



FEDERAL INTERNATIONAL (2000) LTD
Incorporated in the Republic of Singapore
Registration No. 199907113K

**Unaudited Condensed Interim Financial Statements
For the Six Months Ended 30 June 2023**

14 August 2023

This announcement may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from other companies, shifts in customer demands, customers and partners, changes in operating expenses, including employee wages, benefits and training, governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. Readers are cautioned not to place undue reliance on these forward-looking statements, which are based on current view of management on future events.

Table of Contents

	Page No
Condensed Interim Consolidated Income Statement	1
Condensed Interim Consolidated Statement of Comprehensive Income	2
Condensed Interim Statements of Financial Position	3
Condensed Interim Statements of Changes in Equity	5
Condensed Interim Consolidated Statement of Cash Flows	7
Notes to the Condensed Interim Consolidated Financial Statements	9
Other Information Required by Listing Rule Appendix 7.2	23

	Note	Group		Changes %
		6 Months Ended		
		30.06.2023 S\$'000	30.06.2022 S\$'000	
INCOME STATEMENT				
Revenue	5	28,678	91,135	(68.5)
Cost of sales		(20,763)	(79,517)	(73.9)
Gross profit		7,915	11,618	(31.9)
Gross profit margin		27.6%	12.7%	
Other income		806	552	46.0
Selling and distribution costs		(2,508)	(2,591)	(3.2)
Administrative and general costs		(3,718)	(4,675)	(20.5)
Other operating expenses		(265)	(1,765)	(85.0)
Net writeback of impairment loss/(impairment loss) on financial assets		32	(478)	(106.7)
Finance costs		(456)	(672)	(32.1)
Share of results of associates		181	698	(74.1)
Profit before tax	6	1,987	2,687	(26.1)
Income tax expense	7	(301)	(257)	17.1
Profit net of tax		1,686	2,430	(30.6)
Attributable to:				
Owners of the Company		(3,684)	2,536	N.M.
Non-controlling interests ⁽¹⁾		5,370	(106)	N.M.
		1,686	2,430	(30.6)
(Loss)/earnings per share attributable to owners of the Company (cents per share)	8			
Basic		(2.62)	1.80	
Diluted		(2.62)	1.80	

(1) Refer to page 24, "Profit net of tax attributable to non-controlling interest ("NCI")" under section of "Other information Required by Listing Rule Appendix 7.2"

N.M. – Not Meaningful

	Group		
	6 Months Ended		Changes
	30.06.2023	30.06.2022	
S\$'000	S\$'000	%	
Profit net of tax	1,686	2,430	(30.6)
Other comprehensive income:			
Items that will not be reclassified subsequently to profit or loss			
Foreign currency translation	44	479	(90.8)
Items that are or may be reclassified subsequently to profit or loss			
Foreign currency translation	177	521	(66.0)
Share of other comprehensive (loss)/income of associates	(42)	70	(160.0)
Foreign currency translation on loss of control of subsidiary	–	727	(100.0)
Other comprehensive income for the period, net of tax	179	1,797	(90.0)
Total comprehensive income for the period	1,865	4,227	(55.9)
Total comprehensive income attributable to:			
Owners of the Company	(3,549)	3,854	(192.1)
Non-controlling interests	5,414	373	N.M.
	1,865	4,227	(55.9)

N.M. – Not Meaningful

	Note	Group		Company	
		As At 30.06.2023	As At 31.12.2022	As At 30.06.2023	As At 31.12.2022
		S\$'000	S\$'000	S\$'000	S\$'000
Non-current assets					
Property, plant and equipment	10	10,207	10,929	10	6
Right-of-use assets		2,203	2,223	–	–
Investment in subsidiaries		–	–	57,912	57,868
Investment in associates		4,403	4,264	732	732
Intangible assets	11	341	409	–	–
Financial assets at fair value through other comprehensive income (“FVOCI”)	12	381	381	381	381
Other receivables	13	13,107	13,108	13,022	13,022
Deferred tax assets		1,917	1,836	–	–
		32,559	33,150	72,057	72,009
Current assets					
Inventories		8,404	14,417	–	–
Trade receivables	14	33,674	33,348	–	–
Other receivables		2,920	3,738	162	545
Advance payment to suppliers		1,604	1,716	–	–
Prepayments		198	191	12	25
Deposits		23	18	4	4
Amounts due from subsidiaries		–	–	5,591	6,762
Amounts due from associates		1,150	2,546	–	–
Fixed and bank deposits		7,022	22	–	–
Cash and bank balances		6,939	7,543	439	870
		61,934	63,539	6,208	8,206
Assets classified as held for sale	15	–	21,486	–	–
		61,934	85,025	6,208	8,206
Current liabilities					
Trade payables		4,242	6,462	–	–
Other payables		6,644	9,985	486	639
Contract liabilities		1,875	2,765	–	–
Amounts due to subsidiaries		–	–	864	865
Amounts due to related parties		2,345	1,674	–	–
Amounts due to banks	16	3,780	18,548	–	–
Term loans	16	2,830	6,539	–	–
Lease liabilities		162	153	–	–
Provision for taxation		492	423	11	51
		22,370	46,549	1,361	1,555
Liabilities directly associated with the assets held for sale	15	–	720	–	–
		22,370	47,269	1,361	1,555
Net current assets		39,564	37,756	4,847	6,651
Non-current liabilities					
Amounts due to subsidiaries		–	–	5,019	6,641
Term loans	16	1,195	1,834	–	–
Provision for post-employment benefits		171	174	–	–
Lease liabilities		2,265	2,273	–	–
Deferred tax liabilities		1,372	1,370	115	115
		5,003	5,651	5,134	6,756
Net assets		67,120	65,255	71,770	71,904

	Note	Group		Company	
		As At 30.06.2023	As At 31.12.2022	As At 30.06.2023	As At 31.12.2022
		S\$'000	S\$'000	S\$'000	S\$'000
Equity					
Share capital	17	144,099	144,099	144,099	144,099
Treasury shares	17	(25)	(25)	(25)	(25)
Foreign currency translation reserve		(1,750)	(1,885)	–	–
Capital reserve		5	5	–	–
Revaluation reserve		7,363	7,363	–	–
Revaluation reserve of assets classified as held for sale	15	–	12,290	–	–
Other reserves		(1,133)	(1,133)	(157)	(157)
Accumulated losses		(67,692)	(76,298)	(72,147)	(72,013)
Equity attributable to owners of the Company		80,867	84,416	71,770	71,904
Non-controlling interests		(13,747)	(19,161)	–	–
Total equity		67,120	65,255	71,770	71,904

**Federal International (2000) Ltd and its Subsidiaries
Condensed Interim Statements of Changes in Equity**

GROUP	← Attributable to owners of the Company →										Total equity S\$'000
	Share capital S\$'000	Treasury shares S\$'000	Foreign currency translation reserve S\$'000	Capital reserve S\$'000	Revaluation reserve S\$'000	Revaluation reserve of assets classified as held for sale S\$'000	Other reserves S\$'000	Accumulated losses S\$'000	Total S\$'000	Non-controlling interests S\$'000	
Balance at 01.01.2023	144,099	(25)	(1,885)	5	7,363	12,290	(1,133)	(76,298)	84,416	(19,161)	65,255
(Loss)/profit net of tax	-	-	-	-	-	-	-	(3,684)	(3,684)	5,370	1,686
Other comprehensive income/(loss):											
Items that will not be reclassified subsequently to profit or loss:											
Foreign currency translation	-	-	-	-	-	-	-	-	-	44	44
Items that are or may be reclassified subsequently to profit or loss:											
Foreign currency translation	-	-	177	-	-	-	-	-	177	-	177
Share of other comprehensive loss of associates	-	-	(42)	-	-	-	-	-	(42)	-	(42)
Total comprehensive income/(loss) for the period	-	-	135	-	-	-	-	(3,684)	(3,549)	5,414	1,865
Revaluation reserve transferred to accumulated losses on disposal of assets classified as held for sale (Note 15)	-	-	-	-	-	(12,290)	-	12,290	-	-	-
Balance at 30.06.2023	144,099	(25)	(1,750)	5	7,363	-	(1,133)	(67,692)	80,867	(13,747)	67,120
Balance at 01.01.2022	144,099	(25)	(3,114)	5	18,993	-	(1,133)	(78,802)	80,023	(19,230)	60,793
Profit net of tax	-	-	-	-	-	-	-	2,536	2,536	(106)	2,430
Other comprehensive income:											
Items that will not be reclassified subsequently to profit or loss:											
Foreign currency translation	-	-	-	-	-	-	-	-	-	479	479
Items that are or may be reclassified subsequently to profit or loss:											
Foreign currency translation	-	-	521	-	-	-	-	-	521	-	521
Share of other comprehensive income of associates	-	-	70	-	-	-	-	-	70	-	70
Foreign currency translation on loss of control of subsidiary	-	-	727	-	-	-	-	-	727	-	727
Total comprehensive income for the period	-	-	1,318	-	-	-	-	2,536	3,854	373	4,227
Disposal of a subsidiary company	-	-	-	-	-	-	-	-	-	(484)	(484)
Balance at 30.06.2022	144,099	(25)	(1,796)	5	18,993	-	(1,133)	(76,266)	83,877	(19,341)	64,536

The Company	Share capital	Treasury shares	Other reserves	Accumulated losses	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 01.01.2023	144,099	(25)	(157)	(72,013)	71,904
Loss for the period	–	–	–	(134)	(134)
Total comprehensive loss for the period	–	–	–	(134)	(134)
Balance at 30.06.2023	144,099	(25)	(157)	(72,147)	71,770
Balance at 01.01.2022	144,099	(25)	(157)	(66,366)	77,551
Profit for the period	–	–	–	219	219
Total comprehensive income for the period	–	–	–	219	219
Balance at 30.06.2022	144,099	(25)	(157)	(66,147)	77,770

	Group	
	For 6 Months Ended	
	30.06.2023	30.06.2022
	S\$'000	S\$'000
Cash flows from operating activities:		
Profit before tax	1,987	2,687
<u>Adjustments for:</u>		
Allowance for slow moving inventories	221	369
Amortisation of intangible assets	68	68
Depreciation of property, plant and equipment	809	832
Depreciation of right-of-use assets	93	116
Fair value loss on investment properties	–	70
Gain on disposal of assets classified as held for sale	(64)	–
(Gain)/loss on disposal of property, plant and equipment, net	(1)	3
Impairment loss on trade receivables (current)	37	576
Implicit interest income	(2)	(2)
Interest expense	456	672
Interest income	(77)	(47)
Loss on disposal of a subsidiary	–	727
Share of results of associates	(181)	(698)
Writeback of impairment loss on trade receivables (current)	(69)	(98)
Foreign currency exchange (gain)/loss	(23)	271
Operating cash flows before changes in working capital	3,254	5,546
<u>Decrease/(increase) in:</u>		
Inventories	5,820	908
Trade and other receivables	540	(26,162)
Advance payment to suppliers	85	(3,489)
Prepayments	(1)	(58)
Deposits	(5)	–
Amounts due from associates	(2)	(1)
<u>Increase/(decrease) in:</u>		
Trade and other payables	(5,430)	2,059
Contract liabilities	(1,253)	288
Amounts due to associate	–	2
Amount due to a related party	(3)	(253)
Provision for post-employment benefits	(3)	(2)
Cash generated from/(used in) operations	3,002	(21,162)
Bad debts recovered received	–	369
Income taxes paid	(232)	(336)
Interest income received	188	39
Net cash generated from/(used in) operating activities	2,958	(21,090)
Cash flows from investing activities:		
Interest income received	3	5
Proceeds from disposal of property, plant and equipment	1	4
Proceeds from disposal of assets classified as held for sale	20,830	–
Purchase of property, plant and equipment	(42)	(210)
Repayment of loan from associate	1,396	339
Repayment of loan from/(loan to) investee company	218	(555)
Net cash generated from/(used in) investing activities	22,406	(417)

	Group	
	For 6 Months Ended	
	30.06.2023	30.06.2022
	S\$'000	S\$'000
Cash flows from financing activities:		
Interest expense paid	(507)	(496)
Interest expense paid (amount due to a related party)	(19)	(34)
Additions to amount due to a related party	1,053	-
Repayments of amount due to a related party	(307)	-
(Increase)/decrease in pledged deposits	(7,128)	83
Repayments of bank overdrafts	(3,064)	(486)
Drawdown of term loans	58	-
Repayments of term loans	(4,366)	(1,646)
Drawdown of trust receipts	5,832	62,348
Repayments of trust receipts	(17,544)	(35,976)
Repayments of lease liabilities - principal	(72)	(92)
Repayments of lease liabilities - interest	(66)	(89)
Net cash (used in)/generated from financing activities	(26,130)	23,612
Net (decrease)/increase in cash and cash equivalents	(766)	2,105
Effect of exchange rate changes on cash and cash equivalents	30	203
Cash and cash equivalents at beginning of period	7,543	11,387
Cash and cash equivalents at end of the period	6,807	13,695

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following at the end of financial period:

	Group	
	6 Months Ended	
	30.06.2023	30.06.2022
	S\$'000	S\$'000
Cash and cash equivalents at the end of the period:		
Cash and bank balances and fixed and bank deposits	13,961	13,717
Less: Bank balances and deposits pledged	(7,154)	(22)
Cash and cash equivalents	6,807	13,695

1. Corporate information

Federal International (2000) Ltd (the “**Company**”) is a limited liability company incorporated and domiciled in Singapore and is listed on the mainboard of Singapore Exchange Securities Trading Limited (“**SGX-ST**”). These condensed interim consolidated financial statements for the six months ended 30 June 2023 comprise the Company and its subsidiaries (collectively, the “**Group**”).

2. Basis of preparation

The condensed interim financial statements for the six months ended 30 June 2023 have been prepared in accordance with SFRS(I) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last annual financial statements for the year ended 31 December 2022.

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 interim financial statements are presented in Singapore dollar (“**S\$**”) which is the Company’s functional currency and all values in the tables are rounded to the nearest thousand (**S\$’000**) as 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 does not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

The adoption of the new standards that are effective on 1 January 2023 did not result in any substantial change to the Group’s and the Company’s accounting policies or have any significant impact on the condensed interim financial statements.

2.2 Use of judgements and estimates

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

The critical judgements made by management in applying the Group’s accounting policies and 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.

4. Segment information

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

- I. Trading segment is a supply of assembly and distribution of flowline control products, distribution of oilfield drilling equipment for use on onshore and offshore rigs and drilling platforms, provision of complete fire protection and detection systems, as well as electrical products for the marine, coal mining, oil and gas, petrochemical and pharmaceutical industries. In these respects, the Group offers products and related services in the areas of oil and gas, power, petrochemical and pharmaceutical industries.
- II. Manufacturing/Design/Research and Development segment is involved in research, development, design and manufacture of flowline control products, high pressure and temperature valves and related oilfield products.
- III. Marine Logistics segment is in the business of chartering of vessels to the offshore oil and gas and other related industries.
- IV. Energy and Utilities segment is involved in procurement and construction projects of waste water treatment facility and provision of wastewater treatment services to the end-users.
- V. Resources segment is in the business of sales and mining of coal and other natural resources.
- VI. Corporate and Others segment is involved in Group level corporate services and treasury functions and operating and maintenance of oil and gas facility services.

Geographical Information

The Group's geographical segments are based on the location of the Group's assets. Sales to external customers disclosed in geographical segments are based on the geographical location of its customers. Others include countries such as Malaysia, Philippines, United Kingdom, etc.

Non-current assets consist of property, plant and equipment, investment properties, right-of-use assets, investment in associates and intangible asset as presented in the Group's statement of financial positions.

4. Segment information (cont'd)

4.1 Business segments

Analysis by Business segments	Trading		Manufacturing/ Design/Research and Development		Marine Logistics		Energy and Utilities		Resources		Corporate / Others		Elimination		Group	
	6 Months Ended															
	30.06.2023	30.06.2022	30.06.2023	30.06.2022	30.06.2023	30.06.2022	30.06.2023	30.06.2022	30.06.2023	30.06.2022	30.06.2023	30.06.2022	30.06.2023	30.06.2022	30.06.2023	30.06.2022
Revenue:																
External customers	25,741	88,696	1,049	1,139	-	-	885	1,300	-	-	1,003	-	-	-	28,678	91,135
Intersegment sales	10	30	202	75	-	-	-	-	-	-	1,440	1,380	(1,652)	(1,485)	-	-
Total revenue	25,751	88,726	1,251	1,214	-	-	885	1,300	-	-	2,443	1,380	(1,652)	(1,485)	28,678	91,135
Result:	2,435	6,405	191	(87)	400	880	(32)	(101)	961	(18)	1,378	498	(1,987)	(3,101)	3,346	4,476
Depreciation & amortisation	(448)	(468)	(53)	(66)	-	-	(2)	(2)	-	-	(467)	(504)	-	24	(970)	(1,016)
Other non-cash expense	(215)	(360)	(10)	(10)	-	-	-	-	-	-	-	-	-	-	(225)	(370)
Net writeback of impairment loss/ (impairment loss) on financial assets	69	(478)	-	-	-	-	(37)	-	-	-	-	-	-	-	32	(478)
Finance costs	(450)	(784)	(6)	(13)	-	-	-	-	-	-	-	-	-	125	(456)	(672)
Interest income															79	49
Share of results of associates															181	698
Profit before tax															1,987	2,687
Income tax expense															(301)	(257)
Profit net of tax															1,686	2,430

Federal International (2000) Ltd and its Subsidiaries
Notes to the Condensed Interim Consolidated Financial Statements (cont'd)

4. Segment information (cont'd)

4.1 Business segments (cont'd)

Analysis by Business Segments	Trading		Manufacturing/ Design/ Research and Development		Marine Logistics		Energy and Utilities		Resources		Corporate/Others		Elimination		Group					
	6 Months Ended																			
	30.06.2023		30.06.2022		30.06.2023		30.06.2022		30.06.2023		30.06.2022		30.06.2023		30.06.2022		30.06.2023		30.06.2022	
Assets:	89,012	147,484	2,361	2,332	2,055	3,616	3,402	4,688	-	-	78,507	89,130	(87,164)	(114,316)	88,173	132,934				
Investment in asso. ⁽¹⁾	-	-	-	-	3,043	8,564	-	-	-	-	1,360	1,182	-	-	4,403	9,746				
Unallocated assets															1,917	2,292				
Total assets															94,493	144,972				
Liabilities:	(44,018)	(112,453)	(6,171)	(6,396)	(85,532)	(87,827)	(9,840)	(12,900)	(54,179)	(54,749)	(29,126)	(45,725)	203,357	241,080	(25,509)	(78,970)				
Unallocated liabilities															(1,864)	(1,466)				
Total liabilities															(27,373)	(80,436)				
Other segment information:																				
Additions to non-current assets:																				
- PPE ⁽²⁾	37	390	-	3	-	-	-	4	-	-	5	-	-	-	42	397				
- ROU assets ⁽³⁾	66	70	-	-	-	-	-	-	-	-	-	-	-	-	66	70				

⁽¹⁾ Investment in associates

⁽²⁾ Property, plant and equipment

⁽³⁾ Right-of-use assets

4. Segment information (cont'd)

4.2 Geographical segments

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

Analysis by Geographical Segments	Revenue		Non-current Assets	
	6 Months Ended			
	30.06.2023	30.06.2022	30.06.2023	30.06.2022
	S\$'000	S\$'000	S\$'000	S\$'000
Indonesia	4,338	75,627	3,596	10,114
Japan	16	17	1,360	1,182
People's Republic of China	5,568	5,418	12	17
Singapore	5,966	4,524	11,885	30,256
Thailand	10,497	1,791	–	–
Vietnam	10	929	–	–
Others ⁽¹⁾	2,283	2,829	301	406
	28,678	91,135	17,154	41,975

⁽¹⁾ Others include countries such as Malaysia, Philippines, United Kingdom, etc.

5. Revenue

	Group	
	6 Months Ended	
	30.06.2023	30.06.2022
	S\$'000	S\$'000
<u>Point in time</u>		
Sale of products	27,148	90,141
<u>Overtime</u>		
Charter income from land drilling rig	1,003	–
Service concession income	213	183
Provision of wastewater treatment services	314	811
	28,678	91,135

Sale of products include trading of flowline control products, fire detection and protection systems and environmental protection system.

6. Profit before tax

The following items have been included in arriving at profit before tax:

	Group	
	6 Months Ended	
	30.06.2023	30.06.2022
	S\$'000	S\$'000
Other income		
Foreign currency exchange gain	451	25
Gain on disposal of property, plant and equipment	1	-
Gain on disposal of assets classified as held for sale	64	-
Implicit interest income	2	2
Interest income	77	47
Other rental income	-	18
Rental income from investment properties	-	213
Sundry income	211	247
	806	552
Other operating expenses		
Allowance for slow moving inventories	(221)	(369)
Fair value loss on investment properties	-	(70)
Inventories written off	(4)	(2)
Loss on disposal of subsidiary	-	(727)
Loss on disposal of property, plant and equipment	-	(3)
Other expenses	(40)	(594)
	(265)	(1,765)
Cost of sales		
Depreciation of property, plant and equipment	(465)	-
Selling and distribution costs		
Depreciation of property, plant and equipment	(26)	(20)
Administrative and general costs		
Amortisation of intangible assets	(68)	(68)
Depreciation of property, plant and equipment	(318)	(812)
Depreciation of right-of-use assets	(93)	(116)
Net writeback of impairment loss/(impairment loss) on financial assets		
Impairment loss on trade receivables (current)	(37)	(576)
Write back of impairment loss on trade receivables (current)	69	98
	32	(478)
Finance costs		
Interest expense on:		
- Bank overdrafts	(22)	(78)
- Term loans	(88)	(186)
- Trust receipts	(245)	(288)
- Lease liabilities	(66)	(89)
- Amount owing to a related party	(35)	(31)
	(456)	(672)

7. Income tax expense

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

	Group	
	6 Months Ended	
	30.06.2023	30.06.2022
	S\$'000	S\$'000
Current income tax		
- Current income taxation	301	258
Deferred income tax		
- Origination and reversal of temporary differences	-	(1)
Income tax expense recognised in income statement	301	257

8. (Loss)/earnings per share

Basic (loss)/earnings per share is calculated by dividing (loss)/profit net of tax attributable to owners of the Company by the weighted average number of ordinary shares on issue (excluding treasury shares) during the financial period.

As at 30 June 2023 and 30 June 2022, diluted (loss)/earnings per share is similar to basic (loss)/earnings per share as there were no potential dilutive ordinary shares.

The following tables reflect the (loss)/profit and share data used in the computation of basic and diluted (loss)/earnings per share for the financial period ended 30 June:

	Group	
	6 Months Ended	
	30.06.2023	30.06.2022
	S\$'000	S\$'000
(Loss)/profit net of tax attributable to owners of the Company used in the computation of (loss)/earnings per share	(3,684)	2,536
	Number of shares	
	'000	'000
Weighted average number of ordinary shares on issue (excluding treasury shares) for (loss)/earnings per share computation	140,667	140,667

9. Related party transactions

(a) Other related party transactions

In addition to those related party information disclosed elsewhere in the condensed interim financial statements, the following significant transactions between the Group and related parties took place at terms agreed between the parties during the financial period:

	Group	
	6 Months Ended	
	30.06.2023	30.06.2022
	S\$'000	S\$'000
Purchases of goods and services from an associate	–	(2)
Rental paid to a director of certain subsidiaries	(18)	(19)
Sales of goods and services to an associate	2	1
Secretarial and professional fee paid to director-related firms ⁽¹⁾	(12)	(38)
Repayments of amount due to a director of certain subsidiaries	(746)	(253)
Repayment of amount due from a director of certain subsidiaries	–	200
Repayment of loan received from an associate	1,396	339

(1) During the current financial period, secretarial and professional services were provided by entity which is controlled by one of the independent directors of the Company. S\$Nil (31 December 2022: S\$Nil) was outstanding at the end of current financial period.

(b) Compensation of key management personnel (“KMP”)

	Group	
	6 Months Ended	
	30.06.2023	30.06.2022
	S\$'000	S\$'000
Directors' fees	95	92
Short-term employee benefits	916	872
Defined contributions	39	30
Other short-term benefits	33	33
Total compensation paid to KMP	1,083	1,027
Comprise of amounts paid to:		
Directors of the Company	574	551
Other KMP	509	476
	1,083	1,027

10. Property, plant and equipment

During the six months ended 30 June 2023, the Group acquired assets amounting to S\$42,000 (30 June 2022: S\$397,000) and disposed of assets amounting to net book value of S\$ Nil (30 June 2022: S\$7,000).

10.1. Revaluation of leasehold building

Leasehold building relates to a single-storey detached factory situated at 12 Chin Bee Drive on leasehold land of 7,146.3 square metres. The lease tenure of the leasehold land is 30 years effective October 2013.

10. Property, plant and equipment (cont'd)

10.1. Revaluation of leasehold building (cont'd)

The fair value of the Group's leasehold building was determined based on the properties' highest and best use by an external valuer using direct comparison with recent transactions of comparable properties within the vicinity at 31 December 2022. Adjustments were made for differences in location, land area, land shape, floor area, floor loading, ceiling height, tenure, design and layout, age and condition of buildings, dates of transactions and the prevailing market conditions amongst other factors affecting its value. Management assessed and concluded that the fair value of the Group's leasehold building as at 30 June 2023 has not changed significantly since 31 December 2022.

The fair value measurement is categorised under Level 3 (31 December 2022: Level 3) of the fair value hierarchy.

The Group's leasehold building with carrying amount of S\$8,883,000 (31 December 2022: S\$9,100,000) are mortgaged to secure banking facilities and bank loans of certain subsidiaries (Note 16).

11. Intangible assets

	Group		
	Goodwill	Development costs	Total
	S\$'000	S\$'000	S\$'000
At 31 December 2022			
Cost	1,044	2,061	3,105
Accumulated amortisation and impairment loss [see below (a) and (b)]	(1,044)	(1,652)	(2,696)
Net carrying amount	–	409	409
6 months ended 30 June 2023			
Opening net carrying amount	–	409	409
Amortisation charge	–	(68)	(68)
Closing net carrying amount	–	341	341

(a) Impairment review of goodwill

Goodwill arising from business combinations that was allocated to Manufacturing/Design/Research and Development segment, a single cash-generating unit ("CGU") which is also a reportable operating segment, has been fully impaired.

(b) Impairment review of development costs

Development costs relate to testing and design development projects/prototypes. Management has reviewed and was of the opinion that there was no further indication of impairment as at 30 June 2023.

12. Financial assets at fair value through other comprehensive income ("FVOCI")

	Group		Company	
	30.06.2023	31.12.2022	30.06.2023	31.12.2022
	S\$'000	S\$'000	S\$'000	S\$'000
<i>Equity investments designated at FVOCI</i>				
Unquoted equity shares	381	381	381	381

12. Financial assets at fair value through other comprehensive income ("FVOCI") (cont'd)

The investments represent investments in unquoted equity shares in 2 companies incorporated in Indonesia, which are not held for trading. Accordingly, management has elected to designate these investments in equity shares at fair value through other comprehensive income. It is the Group's strategy to hold these investments for long-term purposes.

The fair value of the unquoted equity share is determined by reference to the equity value of an investee company, PT Gunanusa Utama Fabricators ("PTG"), as disclosed in Note 13.

No fair value adjustment was made as at 30 June 2023 (31 December 2022: S\$Nil) based on the fair value of the unquoted equity share. These investments are categorised under Level 3 (31 December 2022: Level 3) fair value hierarchy.

13. Other receivables (non-current)

	Group		Company	
	30.06.2023	31.12.2022	30.06.2023	31.12.2022
	S\$'000	S\$'000	S\$'000	S\$'000
Deposits	85	86	–	–
Loan to a shareholder of an investee company	13,022	13,022	13,022	13,022
	13,107	13,108	13,022	13,022

The loan to a shareholder, Pak Azmil Rahman ("Azmil"), of an investee company, PTG, is secured by Azmil's shares in PTG, bears interest at 7% (31 December 2022: 7%) per annum and is repayable in December 2025 (31 December 2022: December 2025).

On 26 June 2023, the Company entered into a principal agreement for the purposes of finalising and facilitating two key transactions: (a) Sale and Purchase Transaction and (b) Loan Settlement Transaction (refer to the Company's announcement dated 26 June 2023: Entry into Principal Agreement for Acquisition and Restructuring of PT Gunanusa Utama Fabricators).

The principal agreement contemplates a loan settlement between Azmil and the Company, whereby Azmil, as full and final settlement of an outstanding loan of S\$13,022,000 to the Company, shall transfer to the Company (i) the remaining 39,500 PTG shares held by him after the Share Sale & Purchase, and (ii) PT Superkrane Mitra Utama Tbk. ("SK") shares held by him pursuant to the Share Sale & Purchase.

Management assessed the loan to Azmil for impairment using the expected credit loss model and took into consideration the fair value of the 39,500 PTG shares and SK shares. No further impairment loss was made as at 30 June 2023 (31 December 2022: writeback of impairment loss of S\$2,000,000) based on the fair value of the 39,500 PTG shares and SK shares.

The fair value of the 39,500 PTG shares is determined by reference to the equity value of the investee company based on valuation performed by an external valuer using income approach. The valuation using income approach has been determined based on discounted cash flow analysis from forecast provided by the investee company covering a three-year period. The weighted average cost of capital applied to the cash flow projection and forecasted growth rate used to extrapolate cash flow projection beyond three-year period are 17.2% (31 December 2022: 15.0%) and 1.6% (31 December 2022: 1.6%) respectively.

The fair value of SK shares is determined by reference to market price per share of SK ("Consideration Share") in the range of IDR 480 to IDR 520 in line with the principal agreement.

14. Trade receivables

The Group's credit risk exposure in relation to trade receivables under SFRS(I) 9 as at 30 June 2023 and 31 December 2022 are set out in the provision matrix below:

Group	Weighted average loss rate %	Gross carrying amount S\$'000	Credit loss allowance S\$'000	Net carrying amount S\$'000
30 June 2023				
Current (not past due)	–	4,145	–	4,145
1 – 120 days past due	0.2	8,067	(13)	8,054
More than 120 days past due ⁽¹⁾	27.3	29,541	(8,066)	21,475
		<u>41,753</u>	<u>(8,079)</u>	<u>33,674</u>
31 December 2022				
Current (not past due)	–	2,829	–	2,829
1 – 120 days past due	–	10,468	–	10,468
More than 120 days past due	28.4	28,006	(7,955)	20,051
		<u>41,303</u>	<u>(7,955)</u>	<u>33,348</u>

- (1) Included in the net carrying amount that was more than 120 days past due as at 30 June 2023 were:
- amount due from PTG amounting to S\$17.0 million (31 December 2022: S\$16.1 million). The Group continues to monitor PTG's financial position and performance on a periodic basis to manage the Group's overall exposure and its recoverability;
 - amount of S\$1.5 million of certain trade debtors in Indonesia (31 December 2022: S\$1.4 million), who defaulted on payments and which were fully impaired in prior years. During financial year 2022, the Group won a BANI (Badan Arbitrase Nasional Indonesia) case against an insurance company who issued surety bonds to these debtors. The Group expected to recover certain amount from this insurance company and writeback an impairment loss of S\$1.4 million relating to these debtors during financial year 2022;
 - retention amount of S\$1.0 million (31 December 2022: S\$0.6 million) from customers in accordance with contract terms. These retention money are expected to be paid upon completion of final documentations.

15. Assets classified as held for sale

Liabilities directly associated with the assets held for sale
Revaluation reserve of assets classified as held for sale

The disposal group comprised the following assets, liabilities and revaluation reserve:

	Group	
	30.06.2023	31.12.2022
	S\$'000	S\$'000
<u>Assets classified as held for sale</u>		
Right-of-use assets	–	656
Investment properties	–	20,830
	–	<u>21,486</u>
<u>Liabilities directly associated with the assets held for sale</u>		
Lease liabilities	–	720
<u>Revaluation reserve of assets classified as held for sale</u>		
Revaluation reserve	–	12,290

15. Assets classified as held for sale (cont'd)
Liabilities directly associated with the assets held for sale (cont'd)
Revaluation reserve of assets classified as held for sale (cont'd)

As at 31 December 2022, investment properties classified as held for sale related to freehold land and buildings, consisting of two 3-storey terrace factories situated at 47 and 49 Genting Road on freehold land of 810.9 square metres ("**Genting properties**") and leasehold building, consisting of a single-storey factory situated at 11 Tuas Avenue 1 on a leasehold land area of 4,701.4 square metres ("**Tuas property**"). The lease tenure of the leasehold land is 22 years effective November 2012.

As at 31 December 2022, the fair value measurement of investment properties classified as held for sale was categorised under Level 2 of the fair value hierarchy.

The disposal of Tuas property and Genting properties were completed on 16 January 2023 (refer to the Company's announcement dated 16 January 2023) and on 17 February 2023 (refer to the Company's announcement dated 17 February 2023) respectively.

The mortgage of investment properties classified as held for sale with carrying amount of S\$20,830,000 as at 31 December 2022 to secure banking facilities and bank loans of certain subsidiaries was also discharged after completion of disposal.

During the six months ended 30 June 2023, revaluation reserve of assets classified as held for sale amounting to S\$12,290,000 was transferred to accumulated losses on disposal of assets.

16. Amounts due to banks
Term loans

	Group	
	30.06.2023	31.12.2022
	S\$'000	S\$'000
Amounts due to banks		
<u>Amount repayable within one year or less, or on demand</u>		
Bank overdrafts, secured	–	3,063
Trust receipts, secured	3,780	15,485
	3,780	18,548
Term loans		
<u>Amount repayable within one year or less, or on demand</u>		
Term loans, secured	2,830	6,539
<u>Amount repayable after one year</u>		
Term loans, secured	1,195	1,834
Aggregate amounts of Group's borrowings		
<u>Amount repayable within one year or less, or on demand</u>		
Secured	6,610	25,087
<u>Amount repayable after one year</u>		
Secured	1,195	1,834

16.1 Securities

The Group's bank overdrafts, trust receipts and term loans are secured on:

- (i) legal mortgage on the Group's leasehold building (Note 10);
- (ii) corporate guarantee by the Company;
- (iii) bank balances and deposits pledged by subsidiaries; and
- (iv) personal guarantee and pledge of real property by a director of a subsidiary.

17. Share capital and Treasury shares

	Group and Company			
	30.06.2023		31.12.2022	
	Number of shares	Amount	Number of shares	Amount
	'000	S\$'000	'000	S\$'000
Share capital				
<i>Issued and fully paid ordinary shares</i>				
Beginning and end of financial period	140,767	144,099	140,767	144,099
Treasury shares				
Beginning and end of financial period	(100)	(25)	(100)	(25)
Total number of issued shares excluding treasury shares as at end of financial period	140,667		140,667	

The Company did not issue any ordinary shares during the 6 months ended 30 June 2023.

The Company did not have any convertible securities as at 30 June 2023 (30 June 2022: Nil).

There was a total of 100,000 treasury shares held as at 30 June 2023 (30 June 2022: 100,000). There were no sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

There were no subsidiary holdings as at 30 June 2023 (30 June 2022: Nil). There were no sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

18. Fair value measurement

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

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- Level 3 - Inputs for the asset or liability that are not based on observable market data (unobservable inputs)

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

30 June 2023	Level 1	Level 2	Level 3	Total
	S\$'000	S\$'000	S\$'000	S\$'000
Group				
Non-financial assets				
Property, plant and equipment				
- Leasehold building	-	-	8,883	8,883
Financial assets at FVOCI				
Unquoted equity shares	-	-	381	381
Company				
Financial assets at FVOCI				
Unquoted equity shares	-	-	381	381

18. Fair value measurement (cont'd)

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

	Level 1	Level 2	Level 3	Total
	S\$'000	S\$'000	S\$'000	S\$'000
31 December 2022				
<u>Group</u>				
<u>Non-financial assets</u>				
Property, plant and equipment				
- Leasehold building	-	-	9,100	9,100
<u>Financial assets at FVOCI</u>				
Unquoted equity shares	-	-	381	381
<u>Assets classified as held for sale</u>				
Investment properties	-	20,830	-	20,830
<u>Company</u>				
<u>Financial assets at FVOCI</u>				
Unquoted equity shares	-	-	381	381

19. Categories of financial assets and financial liabilities

Set out below are the carrying amounts of the Group's and Company's financial assets and financial liabilities as at 30 June 2023 and 31 December 2022:

	Group		Company	
	30.06.2023	31.12.2022	30.06.2023	31.12.2022
	S\$'000	S\$'000	S\$'000	S\$'000
Financial assets				
At FVOCI	381	381	381	381
At amortised cost	64,498	60,031	19,218	21,203
At cost	-	-	4,455	4,412
	64,879	60,412	24,054	25,996
Financial liabilities				
At amortised cost	22,915	46,901	1,158	1,356
At cost	-	-	5,019	6,641
	22,915	46,901	6,177	7,997

20. Net asset value

	Group		Company	
	30.06.2023	31.12.2022	30.06.2023	31.12.2022
	cents	cents	cents	cents
Net asset value per ordinary share	57.49	60.01	51.02	51.12

Net asset value per share is calculated based on the number of ordinary shares on issue (excluding treasury shares) of 140,667,484 as at 30 June 2023 (31 December 2022: 140,667,484).

21. Subsequent events

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

1. Review

The condensed consolidated statement of financial position of Federal International (2000) Ltd and its subsidiaries as at 30 June 2023 and the related condensed consolidated income statement and other comprehensive income, condensed statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended and certain explanatory notes have not been audited or reviewed by the Company's auditor.

2. 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 material uncertainty relating to going concern.

None.

3. 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.**

CONSOLIDATED INCOME STATEMENT

1H2023 versus 1H2022

Revenue

Group revenue of S\$28.7 million was lower than the revenue in 1H2022 of S\$91.1 million as a result of lower sales from the Trading business in Indonesia after the completion of the project with PT Gunanusa Utama Fabricators ("PTG") in FY2022. This was partially offset by higher sales from the Trading business in Thailand.

Gross profit

Gross profit of S\$7.9 million was lower than 1H2022 of S\$11.6 million, which was in line with the lower sales recorded in 1H2023. However, gross profit margin was higher at 27.6% (1H2022: 12.7%). Lower gross profit margin in 1H2022 was mainly attributable to lower margin for the project with PTG.

Other income

Other income of S\$806,000 was higher than 1H2022 of S\$552,000 mainly due to higher foreign currency exchange gain, partially offset by lower rental income as a result of disposal of investment properties.

Selling and distribution costs

Selling and distribution costs of S\$2.5 million in 1H2023 were relatively comparable to costs of S\$2.6 million incurred in 1H2022. In 1H2022, despite significantly higher revenue contributed by the project with PTG, it did not add significantly to the selling and distribution costs.

Administrative and general costs

Administrative and general costs of S\$3.7 million (1H2022: S\$4.7 million) were lower mainly due to: -

- a) lower depreciation charges for the Group's land drilling rig, which was recognised as cost of sales during the chartering period;
- b) lower bank charges incurred for project financing; and
- c) lower professional fee relating to the recovery of impaired trade receivables in Indonesia.

CONSOLIDATED INCOME STATEMENT (cont'd)

1H2023 versus 1H2022 (cont'd)

Other operating expenses

Other operating expenses of S\$265,000 were lower than expenses of S\$1.8 million in 1H2022. This was mainly due to absence of loss on disposal of subsidiary, lower other expenses which mainly comprised of vessel related expenses and lower allowance for slow moving inventories.

Net writeback of impairment loss/(impairment loss) on financial assets

The Group recorded a net writeback of impairment loss on financial assets of S\$32,000 in 1H2023 (1H2022: net impairment loss of S\$478,000).

Finance costs

Finance costs of S\$456,000 were lower than the costs in 1H2022 of S\$672,000 as a result of lower interest expenses on term loans, bank overdraft and trust receipts.

Share of results of associates

Share of results of associates decreased by S\$517,000 mainly due to lower contribution from PT Eastern Jason.

Income tax expense

The Group recorded an income tax expense of S\$301,000 in 1H2023 (1H2022: S\$257,000) relating to current income tax provision.

Profit net of tax attributable to non-controlling interests ("NCI")

The Group waived certain long outstanding intercompany debts amounting to S\$15.9 million due from certain 65% owned subsidiaries which were not recoverable and impaired in prior years. While these waivers do not have any impact on the Group's profit net of tax, they resulted in profits for the respective subsidiaries and NCI share of gain amounting to \$5.5 million.

STATEMENT OF FINANCIAL POSITION FOR THE GROUP

Equity attributable to owners of the Company

As at 30 June 2023, equity attributable to owners of the Company amounted to S\$80.9 million, which translated to a net asset value per ordinary share of 57.49 Singapore cents.

Non-current assets

Non-current assets decreased by S\$0.6 million to S\$32.6 million (31 December 2022: S\$33.2 million) mainly due to decrease in property, plant and equipment of S\$722,000 mainly due to depreciation charges during the period. This was partially offset by increase in investment in associates of S\$139,000 as a result of share of associates' results for the period.

Current assets

Current assets decreased by S\$23.1 million to S\$61.9 million (31 December 2022: S\$85.0 million) mainly due to: -

- a) absence of assets classified as held for sale of S\$21.5 million with the completion of disposal;
- b) lower inventories of S\$6.0 million due to delivery of goods to customers and allowance for slow-moving inventories;
- c) repayment of amounts due from associates of S\$1.4 million;
- d) decrease in other receivables of S\$818,000 due to receipt of deposits held by lawyers in relation to the disposal of investment properties held for sale; and
- e) decrease in cash and bank balances of S\$604,000;

The above decrease was partially offset by: -

- f) increase in fixed and bank deposits of S\$7.0 million relating to bank deposits pledged for the Group's banking facilities; and
- g) higher trade receivables of S\$326,000.

STATEMENT OF FINANCIAL POSITION FOR THE GROUP (cont'd)

Current liabilities

Current liabilities decreased by S\$24.9 million to S\$22.4 million (31 December 2022: S\$47.3 million) mainly due to: -

- a) decrease in amounts due to banks of S\$14.7 million and term loans of S\$3.7 million as a result of net repayments of trust receipts, bank overdrafts and term loans;
- b) lower other payables of S\$3.3 million mainly due to settlement of deposits received for disposal of investment properties held of sale (of S\$1 million) and lower accruals of expenses;
- c) lower trade payables of S\$2.2 million and contract liabilities (advance consideration received from customers) of S\$890,000 with the substantial completion of on-going projects; and
- d) absence of liabilities directly associated with the assets held for sale of S\$720,000 with the completion of disposal.

The above decrease was partially offset higher amounts due to related parties of S\$671,000.

Non-current liabilities

Non-current liabilities decreased by S\$0.7 million to S\$5.0 million (31 December 2022: S\$5.7 million) mainly due to repayment of term loans.

STATEMENT OF FINANCIAL POSITION FOR THE COMPANY

Non-current assets

Non-current assets remained comparable at S\$72.1 million (31 December 2022: S\$72.0 million).

Current assets

Current assets decreased by S\$2.0 million to S\$6.2 million (31 December 2022: S\$8.2 million) mainly attributable to: -

- a) partial settlements from amounts due from subsidiaries of S\$1.2 million;
- b) lower other receivables of S\$383,000 due to repayment of loan to an investee company; and
- c) lower cash and bank balances of S\$431,000.

Current liabilities

Current liabilities decreased by S\$0.2 million to S\$1.4 million (31 December 2022: S\$1.6 million) due to lower accruals of expenses.

Non-current liabilities

Non-current liabilities decreased by S\$1.7 million to S\$5.1 million (31 December 2022: S\$6.8 million) mainly due to partial settlements of amount due to subsidiaries of S\$1.6 million.

CONSOLIDATED STATEMENT OF CASH FLOWS

As at 30 June 2023, the Group's cash and cash equivalents, excluding bank balances and deposits pledged, amounted to S\$6.8 million. Overall, the Group's cash and cash equivalents had decreased by S\$0.7 million for the six-month period ended 30 June 2023.

The net cash of S\$3.0 million generated from operating activities was mainly attributable to a positive operating cash flow of S\$3.3 million before changes in working capital, which include such as decrease in inventories, trade and other receivables, trade and other payables and contract liabilities.

The net cash of S\$22.4 million generated from investing activities mainly related to proceeds of S\$20.8 million from disposal of assets classified as held for sale and S\$1.4 million repayment of loan received from an associate.

The net cash of S\$26.1 million used in financing activities was mainly due to net repayment of trust receipts of S\$11.7 million, term loans of S\$4.3 million, bank overdrafts of S\$3.1 million and increase in pledged deposits of S\$7.1 million.

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

No forecast or prospect statement was given.

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

Oil and gas activities are expected to remain resilient despite conflicting indicators that cloud oil price outlook. Oil and gas projects in the pipeline are progressing and the Group is currently working with its strategic partners to partake.

The Group's expected 30% direct interest in PTG upon the completion of the settlement of the loan to Pak Azmil Rahman with PTG shares will drive the Group's involvement in the business of PTG. PTG is *inter alia* engaged in the business of Engineering, Procurement, Fabrication and Construction, Installation and Commissioning (EPCIC) of offshore platforms and structures in the oil and gas industry and also onshore fabrication. With the support of PT Superkrane Mitra Utama Tbk., who owns 70% equity interest in PTG, PTG's is in a improved financial position to drive its performance.

- 6. Dividend**

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

None.

(b) Corresponding Period of the Immediately Preceding Financial Year

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

None.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

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

No dividends have been declared or recommended as the Group wish to preserve cash for working capital and pursue new opportunities.

- 8. Interested Person Transactions ("IPT")**

The Company does not have a shareholders' mandate for IPTs.

The aggregate value of all IPTs during the financial period under review is less than S\$100,000.

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

The Company confirms that it has procured 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.

Confirmation by the Board

On behalf of the Board of Directors of the Company, we, the undersigned, hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the financial statements for the six-month period ended 30 June 2023 to be false or misleading in any material aspect.

On behalf of the Board of Directors

Koh Kian Kiong
Executive Chairman & CEO

Maggie Koh
Executive Director

Singapore
14 August 2023