FORTRESS MINERALS LIMITED

(Company Registration No.: 201732608K)

Unaudited Condensed Interim Financial Statements for the Fourth Quarter and Full Year Ended 29 February 2024 ("4Q FY2024" and "FY2024")

Background

Fortress Minerals Limited (the "**Company**") and its subsidiary companies (the "**Group**") is a high-grade iron ore producer based in Malaysia. The Group is principally in the business of exploration, mining, production and sale of iron ore.

The Group presently produces high grade iron ore mined from its Bukit Besi mine and Cermat Aman Sdn Bhd (the "**CASB**") mine in Malaysia, and sells its iron ore primarily to steel mills in Malaysia and trading companies in the People's Republic of China.

The Group had on 7 April 2021 completed the acquisition of the entire issued and paid-up capital of Fortress Mengapur Sdn Bhd and its subsidiaries ("**Fortress Mengapur Group**"), which comprises the entire tenements held by its subsidiaries, namely CASB and Star Destiny Sdn Bhd (the "**SDSB**"), which cover approximately 951.68 hectares, save for the free digging oxide magnetite iron materials contained in the topsoil at certain areas of Mining lease no. ML. 8/2011 in respect of the mining land (the "**Third-Party Iron Ore Interests**"). Following the completion of the acquisition of Fortress Mengapur Group, the Group's total mining and exploration land area is approximately 1,477.88 hectares.

Fortress Mengapur Group's tenements contain iron ore, copper, gold and silver mineral resources. On 28 June 2023, the Company obtained the approval of its shareholders for the diversification of the Group's business to include the mining of manganese, copper, nickel, cobalt, zinc, lead, tin, chromite, tungsten, gold, silver and other minerals (the "**New Minerals**") and the trading in iron ore and the New Minerals mined or sourced from third parties.

The Company was listed on Catalist of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") on 27 March 2019. The initial public offering of the Company (the "**IPO**") was sponsored by PrimePartners Corporate Finance Pte. Ltd. (the "**Sponsor**").

For more information, please visit https://fortress.sg

Part I – Condensed Interim Financial Statements for the Fourth Quarter and Full Year ended 29 February 2024 ("4Q FY2024" and "FY2024")

Condensed interim consolidated statement of profit or loss and other comprehensive income

		Group Three months ended			Group Twelve months ended		
	Note	29 February 2024 US$	28 February 2023 US$	Change %	29 February 2024 US$	28 February 2023 US$	Change %
Revenue	3	12,490,266	12,178,784	2.6	53,932,963	53,547,150	0.7
Cost of sales		(6,118,737)	(3,558,024)	72.0	(20,671,393)	(15,795,541)	30.9
Gross profit		6,371,529	8,620,760	(26.1)	33,261,570	37,751,609	(11.9)
Interest income		65,480	18,990	244.8	220,403	33,297	561.9
Other operating income		(186,959)	(432,826)	(56.8)	360,931	435,845	(17.2)
Selling and distribution expenses		(1,428,643)	(2,055,729)	(30.5)	(6,687,629)	(6,833,410)	(2.1)
Other operating expenses		(2,055,389)	(2,443,700)	(15.9)	(9,863,224)	(9,175,357)	7.5
Administrative expenses		(217,165)	24,154	nm	(1,739,152)	(1,855,974)	(6.3)
Impairment losses on financial assets		(663,402)	-	100.0	(663,402)	-	100.0
Fair value loss on contingent consideration		(53,256)	(1,786,924)	(97.0)	(53,256)	(1,786,924)	(97.0)
Finance costs		(190,242)	(277,463)	(31.4)	(962,524)	(1,012,514)	(4.9)
Profit before income tax	4	1,641,953	1,667,262	(1.5)	13,873,717	17,556,572	(21.0)
Income tax expense	5	(1,014,966)	(1,567,335)	(35.2)	(3,835,711)	(5,461,385)	(29.8)
Profit for the financial period		626,987	99,927	527.4	10,038,006	12,095,187	(17.0)
Profit/(Loss) attributable to:							
Owners of the Company		629,650	104,656	501.6	10,047,877	12,116,676	(17.1)
Non-controlling interests		(2,663)	(4,729)	(43.7)	(9,871)	(21,489)	(54.1)
		626,987	99,927	527.4	10,038,006	12,095,187	(17.0)
Other comprehensive income							
Item that may be reclassified subsequently to profit or loss:							
Exchange differences on translating foreign operations		(1,316,867)	(388,896)	238.6	(3,423,345)	(3,770,807)	(9.2)
Total comprehensive income for the financial period, net of tax		(689,880)	(288,969)	138.7	6,614,661	8,324,380	(20.5)
Total comprehensive income/(loss) for the financial period attributable to:							
Owners of the Company		(683,313)	(284,651)	140.1	6,622,607	8,344,584	(20.6)
Non-controlling interests		(6,567)	(4,318)	52.1	(7,946)	(20,204)	(60.7)
		(689,880)	(288,969)	138.7	6,614,661	8,324,380	(20.5)
Earnings per share attributable to owners of the Company (cents)							
- Basic and diluted	6	0.12	0.02	500.0	1.93	2.42	(20.2)

nm – not meaningful

Condensed interim statements of financial position

	Note	Group		Company	
		29 February 2024 US$	28 February 2023 US$	29 February 2024 US$	28 February 2023 US$
ASSETS					
Non-current assets					
Investments in subsidiaries		-	-	43,014,921	43,202,161
Exploration and evaluation assets		4,977,668	6,501,873	-	-
Mining properties	8	41,589,686	40,128,657	-	-
Plant and equipment	9	21,211,697	22,911,961	-	-
Right-of-use assets	10	1,436,973	682,770	-	-
Intangible asset		2,834,372	3,010,462	-	-
		72,050,396	73,235,723	43,014,921	43,202,161
Current assets					
Inventories		3,135,168	4,672,007	-	-
Trade receivables		7,205,929	3,914,647	-	-
Other receivables, deposits and prepayments		4,197,106	4,534,959	-	-
Amounts due from subsidiaries		-	-	13,372,073	7,861,118
Current income tax receivables		754,860	196,637	-	-
Financial assets at fair value through profit or loss ("**FVTPL**")		2,196,115	1,466,377	2,196,115	-
Cash and bank balances	11	7,681,409	5,669,596	2,073,664	2,063,001
		25,170,587	20,454,223	17,641,852	9,924,119
Total assets		97,220,983	93,689,946	60,656,773	53,126,280
EQUITY AND LIABILITIES					
Equity					
Share capital	12	28,995,034	22,463,273	28,995,034	22,463,273
Other reserves		(11,389,901)	(7,964,631)	-	-
Retained earnings		54,639,963	47,741,243	23,130,320	17,152,427
		72,245,096	62,239,885	52,125,354	39,615,700
Non-controlling interests		1,496	(25,183)	-	-
Total equity		72,246,592	62,214,702	52,125,354	39,615,700
Non-current liabilities					
Bank borrowings	15	1,918,301	7,734,972	986,994	5,934,968
Lease liabilities	15	205,331	52,133	-	-
Deferred tax liabilities		3,543,846	3,577,057	-	-
Other payables		2,309,552	2,250,031	2,309,552	2,250,031
		7,977,030	13,614,193	3,296,546	8,184,999
Current liabilities					
Banks borrowings	15	6,939,565	7,129,528	4,947,974	4,947,974
Lease liabilities	15	1,270,384	627,985	-	-
Trade payables		1,180,197	1,250,832	-	-
Other payables and accruals		7,593,013	8,759,330	245,618	358,231
Amounts due to directors		1,529	36,757	-	-
Amounts due to subsidiaries		-	-	41,199	19,301
Current income tax payables		12,673	56,619	82	75
		16,997,361	17,861,051	5,234,873	5,325,581
Total liabilities		24,974,391	31,475,244	8,531,419	13,510,580
Total equity and liabilities		97,220,983	93,689,946	60,656,773	53,126,280

Condensed interim statements of changes in equity

Group	Note	Share capital US$	Capital reserve US$	Foreign currency translation reserve US$	Merger reserve US$	Retained earnings US$	Equity attributable to owners of the Company US$	Non-controlling interests US$	Total equity US$
Balance at 1 March 2023		**22,463,273**	**383,615**	**(4,782,270)**	**(3,565,976)**	**47,741,243**	**62,239,885**	**(25,183)**	**62,214,702**
Profit/(loss) for the financial period		-	-	-	-	10,047,877	10,047,877	(9,871)	10,038,006
Other comprehensive income									
Exchange differences on translating foreign operations		-	-	(3,425,270)	-	-	(3,425,270)	1,925	(3,423,345)
Other comprehensive (loss)/income for the financial period, net of tax		-	-	(3,425,270)	-	-	(3,425,270)	1,925	(3,423,345)
Total comprehensive (loss)/income for the financial period		-	-	(3,425,270)	-	10,047,877	6,622,607	(7,946)	6,614,661
Transactions with owners									
Issuance of new ordinary shares		6,531,761	-	-	-	-	6,531,761	-	6,531,761
Issuance of new ordinary shares of a subsidiary to non-controlling interest		-	-	-	-	-	-	34,625	34,625
FY2023 Final dividend paid	13	-	-	-	-	(3,149,157)	(3,149,157)	-	(3,149,157)
Total transactions with owners		6,531,761	-	-	-	(3,149,157)	3,382,604	34,625	3,417,229
Balance at 29 February 2024		**28,995,034**	**383,615**	**(8,207,540)**	**(3,565,976)**	**54,639,963**	**72,245,096**	**1,496**	**72,246,592**

Condensed interim statements of changes in equity (continued)

Group	**Note**	**Share capital US$**	**Capital reserve US$**	**Foreign currency translation reserve US$**	**Merger reserve US$**	**Retained earnings US$**	**Equity attributable to owners of the Company US$**	**Non-controlling interests US$**	**Total equity US$**
Balance at 1 March 2022		**22,463,273**	**383,615**	**(1,010,178)**	**(3,565,976)**	**38,534,497**	**56,805,231**	**(20,504)**	**56,784,727**
Profit/(loss) for the financial period		-	-	-	-	12,116,676	12,116,676	(21,489)	12,095,187
Other comprehensive income									
Exchange differences on translating foreign operations		-	-	(3,772,092)	-	-	(3,772,092)	1,285	(3,770,807)
Other comprehensive (loss)/income for the financial period, net of tax		-	-	(3,772,092)	-	-	(3,772,092)	1,285	(3,770,807)
Total comprehensive (loss)/income for the financial period		-	-	(3,772,092)	-	12,116,676	8,344,584	(20,204)	8,324,380
Transactions with owners									
Effect of change of interest in a subsidiary		-	-	-	-	(15,530)	(15,530)	15,525	(5)
FY2022 Final dividend paid	13	-	-	-	-	(2,894,400)	(2,894,400)	-	(2,894,400)
Total transactions with owners		-	-	-	-	(2,909,930)	(2,909,930)	15,525	(2,894,405)
Balance at 28 February 2023		**22,463,273**	**383,615**	**(4,782,270)**	**(3,565,976)**	**47,741,243**	**62,239,885**	**(25,183)**	**62,214,702**

Condensed interim statements of changes in equity (continued)

Company	Notes	Share capital US$	Retained earnings US$	Total equity US$
Balance at 1 March 2023		**22,463,273**	**17,152,427**	**39,615,700**
Profit for the financial period representing total comprehensive income for the financial period		-	9,127,050	9,127,050
Transactions with owners				
Issuance of new ordinary shares		6,531,761	-	6,531,761
Dividend paid	13	-	(3,149,157)	(3,149,157)
Total transactions with owners		6,531,761	(3,149,157)	3,382,604
Balance at 29 February 2024		**28,995,034**	**23,130,320**	**52,125,354**

Company	Notes	Share capital US$	Retained earnings US$	Total equity US$
Balance at 1 March 2022		**22,463,273**	**13,251,741**	**35,715,014**
Profit for the financial period representing total comprehensive income for the financial period		-	6,795,086	6,795,086
Distribution to owners				
Dividend paid	13	-	(2,894,400)	(2,894,400)
Total transaction with owners		-	(2,894,400)	(2,894,400)
Balance at 28 February 2023		**22,463,273**	**17,152,427**	**39,615,700**

Condensed interim consolidated statements of cash flows

	Note	Group Twelve months ended 29 February 2024 US$	28 February 2023 US$
Operating activities			
Profit before income tax		13,873,717	17,556,572
Adjustments for:			
Amortisation of mining properties		898,437	747,826
Depreciation of plant and equipment		3,487,364	2,935,502
Depreciation of right-of-use assets		1,995,646	1,649,361
Interest expenses		962,524	1,012,514
Interest income		(220,403)	(33,297)
Bad debt written off		-	5,399
Deposit written off		426	-
Impairment losses on financial assets		663,402	-
Fair value loss on contingent consideration		53,256	1,786,924
Plant and equipment written off		-	7,116
Gain on disposal of plant and equipment		(158,501)	(14,816)
Modification of lease contracts		10,407	8,942
Unrealised foreign exchange (gain)/loss		(175,281)	688,805
Operating cash flow before working capital changes		21,390,994	26,350,848
Working capital changes:			
Inventories		2,277,503	(807,915)
Trade and other receivables		(5,222,120)	(1,944,478)
Trade and other payables		562,454	4,310,628
Cash generated from operations		19,008,831	27,909,083
Income tax paid		(4,610,447)	(5,409,150)
Income tax refunded		48,018	6,070
Net cash flow generated from operating activities		14,446,402	22,506,003
Investing activities			
Additions of exploration and evaluation assets		(2,059,438)	(3,124,548)
Additions of mining properties		(564,866)	(1,727,257)
Additions of plant and equipment		(2,668,900)	(3,908,224)
Acquisition of additional shares in a subsidiary from non-controlling interests		-	(5)
Proceeds from disposal of plant and equipment		289,040	38,767
Purchase of financial asset at fair value through profit or loss, net		(683,554)	(1,448,889)
Interest received		174,219	15,810
Net cash flow used in investing activities		(5,513,499)	(10,154,346)
Financing activities			
Interest paid		(927,267)	(959,034)
Increase in short-term deposit pledged		(978)	(975)
Repayments of bank borrowings		(7,365,432)	(7,437,245)
Repayment of lease liabilities		(2,261,658)	(2,104,340)
Dividends paid		(3,149,157)	(2,894,400)
Proceed from issuance of new ordinary shares		6,531,761	-
Proceed from issuance of new ordinary shares of a subsidiary to non-controlling interest		34,625	-
Net cash flow used in financing activities		(7,138,106)	(13,395,994)
Net change in cash and cash equivalents		1,794,797	(1,044,337)
Effects of exchange rate changes on cash and cash equivalents		216,038	(198,267)
Cash and cash equivalents at beginning of financial period		3,667,825	4,910,429
Cash and cash equivalents at end of financial period	11	5,678,660	3,667,825

Notes to the condensed interim consolidated financial statements

1. Corporate information

Fortress Minerals Limited (the "Company") is incorporated and domiciled in Singapore and whose shares are publicly listed on the Catalist Board of the Singapore Exchange Securities Trading Limited ("SGX-ST").

These condensed interim financial statements as at and for the three months and twelve months ended 29 February 2024 comprise the Company and its subsidiaries (collectively, the "Group").

The principal activity of the Company is that of an investment holding company.

The principal activities of the subsidiaries are:

(a) acquisition of mines, mining rights, metalliferous land, quarries and trading in minerals;
(b) transport of iron ore and minerals;
(c) contractors for drilling and blasting works, other site preparation activities and mining work; and
(d) provide support across the Group's financial accounting, payroll, information technology, purchasing, corporate services and others.

2. Basis of preparation

The condensed interim financial statements for the three months and nine months ended 29 February 2024 have been prepared in accordance with the Singapore Financial Reporting Standards (International) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore ("ASC"). The condensed interim financial statements do not include all the information and disclosures 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 since the last audited annual financial statements for the period ended 28 February 2023.

The condensed interim financial statements of the Group have been prepared in accordance with the Singapore Financial Reporting Standards (International) ("SFRS(I)s") under the historical cost convention, except as disclosed in the accounting policies below.

The condensed interim financial statements have been prepared on a going concern basis, since the directors have verified that there are no financial, operating or other types of indicators that might cast significant doubt upon the Group's ability to meet its obligations in the foreseeable future and particularly within the 12 months from the end of the reporting period.

The condensed interim financial statements are presented in United States dollar ("US$"), which is the Company's functional currency.

2.1 New and amended standards adopted by the Group

The Group has adopted all the applicable new and revised Singapore Financial Reporting Standards ("SFRS(I)s") and Interpretations of SFRS(I) ("SFRS(I) INTs") that are mandatory for the accounting periods beginning on or after 1 March 2023. The adoptions of these new standards, amendments to standards and interpretations did not result in any significant impact on the financial statements of the Group for the current financial period reported on.

2. Basis of preparation (continued)

2.2 Use of judgements and estimates

The preparation of the Group's condensed interim financial statements in compliance with SFRS(I)s requires management to make judgements, estimates and assumptions that affect the Group's application of accounting policies and reported amounts of assets, liabilities, revenue and expenses. Although these estimates are based on management's best knowledge of current events and actions, actual results may differ from those 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 consolidated financial statements as at and for the year ended 28 February 2023.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to the 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 amounts recognised in the financial statements is included in the following note:

- *Impairment assessment of mining assets*

  The Group assesses these assets at each reporting period to determine whether any indication of impairment exists. Where an indicator of impairment exists, a formal estimate of the recoverable amount is made, which is determined as the higher of fair value less costs to sell and value in use. In determining if there are indicators of impairment of these assets, judgement is used to consider if there are external and internal sources of information that indicates these assets may be impaired. The Group has determined that there are no indications of impairment on mining assets taking into consideration the remaining estimated mining resource, production costs, iron ore prices and continuation of the production activities.

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities and the reported amounts of revenue and expenses within the next financial year are discussed below:

- *Amortisation of mining properties*

  Mining properties are amortised on a unit of production basis over the economically recoverable resources of the mine concerned except for the mining rights which is amortised over the term of permit. Management have engaged external expert to review and revise the estimates of the recoverable resources of the mines and remaining useful life and residual values of mining properties at the end of each reporting date. Any changes in estimates of the recoverable resource of the mine and, the useful life and residual values of the mining properties would impact the amortisation charges and consequently affect the Group's financial performance.

- *Impairment of goodwill arising from acquisition of Fortress Mengapur Group*

  Management determines whether goodwill is impaired at least on an annual basis and whenever there is an indication that they are impaired. The process of evaluating potential impairment of goodwill requires significant judgements and assumptions. Management estimates the recoverable amount of the cash-generating-unit ("CGU") to which the goodwill has been allocated. Recoverable amount of the CGU is determined based on value-in-use calculations. The value-in-use calculations are based on a discounted cash flow model. The recoverable amount is most sensitive to discount rate used for the discounted cash flow model as well as the expected future cash inflows. Any excess of the carrying values over the discounted future cash flows are recognised as impairment loss in profit or loss.

3. Segment and revenue information

Management has determined the operating segments based on the reports reviewed by the chief operating decision maker ("CODM"). Management monitors the operating results of the segment separately for the purposes of making decisions about resources to be allocated and of assessing performance. Segment performance is evaluated based on operating profit or loss which is similar to the accounting profit or loss.

The Group has one (1) reportable segment being iron ore. The Group's reportable segment is as follows:

(i) Iron ore – exploration, mining, drilling and blasting works, production and sales of iron ore; and
(ii) Others – Group's remaining minor trading and investment holding activities which are not included within reportable segment as they are not separately reported to the CODM and they contribute minor amounts of income to the Group.

3.1 Reportable segments

1 December 2023 to 29 February 2024	**Iron Ore US$**	**Others US$**	**Group US$**
Revenue			
External customers, representing total revenue	12,490,266	-	12,490,266
Results:			
Interest income	21,847	43,633	65,480
Gain on disposal of plant and equipment	24,186	-	24,186
Amortisation of mining properties	(279,455)	-	(279,455)
Depreciation of right-of-use assets	(680,189)	-	(680,189)
Depreciation of plant and equipment	(1,079,307)	-	(1,079,307)
Interest expense	(190,242)	-	(190,242)
Segment profit/(loss)	1,822,505	(180,552)	1,641,953
Assets:			
Additions to non-current assets	2,204,282	-	2,204,282
Segment assets	94,953,973	2,267,010	97,220,983
Segment liabilities	(24,795,861)	(178,530)	(24,974,391)

1 December 2022 to 28 February 2023	**Iron Ore US$**	**Others US$**	**Group US$**
Revenue			
External customers, representing total revenue	12,178,784	-	12,178,784
Results:			
Interest income	1,253	17,737	18,990
Gain on disposal of plant and equipment	63	-	63
Amortisation of mining properties	(131,896)	-	(131,896)
Depreciation of right-of-use assets	(580,040)	-	(580,040)
Depreciation of plant and equipment	(1,026,827)	-	(1,026,827)
Interest expense	(277,463)	-	(277,463)
Segment profit/(loss)	1,754,725	(87,463)	1,667,262
Assets:			
Additions to non-current assets	1,561,246	-	1,561,246
Segment assets	93,628,716	61,230	93,689,946
Segment liabilities	(31,250,163)	(225,081)	(31,475,244)

3. Segment and revenue information (continued)

3.1 Reportable segments (continued)

1 March 2023 to 29 February 2024	Iron Ore US$	Others US$	Group US$
Revenue			
External customers, representing total revenue	53,932,963	-	53,932,963
Results:			
Interest income	44,848	175,555	220,403
Gain on disposal of plant and equipment	158,501	-	158,501
Amortisation of mining properties	(898,437)	-	(898,437)
Depreciation of right-of-use assets	(1,995,646)	-	(1,995,646)
Depreciation of plant and equipment	(3,487,364)	-	(3,487,364)
Interest expense	(962,524)	-	(962,524)
Segment profit/(loss)	14,599,894	(726,177)	13,873,717
Assets:			
Additions to non-current assets	9,218,744	-	9,218,744
Segment assets	94,953,973	2,267,010	97,220,983
Segment liabilities	(24,795,861)	(178,530)	(24,974,391)

1 March 2022 to 28 February 2023	Iron Ore US$	Others US$	Group US$
Revenue			
External customers, representing total revenue	53,547,150	-	53,547,150
Results:			
Interest income	14,796	18,501	33,297
Gain on disposal of plant and equipment	14,816	-	14,816
Amortisation of mining properties	(747,826)	-	(747,826)
Depreciation of right-of-use assets	(1,649,361)	-	(1,649,361)
Depreciation of plant and equipment	(2,935,502)	-	(2,935,502)
Interest expense	(1,012,514)	-	(1,012,514)
Segment profit/(loss)	18,236,099	(679,527)	17,556,572
Assets:			
Additions to non-current assets	11,306,878	-	11,306,878
Segment assets	93,628,716	61,230	93,689,946
Segment liabilities	(31,250,163)	(225,081)	(31,475,244)

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3. Segment and revenue information (continued)

3.2 Disaggregation of revenue

Group	Three months ended		Twelve months ended	
	29 February 2024 US$	28 February 2023 US$	29 February 2024 US$	28 February 2023 US$
Geographical information:				
Malaysia	10,896,095	10,102,155	48,258,596	49,888,098
People's Republic of China	1,594,171	2,076,629	5,674,367	3,659,052
	12,490,266	12,178,784	53,932,963	53,547,150
Timing of revenue recognition:				
At a point in time	12,490,266	12,178,784	53,932,963	53,547,150

Seasonality of operations

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

3.3 A breakdown of sales as follows:

		FY2024	FY2023	Change
		US$	US$	%
Group				
(a)	Sales reported for first half year	30,572,266	30,115,524	1.5
(b)	Operating profit after tax before deducting non-controlling interests reported for first half year	7,083,552	9,053,018	(21.8)
(c)	Sales reported for second half year	23,360,697	23,431,626	(0.3)
(d)	Operating profit after tax before deducting non-controlling interests reported for second half year	2,954,454	3,042,169	(2.9)

4. Profit before income tax

4.1 Significant items

Group	Three months ended		Twelve months ended	
	29 February 2024 US$	28 February 2023 US$	29 February 2024 US$	28 February 2023 US$
Income				
Gain/(Loss) on disposal of plant and equipment, net	24,186	63	158,501	14,816
Expenses				
Amortisation of mining properties	279,455	131,896	898,437	747,826
Depreciation charge of:				
- plant and equipment	1,079,307	1,026,827	3,487,364	2,935,502
- right-of-use assets	680,189	580,040	1,995,646	1,649,361
Foreign exchange loss, net	73,002	2,850	424,182	334,137
Bad debt written off	-	5,399	-	5,399
Deposit written off	426	-	426	-
Impairment losses on financial assets	663,402	-	663,402	-
Interest expenses on:				
- borrowings	190,096	267,862	925,757	959,034
- lease liabilities	146	9,601	36,767	53,480
Commission expense	94,139	70,638	1,001,309	963,683
Handling and transportation	645,742	524,879	2,351,850	1,535,038
Ocean freight	-	674,615	-	1,332,700
Royalty expense	685,466	761,791	3,261,920	2,870,150
Upkeep of machinery	383,337	714,017	2,257,976	2,218,077
Upkeep of motor vehicles	248,566	194,431	869,740	809,279

4.2 Related party transactions

Material transactions with related parties are as follows:

Group	Three months ended		Twelve months ended	
	29 February 2024 US$	28 February 2023 US$	29 February 2024 US$	28 February 2023 US$
Transaction with a major shareholder of the Company				
Purchase of motor vehicle	-	36,825	-	36,825
Transaction with an entity of common major shareholder of the Company				
Lease payments to:				
-Webcon Venture Sdn Bhd	12,748	13,706	51,911	48,798

4. Profit before income tax (continued)

4.2 Related party transactions (continued)

Key management personnel remuneration

Key management personnel are directors of the Company and subsidiaries and those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly, or indirectly. The details of their remunerations are as follows:

Group	Three months ended		Twelve months ended	
	29 February 2024 US$	28 February 2023 US$	29 February 2024 US$	28 February 2023 US$
Directors' fees	286,977	119,719	667,143	470,195
Salaries and other emoluments	968,461	672,993	3,067,044	3,036,453
Contributions to defined contribution plans	78,161	87,914	248,702	192,823
Social security contributions	645	132	1,086	470
	1,334,244	880,758	3,983,975	3,699,941

5. Income tax expense

The Group calculates the period's 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:

Group	Three months ended		Twelve months ended	
	29 February 2024 US$	28 February 2023 US$	29 February 2024 US$	28 February 2023 US$
Current income tax expense	706,941	745,039	3,768,955	4,781,261
Deferred tax relating to origination of temporary differences	308,025	822,296	66,756	680,124
Income tax expense recognised in profit or loss	1,014,966	1,567,335	3,835,711	5,461,385

6. Earnings per ordinary share ("EPS")

Group	Three months ended 29 February 2024 US$	Three months ended 28 February 2023 US$	Twelve months ended 29 February 2024 US$	Twelve months ended 28 February 2023 US$
Net profit attributable to owners of the Company (US$)	629,650	104,656	10,047,877	12,116,676
Weighted average number of ordinary shares	520,704,187	500,000,000	520,704,187	500,000,000
Basic and diluted EPS (US cents)	0.12	0.02	1.93	2.42

The basic and diluted EPS are the same as the Company and the Group did not have any potentially dilutive instruments for the respective financial periods.

7. 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 29 February 2024 and 28 February 2023:

	Group		Company	
	29 February 2024 US$	28 February 2023 US$	29 February 2024 US$	28 February 2023 US$
Financial assets carried at amortised cost				
Trade receivables	7,205,929	3,914,647	-	-
Other receivables and deposits (excluding prepayments)	2,193,895	2,610,016	-	-
Amounts due from subsidiaries	-	-	13,372,073	7,861,118
Cash and bank balances	7,681,409	5,669,596	2,073,664	2,063,001
	17,081,233	12,194,259	15,445,737	9,924,119
Financial assets carried at fair value				
Financial assets at FVTPL	2,196,115	1,466,377	2,196,115	-
Total financial assets	19,277,348	13,660,636	17,641,852	9,924,119
Presented as				
Current assets	19,277,348	13,660,636	17,641,852	9,924,119

7. **Financial assets and financial liabilities** (continued)

	Group		Company	
	29 February 2024	**28 February 2023**	**29 February 2024**	**28 February 2023**
	US$	**US$**	**US$**	**US$**
Financial liabilities carried at amortised cost				
Banks borrowings	8,857,866	14,864,500	5,934,968	10,882,942
Lease liabilities	1,475,715	680,118	-	-
Trade payables	1,180,197	1,250,832	-	-
Other payables and accruals	7,525,841	8,626,103	178,446	225,004
Amounts due to directors	1,529	36,757	-	-
Amounts due to subsidiaries	-	-	41,199	19,301
	19,041,148	25,458,310	6,154,613	11,127,247
Financial liability carried at fair value				
Contingent consideration *****	2,376,724	2,383,258	2,376,724	2,383,258
Total financial liabilities	21,417,872	27,841,568	8,531,337	13,510,505
Presented as				
Current liabilities	16,984,688	17,804,432	5,234,791	5,325,506
Non-current liabilities	4,433,184	10,037,136	3,296,546	8,184,999

* As part of the acquisition of the entire issued and paid-up share capital in Fortress Mengapur Group from Monument Mining Limited (the “Vendor”), the Company had also on the same date entered into a royalty agreement with the Vendor for the payment of royalties by the Company at the rate of 1.25% of gross revenue on all mineral products produced in forms ready for sale from the area within the boundaries of the entire tenements held by the subsidiaries namely CASB and SDSB, save for free digging oxide magnetite iron materials contained on the top soil at certain areas of the tenement held by CASB in accordance with the terms thereof. This portion of the consideration was determined to be contingent, as it is based on the performance of Fortress Mengapur Group.

As at 29 February 2024, the condition of Fortress Mengapur Group showed that it is highly probable that the performance indicator would be achieved due to continuous development of mining activities. Hence, the fair value of the contingent consideration determined at 29 February 2024 reflected this development.

The fair value is determined using the discounted cash flow method. This is a level 3 fair value measurement.

7. **Financial assets and financial liabilities** (continued)

Fair value hierarchy

The Group classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The following presented the financial liability measured at fair value.

	Fair value measurement using			
	Level 1	**Level 2**	**Level 3**	**Total**
	US$	**US$**	**US$**	**US$**
Group				
29 February 2024				
Financial asset				
Financial asset at FVTPL	-	2,196,115	-	2,196,115
Financial liability				
Contingent consideration	-	-	2,376,724	2,376,724
28 February 2023				
Financial asset				
Financial asset at FVTPL	-	1,466,377	-	1,466,377
Financial liability				
Contingent consideration	-	-	2,383,258	2,383,258
Company				
29 February 2024				
Financial asset				
Financial asset at FVTPL	-	2,196,115	-	2,196,115
Financial liability				
Contingent consideration	-	-	2,376,724	2,376,724
28 February 2023				
Financial liability				
Contingent consideration	-	-	2,383,258	2,383,258

8. Mining properties

During the financial year ended 29 February 2024, the Group incurred addition of mining properties expenditures amounting to US$0.6 million (28 February 2023: US$1.7 million) reflecting the Group's ongoing commitment to improve existing mines and sustain mining operations.

9. Plant and equipment

Acquisitions and disposals

During the financial year ended 29 February 2024, the Group acquired plant and equipment with cost of US$2.7 million (28 February 2023: US$3.9 million), excluding capitalisation of depreciation charge of right-of use assets and motor vehicles of US$15,623 (28 February 2023: US$0.4 million).

Plant and equipment with net book value of US$0.4 million (28 February 2023: US$23,951) were disposed by the Group during the financial year ended 29 February 2024, resulting in a net gain on disposal of US$0.2 million (28 February 2023: US$14,816).

10. Right-of-use assets

The Group leases office space, hostels, storage space and motor vehicles in Malaysia. During the financial year ended 29 February 2024, the Group recognised addition of right-of-use assets for motor vehicles and premises amounting to US$1.8 million (28 February 2023: US$1.3 million).

The Group renegotiated and modified existing lease contracts for a few motor vehicles during the financial year ended 29 February 2024 which were accounted for as a lease modification with increase to the right-of-use assets and lease liabilities of US$1,285,466 and US$1,295,873 (28 February 2023: US$963,425 and US$954,483) respectively, resulting in loss on modification of lease contracts of US$10,407 (28 February 2023: US$8,942).

11. Cash and bank balances

	Group		Company	
	29 February 2024 US$	28 February 2023 US$	29 February 2024 US$	28 February 2023 US$
Cash at banks	4,549,852	3,139,183	70,915	61,230
Cash on hand	27,657	35,856	-	-
Short-term deposits	3,103,900	2,494,557	2,002,749	2,001,771
	7,681,409	5,669,596	2,073,664	2,063,001

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise the followings:

	Group	
	29 February 2024 US$	28 February 2023 US$
Cash and bank balances as above	7,681,409	5,669,596
Less: Short-term deposit pledged	(2,002,749)	(2,001,771)
Cash and cash equivalents as per consolidated statement of cash flows	5,678,660	3,667,825

12. Share capital

	Group and Company			
	29 February 2024		28 February 2023	
	Number of shares	Amount US$	Number of shares	Amount US$
Total number of issued shares excluding treasury shares	523,316,100	28,995,034	500,000,000	22,463,273

The Company did not have any treasury shares as at 29 February 2024. There were no subsidiary holdings during and as at the end of the current financial period reported on.

13. Dividends

	Group	
	29 February 2024 US$	28 February 2023 US$
<u>Ordinary dividends paid:</u>		
In respect of financial year ended 28 February 2023: - Final one-tier tax exempt dividend of 0.80 Singapore cents (equivalent to 0.60 US cents) per ordinary share	3,149,157	-
In respect of financial year ended 28 February 2022: - Final one-tier tax exempt dividend of 0.80 Singapore cents (equivalent to 0.58 US cents) per ordinary share	-	2,894,400
	3,149,157	2,894,400

14. Net Asset Value

	Group		Company	
	29 February 2024 US$	28 February 2023 US$	29 February 2024 US$	28 February 2023 US$
Net asset value ("NAV") (US$)	72,245,096	62,239,885	52,125,354	39,615,700
Total number of issued shares excluding treasury shares	523,316,100	500,000,000	523,316,100	500,000,000
NAV per Share (US cents)	13.81	12.45	9.96	7.92

15. Borrowings and lease liabilities

	Group		Company	
	29 February 2024 US$	28 February 2023 US$	29 February 2024 US$	28 February 2023 US$
Repayable within one year or on demand				
Secured				
- Banks borrowings	6,939,565	7,129,528	4,947,974	4,947,974
Unsecured				
- Leases liabilities	1,270,384	627,985	-	-
	8,209,949	7,757,513	4,947,974	4,947,974
Repayable after one year				
Secured				
- Banks borrowings	1,918,301	7,734,972	986,994	5,934,968
Unsecured				
- Leases liabilities	205,331	52,133	-	-
	2,123,632	7,787,105	986,994	5,934,968

The Group's secured borrowings as at 29 February 2024 comprised:

(i) bank borrowings which were used to finance the purchase of certain plant and equipment and are secured over certain of the Group's motor vehicles and machinery with carrying amounts amounted to US$3.0 million (28 February 2023: US$3.1 million); and

(ii) bank borrowings which were used to finance part of the acquisition of Fortress Mengapur Group and charge over all new monies securities comprising assignments of proceeds from certain subsidiaries for all monies payable under the borrowing facility and a short-term deposit pledged (Note 11).

16. Capital commitments

As at the end of reporting period, commitments in respect of capital expenditures are as follows:

	Group	
	29 February 2024 US$	28 February 2023 US$
Capital expenditures contracted but not provided for		
- Plant and equipment	310,329	258,515

17. Subsequent events

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

Part II – Other information required by Appendix 7C of the Catalist Rules

1. Review

The condensed interim statements of financial position of Fortress Minerals Limited and its subsidiaries as at 29 February 2024 and the related condensed interim consolidated statement of profit or loss and other comprehensive income, condensed interim statements of changes in equity and condensed interim consolidated statement of cash flows for fourth quarter and financial year then ended and the selected explanatory notes (the “Condensed Interim financial Statements”) have not been audited or reviewed by the Company’s auditors.

The Group’s latest audited financial statements for the financial year ended 28 February 2023 were not subject to an adverse opinion, qualified opinion or disclaimer of opinion.

2. 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

<u>Condensed interim consolidated statement of profit or loss and other comprehensive income</u>

<u>Revenue</u>

Below is a summary of the iron ore sales performance of the Group for the financial year ended 29 February 2024 (“**FY2024**”) and the comparative financial year ended 28 February 2023 (“**FY2023**”).

	FY2024	FY2023	Increase/ (Decrease) (%)
Sold (**DMT***)	550,887	546,076	0.9
Revenue realised [1] **(US$)**	53,902,384	53,535,798	0.7
Average realised selling price **(US$/DMT)**	97.85	98.04	(0.2)

* DMT denotes Dry Metric Tonnes

(1) Excluding effect of foreign exchange.

As shown in the table above, the Group recorded revenue of US$53.9 million in FY2024, being 0.7% or US$0.4 million higher than FY2023 due to higher volume sold in the current financial year.

The increase was partially mitigated by the lower average realised selling price of US$97.85/DMT recorded in FY2024, a decrease of 0.2% or US$0.19/DMT due to the average benchmark IODEX CFR North China of Platts Daily Iron Ore Assessments price indices weakening in FY2024 as compared to FY2023.

Cost of sales

	FY2024	FY2023	Increase/ (Decrease) (%)
Sold **(WMT*)**	606,843	598,741	1.4
Cost of sales **(US$)**	20,671,393	15,795,541	30.9
Average unit cost of sales **(US$/WMT)**	34.06	26.38	29.1

* WMT denotes Wet Metric Tonnes

The Group's cost of sales increased by 30.9% to US$20.7 million in FY2024. The Group's average unit cost of sales increased by 29.1% or US$7.68/WMT to US$34.06/WMT in FY2024, which was driven by higher inflation of certain production costs.

Gross profit and gross profit margin

As a result of the abovementioned reasons, gross profit for FY2024 of US$33.3 million was US$4.5 million lower than FY2023 and gross profit margin decreased 8.8% to 61.7% in FY2024.

Interest income

Interest income increased by US$0.2 million to US$0.2 million in FY2024. The increase was consistent with the increase in financial assets at FVTPL as at 29 February 2024 which comprise money market funds.

Other operating income

The Group's other operating income decreased by US$0.1 million to US$0.4 million in FY2024. The decrease was mainly driven by the decrease of unrealised foreign exchange gains by US$0.1 million in FY2024 as compared to FY2023.

Selling and distribution expenses

Selling and distribution expenses decreased by US$0.1 million to US$6.7 million in FY2024, primarily due to the decrease in ocean freight charges of US$1.3 million due to change from Cost and Freight ("**CFR**") to Free on Board ("**FOB**") terms, which was partially offset by the increase in transport charges and royalty of US$0.8 million and US$0.4 million respectively in FY2024 as compared to FY2023.

Other operating expenses

The Group's other operating expenses comprise mainly employee benefits expenses and plant maintenance expenses. Other operating expenses increased by US$0.7 million to US$9.9 million in FY2024 which was primarily due to the increase in employee benefits expenses by US$0.7 million, driven by salary increments in line with market standards and an increase in headcounts.

Administrative expenses

Administrative expenses comprise mainly miscellaneous expenses incurred to provide support for general business activities.

Administrative expenses decreased by US$0.1 million to US$1.7 million in FY2024 primarily due to the decrease in unrealised loss on foreign exchange differences in FY2024.

Impairment losses on financial assets

Impairment losses on financial assets were recognised in FY2024 due to a significant increase in credit risk on deposits, leading to the recognition of lifetime expected credit losses concerning these deposits. The Group will continue to monitor and assess the recoverability of these deposits closely.

Fair value loss on contingent consideration

Fair value loss on contingent consideration derives from the adjustment to recognise the fair value changes of gross revenue royalty (Refer to Part I Note 7).

Finance costs

Finance costs comprised interest expenses on banks borrowings and lease liabilities which remained relatively constant as compared to FY2023.

Income tax expense

Income tax expense decreased by US$1.6 million to US$3.8 million in FY2024. The decrease was in line with lower profit before tax generated in FY2024.

The Group's effective tax rate in FY2024 was 27.6%, which is higher than the Group's applicable tax rate of 24% mainly due to non-deductibility of certain expenses and losses in certain subsidiaries, thus the inability to offset against taxable profits in other subsidiaries within the Group.

Profit after income tax

Our Group profit after income tax decreased by US$2.1 million or 17.0% to US$10.0 million from US$12.1 million in FY2023 as a result of the aforementioned reasons.

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

The comparative performance of the assets and liabilities listed below is based on the financial statements as at 29 February 2024 and 28 February 2023.

Condensed interim statements of financial position

Non-current assets

Non-current assets comprise exploration and evaluation assets, mining properties, plant and equipment, right-of-use assets and goodwill. The Group's non-current assets decreased by US$1.2 million from US$73.2 million as at 28 February 2023 to US$72.0 million as at 29 February 2024.

Exploration and evaluation assets decreased by US$1.5 million to US$5.0 million as at 29 February 2024, mainly due to the reclassification of US$3.6 million to mining properties as we have started developing and mining the exploration area at the Bukit Besi mine in 1Q FY2024 which however, was mitigated by the on-going exploration activities undertaken by the Group at the CASB mine of US$0.4 million and the Sabah exploration areas of US$2.0 million as at 29 February 2024.

Mining properties increased by US$1.5 million to US$41.6 million as at 29 February 2024. The increase is primarily attributable to the:

- reclassification of US$3.6 million from exploration and evaluation assets; and

- mining development expenditure incurred to gain access to mineral deposits and for mine processing purposes at the CASB mine amounting to US$0.6 million.

However, the increase was partially offset by the following:

- amortisation charges of US$1.0 million; and

- the effects of exchange translation differences of US$1.8 million due to the weakening of exchange rate movement of RM against USD.

Plant and equipment decreased by US$1.7 million due to the effects of exchange translation differences of US$1.5 million and depreciation charges of US$4.2 million, to US$21.2 million as at 29 February 2024 from US$22.9 million as at 28 February 2023. The decrease was partially offset by the:

- additions of office equipment and furniture and fittings amounting to US$0.2 million;

- construction work-in-progress of processing plants in the CASB mine amounting to US$0.9 million; and

- additions of fleet truck and machineries acquired amounting to US$2.5 million and US$0.5 million respectively.

Right-of-use assets at the Group level refers to the leases of motor vehicles, machineries, office and hostels premises for use at both the Bukit Besi and CASB mine. Right-of-use assets increased by US$0.8 million to US$1.4 million as at 29 February 2024, which was attributable to addition and modification of lease terms which amounted to US$3.1 million but was partially offset by the depreciation charges amounting to US$2.3 million.

The intangible asset comprised the goodwill arising from the acquisition of Fortress Mengapur Group. The intangible asset decreased by US$0.2 million to US$2.8 million as at 29 February 2024 due to the effects of exchange translation differences from the weakening of exchange rate movement of RM against USD.

Current assets

As at 29 February 2024, the Group's current assets remained solid and stood at US$25.2 million compared to US$20.5 million as at 28 February 2023. The increase was mainly attributable to the following:

- increase in trade receivables by US$3.3 million due to a higher outstanding trade receivables as at 29 February 2024 which is consistent with the higher sales volume achieved in the final month of FY2024 as compared to FY2023;

- increase in financial assets at fair value through profit or loss by US$0.7 million which comprise money-market funds as at 29 February 2024;

- increase in current income tax receivables by US$0.6 million in FY2024 is attributed to higher tax installments paid to tax authorities compared to the final tax provision for the same financial year; and

- increase in cash and bank balances of US$2.0 million was primarily due to the net cash flow generated from operating activities being higher than the net cash flow used in investing and financing activities in FY2024.

However, it was partially offset by:

- decrease in other receivables, deposits and prepayments by US$0.3 million which was mainly attributable to the impairment loss provided on deposit of US$0.7 million and partially offset by the addition of other deposits of US$0.4 million in FY2024; and

- a decrease in inventories by US$1.5 million is attributed to a decline in production and consumable inventories, driven by lower production volume relative to the achieved sales volume.

Non-current liabilities

As at 29 February 2024, the Group's non-current liabilities decreased by US$5.6 million to US$8.0 million from US$13.6 million as at 28 February 2023.

The decrease was mainly due to the decrease in non-current bank borrowings as a result of the reclassification of non-current bank borrowings of US$5.8 million to current liabilities based on its maturity profile.

Current liabilities

As at 29 February 2024, the Group's current liabilities decreased by US$0.9 million from US$17.9 million as at 28 February 2023 to US$17.0 million.

The decrease was primarily due to the:

(i) repayment of bank borrowings and lease liabilities of US$7.4 million and US$2.3 million respectively made in FY2024; and

(ii) decrease in trade and other payables of US$1.2 million due to higher repayments made in FY2024.

The decrease was offset by the drawdown of hire purchase borrowings of US$1.6 million, reclassification from non-current bank borrowings of US$5.8 million and addition of lease liabilities from new and modification leases of US$3.1 million.

Working capital

Consequent to the Group's profitability and positive net operating cashflow, the Group continues to record a positive working capital position of US$8.2 million as at 29 February 2024 as compared to US$2.6 million as at 28 February 2023.

Condensed interim consolidated statements of cash flows

In FY2024, the Group's net cash generated from operating activities decreased to US$14.4 million as compared to US$22.5 million in FY2023.

The operating cash flow before working capital changes decreased by US$5.0 million to US$21.4 million as compared to US$26.4 million in FY2023. However, after adjusting for the increased working capital outflows of US$3.9 million which was mainly attributable to the higher repayments made to trade and other payables of US$3.7 million in FY2024.

In FY2024, the Group's net cash flow used in investing activities decreased by US$4.6 million to US$5.5 million as compared to US$10.1 million in FY2023. The decrease was primarily attributable to:

- decrease in capital expenditure investments for the mining and exploration activities of the Group in Bukit Besi mine, CASB mine and prospecting areas in Sabah amounting to US$3.5 million;

- decrease in purchase of financial asset at FVTPL which comprise money market funds of US$0.8 million in FY2024;

- increase in proceeds from disposal of plant and equipment of US$0.2 million in FY2024; and

- increase in interest received of US$0.1 million in FY2024.

In FY2024, the Group's net cash flow used in financing activities was US$7.1 million as compared to US$13.4 million in FY2023. The decrease of US$6.3 million was primarily due to the proceeds from issuance of new ordinary shares in FY2024.

3. 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 previously disclosed to shareholders.

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4. 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 reporting period and the next 12 months.

Market Outlook

Global crude steel production increased 3.7% yoy from February 2023 to February 2024[1]. China, the world's largest steel-producing country, is estimated to have produced 81.2 million tonnes in February 2024, up 3.5% yoy from February 2023[1].

Domestic demand for steel is expected to remain tepid as a result of various challenges including China's debt crisis and sluggish domestic spending. Robust prospects from the steel export sector however remains a bright spot for Chinese steelmakers.

As Chinese steelmakers continue to expand capacity, Chinese steel markets may continue to remain under pressure due to overcapacity. Chinese steelmakers plan to commission 42.5 million MT/year of electric-arc-furnace ("**EAF**") steelmaking capacity in total in 2024. With some new EAF's to be replacing existing ones, total EAF capacity in China is likely to expand by 21 million MT/year, to around 220 million MT/year at the end of 2024, accounting for 17.6% of China's total crude steel capacity[2].

Steel production capacity is also on the rise in emerging Asian markets. Indonesia and Malaysia are expected to have two new blast furnaces ramped up to full capacity by 2024, contributing to an annual supply of 4 million metric tons of hot-rolled coil ("**HRC**") steel[3]. Malaysia's steel industry in particular is developing rapidly with actual demand growth for steel of 4.8% expected in 2024, while exports are expected to increase further as well[4].

Malaysia's economic outlook looks optimistic for 2024, with Malaysia's central bank forecasting the country's economy to grow between 4 and 5 per cent in 2024[5]. In particular, growth forecast is supported by improving external demand and export conditions. Malaysia's exports grew 8.7% yoy in January 2024 to RM122.4 billion[6]. The figure also reversed Malaysia's exports downtrend which began in March 2023.

Demand for the Group's iron ore concentrate from regional steel mills remains strong and is well supported by the recent offtake agreement announced on 23 January 2024. This will be bolstered by improvements in Malaysia's export sector. Increased focus on high grade magnetite iron ore continues to underpin demand, supported by efforts to decarbonise the global iron ore and steel industry and support the energy transition.

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[1] The World Steel Association, 2 March 2024: February 2024 crude steel production
[2] S&P Global, 16 January 2024: Tepid domestic demand, robust exports to tint China's steel sector in 2024
[3] S&P Global, 16 January 2024: Tepid domestic demand, robust exports to tint China's steel sector in 2024
[4] Research & Markets, Malaysia Steel Industry Research Report 2023-2032: Malaysia Steel Industry Research Report 2023-2032
[5] The Business Times, 20 March 2024: Malaysia economy expected to grow 4-5% in 2024: Bank Negara
[6] The Business Times, 20 February 2024: Malaysia's January exports exceed forecast to rise 8.7%, first expansion in 10 months

Operational developments

On 2 January 2024, the Group entered into a 12-month offtake agreement with a domestic steel mill in Malaysia for approximately 240,000 wet metric tonnes ("**WMT**") of iron ore. This agreement is a testament to the consistent demand for the Group's high grade iron ore concentrate, and the group's strong business relationships with customers.

The Group continues to grow its production capabilities at its first mine at Bukit Besi. Two new ball mills are expected to increase the nameplate capacity to a range of 50,000 to 60,000 tonnes per month, representing a targeted c.20% yoy increase from FY2024. Commissioning of the ball mills is targeted for 2Q FY2025. Additionally, the Group continues to further develop its Valley and West deposits at the Bukit Besi mine to expand its mineral resource for cost-efficient growth.

The Group has engaged the services of a renowned metallurgical and engineering company and has completed metallurgical test works and feasibility studies for the development of a new integrated processing plant at the Cermat Aman Sdn Bhd ("CASB") mine which will produce copper concentrate, pyrrhotite concentrate and high-grade iron ore concentrates.

The results of these studies will develop the ongoing flowsheet and engineering design of the plant which is targeted for completion by 2Q FY2025.

The Group has also made progress on its two prospecting licences granted to its subsidiaries, 65%-owned Saga Mineral Sdn. Bhd. ("SMSB") and 51%-owned Kencana Primary Sdn. Bhd. ("KPSB"). The Group has completed Phase 1 "Reconnaissance Survey" at SMSB which consisted of works such as spur & ridge and initial topography survey, geological mapping, stream sediment sampling, rock chip sampling, soil sampling, and accompanying geochemistry analysis and has identified several prospecting targets. Based on findings from Phase 1, the Group has progressed to Phase 2, "Prospecting" works. This entails the narrowing down of targets for the upcoming trenching and pitting program. It is expected to complete by May 2024. Phase 3, which includes detailed mapping, trenching, pitting and further mineral studies is projected to start in 2Q FY2025. The findings from Phase 3 will subsequently inform and allow for Phase 4, the exploration of identified mineralisation zones by means of geophysical survey and drilling. For KPSB, spur & ridge and initial topography survey is completed and the rest of Phase 1 is expected to start in May 2024 and complete by 2Q FY2025.

The Group continues to seek opportunities to grow its commodities portfolio prudently and in a disciplined manner via acquisitions, joint ventures and/or providing mining contracting services both in Malaysia and in the region, where its strong capabilities provide a competitive edge to tap on the demand.

The Group continues to explore various fund-raising opportunities to enhance its cash balances for operational needs when required. The Group will update shareholders via SGXNET as and when there are any material developments on the aforementioned.

5. Details of any changes in the company's share capital arising from rights issue, bonus issue, subdivision, consolidation, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, 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.

The issued and paid-up share capital of the Company from 28 February 2023 up to 29 February 2024 had increased by 23,316,100 shares to 523,316,100 shares pursuant to the placement of 23,316,100 placement shares, which was completed on 10 April 2023. The Company's share capital was US$28,995,034 comprising 523,316,100 shares as at 29 February 2024 and US$22,463,273 comprising 500,000,000 shares as at 28 February 2023.

There were no outstanding options, convertible securities, treasury shares or subsidiary holdings as at 29 February 2024 and 28 February 2023.

6. To show the 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.

	Company	
	As at 29 February 2024	**As at 28 February 2023**
Total number of issued shares excluding treasury shares	523,316,100	500,000,000

The Company did not have any treasury shares as at 29 February 2024 and 28 February 2023.

7. 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. There were no treasury shares during and as at the end of the current financial period reported on.

8. 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. There were no subsidiary holdings during and as at the end of the current financial period reported on.

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

Except as disclosed in Section 2.1 of Part I above, the accounting policies and methods of computation adopted in the financial statements for the current reporting period are consistent with those disclosed in the audited consolidated financial statements for the financial year ended 28 February 2023.

10. Dividend information

a) Current financial period reported on

Any dividend declared for the current financial period reported on?

Yes

Name of dividend	Final dividend
Dividend type	Cash
Dividend amount per share	S$0.0060 per ordinary share
Tax rate	Tax exempt one tier

b) Corresponding period of the immediately preceding financial year

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

Yes

Name of dividend	Final dividend
Dividend type	Cash
Dividend amount per share	S$0.0080 per ordinary share
Tax rate	Tax exempt one tier

c) Whether the dividend is before tax, net of tax or tax exempt

The proposed final dividend is one-tier tax exempt.

d) Date payable

The proposed final dividend will be paid at the date to be announced in due course, subject to shareholders' approval at the forthcoming annual general meeting to be convened at a later date.

e) Books closure date

The book closure date for the proposed final dividend will be announced in due course.

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

Not applicable.

12. If the Group has obtained a general mandate from shareholders for Interested Person Transactions ("IPT"), 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 has not obtained a general mandate from shareholders for IPTs. In FY2024, there were no interested person transactions of S$100,000 and above.

13. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1)

The Company confirms that undertakings have been procured from the Board of Directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1)).

14. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the operating segments.

The Group only has 1 operating segment, and the factors leading to any material changes in contribution to the Group's revenue and earnings has been disclosed in Para 2 of Part II – Other information required by Appendix 7C of the Catalist Rules above.

15. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.

	FY2024		**FY2023**	
	US$	**S$**	**US$**	**S$**
Ordinary shares (tax exempt 1-tier) - Final [1,2] - Final [3]	 2,335,190 -	 3,139,897 -	 - 3,149,157	 - 4,186,529
Total Annual Dividend	**2,335,190**	**3,139,897**	**3,149,157**	**4,186,529**

(1) The proposed final tax-exempt dividend is subject to shareholders' approval at the forthcoming annual general meeting of the Company.
(2) Based on exchange rate of USD/SGD 1.3446 as at 29 February 2024.
(3) Based on exchange rate of USD/SGD 1.3294 as at 28 July 2023.

16. **Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(10) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.**

Name	Age	Family relationship with any director, CEO and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Chee Yew Fei	58	Father of our executive director, Edmund Chee Ji Kang and non-executive director, Willa Chee Keng Fong	Company director and CEO of Fortress Mining Sdn Bhd since 2011.	Not applicable.
Tan Seng Kim	69	Brother-in-law of our CEO, Chee Yew Fei	Company director of Fortress Mining Sdn Bhd since 2017.	Resigned on 1 June 2023.
Yeow Boon Ban	47	Brother-in-law of our CEO, Chee Yew Fei	Company director cum maintenance manager of Fortress Mining Sdn Bhd since 2017. Primarily responsible for all mine site repair and maintenance activities.	Not applicable
Edmund Chee Ji Kang	24	Son of our CEO, Chee Yew Fei and brother of our non-executive director, Willa Chee Keng Fong	Company director of Fortress Mining Sdn Bhd since June 2023.	Appointed on 1 June 2023.

17. Use of proceeds pursuant to Rule 704(30)

On 10 April 2023, our Company received S$8.7 million (net of placement expenses of S$0.3 million) as placement net proceeds. As at the date of this announcement, the status on the use of the placement net proceeds is as follows:

Use of net proceeds	Amount allocated	Amount utilised	Balance
	S$'000	S$'000	S$'000
Further development of the CASB mine, including continuing and future exploration and geology work, as well as addition of a new integrated processing plant	5,200	(1,413) [1]	3,787
Prospecting expenditures in relation to the two prospecting licenses in Sabah	3,500	(2,899) [2]	601
Total	**8,700**	**(4,312)**	**4,388**

[1] utilised for payment for purchase of machinery parts for the new integrated processing plant.

[2] utilised for payment for purchase of plant and equipment, licensing fees, operating expenses and employee benefit expenses.

The above utilisation of the placement proceeds is in accordance with the intended use as stated in the Company's announcement dated 20 March 2023 in relation to the placement of 23,316,100 new ordinary shares in the capital of the Company.

At the appropriate juncture, our Group will deploy the remaining placement proceeds as the Group intends to further develop the CASB mine and undertake exploration activities in Sabah. Pending such deployment, funds have been placed in interest bearing deposits with licenced banks in Singapore and Malaysia.

The Company will make periodic announcements on the utilisation of the proceeds from the placement as and when the proceeds are materially disbursed and provide a status report on such use in its annual report and its quarterly and full year financial statements.

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18. Use of funds/cash by mineral, oil and gas companies pursuant to Rule 705(6)

i. Use of funds/cash for the quarter: -

During 4Q FY2024, funds/cash was mainly used for the following production activities, as compared to the projections: -

Purpose	Amount (US$ million)	
	Actual	Projected
Exploration and evaluation activities	0.21	0.30
Cost of sales	6.11	4.93
Selling and distribution costs	1.43	1.90
Total	**7.75**	**7.13**

During 4Q FY2024, the Group's cost of sales was higher than the projected amount by US$1.18 million which was driven by higher inflation of certain production costs.

In 4Q FY2024, the selling and distribution costs were lower than the projected amount by US$0.47 million, primarily due to lower royalty and commission expenses which are in line with lower sales volume in 4Q FY2024 as compared to the projected sales volume.

The Group utilised less than planned funds in exploration and evaluation activities in 4Q FY2024 as a result from the Group prioritising on its production to meet on-going and continuous sales orders received during the quarter under review.

ii. Projection on the use of funds/cash for the next immediate quarter, including material assumptions: -

Purpose	Amount (US$ million)
Exploration and evaluation activities	0.30
Cost of sales	4.70
Selling and distribution costs	1.54
Total	**6.54**

The Group will continue its exploration and evaluation activities at its East, Valley and West Deposits of Bukit Besi Mine, tenements held by Fortress Mengapur Group and prospecting areas in Sabah during the first quarter of FY2025 ("**1Q FY2025**").

Total exploration and evaluation expenses, cost of sales, and selling and distribution costs expected to be incurred are as tabulated above.

19. Pursuant to Rule 705(7) - Details of exploration (including geophysical surveys), development and/or production activities undertaken by the issuer and a summary of the expenditure incurred on those activities, including explanations for any material variances with previous projections, for the period under review. If there has been no exploration, development and/or production activity respectively, that fact must be stated.

Bukit Besi

In the 2023 calendar year, just over 1,893m of resource definition drilling was completed from 13 drillholes to support the magnetite mining operations at Bukit Besi. Approximately 1.2 Mt of magnetite mineralisation was mined and sent to the plant, depleting the Mineral Resource estimate ("**MRE**") for the 2023 calendar year at the cut-offs used to report the MRE where only approximately 540kt was reported. This suggests that the actual cut-off grades employed during the grade control process are not aligned with cut-offs used for reporting of the MRE. The high level reconciliation suggests that the MRE is being reported at a higher cut-off than what is being used to discriminate ore and waste for mining. The use of a lower cut-off to report the MRE would result in a larger reported resource. Further work is required to align the cut-off used to report the MRE with actual cut-offs used to discriminate material suitable for processing through the Bukit Besi process plant.

An update of the Bukit Besi Mineral Resource estimate was prepared from drill datasets dated 29 February 2024 and a mine survey dated 30 December 2023. The drilling, sampling, survey, and estimation methodologies are described in a Summary Qualified Person's Report (Rev0 dated 24 April 2024). Please refer to the announcement dated 24 April 2024 released by the Company via SGXNet.

Michael Andrew, working as an Executive Consultant with Snowden Optiro, prepared the 2024 MRE Update and reported them in accordance with JORC guidelines. The following summary of the Bukit Besi Mineral Resources is formatted following the requirements set out in Appendix 7D of the Catalist Rules.

The updated and depleted MRE for the Bukit Besi Iron Project is 7.8 million tonnes grading 38.88 % iron, with a reporting date of 29 February 2024. The MRE is classified as Indicated and Inferred following the JORC guidelines on a qualitative basis, considering numerous factors, including data quality, geological complexity, data coverage, estimation validation and limited magnetite mass recovery data and reconciliation against production from the mine.

Bukit Besi Mineral Resource tabulation – 29 February 2024*

Area	Classification	Gross attributable to ML7/2013		Net attributable to Fortress		Change from previous update %	Remarks
		Tonnes Mt	Grade Fe %	Tonnes Mt	Grade Fe %		
East	Indicated	0.13	34.13	0.13	34.13	-19%	None
Valley		0.15	40.93	0.15	40.93	na	1
West		0.32	38.53	0.32	38.53	-24%	None
Sub-total		**0.60**	**38.18**	**0.60**	**38.18**	**5%**	**None**
East	Inferred	0.88	36.21	0.88	36.21	34%	None
Valley		3.93	40.88	3.93	40.88	-15%	None
West		2.38	36.74	2.38	36.74	170%	1
Sub-total		**7.19**	**38.93**	**7.19**	**38.93**	**17%**	**None**
Total		**7.79**	**38.88**	**7.79**	**38.88**	**16%**	**None**

Notes:
* Based on a block cut-off grade of 10% Fe and magnetic susceptibility greater than 100 and sulphur less than 10%. Some discrepancies may occur due to rounding.
* No Ore Reserves stated. Mineral Resources that are not Ore Reserves do not have demonstrated economic viability. The Mineral Resource is limited to within the tenement boundary. Some discrepancies may occur due to rounding.
1 Classification update due to additional infill drilling within the Valley and West pits.

Competent Person Statement

The Competent Person responsible for the preparation and reporting of the Bukit Besi Mineral Resource Estimate is Michael Andrew, who is an Executive Consultant with Snowden Optiro, mining industry consultants. Michael Andrew has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Michael Andrew is a Fellow of the Australian Institute of Mining and Metallurgy (Membership No 111172).

Michael Andrew consents to the inclusion in this announcement of the matters based on the information in the form and context in which they appear.

Mengapur

In the financial year ended 29 February 2024, there was not any further work or mining undertaken on the reported Mengapur deposit, the reported MRE is unchanged from the previously reported grade and tonnages in April 2023.

The following is an extract from the 2023 Financial results to provide some context for the 2024 resource statement.

Since the acquisition of Mengapur in 2021, the Company has drilled 48 infill drillholes for 5,391 metres with sample analysis completed at both Bukit Besi and the Company's newly commissioned Mengapur laboratory. The updated MRE has incorporated this drilling with the existing drill data. Only drill data generated by Fortress and the previous owner Monument has been used to generate the pyrrhotite and magnetite resources. The skarn hosted copper resources were initially informed by only the Fortress and Monument data, any uninformed areas of the estimate after the initial pass were then informed by the lower confidence historic drilling completed prior to Monument's ownership of the deposit. Any material informed by the pre-Monument data was classified as Inferred. Any material classified as Indicated Resources has only been informed by the Fortress and Monument data.

The Mineral Resource is limited to within the CASB and SDSB mining lease boundaries and is also constrained within an optimised pit shell based on the recovery of copper only, no value was attributed to iron hosted by the magnetite units or the gold and silver or any other materials present on the mining leases. The parameters used in the pit optimisation were high level assumptions provided by Fortress based on the limited metallurgical test work to date. The parameters used are presented below;

- *Costs*
  - *Mining cost – US$1.15/t rock*
  - *Process cost – US$10.27/t ore*
  - *Selling cost – US$23.82/t Cu conc*
- *Recoveries*
  - *Cu – 85%*
- *Price*
  - *US$10,000/t Cu*
  - *Cu Payability – 83%*
- *Slopes*
  - *45 degrees*
- *Min grade – 0.3% Cu*

Previously the copper mineralisation has been reported at a cut-off grade of 0.5% copper, which accounts for the increase in the copper resource. The reduction in the magnetite resource is a reflection of reporting the resource within the optimised pit shell based on the copper mineralisation.

Michael Andrew, working as an Executive Consultant with Snowden Optiro, prepared the 2023 MRE Update and reported them in accordance with JORC guidelines. The following summary of the Mengapur Mineral Resources is formatted following the requirements set out in Appendix 7D of the Catalist Rules. More information can be found in the 2023 Summary QPR announced via SGXNET on 26 April 2023.

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Mengapur Mineral Resource Estimate as at 29 February 2024

Classification	Cut-off grade	Mineralisation	Gross Attributable to Licenses						Nett Attributable to Fortress						Change from previous update	Remarks
			Tonnes	Grade Fe	Grade Cu	Grade Au	Grade Ag	Grade S	Tonnes	Grade Fe	Grade Cu	Grade Au	Grade Ag	Grade S		
			Mt	%	%	g/t	g/t	%	Mt	%	%	g/t	g/t	%	%	
Indicated	0.3% Cu	Skarn Cu	20.3	20.76	0.41	0.12	7.26	4.6	20.3	20.76	0.41	0.12	7.26	4.6	0	None
		Pyrrhotite Cu	0.7	29.11	0.55	0.28	3.48	14.14	0.7	29.11	0.55	0.28	3.48	14.14	0	None
		Sub Total	**21**	**21.03**	**0.42**	**0.13**	**7.13**	**4.92**	**21**	**21.03**	**0.42**	**0.13**	**7.13**	**4.92**	**0**	**None**
	25% Fe	Skarn Magnetite	0.34	27.66	0.13	0.09	1.52	6.23	0.34	27.66	0.13	0.09	1.52	6.23	0	None
		Breccia Magnetite	0.01	46.28	0.21	0.23	5.66	0.13	0.01	46.28	0.21	0.23	5.66	0.13	0	None
		Sub Total	**0.34**	**28.01**	**0.13**	**0.09**	**1.6**	**6.12**	**0.34**	**28.01**	**0.13**	**0.09**	**1.6**	**6.12**	**0**	**None**
Inferred	0.3% Cu	Skarn Cu	7.93	22.39	0.41	0.13	8.42	4.62	7.93	22.39	0.41	0.13	8.42	4.62	0	None
		Pyrrhotite Cu	6.96	29.26	0.6	0.27	3.56	13.75	6.96	29.26	0.6	0.27	3.56	13.75	0	None
		Sub Total	**14.89**	**25.6**	**0.5**	**0.19**	**6.15**	**8.89**	**14.89**	**25.6**	**0.5**	**0.19**	**6.15**	**8.89**	**0**	**None**
	25% Fe	Skarn Magnetite	1.38	27.8	0.13	0.12	1.35	5.89	1.38	27.8	0.13	0.12	1.35	5.89	0	None
		Breccia Magnetite	0.38	41.51	0.2	0.17	6.04	0.19	0.38	41.51	0.2	0.17	6.04	0.19	0	None
		Sub Total	**1.76**	**30.75**	**0.14**	**0.13**	**2.36**	**4.67**	**1.76**	**30.75**	**0.14**	**0.13**	**2.36**	**4.67**	**0**	**None**
Total	**0.3% Cu**	**Total Cu**	**35.89**	**22.93**	**0.45**	**0.16**	**6.72**	**6.56**	**35.89**	**22.93**	**0.45**	**0.16**	**6.72**	**6.56**	**0**	**None**
	25% Fe	**Total Magnetite**	**2.1**	**30.3**	**0.14**	**0.13**	**2.24**	**4.9**	**2.1**	**30.3**	**0.14**	**0.13**	**2.24**	**4.9**	**0**	**None**

Notes:
Some discrepancies may occur due to rounding.

Competent Person Statement

The Competent Person responsible for the preparation and reporting of the Mengapur Mineral Resource Estimate is Michael Andrew, who is an Executive Consultant with Snowden Optiro, mining industry consultants. Michael Andrew has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Michael Andrew is a Fellow of the Australian Institute of Mining and Metallurgy (Membership No 111172).

Michael Andrew consents to the inclusion in this announcement of the matters based on the information in the form and context in which they appear.

20. PART III – ADDITIONAL INFORMATION REQUIRED PURSUANT TO CATALIST RULE 706A

Not applicable. There was no incorporation of new entities, acquisitions and realisation of shares during 4Q FY2024.

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BY ORDER OF THE BOARD OF
FORTRESS MINERALS LIMITED

Dato' Sri Ivan Chee
Chief Executive Officer
24 April 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 Sponsor has also not drawn on any specific technical expertise in its review of 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.

Confirmation by the Board pursuant to Catalist Rule 705(6)(b)

On behalf of the Board of Directors of the Company, we the undersigned, hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the unaudited financial statements for the 3-months and full year ended 29 February 2024 to be false or misleading in any material aspect.

On behalf of the Board of Directors

Dato’ Sri Ivan Chee Executive Director	Ng Mun Fey Executive Director

Singapore
24 April 2024