

**Unaudited Condensed Interim Financial Statements for the Six Months Ended 30 June 2024**

**TABLE OF CONTENT**

- A. CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
- B. CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION
- C. CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS
- D. CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY
- E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
- F. OTHER INFORMATION REQUIRED BY APPENDIX 7C OF THE CATALIST RULES

**A. CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	<b>Group</b>		<b>Change %</b>
	<b>Half year ended 30 June 2024 (Unaudited) \$'000</b>	<b>Half year ended 30 June 2023 (Unaudited) \$'000</b>	
<b>Revenue</b>			
Products and installation	1,102	2,081	(47.0%)
Servicing and maintenance	221	197	12.2%
Rental income	203	363	(44.1%)
<b>Total revenue</b>	<b>1,526</b>	<b>2,641</b>	<b>(42.2%)</b>
<b>Other items of income</b>			
Share of results of an associated company	38	173	(78.0%)
Other income	152	251	(39.4%)
<b>Total other items of income</b>	<b>190</b>	<b>424</b>	<b>(55.2%)</b>
<b>Cost and expenses</b>			
Cost of products and installation	(810)	(1,516)	(46.6%)
Property operating expenses	(104)	(86)	20.9%
Salaries and employee benefits	(1,019)	(1,010)	0.9%
Depreciation and amortisation expense	(398)	(60)	N/M
Other expenses	(348)	(319)	9.1%
Finance cost	(31)	(65)	(52.3%)
<b>Total cost and expenses</b>	<b>(2,710)</b>	<b>(3,056)</b>	<b>(11.3%)</b>
<b>(Loss) / profit before income tax</b>	<b>(994)</b>	<b>9</b>	<b>N/M</b>
Income tax credit	—	2	N/M
<b>(Loss) / profit, net of tax, attributable to equity holders of the parent</b>	<b>(994)</b>	<b>11</b>	<b>N/M</b>
<b>Other comprehensive income</b>			
Foreign currency translation	1	(26)	N/M
<b>Total comprehensive income attributable to equity holders of the Company</b>	<b>(993)</b>	<b>(15)</b>	<b>N/M</b>
<b>(Loss) / earnings per share (cents per share)</b>			
Basic	(0.255)	0.003	
Diluted	(0.255)	0.003	

N/M: Not meaningful

## B. CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION

	Group		Company	
	As at 30 Jun 2024 (Unaudited) \$'000	As at 31 Dec 2023 (Audited) \$'000	As at 30 Jun 2024 (Unaudited) \$'000	As at 31 Dec 2023 (Audited) \$'000
<b>Non-current assets</b>				
Property, plant and equipment	18,123	18,519	40	46
Right-of-use asset	1,767	1,786	555	623
Fixed deposits	2,000	2,000	—	—
Investment in subsidiaries	—	—	8,987	8,987
Investment in an associated company	230	1,491	—	—
Amount due from subsidiaries	—	—	23,099	23,127
Deferred tax asset	33	33	—	—
	22,153	23,829	32,681	32,783
<b>Current assets</b>				
Cash and cash equivalents	1,066	2,017	47	85
Fixed deposit	7,600	5,380	—	—
Trade receivables	859	913	—	—
Contract assets	19	88	—	—
Prepayments	71	53	1	1
Deposits	39	51	6	6
Other receivables	97	126	—	—
Investment securities	60	60	—	—
Amounts due from subsidiaries	—	—	1,109	1,419
Inventories	151	172	—	—
	9,962	8,860	1,163	1,511
<b>Current liabilities</b>				
Trade payables	(599)	(531)	(37)	(43)
Deferred revenue	(77)	(86)	—	—
Other payables	(3,182)	(2,842)	(854)	(928)
Contract liabilities	(1,128)	(1,089)	—	—
Income tax payable	(5)	(5)	(5)	(5)
Amounts due to subsidiaries	—	—	(202)	(459)
Lease liabilities	(38)	(37)	(133)	(131)
	(5,029)	(4,590)	(1,231)	(1,566)
<b>Net current assets / (liabilities)</b>	4,933	4,270	(68)	(55)
<b>Non-current liabilities</b>				
Lease liabilities	(1,728)	(1,748)	(441)	(508)
<b>Net assets</b>	25,358	26,351	32,172	32,220
<b>Equity attributable to equity holders of the Company</b>				
Share capital	32,390	32,390	32,390	32,390
Foreign currency translation reserve	(51)	(52)	—	—
Accumulated loss	(6,981)	(5,987)	(218)	(170)
<b>Total equity</b>	25,358	26,351	32,172	32,220

## C. CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

	Half year ended 30 June 2024 (Unaudited) \$'000	Half year ended 30 June 2023 (Unaudited) \$'000
<b>Operating activities</b>		
(Loss) / profit before income tax	(994)	9
<b>Adjustments for:</b>		
Interest income	(140)	(187)
Finance costs	31	65
Depreciation of property, plant and equipment	398	60
Depreciation of right-of-use asset	18	16
Fair value gain on investment securities	—	(1)
Currency realignment	1	(26)
Share of results of an associated company	(38)	(173)
<b>Operating cash flows before changes in working capital</b>	(724)	(237)
Decrease in trade and other receivables	83	511
Decrease in contract assets	69	142
(Increase) / decrease in prepayments and deposits	(6)	4
Decrease in inventories	21	31
Increase / (decrease) in trade payables	68	(393)
(Decrease) / increase in deferred revenue	(9)	6
Increase / (decrease) in other payables	340	(444)
Increase in contract liabilities	39	200
<b>Cash flows used in operations</b>	(119)	(180)
Interest paid	—	(34)
Interest received	140	186
Income tax	—	2
<b>Net cash flows generated from / (used in) operating activities</b>	21	(26)
<b>Investing activities</b>		
Purchase of property, plant and equipment	(2)	(2)
Proceeds from return of investment in an associated company	1,300	—
Repayment of shareholder loan from associated company	—	8,630
<b>Net cash flows generated from investing activities</b>	1,298	8,628
<b>Financing activities</b>		
Payment of lease liabilities	(50)	(47)
Repayment of loans and borrowings	—	(1,750)
<b>Net cash flows used in financing activities</b>	(50)	(1,797)
Net increase in cash and cash equivalents	1,269	6,805
Cash and cash equivalents at 1 January	7,397	361
<b>Cash and cash equivalents at 30 June</b>	8,666	7,166

## D. CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY

	Attributable to equity holders of the Company			
	Share capital \$'000	Foreign currency translation reserve \$'000	Accumulated losses \$'000	Total equity \$'000
<b>Group</b>				
<b>2024</b>				
<b>As at 1 January</b>	32,390	(52)	(5,987)	26,351
Loss net of tax	—	—	(994)	(994)
Other comprehensive income	—	1	—	1
<b>Total comprehensive income for the period</b>	—	1	(994)	(993)
<b>At 30 June</b>	32,390	(51)	(6,981)	25,358
<b>2023</b>				
<b>As at 1 January</b>	32,390	(22)	(4,876)	27,492
Profit net of tax	—	—	11	11
Other comprehensive income	—	(26)	—	(26)
<b>Total comprehensive income for the period</b>	—	(26)	11	(15)
<b>At 30 June</b>	32,390	(48)	(4,865)	27,477

	Attributable to equity holders of the Company		
	Share capital \$'000	Accumulated losses \$'000	Total equity \$'000
<b>Company</b>			
<b>2024</b>			
<b>At 1 January</b>	32,390	(170)	32,220
Loss net of tax	—	(48)	(48)
<b>Total comprehensive income for the period</b>	—	(48)	(48)
<b>At 30 June</b>	32,390	(218)	32,172
<b>2023</b>			
<b>At 1 January</b>	32,390	(95)	32,295
Profit net of tax	—	15	15
<b>Total comprehensive income for the period</b>	—	15	15
<b>At 30 June</b>	32,390	(80)	32,310

## **E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

### **E.1 Corporate information**

Progen Holdings Ltd (the “Company”, and together with its subsidiaries, the “Group”) is a limited liability company incorporated and domiciled in Singapore and is listed on the Catalist Board of the Singapore Exchange Securities Trading Limited (“SGX-ST”). The registered office and principal place of business of the Company is located at 28 Riverside Road, #04-01, Singapore 739085.

The principal activity of the Company is that of investment holding. The principal activities of the subsidiaries are trading, contracting, servicing and maintenance of air-conditioning and mechanical ventilation systems and rental of building space. The principal activity of the associated company is property development.

#### **E.2.1 Basis of preparation**

The condensed interim financial statements for the six months ended 30 June 2024 have been prepared in accordance with Singapore Financial Reporting Standard (International) SFRS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last annual financial statements for the year ended 31 December 2023.

The accounting policies and method of computation adopted are consistent with those of the previous financial year except that in the current financial period, the Group has adopted all the new and amended standards which are relevant to the Group and are effective for annual financial periods beginning on or after 1 January 2024. The adoption of these standards did not have any material effect on the financial performance or position of the Group.

The condensed interim financial statements are presented in Singapore dollar which is the Company’s functional currency and all values are rounded to the nearest thousand, except when otherwise indicated.

As at 30 June 2024, the condensed interim financial statements of the Company have been prepared on a going concern basis, notwithstanding that the Company was in a net current liabilities position of \$68,000 (31 December 2023: \$55,000). The subsidiaries of the Company maintain adequate cash and retained earnings and the Company has the right to call upon dividends from the subsidiaries.

#### **E.2.2 New and amended standards adopted by the Group**

The Group has adopted the new and revised SFRS(I)s and SFRS(I) Interpretations and amendments to SFRS(I)s that are mandatory for application from 1 January 2024. The adoption of these amendments to SFRS(I)s did not result in material changes to the Group’s accounting policies and has no material effect on the amounts reported for the current and prior financial periods.

#### **E.2.3 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. Management is of the opinion that there is no significant judgement made in applying accounting policies that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period. 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.

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period are discussed below. The Group based its assumptions and estimates on parameters available when the condensed interim financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

##### **(a) Revenue from construction contracts**

The Group recognises contract revenue by reference to the stage of completion of the contract activity at the end of each reporting period, when the outcome of a construction contract can be estimated reliably. The stage of completion is measured by reference to the proportion that contract costs incurred for work performed to date bear to the estimated total contract costs. Significant assumptions are required to estimate the total contract costs and the recoverable variation works that will affect the stage of completion and revenue recognised. The estimates are made based on past experience and knowledge of the project engineers.

##### **(b) Provision for expected credit losses (“ECLs”) of financial assets carried at amortised costs**

###### **(i) Simplified approach**

The Group uses a provision matrix to calculate ECLs for trade receivables and contract assets. The provision rates are based on days past due for groupings of 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 of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

(ii) General approach

The Group applies the general approach to provide for ECLs on all other financial assets carried at amortised cost. At each reporting date, the Group assesses whether the credit risk of a financial asset has increased significantly since initial recognition. When initial credit risk has increased significantly since initial recognition, loss allowance is measured at an amount equal to lifetime ECLs.

The assessment of whether credit risk of a financial asset has increased significantly since initial recognition is a significant estimate. Credit risk assessment is based on both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and includes forward-looking information.

### **E.3 Seasonal operations**

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

### **E.4 Segment information**

For management purposes, the Group is organised into business units based on their products and services, and has four reportable operating segments as follows:

- I. The products and installation segment relates to contracting of engineering works, cooling towers, air-conditioning and mechanical ventilation systems.
- II. The servicing and maintenance segment relates to servicing and repairing of air-conditioners, cooling towers and other cooling equipment.
- III. The rental segment relates to the leasing of leasehold building and office space.
- IV. The property development segment relates to the business of developing and selling of residential properties undertaken by the associated company.

Except as indicated above, no operating segments have been aggregated to form the above reportable operating segments. Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which in certain respects, as explained in the table below, is measured differently from operating profit or loss in the consolidated financial statements. As the Group operates substantially in Singapore, no segment information by geographical segment is presented.

The following table presents revenue and results information regarding the Group's business segments for the six months ended 30 June 2024 and 30 June 2023:

Business segments	Products and installation \$'000	Servicing and maintenance \$'000	Rental \$'000	Property development \$'000	Others \$'000	Eliminations/ Adjustments \$'000	Group \$'000
<b>1 Jan to 30 Jun 2024</b>							
<u>Segment revenue</u>							
Sales to external customers	1,102	221	203	–	–	–	1,526
Intersegment sales	45	–	76	–	–	(121)	–
Total revenue							<u>1,526</u>
<u>Segment results</u>							
Interest income	107	6	27	–	–	–	140
Other income	8	1	2	–	1	–	12
Depreciation and amortisation	(317)	(17)	(143)	–	(7)	68	(416)
Other non-cash expenses	(25)	(1)	(6)	–	–	–	(32)
Segment profit before tax	(803)	(45)	(68)	–	(13)	(65)	(994)
Income tax credit							–
Profit, net of tax							<u>(994)</u>
<u>Segment assets and liabilities</u>							
Segment assets	7,557	814	23,405	–	339	–	32,115
Segment liabilities	3,305	195	2,285	–	972	–	6,757
<b>1 Jan to 30 Jun 2023</b>							
<u>Segment revenue</u>							
Sales to external customers	2,081	197	363	–	–	–	2,641
Intersegment sales	39	–	76	–	–	(115)	–
Total revenue							<u>2,641</u>
<u>Segment results</u>							
Interest income	44	1	9	133	–	–	187
Other income	13	12	2	–	8	–	35
Depreciation and amortisation	(43)	(3)	(76)	–	(6)	68	(60)
Other non-cash expenses	–	–	–	(3)	(65)	–	(68)
Segment profit before tax	(379)	27	178	(21)	266	(62)	9
Income tax credit							2
Profit, net of tax							<u>11</u>
<u>Segment assets and liabilities</u>							
Segment assets	7,581	252	23,128	519	1,643	–	33,123
Segment liabilities	2,566	115	2,074	823	892	(823)	5,647

#### E.5 Disaggregation of revenue

	Products and installation \$'000	Servicing and maintenance \$'000	Rental \$'000	Group \$'000
<b>1 Jan to 30 Jun 2024</b>				
Transferred over time	1,005	–	203	1,208
Transferred at a point in time	97	221	–	318
Total revenue	<u>1,102</u>	<u>221</u>	<u>203</u>	<u>1,526</u>
<b>1 Jan to 30 Jun 2023</b>				
Transferred over time	1,937	–	363	2,300
Transferred at a point in time	144	197	–	341
Total revenue	<u>2,081</u>	<u>197</u>	<u>363</u>	<u>2,641</u>



## E.6 Financial assets and financial liabilities

The undiscounted financial assets and liabilities of the Group and Company are as follows:

	Group		Company	
	30 Jun 2024	31 Dec 2023	30 Jun 2024	31 Dec 2023
	\$'000	\$'000	\$'000	\$'000
<b>Financial assets</b>				
Trade receivables	824	896	–	–
Other receivables	97	126	–	–
Cash on hand and at banks	1,066	2,017	47	85
Deposits	39	51	6	6
Investment securities	60	60	–	–
Fixed deposits	9,600	7,380	–	–
Amount due from subsidiaries	–	–	1,109	1,419
	11,686	10,530	1,162	1,510
<b>Financial liabilities</b>				
Trade payables	566	499	5	11
Other payables	3,182	2,842	854	928
Lease liabilities	2,774	2,824	617	693
Amount due to subsidiaries	–	–	202	459
	6,522	6,165	1,678	2,091

## E.7 Fair value of assets and liabilities

Fair value is defined as the amount at which the instrument could be exchanged in a current transaction between knowledgeable willing parties in an arm's length transaction, other than in a forced or liquidation sale. Fair values are obtained from quoted market prices, discounted cash flow models and option pricing models as appropriate.

The financial instruments of the Group and Company as at 30 June 2024 and 31 December 2023 by classes are as follows:

	Group		Company	
	30 Jun 2024	31 Dec 2023	30 Jun 2024	31 Dec 2023
	\$'000	\$'000	\$'000	\$'000
<b>Debt instruments at amortised cost</b>				
Fixed deposits (non-current)	2,000	2,000	–	–
Cash on hand and at banks	1,066	2,017	47	85
Fixed deposits (current)	7,600	5,380	–	–
Trade receivables	824	896	–	–
Deposits	39	51	6	6
Other receivables	97	126	–	–
Amounts due from subsidiaries (current)	–	–	1,109	1,419
	11,626	10,470	1,162	1,510
<b>Financial assets at fair value through profit or loss</b>				
Investment securities	60	60	–	–
<b>Financial liabilities at amortised cost</b>				
Trade payables	(566)	(499)	(5)	(11)
Other payables	(3,182)	(2,842)	(854)	(928)
Amounts due to subsidiaries	–	–	(202)	(459)
	(3,748)	(3,341)	(1,061)	(1,398)

## E.7 Fair value of assets and liabilities (cont'd)

### (a) Fair value hierarchy

The Group categorises fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

- Level 1 - Quoted prices (unadjusted) in active market for identical assets or liabilities that the Group can access at the measurement date,
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, and
- Level 3 - Unobservable inputs for the asset or liability.

Transfers between levels of the fair value hierarchy are deemed to have occurred on the date of the event or change in circumstances that caused the transfers.

### (b) Assets and liabilities measured at fair value

The following table shows an analysis of each class of assets and liabilities measured at fair value at the end of the reporting period:

Group (\$000)	Fair value measurements at the end of the reporting period using:			Total
	Quoted prices in active markets for identical instruments (Level 1)	Significant observable inputs other than quoted prices (Level 2)	Significant unobservable inputs (Level 3)	
Assets measures at fair value				
30 June 2024				
Financial assets:				
Equity securities at fair value through profit or loss	60	—	—	60
Financial assets as at 30 June 2024	60	—	—	60
31 December 2023				
Financial assets:				
Equity securities at fair value through profit or loss	60	—	—	60
Financial assets as at 31 December 2023	60	—	—	60

There have been no transfers between Level 1, Level 2 and Level 3 for the 6 months ended 30 June 2024 and the 12 months ended 31 December 2023.

### (c) Assets and liabilities not carried at fair value but for which fair value is disclosed

The carrying amounts of these financial assets and liabilities are reasonable approximation of fair values due to their short term nature: cash and cash equivalents, fixed deposits, trade receivables, deposits and other receivables, related party balances, trade payables and other payables.

## E.8 Taxation

Deferred tax asset arising from temporary differences during the periods under review are not recognised due to uncertainty of its recoverability.

## E.9 Dividends

There is no dividend recommended or paid for the half year ended 30 June 2024 (30 June 2023: NIL).

## E.10 Net asset value

	Group		Company	
	30 Jun 2024	31 Dec 2023	30 Jun 2024	31 Dec 2023
Net asset value per ordinary share (in cents)	6.493	6.748	8.238	8.251
Number of ordinary shares in issue	390,511,778	390,511,778	390,511,778	390,511,778

**E.11 Property, plant and equipment**

Group	Plant and machinery \$'000	Leasehold building \$'000	Furniture, fittings and equipment \$'000	Motor vehicles \$'000	Computers \$'000	Total \$'000
<b>Cost</b>						
At 31 December 2023 and 1 January 2024	89	18,000	709	474	262	19,534
Additions	1	–	1	–	–	2
At 30 June 2024	90	18,000	710	474	262	19,536
<b>Accumulated depreciation</b>						
At 31 December 2023 and 1 January 2024	73	–	495	211	236	1,015
Charge for the period	4	320	36	27	11	398
At 30 June 2024	77	320	531	238	247	1,413
<b>Net carrying amount</b>						
At 31 December 2023	16	18,000	214	263	26	18,519
At 30 June 2024	13	17,680	179	236	15	18,123
<b>Cost</b>						
At 1 January 2023	87	–	707	500	262	1,556
Additions	1	–	1	–	–	2
At 30 June 2023	88	–	708	500	262	1,558
<b>Accumulated depreciation</b>						
At 1 January 2023	62	–	425	440	212	1,139
Charge for the period	5	–	28	12	15	60
At 30 June 2023	67	–	453	452	227	1,199

During the six months ended 30 June 2024, at the Company level, there were no additions to property, plant and equipment (30 June 2023: NIL); and no disposals of property, plant and equipment (30 June 2023: NIL).

**E.12 Share capital**

The Company's share capital as at 30 June 2024 and 31 December 2023 was S\$32,390,000 comprising 390,511,778 shares. There were no outstanding convertibles as at 30 June 2024 and 30 June 2023.

**E.13 Changes in treasury shares**

Not applicable. There were no treasury shares during and as at 30 June 2024 and 30 June 2023. As such, there was no sale, transfer, cancellation and/or use of treasury shares during and as at the end of the current financial period reported on.

**E.14 Changes in subsidiary holdings**

Not applicable. There were no subsidiary holdings during and as at 30 June 2024 and 30 June 2023. As such, there was no sale, transfer, cancellation and/or use of subsidiary holdings during and as at the end of the current financial period reported on.

**E.15 Subsequent events**

There were no known subsequent events which have led to adjustments to this set of interim financial statements.

## **F. OTHER INFORMATION REQUIRED BY APPENDIX 7C OF THE CATALIST RULES**

### **F.1 Review**

The condensed consolidated statement of financial position of Progen 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 then ended and certain explanatory notes have not been audited or reviewed.

### **F.2 Audit Opinion (Applicable to Companies That Have Received Modified Audit Opinions)**

Not applicable. The Group's latest financial statements for the financial year ended 31 December 2023 was not subject to an adverse opinion, qualified opinion or disclaimer of opinion.

### **F.3 Variance from forecast or prospect statements**

No forecast or prospect statements for the period ended 30 June 2024 was previously provided.

### **F.4 Earnings/loss per share**

The basic and diluted loss per share for the half year ended 30 June 2024 were 0.255 cents per share (30 June 2023: earnings of 0.003 cents per share). The loss/earnings per ordinary share for the financial period under review is calculated based on the weighted average of 390,511,778 ordinary shares (half year ended 30 June 2023: 390,511,778 ordinary shares) in issue. The basic and fully diluted earnings / loss per ordinary share are the same as there were no potentially dilutive shares in issue during and as at the end of the financial period ended 30 June 2024 and 30 June 2023.

### **F.5 Review of Group performance**

Half year ended 30 June 2024 ("1H24") vs. Half year ended 30 June 2023 ("1H23")

#### **Income Statement**

The Group's revenue decreased by S\$1,115k (42.2%) from S\$2,641k (1H23) to S\$1,526k (1H24) due to drop in revenue from Products and installation and Rental income, which were partially offset by increase in revenue in Servicing and maintenance.

Revenue from Products and installation decreased by S\$979k (47.0%) from S\$2,081k (1H23) to S\$1,102k (1H24) mainly due to the lack of new projects and the delay in completion of one existing project. Rental income decreased by S\$160k (44.1%) from S\$363k (1H23) to S\$203k (1H24) due to lower occupancy rate. Revenue from Servicing and maintenance increased by S\$24k (12.2%) from S\$197k (1H23) to S\$221k (1H24) due to more replacement jobs undertaken.

Other items of income decreased by S\$234k (55.2%) from S\$424k (1H23) to S\$190k (1H24) mainly due to drop in Share of results of an associated company by S\$135k (78.0%) from S\$173k (1H23) to S\$38k (1H24) and drop in interest income. All the units developed by the associated company were fully sold as of January 2023 and the majority of the revenue from the property development had been recognised in the financial year ("FY") ended 2022.

Cost of products and installation decreased by S\$706k (46.6%) from S\$1,516k (1H23) to S\$810k (1H24), in line with the lower revenue generated in 1H24.

Property operating expenses increased by S\$18k (20.9%) from S\$86k (1H23) to S\$104k (1H24), mainly due to some ad hoc replacement and repair cost incurred for 1H24.

Depreciation and amortisation expense increased by S\$338k (563.3%) from S\$60k (1H23) to S\$398k (1H24) due to the depreciation cost of leasehold building for the period 1H24 (1H23: S\$NIL). The leasehold building was reclassified from Investment property to property, plant and equipment on 29 December 2023 due to change in use.

Finance cost decreased by S\$34k (52.3%) from S\$65k (1H23) to S\$31k (1H24). Bank borrowings were fully repaid in April 2023 and thus no corresponding bank interest was incurred for 1H24.

As a result of the above, the Group's loss net of tax was S\$994k in 1H24 compared to the profit net of tax of S\$11k in 1H23.

#### **Balance Sheet**

Investment in an associated company decreased by S\$1,261k mainly due to the return of investment received from the associated company.

The Group's current assets increased by S\$1,102k from S\$8,860k to S\$9,962k as at 30 June 2024. This increase was mainly due to the S\$2,220k increase in fixed deposit, which was partially offset by the S\$951k reduction in cash and cash equivalents; S\$54k reduction in trade receivables; S\$69k reduction in contract assets; and S\$29k reduction in other receivables. Reduction of trade receivables and contract assets were due to timing difference of progress billings. Decrease in other receivables was mainly due to accrued interest income pending for maturity date.

The Group's current liabilities increased by S\$439k from S\$4,590 to S\$5,029k as at 30 June 2024. This was mainly due to the bond monies of S\$532k received in 1H24 (currently recorded under other payables); which was partially offset by expenses accrued at 31 December 2023 that were paid in 1H24.

#### **Cashflow Statement**

The Group generated net cash and cash equivalent of S\$1,269k in 1H24. Operating activities and investing activities generated cash of S\$21k and S\$1,298k respectively in 1H24. Cashflow generated from investing activities was mainly due to proceeds received from return of investment in associated company. Deficit in cashflow for financing activities of S\$50k was due to payment of lease liabilities.

#### **F.6 Business outlook**

The outlook for the next 12 months remains challenging amidst vast uncertainties in domestic and global market conditions.

The Group will continue to explore new business opportunities, transform and consolidate its existing businesses to improve effectiveness and efficiency, and synergise and optimise resources across its businesses.

#### **F.7 Dividend information**

**If a decision regarding dividend has been made:**

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

Not applicable.

**(b)(i) Amount per share ..... cents**

Nil

**(b) (ii) Previous corresponding period ..... cents**

Nil

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

Not applicable.

**(d) The date the dividend is payable.**

Not applicable.

**(e) The date on which Registrable Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividend are determined.**

Not applicable.

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

No dividend has been declared or recommended for the half year ended 30 June 2024 as the Company was loss making.

#### **F.8 Interested person transactions**

The Group does not have a shareholders' mandate for interested person transactions. There was no interested person transaction for the 6 months ended 30 June 2024.

**F.9 Disclosure of acquisition (including incorporations) and sale of shares under Rule 706A**

The Company did not carry out any acquisition (including incorporation) or sale of shares for the current financial period reported on.

**F.10 Confirmation of Undertakings from Directors and Executive Officers under Rule 720(1) of Section B: Rules of Catalist of the Listing Manual of the SGX-ST (“Catalist Rules”)**

The Company 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.

**F.11 Confirmation by the Board pursuant to Rule 705(5) of the Catalist Rules**

We, Chee Wai Pong and Lee Ee @ Lee Eng, being two directors of Progen Holdings Ltd (the “Company”), do hereby confirm on behalf of the directors of the Company 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 Group’s unaudited condensed interim financial statements for the six-month period ended 30 June 2024 to be false or misleading in any material aspects.

For and on behalf of the Board of Progen Holdings Ltd

Chee Wai Pong  
Non-Independent and Non-Executive Chairman

Lee Ee @ Lee Eng  
Managing Director

**BY ORDER OF THE BOARD  
PROGEN HOLDINGS LTD**

**Lee Ee @ Lee Eng  
Managing Director  
14 August 2024**

*This announcement has been reviewed by the Company’s sponsor, PrimePartners Corporate Finance Pte. Ltd. (the “Sponsor”). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the “Exchange”) and the Exchange 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 Foo Jien Jieng, 16 Collyer Quay, #10-00 Collyer Quay Centre, Singapore 049318, sponsorship@ppcf.com.sg.*