



(Company Registration No. 199206445M)

Metech International Limited

(Incorporated in the Republic of Singapore)

Condensed interim financial statements For the six months and full year ended 31 December 2024

Change of Financial Year End

Metech International Limited (the “Company”, and together with its subsidiaries, the “Group”) previously announced a change of financial year end from 30 June to 31 December on 8 December 2023. Accordingly, the unaudited financial statements of Group presented in this announcement covers the 6-month financial period from 1 July 2024 to 31 December 2024 (“2H FY2024”) and its comparative preceding financial period from 1 July 2023 to 31 December 2023 (“3H FP2023”), and the full financial year from 1 January 2024 to 31 December 2024 (“FY2024”) and its comparative preceding 18-month financial period from 1 July 2022 to 31 December 2023 (“FP2023”).

This announcement has been prepared by the Company and reviewed by the Company’s sponsor, Novus Corporate Finance Pte. Ltd. (the “Sponsor”), in compliance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited (the “SGX-ST”) Listing Manual Section B: Rules of Catalyst.

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

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UNAUDITED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 31 DECEMBER 2024 ("2HFY2024") AND FINANCIAL YEAR ENDED 31 DECEMBER 2024 ("FY2024")
A. Condensed interim consolidated statement of profit or loss and other comprehensive income

	Note	The Group		Inc/(Dec)	The Group		Inc/(Dec)
		6-months	6-months		12-months	18-months	
		period	period		period	period	
		ended	ended		ended	ended	
		31/12/2024	31/12/2023		31/12/2024	31/12/2023	
		(2HFY2024)	(3HFP2023)		(FY2024)	(FP2023)	
		Unaudited	Unaudited		Unaudited	Audited	
		S\$'000	S\$'000	%	S\$'000	S\$'000	%
Revenue	4	2,893	26	n.m.	2,934	29	n.m.
Cost of sales		(2,774)	(35)	n.m.	(2,780)	(37)	n.m.
Gross profit/(loss)		119	(9)	n.m.	154	(8)	n.m.
Gross profit margin/(loss)		4.1%	(34.6%)		5.2%	(27.6%)	
Other income:							
Others	6	61	491	(87.58)	75	583	(87.14)
Interest income		1	1	n.m.	1	43	(97.67)
Expenses:							
Administrative expenses		(1,012)	(1,535)	(34.07)	(1,966)	(4,550)	(56.79)
Impairment losses on other receivables		-	-	n.m.	-	(686)	n.m.
Other expenses	7	*	(408)	n.m.	*	(6,861)	n.m.
Finance costs		(5)	(11)	(54.55)	(6)	(42)	(85.71)
Loss before income tax	8	(836)	(1,471)		(1,742)	(11,521)	
Income tax expense	9	-	-	n.m.	-	-	n.m.
Loss after income tax		(836)	(1,471)		(1,742)	(11,521)	
Other comprehensive (loss)/income, net of income tax:							
Foreign currency translation difference		(3)	*	n.m.	*	177	n.m.
Total comprehensive loss for the financial period/year		(839)	(1,471)		(1,742)	(11,344)	
Loss attributable to:							
Equity holders of the Company		(822)	(1,279)	(35.73)	(1,701)	(8,583)	(80.18)
Non-controlling interests		(14)	(192)	(92.71)	(41)	(2,938)	(98.60)
		(836)	(1,471)		(1,742)	(11,521)	
Total comprehensive loss for the period/year attributable to:							
Equity holders of the Company		(825)	(1,279)	(35.50)	(1,701)	(8,406)	(79.76)
Non-controlling interests		(14)	(192)	(92.71)	(41)	(2,938)	(98.60)
		(839)	(1,471)		(1,742)	(11,344)	

Notes:

* denotes values less than S\$1,000

n.m. means not meaningful

	The Group			The Group		
	6-months	6-months	Inc/(Dec)	12-months	18-months	Inc/(Dec)
	period	period		period	period	
	ended	ended		ended	ended	
	31/12/2024	31/12/2023		31/12/2024	31/12/2023	
	(2HFY2024)	(3HFP2023)		(FY2024)	(FP2023)	
	Unaudited	Unaudited		Unaudited	Audited	
Note	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Basic and diluted loss per share (cents						
per share) attributable to the equity						
holders of the Company						
Loss per share	(0.51)	(0.84)		(1.05)	(5.66)	

The calculation of basic and diluted loss per ordinary share was based on a weighted average of 162,473,688 shares from 1 January 2024 to 31 December 2024 (1 July 2022 to 31 December 2023: 151,555,655).

B. Condensed interim statements of financial position

	Note	The Group		The Company	
		As at	As at	As at	As at
		31/12/2024	31/12/2023	31/12/2024	31/12/2023
		Unaudited	Audited	Unaudited	Audited
		S\$'000	S\$'000	S\$'000	S\$'000
ASSETS					
Non-current Assets					
Property, plant and equipment	12	1,257	1,090	4	8
Investments in subsidiaries	13	-	-	-	20
		1,257	1,090	4	28
Current Assets					
Inventories	14	-	-	-	-
Trade and other receivables	15	251	212	84	60
Cash and bank balances	16	1,467	51	5	22
		1,718	263	89	82
Total Assets		2,975	1,353	93	110
EQUITY AND LIABILITIES					
Equity attributable to owners of the Company					
Share capital	18	189,710	189,134	189,710	189,134
Translation reserve	19	20	20	-	-
Other reserves	19	(319)	(319)	-	-
Accumulated losses		(189,320)	(187,619)	(191,007)	(189,602)
		91	1,216	(1,297)	(468)
Non-controlling interests	20	(897)	(856)	-	-
Total Equity		(806)	360	(1,297)	(468)
LIABILITIES					
Non-current Liabilities					
Lease liabilities	21	123	-	-	-
Provisions	22	-	75	-	-
		123	75	-	-
Current Liabilities					
Trade and other payables	23	2,329	887	672	578
Contract liabilities	4	-	14	-	-
Provisions	22	75	-	-	-
Lease liabilities	21	87	17	-	-
Borrowings	17	1,167	-	718	-
		3,658	918	1,390	578
Total Liabilities		3,781	993	1,391	578
Total Equity and Liabilities		2,975	1,353	93	110

C. Condensed interim statements of changes in equity

	Share Capital	Translation Reserve	Accumulated Losses	Other Reserves	Total Equity Attributable to Owners of the Company	Non- Controlling Interests	Total Equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
The Group							
2024							
<i>For the 12-months period ended 31 December 2024</i>							
Balance at 1 January 2024	189,134	20	(187,619)	(319)	1,216	(856)	360
Loss for the financial year	-	-	(1,701)	-	(1,701)	(41)	(1,742)
Other comprehensive income/(loss) - Foreign currency translation	-	*	-	-	*	-	*
Total comprehensive loss for the financial year		*	(1,701)	-	(1,701)	(41)	(1,742)
Issuance of ordinary shares	612	-	-	-	612	-	612
Less: Share issue expenses	(36)	-	-	-	(36)	-	(36)
Balance at 31 December 2024	189,710	20	(189,320)	(319)	91	(897)	(806)

Note:

* denotes values less than S\$1,000

	Share Capital	Translation Reserve	Accumulated Losses	Other Reserves	Total Equity Attributable to Owners of the Company	Non- Controlling Interests	Total Equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
The Group							
<u>2023</u>							
<i>For the 18-month period ended 31 December 2023</i>							
Balance at 1 July 2022	189,134	(157)	(179,036)	-	9,941	1,763	11,704
Loss for the financial period	-	-	(8,583)	-	(8,583)	(2,938)	(11,521)
Other comprehensive income -							
Foreign currency translation	-	177	-	-	177	-	177
Total comprehensive income/(loss) for the financial period	-	177	(8,583)	-	(8,406)	(2,938)	(11,344)
Acquisition of additional interest by the Group from non-controlling interest	-	-	-	(319)	(319)	319	-
Balance at 31 December 2023	189,134	20	(187,619)	(319)	1,216	(856)	360

The Company
2024
For the 12-month period ended 31 December 2024
Balance at 1 January 2024

Loss for the financial year

Total comprehensive loss for the financial year

Issuance of ordinary shares

Less: Share issuance expenses

Balance at 31 December 2024

Share Capital	Accumulated Losses	Total
S\$'000	S\$'000	S\$'000
189,134	(189,602)	(468)
-	(1,405)	(1,405)
-	(1,405)	(1,405)
612	-	612
(36)	-	(36)
189,710	(191,007)	(1,297)

2023
For the 18-month period ended 31 December 2023
Balance at 1 July 2022

Loss for the financial period

Total comprehensive loss for the financial period
Balance at 31 December 2023

189,134	(178,388)	10,746
-	(11,214)	(11,214)
-	(11,214)	(11,214)
189,134	(189,602)	(468)

D. Condensed interim consolidated statement of cash flows

Note	The Group		The Group	
	6-months	6-months	12-months	18-months
	period	period	period	period
	ended	ended	ended	ended
	31/12/2024	31/12/2023	31/12/2024	31/12/2023
	(2H FY2024)	(3H FP2023)	(FY2024)	(FP2023)
	Unaudited	Unaudited	Unaudited	Audited
	S\$'000	S\$'000	S\$'000	S\$'000
Cash flows from operating activities				
Loss before income tax	(836)	(1,471)	(1,742)	(11,521)
Adjustments for:				
Depreciation of property, plant and equipment	50	258	100	730
Loss on disposal of property, plant and equipment	-	36	-	57
Loss/(gain) on termination of right-of-use assets	5	(3)	*	54
Impairment loss on property, plant and equipment	-	-	-	4,066
Loss allowance on trade and other receivables	-	-	-	686
Provision for inventories loss	-	-	-	257
Property, plant and equipment written off	1	1	1	573
Written off of inventories	-	-	-	483
Written off on deposits	-	15	-	-
Waiver of other payables	-	-	-	(30)
Unrealised foreign exchange loss	-	402	-	277
Interest income	(1)	(1)	(1)	(43)
Interest expense	5	11	6	42
Operating loss before working capital changes	(776)	(752)	(1,636)	(4,369)
Changes in working capital				
Inventories	-	22	-	(257)
Trade and other receivables	173	265	(39)	(613)
Trade and other payables and contract liabilities	1,342	(203)	1,427	275
Cash generated from/(used in) operating activities	739	(668)	(248)	(4,964)
Interest received	1	1	1	43
Interest paid	(5)	(11)	(6)	(42)
Net cash generated from/(used in) operating activities	735	(678)	(253)	(4,963)
Cash flows from investing activities				
Additions of property, plant and equipment	-	(511)	-	(839)
Proceeds from disposal of property, plant and equipment	-	120	-	348
Net cash used in investing activities	-	(391)	-	(491)

	The Group		The Group	
	6-months	6-months	12-months	18-months
	period	period	period	period ended
	ended	ended	ended	ended
	31/12/2024	31/12/2023	31/12/2024	31/12/2023
	(2HFY2024)	(3HFP2023)	(FY2024)	(FP2023)
	Unaudited	Unaudited	Unaudited	Audited
Note	S\$'000	S\$'000	S\$'000	S\$'000
Cash flows from financing activities				
Proceeds from issuance of ordinary shares, net of share issuance expenses	-	-	576	-
Proceeds from loan from an employee	347	-	1,167	-
Repayment of lease liabilities	(47)	(106)	(74)	(439)
Net cash generated from/(used in) financing activities	300	(106)	1,669	(439)
Net increase/(decrease) in cash and cash equivalents	1,035	(1,175)	1,416	(5,893)
Cash and cash equivalents at beginning of financial period/year	435	1,161	51	6,053
Effect of currency translation on cash and cash equivalents	(3)	65	*	(109)
Cash and cash equivalents at end of the financial period/year	1,467	51	1,467	51

Note:

* denotes values less than S\$1,000

E. Notes to the condensed interim consolidated financial statements**1. Corporate information**

Metech International Limited (the “**Company**”) is incorporated and domiciled in Singapore and whose shares are listed and publicly traded on the Catalist Board of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”). The registered office and principal place of business at 2 Venture Drive, #08-10 Vision Exchange, Singapore 608526.

These condensed interim consolidated financial statements as at and for the 6-month and 12-month period ended 31 December 2024 comprise the Company and its subsidiaries (collectively, the “**Group**”).

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

- (a) Manufacturing and distribution of lab-grown diamonds;
- (b) General wholesale trading of metals products;
- (c) Provision of management and advisory of recycling and supply chain services;
- (d) Collection and processing of food waste into animal feed, bio-fuel and other by-products, and the production and sale of agricultural machinery, fermentation and renewable resource equipment (the “**Food Waste Business**”); and
- (e) Wholesale distribution of high-quality and affordable nutritional supplements (the “**Health Supplements Business**”).

2. Basis of preparation

The condensed interim financial statements for the 6-month and 12-month period ended 31 December 2024 have been prepared in accordance with Singapore Financial Reporting Standards (International) (“**SFRS(I)**”) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last interim financial statements for the period ended 30 June 2024.

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

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

2.1 New and amended standards adopted by the Group

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

2.2 Use of judgements and estimates

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

Other than as disclosed in the condensed interim consolidated financial statements, the significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 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.

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

- Note 12 – Impairment for property, plant and equipment

Management reviews the Group's property, plant and equipment at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of the property, plant and equipment is estimated to determine the amount of impairment.

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

As at the reporting date, the net carrying amount of the Group's property, plant and equipment is disclosed in Note 12.

- Note 14 – Valuation of inventories

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

The net carrying amount of the Group's inventories is disclosed in Note 14.

2.3 Going Concern

The Group incurred a net loss and total comprehensive loss for the financial period amounting to approximately S\$1,742,000 and S\$1,742,000 (FP2023: S\$11,521,000 and S\$11,344,000) respectively and net cash flows used in operating activities of approximately S\$253,000 (FP2023: S\$4,963,000) during FY2024. As at 31 December 2024, the Group and the Company have net current liabilities of approximately S\$1,940,000 (31 December 2023: net current liabilities of S\$655,000) and approximately S\$1,301,000 (31 December 2023: net current liabilities of S\$496,000) respectively. In addition, as at 31 December 2024, the Group and the Company has net liabilities of approximately S\$806,000 (31 December 2023: net assets of S\$360,000) and S\$1,297,000 (31 December 2023: net liabilities of S\$468,000) respectively.

The above conditions indicate the existence of a material uncertainty which may cast significant doubt over the Group's and the Company's ability to continue as going concerns and therefore they may be unable to realise their assets and discharge their liabilities in the normal course of business.

Notwithstanding the above, the directors of the Company believe that the use of the going concern assumption in the preparation and presentation of the financial statements for the financial period ended 31 December 2024 is appropriate after taking into consideration the following factors:

- Management has prepared a cash flow projection for its operations for the next twelve months from 31 December 2024 and are satisfied that the Group will have sufficient cash flows.
- The Group has plans to raise capital and obtaining additional funds for working capital and the management will continue to evaluate various strategies to obtain alternative sources of finance where necessary to enable the Group to meet its obligations as and when they fall due.
- On 7 October 2024, the Company entered into a S\$3.0 million interest free loan agreement ("**Second Loan Agreement**") with an employee of the Company, to be repaid 12 months from the date of the Second Loan Agreement, subject to the terms and conditions set out in the Second Loan Agreement.
- Following shareholders' approval for, among others, the diversification into the Health Supplements Business at the extraordinary general meeting held on 30 December 2024 (the "**EGM**"), the Company has commenced the Health Supplements Business, which will generate cash inflow to the Group in the near future.
- The biomass carbon reduction system machines in relation to the Food Waste Business, diversification of which was approved by the shareholders at the EGM, have completed the final stages of testing and commissioning in Taiwan, and arrangements are currently in place for the transportation of the machines to Singapore. The Group expects to commence the Food Waste Business during the current financial year which will potentially generate cash inflow to the Group for the long term.

In the event that the Group and the Company are unable to continue as going concerns, adjustments may have to be made to reflect the situation that assets may need to be realised other than in the normal course of business and

at amounts which could differ significantly from the amounts at which they are recorded in the statements of financial position. In addition, the Group and the Company may have to provide for liabilities that might arise, and to reclassify non-current assets as current assets. No such adjustments have been made to these financial statements.

3. Seasonal operations

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

4. Segment and revenue information

The Group has three reportable segments as follows:

- (a) The Health Supplements Business;
- (b) Manufacturing and distribution of lab-grown diamonds;
- (c) Supply-Chain Management and Service segment which provides general wholesale trading of metal products and the management and advisory of recycling and supply chain services; and
- (d) Corporate segment which consists of an investment holding company which does not meet any of its quantitative thresholds for determining a reporting segment.

These operating segments are reported in a manner consistent with internal reporting provided to the Chief Executive Officer who is responsible for allocating resources and assessing the performances of each segment.

4.1 Reportable segments

	Lab-grown Diamond		Supply Chain Management		Health Supplement Business		Corporate/other		Per consolidated financial statements	
	6 months period ended 31/12/2024 (2HFY2024)	6 months period ended 31/12/2023 (3HFP2023)	6 months period ended 31/12/2024 (2HFY2024)	6 months period ended 31/12/2023 (3HFP2023)	6 months period ended 31/12/2024 (2HFY2024)	6 months period ended 31/12/2023 (3HFP2023)	6 months period ended 31/12/2024 (2HFY2024)	6 months period ended 31/12/2023 (3HFP2023)	6 months period ended 31/12/2024 (2HFY2024)	6 months period ended 31/12/2023 (3HFP2023)
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Revenue	4	26	-	-	2,889	-	-	-	2,893	26
Depreciation and amortisation	(3)	(218)	-	(26)	-	-	(47)	(14)	(50)	(258)
Loss on disposal of property, plant and equipment	-	-	-	2	-	-	-	(38)	-	(36)
Gain/(loss) on termination of right-of-use assets	-	3	-	-	-	-	(5)	-	(5)	3
Written off on property, plant and equipment	(1)	-	-	-	-	-	-	-	(1)	-
Finance cost	-	(10)	-	(1)	-	-	(5)	-	(5)	(11)
Segment (loss)/profit	(143)	(778)	-	(153)	134	-	(827)	(540)	(836)	(1,471)
Segment assets	1,183	2,857	-	411	1,466	-	326	571	2,975	3,839
Segment liabilities	(389)	(684)	-	(79)	(1,358)	-	(2,034)	(766)	(3,781)	(1,529)
Capital expenditure										
- Addition to property, plant and equipment	-	511	-	-	-	-	-	-	-	511

	Lab-grown Diamond		Supply Chain Management		Health Supplement Business		Corporate / other		Per consolidated financial statements	
	12-months period ended 31/12/2024 (FY2024)	18-months period ended 31/12/2023 (FP2023)	12-months period ended 31/12/2024 (FY2024)	18-months period ended 31/12/2023 (FP2023)	12-months period ended 31/12/2024 (FY2024)	18-months period ended 31/12/2023 (FP2023)	12-months period ended 31/12/2024 (FY2024)	18-months period ended 31/12/2023 (FP2023)	12-months period ended 31/12/2024 (FY2024)	18-months period ended 31/12/2023 (FP2023)
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Revenue	45	29	-	-	2,889	-	-	-	2,934	29
Depreciation and amortisation	(20)	(621)	-	(86)	-	-	(80)	(23)	(100)	(730)
Loss on disposal of property, plant and equipment	-	-	-	(28)	-	-	-	(29)	-	(57)
Gain/(loss) on termination of right-of-use assets	-	3	-	(57)	-	-	*	-	*	(54)
Written off on property, plant and equipment	(1)	(573)	-	-	-	-	-	-	(1)	(573)
Impairment on property, plant and equipment	-	(4,066)	-	-	-	-	-	-	-	(4,066)
Impairment on trade and other receivables	-	(684)	-	(2)	-	-	-	-	-	(686)
Finance cost	-	(35)	-	(7)	-	-	(6)	-	(6)	(42)
Segment (loss)/profit	(245)	(7,305)	-	(1,201)	134	-	(1,631)	(3,015)	(1,742)	(11,521)
Segment assets	1,183	1,206	-	53	1,466	-	326	94	2,975	1,353
Segment liabilities	(389)	(333)	-	(79)	(1,358)	-	(2,034)	(581)	(3,781)	(993)
Capital expenditure										
- Addition to property, plant and equipment	-	676	-	-	-	-	-	163	-	839

4.2 Disaggregation of revenue

	Group		Group	
	6-months period ended 31/12/2024 (2HFP2024) S\$'000	6-months period ended 31/12/2023 (3HFP2023) S\$'000	12-months period ended 31/12/2024 (FY2024) S\$'000	18-months period ended 31/12/2023 (FP2023) S\$'000
<i>Principal geographical market</i>				
People's Republic of China	2,893	-	2,934	-
Singapore	-	26	-	29
Others	-	-	-	-
Total	2,893	26	2,934	29

Major product or service line and time of recognition

Performance obligations satisfied at a point in time

Sale of goods – Health supplements business	2,889	-	2,889	-
Sale of goods – Lab-grown diamonds	4	26	45	29
Total	2,893	26	2,934	29

A breakdown of sales:

	Group		
	12-month period ended 31/12/2024 S\$'000	18-month period ended 31/12/2023 S\$'000	Inc/(Dec) %
Sales reported for the first six-month period	41	-	n.m.
Operating loss after tax before deducting non-controlling interests reported for first six-month period	(905)	(6,336)	(85.72)
Sales reported for the second six-month period	2,893	3	n.m.
Operating loss after tax before deducting non-controlling interests reported for second six-month period	(836)	(1,746)	(52.11)
Sales reported for the third six-month period	N.A.	26	n.m.
Operating loss after tax before deducting non-controlling interests reported for third six-month period	N.A.	(3,439)	n.m.

Contract balances

	Group		Company	
	As at 31/12/2024	As at 31/12/2023	As at 31/12/2024	As at 31/12/2023
	S\$'000	S\$'000	S\$'000	S\$'000
Contract liabilities				
Advances from customers	-	14	-	-

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

5. Financial assets and financial liabilities

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

	Group		Company	
	As at 31/12/2024	As at 31/12/2023	As at 31/12/2024	As at 31/12/2023
	S\$'000	S\$'000	S\$'000	S\$'000
Financial assets measured at amortised cost				
Trade and other receivables #	182	195	5	53
Cash and cash equivalents	1,467	51	5	22
Amount due from subsidiaries	-	-	57	-
	1,649	246	67	75
Financial liabilities measured at amortised cost				
Trade and other payables *	(2,329)	(887)	(622)	(569)
Loan from an employee	(1,167)	-	(718)	-
Amount due to subsidiaries	-	-	(50)	(9)
Lease liabilities	(210)	(17)	-	-
	(3,706)	(904)	(1,390)	(578)

Excludes prepayments and GST receivables

* Excludes contract liabilities and GST payables

6. Other income

	Group			
	6-months period ended 31/12/2024 (2H FY2024)	6-months period ended 31/12/2023 (3H FP2023)	12-months period ended 31/12/2024 (FY2024)	18-months period ended 31/12/2023 (FP2023)
	S\$'000	S\$'000	S\$'000	S\$'000
Other income:				
Others				
- Foreign exchange gain – unrealised / realised	*	-	*	-
- Compensatory damages receivables	-	483	-	483
- Waiver of debts	-	-	-	30
- Government grant	10	1	10	53
- Miscellaneous	51	7	65	17
	61	491	75	583

7. Other expenses

	Group			
	6-months period ended 31/12/2024 (2H FY2024) S\$'000	6-months period ended 31/12/2023 (3H FP2023) S\$'000	12-months period ended 31/12/2024 (FY2024) S\$'000	18-months period ended 31/12/2023 (FP2023) S\$'000
Other expenses				
- Foreign exchange loss – unrealised/realised	-	21	-	331
- Impairment on property, plant and equipment	-	-	-	4,066
- Loss on disposal of property, plant and equipment	-	36	-	57
- (Gain)/loss on termination of right-of-use assets	*	(3)	*	54
- Professional expenses	-	282	-	1,040
- Allowance on inventories	-	-	-	257
- Written off on property, plant and equipment	-	1	-	573
- Written off on inventories	-	-	-	483
- Written off on deposits	-	15	-	-
- Miscellaneous	-	56	-	-
	*	408	*	6,861

8. Loss before income tax
8.1 Significant items

	Group			
	6-months period ended 31/12/2024 (2H FY2024) S\$'000	6-months period ended 31/12/2023 (3H FP2023) S\$'000	12-months period ended 31/12/2024 (FY2024) S\$'000	18-months period ended 31/12/2023 (FP2023) S\$'000
Depreciation of property, plant and equipment				
- included in administrative expenses	50	258	100	730
Impairment loss on property, plant and equipment	-	-	-	4,066
Loss allowance on trade and other receivables	-	-	-	686
Loss on disposal of property, plant and equipment	-	36	-	57
Loss/(Gain) on termination of right-of-use assets	5	(3)	*	54
Written off on property, plant and equipment	1	-	1	-
Written off on inventory	-	-	-	483
Interest expenses on lease liabilities	5	9	6	40
Interest expenses on loan from third party	-	2	-	2
Professional expenses				
- included in other expenses	-	282	-	1,040
- included in administrative expenses	348	383	705	809

9. Taxation

No provision for income tax expenses as the Group incurred taxable losses for both the financial year ended 31 December 2024 and 18-month financial period ended 31 December 2023 respectively.

10. Dividends

No dividend for the period ended 31 December 2024 (31 December 2023: Nil) is recommended.

11. Net asset value

	Group		Company	
	As at 31/12/2024	As at 31/12/2023	As at 31/12/2024	As at 31/12/2023
Net asset value per ordinary share (cents per share)	(0.48)	0.24	(0.76)	(0.31)
No. of ordinary shares	169,555,655	151,555,655	169,555,655	151,555,655

12. Property, plant and equipment

Right-of-use assets acquired under leasing arrangement are presented together with the owned assets of the same class. During the current financial year, the Group acquired assets amounting to S\$268,000 (31 December 2023: S\$839,000).

During the current financial year, the Group terminated another right-of-use assets with a net value of S\$17,510 under lease arrangements and recognised a slight gain from the termination of the right-of-use assets amounting to S\$124 in profit or loss.

12. Property, plant and equipment

	Group					
	Leasehold buildings	Renovation	Plant and equipment	Motor vehicles	Furniture and fittings and office equipment	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<u>Cost</u>						
Balance at 1 July 2022	797	765	4,720	300	24	6,606
Additions	-	37	639	153	10	839
Disposal/Written off	(634)	(802)	-	(453)	(3)	(1,892)
Currency translation differences	*	-	-	-	-	*
Balance at 31 December 2023	163	-	5,359	-	31	5,553
Additions	268	-	-	-	-	268
Disposal/Written off	(163)	-	-	-	(4)	(167)
Currency translation differences	-	-	-	-	-	-
Balance at 31 December 2024	268	-	5,359	-	27	5,654
<u>Accumulated depreciation and impairment</u>						
Balance at 1 July 2022	129	12	39	22	1	203
Depreciation for the year	273	219	198	26	14	730
Impairment	-	-	4,066	-	-	4,066
Disposal/Written off	(256)	(231)	-	(48)	(1)	(536)
Currency translation differences	*	-	-	-	-	*
Balance at 31 December 2023	146	-	4,303	-	14	4,463
Depreciation for the year	77	-	14	-	9	100
Impairment	-	-	-	-	-	-
Disposal/Written off	(163)	-	-	-	(3)	(166)
Currency translation differences	-	-	-	-	-	-
Balance at 31 December 2024	60	231	4,317	-	20	4,397
<u>Carrying amount</u>						
Balance at 31 December 2024	208	-	1,042	-	7	1,257
Balance at 31 December 2023	17	-	1,056	-	17	1,090

13. Investment in subsidiaries

	Company	
	As at 31/12/2024	As at 31/12/2023
	S\$'000	S\$'000
Equity investments, at cost	4,020	22,600
Add: Additions	-	3,920
Less: Disposal of subsidiary	-	(22,500)
Less: Impairment losses	(4,020)	(4,000)
	-	20
Impairment losses on equity investments		
Balance at 1 January 2024/1 July 2022	(4,000)	(22,600)
Impairment loss recognised in profit or loss	(20)	(3,900)
Write off impairment losses	-	22,500
Balance at 31 December 2024/2023	(4,020)	(4,000)

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

Name of Company / Country of Incorporation	Principal activities	Percentage of effective equity interest held by the Group	
		31/12/2024 %	31/12/2023 %
<u>Held by the Company</u>			
<u>Metech Dynamics Pte Ltd.</u> <i>Singapore</i>	General wholesale trade (including general importers and exporters) and wholesale trade of a variety of goods without a dominant product.	100	100
<u>Asian Green Tech Pte. Ltd.</u> <i>Singapore</i>	Engineering design and consultancy services in energy management and clean energy system.	100	100
<u>Metech Diamond Pte. Ltd.</u> <i>Singapore</i>	Promoting and selling lab-grown diamonds and gemstones over the internet.	100	100
<u>Opulwell Biotechnology Pte. Ltd.</u> (F.K.A. Metech Diamond Solutions Pte. Ltd.)* <i>Singapore</i>	Wholesale of health supplements.	100	100
<u>Held by Metech Dynamics Pte. Ltd.</u>			
<u>Zhongxin Minghua (Shanghai)</u> <u>International Trade Co., Ltd.</u> <i>People's Republic of China</i>	General wholesale trade	100	100
<u>Held by Asian Green Tech Pte. Ltd.</u>			
<u>Asian Eco Technology Pte. Ltd.</u> <i>Singapore</i>	Manufacturing and distribution of lab-grown diamonds	80	80

Note:

* On 21 August 2024, the Company's wholly-owned subsidiary, Metech Diamond Solutions Pte. Ltd., had changed its name to Opulwell Biotechnology Pte. Ltd. and its principal activity to 'Retail Sales of Health Supplements'. Subsequently, on 6 January 2025, Opulwell Biotechnology Pte. Ltd. changed its principal activity to "Wholesale of Health Supplements".

14. Inventories

	Group	
	As at	As at
	31/12/2024	31/12/2023
	S\$'000	S\$'000
Raw materials	-	-
Finished goods	-	-
	-	-

For the current financial year ended 31 December 2024, finished goods recognised in cost of sales amounted to S\$26,000 (31 December 2023: S\$37,000).

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

	Group	
	As at	As at
	31/12/2024	31/12/2023
	S\$'000	S\$'000
Balance at 1 January 2024/1 July 2022	257	-
Impairment loss recognised in profit or loss	-	257
Write off impairment losses	-	-
Balance at 31 December 2024/2023	257	257

15. Trade receivables

	Group		Company	
	As at	As at	As at	As at
	31/12/2024	31/12/2023	31/12/2024	31/12/2023
	S\$'000	S\$'000	S\$'000	S\$'000
Trade receivables	-	-	-	-

Trade receivables are non-interest bearing and generally has credit of 30 to 120 (31 December 2023: 30 to 120) day terms. Loss allowance for trade receivables is measured at an amount equal to lifetime expected credit losses.

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

	Lifetime expected loss rate	Gross carrying amounts	Lifetime expected credit losses	Net carrying amounts
	%	S\$'000	S\$'000	S\$'000
Group				
<u>As at 31/12/2024</u>				
> 120 days	100	14	(14)	-
<u>As at 31/12/2023</u>				
Current	100	14	(14)	-

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

	Group	
	As at	As at
	31/12/2024	31/12/2023
	S\$'000	S\$'000
Balance at 1 January 2024/1 July 2022	14	-
Impairment loss recognised in profit or loss	-	14
Write off impairment losses	-	-
Balance at 31 December 2024/2023	14	14

15. Other receivables

	Group		Company	
	As at	As at	As at	As at
	31/12/2024	31/12/2023	31/12/2024	31/12/2023
	S\$'000	S\$'000	S\$'000	S\$'000
Other receivables – third parties	489	483	437	483
Advances	235	235	-	-
Deposit	130	149	5	7
Amount due from subsidiaries (non-trade)	-	-	8,295	8,283
	<u>854</u>	<u>867</u>	<u>8,737</u>	<u>8,773</u>
<i>Less: Allowance for impairment losses</i>				
Other receivables – third parties	(437)	(437)	(437)	(437)
Advances	(235)	(235)	-	-
Amount due from subsidiaries (non-trade)	-	-	(8,238)	(8,283)
Financial assets	<u>182</u>	<u>195</u>	<u>62</u>	<u>53</u>
Prepayments	50	11	5	4
GST receivable	19	6	17	3
	<u>251</u>	<u>212</u>	<u>84</u>	<u>60</u>

Group level
i) Other receivables – third parties

As disclosed in the Company's announcement dated 13 December 2023, the Company has entered into a settlement agreement with Mr. Deng Yiming ("**Mr. Deng**") where Mr. Deng has agreed to, inter alia, pay the Company an amount of S\$483,000 with interests accruing at a rate of 5.33% per annum, as awarded by the High Court of the Republic of Singapore. Mr Deng will be paying in 6 instalments, commencing from 15 January 2024. The Company has received RMB250,000 (approximately S\$46,000) from Mr. Deng as at the date of this announcement. As at the date of this announcement, the Company remains in close contact with Mr. Deng and is following-up and monitoring closely on the receipt of the balance amount. The Company will subsequently make the appropriate announcement(s) as and when there are any material developments in this regard.

Below are the movements of impairment loss during FY2024 and FP2023:

	Group	
	As at	As at
	31/12/2024	31/12/2023
	S\$'000	S\$'000
Balance at 1 Jan 2024/1 July 2022	437	1,226
Impairment loss recognised during the financial year	-	437
Written off impairment loss	-	(1,226)
Balance at 31 December 2024/31 December 2023	<u>437</u>	<u>437</u>

ii) Advances

Advance payments of S\$235,000 in FY2024 and FP2023 consist of payment to vendors for inventories and to a former non-controlling interest for purchase of lab grown diamonds and business travelling expenses which had been fully impaired in FP2023.

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

	Group	
	As at	As at
	31/12/2024	31/12/2023
	S\$'000	S\$'000
Balance at 1 January 2024/1 July 2022	235	-
Impairment loss recognised in profit or loss	-	235
Balance at 31 December 2024/2023	235	235

iii) Deposits

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

Company level

i) Amounts due from subsidiaries (non-trade)

Except for a non-trade balance of S\$2,798,000 (2023: S\$2,798,000) due from subsidiaries as at 31 December 2024, which is non-trade in nature, unsecured, interest bearing at 6% per annum and repayable on demand, the remaining non-trade balance of S\$5,497,000 (2023: S\$5,485,000) due from subsidiaries are unsecured, interest-free and repayable on demand.

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

	Company	
	As at	As at
	31/12/2024	31/12/2023
	S\$'000	S\$'000
Balance at 1 January 2024/1 July 2022	8,283	4,603
(Reversal)/Impairment loss recognised in profit or loss	(45)	3,680
Balance at 31 December 2024/2023	8,238	8,283

16. Cash and cash equivalents

	Group		Company	
	As at	As at	As at	As at
	31/12/2024	31/12/2023	31/12/2024	31/12/2023
	S\$'000	S\$'000	S\$'000	S\$'000
Cash and bank balances	1,467	51	5	22

Bank balances are interest-bearing. Interest earned during the current financial year and previous 18-month financial period are considered insignificant.

17. Borrowings

The Group had, on 25 March 2024, entered into a S\$1.0 million interest-free loan agreement (“**First Loan Agreement**”) with Mr. Cao Shixuan (“**Mr. Cao**”), who is currently employed as a manager of the Company. The maturity date of the loan is 12 months from the date of the First Loan Agreement, save for any events of default, pursuant to which the monies drawn down under the First Loan Agreement shall immediately fall due.

The Group had, on 7 October 2024, entered into another S\$3.0 million interest-free loan agreement (“**Second Loan Agreement**”) with Mr. Cao. The second loan shall be utilised by the Company for (i) business diversification related purposes and (ii) general corporate and working capital purposes. The maturity date of the second loan is 12 months from the date of the Second Loan Agreement, save for events of default, pursuant to which the monies drawn down under the Second Loan Agreement shall immediately fall due.

Please refer to the Company’s announcements dated 25 March 2024 and 7 October 2024 for further details of the First Loan Agreement and Second Loan Agreement respectively.

As at 31 December 2024, the Company had fully drawn down S\$1.0 million under the First Loan Agreement and had drawn down approximately S\$167,000 under the Second Loan Agreement. Both the First Loan Agreement and the Second Loan Agreement are unsecured.

Comparatively, the Group had no borrowings as at 31 December 2023.

	Group		Company	
	As at	As at	As at	As at
	31/12/2024	31/12/2023	31/12/2024	31/12/2023
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
	S\$'000	S\$'000	S\$'000	S\$'000
Loan from an employee - unsecured				
Amounts repayable within one year or on demand	1,167	-	718	-

18. Share capital

	As at		As at	
	31/12/2024		31/12/2023	
	No. of shares	Amount	No. of shares	Amount
		S\$'000		S\$'000
Issued and fully paid:				
Balance at beginning of financial year/period	151,555,655	189,134	151,555,655	189,134
Issuance of ordinary shares	18,000,000	612	-	-
Less: Shares issue expenses	-	(36)	-	-
Balance at 31 December 2024/2023	169,555,655	189,710	151,555,655	189,134

The Company had, on 10 May 2024, announced that it had, on 9 May 2024, entered into a subscription agreement with a subscriber for proposed placement of 18,000,000 new ordinary shares (the “**Placement Shares**”) in the capital of the Company (the “**Placement**”) at an issue price of S\$0.034 per Placement Share. The 18,000,000 Placement Shares were allotted and issued to the subscriber on 24 May 2024. Accordingly, the Placement was completed on 24 May 2024. The amount of proceeds from the allotment and issue of the Placement Shares, net of the Placement expenses of approximately S\$36,200, was S\$575,800 (the “**Net Proceeds**”). Please refer to paragraph 10 of Section ‘Other information required pursuant to Appendix 7C of the Catalyst Rules’ below for the breakdown of the use of the Net Proceeds.

During the six-months financial period and as at the reporting date, 8,503,750 warrants issued in 2021 (“**2021 Warrants**”) had expired. The 2021 Warrants that expired were convertible into 8,503,750 ordinary shares of the Company (31 December 2023: 8,503,750), representing approximately 5.0% (31 December 2023: 5.6%) of the Company’s total issued share capital as at 31 December 2024, excluding treasury shares and subsidiary holdings, at the exercise price of S\$0.210 per share. The 2021 Warrants had expired on 18 October 2024, and none of the 2021 Warrants were exercised or converted into ordinary shares of the Company.

The total number of issued shares excluding treasury shares as at 31 December 2024 and 31 December 2023 were 169,555,655 shares and 151,555,655 shares, respectively.

There were no changes in the Company’s share capital arising from rights issue, bonus issue, subdivision, consolidation, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities or for any other purpose since the end of the previous period reported on, being 30 June 2024.

The Company had no treasury shares and subsidiary holdings as at 31 December 2024 and 31 December 2023.

There were no sales, transfers, cancellation and/or use of treasury shares or subsidiary holdings during the six-month period and as at the end of the financial year ended 31 December 2024.

19. Other reserves

Other reserves

	Group	
	As at	As at
	31/12/2024	31/12/2023
	S\$’000	S\$’000
Balance at 1 January 2024/1 July 2022	(319)	-
Acquisition of additional interests from non-controlling interest	-	(319)
Balance at 31 December 2024/2023	(319)	(319)

Translation reserve

	Group	
	As at	As at
	31/12/2024	31/12/2023
	S\$’000	S\$’000
Balance at 1 January 2024/1 July 2022	20	(157)
Exchange differences on currency translation differences	*	177
Balance at the end of the year	20	20
Other reserves at the end of the year	(299)	(299)

20. Non-controlling interest

The non-controlling interest relates to the remaining 20% shares in Asian Eco Technology Pte. Ltd.

21. Lease liabilities

The Group has made periodic lease payments in relation to leasehold buildings, and motor vehicle. These are recognised within property, plant and equipment (Note 12).

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

	Group	
	As at 31/12/2024 (Unaudited)	As at 31/12/2023 (Audited)
	S\$'000	S\$'000
Leasehold buildings	208	17

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

	Group			
	6-months period ended 31/12/2024	6-months period ended 31/12/2023	12-months period ended 31/12/2024	18-months period ended 31/12/2023
	S\$'000	S\$'000	S\$'00	S\$'000
Leasehold buildings	45	90	77	273
Motor Vehicle	-	20	-	26
	45	110	77	299

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

	Group			
	6-months period ended 31/12/2024	6-months period ended 31/12/2023	12-months period ended 31/12/2024	18-months period ended 31/12/2023
	S\$'000	S\$'000	S\$'000	S\$'000
Interest expenses on lease liabilities	5	9	6	42
Expenses relating to short-term leases	73	150	73	150
Total cash outflows for leases (excluding short-term leases)	47	106	74	439

The Group recognised lease liabilities as follows:

	Group	
	As at	As at
	31/12/2024	31/12/2023
	S\$'000	S\$'000
Lease liabilities:		
Current	87	17
Non-current	123	-
	<u>210</u>	<u>17</u>

Save as disclosed in this announcement, the Group does not have other third-party borrowings.

22. Provisions

The provisions relate to the future cost of dismantling and removing the items and restoring the site of the Group's leased factory premises in Singapore. The provision is assessed by management with reference to quotation obtained from third party contractor. The provision was reclassified from non-current liabilities to current liabilities in FY2024 as the lease had expired during FY2024.

23. Trade and other payables

	Group		Company	
	As at	As at	As at	As at
	31/12/2024	31/12/2023	31/12/2024	31/12/2023
	S\$'000	S\$'000	S\$'000	S\$'000
Trade payables	-	-	-	-
Sundry creditors	1,933	370	335	222
Accruals for:				
- professional fees	268	407	151	273
- staff costs	95	77	103	41
- other costs	33	33	33	33
Amount due to subsidiaries (non-trade)	-	-	50	9
	<u>2,329</u>	<u>887</u>	<u>672</u>	<u>578</u>

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

24. Subsequent events

- The Company's wholly-owned subsidiary, Opulwell Biotechnology Pte. Ltd. (formerly known as Metech Diamond Solutions Pte. Ltd.) had, on 6 January 2025, changed its principal activity to "Wholesale of Health Supplements".
- The Company had, on 24 January 2025, updated its business developments outlook. Please refer to the monthly update announcement dated 24 January 2025 for more details.
- The Company had, on 27 February 2025, entered into a non-binding memorandum of understanding with JHBD Pte. Ltd. ("JHBD") to cooperate on certain matters. Please refer to the monthly update announcement dated 28 February 2025 for more details.

OTHER INFORMATION REQUIRED PURSUANT TO APPENDIX 7C OF THE CATALIST RULES**1. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.**

The condensed interim consolidated statement of profit or loss and other comprehensive income of Metech International Limited (the “**Company**”, and its subsidiaries, collectively, the “**Group**”) as at 31 December 2024 and the related condensed interim consolidated statements of financial position, condensed interim consolidated statement of changes in equity, condensed profit or loss and other comprehensive income and consolidated statement of cash flows for the 6-months and 12-months period ended and certain explanatory notes have not been audited or reviewed.

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

Not applicable.

2A. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:

- (a) Updates on the efforts taken to resolve each outstanding audit issue.
- (b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

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

Not applicable, as the basis of the disclaimer of opinion issued by the Company’s auditors, Moore Stephens LLP, was regarding the Company’s use of the going concern assumption.

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

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

Review for the performance of the Group for the 6-months ended 31 December 2024 (2HFY2024) and the 12-months period ended 31 December 2024 (FY2024)

(i) Revenue

Following the approval from the shareholders at the EGM, the Group has diversified into, among others, the Health Supplements Business, and had derived majority of its revenue from the Health Supplements Business for FY2024.

In 2HFY2024, the Group had generated revenue of approximately S\$2.89 million from the wholesale of health supplements products and diamonds and related customised products, in comparison to, revenue of S\$26,000 in 3HFP2023. The majority of the revenue was derived from the wholesale of health supplement products.

In FY2024, the Group generated revenue of approximately S\$2.93 million, representing a significant increase as compared to the S\$29,000 recorded in FY2023. The significant increase in revenue was mainly attributed to the new revenue stream from the Group’s new business segment, the wholesale distribution of health supplements products.

(ii) Cost of sales

In 2HFY2024 and FY2024, the Group recorded cost of sales of approximately S\$2.77 million and S\$2.78 million, respectively. This represents a significant increase compared to 3HFP2023 and FP2023, where cost

of sales was approximately S\$35,000 and S\$37,000, respectively. The increase was primarily due to the commencement of the Group's new business segment, aligning with the revenue generated from the wholesale distribution of health supplement products.

(iii) Gross profit/(loss)

As a result of the above-mentioned paragraphs (i) and (ii), the Group generated a gross profit of approximately S\$119,000 in 2HFY2024 and S\$154,000 in FY2024 as compared to a gross loss of approximately S\$9,000 and S\$8,000 in 3HFP2023 and FP2023 respectively. This represented an increase in gross profit margin from approximately (34.6%) and (27.6%) in 3HFP2023 and FP2023 respectively, to approximately 4.1% and 5.2% in 2HFY2024 and FY2024 respectively.

(iv) Other income

Other income decreased by approximately S\$430,000 from approximately S\$491,000 in 3HFP2023 to approximately S\$61,000 in 2HFY2024.

Other income decreased by approximately S\$508,000 from approximately S\$583,000 in FP2023 to approximately S\$75,000 in FY2024.

These decreases were mainly attributed to the absence of a one-off compensation receivable amounting to approximately S\$483,000 from Mr. Deng arising from a settlement agreement entered into in FP2023.

(v) Interest Income

Interest income remained unchanged at S\$1,000 in 2HFY2024 and 3HFP2023.

Interest income decreased by approximately S\$42,000 from approximately S\$43,000 in FP2023 to approximately S\$1,000 in FY2024. This decrease was mainly attributed to the decrease in the Group's cash and bank balances, leading to the decrease in interest income generated from bank interests.

(vi) Administrative expenses

Administrative expenses decreased by approximately S\$0.52 million from approximately S\$1.54 million in 3HFP2023 to approximately S\$1.01 million in 2HFY2024. This decrease was mainly attributed to (a) the decrease in the depreciation of property, plant and equipment of approximately S\$0.21 million and (b) the decrease in staff salary and costs associated with employees of approximately S\$0.40 million.

Administrative expenses decreased by approximately S\$2.58 million from approximately S\$4.55 million in FP2023 to approximately S\$1.97 million in FY2024. This decrease was mainly attributed to (a) the decrease in depreciation of property, plant and equipment of approximately S\$0.63 million, (b) the decrease in legal and professional fees of approximately S\$0.10 million, and (c) the decrease in staff costs by approximately S\$1.46 million.

(vii) Impairment losses on other receivables

Impairment losses on other receivables decreased by approximately S\$0.7 million from approximately S\$0.7 million in FP2023 to approximately nil in FY2024. This decrease was mainly attributed to the absence of a one-off impairment loss that was recognised in FP2023.

(viii) Other expenses

Other expenses in 3HFP2023 and FP2023 of approximately S\$408,000 and S\$6.86 million respectively were mainly attributed to (a) legal and professional expenses, (b) loss allowance on trade and other receivables, (c) impairment loss on property, plant and equipment and (d) allowance on inventories. There were no such other expenses recognised in 2HFY2024 and FY2024, representing a significant decrease in comparison to 3HFP2023 and FP2023.

(ix) Finance costs

Finance costs decreased by S\$6,000, from approximately S\$11,000 in 2HFY2024 to approximately S\$5,000 in 3HFP2023.

Finance costs decreased by \$36,000, from approximately S\$42,000 in FY2024 to approximately S\$6,000 in FP2023.

These decreases were mainly attributed to the amortisation of interest expense from lease liabilities.

(x) Loss after income tax

As a result of the above, the Group's net loss decreased by approximately S\$0.63 million, from approximately S\$1.47 million in 3HFP2023 to approximately S\$0.84 million in 2HFY2024. The Group's net loss for FY2024 decreased by approximately S\$9.78 million, from approximately S\$11.52 million in FP2023 to approximately S\$1.74 million in FY2024. The decrease in net losses were mainly due to the recognition of the new revenue stream arising from the wholesale distribution of health supplements products and the significant reduction in administrative and other expenses.

(xi) Foreign currency translation difference

There was minimal foreign currency translation difference recognised in FY2024, as compared to a foreign currency translation difference gain of S\$177,000 in FP2023. This was due to majority of the cash retained being denominated in Singapore Dollar.

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

Condensed interim statements of financial position

Assets

- (i) Property, plant and equipment increased by approximately S\$0.17 million from S\$1.09 million as at 31 December 2023 to approximately S\$1.26 million as at 31 December 2024, mainly due to the recognition of a lease asset of S\$268,000, which was partially offset by (a) the termination of a lease asset, (b) writing off of furniture and fittings and office equipment, and (c) the depreciation of S\$100,000.
- (ii) Trade and other receivables had increased by approximately S\$39,000 from approximately S\$212,000 as at 31 December 2023 to approximately S\$251,000 as at 31 December 2024. The increase in trade and other receivables was mainly due to the prepayment for the acquisition of machinery.
- (iii) Cash and bank balances increased by approximately S\$1.42 million from approximately S\$51,000 as at 31 December 2023 to approximately S\$1.47 million as at 31 December 2024. Details for the increase in cash and bank balances are explained in the review for the statement of cash flows below.

Liabilities

- (iv) Lease liabilities had increased by approximately S\$193,000 from approximately S\$17,000 as at 31 December 2023 to approximately S\$210,000 as at 31 December 2024. The increase in lease liabilities was mainly due to the additional recognition of lease assets associated with the lease liability during the current financial year.
- (v) Trade and other payables had increased by approximately S\$1.44 million from approximately S\$887,000 as at 31 December 2023 to approximately S\$2.33 million as at 31 December 2024. This increase was mainly due to (a) an increase in sundry creditors relating to legal and professional fees, and (b) an increase in deposit received, which was partially offset by a decrease in accrual of legal and professional fees.
- (vi) Provisions of S\$75,000 were in relation to the future reinstatement of the Company's factory premises at Kallang, which was leased for the lab-grown diamond business segment, which had been reclassified from non-current liabilities to current liabilities as at 31 December 2024 as the lease had expired during FY2024.
- (vii) Borrowings had increased from nil as at 31 December 2023 to approximately S\$1.17 million as at 31 December 2024. This increase was mainly attributed to the full drawdown of the First Loan Agreement of S\$1.0 million, and a subsequent drawdown of the Second Loan Agreement of approximately S\$0.17 million.

Working capital

The Group incurred a negative working capital of approximately S\$1.94 million as at 31 December 2024 compared to a negative working capital of approximately S\$0.66 million as at 31 December 2023. Notwithstanding the negative working capital position as at 31 December 2024, the Company is of the view that the Group can continue operating as a going concern based on the considerations set out in Note 2.3.

Condensed interim consolidated statement of cash flows

2HFY2024

Net cash of approximately S\$0.74 million was generated from operating activities of the Group in 2HFY2024 as compared to net cash of approximately S\$0.68 million used in 3HFP2023. This represented an increase of approximately S\$1.41 million, mainly attributed to operating loss before working capital changes of approximately S\$0.78 million, which was offset by (a) the increase in trade and other payables approximately S\$1.55 million, and (b) the decrease in trade and other receivables of approximately S\$0.17 million.

There was no cash used in investing activities in 2HFY2024 as compared to net cash of approximately S\$0.39 million used in investing activities in 3HFP2023. Net cash used in 3HFP2023 was mainly attributed to the purchase of property, plant and equipment of approximately S\$0.51 million, which is slightly offset by the proceeds from the disposal of property, plant and equipment of approximately S\$0.12 million.

Net cash of approximately S\$0.30 million was generated from financing activities of the Group in 2HFY2024, mainly attributable to proceeds from loan from an employee amounting to approximately S\$347,000, which was partially offset by the repayment of lease liabilities of approximately S\$47,000.

As a result of the above, the Group's cash and cash equivalents as at 31 December 2024 increased by approximately S\$1.04 million from approximately S\$0.44 million as at 1 July 2024 to approximately S\$1.47 million as at 31 December 2024, after taking into consideration the loss due to currency translation on cash and cash equivalents of approximately S\$3,000.

FY2024

The Group recorded a decrease in net cash used in operating activities of approximately S\$4.72 million, from approximately S\$4.96 million in FP2023 to approximately S\$0.25 million in FY2024. This was mainly attributed to operating loss before working capital changes of approximately S\$1.64 million, which was partially offset by (a) an increase in trade and other receivables of approximately S\$39,000, and (b) an increase in trade and other payables of approximately S\$1.43 million.

No cash was used in investing activities in FY2024 as compared to net cash used in investing activities of approximately S\$0.49 million in FP2023.

Net cash of approximately S\$1.67 million was generated from financing activities of the Group in FY2024 as compared to net cash of S\$0.44 million used in FP2023. This was mainly due to the proceeds from the issuance of new ordinary shares in the Company (net of expenses) of approximately S\$0.58 million, and the proceeds from loans from an employee of approximately S\$1.17 million, which were partially offset by the repayment of lease liabilities of approximately S\$74,000.

As a result of the above, the Group's cash and cash equivalents as at 31 December 2024 increased by approximately S\$1.42 million from approximately S\$52,000 as at 1 January 2024 to approximately S\$1.47 million as at 31 December 2024, after taking into consideration the minimal loss due to currency translation on cash and cash equivalents of less than S\$1,000.

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

Not applicable as no specific forecast or a prospect statement was previously issued.

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

The Group is embarking on a transformative journey, marked by internal restructuring and comprehensive review of its operations, while exploring new business opportunities. In addition, the Group will be pursuing external fundings through well-planned corporate exercises to ensure the Group remains viable to operate as a going concern.

Lab-grown diamond business

For the current lab-grown diamond business, the Company is exploring how it can be transformed into new uses in emerging high-tech applications, which may gradually open new market opportunities and drive further growth for the industry. In this regard, the Company has been in active discussions with several enterprises located in Chengdu and the Sichuan Institute of the Chinese Academy of Sciences to promote the development of its lab-grown diamond business and in the application in emerging technologies. Additionally, the Company is actively engaging with other PRC-based research institutions to explore collaboration opportunities for the development of this new market segment using the Company's existing machineries.

Given the increasingly complex market dynamics and ongoing global geopolitical tensions, the Company has been making a conscious effort to expand its market share within the lab-grown diamond industry in the PRC. However, given the challenging economic climate in the PRC, which has not met expectations, the Company is making the necessary adjustments to its business model, resulting in an impact on our sales across all aspects. Accordingly, the Company is currently reviewing the lab-grown diamond business model, and will provide updates to shareholders on any material developments as they arise.

Food Waste Business

The Company is cautiously optimistic of the prospect of the food waste industry given that the Resource Sustainability Act (RSA) introduced by the Ministry of the Environment and Water Resources of Singapore, was enacted in 2019 to address priority waste streams (including food waste). In addition, developers of new buildings are mandated to allocate space for on-site food waste treatment systems since 1 January 2021 in their design plans, with the corresponding reporting requirements¹. This will provide significant and sustainable opportunities within the food waste industry given the recent new regulatory changes, coupled with the limitation of the existing available on-site food waste treatment systems, which can only deal with homogenous food waste.

To create sustainable business streams and enhance shareholders' value, the Company had, on 25 June 2024, through its wholly-owned subsidiary, Asian Green Tech Pte Ltd, entered into a joint venture agreement with Colorful Paradise Agricultural Cooperation Co., Ltd. (多彩樂園農業合作有限公司) ("**CPAC**") to incorporate a joint venture company in Singapore ("**JV Company**"). Details of the joint venture and its business are set out in the Company's announcement dated 25 June 2024. The Company envisages the JV Company to be incorporated by the end of the first quarter of the current financial year ending 31 December 2025 ("**FY2025**").

The Company wishes to announce that the biomass carbon reduction system machines is in the midst of the final stages of testing and commissioning in Taiwan. For the avoidance of doubt, the expenses in relation to the tests for the machines have been solely borne by CPAC. Barring any unforeseen circumstances, the machines are expected to arrive by the end of the first quarter of FY2025. Concurrently, the Company has shortlisted two (2) locations for the machines to be stationed in Singapore as part of the trial phase (being a food court and a shopping centre). The Company expects to commence the Food Waste Business during the second quarter of FY2025. In this regard, the Company will be making the relevant announcements in accordance with the Catalist Rules as and when there are material developments.

The Health Supplements Business

According to a report published by Insights10², the Singapore nutrition and supplements market is expected to reach S\$800 million by 2030, from S\$500 million in 2022, growing at a compounded annual growth rate of 6.9% during 2022-2030. With increasing affluence and consumer awareness of health and lifestyle amidst the busy and stressful environment, it is foreseeable that consumers will prioritise wellness in areas such as preventive healthcare and lifestyle choices. The Company believes that it will be well-placed to capitalise on this gap not just within Singapore, but across Asia.

On 21 August 2024, the Company announced that its wholly-owned subsidiary, "Metech Diamond Solutions Pte. Ltd." ("**MDS**"), had changed its name to "Opulwell Biotechnology Pte. Ltd." ("**OBPL**"). Subsequently, following the conclusion of the EGM held on 30 December 2024, the Company further announced on 6 January 2025 that the principal activity of OBPL had been changed to "Wholesale of Health Supplements", with effect from 6 January 2025.

¹ Source: [National Environment Agency](#)

² Source: [Insights10](#)

As an update to shareholders of the Company (“**Shareholders**”), OBPL has commenced the wholesale distribution of health supplement products to JHBD. Following the initial order that was placed by JHBD subsequent to the approval from Shareholders at the EGM, the Company has successfully completed the delivery of the first batch of health supplement products. The Group recognised revenue of S\$2.89 million in FY2024, recording a gross profit of approximately S\$134,000 from the Health Supplements Business.

Barring any unforeseen circumstances, the Company remains confident in the outlook and prospects of the Health Supplement Business.

6. If a decision regarding dividend has been made:

- (a) Whether an interim (final) ordinary dividend has been declared (recommended); and**
No.
- (b) (i) Amount per share**
Not applicable.
- (ii) Previous corresponding period**
No dividend has been declared or recommended for the previous corresponding period.
- (c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).**
Not applicable.
- (d) The date the dividend is payable**
Not applicable.
- (e) The date on which Registrable Transfers received by the Company (up to 5.00 pm) will be registered before entitlements to the dividend are determined.**
Not applicable.

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

No dividend has been declared or is recommended as the Group is currently focused on its business expansion and restructuring, and the Group currently does not have accumulated profits available for the declaration of dividend.

8. Interested person transactions (“IPTs”)

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

9. Confirmation that the issuer has procured undertaking from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1) of the Catalist Rules

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

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

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

11. Disclosure of acquisitions (including incorporations) and realisations of shares since the end of the previous reporting period pursuant to Rule 706A of the Catalist Rules

Not applicable.



(Company Registration No. 199206445M)

On behalf of the Board of Directors

Pang Wei Hao

Executive Director & Chief Executive Officer

28 February 2025