



ADVANCED HOLDINGS LTD
Company Registration No. 200401856N

Condensed Consolidated Interim Financial Statements
for the Six Months and Full Year ended 31 December 2023

Contents

	Page
A Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income	1
B Condensed Interim Statements of Financial Position	3
C Condensed Interim Statements of Changes in Equity	5
D Condensed Interim Consolidated Statement of Cash Flows	7
E Notes to the Condensed Interim Financial Statements	13
F Other Information	30

This announcement has been reviewed by the Company's sponsor, UOB Kay Hian Private Limited (the "Sponsor").

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

The contact person for the Sponsor is Mr Lance Tan, Senior Vice President, at 8 Anthony Road, #01-01, Singapore 229957, telephone (65) 6590 6881.

Condensed Consolidated Interim Financial Statements for Six Months and Full Year ended 31 December 2023

A. Condensed Interim and Full Year Consolidated Statement of Profit or Loss and Other Comprehensive Income

	Note	Group			Group		
		6 months ended			12 months ended		
		31.12.2023	31.12.2022	Increase / (Decrease)	31.12.2023	31.12.2022	Increase / (Decrease)
		S\$'000	S\$'000	%	S\$'000	S\$'000	%
Continuing operations							
Revenue	E4	5,683	3,397	67	8,372	13,274	(37)
Cost of sales		(5,001)	(2,815)	78	(7,529)	(10,759)	(30)
Gross profit		682	582	17	843	2,515	(66)
Other operating income	E6	477	140	241	942	149	532
Distribution and marketing costs		(79)	589	NM	(100)	(397)	(75)
Administrative expenses		(1,840)	(1,020)	80	(3,511)	(2,381)	47
Other operating expenses		-	9	(100)	-	(121)	(100)
Other gains and losses, net	E7	(2,474)	(2,605)	(5)	(2,114)	(1,393)	52
Finance cost		(256)	(40)	540	(296)	(93)	218
Share of results of an associate and a joint venture		(48)	224	NM	(87)	96	NM
Loss before income tax from continuing operations	E8	(3,538)	(2,121)	67	(4,323)	(1,625)	166
Income tax expense	E9	(89)	(4)	NM	(120)	(21)	471
Loss from continuing operations, net of tax		(3,627)	(2,125)	71	(4,443)	(1,646)	170
Discontinued operations							
Loss from discontinued operations, net of tax	E10	-	(4,267)	(100)	-	(4,615)	(100)
Loss for the period/year		(3,627)	(6,392)	(43)	(4,443)	(6,261)	(29)
Other comprehensive income							
<i>Items that may be reclassified subsequently to profit or loss:</i>							
Exchange differences on translation of foreign operations representing total other comprehensive income/(loss) for the period/year, net of tax		(56)	(466)	(88)	26	(174)	NM
Realisation of foreign currency translation differences on disposal of subsidiaries		-	(162)	(100)	-	(686)	(100)
Total comprehensive income for the period		(3,683)	(7,020)	(48)	(4,417)	(7,121)	(38)

NM – Not Meaningful

Condensed Consolidated Interim Financial Statements for Six Months and Full Year ended 31 December 2023

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

	Group			Group		
	6 months ended			12 months ended		
	31.12.2023	31.12.2022	Increase / (Decrease)	31.12.2023	31.12.2022	Increase / (Decrease)
Note	S\$'000	S\$'000	%	S\$'000	S\$'000	%
(Loss)/Profit attributable to:						
Owners of the Company						
Loss from continuing operations, net of tax	(2,962)	(2,124)	39	(3,575)	(1,647)	117
Loss from discontinued operations, net of tax	-	(4,268)	(100)	-	(4,615)	(100)
	(2,962)	(6,392)	(54)	(3,575)	(6,262)	(43)
Non-controlling interests						
(Loss)/Profit from continuing operations, net of tax	(665)	-	NM	(868)	1	NM
	(3,627)	(6,392)	(43)	(4,443)	(6,261)	(29)
Total comprehensive income attributable to:						
Owners of the Company						
Loss from continuing operations, net of tax	(2,931)	(2,447)	20	(3,508)	(1,816)	93
Loss from discontinued operations, net of tax	-	(4,571)	(100)	-	(5,301)	(100)
	(2,931)	(7,018)	(58)	(3,508)	(7,117)	(51)
Non-controlling interests						
Loss from continuing operations, net of tax	(752)	(2)	NM	(909)	(4)	NM
	(3,683)	(7,020)	(48)	(4,417)	(7,121)	(38)
Basic and diluted earnings per share attributable to equity owners:						
From continuing operations attributable to equity owners	(2.92)	(2.10)	39	(3.53)	(1.63)	117
From discontinued operations attributable to equity owners	-	(4.21)	(100)	-	(4.56)	(100)

NM – Not Meaningful

B. Condensed Interim Statements of Financial Position

	Note	Group		Company	
		31.12.2023	31.12.2022	31.12.2023	31.12.2022
		S\$'000	S\$'000	S\$'000	S\$'000
ASSETS					
Current assets					
Cash and bank balances		30,954	23,067	12,875	7,064
Trade receivables		2,539	1,205	-	-
Other receivables and prepayments		369	11,441	99	10,642
Contract assets	E13	567	5	606	371
Inventories		134	183	-	-
Total current assets		34,563	35,901	13,580	18,077
Non-current assets					
Property, plant and equipment	E14	8,276	478	392	437
Right-of-use assets		230	-	31	-
Investments in subsidiaries		-	-	25,319	23,720
Investment in an associate	E15	-	2,039	-	2,039
Investment in a joint venture	E16	-	943	-	1,436
Loan to a joint venture	E16	-	2,246	-	2,246
Loans to a subsidiary		-	-	3,689	-
Total non-current assets		8,506	5,706	29,431	29,878
Total assets		43,069	41,607	43,011	47,955
LIABILITIES AND EQUITY					
Current liabilities					
Bank borrowings	E17	1,320	1,132	625	625
Trade and other payables		3,345	1,316	13,079	15,823
Contract liabilities	E13	439	313	-	-
Lease liabilities		72	-	25	-
Income tax payable		19	95	-	-
Total current liabilities		5,195	2,856	13,729	16,448
Non-current liabilities					
Bank borrowings	E17	735	1,884	469	1,094
Lease liabilities		91	-	7	-
Loans from non-controlling interests	E16	3,551	-	-	-
Deferred tax liabilities		3	-	-	-
Total non-current liabilities		4,380	1,884	476	1,094

B. Condensed Interim Statements of Financial Position (Cont'd)

	Note	Group		Company	
		31.12.2023	31.12.2022	31.12.2023	31.12.2022
		S\$'000	S\$'000	S\$'000	S\$'000
Capital and reserves and non-controlling interests					
Share capital	E18	47,433	47,433	47,433	47,433
Treasury shares	E19	(1,837)	(1,837)	(1,837)	(1,837)
Foreign currency translation reserve		(158)	(224)	-	-
Accumulated losses		(12,156)	(8,581)	(16,790)	(15,183)
Equity attributable to owners of the Company		33,282	36,791	28,806	30,413
Non-controlling interests		212	76	-	-
Total equity		33,494	36,867	28,806	30,413
Total liabilities and equity		43,069	41,607	43,011	47,955

Condensed Consolidated Interim Financial Statements for Six Months and Full Year ended 31 December 2023

C. Condensed Interim Statements of Changes in Equity

Group

	Attributable to owners of the Company					Attributable to equity holders of the Company S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
	Share capital S\$'000	Treasury shares S\$'000	Foreign currency translation reserve S\$'000	General reserve S\$'000	Accumulated losses S\$'000			
Balance as at 1 January 2023	47,433	(1,837)	(224)	-	(8,581)	36,791	76	36,867
(Loss)Profit for the year	-	-	-	-	(3,575)	(3,575)	(868)	(4,443)
Other comprehensive income for the year	-	-	66	-	-	66	(40)	26
Total comprehensive income for the year	-	-	66	-	(3,575)	(3,509)	(908)	(4,417)
Others								
Deemed control of a new subsidiary	-	-	-	-	-	-	848	848
Present value of loan from non-controlling interests	-	-	-	-	-	-	196	196
Total others	-	-	-	-	-	-	1,044	1,044
Balance as at 31 December 2023	47,433	(1,837)	(158)	-	(12,156)	33,282	212	33,494
Balance as at 1 January 2022	47,433	(1,837)	631	1,617	(3,936)	43,908	80	43,988
(Loss)Profit for the year	-	-	-	-	(6,262)	(6,262)	1	(6,261)
Other comprehensive income for the year	-	-	(855)	-	-	(855)	(5)	(860)
Total comprehensive income for the year	-	-	(855)	-	(6,262)	(7,117)	(4)	(7,121)
Others								
Disposal of subsidiaries	-	-	-	(1,617)	1,617	-	-	-
Total others	-	-	-	(1,617)	1,617	-	-	-
Balance as at 31 December 2022	47,433	(1,837)	(224)	-	(8,581)	36,791	76	36,867

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

Company

	Share capital S\$'000	Treasury shares S\$'000	Accumulated losses S\$'000	Total S\$'000
Balance as at 1 January 2023	47,433	(1,837)	(15,183)	30,413
Loss for the year, representing total comprehensive loss for the year	-	-	(1,607)	(1,607)
Balance as at 31 December 2023	47,433	(1,837)	(16,790)	28,806
Balance as at 1 January 2022	47,433	(1,837)	(9,776)	35,820
Loss for the period, representing total comprehensive loss for the year	-	-	(5,407)	(5,407)
Balance as at 31 December 2022	47,433	(1,837)	(15,183)	30,413

D. Condensed Interim Consolidated Statement of Cash Flows

	Group	
	12 months ended	
	31.12.2023	31.12.2022
	S\$'000	S\$'000
Operating activities		
Loss before income tax from continuing operations	(4,323)	(1,625)
Loss before income tax from discontinued operations	-	(4,520)
Loss before income tax	(4,323)	(6,145)
Adjustments for:		
Depreciation of property, plant and equipment	94	750
Depreciation of right-of-use assets	57	182
Property, plant and equipment written off	-	59
(Reversal of provision)/Allowance for expected credit losses on trade receivables and contract assets	(160)	427
Gain on disposal of property, plant and equipment and right-of-use assets	-	(2,013)
Impairment loss on investment in an associate	1,952	2,155
Loss on deemed disposal of a joint venture (Note E16)	61	-
Share of result of an associate	87	(407)
Share of result of a joint venture	-	311
Provision for warranty	-	169
Loss on disposal of subsidiaries (Note A)	-	3,481
Interest expense on bank borrowings	61	221
Interest expense on loans from non-controlling interests	218	-
Interest expense on lease liabilities	17	73
Interest income	(940)	(176)
Unrealised exchange loss	-	79
Operating cash flows before movements in working capital	(2,876)	(834)
<u>(Increase) Decrease:</u>		
Inventories	56	(603)
Contract assets	(642)	3,253
Trade receivables	(1,342)	(3,079)
Other receivables and prepayments	931	(6,061)
<u>Increase (Decrease):</u>		
Contract liabilities	144	9,351
Trade and other payables	2,300	759
Cash (used in)/generated from operations	(1,429)	2,786
Income tax paid	(196)	(11)
Interest received	779	115
Net cash (used in)/generated from operating activities	(846)	2,890

D. Condensed Interim Consolidated Statement of Cash Flows (Cont'd)

	Group	
	12 months ended	
	31.12.2023	31.12.2022
	S\$'000	S\$'000
Investing activities		
Proceeds from disposal of property, plant and equipment and right-of-use assets	-	13,224
Consideration received from subsidiary disposed in prior year	10,600	-
Net cash outflow arising on disposal of subsidiaries, representing cash and cash equivalent of subsidiaries disposed (Note A)	-	(2,612)
Purchase of property, plant and equipment	(4,313)	(1,551)
Investment in a joint venture	-	(561)
Loans to a joint venture	-	(2,550)
Net cashflow arising from deemed control of a subsidiary (Note E16)	2,179	-
Net cash generated from investing activities	8,466	5,950
Financing activities		
Proceeds from bank borrowings	177	603
Repayment of bank borrowings	(1,194)	(5,855)
Repayment of principal portion of lease liabilities	(18)	(79)
Interest paid	(72)	(294)
Loan from non-controlling interest	1,372	-
Decrease (Increase) in pledged cash and bank balances and fixed deposits	(171)	515
Net cash generated from/(used in) from financing activities	94	(5,110)
Net increase in cash and cash equivalents	7,714	3,730
Cash and cash equivalents at beginning of the period/year	23,067	19,553
Effects of exchange rate changes on the balance of cash held in foreign currencies	2	(216)
Cash and cash equivalents at end of the period	30,783	23,067

Cash and cash equivalents for statement of cash flows comprise:

	31.12.2023	31.12.2022
	S\$'000	S\$'000
Cash and bank balances	2,600	7,552
Fixed deposits	28,354	15,515
Cash and cash equivalents	30,954	23,067
Less: Pledged fixed deposits	(171)	-
	30,783	23,067

D. Condensed Interim Consolidated Statement of Cash Flows (Cont'd)

Note A : Disposals of subsidiaries

During FY2022, the Group disposed four subsidiaries as follows:

a) Disposal of Analytical Technology & Control Limited ("ATAC")

On 25 February 2022, the Group disposed of 100% equity interest in ATAC for a total consideration of \$2. The effects of the disposal of ATAC are as follows:

	S\$'000
Current assets	
Cash and cash equivalents	61
Trade receivables	259
Other receivables and prepayments	115
Inventories	152
Total current assets	<u>587</u>
Current liabilities	
Bank borrowings	17
Trade and other payables	272
Provision for warranty	1
Total current liabilities	<u>290</u>
Non-current liabilities	
Bank borrowings	63
Total non-current liabilities	<u>63</u>
Net assets derecognised	234
Loss on disposal of a subsidiary	
Total consideration received	-*
Net assets derecognised	(234)
Realisation of foreign currency translation differences	(155)
Loss on disposal	<u>(389)</u>
Cash flow effect	
Total consideration received	-*
Less: Cash and cash equivalents in a subsidiary disposed	(61)
Net cash outflow arising on disposal, representing cash and cash equivalent of ATAC disposed	<u>(61)</u>

*The consideration is S\$2.00.

D. Condensed Interim Consolidated Statement of Cash Flows (Cont'd)

Note A : Disposals of subsidiaries (Cont'd)

b) Disposal of Guided Wave Inc. ("GWI")

On 1 March 2022, the Group disposed of 100% equity interest in GWI for a total consideration of \$3,856,000. The effects of the disposal of GWI are as follows:

	S\$'000
Current assets	
Cash and cash equivalents	1,140
Trade receivables	801
Other receivables and prepayments	117
Inventories	1,566
Total current assets	<u>3,624</u>
Non-current assets	
Property, plant and equipment	16
Right-of-use asset	1,005
Total non-current assets	<u>1,021</u>
Current liabilities	
Trade and other payables	1,333
Provision for warranty	48
Lease liabilities	208
Total current liabilities	<u>1,589</u>
Non-current liabilities	
Lease liabilities	821
Deferred income tax liabilities	24
Total non-current liabilities	<u>845</u>
Net assets derecognised	2,211
Gain on disposal of a subsidiary	
Total consideration received	3,856
Net assets derecognised	(2,211)
Realisation of foreign currency translation differences	(36)
Gain on disposal	<u>1,609</u>
Cash flow effect	
Total consideration received	3,856
Less: Cash and cash equivalents in a subsidiary disposed	(1,140)
Net cash inflow arising on disposal, representing cash and cash equivalent of GWI disposed	<u>2,716</u>

D. Condensed Interim Consolidated Statement of Cash Flows (Cont'd)

Note A : Disposals of subsidiaries (Cont'd)

c) Disposal of Advanced CAE Pte Ltd. and Advanced CAE Inc. ("CAE SG Group")

On 1 December 2022, the Group disposed of 100% equity interest in CAE SG and its wholly owned subsidiary, Advanced CAE Inc for a total consideration of \$3,200,000. The effects of the disposal of CAE SG Group are as follows:

	S\$'000
Current assets	
Cash and cash equivalents	4,253
Trade receivables	5,980
Other receivables and prepayments	1,565
Contract assets	2,107
Inventories	1,727
Total current assets	15,632
Non-current assets	
Property, plant and equipment	21
Total non-current assets	21
Current liabilities	
Trade and other payables	2,267
Contract liabilities	9,886
Provision for warranty	189
Income tax payable	6
Total current liabilities	12,348
Net assets derecognised	3,305
Loss on disposal of subsidiaries	
Total consideration received	3,200
Net assets derecognised	(3,305)
Realisation of foreign currency translation differences	(5)
Loss on disposal	(110)
Cash flow effect	
Total consideration received	3,200
Less: Cash and cash equivalents in subsidiaries disposed	(4,253)
Net cash outflow arising on disposal, representing cash and cash equivalent of CAE SG Group disposed	(1,053)

D. Condensed Interim Consolidated Statement of Cash Flows (Cont'd)

Note A : Disposals of subsidiaries (Cont'd)

c) Disposal of Advanced CAE Ltd. ("CAE CN")

On 31 October 2022, the Group entered into a conditional sale and purchase ("S&P") agreement with a third party to dispose of its entire equity interests in CAE CN. On 14 December 2022, upon the fulfilment of material conditions in the S&P agreement and transfer of legal ownership, the Group assessed that it lost control over CAE CN. As a result, the Group derecognised the assets and liabilities as at 14 December 2022 and consolidated the results of CAE CN from 1 January 2022 to 14 December 2022. The total consideration of the disposal was \$10,600,000. Subsequent to the financial year-end, on 9 January 2023, the Group received the disposal consideration from the third party.

The effects of the disposal of CAE CN are as follows:

	S\$'000
Current assets	
Cash and cash equivalents	4,214
Trade receivables	4,150
Other receivables and prepayments	6,288
Contract assets	739
Inventories	8,789
Total current assets	24,180
Non-current assets	
Property, plant and equipment	5,958
Right-of-use assets	1,046
Deferred tax assets	423
Total non-current assets	7,427
Current liabilities	
Trade and other payables	5,488
Contract liabilities	11,368
Income tax payable	50
Total current liabilities	16,906
Net assets derecognised	14,701
Loss on disposal of a subsidiary	
Total consideration receivable (included in other receivables)	10,600
Net assets derecognised	(14,701)
Realisation of foreign currency translation differences	(490)
Loss on disposal	(4,591)
Cash flow effect	
Total consideration received as at 31 December 2022	-
Less: Cash and cash equivalents in a subsidiary disposed	(4,214)
Net cash outflow arising on disposal, representing cash and cash equivalent of CAE CN disposed	(4,214)

D. Condensed Interim Consolidated Statement of Cash Flows (Cont'd)

Note A : Disposals of subsidiaries (Cont'd)

Summary of the cashflow effect of the disposal of ATAC and GWI to the Group's cashflow is as follows:

	ATAC S\$'000	GWI S\$'000	Total S\$'000
(Loss)Gain on disposal of subsidiaries (note E.8.1)	(389)	1,609	1,220
Net cash (outflow) inflow arising on disposals	(61)	2,716	2,655

Summary of the cashflow effect of the the disposal of CAE SG Group and CAE CN to the Group's cashflow is as follows:

	CAE SG Group S\$'000	CAE CN S\$'000	Total S\$'000
Loss on disposal of subsidiaries from discontinued operations	(110)	(4,591)	(4,701)
Net cash outflow arising on disposals	(1,053)	(4,214)	(5,267)

The cashflows attributable to the discontinued operations for the financial year ended 31 December 2022 are as follows:

	Generated from (Used in) S\$'000
Operating cashflows	(7,338)
Investing cashflows	14,883
Financing cashflows	(8,651)

E. Notes to the Condensed Interim Financial Statements

E1 Corporate information

Advanced Holdings Ltd. (the "**Company**") is a limited liability company incorporated in Singapore with its principal place of business and registered office at 21 Woodlands Close #06-23 Primz BizHub, Singapore 737854. The Company is listed on the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"). These condensed interim consolidated financial statements as at and for the full year ended 31 December 2023 ("**FY2023**") comprise the Company and its subsidiaries (collectively, the "**Group**").

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

The principal activities of the subsidiaries and associate are disclosed in the Company's financial year ended 31 December 2022 ("**FY2022**") Annual Report, Notes 13 and 14 respectively.

On 1 January 2023, the Group's investment in 51% owned company, Advanced Agri Pte Ltd ("**AAPL**") was accounted as a subsidiary of the Group following the amendments to the joint venture agreement that resulted in the deemed control of the joint venture from that date in accordance with SFRS(I) 10 Consolidated Financial Statements. The principal activities of AAPL's subsidiary, PT Advanced Agri Indonesia ("**AAI**") is that of corn cultivation, corn accumulation and trading, and corn processing in Indonesia.

E2 Basis of preparation

The condensed consolidated interim and full year financial statements for FY2023 have been prepared in accordance with SFRS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Committee (previously known as the Accounting Standards Council Singapore) with effect from 1 April 2023. The condensed consolidated 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 condensed consolidated financial statements for the six months 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.

The condensed consolidated interim financial statements are presented in Singapore Dollars ("SGD" or "\$") and all values in the tables are rounded to the nearest thousand (\$'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 judgements and estimates

The preparation of the Group's condensed interim consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

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.

The key assumptions concerning the future, and other key sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next interim period, are discussed below.

(a) Construction contracts

The Group recognises contract revenue overtime by reference to the stage of completion of the contract activity at the end of the reporting period. The stage of completion is measured by reference to the proportion of total costs incurred at the statement of financial position date compared to management's budgeted total contract cost (the "input method").

Significant assumptions are required for the estimation of each contract's stage of completion, total cost required for completion and assessing the risk of onerous contract. Total contract revenue may include an estimation of the variation works recoverable from the customers to the extent it is probable that the claim on customers will succeed. In making these estimates, management relies on its past experience.

The carrying amounts of the Group's contract assets and contract liabilities are disclosed in Note E13.

E2 Basis of preparation (Cont'd)

2.2 Use of judgements and estimates (Cont'd)

(b) Impairment assessment of investment in an associate

The Group assesses whether there are any indicators of impairment for its investment in an associate at each reporting date. The Group also assesses whether there is an indication that previously recognised impairment losses no longer exist or have decreased.

An impairment exists when the carrying value of investment in an associate exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on market value of the land permits held by the associate and adjustments were made for the effects of liabilities, cash and non-operating assets.

The Group engaged professional independent valuers to determine the fair value of the land permits. The fair value is determined using recognised valuation techniques which require the use of estimates such as market comparable, specifications and physical condition of the objects being valued. These estimates are based on market conditions existing at each valuation date.

(c) Impairment assessment of property, plant and equipment and right-of-use (ROU) assets

Property, plant and equipment and ROU assets are tested for impairment whenever there is any objective evidence or indication that they may be impaired. In performing the impairment assessment of the property, plant and equipment and ROU assets, the recoverable amounts of the CGU in which property, plant and equipment and ROU assets, have been attributable to, are determined in using VIU calculation. These calculations require the use of estimates. Estimating the VIU requires the management to make an estimate of the expected future cash flows from the CGU (or group of CGUs) and to use many estimates and assumptions such as future market growth, forecast revenue and costs, useful lives of utilisation of the assets, capacity utilisation of the machineries, discount rates and other factors. Significant judgements are used to estimate the weightage of the different scenarios projected, and the key inputs used in each scenario, such as weighted average growth rates, pre-tax discount rates and terminal rate. In making these estimates, management has relied on past performance, its expectations of market developments including estimates of the industry trends primarily for the Agri-Tech/corn processing business in Indonesia.

(d) Impairment assessment of investment in subsidiaries

Determining whether investments in subsidiaries are impaired requires an estimation to the recoverable amounts of the investments in subsidiaries. The recoverable amount of the investment in subsidiaries is determined based on their fair value less cost of disposal ("FVLCD"). FVLCD was determined based on net assets value, comprising related parties' balances and cash and cash equivalents which are mainly short-term in nature.

E3 Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors in FY2023. With AAI commencing the operation of its main corn drying facility in Sulawesi by end of 1st quarter 2024, the Group's business will be subject to the supply of corn which is dependent on the seasonal cultivation of corn in Indonesia.

Condensed Consolidated Interim Financial Statements for Six Months and Full Year ended 31 December 2023

E4 Segment and revenue information

Management has determined segment based on how information is reported to the Group's chief operating decision maker for the purposes of resource allocation and operating performance review.

The Group's reportable segments under SFRS(I) 8, from FY2023 consist of (i) Engineering Service and Manufacturing ("**ESM**") and (ii) Agri-Technology ("**Agri-Tech**"). The ESM segment consists of customers operating mainly in the Petrochemicals & Chemicals and Oil & Gas industries and includes contract income from system integration solutions for process analyser and specialty valves, sale of analyser technologies products, maintenance and repair of analysers, specialty valves and systems, and commission income from agency agreements. The Agri-Tech segment accounts for revenue from the corn processing activities undertaken by AAI.

The Group's customers in FY2023 are primarily based in the PRC, Indonesia and Middle East.

4.1 Reportable Segment

(a) Analysis by Business Segment

	Engineering Service & Manufacturing		Agri-Technology		Corporate / Unallocated	
	12 months ended		12 months ended		12 months ended	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022	31.12.2023	31.12.2022
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Continuing operations						
Revenue	7,159	13,274	1,213	-	-	-
Segment results						
Segment results	(1,591)	637	(3,172)	(1,747)	(117)	(642)
Share of results of an associate and a joint venture	-	-	(87)	96	-	-
Interest income	435	24	3	-	502	93
Interest expense	(31)	(46)	(233)	-	(32)	(40)
Loss before income tax	(1,187)	615	(3,489)	(1,651)	353	(589)
Income tax expense	(91)	(21)	(10)	-	(19)	-
Loss before tax from continuing operations	(1,278)	594	(3,499)	(1,651)	334	(589)
Loss from discontinued operations after tax	-	(4,615)	-	-	-	-
	(1,278)	(4,021)	(3,499)	(1,651)	334	(589)

Condensed Consolidated Interim Financial Statements for Six Months and Full Year ended 31 December 2023

E.4 Segment and revenue information (Cont'd)

4.1 Reportable Segment (Cont'd)

(a) Analysis by Business Segment (Cont'd)

	Engineering Service & Manufacturing		Agri-Technology		Corporate / Unallocated	
	12 months ended		12 months ended		12 months ended	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022	31.12.2023	31.12.2022
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Continuing operations						
Assets						
Segment Assets	21,226	18,222	8,469	-	13,374	20,403
Investment in an associate (Note E15)	-	-	-	2,039	-	-
Investment in a joint venture (Note E16)	-	-	-	943	-	-
	21,226	18,222	8,469	2,982	13,374	20,403
Liabilities						
Segment liabilities	4,309	2,429	4,258	-	1,005	2,311
Deferred tax liabilities	-	-	3	-	-	-
	4,309	2,429	4,261	-	1,005	2,311
Other information						
Capital additions:						
- Property, plant and equipment	12	2	4,295	-	6	-
Loss on deemed disposal of a joint venture	-	-	61	-	-	-
(Write back)/Allowance for expected credit loss on trade receivables	(160)	57	-	-	-	-
Impairment loss on investment in an associate	-	-	1,952	2,155	-	-
Gain on disposal subsidiaries	-	(1,220)	-	-	-	-
Depreciation and amortisation	7	68	74	-	70	52

Condensed Consolidated Interim Financial Statements for Six Months and Full Year ended 31 December 2023

E.4 Segment and revenue information (Cont'd)

4.1 Reportable Segment (Cont'd)

(a) Analysis by Business Segment (Cont'd)

	Engineering Service & Manufacturing		Agri-Technology		Corporate / Unallocated	
	12 months ended		12 months ended		12 months ended	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022	31.12.2023	31.12.2022
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<u>Discontinued operations</u>						
<u>Other information</u>						
Capital additions:						
- Property, plant and equipment	-	1,549	-	-	-	-
Allowance for expected credit loss on trade receivables	-	370	-	-	-	-
Gain on disposal of property, plant and equipment	-	(2,013)	-	-	-	-
Loss on disposal of discontinued subsidiaries	-	4,701	-	-	-	-
Depreciation and amortisation	-	812	-	-	-	-

Condensed Consolidated Interim Financial Statements for Six Months and Full Year ended 31 December 2023

E.4 Segment and revenue information (Cont'd)

4.1 Reportable Segment (Cont'd)

(a) Analysis by Business Segment (Cont'd)

	Engineering Service & Manufacturing		Agri-Technology		Corporate / Unallocated	
	6 months ended		6 months ended		6 months ended	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022	31.12.2023	31.12.2022
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Continuing operations						
Revenue	4,920	3,397	763	-	-	-
Segment results						
Segment results	(489)	421	(2,949)	(1,747)	(279)	(1,102)
Share of results of an associate and a joint venture	-	-	(48)	224	-	-
Interest income	257	24	2	-	224	92
Interest expense	(13)	(14)	(226)	-	(17)	(19)
Loss before income tax	(245)	431	(3,221)	(1,523)	(72)	(1,029)
Income tax expense	(79)	(4)	(10)	-	-	-
Loss before tax from continuing operations	(324)	427	(3,231)	(1,523)	(72)	(1,029)
Loss from discontinued operations after tax	-	(4,267)	-	-	-	-
	(324)	(3,840)	(3,231)	(1,523)	(72)	(1,029)
Assets						
Segment Assets	21,226	18,222	8,469	-	13,374	20,403
Investment in an associate	-	-	-	2,039	-	-
Investment in a joint venture	-	-	-	943	-	-
	21,226	18,222	8,469	2,982	13,374	20,403
Liabilities						
Segment liabilities	4,309	2,429	4,258	-	1,005	2,311
Deferred tax liabilities	-	-	3	-	-	-
	4,309	2,429	4,261	-	1,005	2,311

Condensed Consolidated Interim Financial Statements for Six Months and Full Year ended 31 December 2023

E.4 Segment and revenue information (Cont'd)

4.1 Reportable Segment (Cont'd)

(a) Analysis by Business Segment (Cont'd)

	Engineering Service & Manufacturing		Agri-Technology		Corporate / Unallocated	
	6 months ended		6 months ended		6 months ended	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022	31.12.2023	31.12.2022
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<u>Continuing operations</u>						
<u>Other information</u>						
Capital additions:						
- Property, plant and equipment	12	2	2,930	-	-	-
(Write back)/Allowance for expected credit loss on trade receivables	(1)	1	-	-	-	-
Impairment loss on investment in an associate	-	-	1,952	2,155	-	-
Loss on disposal subsidiaries	-	191	-	-	-	-
Depreciation and amortisation	7	(23)	45	-	43	26
<u>Discontinued operations</u>						
<u>Other information</u>						
Capital additions:						
- Property, plant and equipment	-	1,072	-	-	-	-
Allowance for expected credit loss on trade receivables	-	370	-	-	-	-
Gain on disposal of property, plant and equipment	-	(2,013)	-	-	-	-
Loss on disposal of discontinued subsidiaries	-	4,701	-	-	-	-
Depreciation and amortisation	-	444	-	-	-	-

E.4 Segment and revenue information (Cont'd)

4.1 Reportable Segment (Cont'd)

(b) Analysis by Geographical Segments

	Group		Group	
	6 months ended		12 months ended	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022
	S\$'000	S\$'000	S\$'000	S\$'000
Revenue				
China	3,892	2,630	5,292	10,196
Middle East	916	551	1,401	1,292
USA	-	(24)	-	823
Singapore	94	-	204	-
Indonesia	763	-	1,213	-
Other Asian Countries	254	255	258	679
Other European Countries	(236)	(15)	4	284
	5,683	3,397	8,372	13,274

Non-current operating assets

Continuing operations:

	Group	
	31.12.2023	31.12.2022
	S\$'000	S\$'000
Singapore	432	5,665
Indonesia	8,026	-
Others	48	41
	8,506	5,706

4.2 Disaggregation of revenue from continuing operations

	Group		Group	
	6 months ended		12 months ended	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022
	S\$'000	S\$'000	S\$'000	S\$'000
Type of goods or service				
Sales of goods	976	2,932	1,860	12,064
Contract income	4,645	214	6,385	808
Service income	62	251	127	402
	5,683	3,397	8,372	13,274
Timing of revenue recognition				
At a point in time:				
Sales of goods	976	2,932	1,860	12,064
Over time:				
Contract income	4,645	214	6,385	808
Service income	62	251	127	402
	4,707	465	6,512	1,210
	5,683	3,397	8,372	13,274

Condensed Consolidated Interim Financial Statements for Six Months and Full Year ended 31 December 2023

E5 Financial assets and liabilities

	Group		Company	
	31.12.2023 S\$'000	31.12.2022 S\$'000	31.12.2023 S\$'000	31.12.2022 S\$'000
Financial assets				
Financial assets at amortised costs:				
- Cash and bank balances and fixed deposits	30,954	23,067	12,875	7,064
- Trade receivables	2,539	1,205	-	-
- Other receivables	233	10,729	77	10,620
- Loans to a joint venture	-	2,246	-	2,246
	33,726	37,247	12,952	19,930
Financial liabilities				
Financial liabilities at amortised cost:				
- Trade and other payables	3,345	1,316	13,079	15,823
- Bank borrowings	2,055	3,016	1,094	1,719
- Lease liabilities	163	-	32	-
- Loans from non-controlling interests	3,551	-	-	-
	9,114	4,332	14,205	17,542

E6 Other operating income from continuing operations

	Group		Group	
	6 months ended		12 months ended	
	31.12.2023 S\$'000	31.12.2022 S\$'000	31.12.2023 S\$'000	31.12.2022 S\$'000
Interest income from fixed deposits	483	55	940	56
Interest income arising from unwinding of discount at market rate on loans to a joint venture	-	61	-	61
Sundry income	(6)	24	2	32
	477	140	942	149

E7 Other (gains) and losses from continuing operations

	Group		Group	
	6 months ended		12 months ended	
	31.12.2023 S\$'000	31.12.2022 S\$'000	31.12.2023 S\$'000	31.12.2022 S\$'000
(Write-back of allowance) Allowance for expected credit losses	(1)	162	(160)	57
Bad debt recovered	(5)	-	(5)	-
Property, plant and equipment written off	-	40	-	59
Loss on disposal of property, plant and equipment	-	1	-	-
Loss (Gain) on disposal of subsidiaries	-	191	-	(1,220)
Impairment loss on investment in an associate	1,952	2,155	1,952	2,155
Loss on deemed disposal of a joint venture (Note E16)	-	-	61	-
Foreign exchange loss	528	56	266	342
	2,474	2,605	2,114	1,393

E8 Loss before income tax from continuing operations

8.1 Significant items

	Group		Group	
	6 months ended		12 months ended	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022
	S\$'000	S\$'000	S\$'000	S\$'000
Depreciation of property, plant and equipment	53	21	94	98
Depreciation of right-of-use assets	40	(19)	57	22
Amortisation of intangible assets	-	2	-	-
Interest expense on bank borrowings	28	39	61	86
Interest expense on loans from non-controlling interests	218	-	218	-
Interest expense on lease liabilities	10	-	17	7
Interest income	(483)	(116)	(940)	(117)
(Write-back of allowance) Allowance for expected credit loss on trade receivables and contract assets	(1)	1	(160)	57
Impairment loss on investment in an associate	1,952	2,155	1,952	2,155
Loss on disposal of property, plant and equipment	-	1	-	-
Loss on deemed disposal of a joint venture (Note E16)	-	-	61	-
Property, plant and equipment written off	-	40	-	59
Gain on disposal subsidiaries	-	191	-	(1,220)
Foreign exchange loss, net	528	57	266	342
Research and development expenses	-	(1)	-	121
Employees benefit expense (including directors)	1,140	434	2,256	1,768
Defined contribution plans (including directors)	14	17	34	65

8.2 Related party transactions

	Company		Company	
	6 months ended		12 months ended	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022
	S\$'000	S\$'000	S\$'000	S\$'000
Management fee income received/receivable from subsidiaries	645	708	1,788	1,834

E9 Income tax expense

	Group		Group	
	6 months ended		12 months ended	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022
	S\$'000	S\$'000	S\$'000	S\$'000
Continuing operations:				
Income tax:				
- Current year	16	(1)	20	16
- Under provision in prior years	70	-	89	-
	86	(1)	109	16
Deferred tax	3	5	3	5
Withholding tax	-	-	8	-
	89	4	120	21
Discontinued operations:				
Income tax attributable to discontinued operations	-	68	-	95
	89	72	120	116

E10 Loss from discontinued operations, net of tax

During the second half year of FY2022, the Group had completed the disposal of Advanced CAE Pte Ltd. and its subsidiary Advanced CAE Inc (“**CAE SG Group**”), and Advanced CAE Ltd (“**CAE CN**”). These disposals met the criteria for the classification as discontinued operations. Accordingly, the result of operations for the financial year ended 31 December 2022 (“**FY2022**”) was presented separately on the Statement of Profit and Loss as “loss from discontinued operations, net of tax”.

The results of the discontinued operations for FY2022 are as follows:

	FY2022 S\$'000
Revenue	27,678
Cost of sales	(23,219)
Gross profit	4,459
Other operating income	546
Distribution and marketing costs	(2,499)
Administrative expenses	(2,690)
Other operating expenses	(844)
Other gains and losses, net	(3,148)
Finance cost	(344)
Loss from discontinued operations	(4,520)
Income tax expense	(95)
Loss from discontinued operations, net of tax	(4,615)

Loss from discontinued operations is arrived at after charging/(crediting):

	FY2022 S\$'000
Depreciation of property, plant and equipment	652
Depreciation of right-of-use assets	160
Provision for warranty	169
Interest expenses on bank borrowings	135
Interest on lease liabilities	66
Interest income	(59)
Allowance for expected credit losses on trade receivables and contract assets	370
Gain on disposal of property, plant and equipment and right-of-use assets	(2,013)
Loss on disposal of subsidiaries	4,701
Foreign exchange loss	76
Research and development expenses	932
Employees benefit expense (including directors)	2,322
Defined contribution plans (including directors)	205

E11 (Losses)Earnings per share

	Group		Group	
	6 months ended		12 months ended	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022
	Cents	Cents	Cents	Cents
Losses per share for period based on net loss attributable to owners of the Company:				
Basic & diluted earnings per share attributable to equity owners				
Continuing operations				
(i) Based on weighted average number of ordinary	(2.92)	(2.10)	(3.53)	(1.63)
(ii) On a fully diluted basis	(2.92)	(2.10)	(3.53)	(1.63)
Discontinued operations				
(i) Based on weighted average number of ordinary	-	(4.21)	-	(4.56)
(ii) On a fully diluted basis	-	(4.21)	-	(4.56)

The calculation of basic losses per share is based on loss attributable to owners of the Company in the respective periods divided by the weighted average number of ordinary shares of 101,268,367 (31 December 2022: 101,268,367). The calculation of diluted losses per share is the same as the basic losses per share as the Company did not have potentially dilutive ordinary shares as at 31 December 2023 and 31 December 2022.

E12 Net assets value attributable to owners of the Company

	Group		Company	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022
	S\$'000	S\$'000	S\$'000	S\$'000
Net asset value per ordinary share attributable to owners of the Company based on issued share capital (excluding treasury shares) at end of the period	32.87	36.33	28.45	30.03

Net asset value per ordinary share is calculated based on net asset attributable to owners of the Company in the respective periods divided by the issued share capital (excluding treasury shares) of 101,268,367 ordinary shares as at 31 December 2023 (31 December 2022: 101,268,367).

E13 Contract assets and liabilities

	Group		Company	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022
	S\$'000	S\$'000	S\$'000	S\$'000
<u>Contracts assets</u>				
Accrued revenue	97	5	606	371
Amounts related to construction contracts	470	-	-	-
	567	5	606	371

Contract assets relating to accrued revenue are amounts for which the Group and Company have performed work as at statement of financial position date but have not billed the customer. Any amount previously recognised as a contract asset is reclassified to trade receivables at the point at which it is invoiced to the customer.

Contract assets relating to construction contracts are balances due from customers under contract income that arise when the relevant performance obligation for the customer contract is satisfied, and the Group becomes entitled to the consideration per the contract. The Group will previously have recognised a contract asset for any work performed. Any amount previously recognised as a contract asset is reclassified to trade receivables at the point at which it is invoiced to the customer.

	Group		Company	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022
	S\$'000	S\$'000	S\$'000	S\$'000
<u>Contracts liabilities</u>				
Progress billing	38	-	-	-
Amounts related to construction contracts	401	313	-	-
	439	313	-	-

Contract liabilities arise from advance receipts from customers, where revenue is recognised when control of the goods has transferred to the customer, being at the point the goods are delivered to the customer. When the customer makes advance payments prior to delivery of goods, the transaction price received at that point by the Group is recognised as contract liability until the goods have been delivered to the customer.

Contract liabilities relating to construction contracts are balances due to customers under construction contracts that arise when a particular milestone payment exceeds the revenue recognised to date under the input method.

E14 Property, plant and equipment

During FY2023, the Group acquired assets amounting to approximately \$4,313,000 (FY2022: S\$1,551,000). The newly acquired relates mainly to the construction of the corn processing facility in Indonesia by AAI. There were no disposal of asset in FY2023 and in FY2022, the Group disposed assets of \$399,000 by its continuing operating entities.

E15 Investment in an associate

The Company owned 12.25% of Agricore Global Pte Ltd (“**Agricore**”), an entity incorporated in Singapore to carry out palm oil cultivation activities. There was no material change in Agricore’s operations during the year.

	Group		Company	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022
	\$'000	\$'000	\$'000	\$'000
Unquote equity shares, at cost	15,000	15,000	15,000	15,000
Share of post-acquisitions results	110	197	-	-
Less: Allowance for impairment losses	(15,110)	(13,158)	(15,000)	(12,961)
	-	2,039	-	2,039

Analysis of impairment losses of investments in associate

	Group		Company	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022
	\$'000	\$'000	\$'000	\$'000
Balance as at 1 January	13,158	11,003	12,961	11,213
Charge to the statement of comprehensive income	1,952	2,155	2,039	1,748
Balance as at 31 December	15,110	13,158	15,000	12,961

Management carried out a review of the recoverable amount of the investment in consideration of Agricore’s financial performance during the year and its net liabilities position as at the statement financial position date.

The recoverable amount of the investment in Agricore was determined based on its fair value less cost of disposal. The fair value less costs of disposal was based on market value of the land permits held by Agricore and adjustments made for the effects of liabilities, cash and non-operating assets. The Group engaged Muttaqin Bambang Purwanto Rozak Uswatun & Partners, an independent Indonesian professional valuer to determine the fair value of the land permits.

Based on the assessment of the recoverable amount for the investment in Agricore, an impairment loss of \$1,952,000 (2022: \$2,155,000) was recognised in the statement of comprehensive income for the financial year ended 31 December 2023. The main reason for the impairment loss was due to the changes in regulatory policies in Indonesia in 2023, particularly, the transition from the current system of location-based permits to the Conformity of Space Utilization Activities (KKPR) in Indonesia. KKPR functions as a substitute for location permits by providing higher certainty to businesses and which integrates licensing at the regional and central levels in order to facilitate business activities in the country. The change in regulation has also led to a declining and very small market for land that only has a location permit, resulting in a correction in the current asset values.

E16 Deemed disposal of joint venture as at 1 January 2023

As disclosed in the Company's FY2022 Annual Report, on 1st January 2023, the Group is deemed to have control of its joint venture, namely AAPL and its subsidiary AAI ("**AAPL Group**"). Accordingly, the Group is deemed to dispose of its joint venture on 1 January 2023. AAPL was accounted as a subsidiary of the Group following the amendments to the joint venture agreement that resulted in the deemed control of the joint venture from that date in accordance with SFRS(I) 10 Consolidated Financial Statements.

The identifiable net assets of AAPL Group as of 1 January 2023 were as follows:

	1-Jan-23 S\$'000
Assets	
Cash and bank balances	2,179
Other receivables and prepayments	168
Total current assets	<u>2,347</u>
Property, plant and equipment	3,739
Right-of-use assets	90
Total non-current assets	<u>3,829</u>
Total assets	<u>6,176</u>
Liabilities	
Trade and other payables	6
Lease liabilities	6
Total current liabilities	<u>12</u>
Lease liabilities	31
Long term loan payables	4,403
Total non-current liabilities	<u>4,434</u>
Total liabilities	<u>4,446</u>
Net Assets	<u><u>1,730</u></u>
Fair value based on 51% shareholdings	882
Non-controlling interests on 1 January 2023	<u><u>848</u></u>

The effect of the deemed disposal of the joint venture was as follows:

(a) Loss on deemed disposal:

Carrying amount of the joint venture	943
Fair value of the previously held equity interest in joint venture	882
Loss on deemed disposal of the joint venture	<u><u>(61)</u></u>

(b) Loans by the Company to the joint venture of S\$2,246,000 were reclassified as loans to a subsidiary and eliminated at the Group level.

(c) Long term loan payable by the joint venture to the non-controlling interests of S\$2,157,000 (49% of S\$4,403,000) will be reported at the Group's level.

E17 Borrowings

	31.12.2023		31.12.2022	
	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
Amount repayable in one year or less, or on demand:				
- Bank borrowings	1,320	-	1,132	-
Amount repayable after one year:				
- Bank borrowings	735	-	1,884	-
- Loans from non-controlling interests	-	3,551	-	-
	735	3,551	1,884	-
	2,055	3,551	3,016	-

Bank borrowings as at 31 December 2023 comprised the following:

- a long-term loan secured by a corporate guarantee issued by the Company;
- a long-term loan secured by a corporate guarantee issued by a subsidiary; and
- a working capital loan secured by a fixed deposit placed with the financial institution by a subsidiary.

Loans from non-controlling interest to AAPL are unsecured and non-interest bearing for an initial period of two years. Before the expiry of the two years period, the Company and the other shareholders of AAPL will agree on the extension or repayment of these loans including the interest charges on these loans.

E18 Share capital

	No. of Shares	
	31.12.2023	31.12.2022
<u>Issued Ordinary Shares</u>		
Total number of issued shares	103,521,700	103,521,700
Total number of treasury shares	2,253,333	2,253,333
Total number of issued shares excluding treasury shares	101,268,367	101,268,367

Fully paid ordinary shares (excluding treasury shares), which have no par value, carry one vote per share and carry a right to dividends as and when declared by the Company.

There were no changes in the Company's share capital during the current financial period reported on.

The Company held no outstanding convertible shares as at 31 December 2023 and 31 December 2022.

There were no subsidiary holdings held as at 31 December 2023 and 31 December 2022.

E19 Treasury shares

There were no sales, transfers, disposal, cancellation, and/or use of treasury shares for the current financial year reported on.

	Group and Company			
	31.12.2023		31.12.2022	
	No. of shares	\$'000	No. of shares	\$'000
Issued and paid up at end of period	2,253,333	1,837	2,253,333	1,837
As percentage of total issued shares (excluding treasury shares)	2.2%		2.2%	

F. Other information
F1 Review

The condensed consolidated statement of financial position of Advanced Holdings Ltd. and its subsidiaries as at 31 December 2023 and the related condensed statement of comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the twelve-months period then ended and certain explanatory notes have not been audited or reviewed.

F2 Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:

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

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

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

Not applicable.

F3 Review of performance of the Group
Income Statement

Financial Year ended 31 December 2023 ("FY2023") as compared to Financial Year ended 31 December 2022 ("FY2022")

Continuing operations:

The Group recorded a revenue of S\$8.4 million from its continuing operations in FY2023, representing a decrease by about S\$4.9 million or 37% as compared to S\$13.3 million in FY2022. The decline in revenue from continuing operations was primarily due to the disposal of two subsidiaries **ATAC** and **"GWI"**, of the Group during the first quarter of 2022 which contributed revenue of about S\$1.6 million in FY2022, a reduction in the trading activities by the Group by about S\$5 million and partially offset by about S\$1.2 million in revenue from the trading of corns and sales of processed corns by AAI in FY2023.

The Group's trading revenue recorded in FY2023 was from orders previously secured by the sales team in CAE CN and the execution of these orders was managed by the operation team in CAE CN. Thus, following the disposal of CAE CN, the Group did not bring in further new orders.

F3 Review of performance of the Group (Cont'd)

The decline in the gross profit margin from 19% in FY2022 to 10% in FY2023 was primarily due to the lower gross margin of about 8% from the trading revenue as compared to higher gross margin of 49% previously made by ATAC and GWI in FY2022. In addition, AAI had incurred a negative margin due to some inefficiency costs incurred during the initial months of operation of the Satellite dryer in FY2023.

Other operating income increased by S\$0.8 million largely due to interest income on fixed deposits placed with financial institutions upon the receipt of the cash considerations on the disposal of CAE SG Group and CAECN.

Distribution and marketing expenses declined by about S\$0.3 million as the Group did not actively engage in marketing activities in FY2023 for the remaining subsidiaries providing engineering services, these marketing activities were previously carried by the disposed subsidiaries.

Administrative expenses increased by about S\$1.1 million, from S\$2.4 million in FY2022 to S\$3.5 million in FY2023. The increase was due to the consolidation of AAPL and AAI administrative expenses of S\$0.8 million to the Group's results in FY2023 (AAPL and AAI were accounted as joint venture in FY2022) and salary costs of management staff that were previously accounted for as distribution and marketing expenses in FY2022 and in the absence of such marketing activities in FY2023, these salaries cost were recorded as administrative expense in FY2023.

No other operating expenses were recorded in FY2023 as compared to S\$121,000 of research and development expenses incurred by ATAC and GWI in FY2022

The Group recorded other losses of S\$2.1 million in FY2023 as compared to S\$1.4 million in FY2022, represents an increase in other losses of about S\$0.7 million. FY2023 losses include impairment loss on an investment in associate of S\$1.95 million and foreign exchange loss of S\$0.27 million.

Share of results of an associate and a joint venture in FY2023 relates to the investment in Agricore Global Pte Ltd ("**Agricore**") and our 12.25% share of Agricore losses for FY2023.

The Group's finance cost increased by S\$0.2 million from S\$0.1 million in FY2022 to S\$0.3 million in FY2023 was primarily due to the imputed interest costs on loans from the non-controlling interest of AAPL.

The Group recorded income tax expenses of S\$120,000 for FY2023 of which S\$89,000 was due to additional prior year tax charges as a subsidiary was not able to claim Group's tax relief.

The Group closed FY2023 with losses from continuing operations of S\$4.3 million as compared to S\$1.6 million in FY2022. The increased loss is mainly due to reduced revenue of S\$4.9 million that contributed to the reduction of gross profit by S\$1.7 million and the gain in the disposal of subsidiaries of S\$1.2 million in FY2022.

Geographically, as disclosed in Notes E4.1(b) to the condensed interim consolidated financial statements, customers from China and Middle East constitute the two largest markets for our Engineering Services segment and Indonesia is the only market for our Agri-Technology segment.

Discontinued operations:

The breakdown of the net loss from the discontinued operations i.e. from businesses generated by CAE SG Group and CAE CN was presented in Note E10. Loss from discontinued operations in FY2022 amounted to S\$4.6 million.

F3 Review of performance of the Group (Cont'd)

Statement of Financial Position

The Group's financial position as at 31 December 2023 remains healthy with a strong net working capital of S\$29.4 million as compared to S\$33.0 million as at 31 December 2022.

The Group's total assets increased by approximately S\$1.5 million, from S\$41.6 million as at 31 December 2022 to S\$43.1 million as at 31 December 2023. The Group's current assets as at 31 December 2023 stood at S\$34.6 million, which accounted for 80% of the Group's total assets and represents a decrease of S\$1.3 million from S\$35.9 million as at 31 December 2022.

The decrease in the current assets was due to reduction in the other receivables of S\$11.1 million as monies were received into the bank; partially offset with increase in cash and bank balance by about S\$7.9 million, as explain in the Statement of Cash Flows below and increase in trade receivables of \$1.3 million to support the trading revenue.

The Group's non-current assets consist mainly of property, plant and equipment, right-of-use assets and investment in an associate. The increase in the non-current assets by S\$2.8 million from S\$5.7 million as at 31 December 2022 to S\$8.5 million as at 31 December 2023 was primarily due to the consolidation of AAPL Group which resulted in an increase of property, plant and equipment of S\$3.9 million and right-of-use assets of S\$0.1 million and reduction in the investment in a joint venture of S\$0.9 million and loan to a joint venture of S\$2.2 million, which collectively increased the Group's non-current assets by S\$0.7 million on 1 January 2023. AAI's construction of the corn processing facility further increased the Group's property, plant and equipment by S\$4.3 million by the end of FY2023. These increases were partially offset by the impairment loss of S\$2.0 million on the investment of the associate.

The Group's total liabilities increased by S\$4.8 million and stood at S\$9.6 million as at 31 December 2023; current liabilities amounted to S\$5.2 million or 54% (as compared to 60% as at 31 December 2022) of the Group's total liabilities. The increase liabilities was mainly resulted from the consolidation of AAPL's Group and included loans by the non-controlling interest of AAPL of S\$3.6 million as at 31 December 2023 and partially offset by a reduction in the Group's borrowings due to the monthly repayments to the banks. The increase in trade payables of S\$2 million was mainly amounts due to suppliers to support the trading revenue, payments to these suppliers are aligned to receipts of trade receivables from the customer.

Statement of Cash Flows

The Group's cash and cash equivalents increased by approximately S\$7.7 million, from S\$23.1 million as at 31 December 2022 to S\$30.8 million as at 31 December 2023.

The Group recorded net cash used in operating activities of S\$0.8 million in FY2023 mainly due to losses recognised in FY2023 and partially offset by the net cash inflow from changes in working capital.

Net cash generated from investing activities amounted to S\$8.5 million in FY2023 as compared to S\$6.0 million in FY2022. The Group received cash consideration of S\$10.6 million from the disposal of CAE CN, recognised a net cash inflow of S\$2.2 million as we consolidate AAPL Group from 1 January 2023 and partially offset by capital expenditure of S\$4.3 million for the construction of the AAI's corn processing facility during FY2023.

Net cash generated from financing activities amounted to S\$0.1 million in FY2023 primarily due to loans from non-controlling interests of AAPL of S\$1.4 million and partially offset by the repayments of bank borrowings of S\$1.2 million.

F4 Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

The Group has completed the construction of the corn processing facility in Sulawesi, Indonesia in December 2023 which was in line with the expectation as set out in the half year results announcement. However, due to the prolonged dry season in Indonesia in the last quarter of 2023, there were little raw material available, and AAI was only able to process a small volume of corns in December.

F5 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 next peak harvest of corns in Indonesia is expected to happen in early March 2024, barring any unforeseen circumstances, the facility will be commissioned and fully operational in March 2024 and consistently grow the Agri-tech business segment of the Group thereafter. We refer to the Framework Agreement with PT Manunggal Perkasa as announced on 16 October 2023. Due to the additional potential risks as a result of the unstable geopolitical situation, the Company has not carried out the business under the Framework Agreement and the Group will review and continue to monitor the situation.

F6 Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

No

(b) Corresponding Period of the Immediately Preceding Financial Year

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

No

(c) Date payable

Not applicable.

(d) Record date

Not applicable.

If no dividend has been declared/recommendeded, a statement to that effect.

No dividend has been declared or recommended for FY2023 as the Group has incurred losses for FY2023.

F7 If the group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 902(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect

The Group did not obtain a general mandate from shareholders for IPTs.

There was no discloseable interested person transaction for FY2023.

F8 Confirmation that the issuer had procured undertakings from all its directors and executives' officers

The Company confirms that it had procured undertakings from all its directors and executive officers under Rule 720(1) of the Catalist Rules.

F9 A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year

Not applicable. No dividends have been declared or recommended for the financial years ended 31 December 2023 and 31 December 2022

F10 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(13)

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
Ms Wong Swee Yoke	63	Sister to Dr Wong Kar King, Managing Director and substantial shareholder of the Company.	Appointed as Director of Advanced Controls (M) Sdn Bhd on 11 August 1997. Appointed as General Manager for Advanced Controls (M) Sdn Bhd on 1 May 2006.	Nil Ceased on 1 February 2023

F11 In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments

After the disposal of ATAC, GWI, CAE SG Group and CAE CN in FY2022, China and Middle East became the two main revenue contributing geographical locations for the Group. China's revenue contribution in FY2023 amounted to S\$5.3 million (from purchase orders secured in previous year) compared to S\$10.2 million in FY2022. Middle East remained its contribution at about S\$1.4 million in FY2023, these customers are serviced by the Group's subsidiary in Saudi Arabia.

The revenue from the Indonesia market of S\$1.2 million in FY2023 was from our corn trading and processing facility in Sulawesi and is undertaken by AAI.

Please refer to Note E4 of the condensed interim consolidated financial statements for details on revenue contribution by geography.

F12 A breakdown of sales

	FY2023	FY2022	Increase / (Decrease)
	S\$'000	S\$'000	%
Sales reported for first half year	2,689	9,877	(73)
Operating (Loss)profit after tax before deducting non-controlling interests reported for first half year	(816)	479	NM
Loss from discontinued operations, net of tax reported in first half of the year	-	(348)	(100)
Sales reported for second half year	5,683	3,397	67
Operating loss after tax before deducting non-controlling interests reported for second half year	(3,627)	(2,125)	71
Loss from discontinued operations, net of tax reported in second half of the year	-	(4,267)	(100)

NM – Not Meaningful

F13 Disclosure on acquisition (including incorporations) and realisation pursuant to Rule 706A of the Catalist Rules

Save for the deemed control of AAPL as a subsidiary on 1 January 2023 as disclosed in the Company's FY2022 Annual Report, there were no other acquisitions or realisation of shares in any of the Group's subsidiaries and associated companies nor incorporation of any new subsidiary or associated company by the Company or any of the Group's entities during FY2023.

BY ORDER OF THE BOARD

Dr Wong Kar King
 Managing Director
 26 February 2024