



**Ellipsiz Ltd**  
(Co. Reg. No. 199408329R)  
**and its subsidiaries**

Condensed Interim Consolidated Financial Statements  
and Dividend Announcement  
*For the six months and full year ended 30 June 2022*

The following definitions apply throughout this announcement:

- 2H – Second half year from 1 January to 30 June of the respective financial years.
- FY – Financial year ended or ending 30 June, as the case may be.
- NM – Not meaningful.
- SFRS(I) – Singapore Financial Reporting Standards (International).

#### A. Consolidated statement of comprehensive income

	Note	Group			Group		
		2HFY2022 \$'000	2HFY2021 \$'000	+ / (-) %	FY2022 \$'000	FY2021 \$'000	+ / (-) %
Revenue	E5	26,860	27,070	(1)	55,595	54,511	2
Cost of revenue		(20,980)	(20,867)	1	(43,447)	(42,365)	3
<b>Gross profit</b>		<u>5,880</u>	<u>6,203</u>	(5)	<u>12,148</u>	<u>12,146</u>	0
Other income	E6	971	776	25	1,262	1,465	(14)
Fair value gain on investment property		238	2,901	(92)	1,916	2,901	(34)
Distribution expenses		(1,792)	(1,911)	(6)	(3,757)	(3,671)	2
Administrative expenses		(4,131)	(4,446)	(7)	(7,982)	(7,993)	(0)
Loss on disposal of an associate	E8	-	(2,781)	(100)	-	(2,781)	(100)
Other expenses		-	(357)	(100)	-	(1,198)	(100)
<b>Results from operating activities</b>	E6	<u>1,166</u>	<u>385</u>	203	<u>3,587</u>	<u>869</u>	>300
Finance costs		(13)	(18)	(28)	(26)	(36)	(28)
Finance income	E7	80	29	176	130	106	23
Share of results of an associate (net of tax)	E8	-	(393)	(100)	-	3,455	(100)
Share of results of joint ventures (net of tax)		-	(6)	(100)	110	(27)	NM
<b>Profit/(Loss) before tax</b>		<u>1,233</u>	<u>(3)</u>	NM	<u>3,801</u>	<u>4,367</u>	(13)
Tax expense	E9	(192)	(384)	(50)	(614)	(626)	(2)
<b>Profit/(Loss) for the year</b>		<u>1,041</u>	<u>(387)</u>	NM	<u>3,187</u>	<u>3,741</u>	(15)
<b>Other comprehensive income</b>							
<i>Item that is or may be reclassified subsequently to profit or loss (net of tax)</i>							
Exchange differences arising from translation of financial statements of foreign operations		(685)	(81)	>300	(17)	(607)	(97)
<i>Items that will not be reclassified to profit or loss (net of tax)</i>							
Net change in fair value of financial assets at fair value through other comprehensive income		125	550	(77)	548	915	(40)
Share of other comprehensive income of an associate		-	(53)	(100)	-	(53)	(100)
		<u>125</u>	<u>497</u>	(75)	<u>548</u>	<u>862</u>	(36)
<b>Total other comprehensive income for the year, net of tax</b>		<u>(560)</u>	<u>416</u>	NM	<u>531</u>	<u>255</u>	108
<b>Total comprehensive income for the year</b>		<u>481</u>	<u>29</u>	>300	<u>3,718</u>	<u>3,996</u>	(7)

**A. Consolidated statement of comprehensive income (cont'd)**

	Group			Group		
	2HFY2022	2HFY2021	+ / (-)	FY2022	FY2021	+ / (-)
	\$'000	\$'000	%	\$'000	\$'000	%
<b>Profit/(Loss) attributable to:</b>						
Owners of the Company	1,157	(1,147)	NM	2,751	3,050	(10)
Non-controlling interests	(116)	760	NM	436	691	(37)
Profit/(Loss) for the year	<u>1,041</u>	<u>(387)</u>	NM	<u>3,187</u>	<u>3,741</u>	(15)
<b>Total comprehensive income attributable to:</b>						
Owners of the Company	699	(670)	NM	3,258	3,535	(8)
Non-controlling interests	(218)	699	NM	460	461	(0)
Total comprehensive income for the year	<u>481</u>	<u>29</u>	>300	<u>3,718</u>	<u>3,996</u>	(7)
<b>Earnings/(Loss) per share</b>						
- Basic (cents)	0.69	(0.69)	NM	1.65	1.83	(10)
- Diluted (cents)	<u>0.69</u>	<u>(0.69)</u>	NM	<u>1.65</u>	<u>1.83</u>	(10)

## B. Statements of financial position

	Note	Group		Company	
		30.06.2022 \$'000	30.06.2021 \$'000	30.06.2022 \$'000	30.06.2021 \$'000
<b>Non-current assets</b>					
Plant and equipment		1,978	1,596	4	5
Investment property	E10	24,202	20,632	-	-
Intangible assets and goodwill	E11	22,375	18,339	101	29
Right-of-use assets		993	853	-	-
Subsidiaries		-	-	31,385	31,385
Joint venture		121	8	-	-
Financial assets	E12	12,896	13,243	9,704	11,311
Amounts due from related parties		-	-	14,296	7,704
Deferred tax assets		13	67	-	-
		<u>62,578</u>	<u>54,738</u>	<u>55,490</u>	<u>50,434</u>
<b>Current assets</b>					
Trade and other receivables		14,919	14,368	52	30
Inventories		4,540	3,947	-	-
Amounts due from related parties		334	316	631	1,950
Cash and cash equivalents	E14	61,681	64,404	47,900	54,292
		<u>81,474</u>	<u>83,035</u>	<u>48,583</u>	<u>56,272</u>
<b>Total assets</b>		<u>144,052</u>	<u>137,773</u>	<u>104,073</u>	<u>106,706</u>
<b>Equity attributable to owners of the Company</b>					
Share capital	E15	89,566	89,566	89,566	89,566
Treasury shares	E15	(126)	(126)	(126)	(126)
Reserves		(12,165)	(11,962)	107	29
Retained earnings		36,365	36,237	11,849	14,683
		<u>113,640</u>	<u>113,715</u>	<u>101,396</u>	<u>104,152</u>
Non-controlling interests		8,142	7,045	-	-
<b>Total equity</b>		<u>121,782</u>	<u>120,760</u>	<u>101,396</u>	<u>104,152</u>
<b>Non-current liabilities</b>					
Lease liabilities		525	336	-	-
Provisions		176	176	-	-
Deferred tax liabilities		804	711	-	-
		<u>1,505</u>	<u>1,223</u>	<u>-</u>	<u>-</u>
<b>Current liabilities</b>					
Trade and other payables		18,150	14,279	1,486	1,391
Amounts due to related parties		1,539	575	1,191	1,163
Lease liabilities		480	572	-	-
Provisions		119	38	-	-
Income tax payable		477	326	-	-
		<u>20,765</u>	<u>15,790</u>	<u>2,677</u>	<u>2,554</u>
<b>Total liabilities</b>		<u>22,270</u>	<u>17,013</u>	<u>2,677</u>	<u>2,554</u>
<b>Total equity and liabilities</b>		<u>144,052</u>	<u>137,773</u>	<u>104,073</u>	<u>106,706</u>

**C. Statements of changes in equity  
For the year ended 30 June 2022**

Group	Share capital \$'000	Treasury shares \$'000	Capital reserve \$'000	Fair value reserve \$'000	Foreign currency translation reserve \$'000	Retained earnings \$'000	Total attributable to owners of the Company \$'000	Non-controlling interests \$'000	Total equity \$'000
Balance as at 1 July 2021	89,566	(126)	(11,648)	105	(419)	36,237	113,715	7,045	120,760
<b>Total comprehensive income for the year</b>									
Profit for the year	-	-	-	-	-	2,751	2,751	436	3,187
<b>Other comprehensive income</b>									
Exchange differences arising from translation of financial statements of foreign operations	-	-	-	-	(41)	-	(41)	24	(17)
Net change in fair value of financial assets at fair value through other comprehensive income	-	-	-	548	-	-	548	-	548
Transfer of gain on disposal of financial assets at fair value through other comprehensive income to retained earnings	-	-	-	(710)	-	710	-	-	-
Total other comprehensive income, net of tax	-	-	-	(162)	(41)	710	507	24	531
<b>Total comprehensive income for the year</b>	-	-	-	(162)	(41)	3,461	3,258	460	3,718
<b>Transactions with owners, recorded directly in equity</b>									
<b>Contributions by and distributions to owners</b>									
Final dividend of 2.00 cents per share in respect of 2021	-	-	-	-	-	(3,333)	(3,333)	-	(3,333)
Total contributions by and distributions to owners	-	-	-	-	-	(3,333)	(3,333)	-	(3,333)
<b>Changes in ownership interests in subsidiaries</b>									
Capital injection by non-controlling interest	-	-	-	-	-	-	-	344	344
Acquisition of a subsidiary	-	-	-	-	-	-	-	293	293
Total changes in ownership interests in subsidiaries	-	-	-	-	-	-	-	637	637
<b>Total transactions with owners</b>	-	-	-	-	-	(3,333)	(3,333)	637	(2,696)
<b>Balance as at 30 June 2022</b>	<b>89,566</b>	<b>(126)</b>	<b>(11,648)</b>	<b>(57)</b>	<b>(460)</b>	<b>36,365</b>	<b>113,640</b>	<b>8,142</b>	<b>121,782</b>

**C. Statements of changes in equity (cont'd)**  
**For the year ended 30 June 2021**

Group	Share capital \$'000	Treasury shares \$'000	Capital reserve \$'000	Fair value reserve \$'000	Share-based compensation reserve \$'000	Foreign currency translation reserve \$'000	Retained earnings \$'000	Total attributable to owners of the Company \$'000	Non-controlling interests \$'000	Total equity \$'000
Balance as at 1 July 2020	89,566	(126)	(11,648)	(690)	2,290	(42)	32,496	111,846	6,774	118,620
<b>Total comprehensive income for the year</b>										
Profit for the year	-	-	-	-	-	-	3,050	3,050	691	3,741
<b>Other comprehensive income</b>										
Exchange differences arising from translation of financial statements of foreign operations	-	-	-	-	-	(377)	-	(377)	(230)	(607)
Net change in fair value of financial assets at fair value through other comprehensive income	-	-	-	915	-	-	-	915	-	915
Share of other comprehensive income of an associate	-	-	-	(53)	-	-	-	(53)	-	(53)
Share of transfer of loss on disposal of financial assets at fair value through other comprehensive income to retained earnings of an associate	-	-	-	53	-	-	(53)	-	-	-
Transfer of gain on disposal of financial assets at fair value through other comprehensive income to retained earnings	-	-	-	(120)	-	-	120	-	-	-
Total other comprehensive income, net of tax	-	-	-	795	-	(377)	67	485	(230)	255
<b>Total comprehensive income for the year</b>	-	-	-	795	-	(377)	3,117	3,535	461	3,996
<b>Transactions with owners, recorded directly in equity</b>										
<b>Contributions by and distributions to owners</b>										
Final dividend of 0.50 cent per share in respect of 2020	-	-	-	-	-	-	(833)	(833)	-	(833)
Interim dividend of 0.50 cent per share in respect of 2021	-	-	-	-	-	-	(833)	(833)	-	(833)
Dividend payable to non-controlling shareholders	-	-	-	-	-	-	-	-	(491)	(491)
Transfer to retained earnings	-	-	-	-	(2,290)	-	2,290	-	-	-
Total contributions by and distributions to owners	-	-	-	-	(2,290)	-	624	(1,666)	(491)	(2,157)
<b>Changes in ownership interest in a subsidiary</b>										
Capital injection by non-controlling interest	-	-	-	-	-	-	-	-	301	301
Total changes in ownership interest in a subsidiary	-	-	-	-	-	-	-	-	301	301
<b>Total transactions with owners</b>	-	-	-	-	(2,290)	-	624	(1,666)	(190)	(1,856)
<b>Balance as at 30 June 2021</b>	<b>89,566</b>	<b>(126)</b>	<b>(11,648)</b>	<b>105</b>	<b>-</b>	<b>(419)</b>	<b>36,237</b>	<b>113,715</b>	<b>7,045</b>	<b>120,760</b>

**C. Statements of changes in equity (cont'd)**  
**For the year ended 30 June 2022**

Company	Share capital \$'000	Treasury shares \$'000	Fair value reserve \$'000	Retained earnings \$'000	Total equity \$'000
Balance as at 1 July 2021	89,566	(126)	29	14,683	104,152
<b>Total comprehensive income for the year</b>					
Loss for the year	-	-	-	(211)	(211)
<b>Other comprehensive income</b>					
Net change in fair value of financial assets at fair value through other comprehensive income	-	-	788	-	788
Transfer of gain on disposal of financial assets at fair value through other comprehensive income to retained earnings	-	-	(710)	710	-
Total other comprehensive income, net of tax	-	-	78	710	788
<b>Total comprehensive income for the year</b>	-	-	78	499	577
<b>Transactions with owners, recorded directly in equity</b>					
<b>Contributions by and distributions to owners</b>					
Final dividend of 2.00 cents per share in respect of 2021	-	-	-	(3,333)	(3,333)
Total contributions by and distributions to owners	-	-	-	(3,333)	(3,333)
<b>Total transactions with owners</b>	-	-	-	(3,333)	(3,333)
<b>Balance as at 30 June 2022</b>	<b>89,566</b>	<b>(126)</b>	<b>107</b>	<b>11,849</b>	<b>101,396</b>

**For the year ended 30 June 2021**

Company	Share capital \$'000	Treasury shares \$'000	Fair value reserve \$'000	Share-based compensation reserve \$'000	Retained earnings \$'000	Total equity \$'000
Balance as at 1 July 2020	89,566	(126)	(690)	2,290	2,475	93,515
<b>Total comprehensive income for the year</b>						
Profit for the year	-	-	-	-	11,517	11,517
<b>Other comprehensive income</b>						
Net change in fair value of financial assets at fair value through other comprehensive income	-	-	839	-	-	839
Share of other comprehensive income of an associate	-	-	(53)	-	-	(53)
Share of transfer of loss on disposal of financial assets at fair value through other comprehensive income to retained earnings of an associate	-	-	53	-	(53)	-
Transfer of gain on disposal of financial assets at fair value through other comprehensive income to retained earnings	-	-	(120)	-	120	-
Total other comprehensive income, net of tax	-	-	719	-	67	786
<b>Total comprehensive income for the year</b>	-	-	719	-	11,584	12,303
<b>Transactions with owners, recorded directly in equity</b>						
<b>Contributions by and distributions to owners</b>						
Final dividend of 0.50 cent per share in respect of 2020	-	-	-	-	(833)	(833)
Interim dividend of 0.50 cent per share in respect of 2021	-	-	-	-	(833)	(833)
Transfer to retained earnings	-	-	-	(2,290)	2,290	-
Total contributions by and distributions to owners	-	-	-	(2,290)	624	(1,666)
<b>Total transactions with owners</b>	-	-	-	(2,290)	624	(1,666)
<b>Balance as at 30 June 2021</b>	<b>89,566</b>	<b>(126)</b>	<b>29</b>	<b>-</b>	<b>14,683</b>	<b>104,152</b>

## D. Consolidated statement of cash flows

	Note	Group	
		FY2022 \$'000	FY2021 \$'000
<b>Cash flows from operating activities</b>			
Profit for the year		3,187	3,741
Adjustments for:			
Amortisation of intangible assets	E6	198	231
Depreciation of plant and equipment	E6	465	427
Depreciation of right-of-use assets	E6	567	564
Dividend income from financial assets	E6	(781)	(183)
Fair value gain on investment property	E10	(1,916)	(2,901)
Finance costs		26	36
Finance income	E7	(130)	(106)
Impairment loss on intangible assets and goodwill	E6	-	319
Impairment loss on trade and other receivables	E6	86	92
Inventories written down	E6	50	230
Provision for onerous contracts	E6	81	-
Gain on disposal of plant and equipment, net	E6	(20)	(283)
Gain on disposal of right-of-use assets	E6	(13)	-
Loss on disposal of an associate	E8	-	2,781
Share of results of an associate (net of tax)	E8	-	(3,455)
Share of results of joint ventures (net of tax)		(110)	27
Tax expense	E9	614	626
<b>Operating cash flows before working capital changes</b>		<b>2,304</b>	<b>2,146</b>
Changes in:			
Amounts due from/to related parties		946	782
Inventories		(655)	(185)
Trade and other receivables		(219)	(1,172)
Trade and other payables		2,295	(899)
Cash generated from operations		4,671	672
Interest received		120	117
Tax paid		(415)	(733)
<b>Net cash generated from operating activities</b>		<b>4,376</b>	<b>56</b>
<b>Cash flows from investing activities</b>			
Dividends received from financial assets		781	183
Return of capital from a financial asset		155	52
Investment in an associate		-	*
Advance to an associate		-	(4,813)
Net cash (outflow)/inflow on acquisition of subsidiaries	D-1	(3,204)	17
Purchase of intangible assets		(132)	(114)
Purchase of investment property		(1,415)	(1,237)
Purchase of plant and equipment		(412)	(604)
Purchase of financial assets		(3,833)	(3,302)
Proceeds from disposal of plant and equipment		34	65
Proceeds from disposal of financial assets		4,573	891
<b>Net cash used in investing activities</b>		<b>(3,453)</b>	<b>(8,862)</b>



#### D. Consolidated statement of cash flows (cont'd)

Note	Group	
	FY2022	FY2021
	\$'000	\$'000
<b>Cash flows from financing activities</b>		
Capital injection by non-controlling interest	344	301
Dividends paid	(3,333)	(1,666)
Proceeds from bank borrowing	-	268
Repayment of bank borrowing	-	(268)
Payment of principal portion of lease liabilities	(597)	(577)
Interest paid	(26)	(36)
<b>Net cash used in financing activities</b>	<b>(3,612)</b>	<b>(1,978)</b>
<b>Net decrease in cash and cash equivalents</b>		
	(2,689)	(10,784)
Cash and cash equivalents at beginning of year	64,404	74,950
Effects of exchange rate fluctuations on cash held	(34)	238
<b>Cash and cash equivalents at end of year</b>	<b>61,681</b>	<b>64,404</b>

\* Amount less than \$1,000

**D-1** On 25 September 2020, Ellipsiz DSS Pte Ltd, a wholly-owned subsidiary of the Company, acquired all the shares representing a 50% interest in EllipTech Solutions Pte Ltd ("EllipTech") held by its joint venture partner for a consideration of \$1, making EllipTech its wholly-owned subsidiary. The net cash inflow on this acquisition was \$17,000.

On 30 June 2022, Ellipsiz Agro Investments Pte Ltd ("EAIPL"), a wholly-owned subsidiary of the Company, acquired a 40% interest in ISE Capital Management Pte Ltd ("ICM") for a consideration of \$4.0 million. ICM holds a 70% interest in ISE Foods Holdings Pte Ltd ("IFH") which will be developing and operating the 4<sup>th</sup> egg farm in Singapore.

Pursuant to a shareholders' agreement, a director nominated by EAIPL will be appointed as the chairman of the board of ICM and the chairman shall have a casting vote. In addition, the passing of all resolutions of the directors and shareholders of ICM must include the affirmative vote of at least 1 director nominated by EAIPL or the affirmative vote of EAIPL respectively. Arising from its rights under the shareholders' agreement, EAIPL had in compliance with SFRS(I) accounted for its interest in ICM as an investment in a subsidiary.

The fair value of the identifiable net assets of ICM determined on a provisional basis as at the date of acquisition were as follows:

	\$'000
<b>Assets</b>	
Plant and equipment	560
Right-of-use assets	76
Intangible assets	2
Trade and other receivables	388
Cash and cash equivalents	796
	<u>1,822</u>
<b>Liabilities</b>	
Trade and other payables	(1,556)
Lease liabilities	(76)
	<u>(1,632)</u>
Total identifiable net assets at fair value	190
Less: Non-controlling interests measured at non-controlling interests' proportionate share of net assets	(293)
Add: Provisional goodwill arising from acquisition	4,103
	<u>4,000</u>
Total purchase consideration	(4,000)
Add: Cash and cash equivalents acquired	796
Net cash outflow	<u>(3,204)</u>

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

### **1. Corporate information**

Ellipsiz Ltd (the “Company”) is incorporated and domiciled in Singapore and is listed on the Singapore Exchange. Its registered office is at 54 Serangoon North Avenue 4, #05-02, Singapore 555854. These condensed interim consolidated financial statements as at and for the full year ended 30 June 2022 comprised the Company and its subsidiaries (collectively, the “Group”).

The principal activities of the Company are investment holding and the provision of management services.

The principal activities of its significant subsidiaries are:

- a) provision of solutions for in-circuit and functional testing, distribution and trading of scientific instruments and electronic equipment, provision of related technical services and support, trading of consumable products and provision of management services;
- b) provision of customised systems and solutions for test automation, high precision automated assembly process for fibre and lens, and full automated wafer level testing; and;
- c) property investment and development.

### **2. Basis of preparation**

The condensed interim consolidated financial statements have been prepared in accordance with SFRS(I) 1-34 *Interim Financial Reporting*. The condensed interim consolidated 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 its performance since the Company’s last results announcement for the six months period ended 31 December 2021.

The condensed interim consolidated financial statements are presented in Singapore dollars, which is the Company’s functional currency, and all values are rounded to the nearest thousand (\$’000) unless otherwise stated.

In the preparation of this condensed interim consolidated financial statements, the Group has applied the same accounting policies and methods of computation as those of its audited financial statements for the year ended 30 June 2021 which was prepared in accordance with SFRS(I).

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

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Group has adopted all new and amended standards which are relevant to the Group and are effective for annual financial periods beginning on or after 1 July 2021. The adoption of these standards did not have any material effect on the financial performance or financial position of the Group.

## **E. Notes to the condensed interim consolidated financial statements (cont'd)**

### **2. Basis of preparation (cont'd)**

#### **2.2. Significant accounting judgements, estimates and assumptions**

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

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the consolidated financial statements as at and for the year ended 30 June 2021.

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 year.

### **4. Operating segments**

The Group has the following key reportable segments:

- Distribution and Services Solutions ("DSS")
- Automated Precision System Solutions ("APSS")
- Property Investment and Development

The Group determines its operating segments based on internal reports of the components of the Group that are regularly reviewed by the Group's Chief Executive Officer (the chief operating decision maker) for performance assessment and to determine resources allocation.

E. Notes to the condensed interim consolidated financial statements (cont'd)

4. Operating segments (cont'd)

*Reportable segments*

Group	Distribution and Services Solutions		Automated Precision System Solutions		Property Investment and Development		Eliminations		Consolidated	
	FY2022 \$'000	FY2021 \$'000	FY2022 \$'000	FY2021 \$'000	FY2022 \$'000	FY2021 \$'000	FY2022 \$'000	FY2021 \$'000	FY2022 \$'000	FY2021 \$'000
<b>Revenue and expenses</b>										
Total revenue from external customers	52,036	49,614	3,535	4,867	-	-	-	-	55,571	54,481
Inter-segment revenue	28	30	1,030	608	-	-	(1,058)	(638)	-	-
	<u>52,064</u>	<u>49,644</u>	<u>4,565</u>	<u>5,475</u>	<u>-</u>	<u>-</u>	<u>(1,058)</u>	<u>(638)</u>	<u>55,571</u>	<u>54,481</u>
Unallocated corporate revenue									24	30
									<u>55,595</u>	<u>54,511</u>
Segment results	<u>2,690</u>	<u>2,691</u>	<u>(71)</u>	<u>274</u>	<u>2,232</u>	<u>2,715</u>	-	-	4,851	5,680
Unallocated corporate results									(1,264)	(4,811)
									<u>3,587</u>	<u>869</u>
Share of results of an associate									-	3,455
Share of results of joint ventures	110	(27)	-	-	-	-	-	-	110	(27)
Profit before finance income/(costs) and tax expense									3,697	4,297
Finance costs									(26)	(36)
Finance income									130	106
Tax expense									(614)	(626)
Non-controlling interests									(436)	(691)
Profit for the year									<u>2,751</u>	<u>3,050</u>

E. Notes to the condensed interim consolidated financial statements (cont'd)

4. Operating segments (cont'd)

*Reportable segments (cont'd)*

Group	Distribution and Services Solutions		Automated Precision System Solutions		Property Investment and Development		Eliminations		Consolidated	
	FY2022	FY2021	FY2022	FY2021	FY2022	FY2021	FY2022	FY2021	FY2022	FY2021
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Assets and liabilities</b>										
Segment assets	45,543	40,153	7,347	8,274	29,843	26,210	(1,008)	(63)	81,725	74,574
Investment in a joint venture	121	8	-	-	-	-	-	-	121	8
Tax recoverables	119	25	-	-	-	-	-	-	119	25
Deferred tax assets	13	67	-	-	-	-	-	-	13	67
Unallocated corporate and other assets									62,074	63,099
Total assets									<u>144,052</u>	<u>137,773</u>
Segment liabilities	15,430	11,389	2,797	2,833	462	360	(1,004)	(63)	17,685	14,519
Tax liabilities	500	324	175	194	606	516	-	-	1,281	1,034
Unallocated corporate and other liabilities									3,304	1,460
Total liabilities									<u>22,270</u>	<u>17,013</u>
Capital expenditure										
- allocated to reportable segments	295	366	174	321	1,484	1,297	-	-	1,953	1,984
- unallocated corporate and others									75	31
Total capital expenditure									<u>2,028</u>	<u>2,015</u>

E. Notes to the condensed interim consolidated financial statements (cont'd)

4. Operating segments (cont'd)

*Reportable segments (cont'd)*

Group	Distribution and Services Solutions		Automated Precision System Solutions		Property Investment and Development		Eliminations		Consolidated	
	FY2022	FY2021	FY2022	FY2021	FY2022	FY2021	FY2022	FY2021	FY2022	FY2021
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Other items</b>										
Amortisation of intangible assets										
- allocated to reportable segments	(24)	(26)	(174)	(173)	-	-	-	-	(198)	(199)
- unallocated corporate expenses									-	(32)
									<u>(198)</u>	<u>(231)</u>
Dividend income from financial assets										
- allocated to reportable segments	-	-	-	-	549	-	-	-	549	-
- unallocated corporate income									232	183
									<u>781</u>	<u>183</u>
Depreciation of plant and equipment										
- allocated to reportable segments	(201)	(176)	(45)	(28)	-	-	-	-	(246)	(204)
- unallocated corporate expenses									(219)	(223)
									<u>(465)</u>	<u>(427)</u>
Depreciation of right-of-use assets	(439)	(436)	(128)	(128)	-	-	-	-	(567)	(564)
Fair value gain on investment property	-	-	-	-	1,916	2,901	-	-	1,916	2,901
Government grants, subsidies and rebates										
- allocated to reportable segments	118	566	101	235	-	-	-	-	219	801
- unallocated corporate income									12	165
									<u>231</u>	<u>966</u>
Impairment loss on intangible assets and goodwill	-	-	-	-	-	-	-	-	-	(319)
Loss on disposal of an associate	-	-	-	-	-	-	-	-	-	(2,781)

**E. Notes to the condensed interim consolidated financial statements (cont'd)**

**4. Operating segments (cont'd)**

***Geographical information***

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers and segment assets are based on the geographical location of the assets.

Group	Singapore		Malaysia		China		Taiwan		Indonesia		Other regions		Consolidated	
	FY2022 \$'000	FY2021 \$'000	FY2022 \$'000	FY2021 \$'000	FY2022 \$'000	FY2021 \$'000	FY2022 \$'000	FY2021 \$'000	FY2022 \$'000	FY2021 \$'000	FY2022 \$'000	FY2021 \$'000	FY2022 \$'000	FY2021 \$'000
Total revenue from external customers	29,741	34,758	8,097	6,838	12,597	8,302	4,140	3,652	-	-	1,020	961	55,595	54,511
Non-current segment assets	25,096	20,495	29	64	85	115	257	122	-	-	-	-	25,467	20,796
Investment property	-	-	-	-	-	-	-	-	24,202	20,632	-	-	24,202	20,632
Investments in financial assets	12,896	13,243	-	-	-	-	-	-	-	-	-	-	12,896	13,243
Deferred tax assets	10	10	-	41	-	-	3	16	-	-	-	-	13	67
<b>Total non-current assets</b>	<b>38,002</b>	<b>33,748</b>	<b>29</b>	<b>105</b>	<b>85</b>	<b>115</b>	<b>260</b>	<b>138</b>	<b>24,202</b>	<b>20,632</b>	<b>-</b>	<b>-</b>	<b>62,578</b>	<b>54,738</b>
Capital expenditure	268	709	3	-	2	9	271	-	1,484	1,297	-	-	2,028	2,015

**E. Notes to the condensed interim consolidated financial statements (cont'd)**

**5. Revenue**

	Group		Group	
	2HFY2022	2HFY2021	FY2022	FY2021
	\$'000	\$'000	\$'000	\$'000
Sale of goods (transferred at a point in time)	24,544	24,671	51,074	48,361
Service income (transferred over time)	2,258	1,989	4,252	5,009
Commission (transferred at a point in time)	58	410	269	1,141
	<u>26,860</u>	<u>27,070</u>	<u>55,595</u>	<u>54,511</u>

**6. Results from operating activities**

**Significant items**

	Group		Group	
	2HFY2022	2HFY2021	FY2022	FY2021
	\$'000	\$'000	\$'000	\$'000
<b><i>Other income</i></b>				
Dividend income from financial assets	538	90	781	183
Exchange gain, net	252	-	188	-
Gain on disposal of plant and equipment, net	-	287	20	283
Gain on disposal of right-of-use assets	13	-	13	-
Governments grants, subsidies and rebates	155	388	231	966
Sundry income	13	11	29	33
	<u>971</u>	<u>776</u>	<u>1,262</u>	<u>1,465</u>
<b><i>Other expenses</i></b>				
Exchange loss, net	-	38	-	879
Impairment loss on intangible assets and goodwill	-	319	-	319
	<u>-</u>	<u>357</u>	<u>-</u>	<u>1,198</u>
Amortisation of intangible assets	99	116	198	231
Depreciation of plant and equipment	235	211	465	427
Depreciation of right-of-use assets	282	288	567	564
Impairment loss on trade and other receivables	86	92	86	92
Inventories written down	4	161	50	230
Operating lease expenses	11	12	22	89
Provision for onerous contracts	81	-	81	-

**7. Finance income**

	Group		Group	
	2HFY2022	2HFY2021	FY2022	FY2021
	\$'000	\$'000	\$'000	\$'000
Interest income from:				
- financial institutions	80	29	130	106
- joint ventures	-	-	-	*
	<u>80</u>	<u>29</u>	<u>130</u>	<u>106</u>

\* Amount less than \$1,000



## E. Notes to the condensed interim consolidated financial statements (cont'd)

### 8. Share of results of an associate

In October 2020, the Company, together with Mr Raymond Lum and Mr David Lum, incorporated RMDV Investments Pte Ltd ("RMDV"), a single purpose company in which the Company held a 10% interest. The board of directors of RMDV comprised Mr Raymond Lum, Mr David Lum and Mr Kelvin Lum (who was the Company's nominee).

In November 2020, RMDV announced a mandatory cash offer (the "Offer") for all of the issued ordinary shares in the capital of Lum Chang Holdings Limited ("LCH" and the ordinary shares, "LCH Shares") at an offer price of \$0.38 for each LCH Share. At the close of the Offer on 18 January 2021, RMDV held approximately 36.5% interest in LCH.

The Company, Mr Raymond Lum, Mr David Lum and RMDV had entered into an investors' agreement which sets out the respective rights and obligations of the shareholders of RMDV and provides a list of reserved matters requiring the unanimous approval of the shareholders of RMDV (the "Investors' Agreement"). One of the terms in the Investors' Agreement provides that each of the Company, Mr Raymond Lum and Mr David Lum has an option to request RMDV to distribute LCH Shares owned by RMDV to them (the "Share Option") in accordance with their respective proportionate shareholding percentages in RMDV.

In June 2021, the Company exercised the Share Option and requested RMDV to distribute to the extent of the Company's 10% shareholding percentage in RMDV, 13,755,922 LCH Shares owned by RMDV to the Company, by way of a repayment of approximately \$4.8 million shareholder's loan given by the Company to RMDV, in kind. Following the distribution of 13,755,922 LCH Shares to the Company, RMDV bought back all of the Company's 10 shares, representing its 10% interest in RMDV, for a consideration of \$10.

The Company had accounted for its interest in RMDV as an investment in associate in compliance with SFRS(I). Accordingly, it had recognised its share of results of RMDV which amounted to \$3.5 million including the share of a provisional negative goodwill of approximately \$4.0 million. Upon repayment of the shareholder's loan and completion of the share buyback, RMDV ceased to be an associate of the Company and the loss on disposal of an associate recorded by the Group was \$2.8 million. The aforesaid transactions had resulted in a net gain of \$0.7 million for the Group.

The Company is holding the 13,755,922 LCH shares directly for long-term investment purposes and had, in accordance with SFRS(I), accounted for them as financial assets at fair value through other comprehensive income ("FVOCI").

### 9. Tax expense

	Group		Group	
	2HFY2022	2HFY2021	FY2022	FY2021
	\$'000	\$'000	\$'000	\$'000
<b>Current tax expense</b>				
Current year	119	164	437	402
Withholding tax	17	1	20	2
Under provision in respect of prior years	17	146	14	147
	<u>153</u>	<u>311</u>	<u>471</u>	<u>551</u>
<b>Deferred tax expense</b>				
Origination and reversal of temporary differences	<u>39</u>	<u>73</u>	<u>143</u>	<u>75</u>
Tax expense	<u>192</u>	<u>384</u>	<u>614</u>	<u>626</u>

**E. Notes to the condensed interim consolidated financial statements (cont'd)**

**10. Investment property**

	<b>Group</b>	
	<b>30.06.2022</b>	<b>30.06.2021</b>
	<b>\$'000</b>	<b>\$'000</b>
At 1 July	20,632	17,423
Additions	1,357	1,216
Direct costs	127	81
Gain from fair value adjustment recognised in profit or loss	1,916	2,901
Exchange differences	170	(989)
At 30 June	<u>24,202</u>	<u>20,632</u>

During the financial year, the Group acquired additional vacant land comprising 13 (2021: 14) plots of girik land (Alas Hak) with a total land area of approximately 115,000 (2021: 158,000) square metres located at Desa Berakit, Kecamatan Teluk Sebong, Kabupaten Bintan, Kepulauan Riau Province, Indonesia.

Alas Hak is an unregistered right over the land. This right-of-use asset arises as a result of occupation, residence on land, or renouncement of right by previous holder of the land covered by Alas Hak.

Valuation of investment property

The investment property is stated at fair value, which was determined based on a valuation performed as at 30 June 2022. The valuation was carried out by KJPP Willson dan Rekan in association with Knight Frank, an independent professional valuer. Please refer to Note E13 on page 23 for details of valuation techniques and inputs used.

E. Notes to the condensed interim consolidated financial statements (cont'd)

11. Intangible assets and goodwill

Group	Computer software \$'000	Technology licence \$'000	Customer relationships	Goodwill \$'000	Total \$'000
			and backlog orders \$'000		
<b>Cost</b>					
At 1 July 2020	418	161	1,481	17,202	19,262
Additions	114	-	-	-	114
Exchange differences	2	-	-	(3)	(1)
At 30 June 2021	534	161	1,481	17,199	19,375
Acquisition of a subsidiary	2	-	-	4,103	4,105
Additions	132	-	-	-	132
Write-off	-	(161)	-	-	(161)
Adjustments	-	-	(61)	-	(61)
Exchange differences	-	-	-	(2)	(2)
At 30 June 2022	668	-	1,420	21,300	23,388
<b>Accumulated amortisation</b>					
At 1 July 2020	297	16	172	-	485
Charge for the year	41	32	158	-	231
Impairment loss	-	113	-	206	319
Exchange differences	1	-	-	-	1
At 30 June 2021	339	161	330	206	1,036
Charge for the year	40	-	158	-	198
Write-off	-	(161)	-	-	(161)
Adjustments	-	-	(61)	-	(61)
Exchange differences	1	-	-	-	1
At 30 June 2022	380	-	427	206	1,013
<b>Carrying amounts</b>					
At 30 June 2021	195	-	1,151	16,993	18,339
At 30 June 2022	288	-	993	21,094	22,375

During the financial year, the Company purchased a new software for \$72,000 (2021: \$29,000) which, at the reporting date, was not yet available for use.

Goodwill arising from acquisition of a subsidiary

On 30 June 2022, EAIPL acquired a 40% interest in ICM. Please refer to Note D-1 on page 8 for further details.

EAIPL had accounted for its interest in ICM as an investment in a subsidiary, and recorded a provisional goodwill of approximately \$4.1 million as at 30 June 2022. EAIPL will be carrying out a purchase price allocation ("PPA") exercise within 12 months from 30 June 2022 whereupon, the provisional goodwill may be adjusted on completion of the PPA exercise.

**E. Notes to the condensed interim consolidated financial statements (cont'd)**

**11. Intangible assets and goodwill (cont'd)**

Annual impairment tests for CGUs containing goodwill

Goodwill is allocated to the Group's cash generating units ("CGUs") as follows:

	<b>Group</b>	
	<b>30.06.2022</b>	<b>30.06.2021</b>
	<b>\$'000</b>	<b>\$'000</b>
DSS	15,391	15,393
APSS	1,600	1,600
Agri-food	4,103	-
	<hr/>	<hr/>
	21,094	16,993

The recoverable amounts of the CGUs are determined annually based on value-in-use calculation. The calculation uses cash flow projections covering a five-year period, based on financial budgets/forecasts approved by management.

Key assumptions used for value-in-use calculation

For the purpose of estimating the recoverable amounts of the CGUs, management had used the following key assumptions for the cash flow projections:

	<b>Revenue growth rate</b>	<b>Pre-tax discount rate</b>
	<b>%</b>	<b>%</b>
<b>Group 2022</b>		
DSS	5.5	12.9
APSS	10.3	15.6
<b>2021</b>		
DSS	5.5	13.8
APSS	5.5	16.1

*Revenue growth rates*

The weighted average revenue growth rates per annum used are based on the forecasts included in industry reports. Management determined gross profit growth rate per annum based on past performance and its expectations of market developments.

*Pre-tax discount rates*

Discount rates represent the current market assessment of the risks specific to each CGU, in relation to the time value of money and individual risks of the underlying assets which have not been incorporated in the cash flow estimates. The discount rate calculations are based on the specific circumstances of the Group and its CGUs and are derived from its weighted average cost of capital.

**E. Notes to the condensed interim consolidated financial statements (cont'd)**

**11. Intangible assets and goodwill (cont'd)**

Sensitivity to changes in assumption

*DSS*

If the revenue growth rate decreased to 0.3% (2021: 3.3%) per annum, the estimated recoverable amount would be equal to the carrying amount.

*APSS*

If the revenue growth rate decreased to 9.6% (2021: 0.6%) per annum, the estimated recoverable amount would be equal to the carrying amount.

**12. Financial instruments by category**

An analysis of the Group's and the Company's financial instruments is set out below.

	FVOCI – equity investments \$'000	Financial assets at amortised cost \$'000	Other financial liabilities \$'000	Total \$'000
<b>Group</b>				
<b>30.06.2022</b>				
<b>Assets</b>				
Financial assets <sup>1</sup>	12,896	-	-	12,896
Trade and other receivables <sup>2</sup>	-	12,019	-	12,019
Amounts due from related parties	-	334	-	334
Cash and cash equivalents	-	61,681	-	61,681
	<u>12,896</u>	<u>74,034</u>	<u>-</u>	<u>86,930</u>
<b>Liabilities</b>				
Trade and other payables <sup>3</sup>	-	-	(11,235)	(11,235)
Amounts due to related parties	-	-	(1,539)	(1,539)
Lease liabilities	-	-	(1,005)	(1,005)
	<u>-</u>	<u>-</u>	<u>(13,779)</u>	<u>(13,779)</u>
<b>30.06.2021</b>				
<b>Assets</b>				
Financial assets <sup>1</sup>	13,243	-	-	13,243
Trade and other receivables <sup>2</sup>	-	13,197	-	13,197
Amounts due from related parties	-	316	-	316
Cash and cash equivalents	-	64,404	-	64,404
	<u>13,243</u>	<u>77,917</u>	<u>-</u>	<u>91,160</u>
<b>Liabilities</b>				
Trade and other payables <sup>3</sup>	-	-	(10,853)	(10,853)
Amounts due to related parties	-	-	(575)	(575)
Lease liabilities	-	-	(908)	(908)
	<u>-</u>	<u>-</u>	<u>(12,336)</u>	<u>(12,336)</u>

E. Notes to the condensed interim consolidated financial statements (cont'd)

12. Financial instruments by category (cont'd)

	FVOCI – equity investments \$'000	Financial assets at amortised cost \$'000	Other financial liabilities \$'000	Total \$'000
<b>Company</b>				
<b>30.06.2022</b>				
<b>Assets</b>				
Financial assets <sup>1</sup>	9,704	-	-	9,704
Trade and other receivables <sup>2</sup>	-	16	-	16
Amounts due from related parties	-	14,927	-	14,927
Cash and cash equivalents	-	47,900	-	47,900
	<u>9,704</u>	<u>62,843</u>	<u>-</u>	<u>72,547</u>
<b>Liabilities</b>				
Trade and other payables <sup>3</sup>	-	-	(1,455)	(1,455)
Amounts due to related parties	-	-	(1,191)	(1,191)
	<u>-</u>	<u>-</u>	<u>(2,646)</u>	<u>(2,646)</u>
<b>30.06.2021</b>				
<b>Assets</b>				
Financial assets <sup>1</sup>	11,311	-	-	11,311
Trade and other receivables <sup>2</sup>	-	5	-	5
Amounts due from related parties	-	9,654	-	9,654
Cash and cash equivalents	-	54,292	-	54,292
	<u>11,311</u>	<u>63,951</u>	<u>-</u>	<u>75,262</u>
<b>Liabilities</b>				
Trade and other payables <sup>3</sup>	-	-	(1,391)	(1,391)
Amounts due to related parties	-	-	(1,163)	(1,163)
	<u>-</u>	<u>-</u>	<u>(2,554)</u>	<u>(2,554)</u>

<sup>1</sup> The Group has elected to designate these financial assets at FVOCI as the Group intends to hold them for long-term investment purposes to generate returns and for capital appreciation. During the financial year, the Group had disposed of certain quoted equity securities. The aggregate of the fair values of these securities at the respective dates of disposals was \$4,573,000 (2021: \$891,000), and the cumulative gain on disposals was \$710,000 (2021: \$120,000). The cumulative gain on disposals was reclassified from fair value reserve to retained earnings.

<sup>2</sup> Excludes grant receivables, tax recoverable, sales tax receivables and prepayments.

<sup>3</sup> Excludes sales tax payables, deferred grant income and contract liabilities.

## E. Notes to the condensed interim consolidated financial statements (cont'd)

### 13. Fair value of assets and liabilities

#### Fair value hierarchy

The Group categorises fair value measurement using a fair value hierarchy that is dependent on the valuation inputs used as follows:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities that can be accessed at the measurement date;

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).

There has been no transfer between Level 1 and Level 2 and no transfer into or out of Level 3 during the financial years ended 30 June 2022 and 30 June 2021.

#### Assets and liabilities measured at fair value

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>Group</b>				
<b>30.06.2022</b>				
<b>Financial assets</b>				
Investments at FVOCI	11,130	-	1,766	12,896
<b>Non-financial assets</b>				
Investment property	-	-	24,202	24,202
	<u>11,130</u>	<u>-</u>	<u>25,968</u>	<u>37,098</u>
<b>30.06.2021</b>				
<b>Financial assets</b>				
Investments at FVOCI	11,311	-	1,932	13,243
<b>Non-financial assets</b>				
Investment property	-	-	20,632	20,632
	<u>11,311</u>	<u>-</u>	<u>22,564</u>	<u>33,875</u>
<b>Company</b>				
<b>30.06.2022</b>				
<b>Financial assets</b>				
Investments at FVOCI	<u>9,704</u>	<u>-</u>	<u>-</u>	<u>9,704</u>
<b>30.06.2021</b>				
<b>Financial assets</b>				
Investments at FVOCI	<u>11,311</u>	<u>-</u>	<u>-</u>	<u>11,311</u>

The fair value of investments at FVOCI categorised under Level 1 of the fair value hierarchy was based on respective last quoted market prices at the reporting date.

**E. Notes to the condensed interim consolidated financial statements (cont'd)**

**13. Fair value of assets and liabilities (cont'd)**

Level 3 fair value measurements

The following table presents the valuation techniques and key inputs used to determine the fair values of investments at FVOCI and investment property categorised under Level 3 of the fair value hierarchy.

Description	Fair value at 30.06.2022 \$'000	Valuation techniques	Unobservable inputs	Range of unobservable inputs
Investments - Equity security (unquoted)	1,766	Quoted market prices, valuations or quotes adjusted to reflect market spreads or modelled prices	Adjustments to quotes	Not applicable
Investment property	24,202	Market approach with percentage / plus and minus method	Price of comparable properties	Indonesian Rupiah 350,000 per sqm – Indonesian Rupiah 375,000 per sqm

Description	Fair value at 30.06.2021 \$'000	Valuation techniques	Unobservable inputs	Range of unobservable inputs
Investments - Equity security (unquoted)	1,932	Quoted market prices, valuations or quotes adjusted to reflect market spreads or modelled prices	Adjustments to quotes	Not applicable
Investment property	20,632	Market approach with percentage / plus and minus method	Price of comparable properties	Indonesian Rupiah 350,000 per sqm – Indonesian Rupiah 375,000 per sqm

The fair value of investments categorised under Level 3 of the fair value hierarchy is generally sensitive to the unobservable inputs set out above.

Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value

The carrying amounts of financial assets and liabilities with maturity of less than one year (including trade and other receivables, amounts due from/(to) related parties, cash and cash equivalents and trade and other payables) were assumed to approximate their fair values because of the short period to maturity or that they were repriced frequently.



**E. Notes to the condensed interim consolidated financial statements (cont'd)**

**14. Cash and cash equivalents**

	Group		Company	
	30.06.2022	30.06.2021	30.06.2022	30.06.2021
	\$'000	\$'000	\$'000	\$'000
Cash at banks and in hand	18,314	24,756	5,496	14,916
Short-term deposits	43,367	39,648	42,404	39,376
	<u>61,681</u>	<u>64,404</u>	<u>47,900</u>	<u>54,292</u>

**15. Share capital and treasury shares**

	Company			
	No. of shares		Amount	
	Issued share capital	Treasury shares	Issued share capital	Treasury shares
	'000	'000	\$'000	\$'000
At 1 July and 30 June	<u>167,128</u>	<u>(460)</u>	<u>89,566</u>	<u>(126)</u>

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions. The ordinary shares have no par value.

Treasury shares

Treasury shares are ordinary shares of the Company that are purchased and held by the Company and are presented as a component within shareholders' equity.

**16. Significant related party transactions**

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

	Group		Group	
	2HFY2022	2HFY2021	FY2022	FY2021
	\$'000	\$'000	\$'000	\$'000
Sales and services income received/receivable from:				
– joint ventures	-	25	25	61
– related parties	8	21	34	21
Purchases and service fee paid/payable to:				
– related parties	-	(17)	(2)	(45)
Consultancy fee paid/payable to a director	<u>(47)</u>	<u>(47)</u>	<u>(93)</u>	<u>(93)</u>

**E. Notes to the condensed interim consolidated financial statements (cont'd)**

**17. Borrowings**

The Group had no borrowings or debt securities as at 30 June 2022 and 30 June 2021.

**18. Subsequent events**

In July 2022, EAIPL entered into (a) a shareholders' agreement with Ise Hikonobu, Yayoi Yoshikawa and ICM; and (b) a shareholder loan agreement with ICM.

The shareholders' agreement governs the shareholders' respective rights and obligations, and regulates their relationships in the conduct of the business and related affairs of ICM.

Subject to the fulfilment of certain conditions precedent provided in the shareholder loan agreement by ICM (or unless otherwise waived by EAIPL), EAIPL agreed to extend a shareholder loan of up to \$28.5 million to ICM for the purposes of:

- (a) the subscription of such number of shares by ICM in IFH, amounting to 70% of the resultant enlarged issued and paid-up share capital of IFH;
- (b) partially financing the development and operation of the egg farm by way of a loan from ICM to IFH and;
- (c) ICM's working capital and research and development requirements.

EAIPL had to-date extended a sum of \$12.6 million to ICM.

In August 2022, IFH took possession of 3 plots of land with a total approximate land area of 121,000 square metres for the development of an egg layer farm, a day-old-chick hatchery and a parent layer farm. The lease term of the 3 plots of land for 30 years commenced on 18 July 2022.

## F. Other information

### 1. Review

The condensed interim consolidated financial statements have not been audited or reviewed by the Company's auditor.

### 2. Details of any changes in the Company's share capital arising from rights issue, bonus issue, subdivision, consolidation, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

There was no change in the Company's share capital since the end of the previous period reported on up to the end of the current financial year.

There were no outstanding convertibles and subsidiary holdings as at 30 June 2022 and 30 June 2021.

The Company's issued and fully paid-up shares as at 30 June 2022 comprised 166,668,285 (30 June 2021: 166,668,285) ordinary shares with voting rights and 459,900 (30 June 2021: 459,900) ordinary shares (treasury shares) with no voting rights. The treasury shares held represented 0.28% (30 June 2021: 0.28%) of the total number of issued shares.

### 3. To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

	30.06.2022	30.06.2021
Total number of ordinary shares excluding treasury shares	166,668,285	166,668,285

### 4. A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

There was no sale, transfer, cancellation and/or use of treasury shares as at the end of the current financial year.

### 5. A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

Not applicable.

**F. Other information (cont'd)**

**6. Earnings per ordinary share of the Group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

	Group		Group	
	2HFY2022	2HFY2021	FY2022	FY2021
Earnings/(Loss) per share (cents)				
- basic and diluted	0.69	(0.69)	1.65	1.83
Weighted average number of shares (excluding treasury shares)	166,668,285	166,668,285	166,668,285	166,668,285

Diluted earnings/(loss) per share was the same as basic earnings/(loss) per share as there were no potentially dilutive ordinary shares for both the current and preceding financial periods.

**7. Net asset value (for the issuer and Group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:**

- (a) current financial period reported on; and  
(b) immediately preceding financial year.**

	Group		Company	
	30.06.2022	30.06.2021	30.06.2022	30.06.2021
Net asset value per share (cents)	68.18	68.23	60.84	62.49
Number of shares at end of the financial year (excluding treasury shares)	166,668,285	166,668,285	166,668,285	166,668,285

Net asset is defined as total equity less non-controlling interests.

**8. Review of performance of the Group**

**2HFY2022 vs 2HFY2021**

The Group's 2HFY2022 revenue of \$26.9 million was marginally lower than the \$27.1 million recorded in 2HFY2021. Gross profit had dropped by \$0.3 million because of lower gross profit margin which had declined slightly by 1% from 23% to 22% due to a change in revenue mix.

Other income was \$1.0 million in 2HFY2022 compared to \$0.8 million in 2HFY2021. The breakdown of other income is provided in Note E6 on page 15.

Based on valuations carried out by an independent professional valuer as at 30 June 2022 and 30 June 2021, the Group recorded fair value gains on investment property of \$0.2 million and \$2.9 million in 2HFY2022 and 2HFY2021 respectively.

The Group's lower distribution and administrative expenses of \$5.9 million in 2HFY2022 compared to \$6.4 million in 2HFY2021 was mainly due to lower staff related costs and write down of inventories.

Other expenses in 2HFY2021 comprised mainly impairment loss on intangible assets and goodwill pertaining to the vending solutions segment of \$0.3 million.

**F. Other information (cont'd)**

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

**2HFY2022 vs 2HFY2021 (cont'd)**

The increase in finance income was mainly due to the higher interest rate environment.

The Group's share of results of an associate and loss on disposal of an associate in 2HFY2021 were in respect of RMDV. Please refer to Note E8 on page 16 for further details.

Overall, the Group recorded a net profit after tax of \$1.0 million in 2HFY2022 compared to a net loss after tax of \$0.4 million in 2HFY2021.

**FY2022 vs FY2021**

The Group's FY2022 revenue of \$55.6 million was marginally higher than \$54.5 million recorded in FY2021. The increase in revenue was contributed by DSS segment from its higher sales in equipment and consumables which was partially offset by lower commission income. Gross profit margin was 22% for both financial years.

Other income recorded in FY2022 was \$1.3 million compared to \$1.5 million in FY2021. The breakdown of other income is provided in Note E6 on page 15.

Based on valuations carried out by an independent professional valuer as at 30 June 2022 and 30 June 2021, the Group recorded fair value gains on investment property of \$1.9 million and \$2.9 million in FY2022 and FY2021 respectively.

The Group's distribution and administrative expenses in FY2022 were comparable to FY2021.

Other expenses in FY2021 comprised foreign exchange loss of \$0.9 million and impairment loss on intangible assets and goodwill pertaining to the vending solutions segment of \$0.3 million.

The increase in finance income was mainly due to the higher interest rate environment.

The Group's share of results of an associate and loss on disposal of an associate in FY2021 were in respect of RMDV. Please refer to Note E8 on page 16 for further details.

The Group's share of results of joint ventures in FY2022 and FY2021 were mainly in respect of Adell Solutions Pte Ltd.

Overall, the Group recorded a net profit after tax of \$3.2 million in FY2022 which was 15% lower than the net profit after tax of \$3.7 million in FY2021.

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

Not applicable.

## F. Other information (cont'd)

### 10. 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.

According to the World Semiconductor Trade Statistics (“WSTS”) report released in May 2022, the world semiconductor market expects another year of double-digit growth for the worldwide semiconductor market in 2022 with a forecast of US\$646.5 billion, up 16.3%. For 2023, the global semiconductor market is projected to grow by 5.1% to US\$679.7 billion, driven by growth in the Logic and Analog categories.

In its Mid-Year Total Semiconductor Equipment Forecast – OEM Perspective, SEMI forecast global sales of total semiconductor manufacturing equipment by original equipment manufacturers to reach a record US\$117.5 billion in 2022, rising 14.7% from the previous industry high of US\$102.5 billion in 2021, and to further increase to US\$120.8 billion in 2023. Both the front-end and back-end semiconductor equipment segments are contributing to the market expansion. The wafer fab equipment segment, which includes wafer processing, fab facilities, and mask/reticle equipment, is projected to expand 15.4% to a new industry record of US\$101.0 billion in 2022, followed by a 3.2% increase to \$104.3 billion in 2023.

Notwithstanding the above, the global economy remains uncertain due to ongoing geopolitical tensions, supply chain issues and inflation. There are also signs of abating in certain markets particularly those exposed to consumer spending. The Group will continually monitor and evaluate the market situation and business environment to strategise and overcome challenges that may arise.

On 30 June 2022, the Group acquired a 40% interest in ICM which holds a 70% interest in IFH. IFH will be developing and operating the 4th egg farm in Singapore. The acquisition marks the Group’s foray into the agri-food industry. It allows the Group to collaborate with one of the world’s largest egg producer to produce high quality eggs for Singapore’s local consumption. The acquisition serves as a foothold from which there could be potential opportunities for the Group to consider the agri-food sector and increasing its investment in this business in the future.

### 11. Dividend information

#### (a) Current Financial Period Reported On.

Name of dividend	Final (Proposed)
Dividend type	Cash
Dividend rate	1.00 cent
Tax rate	Tax exempt (one-tier)

#### (b) Corresponding Period of the Immediately Preceding Financial Year.

Name of dividend	Interim	Final
Dividend type	Cash	Cash
Dividend rate	0.50 cent	2.00 cents
Tax rate	Tax exempt (one-tier)	Tax exempt (one-tier)

#### (c) Date payable.

To be announced.

**F. Other information (cont'd)**

**11. Dividend information (cont'd)**

**(d) Book closure date.**

To be announced.

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

Not applicable.

**13. 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 of the Company for Interested Person Transactions.

**14. Confirmation by Board pursuant to Rule 705(5) of the Listing Manual.**

Not applicable for full year results announcement.

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

The Company has 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.

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

FY2022 revenue of DSS segment had increased by \$2.4 million compared to FY2021. The increase was mainly contributed by higher sales in equipment in China and Malaysia and consumables in Taiwan, partially offset by lower commission income in Singapore. The segment results for FY2022 of \$2.7 million was comparable to FY2021 despite the increase in revenue. This was mainly due to higher staff related costs and lower government grants.

The decrease in revenue of APSS segment in FY2022 by \$1.3 million was due to lower sales in equipment. The segment results had declined from a profit of \$0.3 million in FY2021 to a loss of \$0.1 million in FY2022 due to lower revenue and government grants.

Results of property investment and development segment for both FY2022 and FY2021 were mainly attributable to the fair value gain on investment property.

**F. Other information (cont'd)**

**17. A breakdown of sales and profit after tax and before deducting non-controlling interests**

Group	FY2022 \$'000	FY2021 \$'000	Change %
Revenue reported for first half-year	28,735	27,441	5
Profit after tax and before deducting non-controlling interests reported for first-half year	2,146	4,128	(48)
Revenue reported for second half-year	26,860	27,070	(1)
Profit/(Loss) after tax and before deducting non-controlling interests reported for second half-year	1,041	(387)	NM

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

	FY2022 \$'000	FY2021 \$'000
<b>Ordinary shares</b>		
Interim dividend	-	833
Final dividend	1,667 <sup>(1)</sup>	3,333
	<u>1,667</u>	<u>4,166</u>

<sup>(1)</sup> The proposed final dividend for FY2022 of \$1,667,000 is estimated based on the total number of ordinary shares in issue (excluding treasury shares) as at 30 June 2022. The proposed dividend has not been recognised as a liability as at the reporting date.

**19. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) 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 and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Kelvin Lum Wen-Sum	47	Son of David Lum Kok Seng, the legal and beneficial owner of Bevirian Pte Ltd, a substantial shareholder of the Company.  Brother of Adrian Lum Wen-Hong, a non-independent non-executive director of the Company.	Chief Executive Officer (with effect from 8 August 2018)  Providing leadership to the Group's operations, charting the Group's corporate directions, implementing growth strategies and managing investment activities.	Not applicable.

**By order of the Board**  
**CHOW CHING SIAN**  
 Company Secretary  
 25 August 2022