rises 96% to S\$27.8 million
- Group accelerates strategy to provide mooring solutions to floating renewable projects in Europe, signing a collaboration agreement to explore establishing a manufacturing facility in Scotland

S\$'000	2HFY2022	2HFY2021	Change %	FY2022	FY2021	Change %
Revenue	14,800	7,009	111	27,838	14,200	96
Gross Profit	6,530	2,991	118	10,864	6,014	81
Gross Profit margin (%)	44.1	42.7	1.4 ppt*	39.0	42.4	(3.4) ppt
Profit/(Loss) before Tax	930	(2,657)	NM^	1,997	(2,109)	NM
Net Profit/(Loss) After Tax	501	(2,688)	NM	1,372	(2,296)	NM
Earnings / (Loss) Per Share (Singapore cents)	0.19	(5)	NM	0.53	(7)	NM

* ppt denotes percentage points

^ NM denotes Not Meaningful

24 February 2023, Singapore – SGX Catalist-listed Mooreast Holdings Ltd. (“**Mooreast**” or the “**Company**”) today reported net profit for the year ended 31 December 2022 (“**FY2022**”) of S\$1.4 million, reversing a net loss a year earlier, underscoring a strong recovery from pandemic-related disruptions as the Group pursues opportunities in the floating renewable energy sector.

The mooring and rigging solutions specialist's profit recovery was driven by a near doubling of full year revenue to S\$27.8 million in FY2022 from S\$14.2 million in FY2021. Revenue for the six months ended 31 December 2022, (“**2HFY2022**”) increased 111% year-on-year to S\$14.8 million from S\$7.0 million on the back of higher revenue contributions from all business segments.

Mooreast FY2022's bottom line sharply reversed a net loss of S\$1.0 million in FY2021, excluding one-time IPO expenses of S\$1.3 million. Including these IPO expenses, net loss for 2HFY2021 and FY2021 stood at S\$2.7 million and S\$2.3 million, respectively.

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The Mooring division, the Group's main revenue contributor, saw turnover increase 63% to S\$12.7 million (FY2021: S\$7.8 million) despite a challenging operating environment. This was mainly due to higher sales of mooring equipment and fabricated goods, completion of higher-value projects, and fresh projects secured.

Meanwhile, the Group's Yard division, which was established in October 2021 at its new facility at 51 Shipyard Road, recorded its first full year of revenue of S\$7.0 million for FY2022, compared to S\$0.6 million in FY2021.

New project wins in the Renewable Energy division lifted turnover to S\$1.8 million in FY2022, an almost six-fold increase from FY2021's S\$0.3 million. In August 2022, the Group won a US\$2.6 million project to provide 15 midwater arch buoys to Japan's first commercial floating wind farm.

In line with revenue, gross profit for FY2022 totalled S\$10.9 million, an 81% increase from S\$6.0 million a year ago. However, overall gross profit margin declined to 39.0% in FY2022 compared to 42.4% in FY2021, mainly due to increased cost of fabrication, third-party costs of goods as well as intense price competition in the Marine Supplies and Services Division.

Earnings per share amounted to 0.53 Singapore cent per share, compared to loss per share of at 7 Singapore cents in FY2021, while net asset value per share was 9.0 Singapore cents as at 31 December 2022 compared to 8.4 cents as at 31 December 2021.

Looking ahead, the Group remains cautiously optimistic as business momentum continues to recover from the disruptions of the pandemic. The Yard division is expected to increase its market share amid a consolidation of service providers within Singapore's marine and offshore sector. In response, Mooreast intends to enhance its facility and widen its range of services and continue to generate synergistic value with other business divisions.

To capture opportunities in the offshore wind market in Europe, the Group on 16 February 2023 signed a collaboration agreement with non-profit organisation ETZ Ltd to explore establishing a manufacturing facility that is likely to be more than double the floor space and output of its Singapore facility. Located in Aberdeen, Scotland, the facility will be involved in the production of subsea foundations, as well as consolidation and assembly of mooring components.

Mooreast's CEO, Mr Sim Koon Lam, said, "We are proud to have delivered a strong set of results in our first full year as a listed company. Despite market volatility, we have progressed with our renewable strategy. We secured our first commercial-scale floating renewable energy project since listing, with plans to set up a facility in Scotland to better service our customers in Europe.



“Moving ahead, we are focused on enhancing our capabilities, generating synergy amongst our various business segments, and building our track record in the renewable energy space.”

*****End of Press Release*****

This press release has been prepared by the Company and its contents have been reviewed by the Company’s sponsor, W Capital Markets Pte. Ltd. (the “Sponsor”). This press release 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 press release, including the correctness of any of the statements or opinions made or reports contained in this press release.

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Issued for and on behalf of Mooreast Holdings Ltd. by WeR1 Consultants Pte Ltd.

About Mooreast Holdings Ltd.

Mooreast is a total mooring solutions specialist, serving mainly the offshore oil & gas (“O&G”), marine and offshore renewable energy industries, with operations primarily in Singapore, and through its wholly-owned subsidiary, Mooreast Europe, a European sales office in Rotterdam, the Netherlands and Mooreast UK, a sales office in Scotland

Mooreast’s solutions include the design, engineering, fabrication, supply and logistics, installation and commissioning of mooring systems. Mooreast is applying its experience and expertise in mooring solutions to floating renewable energy projects, in particular floating offshore wind farms. It has successfully participated in developmental and prototype projects for floating offshore wind turbines in Japan and Europe.

For more information, please visit <https://mooreast.com/>

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