



**Abundance International Limited**

Condensed Interim Financial statements  
for the six-month period and full year ended  
31 December 2023

*This document has been reviewed by the Company's sponsor, Stamford Corporate Services Pte. Ltd. (the "Sponsor"). It 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 document, including the correctness of any of the statements or opinions made or reports contained in this document.*

*The contact person for the Sponsor is Ng Joo Khin, Tel: 6389 3000, Email: [jookhin.ng@morganlewis.com](mailto:jookhin.ng@morganlewis.com).*

# Abundance International Limited

## Contents

	<b>Page</b>
Condensed interim consolidated statement of profit or loss and other comprehensive income	1
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 financial statements	9
Other information required by Listing Rule Appendix 7.2	25



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

	Note	2H2023 US\$'000	2H2022 US\$'000	+ / (-) %	FY2023 US\$'000	FY2022 US\$'000	+ / (-) %
Revenue	4	337,829	265,336	27.3	623,360	569,283	9.5
Other income	5	530	1,348	(60.7)	2,125	1,872	13.5
<b>Total revenue</b>		<b>338,359</b>	266,684	26.9	<b>625,485</b>	571,155	9.5
<b>Expenses</b>							
Changes in inventories and purchase of inventories		(326,507)	(255,619)	27.7	(602,170)	(542,997)	10.9
Amortisation of right-of-use assets		(75)	(87)	(13.8)	(163)	(168)	(3.0)
Depreciation of property, plant and equipment		(294)	(267)	10.1	(583)	(517)	12.8
Employee benefits expenses		(1,471)	(1,483)	(0.8)	(3,065)	(3,271)	(6.3)
Freight and handling charges		(7,994)	(7,287)	9.7	(13,694)	(16,962)	(19.3)
Other expenses	5	(2,514)	(1,495)	68.2	(5,717)	(5,003)	14.3
Finance costs	5	(240)	(178)	34.8	(441)	(385)	14.5
<b>(Loss)/Profit before taxation</b>	5	<b>(736)</b>	268	N.M.	<b>(348)</b>	1,852	N.M.
Tax (expense)/credit	6	75	169	(55.6)	(19)	(435)	(95.6)
<b>(Loss)/Profit for the period</b>		<b>(661)</b>	437	N.M.	<b>(367)</b>	1,417	N.M.
<b>Other comprehensive income/ (loss) after tax</b>							
<b>Items that will not be subsequently reclassified to profit or loss</b>							
- Surplus on revaluation of buildings on leasehold land		524	1,286	(59.3)	524	1,286	(59.3)
- Fair value gain on financial asset at FVTOCI (equity investment)		(1,023)	(224)	N.M.	(1,023)	(224)	N.M.
<b>Items that may be subsequently reclassified to profit or loss</b>							
- Currency translation differences arising from consolidation of foreign operation		896	518	73.0	(33)	(796)	(95.9)
- Reclassification of currency translation differences to profit or loss on deconsolidation of a subsidiary	9	-	-	N.M.	(49)	-	N.M.
Other comprehensive (loss)/ income for the period, net of tax		397	1,580	(74.9)	(581)	266	N.M.
<b>Total comprehensive (loss)/ income for the period</b>		<b>(264)</b>	2,017	N.M.	<b>(948)</b>	1,683	N.M.

The accompanying notes are an integral part of this condensed Interim financial statements.

## Condensed interim consolidated statement of profit or loss and other comprehensive income (Cont'd)

	Note	2H2023 US\$'000	2H2022 US\$'000	+ / (-) %	FY2023 US\$'000	FY2022 US\$'000	+ / (-) %
<b>(Loss)/Profit for the period attributable to:</b>							
- Owners of the Company		(660)	445	N.M.	(368)	1,425	N.M.
- Non-controlling interests		(1)	(8)	(87.5)	1	(8)	N.M.
<b>Total (loss)/profit for the period</b>		<b>(661)</b>	<b>437</b>	<b>N.M.</b>	<b>(367)</b>	<b>1,417</b>	<b>N.M.</b>
<b>Total comprehensive (loss)/income attributable to:</b>							
- Owners of the Company		(263)	2,024	N.M.	(950)	1,687	N.M.
- Non-controlling interests		(1)	(7)	(71.4)	2	(4)	N.M.
<b>Total comprehensive (loss)/income for the period</b>		<b>(264)</b>	<b>2,017</b>	<b>N.M.</b>	<b>(948)</b>	<b>1,683</b>	<b>N.M.</b>
<b>(Loss)/Earning per share attributable to owners of the Company</b>							
Basic and diluted (cents)	7	(0.05)	0.03	N.M.	(0.03)	0.11	N.M.

### Notes:

2H denotes 6 months ended 31 December  
 FY denotes 12 months ended 31 December  
 N.M. denotes "Not Meaningful"  
 + denotes "Increase"  
 - denotes "Decrease"

The accompanying notes are an integral part of this condensed Interim financial statements.



## Condensed interim statements of financial position

	Note	The Group		The Company	
		31 December 2023 US\$'000	31 December 2022 US\$'000	31 December 2023 US\$'000	31 December 2022 US\$'000
<b>ASSETS</b>					
<b>Non-Current Assets</b>					
Subsidiaries	9	-	-	7,243	7,243
Associate		-#	-	-#	-
Financial asset at fair value through other comprehensive income ("FVTOCI")	10	8,790	9,784	-	-
Investment in insurance contract	11	1,229	-	-	-
Property, plant and equipment	12	14,114	14,049	14,080	13,965
Right-of-use assets		1,956	1,963	1,726	1,776
Deferred tax assets		312	21	-	-
		<b>26,401</b>	<b>25,817</b>	<b>23,049</b>	<b>22,984</b>
<b>Current Assets</b>					
Inventories		13,273	10,253	-	-
Trade receivables		7,909	9,172	-	-
Other receivables and deposits		787	1,623	29	57
Advances and prepayments		14,941	15,956	26	16
Amounts due from subsidiaries		-	-	3,375	5,535
Financial assets at amortised cost		-	1,000	-	-
Financial assets at fair value through profit or loss ("FVTPL")		96	104	-	-
Derivative asset	13	-	348	-	348
Cash and bank balances		6,661	8,627	130	230
		<b>43,667</b>	<b>47,083</b>	<b>3,560</b>	<b>6,186</b>
<b>Total assets</b>		<b>70,068</b>	<b>72,900</b>	<b>26,609</b>	<b>29,170</b>
<b>EQUITY</b>					
Share capital	14	44,868	44,868	44,868	44,868
Reserves		(8,227)	(6,631)	(21,592)	(20,500)
Equity attributable to owners of the Company		36,641	38,237	23,276	24,368
Non-controlling interests		7	(42)	-	-
<b>Total equity</b>		<b>36,648</b>	<b>38,195</b>	<b>23,276</b>	<b>24,368</b>

# Amount less than US\$1,000

The accompanying notes are an integral part of this condensed Interim financial statements.



## Condensed interim statements of financial position (Cont'd)

		The Group		The Company	
		31	31	31	31
		December	December	December	December
		2023	2022	2023	2022
Note		US\$'000	US\$'000	US\$'000	US\$'000
<b>LIABILITIES</b>					
<b>Non-Current Liabilities</b>					
Borrowings	16	405	1,180	-	-
Lease liabilities		2,052	2,021	1,912	1,918
Deferred tax liabilities		2,262	2,352	1,137	1,119
		<b>4,719</b>	<b>5,553</b>	<b>3,049</b>	<b>3,037</b>
<b>Current Liabilities</b>					
Trade payables		18,594	18,337	2	2
Other payables and accruals		2,296	1,462	245	374
Advances from customers		6,318	7,122	-	-
Borrowings	16	1,217	1,045	-	-
Interest-free loan from a director	17	-	348	-	348
Loans from directors	18	-	474	-	-
Amounts due to a subsidiary		-	-	-	993
Lease liabilities		130	134	37	48
Income tax liabilities		146	230	-	-
		<b>28,701</b>	<b>29,152</b>	<b>284</b>	<b>1,765</b>
<b>Total liabilities</b>		<b>33,420</b>	<b>34,705</b>	<b>3,333</b>	<b>4,802</b>
<b>Total equity and liabilities</b>		<b>70,068</b>	<b>72,900</b>	<b>26,609</b>	<b>29,170</b>

The accompanying notes are an integral part of this condensed interim financial statements.



Condensed interim consolidated statement of changes in equity

The Group	← Attributable to owners of the Company →						Discount paid on acquisition of non-controlling interests US\$'000	Equity attributable to owners US\$'000	Non-controlling interests US\$'000	Total equity US\$'000
	Share capital US\$'000	Translation reserve US\$'000	Asset revaluation reserve US\$'000	Fair value reserve US\$'000	Statutory reserve US\$'000	Accumulated losses US\$'000				
At 1 January 2022	44,868	(809)	11,199	5,742	460	(25,834)	1,386	37,012	(38)	36,974
Total comprehensive income/(loss) for the period	-	(796)	1,286	(224)	-	1,421	-	1,687	(4)	1,683
Transfer to statutory reserve	-	-	-	-	112	(112)	-	-	-	-
Final dividend paid (Note 15)	-	-	-	-	-	(462)	-	(462)	-	(462)
<b>At 31 December 2022</b>	<b>44,868</b>	<b>(1,605)</b>	<b>12,485</b>	<b>5,518</b>	<b>572</b>	<b>(24,987)</b>	<b>1,386</b>	<b>38,237</b>	<b>(42)</b>	<b>38,195</b>
Total comprehensive income/(loss) for the period	-	(83)	524	(1,023)	-	(368)	-	(950)	2	(948)
Deconsolidation of a subsidiary	-	-	-	-	-	-	-	-	47	47
Final dividend paid (Note 15)	-	-	-	-	-	(646)	-	(646)	-	(646)
<b>At 31 December 2023</b>	<b>44,868</b>	<b>(1,688)</b>	<b>13,009</b>	<b>4,495</b>	<b>572</b>	<b>(26,001)</b>	<b>1,386</b>	<b>36,641</b>	<b>7</b>	<b>36,648</b>

The accompanying notes are an integral part of this condensed interim financial statements.



## Condensed interim consolidated statement of changes in equity (Cont'd)

The Company	Share capital US\$'000	Translation reserve US\$'000	Asset revaluation reserve US\$'000	Accumulated losses US\$'000	Total US\$'000
At 1 January 2022	44,868	(1,412)	11,199	(32,160)	22,495
Total comprehensive loss for the period	-	112	1,286	937	2,335
Final dividend paid (Note 15)	-	-	-	(462)	(462)
<b>At 31 December 2022</b>	<b>44,868</b>	<b>(1,300)</b>	<b>12,485</b>	<b>(31,685)</b>	<b>24,368</b>
Total comprehensive loss for the period	-	219	524	(1,189)	(446)
Final dividend paid (Note 15)	-	-	-	(646)	(646)
<b>At 31 December 2023</b>	<b>44,868</b>	<b>(1,081)</b>	<b>13,009</b>	<b>(33,520)</b>	<b>23,276</b>

The accompanying notes are an integral part of this condensed interim financial statements.



**Condensed interim consolidated statement of cash flows**

	Note	FY2023 US\$'000	FY2022 US\$'000
<b>Cash Flows from Operating Activities</b>			
(Loss)/Profit before taxation		(348)	1,852
Adjustments for:			
Amortisation and depreciation		746	685
Bad debt written off		-	-
Dividend income from financial assets at FVTPL	5	(3)	(12)
Fair value losses from financial assets at FVTPL	5	16	122
Gains on disposal of financial assets at FVTPL	5	(1)	(81)
Gain on deconsolidation of a subsidiary	5, 9	(1,249)	-
Impairment loss on plant and machinery	5	73	-
Impairment loss on trade and other receivables, net	5	567	250
Interest income	5	(85)	(24)
Interest expense	5	441	385
Inventories written down/(back), net	5	45	(62)
Inventories written off	5	464	-
Remeasurement of investment in insurance contract to surrender value	5	271	-
Unrealised loss from futures contract		1	-
<b>Operating cashflow before working capital changes</b>		<b>938</b>	<b>3,115</b>
Change in inventories		(3,781)	2,292
Change in trade and other receivables and deposits		1,473	5,143
Change in advances and prepayments		688	(980)
Change in trade and other payables and accruals		2,111	(2,819)
Change in advances from customers		(630)	179
<b>Cash generated from operations</b>		<b>799</b>	<b>6,930</b>
Interest income received		43	9
Interest paid		(142)	(41)
Income tax paid		(380)	(1,899)
<b>Net cash generated from operating activities</b>		<b>320</b>	<b>4,999</b>
<b>Cash Flows from Investing Activities</b>			
Purchase of property, plant and equipment	12	(26)	(550)
Investment in insurance contract		(1,500)	-
Purchase of financial assets at amortised cost		(4,700)	(1,000)
Redemption of financial assets at amortised cost		5,700	-
Purchase of financial assets at FVTPL	A	(134)	(970)
Proceeds from disposal of financial assets at FVTPL		127	1,039
Dividend received from financial assets at FVTPL	A	2	11
Interest income received from financial assets at FVTPL		42	-
Advances to associate		(35)	-
Deconsolidation of a subsidiary	9	(27)	-
<b>Net cash used in investing activities</b>		<b>(551)</b>	<b>(1,470)</b>

The accompanying notes are an integral part of this condensed interim financial statements.



## Condensed interim consolidated statement of cash flows (Cont'd)

	Note	FY2023 US\$'000	FY2022 US\$'000
<b>Cash Flows from Financing Activities</b>			
Loans from directors		-	435
Repayment of loan to directors		-	(697)
Proceeds from bank borrowings		424	-
Repayment of bank borrowings		(1,038)	(2,117)
Repayment of principal portion of lease liabilities		(237)	(241)
Final dividend paid to owners of the Company	15	(646)	(462)
Interest paid		(183)	(202)
Fixed deposits pledged		-	(500)
<b>Net cash used in financing activities</b>		<b>(1,680)</b>	<b>(3,784)</b>
Net change in cash and cash equivalents		(1,911)	(255)
Effect of changes in currency translation		(55)	(90)
Cash and cash equivalents at beginning of year		8,127	8,472
<b>Cash and cash equivalents at end of year</b>	B	<b>6,161</b>	<b>8,127</b>

### Note A

Additions of US\$1,000 (FY2022: US\$1,000) was in the form of scrip dividend. Net cash purchase of financial asset at fair value through profit or loss was US\$134,000 (FY2022: US\$970,000). Net dividend received in cash was US\$2,000 (FY2022: US\$11,000).

### Note B

The Group	FY2023 US\$'000	FY2022 US\$'000
Cash and cash equivalents, as above	6,161	8,127
Add: Fixed deposits pledged	500	500
Cash and bank balances per condensed statements of financial position	<b>6,661</b>	<b>8,627</b>



## Notes to the condensed interim financial statements

### 1 Corporate information

Abundance International Limited (the “**Company**”) is incorporated and domiciled in Singapore and whose shares are publicly traded on the Catalist of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”).

The principal activities of the Company are those of print and paper management related activities and investment holding. The principal activities of the subsidiaries are those of trading of commodity chemical products, provision of water treatment solutions using microbial and/or chemicals in the People’s Republic of China (“**PRC**”), print and paper management related activities and in investment and trading of securities.

These condensed interim financial statements as at and for the six months and full year ended 31 December 2023 comprise the Company and its subsidiaries (collectively, the “**Group**”) were authorised for issue by the Board of Directors on 26 February 2024.

### 2 Basis of preparation

The condensed interim financial statements for the six months and full year ended 31 December 2023 have been prepared in accordance with 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 since the last interim financial statements for the six-month period ended 30 June 2023. Accordingly, this condensed interim financial statements should be read together with Company’s condensed interim financial statements for the six-month period ended 30 June 2023.

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

The condensed interim financial statements have been presented in United States dollar (“**USD**” or “**US\$**”) while the Company’s functional currency remain in Singapore dollar (“**SGD**” or “**S\$**”). As the Group’s chemical businesses are traded mainly in USD, the directors are of the view that a USD financial reporting provides more relevant presentation of the Group’s financial performance and cashflows. All financial information presented in USD have been rounded to the nearest thousand, unless otherwise stated.

#### 2.1 Adoption of new and revised SFRS(I) effective in 2023

The Group and the Company have adopted all the new and revised SFRS(I), SFRS(I) interpretations (“SFRS(I) INT”) and amendments to SFRS(I), effective for the current financial year that are relevant to them.

Reference	Description
SFRS(I) 17	<i>Insurance Contracts</i>
Amendments to SFRS(I) 1-1 and SFRS(I) Practice Statement 2	<i>Disclosure of Accounting Policies</i>
Amendments to SFRS(I) 1-8	<i>Definition of Accounting Estimates</i>
Amendments to SFRS(I) 1-12, SFRS(I) 1	<i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>
Amendments to SFRS(I) 1-1	<i>Classification of Liabilities as Current or Non-current</i>
Amendments to SFRS(I) 1-1	<i>Non-current Liabilities with Covenants</i>
Amendments to SFRS(I) 1-12	<i>International Tax Reform - Pillar Two Model Rules</i>

The adoption of the new and revised SFRS(I) has no material impact on the Group and the Company’s financial statements or the Group’s accounting policies.



## Notes to the condensed interim financial statements (Cont'd)

### 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 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 2023.

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 Segments and revenue information

#### Business segments

For management reporting purposes, the Group is organised into the following reportable operating segments which are the Group's strategic business units as follows:

- (i) Chemicals - covers the chemical trading business and provision of water treatment solutions using microbial and/or chemicals.
- (ii) Printing related - covers the paper management related activities
- (iii) Investment - covers the investment business.

The Managing Director monitors the operating results of its operating segments for the purpose of making decisions on resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss.

Group financing and income taxes are managed on a group basis and are not allocated to operating segments. Sales between operating segments are carried out at arm's length.



Notes to the condensed interim financial statements (Cont'd)

4.1 Reportable segments

	Chemicals		Printing related		Investment		Unallocated		Consolidated	
	2H2023 US\$'000	2H2022 US\$'000	2H2023 US\$'000	2H2022 US\$'000	2H2023 US\$'000	2H2022 US\$'000	2H2023 US\$'000	2H2022 US\$'000	2H2023 US\$'000	2H2022 US\$'000
Sales to external customers	337,641	265,042	188	294	-	-	-	-	337,829	265,336
<b>Segment revenue</b>	<b>337,641</b>	<b>265,042</b>	<b>188</b>	<b>294</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>337,829</b>	<b>265,336</b>
<b>Segment results</b>										
EBITDA/(LBITDA)*	321	871	(261)	203	(6)	59	(220)	(345)	(166)	788
Depreciation and amortisation	(52)	(56)	(317)	(298)	-	-	-	-	(369)	(354)
Interest income	16	(5)	-	-	23	17	-	-	39	12
Interest expenses	(190)	(127)	(49)	(48)	-	-	(1)	(3)	(240)	(178)
(Loss)/Profit before income tax	95	683	(627)	(143)	17	76	(221)	(348)	(736)	268
Tax (expense)/credit	77	116	-	-	-	-	-	53	77	169
<b>(Loss)/Profit for the period</b>	<b>172</b>	<b>799</b>	<b>(627)</b>	<b>(143)</b>	<b>17</b>	<b>76</b>	<b>(221)</b>	<b>(295)</b>	<b>(659)</b>	<b>437</b>
<b>Other material items:</b>										
Commission expenses	(186)	(389)	-	-	-	-	-	-	(186)	(389)
Demurrage	(8)	324	-	-	-	-	-	-	(8)	324
Impairment loss on trade and other receivables, net	54	(58)	-	(7)	-	-	-	-	54	(65)
Inventories written off	(464)	-	-	-	-	-	-	-	(464)	-
Remeasurement of investment in insurance contract to surrender value	(271)	-	-	-	-	-	-	-	(271)	-
Short-term leases	(579)	(865)	(6)	(5)	-	-	-	-	(585)	(870)

Notes:

\* EBITDA – Earnings Before Interest, Taxation, Depreciation and Amortisation.

\* LBITDA – Losses Before Interest, Taxation, Depreciation and Amortisation.



Notes to the condensed interim financial statements (Cont'd)

4.1 Reportable segments

	Chemicals		Printing related		Investment		Unallocated		Consolidated	
	FY2023 US\$'000	FY2022 US\$'000	FY2023 US\$'000	FY2022 US\$'000	FY2023 US\$'000	FY2022 US\$'000	FY2023 US\$'000	FY2022 US\$'000	FY2023 US\$'000	FY2022 US\$'000
Sales to external customers	622,913	568,650	447	633	-	-	-	-	623,360	569,283
<b>Segment revenue</b>	<b>622,913</b>	<b>568,650</b>	<b>447</b>	<b>633</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>623,360</b>	<b>569,283</b>
<b>Segment results</b>										
EBITDA/(LBITDA)*	462	3,345	70	248	(5)	36	227	(731)	754	2,898
Depreciation and amortisation	(97)	(92)	(649)	(593)	-	-	-	-	(746)	(685)
Interest income	24	7	-	-	61	17	-	-	85	24
Interest expenses	(340)	(273)	(100)	(98)	-	-	(1)	(14)	(441)	(385)
(Loss)/Profit before income tax	49	2,987	(679)	(443)	56	53	226	(745)	(348)	1,852
Tax (expense)/credit	(17)	(488)	-	-	(2)	-	-	53	(19)	(435)
<b>(Loss)/Profit for the year</b>	<b>32</b>	<b>2,499</b>	<b>(679)</b>	<b>(443)</b>	<b>54</b>	<b>53</b>	<b>226</b>	<b>(692)</b>	<b>(367)</b>	<b>1,417</b>
<b>Other material items:</b>										
Commission expenses	(320)	(518)	-	-	-	-	-	-	(320)	(518)
Demurrage	(27)	(195)	-	-	-	-	-	-	(27)	(195)
Gain on deconsolidation of a subsidiary	-	-	-	-	-	-	1,249	-	1,249	-
Impairment loss on trade and other receivables, net	(574)	(243)	7	(7)	-	-	-	-	(567)	(250)
Inventories written off	(464)	-	-	-	-	-	-	-	(464)	-
Remeasurement of investment in insurance contract to surrender value	(271)	-	-	-	-	-	-	-	(271)	-
Short-term leases	(1,403)	(1,939)	(11)	(10)	-	-	-	-	(1,414)	(1,949)



## Notes to the condensed interim financial statements (Cont'd)

### 4.1 Reportable segments (Cont'd)

In addition, segment assets and liabilities reconciled with the consolidated balances as at 31 December 2023 and 31 December 2022 are as follows:

	Chemicals		Printing related		Investment		Elimination		Consolidated	
	31	31	31	31	31	31	31	31	31	31
	December	December	December	December	December	December	December	December	December	December
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Segment assets	<b>44,592</b>	45,597	<b>26,693</b>	29,308	<b>9,091</b>	12,231	<b>(10,620)</b>	(14,257)	<b>69,756</b>	72,879
Deferred tax assets	<b>312</b>	21	-	-	-	-	-	-	<b>312</b>	21
<b>Consolidated total assets</b>	<b>44,904</b>	45,618	<b>26,693</b>	29,308	<b>9,091</b>	12,231	<b>(10,620)</b>	(14,257)	<b>70,068</b>	72,900
Segment liabilities	<b>27,236</b>	27,345	<b>2,976</b>	4,178	<b>3,301</b>	5,459	<b>(4,123)</b>	(7,906)	<b>29,390</b>	29,076
Interest free loan from a director	-	-	-	348	-	-	-	-	-	348
Loans from directors	-	474	-	-	-	-	-	-	-	474
Borrowings	<b>1,622</b>	2,225	-	-	-	-	-	-	<b>1,622</b>	2,225
Income tax liabilities	<b>144</b>	230	-	-	<b>2</b>	-	-	-	<b>146</b>	230
Deferred tax liabilities	-	-	<b>1,137</b>	1,119	<b>1,125</b>	1,233	-	-	<b>2,262</b>	2,352
<b>Consolidated total liabilities</b>	<b>29,002</b>	30,274	<b>4,113</b>	5,645	<b>4,428</b>	6,692	<b>(4,123)</b>	(7,906)	<b>33,420</b>	34,705
Capital expenditure	<b>3</b>	39	<b>23</b>	511	-	-	-	-	<b>26</b>	550
Investment in insurance contract	<b>1,500</b>	-	-	-	-	-	-	-	<b>1,500</b>	-
Investment in financial asset at amortised cost	-	-	-	-	<b>4,700</b>	1,000	-	-	<b>4,700</b>	1,000
Investment in financial asset at FVTPL	-	-	-	-	<b>135</b>	971	-	-	<b>135</b>	971



## Notes to the condensed interim financial statements (Cont'd)

### 4.2 Disaggregation of revenue

	<b>2H2023</b>	2H2022	<b>FY2023</b>	FY2022
	<b>US\$'000</b>	US\$'000	<b>US\$'000</b>	US\$'000
The Group				
Chemicals	<b>337,641</b>	265,042	<b>622,913</b>	568,650
Printing related management services	<b>188</b>	294	<b>447</b>	633
	<b>337,829</b>	265,336	<b>623,360</b>	569,283

A breakdown of sales:

	<b>FY2023</b>	FY2022	+ / (-)
	<b>US\$'000</b>	US\$'000	%
The Group			
Sales reported for the first half year	<b>285,531</b>	303,947	(6.1)
Profit after tax before deducting non-controlling interests reported for the first half year	<b>294</b>	980	(70.0)
Sales reported for the second half year	<b>337,829</b>	265,336	27.3
(Loss)/Profit after tax before deducting non-controlling interests reported for the second half year	<b>(661)</b>	437	N.M.

The Group derives revenue from the transfer of goods and services over time and at a point in time in the following major product lines and geographical regions. Revenue is attributed to countries by location of customers.

	<u>Chemicals</u>	<u>Printing related</u>		<u>Total</u>
	<u>At point in time</u>	<u>At point in time</u>	<u>Over time</u>	
	<u>US\$'000</u>	<u>US\$'000</u>	<u>US\$'000</u>	<u>US\$'000</u>
<b>2H2023</b>				
- PRC	<b>235,250</b>	-	-	<b>235,250</b>
- Indonesia	<b>22,515</b>	-	-	<b>22,515</b>
- Japan	<b>12,634</b>	-	-	<b>12,634</b>
- Thailand	<b>11,389</b>	-	-	<b>11,389</b>
- Singapore	<b>17,025</b>	<b>109</b>	<b>79</b>	<b>17,213</b>
- Vietnam	<b>17,004</b>	-	-	<b>17,004</b>
- Taiwan	<b>9,029</b>	-	-	<b>9,029</b>
- Other countries in Asia	<b>8,099</b>	-	-	<b>8,099</b>
- Others	<b>4,696</b>	-	-	<b>4,696</b>
	<b>337,641</b>	<b>109</b>	<b>79</b>	<b>337,829</b>
<b>2H2022</b>				
- PRC	190,391	-	-	190,391
- Indonesia	10,023	-	-	10,023
- Japan	11,339	-	-	11,339
- Thailand	7,883	-	-	7,883
- Singapore	16,409	137	157	16,703
- Vietnam	3,222	-	-	3,222
- Taiwan	6,873	-	-	6,873
- Other countries in Asia*	6,871	-	-	6,871
- Others	12,031	-	-	12,031
	265,042	137	157	265,336

\* Chemical revenue from "India" was represented under "Other countries in Asia".





## Notes to the condensed interim financial statements (Cont'd)

## 4.2 Disaggregation of revenue (Cont'd)

	Chemicals	Printing related		Total
	At point in time US\$'000	At point in time US\$'000	Over time US\$'000	
<b>FY2023</b>				
- PRC	455,435	-	-	455,435
- Indonesia	36,602	-	-	36,602
- Japan	26,824	-	-	26,824
- Thailand	23,420	-	-	23,420
- Singapore	22,880	246	201	23,327
- Vietnam	22,234	-	-	22,234
- Taiwan	17,732	-	-	17,732
- Other countries in Asia	10,742	-	-	10,742
- Others	7,044	-	-	7,044
	<b>622,913</b>	<b>246</b>	<b>201</b>	<b>623,360</b>
<b>FY2022</b>				
- PRC	374,971	-	-	374,971
- Indonesia	27,271	-	-	27,271
- Japan	33,059	-	-	33,059
- Thailand	26,211	-	-	26,211
- Singapore	27,216	313	320	27,849
- Vietnam	26,539	-	-	26,539
- Taiwan	19,138	-	-	19,138
- Other countries in Asia *	14,484	-	-	14,484
- Others	19,761	-	-	19,761
	<b>568,650</b>	<b>313</b>	<b>320</b>	<b>569,283</b>

\* Chemical revenue from "India" was represented under "Other countries in Asia".



## Notes to the condensed interim financial statements (Cont'd)

### 5 (Loss)/Profit before taxation

(Loss)/Profit for the period is arrived at after crediting/(charging) the following:

The Group	2H2023 US\$'000	2H2022 US\$'000	FY2023 US\$'000	FY2022 US\$'000
<b>Other income</b>				
Bad debt recovered	-	(2)	-	67
Commission income	-	472	-	472
Compensation for contract cancellation	181	-	181	-
Dividend income from financial assets at FVTPL	-	1	3	12
Exchange gain, net	-	531	-	947
Fair value (losses)/gains from financial assets at FVTPL	(11)	(71)	(16)	(122)
Gains/(Losses) on disposal of financial assets at FVTPL	(1)	72	(1)	81
Gain on deconsolidation of a subsidiary	-	-	1,249	-
Government grants	243	3	345	16
Interest income	39	12	85	24
Income from subleasing	24	22	50	43
Realised gain from futures contract	-	82	-	82
Inventories written back, net	-	62	-	62
Solar income	53	-	146	-
Others	2	164	83	188
<b>Sub-total</b>	<b>530</b>	<b>1,348</b>	<b>2,125</b>	<b>1,872</b>
<b>Other expenses</b>				
Audit, legal and professional fee	(213)	(174)	(383)	(335)
Bank charges	(315)	(114)	(478)	(299)
Commission expense	(186)	(389)	(320)	(518)
Custom duties and taxes	(33)	(130)	(70)	(181)
Demurrage	(8)	324	(27)	(195)
Directors' fee	(74)	(36)	(74)	(72)
Entertainment expense	(178)	(219)	(345)	(348)
Exchange loss, net	(7)	-	(241)	-
Impairment loss on plant and machinery	(73)	-	(73)	-
Impairment loss on trade and other receivables, net	54	(65)	(567)	(250)
Insurance expenses	(33)	(21)	(60)	(44)
Inventories written down	336	615	(45)	-
Inventory written off	(464)	-	(464)	-
Property tax	(47)	(43)	(91)	(87)
Realised and unrealised loss from futures contract	(14)	(1)	(62)	-
Remeasurement of investment in insurance contract to surrender value	(271)	-	(271)	-
Short-term leases	(585)	(859)	(1,414)	(1,949)
Surveyor fees	(96)	(121)	(134)	(157)
Travel expenses	(74)	(63)	(139)	(92)
Others	(233)	(163)	(459)	(476)
<b>Sub-total</b>	<b>(2,514)</b>	<b>(1,495)</b>	<b>(5,717)</b>	<b>(5,003)</b>

**Notes to the condensed interim financial statements (Cont'd)****5 (Loss)/Profit before taxation (Cont'd)**

(Loss)/Profit for the period is arrived at after crediting/(charging) the following: (Cont'd)

The Group	2H2023 US\$'000	2H2022 US\$'000	FY2023 US\$'000	FY2022 US\$'000
<b>Finance costs</b>				
Non-cash interest expenses on lease liabilities	(52)	(52)	(105)	(103)
Non-cash interest expenses on an interest-free loan from a director	-	-	-	(9)
Interest expenses on loan from directors	-	(14)	(11)	(30)
Interest expenses on bank borrowings	(21)	(43)	(53)	(115)
Others	(167)	(69)	(272)	(128)
<b>Sub-total</b>	<b>(240)</b>	<b>(178)</b>	<b>(441)</b>	<b>(385)</b>

**6 Tax expense recognised in profit or loss**

The Group	2H2023 US\$'000	2H2022 US\$'000	FY2023 US\$'000	FY2022 US\$'000
<b>Current tax expense</b>				
- Current year	215	40	332	568
- Adjustment for prior year	1	(179)	(22)	(156)
- Tax refund under Loss Carry-Back Relief Scheme	-	(53)	-	-
	<b>216</b>	<b>(192)</b>	<b>310</b>	<b>412</b>
<b>Deferred taxation</b>				
- Current year	(291)	23	(291)	390
- Adjustment for prior year	-	-	-	(367)
	<b>(291)</b>	<b>23</b>	<b>(291)</b>	<b>23</b>
<b>Tax expense/(credit)</b>	<b>(75)</b>	<b>(169)</b>	<b>19</b>	<b>435</b>

**7 (Loss)/Earning per share ("LPS/EPS")**

Basic and diluted LPS/EPS are calculated by dividing the net (loss)/ profit for the year attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial period.

The Group	2H2023 US\$'000	2H2022 US\$'000	FY2023 US\$'000	FY2022 US\$'000
Net (loss)/profit attributable to owners of the Company (US\$'000)	(661)	445	(367)	1,425
Weighted average number of ordinary shares ('000)	1,281,689	1,281,689	1,281,689	1,281,689
Basic/Diluted (loss)/earning per ordinary share (cents)	(0.05) <sup>(a)</sup>	0.03 <sup>(a)</sup>	(0.03) <sup>(a)</sup>	0.11 <sup>(a)</sup>

**Notes to the condensed interim financial statements (Cont'd)****7 (Loss)/ Earning per share (“LPS/ EPS”) (Cont'd)**

- (a) The effect of the put option in Zhangjiagang Orient-hill Microorganisms Technology Co., Ltd (“**Zhangjiagang Orient-hill**”), a subsidiary, was anti-dilutive. Hence, it was disregarded in the calculation of dilutive LPS/ EPS calculation at Group.

**8 Net asset value per ordinary share**

	The Group		The Company	
	31	31	31	31
	December	December	December	December
	2023	2022	2023	2022
Net asset value per ordinary share (US Cents)	2.86	2.98	1.82	1.90
Based on number of issued shares of the Company ('000)	1,281,689	1,281,689	1,281,689	1,281,689

**9 Subsidiaries**

	31 December	31 December
	2023	2022
	US\$'000	US\$'000
The Company		
<b>Cost of investments</b>		
Unquoted equity shares, at cost		
At beginning of year	7,893	7,893
Deconsolidation	(625)	-
At end of year	7,268	7,893
<u>Less: Impairment losses</u>		
At beginning of year	650	378
Charged to profit or loss	-	274
Deconsolidation	(625)	-
Currency translation differences	-	(2)
At end of year	25	650
Net investment in subsidiaries	7,243	7,243

De-recognition of a subsidiary upon loss of control

Pursuant to the put and call option agreement (“**PCOA**”) entered into on 14 March 2018, Mr. Shi Jiangang, the Executive Chairman and Executive Director of the Company (“**SJG**”), had granted the Company an interest-free loan that was repayable on 13 March 2022 (refer Note 17) and the Company had provided SJG with a call option to convert the interest-free loan into 40% equity interest in the shares (the “**Subsidiary Shares**”) of Zhangjiagang Orient-hill held by the Company at any time between 13 March 2019 to 13 March 2022 (the “**Option Period**”). In addition, under the PCOA, SJG had also granted a put option to the Company which provided the Company with the right to put the Subsidiary Shares to SJG over the Option Period subject to the terms and conditions of the PCOA (refer Note 13).

**Selected notes to the condensed interim financial statements (Cont'd)****9 Subsidiaries (Cont'd)**De-recognition of a subsidiary upon loss of control (Cont'd)

As provided in the PCOA, the put option may be exercised at an option price equivalent to a sum of RMB2.4 million less any profits distribution in respect of the Subsidiary Shares received by the Company up to the date of completion of the PCOA (or such other amount as may be agreed in writing) (the “**Option Price**”). The Option Price payable by SJG (or such party as he may nominate) shall be settled by the extinguishing of the interest free loan granted to the Company. Any amount that remains outstanding thereafter shall be payable by the Company, in cash to SJG, on or before completion of the share transfer.

On 11 March 2022, the Company exercised the put option under the PCOA in respect of the Subsidiary Shares. Following the exercise of the put option by the Company, SJG (or such party as he may nominate) was bound under the PCOA to complete the purchase of the Subsidiary Shares. The transfer of the Subsidiary Shares was completed during FY2023, and the Company’s shareholding interest in Zhangjiagang Orient-hill has decreased from 70% to 30%. Accordingly, Zhangjiagang Orient-hill ceased to be a subsidiary over which the Company has control, and became an associated company of the Group effective 29 May 2023.

The fair value of identifiable assets and liabilities were as follows:

	<u>As at 29 May 2023</u>
	US\$'000
<u>Effects on de-recognition</u>	
Plant and equipment	32
Inventories	14
Other receivables	6
Advances and prepayments	6
Cash and bank equivalents	27
Trade payables	(41)
Other payables and accruals	(148)
Amount due to a director	(473)
Amount due a related company	(670)
Net identifiable liabilities de-recognised	(1,247)
Negative non-controlling interest	47
Fair value of retained equity interest	-#
Foreign currency translation	(49)
Net	(1,249)
Gain on deconsolidation	1,249
	-
Cash and cash equivalents disposed of	(27)
Net cash outflow from the de-recognition upon loss of control	(27)

The US\$1,249,000 gain on interest sold and retained non-controlling investment was recognised in the “Other Income” as disclosed in Note 5. The gain has included the remeasurement loss of the retained non-controlling investment to its fair value of US\$374,000.

	US\$'000
Fair value of retained equity interest	-#
Less: Percentage retained of carrying value of the subsidiary	(374)
Loss on retained non-controlling investment	(374)

# Amount less than US\$1,000



## Selected notes to the condensed interim financial statements (Cont'd)

### 10 Financial asset at fair value through other comprehensive income (“FVTOCI”)

Financial assets at FVTOCI represents 12.74% (31 December 2022: 12.74%) of the enlarged share capital of Shanghai Sunrise Polymer Material Co., Ltd (“**Sunrise**”).

The fair value of the financial asset at FVTOCI has been determined by an independent professional valuer as at reporting year end date. The changes in its fair value loss (net of tax) of US\$1.023 million (31 December 2022: fair value gain (net of tax) US\$224,000) have been recognised in other comprehensive income for the year ended 31 December 2023.

The fair value is determined based on the Guideline Publicly-traded Comparable Method under the market approach.

### 11 Investment in insurance contract

Investment in insurance contract represents a key management life insurance policy (the “**Insurance Policy**”). The Group is the beneficiary and policy holder of the Insurance Policy.

The fair value of the Insurance Policy is determined based on the net surrender value stated on the latest quarterly policy statement provided by the insurer.

### 12 Property, plant and equipment

During the year ended 31 December 2023, the Group acquired property, plant and equipment with an aggregate cost of US\$26,000 (31 December 2022: US\$550,000).

#### Valuation

The Group’s and the Company’s property, plant and equipment as at 31 December 2023 consists mainly of buildings on leasehold land of US\$13,493,000 (31 December 2022: US\$13,281,000), stated at fair value, determined based on the properties’ highest and best use as at year end. The fair value of buildings on leasehold land is determined by an independent professional valuer who have the appropriate recognised professional qualification and recent experience in the location and category of the building being valued.

#### Impairment

The Group performs its plant and equipment impairment test annually or when the circumstances indicate that the carrying amount may be impaired.

The impairment test was performed based on the respective cash generating units (“**CGU**”) of the Group, and management has determined the recoverable amount of the CGU based on value in use (“**VIU**”) calculation. To estimate the VIU, the estimated future cash flows are discounted using a discount rate that reflects market appreciations at the end of the periods regarding the time value of money considering the risks specific to the assets involved. The Group has considered various factors when reviewing the impairment indicators, such as future profitability of the CGUs, trends in industry, among other factors.

As of 31 December 2023, there were no internal or external evidence that plant and equipment could be impaired except for certain plant and machinery from Printing Related segment where impairment of US\$73,000 was provided for in the profit or loss.

**Notes to the condensed interim financial statements (Cont'd)****13 Derivative asset**

	<b>31 December 2023 US\$'000</b>	31 December 2022 US\$'000
The Group and The Company		
At beginning of year	<b>348</b>	368
Derecognition upon deconsolidation of a subsidiary	<b>(345)</b>	-
Currency translation difference	<b>(3)</b>	(20)
At end of year	<b>-</b>	348

Following the completion of transfer of the Subsidiary Shares during FY2023, the derivative asset was derecognised accordingly. Refer Notes 9 and 17 for more details.

**14 Share capital**

	<b>No. of shares</b>		<b>Amount</b>	
	<b>31 December 2023 '000</b>	31 December 2022 '000	<b>31 December 2023 US\$'000</b>	31 December 2022 US\$'000
The Group and The Company				
<b>Issued and fully paid ordinary shares with no par value:</b>				
At beginning and end of year	<b>1,281,689</b>	1,281,689	<b>44,868</b>	44,868

There have been no changes in the Company's issued share capital since the end of the previous period reported on.

There were no outstanding convertibles, treasury shares or subsidiary holdings as at 31 December 2023 and 31 December 2022.

There was no sale, transfer, disposal, cancellation and/or use of treasury shares or subsidiary holdings as at 31 December 2023.

**15 Dividend**

	<b>31 December 2023 US\$'000</b>	31 December 2022 US\$'000
The Group and The Company		
Final dividend paid of 0.07 (31 December 2022: 0.05) Singapore cents per shares	<b>646</b>	462

During FY2023, a final one-tier tax exempt ordinary dividend of 0.07 Singapore cents per share, totalling US\$646,000 was paid in respect of the previous financial year ended 31 December 2022.



## Notes to the condensed interim financial statements (Cont'd)

## 16 Borrowings

	The Group		The Company	
	31 December 2023 US\$'000	31 December 2022 US\$'000	31 December 2023 US\$'000	31 December 2022 US\$'000
<b>Amount repayable after one year</b>				
Bank borrowing (secured)	405	1,180	-	-
<b>Amount repayable in one year or less, or on demand</b>				
Bank borrowings (secured)	1,217	1,045	-	-
<b>Total</b>	<b>1,622</b>	<b>2,225</b>	<b>-</b>	<b>-</b>

## Details of any collaterals

Bank borrowings

As at 31 December 2023, the bank borrowings of the Group are secured by certain trade receivables, a corporate guarantee granted by the Company and a personal guarantee granted by a director and his spouse.

Uncommitted banking facilities (trade facilities)

The uncommitted banking facilities (trade facilities) of the Group are secured by:

- Corporate guarantee granted by the Company;
- Buildings of the Group and the Company with a carrying amount of approximately US\$13,493,000 (31 December 2022: US\$13,281,000);
- A fixed and floating charge over inventories and trade receivables in relation to trade financed by banks;
- Charge on all sums in a designated bank account; and
- Fixed deposit of US\$500,000 (31 December 2022: US\$500,000).

## 17 Interest-free loan from a director

	31 December 2023 US\$'000	31 December 2022 US\$'000
The Group and The Company		
Mr Shi Jiangang	-	348

As disclosed in Notes 9 and 13, following the completion of share transfer of the Subsidiary Shares, the Option Price payable by SJG (or such party as he may nominate) has been fully settled by the extinguishing of the interest-free loan granted to the Company.



**Notes to the condensed interim financial statements (Cont'd)****18 Loans from directors**

	The Group		The Company	
	31	31	31	31
	December	December	December	December
	2023	2022	2023	2022
	US\$'000	US\$'000	US\$'000	US\$'000
Mr Shi Jiangang	-	474	-	-

The loan from SJG to Zhangjiagang Orient-hill in respect of the water treatment business under chemical segment, bears interest at 6% per annum, is unsecured and repayable within one year from the loan drawdown dates. The loan repayment dates are subject to extension with mutual agreement from the parties. The loan was derecognised upon Zhangjiagang Orient-hill ceasing to be a subsidiary of the Group.

**19 Related party transactions**

Other than as disclosed elsewhere in the interim financial statements, significant transactions with related parties on terms agreed between the parties are as follows:

The Group	2H2023	2H2022	FY2023	FY2022
	US\$'000	US\$'000	US\$'000	US\$'000
Loan from directors	-	435	-	435
Advances to associate	(35)	-	(35)	-
Sales to related parties	8	-	12	-
Purchases from related parties	(382)	(281)	(830)	(369)
Other income from related parties	38	-	38	-
Rental income from related parties	25	3	51	3
Rental expense of office space	(61)	(54)	(106)	(112)
Rental expense of factory	-	(11)	-	(22)
Rental expense of vehicles	(7)	(21)	(31)	(53)

**20 Fair values measurement**

The table below presents assets and liabilities recognised and measured at fair value and classified by level of the following fair value measurement hierarchy:

- 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 assets or liability, either directly or indirectly; and
- Level 3 : inputs for the asset or liability that are not based on observable market data (unobservable inputs).

**Notes to the condensed interim financial statements (Cont'd)****20 Fair values measurement (Cont'd)**

The Group	Note	Level 1 US\$'000	Level 2 US\$'000	Level 3 US\$'000	Total US\$'000
<b>31 December 2023</b>					
<u>Non-financial assets</u>					
Buildings	12	-	-	13,493	13,493
<u>Financial assets</u>					
Financial asset at FVTOCI	10	-	-	8,790	8,790
Financial assets at FVTPL		96	-	-	96
Investment in insurance contract	11	-	1,229	-	1,229
Derivative asset	13	-	-	-	-
<u>Financial liabilities</u>					
Bank borrowings	16	-	(1,622)	-	(1,622)
<b>31 December 2022</b>					
<u>Non-financial assets</u>					
Buildings	12	-	-	13,281	13,281
<u>Financial assets</u>					
Financial asset at FVTOCI	10	-	-	9,784	9,784
Financial assets at FVTPL		104	-	-	104
Investment in insurance contract	11	-	-	-	-
Derivative asset	13	-	-	348	348
<u>Financial liabilities</u>					
Bank borrowings	16	-	(2,225)	-	(2,225)

Refer to Note 13 for fair value movement on derivative asset.

There were no transfers between Level 1, Level 2 and Level 3 of fair value hierarchy during the financial period ended 31 December 2023 and 31 December 2022.

There have been no significant changes in the valuation techniques of the various classes of financial instruments during the financial year.

**21 Subsequent events**

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



## Other Information Required by Listing Rule Appendix 7.2

- 1 Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.**

The figures have not been audited or reviewed by the Company's auditors.

- 2 Where the figures have been audited or reviewed, the auditors' report (including any modifications or emphasis of a matter).**

Not applicable as the figures have not been audited or reviewed by the Company's auditors.

- 2A 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; and (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 as the latest financial statements are not subject to an adverse opinion, qualified opinion or disclaimer of opinion.

- 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.**

### Review of the Group's performance

The Group's revenue from chemicals trading increased by US\$54.2 million from US\$568.7 million in FY2022 to US\$622.9 million in FY2023, largely due to the increase in sales volume as compared to the same period last year. In line with the increase in sales, the corresponding cost of goods sold has increased by US\$59.2 million from US\$543.0 million in FY2022 to US\$602.2 million in FY2023. The fall in average selling pricing of chemical products that the Group traded in has resulted in a lower chemical product margin spreads as compared to the same period last year. Print and paper management revenue decreased by US\$0.2 million from US\$0.6 million in FY2022 to US\$0.4 million in FY2023.

Other income increased by US\$0.2 million from US\$1.9 million in FY2022 to US\$2.1 million in FY2023 which was due mainly to (i) recognition of gain from deconsolidation of a subsidiary of US\$1.2 million during FY2023 offset by (ii) a decrease in exchange gain from US\$0.9 million recorded under "Other income" in FY2022 to nil in FY2023.

Depreciation of property, plant and equipment increased slightly by US\$66,000 from US\$517,000 in FY2022 to US\$583,000 in FY2023 which was due mainly to higher net carrying value of building as compared to the previous year.

Freight and handling charges decreased by US\$3.3 million from US\$17.0 million in FY2022 to US\$13.7 million in FY2023 which was due mainly to lower freight rates as compared to the same period last year.

Other expenses increased by US\$0.7 million from US\$5.0 million in FY2022 to US\$5.7 million in FY2023 which was due mainly to recognition of exchange loss, inventory written off, remeasurement loss of investment in insurance contract to surrender value in FY2023, offset by lower short-term lease expenses.



## Abundance International Limited

Tax expenses decreased by US\$416,000 from US\$435,000 million in FY2022 to US\$19,000 in FY2023 which was due mainly to lower taxable profit generated as compared to the same period last year and recognition of deferred tax income.

The Group reported lower earnings before interest, taxes, depreciation and amortisation (“**EBITDA**”) of US\$0.8 million in FY2023 as compared to US\$2.9 million in FY2022. This was due mainly to lower chemical product margin spreads, inventory written off, impairment of trade and other receivables, offset by lower freight and handling charges and short-term lease expenses.

The Group reported loss after tax of US\$0.4 million in FY2023 as compared to profit after tax of US\$1.4 million in FY2022. This was due mainly to lower chemical product margin spreads, inventory written off, impairment of trade and other receivables, offset by lower freight and handling charges, short-term lease expenses and tax expenses.

### Review of statement of financial position

Financial assets at FVTOCI decreased by US\$1.0 million from US\$9.8 million as at 31 December 2022 to US\$8.8 million as at 31 December 2023 which was due to fair value loss recognised based on a valuation performed by an independent professional valuer and adjustment of translation loss due to weakening of Renminbi against US Dollar.

Investment in insurance contract represents a key management life insurance policy acquired by the Group during FY2023.

Inventories increased by US\$3.0 million from US\$10.3 million as at 31 December 2022 to US\$13.3 million as at 31 December 2023 which was due mainly to more inventories purchase during the second half of FY2023.

Trade receivables decreased by US\$1.3 million from US\$9.2 million as at 31 December 2022 to US\$7.9 million as at 31 December 2023 which was mainly due to less sales with credit term in the month of December 2023. The Group’s average debtor turnover days was 5 days as at 31 December 2023.

Other receivables and deposit decreased by US\$0.8 million from US\$1.6 million as at 31 December 2022 to US\$0.8 million as at 31 December 2023 which was due mainly to lower goods and services tax receivables and commission income receivables.

Advances and prepayments decreased by US\$1.1 million from US\$16.0 million as at 31 December 2022 to US\$14.9 million as at 31 December 2023 which was due mainly to less advance payment made to suppliers for the procurement of chemical supplies in respect of the OSC Group’s chemical trading business.

Amounts due from subsidiaries decreased by US\$2.1 million from US\$5.5 million as at 31 December 2022 to US\$3.4 million as at 31 December 2023 which was due mainly to repayment made by subsidiaries during the year. Amount due to subsidiary of US\$1.0 million as at 31 December 2022 has been fully settled during the year.

Investment in financial asset at amortised cost represents debt investment placed with a bank. It was fully redeemed during the financial year.

Other payables and accruals increased by US\$0.8 million from US\$1.5 million as at 31 December 2022 to US\$2.3 million as at 31 December 2023 which was due mainly to higher freight charges payables as compared to the same period last year.

Advances from customers decreased by US\$0.8 million from US\$7.1 million as at 31 December 2022 to US\$6.3 million as at 31 December 2023 which was due mainly to fewer chemical sales being made under advance payment terms.

Borrowings decreased by US\$0.6 million from US\$2.2 million as at 31 December 2022 to US\$1.6 million as at 31 December 2023 which was mainly due to repayment of bank loan.



## Abundance International Limited

### Review of statement of cashflow

As a whole, there was a net cash outflow of US\$1.9 million in FY2023 as compared to a net cash outflow of US\$0.3 million in FY2022. This was due mainly to a decrease in net cash generated by operating activities, partially offset by a decrease in net cash used in investing and financing activities.

Net cash generated from operating activities decreased from US\$5 million in FY2022 to US\$0.3 million in FY2023, mainly due to a decrease in profit before taxation from US\$1.8 million to a loss of US\$0.3 million and an increase in working capital.

Net cash used in investing activities decreased from US\$1.5 million in FY2022 to US\$0.6 million in FY2023, mainly due to an increase in net redemption proceeds from financial assets and a decrease in property, plant and equipment spending, partially offset by investment in an insurance contract.

Net cash used in financing activities decreased from US\$3.8 million in FY2022 to US\$1.7 million in FY2023, mostly due to a decrease in repayment of bank borrowings, fixed deposits pledged and repayment of loans to directors.

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

Not applicable.

**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.**

### **Chemical Business**

The Group's core chemical trading business, conducted via the OSC Group, achieved revenue of US\$622.9 million, with profit after tax of US\$32,000. Barring unforeseen circumstances including global economy recession, fluctuations in chemical prices or significant rises in freight costs, we expect that the OSC Group's business will not be adversely affected in the next 12 months with the support from our customers, suppliers and bankers.

The Company's wholly-owned subsidiary, Abundance Investments Pte. Ltd., held 12.74% of the equity of Sunrise as at 31 December 2023. Sunrise was incorporated in the PRC and specialises in the production of specialty chemicals used mainly for construction, for surface care, oxythelen derivatives and also for use in the production of lithium batteries. Sunrise together with its subsidiaries recorded a profit of US\$1.2 million for FY2023. Despite challenges faced due to an oversupply of products for construction use, the sales of lithium battery auxiliary chemical products have grown steadily and contributed to Sunrise's profit.

We will continue to explore and evaluate other chemical related investment opportunities, striking a balance between long and short term investments.

### **Investment Business**

As at 31 December 2023, the Group's investment portfolio (excluding the 12.74% equity interest in Sunrise) consisting of cash, listed equities and debts securities, amounted to US\$277,000.

The Group will make appropriate investments as and when good opportunities come along and where its cash flow position allows.



## Abundance International Limited

### Print and Paper Management Business

In June 2019, the Group started slitting and rewinding of paper rolls and in October 2019, we started providing sheeting services. Today, the Group is able to provide a comprehensive suite of paper management services to its clients which are mostly based in Singapore. The Group's print and paper management business achieved US\$447,000 of revenue for FY2023.

#### 6 If a decision regarding dividend has been made:

##### (a) Whether an interim (final) ordinary dividend has been declared (recommended)

No.

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

Not applicable.

##### (b) (ii) Previous corresponding period .... Cents

Not applicable.

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

Not applicable.

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

Not applicable.

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

Not applicable.

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

No dividend has been declared or recommended for FY2023 in view of the Group's loss for the financial year.



## Abundance International Limited

- 7 If the group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

The Group has not obtained a general mandate from shareholders for interested person transactions.

The interested person transactions entered into during the FY2023 are as follows:

Name of interested person	Nature of relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)
Shanghai Orient-Salt Chemicals Co., Ltd (上海东盐化工有限公司) - Rental of office	A company owned by Mr Jiang Hao, a Director of the Company	S\$143,000	-

- 8 Use of proceeds from convertible bonds issue and placement issue**

All previous fund raising proceeds have been fully utilised. Please refer to the Company's full year results announcement dated 28 February 2017.

- 9 Disclosure on Acquisitions and Realisation of Shares pursuant to Catalyst Rule 706(A) of the Catalyst Rules**

Except for the deconsolidation of 40% of the equity interest in Zhangjiagang Orient-hill (i.e., the Subsidiary Shares) by the Company pursuant to the PCOA as disclosed in Notes 9, 13 and 17, during FY2023, there were no acquisitions or realisations of shares resulting in a company becoming or ceasing to be a subsidiary or associated company of the Company, or resulting in the Company increasing or reducing its shareholding percentage in a subsidiary or associated company.

As provided in the PCOA, the put option may be exercised at an option price equivalent to a sum of RMB2.4 million less any profits distribution in respect of the Subsidiary Shares received by the Company up to the date of completion of the PCOA (or such other amount as may be agreed in writing). The Option Price payable by SJG (or such party as he may nominate) has been fully settled by the extinguishing of the interest-free loan granted to the Company as disclosed in Note 17. The Subsidiary Shares are unlisted and the net liability value represented by the Subsidiary Shares is US\$1.2 million.



## Abundance International Limited

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

The Company has received undertaking undertakings from all its Directors and Executive Officers in the format as set out in Appendix 7.7 under Rule 720(1) of the Catalist Rules.

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

Please refer to Note 4 in condensed interim financial statements and Note 3 in Other Information Required by Listing Rule Appendix 7.2.

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

Name	Age	Family relationship with any director, CEO and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Jiang Jie	52	Brother of Jiang Hao, a substantial shareholder and Director	Director of Touen Japan Co., Ltd. (東塩ジャパン株式会社) Date of appointment: 26 October 2015	Nil

**BY ORDER OF THE BOARD**

Sam Kok Yin  
Managing Director  
26 February 2024