
Unaudited Condensed Interim Financial Statements
For the Three Months and Full Year Ended 31 March 2025

Content	Page
A. Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income	1
B. Condensed Interim Statements of Financial Position	3
C. Condensed Interim Statements of Changes in Equity	5
D. Condensed Interim Consolidated Statements of Cash Flows	7
E. Notes to the Condensed Interim Consolidated Financial Statements	9
F. Other Information Required by Listing Rule Appendix 7.2	21

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

	Note	The Group		Change %
		3 months ended 31.03.2025 RM'000	3 months ended 31.03.2024 RM'000	
Revenue	4	116,635	111,459	5%
Cost of sales		(60,292)	(61,807)	-2%
Gross profit		<u>56,343</u>	<u>49,652</u>	13%
Other income	5	4,347	513,244	-99%
Selling and administrative expenses		(11,711)	(10,994)	7%
Other operating expenses		(1,832)	(12,722)	-86%
Operating profit		<u>47,147</u>	<u>539,180</u>	-91%
Finance costs		(5,220)	(1,951)	>100%
Share of results of equity accounted joint ventures, net of tax		1,729	(1,847)	<(100%)
Share of results of equity accounted associates, net of tax		(218)	29,913	<(100%)
Profit before tax	6	<u>43,438</u>	<u>565,295</u>	-92%
Income tax expense	7	(8,286)	(10,738)	-23%
Profit for the financial period		<u><u>35,152</u></u>	<u><u>554,557</u></u>	-94%

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

	The Group		Change %
	3 months ended 31.03.2025 RM'000	3 months ended 31.03.2024 RM'000	
Other comprehensive income/(loss)			
Fair value gain on financial assets through other comprehensive income	1,396	-	n.m.
Foreign currency translation loss arising from foreign operations	(5,081)	(72,535)	-93%
	<u>(3,685)</u>	<u>(72,535)</u>	-95%
Other comprehensive loss for the financial period, net of tax			
	<u>(3,685)</u>	<u>(72,535)</u>	-95%
Total comprehensive income for the financial period	<u>31,467</u>	<u>482,022</u>	-93%
Profit attributable to:			
Owners of the parent	30,375	552,528	-95%
Non-controlling interest	4,777	2,029	>100%
Profit for the financial period	<u>35,152</u>	<u>554,557</u>	-94%
Total comprehensive income attributable to:			
Owners of the parent	26,690	479,993	(94%)
Non-controlling interest	4,777	2,029	>100%
Total comprehensive income for the financial period	<u>31,467</u>	<u>482,022</u>	(93%)
Earnings per share for profit for the period attributable to the owners of the Company			
Weighted average number of shares in issue (basic)	393,398,425	146,000,849	
Weighted average number of shares in issue (diluted)	400,685,813	147,404,437	
Basic earnings per share (Malaysia sen)	7.72	378.44	
Diluted earnings per share (Malaysia sen)	<u>7.58</u>	<u>374.84</u>	

n.m. : Not meaningful

Condensed Interim Statements of Financial Position

	Note	The Group		The Company	
		31.03.2025 RM'000	31.12.2024 RM'000	31.03.2025 RM'000	31.12.2024 RM'000
ASSETS					
Non-current assets					
Property, plant and equipment	10	715,808	712,397	-	-
Subsidiaries		-	-	1,554,157	1,558,181
Associates		36,354	36,572	-	-
Joint ventures		5,875	4,145	-	-
Other investments		-	610	-	-
		<u>758,037</u>	<u>753,724</u>	<u>1,554,157</u>	<u>1,558,181</u>
Current assets					
Other investments		3,000	1,816	-	-
Inventories		111,546	93,268	-	-
Trade and other receivables	11	230,038	267,017	141	140
Prepayments		29,781	27,916	171	144
Cash and bank balances		103,631	127,809	67	170
Fixed deposits		22,306	7,281	-	-
Current tax recoverable		42	41	-	-
		<u>500,344</u>	<u>525,148</u>	<u>379</u>	<u>454</u>
TOTAL ASSETS		<u>1,258,381</u>	<u>1,278,872</u>	<u>1,554,536</u>	<u>1,558,635</u>
EQUITY AND LIABILITIES					
Equity					
Share capital	12	227	227	227	227
Share premium	12	586,604	586,604	586,604	586,604
Treasury shares		(4,097)	(4,097)	(4,097)	(4,097)
Other reserves		109,170	112,037	785,418	784,600
Accumulated losses		(103,614)	(133,989)	(87,949)	(83,025)
		<u>588,290</u>	<u>560,782</u>	<u>1,280,203</u>	<u>1,284,309</u>
Non-controlling interest		<u>18,557</u>	<u>13,780</u>	<u>-</u>	<u>-</u>
Total equity		<u>606,847</u>	<u>574,562</u>	<u>1,280,203</u>	<u>1,284,309</u>
Non-current liabilities					
Deferred tax liabilities		17,803	17,803	-	-
Borrowings	13	404,397	423,131	199,310	213,080
Trade and other payables		21,084	22,762	-	-
		<u>443,284</u>	<u>463,696</u>	<u>199,310</u>	<u>213,080</u>

Condensed Interim Statements of Financial Position (Cont'd)

	Note	The Group		The Company	
		31.03.2025 RM'000	31.12.2024 RM'000	31.03.2025 RM'000	31.12.2024 RM'000
EQUITY AND LIABILITIES (Cont'd)					
Current liabilities					
Borrowings	13	35,040	34,968	25,870	23,003
Lease liabilities		48	262	-	-
Trade and other payables		134,449	171,322	19,132	7,928
Provision for financial guarantee		30,021	30,315	30,021	30,315
Current tax payable		8,692	3,747	-	-
		<u>208,250</u>	<u>240,614</u>	<u>75,023</u>	<u>61,246</u>
Total liabilities		<u>651,534</u>	<u>704,310</u>	<u>274,333</u>	<u>274,326</u>
TOTAL EQUITY AND LIABILITIES		<u>1,258,381</u>	<u>1,278,872</u>	<u>1,554,536</u>	<u>1,558,635</u>

Condensed Interim Statements of Changes in Equity

	Share capital RM'000	Share premium RM'000	Treasury shares RM'000	Contributed surplus RM'000	Foreign currency translation reserve RM'000	Capital reserve RM'000	Fair value reserve RM'000	Share grant reserve RM'000	Accumulated losses RM'000	Equity attributable to owners of the parent RM'000	Non-controlling interest RM'000	Total equity RM'000
The Group												
At 1 January 2025	227	586,604	(4,097)	3,937	109,052	359	(3,366)	2,055	(133,989)	560,782	13,780	574,562
Profit for the period	-	-	-	-	-	-	-	-	30,375	30,375	4,777	35,152
Recognition of Share grant plan	-	-	-	-	-	-	-	818	-	818	-	818
Other comprehensive loss for the period :-												
- Fair value gain on financial asset	-	-	-	-	-	-	1,396	-	-	1,396	-	1,396
- Foreign currency translation differences	-	-	-	-	(5,081)	-	-	-	-	(5,081)	-	(5,081)
At 31 March 2025	227	586,604	(4,097)	3,937	103,971	359	(1,970)	2,873	(103,614)	588,290	18,557	606,847
At 1 January 2024 (restated)	3,977	312,471	(4,097)	-	121,137	359	(3,426)	2,776	(922,008)	(488,811)	6,988	(481,823)
Profit for the period	-	-	-	-	-	-	-	-	552,528	552,528	2,029	554,557
Share consolidation (Note 12)	(3,937)	-	-	3,937	-	-	-	-	-	-	-	-
Issuance of :-												
- Conversion Shares	105	241,590	-	-	-	-	-	-	-	241,695	-	241,695
- Settlement Shares	7	2,618	-	-	-	-	-	-	-	2,625	-	2,625
- Private Placement Shares	75	29,925	-	-	-	-	-	-	-	30,000	-	30,000
Cancellation of Share grant plan	-	-	-	-	-	-	-	(2,776)	2,776	-	-	-
Other comprehensive loss :-												
- Foreign currency translation differences	-	-	-	-	(72,535)	-	-	-	-	(72,535)	-	(72,535)
At 31 March 2024	227	586,604	(4,097)	3,937	48,602	359	(3,426)	-	(366,704)	265,502	9,017	274,519

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

	Share capital RM'000	Share premium RM'000	Treasury shares RM'000	Contributed surplus RM'000	Capital surplus RM'000	Share grant reserve RM'000	Accumulated losses RM'000	Equity attributable to owners of the parent RM'000
The Company								
At 1 January 2025	227	586,604	(4,097)	3,937	778,608	2,055	(83,025)	1,284,309
Loss for the period	-	-	-	-	-	-	(4,924)	(4,924)
Recognition of Share grant plan	-	-	-	-	-	818	-	818
At 31 March 2025	227	586,604	(4,097)	3,937	778,608	2,873	(87,949)	1,280,203
At 1 January 2024 (restated)	3,977	312,471	(4,097)	-	778,608	2,776	(968,518)	125,217
Profit for the period	-	-	-	-	-	-	343,890	343,890
Share consolidation (Note 12)	(3,937)	-	-	3,937	-	-	-	-
Issuance of :-								
- Conversion Shares	105	241,590	-	-	-	-	-	241,695
- Settlement Shares	7	2,618	-	-	-	-	-	2,625
- Private Placement Shares	75	29,925	-	-	-	-	-	30,000
Cancellation of Share grant plan	-	-	-	-	-	(2,776)	2,776	-
At 31 March 2024	227	586,604	(4,097)	3,937	778,608	-	(621,852)	743,427

Condensed Interim Consolidated Statements of Cash Flows

	The Group	
	3 months ended 31.03.2025 RM'000	3 months ended 31.03.2024 RM'000
Operating activities		
Profit before tax	43,438	565,295
<i>Adjustments for:</i>		
Depreciation of property, plant and equipment	10,586	7,132
Gain on waiver of debts	-	(391,612)
Impairment losses on trade and other receivables reversed	(3,420)	(561)
Interest expense	5,220	1,951
Interest income	(506)	(259)
Property, plant and equipment written off	-	860
Reversal of inventories written down	-	(84,132)
Share of results of equity accounted joint ventures, net of tax	(1,729)	1,847
Share of results of equity accounted associate, net of tax	218	(29,913)
Total adjustments	10,369	(494,687)
Operating cash before working capital changes	53,807	70,608
Changes in working capital:		
Changes in inventories	(18,278)	(2,933)
Changes in receivables	51,698	(31,712)
Changes in prepayments	(1,869)	(2,039)
Changes in payables	(38,337)	(19,408)
Total changes in working capital	(6,786)	(56,092)
Cash from operations	47,021	14,516
Interest paid	(5,907)	(1,672)
Taxes paid, net of refund	(3,246)	(8,931)
Net cash from/(used in) operating activities	37,868	3,913

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

	The Group	
	3 months ended 31.03.2025 RM'000	3 months ended 31.03.2024 RM'000
Investing activities		
Repayments from/(to) associates	963	(3,244)
Repayments to joint ventures	(14,749)	(5,345)
Acquisition of property, plant and equipment	(18,498)	(9,194)
Interest received	506	259
Proceed from redemption of debt instruments	4,530	-
Net cash used in investing activities	<u>(27,248)</u>	<u>(17,524)</u>
Financing activities		
Repayments of borrowings	(19,243)	(30,000)
Payments of lease liabilities	(216)	(205)
Decreased in restricted cash with licensed banks	3,183	3,542
Proceeds from share issuance	-	30,000
Net cash (used in)/from financing activities	<u>(16,276)</u>	<u>3,337</u>
Net changes in cash and cash equivalents	(5,656)	(10,274)
Effects of exchange fluctuations on cash and cash equivalents	(314)	(353)
Cash and cash equivalents at 1 January	120,044	53,376
Cash and cash equivalents at 31 March	<u>114,074</u>	<u>42,749</u>

Cash and cash equivalents comprise the following as at the statements of financial position date:

Cash and bank balances	103,631	36,710
Fixed deposits with licensed banks	22,306	13,348
	<u>125,937</u>	<u>50,058</u>
Less: Restricted cash with licensed banks	(7,646)	(1,256)
Less: Restricted fixed deposits with licensed banks	(4,217)	(6,053)
Total cash and cash equivalents	<u>114,074</u>	<u>42,749</u>

Notes to the Condensed Interim Consolidated Financial Statements

1. Corporate information

Nam Cheong Limited (the "Company") is incorporated as a limited liability company and domiciled in Bermuda. The Company's shares are publicly traded on the Mainboard of the Singapore Exchange. These condensed interim consolidated financial statements as at and for the three months ended 31 March 2025 comprise the Company and its subsidiaries (collectively, the "Group").

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

2. Basis of preparation

The condensed interim financial statements for the three months ended 31 March 2025 have been prepared in accordance with IAS 34 Interim Financial Reporting of International Financial Reporting Standards ("IFRS"). The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last annual financial statements for the year ended 31 December 2024.

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

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

2.1. New and amended standards adopted by the Group

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

2.2. Use of judgements and estimates

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

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the audited consolidated financial statements as at and for the year ended 31 December 2024.

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.

3. Seasonal operations

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

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

4. Segment and revenue information

The Group is organised into the following main business segments:

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

	Shipbuilding RM'000	Chartering RM'000	Others RM'000	Eliminations RM'000	Total RM'000
3 months ended 31 March 2025					
Revenue					
External revenue	-	116,635	-	-	116,635
Results					
Interest income	105	401	-	-	506
Depreciation of property, plant and equipment	(1,855)	(8,731)	-	-	(10,586)
Impairment losses on trade and other receivables reversed	633	2,781	6	-	3,420
Finance costs	-	(4,472)	(748)	-	(5,220)
Share of results of joint ventures	-	1,729	-	-	1,729
Share of results of associates	-	-	(218)	-	(218)
(Loss)/Profit before tax	(5,523)	55,563	(6,602)	-	43,438

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

4. Segment and revenue information (Cont'd)

	Shipbuilding RM'000	Chartering RM'000	Others RM'000	Eliminations RM'000	Total RM'000
As at 31 March 2025					
Additions to non-current assets	8,300	10,198	(748)	-	17,750
Investment in joint ventures	-	-	5,875	-	5,875
Investment in associate	-	-	36,354	-	36,354
Segment assets	1,040,711	2,104,853	1,569,601	(3,456,826)	1,258,339
Segment liabilities	868,570	1,920,481	556,977	(2,720,989)	625,039
3 months ended 31 March 2024					
Revenue					
External revenue	-	111,459	-	-	111,459
Results					
Interest income	38	221	2,072	(2,072)	259
Depreciation of property, plant and equipment	(1,033)	(6,098)	(1)	-	(7,132)
Gain on waiver of debts	391,612	-	-	-	391,612
Impairment losses on trade and other receivables (made)/reversed	-	(47)	608	-	561
Property, plant and equipment written off	-	(860)	-	-	(860)
Restructuring expenses	-	-	(11,862)	-	(11,862)
Finance costs	-	(4,006)	(51)	2,106	(1,951)
Share of results of joint ventures	15	-	(1,862)	-	(1,847)
Share of results of associates	-	-	29,913	-	29,913
Profit before tax	199,501	59,687	306,107	-	565,295

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

4. Segment and revenue information (Cont'd)

	Shipbuilding RM'000	Chartering RM'000	Others RM'000	Eliminations RM'000	Total RM'000
As at 31 March 2024					
Additions to non-current assets	881	43,114	-	-	43,995
Investment in joint ventures	-	-	7,149	-	7,149
Investment in associate	-	-	39,328	-	39,328
Segment assets	1,360,855	1,854,643	64,089	(2,307,535)	972,052
Segment liabilities	2,439,386	2,170,470	666,198	(4,572,214)	703,840

Revenue and non-current assets information based on the geographical location of customers and assets respectively are as follows:

	3 months ended 31.03.2025 RM'000	3 months ended 31.03.2024 RM'000
Revenue		
Malaysia	116,635	111,459
	31.03.2025 RM'000	31.12.2024 RM'000
Non-current assets		
Malaysia	758,036	753,723
Singapore	1	1
	758,037	753,724

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

4. Segment and revenue information (Cont'd)

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

	31.03.2025	31.12.2024
	RM'000	RM'000
Property, plant and equipment	715,808	712,397
Investment in associates	36,354	36,572
Investment in joint ventures	5,875	4,145
Other investments	-	610
	<u>758,037</u>	<u>753,724</u>

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

5. Other income

	The Group	
	3 months ended 31.03.2025 RM'000	3 months ended 31.03.2024 RM'000
Foreign exchange gain	-	34,509
Gain on waiver of debts	-	391,612
Impairment losses on trade and other receivables reversed (net)	3,420	561
Interest income	506	259
Miscellaneous	417	2,165
Rental income	4	6
Reversal of inventories written-down	-	84,132
	4,347	513,244

6. Profit before tax

	The Group	
	3 months ended 31.03.2025 RM'000	3 months ended 31.03.2024 RM'000
The following amounts have been included in arriving at profit before tax:		
<i>Cost of sales</i>		
Depreciation of property, plant and equipment	10,098	6,681
<i>Administrative expenses</i>		
Depreciation of property, plant and equipment	488	451
<i>Other operating expenses</i>		
Foreign exchange loss	1,832	-
Property, plant and equipment written off	-	860
Restructuring expenses	-	11,862
	1,832	12,722

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

7. Income tax expense

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

	The Group	
	3 months ended 31.03.2025 RM'000	3 months ended 31.03.2024 RM'000
Current income tax expense:		
- Current period	8,286	10,738

8. Related party transactions

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

	The Group	
	3 months ended 31.03.2025 RM'000	3 months ended 31.03.2024 RM'000
Other related parties in which directors and key management have interest		
- purchases	37	81
- rental expense	216	216

9. Net asset value

	The Group		The Company	
	31.03.2025	31.12.2024	31.03.2025	31.12.2024
Net asset value per ordinary share (Malaysia sen)	154.3	146.1	325.4	326.5
Ordinary shares in issue	393,398,425	393,398,425	393,398,425	393,398,425

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

10. Property, plant and equipment

During the three months ended 31 March 2025, there were acquisition of assets amounting to RM18,498,000 (31.12.2024 – RM98,239,000).

11. Trade and other receivables

	The Group		The Company	
	31.03.2025	31.12.2024	31.03.2025	31.12.2024
	RM'000	RM'000	RM'000	RM'000
Non-current				
Trade receivables from a third party	-	288	-	-
Less: Allowance for impairment losses	-	(288)	-	-
	-	-	-	-
Current				
Trade receivables from:				
- third parties	172,189	225,113	-	-
- joint ventures	2,387	1,595	-	-
- associates	8,231	8,025	-	-
Less: Allowance for impairment losses				
- third parties	(19,588)	(19,927)	-	-
- joint ventures	(985)	(985)	-	-
	162,234	213,821	-	-
Amount due from subsidiaries (non-trade)	-	-	4,635	4,680
Amounts due from joint ventures (non-trade)	72,236	68,621	56	57
Amounts due from associates (non-trade)	2,881	2,579	-	-
Deposits and other receivables	24,404	14,026	141	140
Less: Allowance for impairment losses				
- amounts due from subsidiaries (non-trade)	-	-	(4,635)	(4,680)
- amounts due from joint ventures (non-trade)	(27,489)	(27,742)	(56)	(57)
- other receivables	(4,228)	(4,288)	-	-
	67,804	53,196	141	140
Total trade and other receivables	230,038	267,017	141	140

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

11. Trade and other receivables (Cont'd)

The aging analysis of trade receivables are as follows:

	31.03.2025 RM'000	Financial year of which respective sales were reported
The Group		
Not impaired:		
Not past due	51,642	2025
Past due 1 to 3 months	63,747	2025
Past due 3 to 6 months	34,063	2024
Past due more than 6 months	12,782	2023 -2024
	<u>162,234</u>	
Past due and impaired	20,573	2016 - 2023
	<u>182,807</u>	

Receivables that were determined to be impaired as at 31 March 2025 are related to those which have been past due and have insufficient information to justify recoverability of the respective receivables, including those which are related to customers who are facing financial difficulties in fulfilling their obligations.

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

As at even date, RM24.9 million (or 15%) of the net trade receivables of RM162.2 million in 1Q2025 has been collected from the customers subsequent to 1Q2025. The Group continue to monitor the aging and collection of receivables on an on-going basis. For those receivables which are past due and doubtful of collection, reminders have been sent to the relevant customers before issuance of demand letters and the recovery of debts via legal proceedings where necessary.

12. Share capital and share premium

	The Group and The Company			
	31.03.2025 '000	31.12.2024 '000	31.03.2025 RM'000	31.12.2024 RM'000
<u>Share capital</u>	Number of ordinary shares			
Issued and fully paid				
At 1 January	393,465	8,078,216	227	3,977
Share consolidation	-	(7,997,434)	-	(3,937)
Issuance of :-				
- Conversion Shares	-	176,193	-	105
- Settlement Shares	-	10,982	-	7
- Placement Shares	-	125,508	-	75
At 31 March/31 December	<u>393,465</u>	<u>393,465</u>	<u>227</u>	<u>227</u>

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

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

	The Group and The Company	
	31.03.2025	31.12.2024
Share premium	RM'000	RM'000
At 1 January	586,604	312,471
Issuance of :-		
- Conversion Shares	-	241,590
- Settlement Shares	-	2,618
- Placement Shares	-	29,925
At 31 March/31 December	<u>586,604</u>	<u>586,604</u>

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

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

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

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

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

13. Borrowings

	The Group		The Company	
	31.03.2025	31.12.2024	31.03.2025	31.12.2024
	RM'000	RM'000	RM'000	RM'000
Bilateral facilities debt (secured)	50,609	50,928	-	-
Term loan (secured)	20,402	20,784	-	-
Term loan (unsecured)	368,426	386,387	225,180	236,083
	<u>439,437</u>	<u>458,099</u>	<u>225,180</u>	<u>236,083</u>
Represented by:				
Current	35,040	34,968	25,870	23,003
Non-current	404,397	423,131	199,310	213,080
	<u>439,437</u>	<u>458,099</u>	<u>225,180</u>	<u>236,083</u>

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

13. Borrowings (Cont'd)

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

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

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

Non-sustainable Debt

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

Bilateral Facilities Debt

The Group has on 30 March 2024 concluded the debt restructuring exercise. Pursuant to the 2024 Scheme the maturity date of the Bilateral Facilities Debt has been restructured and extended up to 31 March 2031.

Term Loan (Secured)

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

Term Loan (Unsecured)

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

Security

The Bilateral facilities debts and Term Loan (Secured) are secured by the underlying assets, comprising leasehold lands, buildings and vessels with carrying amount of RM5,286,000 (31 December 2024: RM5,326,000), RM1,473,000 (31 December 2024: RM1,484,000) and RM34,472,000 (31 December 2024: RM35,357,000), respectively.

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

14. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group and of the Company as at 31 March 2025 and 31 December 2024:

	The Group		The Company	
	31.03.2025	31.12.2024	31.03.2025	31.12.2024
	RM'000	RM'000	RM'000	RM'000
Financial assets at amortised cost				
Trade and other receivables	230,038	267,017	141	140
Cash and bank balances	103,631	127,809	67	170
Fixed deposits	22,306	7,281	-	-
	<u>355,975</u>	<u>402,107</u>	<u>208</u>	<u>310</u>
Financial liabilities at amortised cost				
Bilateral facilities debt	50,609	50,928	-	-
Term loans	388,828	407,171	225,180	236,083
Lease liabilities	48	262	-	-
Trade and other payables	153,779	191,091	18,986	7,782
Provision for financial guarantee	30,021	30,315	30,021	30,315
	<u>623,285</u>	<u>679,767</u>	<u>274,187</u>	<u>274,180</u>

Other Information Required by Listing Rule Appendix 7.2

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

There were no movement in the treasury shares during the first quarter of 2025. As at 31 March 2025, 66,785 shares were held as treasury shares by the Company.

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

There were no movement in the subsidiary holdings during the first quarter of 2025. As at 31 March 2025, 1,143,564 shares were held as subsidiary holdings.

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

The condensed consolidated statement of financial position of Nam Cheong Limited and its subsidiaries as at 31 March 2025 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 three-months period then ended and certain explanatory notes have not been audited or reviewed.

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

Not applicable.

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

The accounting policies and methods of computation for the current reporting period adopted are consistent with those stated in the Annual Report for the financial year ended 31 December 2024.

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

The accounting policies and methods of computation for the current reporting period adopted are consistent with those stated in the Annual Report for the financial year ended 31 December 2024.

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

7. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Review of Group Performance

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

1Q2025 vs 1Q2024

	1Q2025				1Q2024				Variance			
	Revenue		Gross Profit		Revenue		Gross Profit		Revenue		Gross Profit	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Shipbuilding	-	-	-	-	-	-	-	-	-	-	-	-
Vessel Chartering	116,635	100%	56,343	48%	111,459	100%	49,652	45%	5,176	5%	6,691	13%
Total	116,635	100%	56,343	48%	111,459	100%	49,652	45%	5,176	5%	6,691	13%

For the three months ended 31 March 2025 ("1Q2025"), despite lower vessel utilisation during the period due to the preparation of vessels for long-term charter, the Group's revenue from vessel chartering division managed to increase by 5% from RM111.5 million in the previous corresponding three months ended 31 March 2024 ("1Q2024") to RM116.6 million in 1Q2025 mainly as a result of an expanded fleet and improved daily charter rates.

The shipbuilding segment did not register any revenue for both 1Q2025 and 1Q2024 as there was no vessel scheduled for delivery during the period.

Gross profit increased 13% year-on-year ("yoy") to RM56.3 million in 1Q2025, in tandem with the increase in revenue. Accordingly, the gross margin stood at 48% for 1Q2024, up 3 percentage points.

Other income was lower at RM4.3 million in 1Q2025 as compared to RM513.2 million recorded in 1Q2024, mainly due to the absence of waiver of debts pursuant to the 2024 Scheme and the DRMA which have become fully effective and unconditional on 30 March 2024.

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

7. (Contd.)

Review of Group Performance (Contd.)

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

1Q2025 vs 1Q2024

Selling and administrative expenses increased by 7% yoy to RM11.7 million for 1Q2025 in tandem with the increase in revenue during the period.

Other operating expenses of RM1.8 million for 1Q2025 was lower than RM12.7 million recorded in 1Q2024 mainly due to the absence of restructuring cost.

Finance costs normalised at RM5.2 million in 1Q2025 as compared to RM2.0 million recorded in 1Q2024, mainly due to absence of interest waiver in 1Q2025.

Share of profit of equity accounted joint ventures of RM1.7 million in 1Q2025 was higher than share of loss of RM1.8 million recorded in 1Q2024 mainly due to higher vessel utilisation during the period. Whereas, share of loss of associates of RM0.2 million in 1Q2025 was lower as compared to the share of profit of RM29.9 million in 1Q2024 mainly due to the absence of the realisation of asset by one of the associates during the prior period.

As a result of the above, the Group recorded a lower net profit after tax of RM35.2 million in 1Q2025 as compared to a net profit after tax of RM554.6 million in 1Q2024. Excluding other income, other operating expenses as well as share of results from joint ventures and associates, core profit increased by 20% to RM31.1 million in 1Q2025 from RM26.0 million in 1Q2024.

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

Total Assets

Total assets of the Group decreased by RM20.5 million from RM1,278.9 million as at 31 December 2024 ("FY2024") to RM1,258.4 million as at 31 March 2025 ("1Q2025") mainly due to:

- (i) Trade and other receivables decreased by RM37.0 million or 14% from RM267.0 million as at FY2024 to RM230.0 million as at 1Q2025 mainly due to collection received from trade receivables during the period; and
- (ii) Cash and bank balances decreased by RM24.2 million from RM127.8 million to RM103.6 million mainly due to the repayment of borrowings during the period.

The decrease in total assets was partially offset by the following:

- (i) Inventories increased by RM18.2 million or 20% from RM93.3 million as at FY2024 to RM111.5 million as at 1Q2025 mainly due to vessel under construction during the period; and
- (ii) Fixed deposits increased by RM15.0 million from RM7.3 million to RM22.3 million mainly due to increase in placement during the period.

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

7. (Contd.)

Review of Group Performance (Contd.)

(b) Condensed Interim Statements of Financial Position (Group) (Cont'd)

Total Liabilities

Total liabilities of the Group decreased by 7% or RM52.8 million from RM704.3 million as at FY2024 to RM651.5 million as at 1Q2025 mainly due to the following:

- (i) Borrowings decreased by RM18.7 million or 4% from RM458.1 million as at FY2024 to RM439.4 million as at 1Q2025 as a result of the repayment of restructured term loans during the period; and
- (ii) Trade and other payables decreased by RM38.6 million or 20% from RM194.1 million as at FY2024 to RM155.5 million as at 1Q2025 mainly due to decrease in amount owing to trade payables and repayment of interest on borrowings during the period.

(c) Condensed Interim Consolidated Statements of Cash Flows

1Q2025

Net cash from operating activities of RM37.9 million in 1Q2025 was mainly due to collection from customers during the period.

Net cash used in investing activities of RM27.2 million in 1Q2025 was mainly due to the repayments made to joint ventures as well as payment made for acquisition of property, plant and equipment during the period.

Net cash used in financing activities of RM16.3 million in 1Q2025 was mainly due to the repayments of borrowings made during the period.

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

There is no material change from the previous prospect statement.

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

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

The global economic outlook for 2025 remains uncertain amid trade tensions driven by U.S. tariff policy. Concerns over a potential economic slowdown have added caution to oil price forecasts, creating a more measured sentiment across the energy markets¹ which has also prompted the cut in 2025 budget by some of the oil majors².

The local OSV market continues to face structural supply constraints. While the existing fleet is ageing, new vessel construction remains subdued, primarily due to banks' continued caution in extending financing for newbuild programs³. Malaysia's cabotage policies, which limit foreign vessel participation, further restrict available supply. As a result, OSV charter rates are expected to remain well supported in 2025.

Backed by a modern fleet and steady progress in securing long-term charters, the Group is well-positioned to meet market demand and fully participate in the long term regional offshore marine growth trajectory.

^[1] Oil Price: StanChart Cuts 2025 Oil Price Forecast By \$16/bbl Amid Trump's Tariffs

^[2] Wood Mackenzie: Tariffs - implications for the oil and gas sector

^[3] The Edge: OSV sector may face shortage amid ageing fleet

10. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

None.

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

None.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

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

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

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

12. General mandate relating to interested person transactions

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

13. Confirmation pursuant to Appendix 7.7 under Rule 720(1) of the Listing Manual

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

14. Confirmation from the Board

We, the undersigned, hereby confirm that to the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the unaudited financial statements of the Group and of the Company for the three months ended 31 March 2025 to be false or misleading in any material aspect.

On behalf of the Board of Directors

Tan Sri Datuk Tiong Su Kouk
Executive Chairman

Tiong Chiong Hiiung
Executive Vice Chairman cum Finance Director

14 May 2025