

MOOREAST HOLDINGS LTD.

Registration No: 202120164D Incorporated in Singapore

Unaudited Financial Statements Announcement For Six Months ended 30 June 2024

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

This announcement has not been examined or approved by the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Ms Alicia Chang, Registered Professional, W Capital Markets Pte Ltd, at 65 Chulia Street #43-01 OCBC Centre, Singapore 049513, telephone (65) 6513 3525.

Background

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

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

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

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

Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income for the six-months period ended 30 June 2024 (“1H2024”) and six-months period ended 30 June 2023 (“1H2023”).

	Note	1H2024 S\$'000 Unaudited	1H2023 S\$'000 Unaudited	Change %
Revenue	4	13,704	14,419	(5)
Cost of sales		(8,660)	(8,495)	2
Gross profit		5,044	5,924	(15)
Other items of income				
Interest income	5	264	319	(17)
Other income	5	400	3,037	(87)
Other items of expense				
Marketing and distribution		(333)	(330)	1
Administrative expenses		(4,530)	(4,365)	4
Research and development expenses		(108)	(19)	468
Interest expenses	5	(1,144)	(1,099)	4
Other expenses	5	(872)	(733)	19
(Loss)/profit before tax	5	(1,279)	2,734	Nm
Income tax expense	7	(3)	(456)	(99)
(Loss)/profit after tax		(1,282)	2,278	Nm
Other comprehensive income/(loss):				
Items that may be reclassified subsequently to profit or loss				
Foreign currency translation		(20)	(37)	(46)
Total comprehensive (loss)/income for the financial period attributable to owner of the Company		(1,302)	2,241	Nm

Nm=not meaningful

B. CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	Note	Group		Company	
		30 June 2024 S\$'000 Unaudited	31 December 2023 S\$'000 Audited	30 June 2024 S\$'000 Unaudited	31 December 2023 S\$'000 Audited
Assets					
Non-current assets					
Plant and equipment	8	3,889	4,122	2	3
Intangible asset		16	15	–	–
Right-of-use assets	9	29,525	29,991	–	–
Investment in subsidiaries		–	–	10,587	10,587
Trade and other receivables	10	2,042	2,181	–	–
		35,472	36,309	10,589	10,590
Current assets					
Inventories	11	8,325	7,971	–	–
Trade and other receivables	10	8,755	7,511	6,832	4,869
Contract assets		4,933	1,933	–	–
Prepaid operating expenses		323	1,757	57	38
Cash and bank balances	12	14,194	16,356	11,323	12,606
		36,530	35,528	18,212	17,513
Total assets		72,002	71,837	28,801	28,103
Current liabilities					
Trade and other payables	13	5,559	5,800	464	182
Contract liabilities		3,178	880	–	–
Lease liabilities	9	963	813	–	–
Loan and borrowings	14	1,638	1,358	–	–
Income tax payables		124	512	84	131
		11,462	9,363	548	313
Net current assets		25,068	26,165	17,664	17,200
Non-current liabilities					
Lease liabilities	9	8,976	9,237	–	–
Loan and borrowings	14	23,641	24,199	–	–
Convertible notes	15	5,160	5,024	5,159	5,024
Provision for reinstatement cost	16	2,246	2,195	–	–
Deferred tax liabilities	17	460	460	–	–
		40,483	41,115	5,159	5,024
Total liabilities		51,945	50,478	5,707	5,337
Net assets		20,057	21,359	23,094	22,766

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

	Note	Group		Company	
		30 June 2024 S\$'000 Unaudited	31 December 2023 S\$'000 Audited	30 June 2024 S\$'000 Unaudited	31 December 2023 S\$'000 Audited
Capital and reserves					
Share capital	18	23,636	23,636	23,636	23,636
Capital reserve		(9,587)	(9,587)	–	–
Retained earnings/(accumulated losses)		5,516	6,798	(949)	(1,277)
Other reserve	15	407	407	407	407
Foreign currency translation reserve		85	105	–	–
Total equity		20,057	21,359	23,094	22,766
Total equity and liabilities		72,002	71,837	28,801	28,103

C. CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Share capital SS'000	Capital reserve SS'000	Retained earnings/ (accumulated losses) SS'000	Other reserve SS'000	Foreign currency translation reserve SS'000	Total equity SS'000
Group						
As at 1 January 2023	23,636	(9,587)	8,645	407	128	23,229
Loss net of tax	–	–	(1,847)	–	–	(1,847)
Foreign currency translation	–	–	–	–	(23)	(23)
Total comprehensive loss for the year	–	–	(1,847)	–	(23)	(1,870)
As at 31 December 2023	23,636	(9,587)	6,798	407	105	21,359
As at 1 January 2024	23,636	(9,587)	6,798	407	105	21,359
Loss net of tax	–	–	(1,282)	–	–	(1,282)
Foreign currency translation	–	–	–	–	(20)	(20)
Total comprehensive loss for the period	–	–	(1,282)	–	(20)	(1,302)
As at 30 June 2024	23,636	(9,587)	5,516	407	85	20,057

	Share capital SS'000	Retained earnings/ (accumulated losses) SS'000	Other reserve SS'000	Total equity SS'000
Company				
As at 1 January 2023	23,636	(1,793)	407	22,250
Total comprehensive income for the year	–	516	–	516
As at 31 December 2023	23,636	(1,277)	407	22,766
As at 1 January 2024	23,636	(1,277)	407	22,766
Total comprehensive income for the period	–	328	–	328
As at 30 June 2024	23,636	(949)	407	23,094

D. CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

	1H2024 Unaudited S\$'000	1H2023 Unaudited S\$'000
Group		
Operating activities		
(Loss)/profit before tax	(1,279)	2,734
<u>Adjustments for:</u>		
Depreciation of plant and equipment	701	766
Depreciation of right-of-use assets	892	871
Gain on disposal of plant and equipment	(99)	(2,694)
Interest income	(264)	(319)
Interest expense	568	528
Interest expense on lease liabilities	217	230
Interest expense on convertible note	359	341
Allowance/(reversal of allowance) for expected credit losses	23	(39)
Unrealised foreign exchange loss	9	21
Operating cash flow before changes in working capital	1,127	2,439
<u>Changes in working capital:</u>		
Increase in inventories	(354)	(1,886)
Increase in contract assets, trade and other receivables	(4,294)	(4,835)
Decrease in prepaid operating expenses	1,434	841
Increase in contract liabilities, trade and other payables	1,858	2,524
Restricted cash	—*	62
Cash flow used in operations	(229)	(855)
Interest paid	—*	—*
Income tax paid	(391)	(534)
Net cash flow used in operating activities	(620)	(1,389)
Investing activities		
Purchase of plant and equipment	(492)	(392)
Development expenditure	—	(16)
Proceeds from disposal of plant and equipment	122	3,000
Interest received	264	319
Net cash flows (used in)/generated from investing activities	(106)	2,911

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

	1H2024 Unaudited S\$'000	1H2023 Unaudited S\$'000
Financing activities		
Interest paid on lease liabilities	(217)	(230)
Repayment on lease liabilities	(453)	(448)
Interest paid on loan and borrowing	(270)	(334)
Repayment on loan and borrowing	(524)	(482)
Net cash flows used in financing activities	(1,464)	(1,494)
Net (decrease)/ increase in cash and cash equivalents	(2,190)	28
Effect of exchange rate changes on cash and cash equivalents	28	22
Cash and cash equivalents at beginning of the period	16,283	18,974
Cash and cash equivalents at the end of period	14,121	19,024

* Below S\$1,000

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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

1. Corporate information

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

The financial statements of the Group as at and for the period ended 30 June 2024 comprise the Company and its subsidiaries (together referred to as the "Group").

The principal activities of the Company are those of investment holding. Details of the subsidiaries as at 30 June 2024 are as follows:

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

2. Basis of preparation

The condensed interim consolidated financial statements for the six-months ended 30 June 2024 have been prepared in accordance with SFRS(I) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore.

The condensed interim consolidated financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group.

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

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

These condensed interim consolidated financial statements are presented in Singapore dollar, which is the Company's functional currency. The financial information has been 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 adjustment as a result of adopting those Standards.

2.2 Standards issued but not yet effective

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

Description	Effective for annual periods beginning on or after
<i>Amendments to SFRS(I) 10 and SFRS(I) 1-28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	To be determined
<i>Amendments to SFRS(I) 1-21: Lack of Exchangeability</i>	1 January 2025

2.3 Use of estimates and judgements

The preparation of the condensed interim consolidated financial statements in conformity with SFRS(I)s requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the consolidated financial statements as at and for the period ended 30 June 2023.

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

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

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

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

(b) *Impairment of investment in subsidiaries*

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

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

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

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

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

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

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

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

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

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

3. **Seasonal operations**

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

4. **Revenue**

Disaggregation of revenue

	Six months ended 30 June	
	2024	2023
	SS'000	SS'000
Group		
Sale of goods	7,872	8,094
Rental of equipment	1,099	411
Services rendered	4,733	5,914
	<hr/>	<hr/>
	13,704	14,419
	<hr/>	<hr/>
Timing of transfer of goods or services		
At a point in time	3,777	4,955
Over time	9,927	9,464
	<hr/>	<hr/>
	13,704	14,419
	<hr/>	<hr/>

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

	Six months ended 30 June	
	2024	2023
	SS'000	SS'000
Group		
Interest income		
Interest income from:		
current account	264	319
	<hr/>	<hr/>
Other income		
Gain on disposal of plant and equipment	99	2,694
Gain on foreign exchange	148	126
Sales of scrap metal	95	57
Government grants	57	119
Reversal of allowance for expected credit losses	–	39
Others	1	2
	<hr/>	<hr/>
	400	3,037
	<hr/>	<hr/>

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

	Six months ended 30 June	
	2024	2023
	S\$'000	S\$'000
Interest expenses		
Interest expenses on:		
- lease liabilities	217	230
- loan and borrowing	516	478
- convertible note	359	341
- others	52	50
	1,144	1,099
Other expenses		
Legal and other professional fees	450	291
Property tax	234	223
Allowance for expected credit losses	23	–
Donations	45	22
Others	120	197
	872	733
Inventories recognised as an expense in cost of sales	3,177	4,391
Staff costs	2,621	2,409
Transport expenses	214	294
Depreciation of plant and equipment	701	766
Depreciation of right-of-use assets	892	871

6. (Loss)/earnings per share

	Six months ended 30 June	
	2024	2023
Group		
Basic (loss)/earnings per share (cents)	(0.50)	0.88
Weighted-average number of ordinary shares ('000)	259,000	259,000
Diluted (loss)/earnings per share (cents)	(0.50)*	0.82
Weighted-average number of ordinary shares ('000)	276,483	276,483

The (loss)/earnings per share is computed by dividing the (loss)/profit after tax attributable to owners of the Company against the weighted average number of shares.

* Diluted (loss)/earnings per share is the same as basic (loss)/earnings per share as the effect of conversion of the convertible notes is anti-dilutive.

7. Income tax expense

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated statement of profit or loss are:

	Six months ended 30 June	
	2024	2023
	S\$'000	S\$'000
Group		
Current income tax:		
- Current year	3	456

8. Plant and equipment

Group	Motor vehicles	Furniture and fittings	Workshop and office equipment	Computers and software	Renovation	Rental equipment	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Cost:							
At 1 January 2023	522	72	3,167	589	750	8,001	13,101
Additions	149	6	169	65	198	432	1,019
Disposals	(48)	–	–	–	–	(1,986)	(2,034)
Exchange differences	–	–	–*	–*	–	7	7
At 31 December 2023 and 1 January 2024	623	78	3,336	654	948	6,454	12,093
Additions	–	4	127	115	–	246	492
Disposals	–	–	–	–	–	(46)	(46)
Exchange differences	–	–	–*	–*	–	(1)	(1)
At 30 June 2024	623	82	3,463	769	948	6,653	12,538
Accumulated depreciation:							
At 1 January 2023	138	39	1,794	355	235	5,556	8,117
Depreciation charge for the year	93	22	270	115	233	769	1,502
Disposal	(48)	–	–	–	–	(1,602)	(1,650)
Exchange differences	–	–	–*	–*	–	2	2
At 31 December 2023 and 1 January 2024	183	61	2,064	470	468	4,725	7,971
Depreciation charge for the period	49	11	157	78	131	275	701
Disposal	–	–	–	–	–	(23)	(23)
Exchange differences	–	–	–*	–*	–	–*	–*
At 30 June 2024	232	72	2,221	548	599	4,977	8,649
Net carrying amount:							
At 31 December 2023	440	17	1,272	184	480	1,729	4,122
At 30 June 2024	391	10	1,242	221	349	1,676	3,889

* Below S\$1,000

9. Right-of-use assets and lease liabilities

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

	Leasehold properties	Motor vehicles	Workshop and office equipment	Software	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Group					
As at 1 January 2023	28,541	15	3,074	29	31,659
Lease modification	76	–	–	–	76
Depreciation	(1,496)	(15)	(220)	(13)	(1,744)
As at 31 December 2023	27,121	–*	2,854	16	29,991
Addition	426	–	–	–	426
Depreciation	(775)	–	(110)	(7)	(892)
As at 30 June 2024	26,772	–	2,744	9	29,525

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

	30 June 2024	31 December 2023
	S\$'000	S\$'000
Group		
As at 1 January	10,051	10,849
Addition	341	–
Accretion of interest	217	451
Lease modification	–	76
Payments	(670)	(1,325)
As at 30 June/ 31 December	9,939	10,051
Current	963	813
Non-current	8,976	9,238
As at 30 June/ 31 December	9,939	10,051

10. Trade and other receivables

	Group		Company	
	30 June 2024	31 December 2023	30 June 2024	31 December 2023
	S\$'000	S\$'000	S\$'000	S\$'000
Non-current assets				
Trade receivables	2,042	2,181	–	–
Current assets				
Trade receivables	6,226	6,713	–	–
Deposits	2,037	51	10	–
GST receivables	185	367	–	–
Other receivables	307	380	92	164
Amount due from subsidiaries	–	–	6,730	4,705
	8,755	7,511	6,832	4,869
Total trade and other receivables	10,797	9,692	6,832	4,869

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

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

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

	30 June 2024	31 December 2023
	S\$'000	S\$'000
United States Dollars	3,631	3,800

11. Inventories

	30 June 2024	31 December 2023
	S\$'000	S\$'000
Group		
Raw material, at cost	2,517	2,856
Work-in-progress, at cost	147	596
Finished goods, at cost	5,654	4,525
Consumables, at cost	87	74
	8,405	8,051
Less: Allowance for inventories obsolescence	(80)	(80)
	8,325	7,971

12. Cash and bank balances

	Group		Company	
	30 June 2024	31 December 2023	30 June 2024	31 December 2023
	S\$'000	S\$'000	S\$'000	S\$'000
Cash at banks	14,190	16,351	11,323	12,606
Cash on hand	4	5	–	–
	14,194	16,356	11,323	12,606
Less: Restricted cash	(73)	(73)	–	–
Cash and cash equivalents	14,121	16,283	11,323	12,606

Restricted cash of S\$72,957 as at 30 June 2024 represents cash at bank that has been set aside, at the subsidiary level, as performance guarantee for ongoing contracts.

12. Cash and bank balances (cont'd)

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

	30 June 2024	31 December 2023
	S\$'000	S\$'000
United States Dollars	1,331	1,760
Euro	285	14

13. Trade and other payables

	Group		Company	
	30 June 2024	31 December 2023	30 June 2024	31 December 2023
	S\$'000	S\$'000	S\$'000	S\$'000
Trade payables	3,025	3,412	–	–
Other payables:				
Sundry payables	555	497	21	6
Accruals	1,949	1,862	409	143
GST payables	30	29	30	29
Amount due to a subsidiary	–	–	4	4
Total trade and other payables	5,559	5,800	464	182

Trade payables

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

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

	30 June 2024	31 December 2023
	S\$'000	S\$'000
United States Dollars	743	1,240
Euro	294	106
British Pound	239	–*

* Below S\$1,000

14. Loan and borrowings

Group	30 June 2024	31 December 2023
	S\$'000	S\$'000
Current		
Commercial property loan (secured)	1,081	1,047
Shareholder loan	557	311
	<hr/>	<hr/>
	1,638	1,358
Non-current		
Commercial property loan (secured)	10,641	11,199
Shareholder loan	13,000	13,000
	<hr/>	<hr/>
	23,641	24,199
	<hr/>	<hr/>
Total loan and borrowings	25,279	25,557

Commercial property loan (secured)

On 14 July 2021, Mooreast Asia Pte. Ltd. acquired a leasehold property at 51 Shipyard Road for an aggregate consideration of S\$18,500,000 which was financed through a combination of commercial property loan and internal funding.

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

Shareholder loan

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

15. Convertible notes

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

(a) CN1

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

On 24 April 2024, EDBI sold the shares to AGP Continuation Growth Fund VCC – AGP CG Sub-Fund I (“**AGP**”).

15. Convertible notes (cont'd)

(b) CN2

The second series of the EDBI Convertible Note (“CN2”) was issued for a principal amount of S\$5,000,000 with the following principal terms:

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

On 6 May 2024, EDBI transferred CN2 to AGP by way of a Note Transfer Instrument dated 6 May 2024.

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

The movement of the convertible note was as follows:

	30 June 2024	31 December 2023
	S\$'000	S\$'000
Group and Company		
Equity component		
As at 1 January / 30 June / 31 December	407	407
Liability component		
As at 1 January	5,024	4,768
Interest expense	136	706
Payments	–	(450)
As at 30 June /31 December	5,160	5,024

16. Provision for reinstatement cost

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

17. Deferred tax liabilities

Deferred tax liabilities relate to the following:

	30 June 2024	31 December 2023
	S\$'000	S\$'000
Group		
Differences in depreciation for tax purposes	460	460

18. Share capital

	Group and Company	
	No. of shares	Amount S\$'000
<i>Issued and fully paid ordinary shares:</i>		
As at 31 December 2023 and 30 June 2024	259,000,000	23,636

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

The number of Shares that may be issued on the conversion of the outstanding Convertible Note as at 31 December 2023 and 30 June 2024 is as follows:

	Group and Company	
	No. of shares	Amount S\$'000
As at 31 December 2023 and 30 June 2024		
New shares to be issued on conversion of outstanding Convertible Note of S\$5 million at the conversion price of S\$0.286	17,483,000	5,000

There are no treasury shares or subsidiary holdings as at 30 June 2024 and 31 December 2023.

19. Operating segments

The Group has the following 5 strategic divisions, which are reportable segments. The 5 divisions offer different services, and are managed separately. Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. The following summary describes the operations in each of the Group's reportable segments:

- **Mooring division**

Provision of design, engineering, fabrication, supply, mobilization and logistics, installation and commissioning services of bespoke mooring systems to the offshore oil and gas ("O&G") and marine industries. The Group also provide leasing services for mooring systems.

- **Rigging and heavy lifting division**

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

- **Marine supplies and services division**

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

- **Renewable energy division**

Provision of design, engineering, fabrication, supply, mobilization, demobilization and project logistics, installation and commissioning services for mooring systems for floating wind turbine projects, offshore solar photovoltaic ("PV") projects and tidal turbine projects.

- **Yard division**

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

- **Corporate division**

Involved in group-level corporate services and treasury functions.

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

19. Operating segments (cont'd)

Group	Mooring	Rigging and Heavy Lifting	Marine Supplies and Services	Renewable Energy	Yard	Corporate	Elimination	Per consolidated financial statements
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
For the six-months period ended 30 June 2024								
Revenue from external customers	3,422	2,603	1,225	2,164	4,290	–	–	13,704
Intersegment revenue	244	–	–	–	–	–	(244)	–
Total revenue	3,666	2,603	1,225	2,164	4,290	–	(244)	13,704
Results:								
Depreciation	(651)	(91)	(35)	(35)	(419)	(362)	–	(1,593)
Interest income	37	–	–	–	–	254	(27)	264
Interest expense	(159)	(26)	(26)	(26)	(249)	(714)	56	(1,144)
Segment (loss)/profit	(309)	145	17	814	352	(2,294)	(4)	(1,279)
As at 30 June 2024								
Segment assets:	12,464	3,913	2,550	6,083	3,751	62,919	(19,678)	72,002
Segment liabilities (exclude tax payables and deferred tax liabilities):	6,182	472	182	1,529	1,102	52,047	(10,153)	51,361

19. Operating segments (cont'd)

Group	Mooring	Rigging and Heavy Lifting	Marine Supplies and Services	Renewable Energy	Yard	Corporate	Elimination	Per consolidated financial statements
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
For the six-months period ended 30 June 2023								
Revenue from external customers	3,208	2,016	1,226	2,522	5,447	–	–	14,419
Intersegment revenue	199	–	–	–	–	–	(199)	–
Total revenue	3,407	2,016	1,226	2,522	5,447	–	(199)	14,419
Results:								
Depreciation	(744)	(99)	(35)	(35)	(418)	(306)	–	(1,637)
Interest income	28	–	–	–	–	318	(27)	319
Interest expense	(179)	(29)	(29)	(29)	(288)	(572)	27	(1,099)
Segment profit/(loss)	2,313	267	16	1,378	726	(2,005)	39	2,734
As at 30 June 2023								
Segment assets:	18,371	4,457	1,182	2,359	5,772	52,584	(5,599)	79,126
Segment liabilities (exclude tax payables and deferred tax liabilities):	3,878	683	144	67	3,572	50,337	(6,581)	52,100

20. Related parties transactions

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

21. Key management personnel compensation

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

Key management personnel compensation comprises:

Group	Six months ended 30 June	
	2024	2023
	S\$	S\$
Key management personnel remuneration:		
- Salaries and bonuses	963,344	893,301
- CPF contributions	86,312	79,177
	<hr/>	<hr/>
Included in key management personnel remuneration are amounts paid to:		
Directors' of the Company:		
- Salaries and bonuses	330,000	303,342
- CPF contributions	10,608	9,898
	<hr/>	<hr/>

22. Commitments

Operating lease commitments - as lessor

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

Group	30 June 2024	30 June 2023
	\$'000	\$'000
Not later than one year	559	379
Later than one year but not later than five years	76	8
	<hr/>	<hr/>
	635	387
	<hr/>	<hr/>

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

OTHER INFORMATION

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

There are no treasury shares or subsidiary holdings as at 30 June 2024 and 31 December 2023.

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

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

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

Not applicable

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

Not applicable

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

The condensed consolidated statement of financial position of Mooreast Holdings Ltd. and its subsidiaries as at 30 June 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 six month period ended 30 June 2024 and certain explanatory notes have not been audited nor reviewed.

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

Not applicable.

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

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

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

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

Not applicable.

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

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

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

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

6 Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

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

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

	Group		Company	
	30 June 2024	31 December 2023	30 June 2024	31 December 2023
Net asset value (S\$'000)	20,057	21,359	23,094	22,766
Number of ordinary shares in issue ('000)	259,000	259,000	259,000	259,000
Net asset value per ordinary share (cents)	7.7	8.2	8.9	8.8

8

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

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

A. Consolidated Statement of Comprehensive Income

(1H2024 vs 1H2023)

(1) Revenue:

Segments	1H2024 S\$'000	1H2023 S\$'000	Increase/ (Decrease) S\$'000	Increase/ (Decrease) %
Mooring	3,422	3,208	214	7
Rigging and Heavy Lifting	2,603	2,016	587	29
Marine Supplies and Services	1,225	1,226	(1)	—*
Renewable Energy	2,164	2,522	(358)	(14)
Yard	4,290	5,447	(1,157)	(21)
Total	13,704	14,419	(715)	(5)

* Below 1%

Total revenue decreased by S\$0.72 million or 5% from S\$14.42 million in 1H2023 to S\$13.70 million in 1H2024. The decrease was mainly due to lower revenue contributions from the Yard and Renewable Energy divisions, partially offset by higher revenue contributions from the Rigging and Heavy Lifting and Mooring divisions.

Revenue from the Yard division decreased by S\$1.16 million or 21% from S\$5.45 million in 1H2023 to S\$4.29 million in 1H2024. This was mainly due to the decrease in number of vessels serviced.

Revenue from Renewable Energy division was lower compared to 1H2023 as the delivery of the contract secured is scheduled for the second half of FY2024.

Revenue from the Rigging and Heavy Lifting as well as Mooring divisions in 1H2024 increased by approximately S\$0.58 million and S\$0.21 million, respectively compared to 1H2023. This was mainly due to multiple high-value orders secured and completed during the period as the Group continues to expand its customer base as well as its product range.

(2) Cost of Sales:

Despite the decrease in revenue, cost of sales increased by S\$0.16 million or 2% from S\$8.50 million in 1H2023 to S\$8.66 million in 1H2024. This was attributable to higher costs related to fabrication and third-party goods purchased.

(3) Gross Profit:

Gross profit decreased by S\$0.88 million or 15% from S\$5.92 million in 1H2023 to S\$5.04 million in 1H2024. Overall gross profit margin decreased from 41% in 1H2023 to 37% in 1H2024, mainly due to higher third-party cost of goods and increased cost of fabrication.

(4) Interest Income:

Interest income decreased from S\$0.32 million in 1H2023 to S\$0.26 million in 1H2024. This was due to lower amount of funds placed as fixed deposits.

(5) Other Income:

Other income decreased from S\$3.04 million in 1H2023 to S\$0.40 million in 1H2024. This was due to lower gain from sales of plant and equipment and decreased government grants, partially offset by the increase in sales of scrap metal and gain on foreign exchange.

(6) Administrative Expenses:

	1H2024 S\$'000	1H2023 S\$'000	Increase/ (Decrease) S\$'000	Increase/ (Decrease) %
Staff related costs	2,621	2,409	212	9
Depreciation	1,174	1,100	74	7
Upkeep of premises	42	174	(132)	(76)
Other administrative costs	693	682	11	2
Total	4,530	4,365	165	4

Administrative expenses increased by S\$0.17 million or 4% mainly due to an increase in staff-related costs, depreciation expenses and other administrative costs, partially offset by the decrease in the cost of upkeep of premises.

The increase in staff-related costs was mainly due to adjustments to the remuneration of employees as well as the recruitment of more technical professionals and executives to support the Group's growth. The increase in depreciation expenses was due to increases in plant and equipment as at 1H2024.

The upkeep of premises includes warehouse-related costs incurred and maintenance costs for the upkeep of the yard facilities at 51 Shipyard Road which was acquired in July 2021.

Other administrative costs increased mainly due to higher office expenses as well as the incorporation of the Group's subsidiary in Taiwan.

(7) Research and Development Expenses:

In 1H2024, the research and development expenses of S\$108,000 pertained to a research and development project for a 10MW Wind Floater, participation in a project to improve and align the industry practice for mooring system and inter-array cable system design for floating wind turbines, and a project to co-develop a conceptual tidal current turbine.

(8) Interest expense:

The increase in interest expense of S\$0.04 million from S\$1.10 million in 1H2023 to S\$1.14 million in 1H2024 was mainly due to significant increase in interest rate on loans and borrowings.

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

(9) Other expenses

Other expenses increased from S\$0.73 million in 1H2023 to S\$0.87 million in 1H2024 due to the increase in legal and professional fees incurred for compliance with the Catalyst Rules and expansion projects, as well as increase in property tax, allowance for expected credit losses and donations.

B. Consolidated Statement of Financial Position as at 30 June 2024

(1) Non-Current Assets:

Non-current assets decreased to S\$35.47 million as at 30 June 2024 from S\$36.31 million as at 31 December 2023, mainly due to a decrease in right-of-use asset, plant and equipment and trade and other receivables of S\$0.47 million, S\$0.23 million and S\$0.14 million, respectively.

The decrease in right-of-use assets was mainly due to depreciation charge of S\$0.89 million, partially offset by the addition of S\$0.43 million. The decrease in plant and equipment was mainly due to the disposal of rental equipment with a net book value of S\$0.02 million and depreciation of S\$0.70 million during the period. The decrease was partially offset by the acquisition of plant and equipment of S\$0.49 million. The decrease in trade and other receivables was mainly due to repayment from customers during the period.

(2) Current Assets:

Current assets increased to S\$36.53 million as at 30 June 2024 compared to S\$35.53 million as at 31 December 2023. The increase was mainly due to the increase in contract assets of S\$3.00 million, trade and other receivables of S\$1.24 million and inventories of S\$0.35 million, partially offset by the decrease in cash and bank balances of S\$2.16 million and prepaid operating expenses of S\$1.43 million.

Contract assets mainly relate to the Group's right to consideration for goods and services provided but not yet billed as at 30 June 2024. The increase in trade and other receivables was mainly attributed to the completion of projects in May and June 2024, leading to billings being completed in the same month.

Inventories, comprising mainly raw materials, work-in-progress and finished goods, amounted to approximately S\$8.32 million as at 30 June 2024 compared to S\$7.97 million as at 31 December 2023. The increase was mainly due to an increase in finished goods as at 30 June 2024 due to expansion of product range.

The decrease in pre-paid operating expenses from S\$1.76 million as at 31 December 2023 to S\$0.32 million as at 30 June 2024 mainly due to receipt of the inventories prepaid in 2023.

Cash and bank balances decreased from S\$16.36 million as at 31 December 2023 to S\$14.19 million as at 30 June 2024. Please refer to Section C. Consolidation Statement of Cash Flows (1H2024) for details.

(3) Current Liabilities:

Current liabilities increased to S\$11.46 million as at 30 June 2024 from S\$9.36 million as at 31 December 2023 mainly due to:

- (i) increase in contract liabilities of S\$2.30 million due to advance payment from customers for contracts secured; and
- (ii) increase of S\$0.28 million in loan and borrowings due to higher interest rate during the period.

The increase is offset by:

- (i) decrease in trade and other payables of S\$0.24 million. Despite the increase in cost of sales, trade and other payables decreased as payments for purchases were made in advance in prior year; and
- (ii) decrease in income tax payables of S\$0.39 million due to lower taxable profit in 1H2024.

(4) Non-Current Liabilities:

Non-current liabilities decreased to S\$40.48 million as at 30 June 2024 from S\$41.12 million as at 31 December 2023. The decrease was mainly due to:

- (i) repayment of loan and borrowings of S\$0.52 million; and
- (ii) repayment of lease liabilities of S\$0.45 million.

The decrease was partially offset by an increase of S\$0.34 million in the lease liabilities from a new lease entered, and an increase in convertible note as a result of recognition of accrued interest of S\$0.14 million.

C. Consolidated Statement of Cash Flows (1H2024)

- (1) In 1H2024, we generated net cash before changes in working capital of S\$1.13 million. Net cash used in changes in working capital amounted to S\$1.36 million mainly due to an increase in inventories of S\$0.35 million and an increase in contract asset, trade and other receivables of S\$4.29 million. These were partially offset by the decrease in prepaid operating expenses of S\$1.43 million and increase in contract liabilities and trade and other payables of S\$1.86 million. The Group also paid income tax of S\$0.39 million.
- (2) Net cash generated used in investing activities in 1H2024 amounted to S\$0.11 million. This was mainly due to purchase of plant and equipment of S\$0.49 million, partially offset by the proceeds from the disposal of plant and equipment of S\$0.12 million and interest income of S\$0.26 million.
- (3) Net cash used in financing activities in 1H2024 amounted to S\$1.46 million. This was mainly due to repayment and interest paid on lease liabilities as well as loan and borrowings of S\$0.67 million and S\$0.79 million, respectively.

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

There was no forecast or prospect statement disclosed previously.

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

The Group has made several key developments during the period under review to strengthen its value proposition.

The acquisition of 60 Shipyard Crescent, which is expected to be completed at the end of 2024, can quadruple the Group's production capacity in Singapore of ultra-high power anchors and related equipment. The combined capacity of 60 Shipyard Crescent and 51 Shipyard Road will be able to support between 1.5 gigawatts ("GW") to 2GW of floating offshore wind energy per annum, an increase from the 0.5GW currently.

In addition to the Singapore facility, Mooreast is working with ETZ Ltd, a private sector-led not-for-profit company spearheading the energy transition ambitions of Northeast Scotland by supporting the creation of a hub, on the establishment of a manufacturing facility in Aberdeen, Scotland. As the world's biggest floating offshore wind farm is now being built in the North Sea off the Scottish coast, the Group believes that the expansion of the Singapore and the Aberdeen facilities can consolidate its floating wind business in Europe.

On 25 June 2024, the Group has inaugurated its sales office in Taiwan to spearhead business opportunities in North Asia, where floating wind projects are on the increase. The new Taiwan sales office and Malaysia subsidiary are part of the strategy to enlarge its production capacity and geographical reach and increase collaboration with international partners to capture fresh opportunities in the floating wind sector globally.

In line with this strategy, Mooreast signed a term sheet on 13 June 2024 to secure a S\$20.01 million convertible loan from SG-RT FUND, a sub-fund of CEC-SG VCC, a Singapore-registered umbrella variable capital company managed by N PrimePartners Capital Pte. Ltd, subject to the terms and conditions outlined in the announcement released on the same day.

The Group continues to offer geotechnical and geophysical studies, which could later translate into opportunities for Mooreast to offer its total mooring solutions to customers.

11 Dividend Information

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

No dividend has been declared or recommended for 1H2024 (1H2023: Nil).

(b) (i) Amount per share

Not applicable.

(ii) Previous corresponding period

Not applicable.

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be shared).

Not applicable.

(d) Date the dividend is payable

Not applicable.

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

Not applicable.

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

No interim dividend has been declared or recommended for 1H2024 as the Group continues to operate prudently and intends to conserve cash.

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

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

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

Sim Koon Lam and Joseph Ong Yong Loke, being two directors of the Company, have confirmed on behalf of the Board that, to the best of their knowledge, nothing has come to their attention which may render the unaudited interim financial statements of the Company and the Group for 1H2024 to be false or misleading in any material aspect.

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

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

16 Disclosure pursuant to Rule 706(A)

There was no acquisition or sale of shares by the Company during 1H2024 which requires disclosure pursuant to Rule 706(A) of the Catalist Rules.

17 Use of IPO proceeds

The gross proceeds of the Listing amounted to approximately S\$8.5 million (the “**Gross Proceeds**”). As at 30 June 2024 a total amount of approximately S\$6.4 million out of the Gross Proceeds had been utilized according to the allocation set out in the Offer Document and the remaining balance of S\$2.1 million is expected to be utilized as intended.

Use of net proceeds	Amount allocated S\$'000	Balance as at 9 Apr 2024 S\$'000	Amount utilised S\$'000	Balance as at the date of this announcement S\$'000
Develop and grow our Renewable Division	500	–	–	–
Development of facilities and capacity of 51 Shipyard Road and scale up of operations & invest in plant, machineries & equipment	4,000	1,247	(106)	1,141
To explore opportunities in M&A & strategic alliances	1,000	1,000	–	1,000
General corporate and working capital purposes	1,243	–	–	–
IPO expenses pursuant to listing	1,804	–	–	–
Gross proceeds from the Invitation	8,547	2,247	(106)	2,141

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

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

BY ORDER OF THE BOARD

Sim Koon Lam
Chief Executive Officer
13 August 2024