

**BROADWAY INDUSTRIAL GROUP LIMITED**

Company Registration No. 199405266K

**Unaudited Condensed Interim Financial Statements**

For the Six Months Ended and Full Year Ended 31 December 2023

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**Broadway Industrial Group Limited**  
**Unaudited Condensed Interim Financial Statements**  
**For the Six Months Ended and Full Year Ended 31 December 2023**

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

	Notes	Group 6 months ended			Group 12 months ended		
		31 Dec 2023	31 Dec 2022 (Re- presented*)	Change	31 Dec 2023	31 Dec 2022 (Re- presented*)	Change
		S\$'000	S\$'000	%	S\$'000	S\$'000	%
Revenue	4	132,327	123,985	6.7	258,673	352,310	(26.6)
Cost of sales		(122,426)	(118,470)	(3.3)	(244,651)	(331,189)	26.1
Gross profit		9,901	5,515	79.5	14,022	21,121	(33.6)
Distribution expenses		(369)	(380)	2.9	(798)	(1,063)	24.9
Administrative expenses		(3,271)	(3,555)	8.0	(7,901)	(9,072)	12.9
Sales and marketing expenses		(607)	(156)	(289.1)	(963)	(331)	(190.9)
Other income/(expenses)	5	(995)	(605)	(64.5)	247	(557)	n.m.
Results from operating activities		4,659	819	468.9	4,607	10,098	(54.4)
Finance income		403	13	n.m.	543	24	n.m.
Finance costs		(1,421)	(886)	(60.4)	(2,565)	(1,658)	(54.7)
Net finance costs		(1,018)	(873)	(16.6)	(2,022)	(1,634)	(23.7)
Profit/(Loss) before income tax	6	3,641	(54)	n.m.	2,585	8,464	(69.5)
Income tax income/(expense)	7	408	(499)	n.m.	354	(1,053)	n.m.
<b>Profit/(Loss) from continuing operations, net of tax</b>		4,049	(553)	n.m.	2,939	7,411	(60.3)
Loss from discontinued operation, net of tax	4.3	(137)	(934)	85.3	(564)	(1,709)	67.0
<b>Profit/(Loss) for the year</b>		3,912	(1,487)	n.m.	2,375	5,702	(58.3)
<b>Other comprehensive (loss)/income :</b>							
<i>Items that may be reclassified subsequently to profit or loss:</i>							
Exchange differences on translating foreign operations, net of tax		(2,122)	(2,832)	25.1	(1,529)	(727)	(110.3)
<b>Total comprehensive (loss)/income</b>		1,790	(4,319)	n.m.	846	4,975	(83.0)
<b>Profit/(Loss) for the period attributable to :</b>							
Owners of the Company		4,296	(1,183)	n.m.	3,085	6,278	(50.9)
Non-controlling interests		(384)	(304)	(26.3)	(710)	(576)	(23.3)
		3,912	(1,487)	n.m.	2,375	5,702	(58.3)
<b>Total comprehensive income/(loss) attributable to :</b>							
Owners of the Company		2,313	(3,982)	n.m.	1,565	5,598	(72.0)
Non-controlling interests		(523)	(337)	(55.1)	(719)	(623)	(15.4)
<b>Total comprehensive (loss)/income</b>		1,790	(4,319)	n.m.	846	4,975	(83.0)

**Earnings per share for (loss)/profit for the period attributable to the owners of the Company**

	Notes	Group 6 months ended			Group 12 months ended		
		31 Dec 2023	31 Dec 2022 (Re- presented*)	Change	31 Dec 2023	31 Dec 2022 (Re- presented*)	Change
		Cents	Cents	%	Cents	Cents	%
Basic	8	0.94	(0.26)	n.m.	0.68	1.38	(50.7)
Diluted	8	0.94	(0.26)	n.m.	0.68	1.38	(50.7)

n.m. - not meaningful

\*Re-presented - please refer to Note 4.3. The comparative information has been re-presented due to discontinued operation.

**B Condensed interim statements of financial position**

	Notes	Group		Company	
		31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022
		S\$'000	S\$'000	S\$'000	S\$'000
<b>ASSETS</b>					
Property, plant and equipment	11	61,753	63,778	147	235
Right-of-use assets		5,789	5,443	307	512
Investments in subsidiaries		-	-	104,000	104,000
Other assets		52	52	52	52
Other receivables		-	-	-	359
<b>Total non-current assets</b>		<b>67,594</b>	<b>69,273</b>	<b>104,506</b>	<b>105,158</b>
Inventories		21,035	28,032	-	-
Trade and other receivables		73,442	25,704	10,644	10,395
Other assets		1,251	1,138	10	17
Cash and cash equivalents		33,901	29,360	302	653
<b>Total current assets</b>		<b>129,629</b>	<b>84,234</b>	<b>10,956</b>	<b>11,065</b>
<b>Total assets</b>		<b>197,223</b>	<b>153,507</b>	<b>115,462</b>	<b>116,223</b>
<b>EQUITY AND LIABILITIES</b>					
<b>Equity</b>					
Share capital	12	113,163	113,163	113,163	113,163
(Accumulated losses)/Retained earnings		(4,831)	(8,316)	4,546	4,296
Other reserves		(19,572)	(17,672)	(3,023)	(2,643)
<b>Equity attributable to owners of the Company</b>		<b>88,760</b>	<b>87,175</b>	<b>114,686</b>	<b>114,816</b>
Non-controlling interests		102	801	-	-
<b>Total equity</b>		<b>88,862</b>	<b>87,976</b>	<b>114,686</b>	<b>114,816</b>
Other liabilities		1,648	1,907	-	-
Lease liabilities, non-current		5,670	4,194	93	276
<b>Total non-current liabilities</b>		<b>7,318</b>	<b>6,101</b>	<b>93</b>	<b>276</b>
Income tax payable		3,044	3,838	5	5
Trade and other payables		91,498	47,240	495	950
Loans and borrowings	13	3,849	6,805	-	-
Lease liabilities, current		2,652	1,547	183	176
<b>Total current liabilities</b>		<b>101,043</b>	<b>59,430</b>	<b>683</b>	<b>1,131</b>
<b>Total liabilities</b>		<b>108,361</b>	<b>65,531</b>	<b>776</b>	<b>1,407</b>
<b>Total equity and liabilities</b>		<b>197,223</b>	<b>153,507</b>	<b>115,462</b>	<b>116,223</b>

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**C Condensed interim statements of changes in equity**

The Group	Other reserves					(Accumulated losses)/retained earnings S\$'000	Total attributable to owners of the Company S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
	Share capital S\$'000	Treasury shares S\$'000	Capital reserve S\$'000	Share-based payment reserve S\$'000	Translation reserve S\$'000				
<b>Balance at 1 January 2023</b>	<b>113,163</b>	<b>(3,043)</b>	<b>2,924</b>	<b>400</b>	<b>(17,953)</b>	<b>(8,316)</b>	<b>87,175</b>	<b>801</b>	<b>87,976</b>
Total comprehensive (loss)/income for the year	-	-	-	-	(1,520)	3,085	1,565	(719)	<b>846</b>
Disposal of subsidiaries - discontinued operations	-	-	-	-	-	-	-	(112)	<b>(112)</b>
Capital contribution by non-controlling interest	-	-	-	-	-	-	-	132	<b>132</b>
Share-based payment	-	-	-	(380)	-	400	20	-	<b>20</b>
<b>Balance at 31 December 2023</b>	<b>113,163</b>	<b>(3,043)</b>	<b>2,924</b>	<b>20</b>	<b>(19,473)</b>	<b>(4,831)</b>	<b>88,760</b>	<b>102</b>	<b>88,862</b>
<b>Balance at 1 January 2022</b>	<b>113,166</b>	<b>(2,320)</b>	<b>2,924</b>	<b>403</b>	<b>(17,273)</b>	<b>(10,041)</b>	<b>86,859</b>	<b>887</b>	<b>87,746</b>
Total comprehensive (loss)/income for the year	-	-	-	-	(680)	6,278	5,598	(623)	<b>4,975</b>
Capital contribution by non-controlling interest	-	-	-	-	-	-	-	537	<b>537</b>
Purchase of treasury shares	-	(729)	-	-	-	-	(729)	-	<b>(729)</b>
Share-based payment	(3)	6	-	(3)	-	-	-	-	-
Dividend paid	-	-	-	-	-	(4,553)	(4,553)	-	<b>(4,553)</b>
<b>Balance at 31 December 2022</b>	<b>113,163</b>	<b>(3,043)</b>	<b>2,924</b>	<b>400</b>	<b>(17,953)</b>	<b>(8,316)</b>	<b>87,175</b>	<b>801</b>	<b>87,976</b>

  

The Company	Other reserves					Total equity S\$'000
	Share capital S\$'000	Treasury shares S\$'000	Share-based payment reserve S\$'000	Retained earnings/ (accumulated losses) S\$'000		
<b>Balance at 1 January 2023</b>						<b>114,816</b>
Total comprehensive loss for the year						<b>(150)</b>
Share-based payment						<b>20</b>
Dividend paid						<b>-</b>
<b>Balance at 31 December 2023</b>						<b>114,686</b>
<b>Balance at 1 January 2022</b>						<b>127,805</b>
Total comprehensive loss for the year						<b>(7,707)</b>
Purchase of treasury shares						<b>(729)</b>
Share-based payment						<b>-</b>
Dividends paid						<b>(4,553)</b>
<b>Balance at 31 December 2022</b>						<b>114,816</b>

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**D Condensed interim consolidated statement of cash flows**

	Group	
	12 months ended	12 months ended
	31 Dec	31 Dec
	2023	2022
	(Re-presented*)	
	S\$'000	S\$'000
<b>Cash flows from operating activities</b>		
<b>Profit before tax from continuing operations</b>	<b>2,585</b>	<b>8,464</b>
<b>Loss before tax from discontinued operations</b>	<b>(564)</b>	<b>(1,709)</b>
(Reversal) of inventory obsolescence	-	(174)
Depreciation of property, plant and equipment	9,543	11,439
Depreciation of right-of-use assets	2,027	1,758
Loss on disposal of investment in subsidiaries	45	-
Loss on disposal of property, plant and equipment	164	54
Interest expense	2,565	1,658
Interest income	(543)	(25)
<b>Operating cash flows before changes in working capital</b>	<b>15,822</b>	<b>21,465</b>
Inventories	6,240	11,933
Trade and other receivables	(49,078)	58,788
Other assets	(147)	(50)
Trade and other payables	46,296	(71,609)
Other liabilities	(228)	(103)
Net cash flows from operations	18,905	20,424
Income tax paid	(382)	(1,104)
<b>Net cash flows from operating activities</b>	<b>18,523</b>	<b>19,320</b>
<b>Cash flows from investing activities</b>		
Capital contribution by non-controlling interest	132	537
Purchase of property, plant and equipment	(7,001)	(4,743)
Proceeds from disposal of property, plant and equipment	468	136
Interest income received	543	25
<b>Net cash flow used in investing activities</b>	<b>(5,858)</b>	<b>(4,045)</b>
<b>Cash flows from financing activities</b>		
Cash pledged as security	(186)	(176)
Proceeds from bank borrowings	7,661	6,064
Repayment of bank borrowings	(10,576)	(10,566)
Dividend paid to equity owners	-	(4,553)
Payment of principal portion of lease liabilities	(2,232)	(1,745)
Purchase of treasury shares	-	(729)
Interest expense paid	(2,565)	(1,658)
<b>Net cash flows used in financing activities</b>	<b>(7,898)</b>	<b>(13,363)</b>
<b>Net increase in cash and cash equivalents</b>	<b>4,767</b>	<b>1,912</b>
Cash and cash equivalents, beginning balance	29,360	27,664
Effect of exchange rate fluctuations	(412)	(392)
<b>Cash and cash equivalents, ending balance (Note A)</b>	<b>33,715</b>	<b>29,184</b>
<b>Note A</b>		
Cash and cash equivalents as end of the year	33,901	29,360
Cash pledged for bank facilities	(186)	(176)
Cash and cash equivalents as disclosed in consolidated statement of cash flows	<b>33,715</b>	<b>29,184</b>

## **E Notes to the condensed interim consolidated financial statements**

### **1. Corporation Information**

Broadway Industrial Group Limited (the "Company") is incorporated in Singapore with limited liability. The Company is listed on the Mainboard of the Singapore Exchange Securities Trading Limited ("SGX-ST").

These condensed interim consolidated financial statements as at and for the six months and full year ended 31 December 2023 comprise the Company and its subsidiaries (collectively, the Group).

The company is an investment holding company.

The principal activities of the Group are disclosed in Note 4 below.

### **2. Basis of Preparation**

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

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

All financial information in these interim financial statements are presented in Singapore dollar and rounded to the nearest thousand ("S\$'000") except when otherwise indicated.

#### **2.1 New and amended standards adopted by the Group**

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

#### **2.2 Use of judgement and estimates**

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

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2022.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

### **3. Seasonal operations**

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

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**4. Segment and revenue information**

Disclosure of information about operating segments, products and services, the geographical areas, and the major customers are made as required by the financial reporting standards on operating segments. This disclosure standard has no impact on the reported financial performance or financial position of the group.

For management purposes, the group is organised into the following major strategic operating segments that offer different products and services: (1) hard disk drive ("HDD"); (2) robotics (discontinued operations); (3) precision engineering; and (4) others. Such a structural organisation is determined by the nature of risks and returns associated with each business segment and it defines the management structure as well as the internal reporting system. It represents the basis on which the management reports the primary segment information that is available and that is evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing the performance.

The segments and the types of products and services are as follows:

(1) HDD segment - This segment comprises the manufacturing and distribution of actuator arms and related assembly for the hard disk industry.

(2) Robotics segment (discontinued operations) - This segment comprises the provision of technical services, technology transfer, technology development, technology promotion, technical consultation and sales of robots, software and accessory devices for the robotics, manufacturing and services industries.

(3) Precision Engineering segment - This segment comprises the manufacture and distribution of precision diecasting and machining parts primarily for the telecommunications equipment, industrial applications, automotive industries, and precision process toolings.

(4) Others segment - This segment comprises mainly investment holding.

**4.1 Reportable segments**

The following tables illustrate the information about the reportable segment profit or loss, assets, liabilities and other material items

	HDD	Robotics	Precision Engineering	Others	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>From 1 July 2023 to 31 December 2023</b>					
Revenue to external customers	131,521	-	806	-	132,327
EBITDA	12,688	-	(1,719)	(471)	10,498
Net finance (costs)/income	(905)	-	(224)	111	(1,018)
Depreciation expense	(5,095)	-	(736)	(12)	(5,843)
Profit/(Loss) before income tax	6,688	-	(2,679)	(372)	3,637
Income tax (expense)/income	(507)	-	-	915	408
Profit/(Loss), net of tax for continuing operations	6,181	-	(2,679)	543	4,045
(Loss)/Profit, net of tax for discontinued operations	-	(137)	-	-	(137)
Total assets for reportable segments	184,573	-	11,790	860	197,223
Total liabilities for reportable segments	101,220	-	6,366	776	108,361
Capital expenditure	481	-	3,094	-	3,575
<b>From 1 July 2022 to 31 December 2022</b>					
Revenue to external customers	123,985	-	-	-	123,985
EBITDA	7,691	-	-	(498)	7,193
Net finance (costs)/income	(867)	-	-	(6)	(873)
Depreciation expense	(6,356)	-	-	(18)	(6,374)
Profit/(Loss) before income tax	468	-	-	(522)	(54)
Income tax expense	(345)	-	-	(154)	(499)
Profit/(Loss), net of tax for continuing operations	123	-	-	(676)	(553)
(Loss)/Profit, net of tax for discontinued operations	-	(934)	-	-	(934)
Total assets for reportable segments	152,080	926	-	501	153,507
Total liabilities for reportable segments	65,081	120	-	330	65,531
Capital expenditure	2,268	68	-	22	2,358



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**4.1 Reportable segments (cont'd)**

	HDD S\$'000	Robotics S\$'000	Precision Engineering S\$'000	Others S\$'000	Total S\$'000
<b>From 1 January 2023 to 31 December 2023</b>					
Revenue to external customers	256,875	-	1,798	-	258,673
EBITDA	19,423	-	(3,147)	(183)	16,093
Net finance (costs)/income	(1,849)	-	(306)	133	(2,022)
Depreciation expense	(10,384)	-	(1,063)	(39)	(11,486)
Profit/(Loss) before income tax	7,190	-	(4,516)	(89)	2,585
Income tax (expense)/income	(523)	-	-	877	354
Profit/(Loss), net of tax for continuing operations	6,667	-	(4,516)	788	2,939
(Loss)/Profit, net of tax for discontinued operations	-	(564)	-	-	(564)
Total assets for reportable segments	184,573	-	11,790	860	197,223
Total liabilities for reportable segments	101,220	-	6,366	776	108,361
Capital expenditure	1,545	-	5,307	-	6,852
<b>From 1 January 2022 to 31 December 2022</b>					
Revenue to external customers	352,310	-	-	-	352,310
EBITDA	23,767	-	-	(578)	23,189
Net finance (costs)/income	(1,627)	-	-	(7)	(1,634)
Depreciation expense	(13,066)	-	-	(25)	(13,091)
Profit/(Loss) before income tax	9,074	-	-	(610)	8,464
Income tax expense	(894)	-	-	(159)	(1,053)
Profit/(Loss), net of tax for continuing operations	8,180	-	-	(769)	7,411
(Loss)/Profit, net of tax for discontinued operations	-	(1,709)	-	-	(1,709)
Total assets for reportable segments	152,080	926	-	501	153,507
Total liabilities for reportable segments	65,081	120	-	330	65,531
Capital expenditure	4,112	80	-	27	4,219

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**4.2 Geographical information**

Singapore is the country of domicile of the Company. The principal activity of the Company is investment holding. The Company's subsidiaries in the reportable segment are primarily located in the People's Republic of China, The Kingdom of Thailand, Republic of Korea, Socialist Republic of Vietnam and The Republic of Singapore.

In presenting information on the basis of geographical segments, revenue is attributable to countries on the geographical location of customers and the non-current assets are analysed by the geographical area in which the assets are located:

	Group Revenue		Group Revenue		Group Non-Current Assets	
	6 months ended		12 months ended		31 Dec	31 Dec
	31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022	2023	2022
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Thailand	88,968	91,778	171,975	244,042	36,685	42,030
People's Republic of China	42,524	31,901	84,780	107,737	19,612	26,335
Singapore	-	-	63	-	509	889
Vietnam	453	-	694	-	10,767	-
Republic of Korea	110	-	457	-	21	19
Other countries	272	306	704	531	-	-
Total for continuing operations	132,327	123,985	258,673	352,310	67,594	69,273

A breakdown of sales as follows :-

	Group		
	Year 2023	Year 2022	Increase/ (Decrease)
	S\$'000	S\$'000	%
Sales reported for first half year	126,346	228,325	-44.7%
Operating (loss)/profit after tax before deducting non-controlling interests reported for first half year	(1,110)	7,964	n.m.
Sales reported for second half year	132,327	123,985	6.7%
Operating profit/(loss) after tax before deducting non-controlling interests reported for second half year	4,049	(553)	n.m.

**4.3 Discontinued operations**

- a. The Group had evaluated and decided to exit from its robotics business. As part of the long-term business strategy, it had in December 2023 disposed of its 100% stake in BIGL Enterprise Management (Beijing) Co., Ltd. which, in turn, held a 55% stake in Beijing Ant Brothers Technology Co., Ltd. In addition, it had also ceased the operations of its Singapore robotics business.

**b Loss from discontinued operations, Net of Tax**

	6 months ended		12 months ended	
	31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022
	S\$'000	S\$'000	S\$'000	S\$'000
Revenue	(1)	22	98	81
Cost of Sales	0	4	(127)	(42)
Gross (loss)/profit	(1)	26	(29)	39
Distribution expenses	-	(24)	(11)	(36)
Administrative expenses	(33)	(275)	(152)	(567)
Sales and marketing expenses	(102)	(190)	(261)	(399)
Research & development expenses	(57)	(427)	(153)	(664)
Other income/(expenses)	101	(44)	87	(83)
Finance costs	-	-	-	1
(Loss)/Profit before income tax	(92)	(934)	(519)	(1,709)
Income tax expense	-	-	-	-
(Loss), net of tax for discontinued operation	(92)	(934)	(519)	(1,709)
Loss on disposal	(45)	-	(45)	-
Total loss on discontinued operations	(137)	(934)	(564)	(1,709)

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**c Net assets of the entities disposed off**

	<b>31 Dec 2023</b>
	<b>S\$'000</b>
Property, plant and equipment	55
Inventories	335
Trade and other receivables	112
<b>Total assets</b>	<u>502</u>
Trade and other payables	245
<b>Total liabilities</b>	<u>245</u>
<b>Net assets</b>	257
Less : Non-controlling interests	(112)
<b>Net assets disposed</b>	<u>145</u>
Less : loss on disposal	(45)
Sales consideration	100
Amount due from purchaser	(100)
Net cash inflow	<u>0</u>

**5. Other Income/(expenses)**

	<b>Group</b>		<b>Group</b>	
	<b>6 months ended</b>		<b>12 months ended</b>	
	<b>31 Dec 2023</b>	<b>31 Dec 2022</b>	<b>31 Dec 2023</b>	<b>31 Dec 2022</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
<b>Continuing operations</b>				
Foreign exchange (losses)/gains, net	(749)	(1,320)	(204)	(672)
Unrealised fair value gains on financial derivatives, net	-	616	-	-
(Loss)/gain on disposal of property, plant & equipment	(140)	20	(125)	(29)
Scrap income	534	482	1,095	1,354
Government grants	178	312	296	463
Insurance claims	-	59	-	147
Redundancy costs	(727)	(1,477)	(914)	(2,468)
Reversal of/(Allowance for) inventory obsolescence	34	156	34	156
Costs associated with product quality	(8)	829	(8)	829
Others	(116)	(282)	74	(337)
<b>Total</b>	<u>(994)</u>	<u>(605)</u>	<u>248</u>	<u>(557)</u>

**6. (Loss)/Profit before income tax included**

	<b>Group</b>		<b>Group</b>	
	<b>6 months ended</b>		<b>12 months ended</b>	
	<b>31 Dec 2023</b>	<b>31 Dec 2022</b>	<b>31 Dec 2023</b>	<b>31 Dec 2022</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
Depreciation of property, plant and equipment	(5,011)	(5,520)	(9,459)	(11,333)
Depreciation of right-of-use assets	(978)	(854)	(2,027)	(1,758)
	<u>(5,989)</u>	<u>(6,374)</u>	<u>(11,486)</u>	<u>(13,091)</u>

**7. Income tax expense**

	<b>Group</b>		<b>Group</b>	
	<b>6 months ended</b>		<b>12 months ended</b>	
	<b>31 Dec 2023</b>	<b>31 Dec 2022</b>	<b>31 Dec 2023</b>	<b>31 Dec 2022</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
Current income tax expenses	(555)	(348)	(577)	(852)
Over/(Under) provision in prior years	963	(1)	931	(51)
Withholding tax on dividend income	-	(150)	-	(150)
	<u>408</u>	<u>(499)</u>	<u>354</u>	<u>(1,053)</u>

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**8. Earnings per share**

The numerators and denominators used to calculate basic and diluted earnings per share of no par value are as follows :

	Group 6 months ended		Group 12 months ended	
	31 Dec 2023 S\$'000	31 Dec 2022 S\$'000	31 Dec 2023 S\$'000	31 Dec 2022 S\$'000
Numerators :				
Profit/(Loss) attributable to owners of the Company	4,296	(1,183)	3,085	6,278
	No. of Shares		No. of Shares	
	31 Dec 2023 '000	31 Dec 2022 '000	31 Dec 2023 '000	31 Dec 2022 '000
Denominators:				
Weighted average numbers of equity shares (basic)	454,656	455,357	454,656	455,357
Unreleased share awards effect	-	17	-	17
Weighted average numbers of equity shares (diluted)	454,656	455,374	454,656	455,374

**9. Dividends**

	Group	
	Financial Year 2023 S\$'000	Financial Year 2022 S\$'000
Ordinary dividends paid:		
Final exempt 2021 dividend of 0.5 cents per share (paid on 6/5/2022)	-	2,277
Special exempt 2021 dividend of 0.5 cents per share (paid on 6/5/2022)	-	2,276
Total	-	4,553

**10. Net asset value**

	Group		Company	
	31 Dec 2023 Cents	31 Dec 2022 Cents	31 Dec 2023 Cents	31 Dec 2022 Cents
Net asset value per ordinary share	19.52	19.17	25.22	25.25

Net asset value per ordinary share is calculated based on 454,656,461 ordinary shares as at 31 December 2023 (31 December 2022 : 454,656,461 ordinary shares).

**11. Property, plant and equipment**

During the year ended 2023, the group acquired assets, mainly for manufacturing equipment, amounting to S\$6.9 million (31 December 2022: S\$4.2 million) and disposed assets that had net carrying value of S\$0.6 million (31 December 2022: S\$0.2 million).

**12. Share Capital**

	Group and Company			
	31 Dec 2023		31 Dec 2022	
	Number of shares '000	Share Capital S\$'000	Number of shares '000	Share Capital S\$'000
Balance beginning of the year	471,914	113,163	471,914	113,166
Shares issued under BIGL Share Plan	-	-	-	(3)
Balance at end of the year	471,914	113,163	471,914	113,163

During the period, there were 2,850,000 shares granted under the BIGL Share Option Scheme 2022.

As at 31 December 2023, there were nil (31 December 2022 : Nil) outstanding shares in respect of unissued ordinary shares under the BIGL Share Plan.

As at 31 December 2023, there were 17,258,150 (31 December 2022 : 17,258,150) shares held as treasury shares.

Total number of issued shares excluding treasury shares as at 31 December 2023 was 454,656,461 (31 December 2022 : 454,656,461).

The Company's subsidiaries do not hold any shares in the Company as at 31 December 2023 and 31 December 2022.

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**13. Borrowings**

	Group 31 Dec 2023		Group 31 Dec 2022	
	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
Amount repayable in one year or less, or on demand	3,849	-	6,805	-
Total	3,849	-	6,805	-

Details of any collaterals

The Group's borrowings and debt securities relate to bank loans which are guaranteed by a subsidiary in the Group and are secured by land and buildings of a subsidiary.

**14. Financial assets and financial liabilities**

	Group		Company	
	31 Dec 2023 S\$'000	31 Dec 2022 S\$'000	31 Dec 2023 S\$'000	31 Dec 2022 S\$'000
<b>Financial Assets</b>				
Long term receivables	-	-	-	359
Trade and other receivables	73,442	25,704	10,644	10,395
Cash and cash equivalents	33,901	29,360	302	653
Total	107,343	55,064	10,946	11,407
<b>Financial Liabilities</b>				
Loans and borrowings	3,849	6,805	-	-
Lease Liabilities	8,322	5,741	276	452
Trade and other payables	91,498	47,240	495	950
Total	103,669	59,786	771	1,402

**15. Subsequent Event**

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

## **Other Information Required by Listing Rule Appendix 7.2**

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**Other Information**

**1. Review**

The condensed consolidated statement of financial position of Broadway Industrial Group Limited and its subsidiaries as at 31 December 2023 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 and full year then ended and certain explanatory notes have not been audited or reviewed.

**2. Review of performance of the Group**

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

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

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

**Revenue and Gross Profit**

The Group's revenue reduced by 26.6% from S\$352.3 million in FY2022 to S\$258.7 million in FY2023, explained by the weak orders of hard disk drive (HDD) products that prevailed in the 12 months ended 31 December 2023. This is consistent with the weak demand from HDD end customers and reduced tech spending by businesses amid the uncertain macroeconomic environment.

The Group's gross profit margin decreased from 6.0% in FY2022 to 5.4% in FY2023. The lower margin in FY2023 was mainly due to under-utilisation of manufacturing capacity and resources and the startup expenses incurred for the new Precision Engineering (PE) business.

**Operating Expenses**

In line with the drop in revenue, the Group's distribution expenses decreased by 24.9% from S\$1.1 million in FY2022 to S\$0.8 million in FY2023.

Administration expenses decreased by 12.9% from S\$9.1 million in FY2022 to S\$7.9 million in FY2023, mainly due to lower staff related costs in FY2023.

Sales and marketing expenses increased by 190.9% from S\$0.3 million in FY2022 to S\$1.0 million in FY2023, mainly due to higher staff related costs in the new PE business in FY2023.

The Group recorded net other income of S\$0.2 million in FY2023 as compared to net other expense of S\$0.6 million in FY2022. The net other income in FY2023 comprised mainly scrap income, government grants offset by foreign exchange losses, loss on disposal of property, plant and equipment and redundancy costs. The redundancy costs were primarily from the alignment of manufacturing resources and capacity to the new demand dynamics. The net other expense in FY2022 comprised mainly government grants, scrap income, insurance claim, reversal of inventory obsolescence, costs associated with product quality and offset by foreign exchange losses and redundancy costs.

**Net Finance Costs**

The Group recorded higher net finance costs of S\$2.0 million in FY2023 as compared to S\$1.6 million in FY2022, mainly due to higher interest rates and financing costs.

**Tax Expense**

The Group recorded net tax income of \$0.4 million in FY2023, consisting of income tax expenses of S\$0.6 million and reversal of tax provision of S\$1.0 million made in prior years which was no longer required. Income tax expenses were S\$1.1 million in FY2022. The lower income tax expenses in FY2023 were mainly due to lower taxable income generated in Thailand and China.

**Net Profit**

The Group recorded net profit after tax of S\$2.4 million in FY2023 as compared to S\$5.7 million in FY2022. The decrease was mainly due to lower revenue generated as a result of the weak HDD product demand, startup expenses in the new PE business, lower gross profit margins and higher financing costs in FY2023.

**Earnings Per Share**

The Group's earnings per share were 0.68 cents in FY2023, as compared to 1.38 cents in FY2022.

**2. Review of performance of the Group (cont'd)**

**Balance Sheet**

The Group's net working capital increased by S\$3.8 million from S\$24.8 million as at 31 December 2022 to S\$28.6 million as at 31 December 2023. The higher net working capital came from the increase in current assets of S\$45.4 million, mainly as a result of higher trade and other receivables of S\$47.7 million and cash and cash equivalent of S\$4.5 million offset by S\$7.0 million reduction in inventories. This was offset by the increase in current liabilities of S\$41.6 million, mainly due to higher trade and other payables of S\$44.2 million and lease liabilities of S\$1.1 million offset by S\$2.9 million decrease in short term loans and borrowings.

The net asset value per share of the Group increased by 1.8% from 19.17 cents as at 31 December 2022 to 19.52 cents as at 31 December 2023.

**Cash Flow**

The Group recorded net cash generated from operating activities of S\$18.5 million in FY2023, as compared to S\$19.3 million in FY2022.

The Group recorded net cash used in investing activities of S\$5.8 million in FY2023 as compared to S\$4.0 million in FY2022. The investing activities in FY2023 were mainly for capital expenditure of S\$7.0 million of which S\$4.9 million was invested in the new PE business, as compared to capital expenditure of S\$4.7 million in FY2022. The Group received S\$0.13 million (US\$0.1 million equivalent) capital contribution from the minority shareholder of a newly set up subsidiary in the Republic of Korea, BIGL Korea Co., Ltd., in June 2023.

The Group recorded net cash used in financing activities of S\$7.7 million in FY2023, as compared to S\$13.1 million in FY2022. The financing activities in FY2023 were mainly for net repayment of bank borrowings and interest of S\$5.5 million (FY2022 : S\$6.2 million), no dividend was paid to shareholders in FY2023 (FY2022 : S\$4.6 million) and payment of lease liabilities of S\$2.2 million (FY2022 : S\$1.8 million).

As a result, cash and cash equivalents as at 31 December 2023 rose to S\$33.9 million, as compared to S\$29.4 million as at 31 December 2022.

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

No prospect statement has been previously disclosed in 2H2023.

**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 operating period and the next 12 months.**

The challenging HDD market conditions caused by excess inventory in the HDD cloud customers and lower tech spending by corporate businesses amidst the uncertain macroeconomic environment and geopolitical tensions, persisted throughout most of the year. Towards late 2023, there were early indicative signs of HDD demand recovery, especially in the nearline product segment of the market.

The Group is well positioned to take advantage of the HDD demand upturn in the near term after having realigned its long-term cost structure and its manufacturing capacity to the new market dynamics in FY2023. In 2024, the management will continue to take the necessary measures to aggressively control the Group's operating costs and prudently manage the Group's working capital. The Group remains cautiously optimistic about the longer-term prospects of the HDD business as the demand for mass storage, particularly in the high performance enterprise and nearline HDD products, is showing early signs of recovery from the lows in FY2023.

The Group had evaluated and decided to exit from its robotics business. As part of the long-term business strategy, it had in December 2023 disposed of its 100% stake in BIGL Enterprise Management (Beijing) Co., Ltd. which, in turn, held a 55% stake in Beijing Ant Brothers Technology Co., Ltd. In addition, it has also ceased the operations of its Singapore robotics business.

In December 2022, the Company's wholly owned subsidiary, BIGL Asia Pte. Ltd. ("**BIGL Asia**"), and HSMJ Co., Ltd. ("**HSMJ**") established a joint venture company, BIGL Korea Co., Ltd. ("**BIGL Korea**"), and set up a sales office in the Republic of Korea. As announced on 13 October 2023, BIGL Asia has until 31 December 2024 to exercise its right to require HSMJ to either (a) sell all (and not some only) of HSMJ's shares in BIGL Korea to BIGL Asia or BIGL Asia's nominee; or (b) purchase all (and not some only) of BIGL Asia's shares in BIGL Korea from BIGL Asia. At present, the shareholding of BIGL Korea is held by BIGL Asia (86.84%) and HSMJ (13.16%). The Company is in discussion with HSMJ and will make the relevant announcement(s) when there are material developments in relation to the above.

Leveraging the Group's machining competencies and supply chain network, the joint venture recorded its maiden revenue from the precision machining operations in 1H2023. The factory, including its die-casting operations, was fully operational and had completed several customer and product qualifications in the fourth quarter of 2023. The Group is expected to complete more customer qualifications in the first half of 2024. This new venture is projected to start making a small contribution to the Group's revenue in the coming year.

As announced on 3 January 2024, the arbitration award is final and binding upon the Claimants and the Respondents and has come into legal effect on 29 December 2023. Following the arbitral tribunal's decision the Company is seeking legal advice in respect of the steps to be taken by the Group, including the lifting of the freezing order.



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**5. Dividend Information**

- 5a. Current Financial Period Reported on  
Any dividend recommended for the current financial period reported on?

Name of Dividend	Final
Dividend Type	Ordinary
Dividend per share	0.5 cents
Tax Rate	Tax exempt

The Directors are pleased to declare a tax-exempt final ordinary dividend of \$0.005 per share (2022 : nil) in respect of the financial year ended 31 December 2023.

- 5b. Corresponding Period of the Immediate Preceding financial Year  
Any dividend declared for the corresponding period of the immediately preceding financial year?  
None

- 5c. Date Payable  
10 May 2024.

- 5d. Books Closure Date  
  
Date on which Registrable Transfers received by the company will be registered before entitlements to the dividend are determined:  
30 April 2024, 5pm.

**6. Interested person transactions**

The Group has not obtained a general mandate from shareholders of the Company for Interested Person Transactions.

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

The Company has received undertakings from all its directors and executive officers in the format set out in Appendix 7.7 under Rule 720(1) of the Listing Manual of the SGX-ST.

**8. Review of performance of the Group - turnover and earnings**

Please refer to note 2 in other information.

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**9. Disclosure of person occupying managerial positions who are related to a director, CEO or substantial shareholder**

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Wong Yi Ning	39	Sister of Wong Yi Jia, Non-Executive Director and daughter of Lau Leok Yee, Substantial Shareholder	Senior Manager, Financial Planning and Analysis 2021	N.A.

Save as disclosed above, there is no person occupying a managerial position in the Company or any of its principal subsidiaries who is a relative of a director, chief executive officer or substantial shareholder of the Company.

**By Order of the Board**

Lew Syn Pau  
Chairman  
29th February 2024