



TREK 2000 INTERNATIONAL LTD (Registration Number 199905744N)

## Second Half and Full Year Financial Statements Announcement for the Period ended 31 December 2023

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

#### Unaudited Results for the Second Half and Full Year Ended 31 December 2023

	Note	Second Half			Full Year		
		2023	2022	Increase/ (Decrease)	2023	2022	Increase/ (Decrease)
		US\$'000	US\$'000	%	US\$'000	US\$'000	%
<b>Revenue</b>		10,191	9,226	10.5	16,763	16,618	0.9
Cost of sales		(8,899)	(11,919)	(25.3)	(15,247)	(19,013)	(19.8)
<b>Gross profit/(loss)</b>		<u>1,292</u>	<u>(2,693)</u>	N.M.	<u>1,516</u>	<u>(2,395)</u>	N.M.
<b>Other items of income:</b>							
Interest income		452	175	158.3	699	312	124.0
Other income		1,959	39	4,923.1	3,082	151	1,941.1
<b>Other items of expense:</b>							
Research and development		(773)	(284)	172.2	(1,085)	(816)	33.0
Marketing and distribution		(989)	(799)	23.8	(1,536)	(1,531)	0.3
Impairment losses on trade and other receivables		(46)	(35)	31.4	(99)	(65)	52.3
General administration		(565)	(509)	11.0	(1,072)	(1,051)	2.0
Finance expenses		(5)	(20)	(75.0)	(8)	(31)	(74.2)
Other expenses		(43)	(2,815)	(98.5)	–	(7,884)	(100.0)
Profit/(loss) before income tax	6	<u>1,282</u>	<u>(6,941)</u>	N.M.	<u>1,497</u>	<u>(13,310)</u>	N.M.
Income tax expense	7	(15)	–	100.0	(15)	–	100.0
<b>Profit/(loss) for the period/year</b>		<u><b>1,267</b></u>	<u><b>(6,941)</b></u>	<b>N.M.</b>	<u><b>1,482</b></u>	<u><b>(13,310)</b></u>	<b>N.M.</b>
<b>Other comprehensive income</b>							
<b><u>Items that may be reclassified to profit or loss in subsequent periods</u></b>							
Foreign currency translation differences		9	138	(93.5)	20	184	(89.1)
<b><u>Items that will not be reclassified to profit or loss in subsequent periods</u></b>							
Revaluation of freehold and leasehold property		100	86	16.3	100	86	16.3
Fair value changes on equity investments at FVOCI		2,014	(67)	N.M.	2,014	1,333	51.1
Total other comprehensive income/(loss) for the period/year, net of tax		<u>2,123</u>	<u>157</u>	1,252.2	<u>2,134</u>	<u>1,603</u>	33.1
<b>Total comprehensive income/(loss) for the period/year</b>		<u><b>3,390</b></u>	<u><b>(6,784)</b></u>	<b>N.M.</b>	<u><b>3,616</b></u>	<u><b>(11,707)</b></u>	<b>N.M.</b>

PS: N.M. – Not Meaningful

**A. Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income (cont'd)**  
**Unaudited Results for the Second Half and Full Year Ended 31 December 2023 (cont'd)**

Note	Second Half		Increase/ (Decrease) %	Full Year		Increase/ (Decrease) %
	2023	2022		2023	2022	
	US\$'000	US\$'000		US\$'000	US\$'000	
					0	
<b>Profit/(loss) for the period/year attributable to:</b>						
Owners of the Company	1,255	(6,946)	N.M.	1,475	(13,300)	N.M.
Non-controlling interests	12	5	140.0	7	(10)	N.M.
	<b>1,267</b>	<b>(6,941)</b>	<b>N.M.</b>	<b>1,482</b>	<b>(13,310)</b>	<b>N.M.</b>
<b>Total comprehensive income/(loss) attributable to:</b>						
Owners of the Company	3,378	(6,789)	N.M.	3,609	(11,697)	N.M.
Non-controlling interests	12	5	140.0	7	(10)	N.M.
	<b>3,390</b>	<b>(6,784)</b>	<b>N.M.</b>	<b>3,616</b>	<b>(11,707)</b>	<b>N.M.</b>
Income/(loss) per share attributable to owners of the Company (expressed in USD cents per share):						
– Basic and diluted	0.40	(2.22)	N.M.	0.47	(4.25)	N.M.

PS: N.M. – Not Meaningful

## B. Condensed Interim Consolidated Statement of Financial Position

	Note	Group		Company	
		31 Dec 2023 US\$'000	31 Dec 2022 US\$'000	31 Dec 2023 US\$'000	31 Dec 2022 US\$'000
<b>Non-current assets</b>					
Property, plant and equipment	12	1,335	1,154	–	–
Right-of-use assets		315	279	–	–
Investment in subsidiaries		–	–	881	1,583
Investment in associates		–	–	5	5
Unquoted investments	10	1,950	1,886	1,950	1,886
Loan receivable		–	–	–	–
		<u>3,600</u>	<u>3,319</u>	<u>2,836</u>	<u>3,474</u>
<b>Current assets</b>					
Inventories		3,010	2,407	–	–
Trade and other receivables		592	4,942	121	2,099
Prepayments		8	59	2	5
Quoted investments held for trading	10	17,063	15,898	17,063	15,898
Unquoted investments held for trading	10	1,594	1,796	1,594	1,796
Short term deposits		9,621	1,017	9,371	515
Cash at banks and on hand		771	1,537	496	105
		<u>32,659</u>	<u>27,656</u>	<u>28,647</u>	<u>20,418</u>
<b>Total assets</b>		<b><u>36,259</u></b>	<b><u>30,975</u></b>	<b><u>31,483</u></b>	<b><u>23,892</u></b>
<b>Current liabilities</b>					
Trade payables		2,792	711	1	1
Other payables and accruals		1,949	1,967	2,837	207
Lease liabilities		122	82	–	–
Income tax payable		483	1,029	–	–
		<u>5,346</u>	<u>3,789</u>	<u>2,838</u>	<u>208</u>
<b>Net current assets</b>		<b>27,313</b>	<b>23,867</b>	<b>25,809</b>	<b>20,210</b>
<b>Non-current liabilities</b>					
Lease liabilities		137	122	–	–
Deferred taxation		126	105	–	–
		<u>263</u>	<u>227</u>	<u>–</u>	<u>–</u>
<b>Total liabilities</b>		<b><u>5,609</u></b>	<b><u>4,016</u></b>	<b><u>2,838</u></b>	<b><u>208</u></b>
<b>Net assets</b>		<b><u>30,650</u></b>	<b><u>26,959</u></b>	<b><u>28,645</u></b>	<b><u>23,684</u></b>
<b>Equity attributable to the owners of the Company</b>					
Share capital	15	37,829	37,829	37,829	37,829
Treasury shares		(996)	(996)	(996)	(996)
Revenue reserve		(12,321)	(14,246)	(9,215)	(12,537)
Capital reserve		2,717	2,717	–	–
Asset revaluation reserve		1,452	1,352	–	–
Translation reserve		164	144	–	–
Other reserves		950	(689)	1,027	(612)
		<u>29,795</u>	<u>26,111</u>	<u>28,645</u>	<u>23,684</u>
Non-controlling interests		855	848	–	–
<b>Total equity</b>		<b><u>30,650</u></b>	<b><u>26,959</u></b>	<b><u>28,645</u></b>	<b><u>23,684</u></b>
<b>Total equity and liabilities</b>		<b><u>36,259</u></b>	<b><u>30,975</u></b>	<b><u>31,483</u></b>	<b><u>23,892</u></b>

### C. Condensed Interim Consolidated Statement of Changes in Equity

	Attributable to owners of the Company							Non-Controlling Interests US\$'000	Total Equity US\$'000	
	Share Capital US\$'000	Treasury Shares US\$'000	Revenue Reserve US\$'000	Capital Reserve US\$'000	Asset Revaluation Reserve US\$'000	Translation Reserve US\$'000	Other Reserves US\$'000			Total US\$'000
<b>THE GROUP</b>										
<b>Balance as at 1 January 2023</b>	37,829	(996)	(14,246)	2,717	1,352	144	(689)	26,111	848	26,959
Total comprehensive income/(loss) for the period	–	–	220	–	–	11	–	231	(5)	226
<b>Balance as at 30 June 2023</b>	<b>37,829</b>	<b>(996)</b>	<b>(14,026)</b>	<b>2,717</b>	<b>1,352</b>	<b>155</b>	<b>(689)</b>	<b>26,342</b>	<b>843</b>	<b>27,185</b>
Reclassification of fair value change of equity investments	–	–	450	–	–	–	(450)	–	–	–
Share option expenses	–	–	–	–	–	–	75	75	–	75
Total comprehensive income/(loss) for the period	–	–	1,255	–	100	9	2,014	3,378	12	3,390
<b>Balance as at 31 December 2023</b>	<b>37,829</b>	<b>(996)</b>	<b>(12,321)</b>	<b>2,717</b>	<b>1,452</b>	<b>164</b>	<b>950</b>	<b>29,795</b>	<b>855</b>	<b>30,650</b>
<b>Balance as at 1 January 2022</b>	37,829	(996)	(1,040)	2,717	1,266	(40)	(1,939)	37,797	924	38,721
Total comprehensive income/(loss) for the period	–	–	(6,354)	–	–	46	1,400	(4,908)	(15)	(4,923)
<b>Balance as at 30 June 2022</b>	<b>37,829</b>	<b>(996)</b>	<b>(7,394)</b>	<b>2,717</b>	<b>1,266</b>	<b>6</b>	<b>(539)</b>	<b>32,889</b>	<b>909</b>	<b>33,798</b>
Share option forfeited/lapsed	–	–	94	–	–	–	(94)	–	–	–
Acquisition of non-controlling interests in a subsidiary without change in control	–	–	–	–	–	–	11	11	(54)	(43)
Dividend paid by a subsidiary to non-controlling interests	–	–	–	–	–	–	–	–	(12)	(12)
Total comprehensive income/(loss) for the period	–	–	(6,946)	–	86	138	(67)	(6,789)	5	(6,784)
<b>Balance as at 31 December 2022</b>	<b>37,829</b>	<b>(996)</b>	<b>(14,246)</b>	<b>2,717</b>	<b>1,352</b>	<b>144</b>	<b>(689)</b>	<b>26,111</b>	<b>848</b>	<b>26,959</b>

**C. Condensed Interim Consolidated Statement of Changes in Equity (cont'd)**

	Attributable to owners of the Company							
	Share Capital US\$'000	Treasury Shares US\$'000	Revenue Reserve US\$'000	Capital Reserve US\$'000	Asset Revaluation Reserve US\$'000	Translation Reserve US\$'000	Other Reserves US\$'000	Total US\$'000
<b>THE COMPANY</b>								
<b>Balance as at 1 January 2023</b>	37,829	(996)	(12,537)	–	–	–	(612)	23,684
Total comprehensive income/(loss) for the period	–	–	648	–	–	–	–	648
<b>Balance as at 30 June 2023</b>	<b>37,829</b>	<b>(996)</b>	<b>(11,889)</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(612)</b>	<b>24,332</b>
Reclassification of fair value change of equity investments	–	–	450	–	–	–	(450)	–
Share option expenses	–	–	–	–	–	–	75	75
Total comprehensive income/(loss) for the period	–	–	2,224	–	–	–	2,014	4,238
<b>Balance as at 31 December 2023</b>	<b>37,829</b>	<b>(996)</b>	<b>(9,215)</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>1,027</b>	<b>28,645</b>
<b>Balance as at 1 January 2022</b>	37,829	(996)	(4,918)	–	–	–	(1,851)	30,064
Total comprehensive income/(loss) for the period	–	–	(5,054)	–	–	–	1,400	(3,654)
<b>Balance as at 30 June 2022</b>	<b>37,829</b>	<b>(996)</b>	<b>(9,972)</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(451)</b>	<b>26,410</b>
Share option forfeited/lapsed	–	–	94	–	–	–	(94)	–
Total comprehensive income/(loss) for the period	–	–	(2,659)	–	–	–	(67)	(2,726)
<b>Balance as at 31 December 2022</b>	<b>37,829</b>	<b>(996)</b>	<b>(12,537)</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(612)</b>	<b>23,684</b>

**D. Condensed Interim Consolidated Statement of Cash Flows**

	<b>Second Half FY2023 US\$'000</b>	<b>Second Half FY2022 US\$'000</b>	<b>Full Year FY2023 US\$'000</b>	<b>Full Year FY2022 US\$'000</b>
<b>Cash flow from operating activities:</b>				
Profit/(loss) before income tax	1,282	(6,941)	1,497	(13,310)
Adjustments for:				
Depreciation of property, plant and equipment	93	77	183	153
Depreciation of right-of-use assets	63	69	123	143
(Gain)/loss on fair value changes of financial assets at FVTPL (Net)	42	2,617	(542)	7,608
(Gain)/loss on disposal of unquoted investments	(1,913)	–	(1,913)	–
Allowance/(reversal) for product warranty	10	162	10	162
Allowance/(reversal) of provision for inventory obsolescence	(76)	1,394	(1,414)	1,398
Allowance/(reversal) of provision for diminution in value of inventory	–	578	(673)	632
Allowance/(reversal) of provision for doubtful debts	68	35	121	65
Bad debts	–	10	–	10
Interest income	(452)	(175)	(699)	(312)
Interest expense	5	20	8	31
Dividend income	–	–	(9)	(17)
Share option expenses	75	–	75	–
<b>Operating loss before changes in working capital</b>	<b>(803)</b>	<b>(2,154)</b>	<b>(3,233)</b>	<b>(3,437)</b>
(Increase) /decrease in trade and other receivables, and prepayments	(250)	(542)	2,986	728
(Increase)/decrease in inventories	(610)	(226)	1,484	(3,085)
Increase/(decrease) in trade and other payables	2,864	439	2,007	(2,324)
<b>Cash generated from/(used in) operating activities</b>	<b>1,201</b>	<b>(2,483)</b>	<b>3,244</b>	<b>(8,118)</b>
Income tax paid	(313)	(201)	(561)	(426)
Interest received	287	39	367	39
<b>Net cash generated from/(used in) operating activities</b>	<b>1,175</b>	<b>(2,645)</b>	<b>3,050</b>	<b>(8,505)</b>
<b>Cash flow from investing activities</b>				
Advances made to associate	(58)	(53)	(129)	(65)
Proceeds from disposal of quoted investments	344	2,420	344	7,947
Proceeds from disposal of unquoted investments	3,863	–	3,863	407
Purchase of property, plant and equipment	(244)	(14)	(244)	(19)
Purchase of quoted investments	(657)	(94)	(764)	(1,675)
Purchase of unquoted investments	–	–	–	(2,000)
Loan repayment from an investee company	–	–	1,470	–
Dividend income from quoted investments	–	–	9	17
Interest income from quoted investments	–	93	304	190
Interest income from loan to investee	164	43	27	87
<b>Net cash generated from investing activities</b>	<b>3,412</b>	<b>2,395</b>	<b>4,880</b>	<b>4,889</b>
<b>Cash flow from financing activities</b>				
Payment to a non-controlling shareholder for purchases of shares in a subsidiary	–	(43)	–	(43)
Dividend paid to non-controlling interests	–	(12)	–	(12)
Fixed deposit unpledged	250	2,515	250	–
Interest paid	(5)	(20)	(8)	(31)
Payment of lease liability	(50)	(59)	(103)	(124)
Repayment of bank loan	–	(1,485)	–	–
<b>Net cash generated from/(used in) financing activities</b>	<b>195</b>	<b>896</b>	<b>139</b>	<b>(210)</b>
Net increase/(decrease) in cash and cash equivalents	4,782	646	8,069	(3,826)
Cash and cash equivalents at beginning of period/year	5,350	1,273	2,054	5,881
Effect of foreign exchange difference	10	135	19	(1)
<b>Cash and cash equivalents at end of period/year</b>	<b>10,142</b>	<b>2,054</b>	<b>10,142</b>	<b>2,054</b>

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

The Group's cash and cash equivalents in the consolidated statement of cash flow consist of the following:

	Year ended 31 December	
	2023	2022
	US\$'000	US\$'000
Cash at banks and on hand	771	1,537
Short-term deposits	9,621	1,017
Fixed-deposit pledged	(250)	(500)
	<b>10,142</b>	<b>2,054</b>

## E. Notes to the Condensed Interim Consolidated Financial Statement

### 1. Corporate Information

Trek 2000 International Ltd is incorporated and domiciled in Singapore and whose shares are publicly traded on the Singapore Exchange. These condensed interim consolidated financial statements as at and, for the second half and full year period ended 31 December 2023 comprise the Company and its subsidiaries (collectively, the Group). The primary activities of the Company are those of an investment holding company and the ownership of a portfolio of intellectual property.

The principal activities of the Group are:

- Research, design, development and dealing in computer hardware, software, electronic components and other related products.
- Marketing and distribution of computer peripherals and electronic components.
- Development and marketing of web portal services, including social networking sites.

### 2. Basis of Preparation

The condensed interim financial statements for the second half and full year period 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 last annual financial statements for the year ended 31 December 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 are presented in United States dollar, which is the Company's functional currency.

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

In the current financial period, the Group has adopted all the new and revised SFRS(I)s that are relevant to its operations and effective for the current financial year. The adoption of these new and revised SFRS(I)s did not have any material effect on the financial results or position of the Company.

#### 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 recognized in the period in which the estimates are revised and in any future periods affected.

## **E. Notes to the Condensed Interim Consolidated Financial Statement (cont'd)**

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

#### **2.2 Use of judgements and estimates (cont'd)**

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following notes:

- Note 10 – Classification of investments

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amount of assets and liabilities within the next interim period are included in the following notes:

- Note 10 – Valuation of unquoted investments

### **3. Seasonal operations**

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

### **4. Segment information**

The Group is organized into the following business segments:

- Customised solutions
- Interactive consumer solutions
- Renewable energy solutions
- Corporate

These operating segments are reported in a manner consistent with internal reporting provided to the management committee whose members are responsible for allocating resources and assessing performance of the operating segments.



**E. Notes to the Condensed Interim Consolidated Financial Statement (cont'd)**

**4. Segment information (cont'd)**

**4.1 Reportable segments**

	<b>Customised Solutions</b>	<b>Interactive Consumer Solutions</b>	<b>Renewable Energy Solutions</b>	<b>Corporate</b>	<b>Consolidated</b>
	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>
<b>1 July 2023 to 31 December 2023</b>					
Total segment revenue	758	9,244	189	–	10,191
Inter-segment revenue	–	–	–	–	–
Revenue from external parties	758	9,244	189	–	10,191
Dividend income	–	–	–	–	–
Interest income	–	–	–	452	452
Miscellaneous income	3	42	1	1,913	1,959
Total other income	3	42	1	2,365	2,411
<b>Total revenue and other income</b>	<b>761</b>	<b>9,286</b>	<b>190</b>	<b>2,365</b>	<b>12,602</b>
Depreciation	(12)	(141)	(3)	–	(156)
Finance expense	–	–	–	(5)	(5)
Miscellaneous expense	–	(1)	–	(42)	(43)
Segment profit/(loss)	(77)	(940)	(19)	2,318	1,282
Unallocated expenses					–
Share of profit of associated company					–
Profit/(loss) before taxation					1,282
Taxation					(15)
<b>Profit/(loss) for the interim period</b>					<b>1,267</b>
Segment assets	1,443	13,994	214	20,608	36,259
Deferred income tax assets					–
<b>Total assets</b>					<b>36,259</b>
Expenditures for segment non-current assets					
- Additions to PPE	1	16	227	–	244
	<b>1</b>	<b>16</b>	<b>227</b>	<b>–</b>	<b>244</b>
Segment liabilities	461	4,470	69	–	5,000
Current income tax liabilities					483
Deferred income tax liabilities					126
<b>Total liabilities</b>					<b>5,609</b>

**E. Notes to the Condensed Interim Consolidated Financial Statement (cont'd)**

**4. Segment information (cont'd)**

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

	<b>Customised Solutions</b>	<b>Interactive Consumer Solutions</b>	<b>Renewable Energy Solutions</b>	<b>Corporate</b>	<b>Consolidated</b>
	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>
<b>1 July 2022 to 31 December 2022</b>					
Total segment revenue	1,118	5,088	3,020	–	9,226
Inter-segment revenue	–	–	–	–	–
Revenue from external parties	1,118	5,088	3,020	–	9,226
Dividend income	–	–	–	–	–
Interest income	–	–	–	175	175
Miscellaneous income	5	21	13	–	39
Total other income	5	21	13	175	214
<b>Total revenue and other income</b>	<b>1,123</b>	<b>5,109</b>	<b>3,033</b>	<b>175</b>	<b>9,440</b>
Depreciation	(18)	(80)	(48)	–	(146)
Finance expense	–	–	–	(20)	(20)
Miscellaneous expense	(24)	(110)	(64)	(2,617)	(2,815)
Segment profit/(loss)	(543)	(2,470)	(1,466)	(2,462)	(6,941)
Unallocated expenses					–
Share of profit of associated company					–
Profit/(loss) before taxation					(6,941)
Taxation					–
<b>Profit/(loss) for the interim period</b>					<b>(6,941)</b>
Segment assets	1,275	5,752	4,368	19,580	30,975
Deferred income tax assets					–
<b>Total assets</b>					<b>30,975</b>
Expenditures for segment non-current assets					
- Additions to PPE	2	7	5	–	14
	<b>2</b>	<b>7</b>	<b>5</b>	<b>–</b>	<b>14</b>
Segment liabilities	370	1,670	842	–	2,882
Current income tax liabilities					1,029
Deferred income tax liabilities					105
<b>Total liabilities</b>					<b>4,016</b>

**E. Notes to the Condensed Interim Consolidated Financial Statement (cont'd)**

**4. Segment information (cont'd)**

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

	<b>Customised Solutions</b>	<b>Interactive Consumer Solutions</b>	<b>Renewable Energy Solutions</b>	<b>Corporate</b>	<b>Consolidated</b>
	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>
<b>1 January 2023 to 31 December 2023</b>					
Total segment revenue	1,546	14,987	230	–	16,763
Inter-segment revenue	–	–	–	–	–
Revenue from external parties	1,546	14,987	230	–	16,763
Dividend income	–	–	–	9	9
Interest income	–	–	–	699	699
Miscellaneous income	57	553	8	2,455	3,073
Total other income	57	553	8	3,163	3,781
<b>Total revenue and other income</b>	<b>1,603</b>	<b>15,540</b>	<b>238</b>	<b>3,163</b>	<b>20,544</b>
Depreciation	(28)	(274)	(4)	–	(306)
Finance expense	–	–	–	(8)	(8)
Miscellaneous expense	–	–	–	–	–
Segment profit/(loss)	(153)	(1,482)	(23)	3,155	1,497
Unallocated expenses					–
Share of profit of associated company					–
Profit/(loss) before taxation					1,497
Taxation					(15)
<b>Profit/(loss) for the interim period</b>					<b>1,482</b>
Segment assets	1,443	13,994	214	20,608	36,259
Deferred income tax assets					–
<b>Total assets</b>					<b>36,259</b>
Expenditures for segment non-current assets					
- Additions to PPE	2	15	227	–	244
	<b>2</b>	<b>15</b>	<b>227</b>	<b>–</b>	<b>244</b>
Segment liabilities	461	4,470	69	–	5,000
Current income tax liabilities					483
Deferred income tax liabilities					126
<b>Total liabilities</b>					<b>5,609</b>

**E. Notes to the Condensed Interim Consolidated Financial Statement (cont'd)**

**4. Segment information (cont'd)**

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

	<b>Customised Solutions</b>	<b>Interactive Consumer Solutions</b>	<b>Renewable Energy Solutions</b>	<b>Corporate</b>	<b>Consolidated</b>
	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>
<b>1 January 2022 to 31 December 2022</b>					
Total segment revenue	2,136	9,630	4,852	–	16,618
Inter-segment revenue	–	–	–	–	–
Revenue from external parties	2,136	9,630	4,852	–	16,618
Dividend income	–	–	–	17	17
Interest income	–	–	–	312	312
Miscellaneous income	17	78	39	–	134
Total other income	17	78	39	329	463
<b>Total revenue and other income</b>	<b>2,153</b>	<b>9,708</b>	<b>4,891</b>	<b>329</b>	<b>17,081</b>
Depreciation	(38)	(172)	(86)	–	(296)
Finance expense	–	–	–	(31)	(31)
Miscellaneous expense	(35)	(160)	(81)	(7,608)	(7,884)
Segment profit/(loss)	(771)	(3,477)	(1,752)	(7,310)	(13,310)
Unallocated expenses					–
Share of profit of associated company					–
Profit/(loss) before taxation					(13,310)
Taxation					–
<b>Profit/(loss) for the interim period</b>					<b>(13,310)</b>
Segment assets	1,275	5,752	4,368	19,580	30,975
Deferred income tax assets					–
<b>Total assets</b>					<b>30,975</b>
Expenditures for segment non-current assets					
- Additions to PPE	2	11	6	–	19
	<b>2</b>	<b>11</b>	<b>6</b>	<b>–</b>	<b>19</b>
Segment liabilities	370	1,670	842	–	2,882
Current income tax liabilities					1,029
Deferred income tax liabilities					105
<b>Total liabilities</b>					<b>4,016</b>

**E. Notes to the Condensed Interim Consolidated Financial Statement (cont'd)**

**4. Segment information (cont'd)**

**4.2 Disaggregation of Revenue**

<b>The Group</b>					
<b>6 months ended 31 December 2023</b>					
	<b>Customised Solutions</b>	<b>Interactive Consumer Solutions</b>	<b>Renewable Energy Solutions</b>	<b>Corporate</b>	<b>Consolidated</b>
	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>
<b>Types of goods or service:</b>					
Sale of goods	758	9,244	189	–	10,191
Rendering of services	–	–	–	–	–
Rental income	–	–	–	–	–
<b>Total revenue</b>	<b>758</b>	<b>9,244</b>	<b>189</b>	<b>–</b>	<b>10,191</b>
<b>Timing of revenue recognition:</b>					
At a point in time	758	9,244	189	–	10,191
Overtime	–	–	–	–	–
<b>Total revenue</b>	<b>758</b>	<b>9,244</b>	<b>189</b>	<b>–</b>	<b>10,191</b>
<b>Geographical Information:</b>					
China/Hong Kong	111	5,493	–	–	5,604
Taiwan	–	3,145	–	–	3,145
India	567	1	–	–	568
Singapore	80	240	189	–	509
Malaysia	–	296	–	–	296
Indonesia	–	59	–	–	59
Thailand	–	10	–	–	10
Philippines	–	–	–	–	–
Others	–	–	–	–	–
<b>Total revenue</b>	<b>758</b>	<b>9,244</b>	<b>189</b>	<b>–</b>	<b>10,191</b>

<b>The Group</b>					
<b>6 months ended 31 December 2022</b>					
	<b>Customised Solutions</b>	<b>Interactive Consumer Solutions</b>	<b>Renewable Energy Solutions</b>	<b>Corporate</b>	<b>Consolidated</b>
	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>
<b>Types of goods or service:</b>					
Sale of goods	1,118	5,088	3,020	–	9,226
Rendering of services	–	–	–	–	–
Rental income	–	–	–	–	–
<b>Total revenue</b>	<b>1,118</b>	<b>5,088</b>	<b>3,020</b>	<b>–</b>	<b>9,226</b>
<b>Timing of revenue recognition:</b>					
At a point in time	1,118	5,088	3,020	–	9,226
Overtime	–	–	–	–	–
<b>Total revenue</b>	<b>1,118</b>	<b>5,088</b>	<b>3,020</b>	<b>–</b>	<b>9,226</b>
<b>Geographical Information:</b>					
China/Hong Kong	–	2,842	–	–	2,842
Taiwan	–	1,497	–	–	1,497
India	955	2	–	–	957
Singapore	144	320	3,020	–	3,484
Malaysia	4	207	–	–	211
Indonesia	–	120	–	–	120
Thailand	–	80	–	–	80
Philippines	–	19	–	–	19
Others	15	1	–	–	16
<b>Total revenue</b>	<b>1,118</b>	<b>5,088</b>	<b>3,020</b>	<b>–</b>	<b>9,226</b>

**E. Notes to the Condensed Interim Consolidated Financial Statement (cont'd)**

**4. Segment information (cont'd)**

**4.2. Disaggregation of Revenue (cont'd)**

<b>The Group</b>				
<b>12 months ended 31 December 2023</b>				
<b>Customised Solutions</b>	<b>Interactive Consumer Solutions</b>	<b>Renewable Energy Solutions</b>	<b>Corporate</b>	<b>Consolidated</b>
<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>
<b>Types of goods or service:</b>				
Sale of goods	1,546	14,987	230	16,763
Rendering of services	–	–	–	–
Rental income	–	–	–	–
<b>Total revenue</b>	<b>1,546</b>	<b>14,987</b>	<b>230</b>	<b>16,763</b>
<b>Timing of revenue recognition:</b>				
At a point in time	1,546	14,987	230	16,763
Overtime	–	–	–	–
<b>Total revenue</b>	<b>1,546</b>	<b>14,987</b>	<b>230</b>	<b>16,763</b>
<b>Geographical Information:</b>				
China/Hong Kong	208	9,324	–	9,532
Taiwan	–	4,428	–	4,428
India	1,198	–	–	1,198
Singapore	140	471	230	841
Malaysia	–	519	–	519
Indonesia	–	164	–	164
Thailand	–	43	–	43
Philippines	–	38	–	38
Others	–	–	–	–
<b>Total revenue</b>	<b>1,546</b>	<b>14,987</b>	<b>230</b>	<b>16,763</b>

<b>The Group</b>				
<b>12 months ended 31 December 2022</b>				
<b>Customised Solutions</b>	<b>Interactive Consumer Solutions</b>	<b>Renewable Energy Solutions</b>	<b>Corporate</b>	<b>Consolidated</b>
<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>
<b>Types of goods or service:</b>				
Sale of goods	2,136	7,798	4,852	14,786
Rendering of services	–	1,832	–	1,832
Rental income	–	–	–	–
<b>Total revenue</b>	<b>2,136</b>	<b>9,630</b>	<b>4,852</b>	<b>16,618</b>
<b>Timing of revenue recognition:</b>				
At a point in time	2,136	9,630	4,852	16,618
Overtime	–	–	–	–
<b>Total revenue</b>	<b>2,136</b>	<b>9,630</b>	<b>4,852</b>	<b>16,618</b>
<b>Geographical Information:</b>				
China/Hong Kong	2	4,658	–	4,660
Taiwan	–	3,142	–	3,142
India	1,790	10	–	1,800
Singapore	321	661	4,852	5,834
Malaysia	7	489	–	496
Indonesia	–	363	–	363
Thailand	–	193	–	193
Philippines	–	103	–	103
Others	16	11	–	27
<b>Total revenue</b>	<b>2,136</b>	<b>9,630</b>	<b>4,852</b>	<b>16,618</b>

**E. Notes to the Condensed Interim Consolidated Financial Statement (cont'd)**

**4. Segment information (cont'd)**

**4.2. Disaggregation of Revenue (cont'd)**

**A breakdown of sales.**

		The Group		
		US\$'000		%
		Financial Year Ending 31 December 2023	Financial Year Ending 31 December 2022	Increase/ (Decrease)
(a)	Sales reported for first half year	6,572	7,392	(11.1)
(b)	Operating profit/(loss) after tax before deducting non-controlling interests reported for first half year	215	(6,369)	N.M.
(c)	Sales reported for second half year	10,191	9,226	10.5
(d)	Operating profit/(loss) after tax before deducting non-controlling interests reported for second half year	1,267	(6,941)	N.M.

N.M. – not meaningful

**5. Financial assets and financial liabilities**

Set out below is an overview of the financial assets held by the Group as at 31 December 2023 and 31 December 2022:

	The Group		The Company	
	31 Dec 2023 US\$'000	31 Dec 2022 US\$'000	31 Dec 2023 US\$'000	31 Dec 2022 US\$'000
<b>Financial Assets</b>				
Financial assets at fair value through other comprehensive income (FVOCI)	1,950	1,886	1,950	1,886
Financial assets at fair value through profit or loss account (FVTPL)	18,657	17,694	18,657	17,694
Cash and bank balances and trade and other receivables (amortised cost)	10,761	7,451	9,986	2,137
<b>Total Financial Assets</b>	<b>31,368</b>	<b>27,031</b>	<b>30,593</b>	<b>21,717</b>
<b>Financial Liabilities</b>				
Trade and other payables and borrowings (amortised cost)	4,778	2,636	2,838	208
<b>Total Financial Liabilities</b>	<b>4,778</b>	<b>2,636</b>	<b>2,838</b>	<b>208</b>

## E. Notes to the Condensed Interim Consolidated Financial Statement (cont'd)

### 6. Profit before taxation

#### 6.1 Significant Items

	6 months ended 31 December			12 months ended 31 December		
	2023 US\$'000	2022 US\$'000	Increase/ (Decrease) %	2023 US\$'000	2022 US\$'000	Increase/ (Decrease) %
<b>Income</b>						
Interest income from:						
– Short-term deposits	148	39	279.5	368	39	843.6
– Quoted investments	304	93	226.9	304	186	63.4
– Loan receivables	–	43	(100.0)	27	87	(69.0)
Dividend income from quoted investment	–	–	–	9	17	(47.1)
Gain on disposal of unquoted investments	1,913	–	100.0	1,913	–	100.0
Gain/(loss) on fair value changes of financial assets designated as FVTPL (net)	(42)	(2,617)	(98.4)	542	(7,608)	N.M.
Net foreign exchange(loss)/gain (net)	(1)	(187)	(99.5)	9	(265)	N.M.
Reversal/(allowance) for stock obsolescence (net)	76	(1,394)	N.M.	1,414	(1,398)	N.M.
Reversal/(allowance) for diminution in value of inventory (net)	–	(578)	(100.0)	673	(632)	N.M.
<b>Expenses</b>						
Depreciation of property, plant and equipment	(93)	(77)	20.8	(183)	(153)	19.6
Depreciation of right-of-use assets	(63)	(69)	(8.7)	(123)	(143)	(14.0)
Allowance for doubtful debts (net)	(68)	(35)	94.3	(121)	(65)	86.2
Bad debts	–	(10)	(100.0)	–	(10)	(100.0)
Allowance for product warranty	(10)	(162)	(93.8)	(10)	(162)	(93.8)
Interest expense	(5)	(20)	(75.0)	(8)	(31)	(74.2)
Share option expenses	(75)	–	100.0	(75)	–	100.0

PS: N.M. – Not Meaningful

#### 6.2 Related party transactions

There are no material related party transactions apart from those disclosed elsewhere in the financial statements.

### 7. Taxation

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

	6 months ended 31 December		12 months ended 31 December	
	2023 US\$'000	2022 US\$'000	2023 US\$'000	2022 US\$'000
Current income tax expense	15	–	15	–
Deferred income tax expense relating to origination and reversal of temporary differences	–	–	–	–
<b>Total</b>	15	–	15	–



## E. Notes to the Condensed Interim Consolidated Financial Statement (cont'd)

### 8. Dividends

	The Group	
	2023 US\$'000	2022 US\$'000
Ordinary dividends paid:		
Final exempt 2021 dividends	–	–
Interim exempt 2021 dividends	–	–
	–	–
Dividend per share (net of tax)	–	–

### 9. Net Asset Value

	Group		Company	
	31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022
Number of ordinary shares (in '000)	313,092	313,092	313,092	313,092
<b>(Amount in USD cents)</b>				
Net asset value per ordinary share based on issued share capital at the end of the period	9.52	8.34	9.15	7.56

Net asset value represents total assets less total liabilities and non-controlling interests.

### 10. Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income comprise the following:

	The Group	
	31 Dec 2023 US\$'000	31 Dec 2022 US\$'000
Quoted Debt Investment	–	–
Unquoted Equity Investment	1,950	1,886
<b>Total</b>	<b>1,950</b>	<b>1,886</b>

In FY2023, unquoted equity investment amounting to US\$ 1,950,000 was disposed (FY2022: Nil).

#### 10.1 Fair value measurement

The Group classifies financial assets and liabilities measured at fair value using a fair value hierarchy which reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

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

## E. Notes to the Condensed Interim Consolidated Financial Statement (cont'd)

### 10.1 Fair value measurement (cont'd)

The following table presented the assets and liabilities measured at fair value:

	Level 1 US\$'000	Level 2 US\$'000	Level 3 US\$'000	Total US\$'000
<b>Group – 31 December 2023</b>				
<b>Financial assets</b>				
FVTPL Investments (Quoted Investments)	15,418	1,645	–	17,063
FVTPL Investments (Unquoted Investments)	–	–	1,594	1,594
FVOCI Investments (Unquoted Investments)	–	–	1,950	1,950
<b>Total Financial assets</b>	<b>15,418</b>	<b>1,645</b>	<b>3,544</b>	<b>20,607</b>
<b>Financial liabilities</b>				
	–	–	–	–
<b>Group – 31 December 2022</b>				
<b>Financial assets</b>				
FVTPL Investments (Quoted Investments)	12,434	3,464	–	15,898
FVTPL Investments (Unquoted Investments)	–	–	1,796	1,796
FVOCI Investments (Unquoted Investments)	–	–	1,886	1,886
<b>Total Financial assets</b>	<b>12,434</b>	<b>3,464</b>	<b>3,682</b>	<b>19,580</b>
<b>Financial liabilities</b>				
	–	–	–	–

### 11. Intangible assets

	The Group			
	Patents US\$'000	Trademarks US\$'000	Development Costs US\$'000	Total US\$'000
<b>As at 31 December 2022, 30 June 2023 and 31 December 2023</b>				
Cost	3,422	408	5,615	9,445
Accumulated amortisation, impairment and written off	(3,422)	(408)	(5,615)	(9,445)
Net book value	–	–	–	–

	The Company		
	Patents US\$'000	Trademarks US\$'000	Total US\$'000
<b>As at 31 December 2022, 30 June 2023 and 31 December 2023</b>			
Cost	2,883	350	3,233
Accumulated amortisation, impairment and written off	(2,883)	(350)	(3,233)
Net book value	–	–	–

#### 11.1 Goodwill impairment

Not applicable

#### 11.2 Patents and Trademarks

Not applicable

#### 11.3 Development costs

Not applicable

**E. Notes to the Condensed Interim Consolidated Financial Statement (cont'd)**

**12. Property, plant and equipment**

In FY2023, the Group acquired assets amounting to US\$244,000 (FY2022: US\$19,000). There was no asset disposed in FY2023 (FY2022: Nil).

**13. Investment properties**

Not applicable.

**13.1 Valuation**

Not applicable

**14. Borrowings**

		<b>The Group and the Company</b>	
		<b>31 Dec 2023</b>	<b>31 Dec 2022</b>
		<b>US\$'000</b>	<b>US\$'000</b>
<b>Amount repayable within one (1) year or on demand</b>			
- Secured		-	-
- Unsecured		-	-
<b>Total</b>		-	-
<b>Amount repayable after one (1) year</b>			
- Secured		-	-
- Unsecured		-	-
<b>Total</b>		-	-

The credit facilities of the Group are secured over certain financial assets of the Group.

**15. Share capital**

<b>The Group and the Company</b>			
<b>31 Dec 2023</b>		<b>31 Dec 2022</b>	
<b>No. of shares</b>	<b>Amount US\$</b>	<b>No. of shares</b>	<b>Amount US\$</b>
<b>Ordinary shares issued and fully paid</b>			
Balance as at interim period			
324,116,925	37,828,941	324,116,925	37,828,941
Issue of ordinary shares by virtual of exercise of share options			
-	-	-	-
<b>End of financial period</b>			
<b>324,116,925</b>	<b>37,828,941</b>	<b>324,116,925</b>	<b>37,828,941</b>

The Company holds 11,025,000 treasury shares as at 31 December 2023 (31 December 2022: 11,025,000 treasury shares).

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

**16. Acquisition of subsidiary**

Not applicable

**17. Subsequent events**

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

## OTHER INFORMATION

### 1. Review

The condensed consolidated statement of financial position of Trek 2000 International Ltd and its subsidiaries as at 31 December 2023 and the related condensed consolidated profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the second half and full year period ended 31 December 2023, and explanatory notes and other information sections have not been audited or reviewed.

### 2. If the figures have been audited or reviewed, please provide a statement on whether there are any qualifications, disclaimer of opinion, adverse opinion or emphasis of matter (including material uncertainties on going concern)

Not applicable.

### 3. Details of any changes in the company's share capital arising from rights issue, bonus issue, 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 also the number of shares that may be issued on conversion of all the outstanding convertibles 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 were no changes in the issued and paid-up capital of the Company, since the previous period reported on.

During FY2023, 10,250,000 Share Options were granted under the Trek 2000 International Share Options Scheme 2023. The outstanding share options under Trek 2000 International Share Options Scheme is as follows:

	Full Year Ended	
	FY2023	FY2022
<b>Unexercised share options</b>	No. of share options	No. of share options
Balance as at 1 January	2,600,000	3,200,000
Share options granted during the period	10,250,000	–
Share options forfeited/lapsed during the period	–	(600,000)
<b>Balance as at 31 December</b>	<b>12,850,000</b>	<b>2,600,000</b>

### 4. 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.

As at 31 December 2023, the share capital of the Company (excluding treasury shares) is as follows:

<b>Ordinary shares issued and fully paid</b>	No. of shares	US\$
Balance as at 1 January 2023	313,091,925	36,833,154
Movement in ordinary shares during the period	–	–
<b>Balance as at 31 December 2023</b>	<b>313,091,925</b>	<b>36,833,154</b>

## OTHER INFORMATION (CONT'D)

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

During the period under review, Nil share (FY2022: Nil share) was acquired by the Company pursuant to the Share Purchase Mandate to be held as "Treasury Shares"

	Group		Company	
	No. of shares	US\$	No. of shares	US\$
Balance as at 1 January 2023	11,025,000	995,787	11,025,000	995,787
Purchase of shares held as Treasury Shares	–	–	–	–
<b>Balance as at 31 December 2023</b>	<b>11,025,000</b>	<b>995,787</b>	<b>11,025,000</b>	<b>995,787</b>

	Group		Company	
	No. of shares	US\$	No. of shares	US\$
Balance as at 1 January 2022	11,025,000	995,787	11,025,000	995,787
Purchase of shares held as Treasury Shares	–	–	–	–
<b>Balance as at 31 December 2022</b>	<b>11,025,000</b>	<b>995,787</b>	<b>11,025,000</b>	<b>995,787</b>

### 6. Profit/(loss) 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.

THE GROUP	6 months ended 31 December		12 months ended 31 December	
	2023	2022	2023	2022
Profit/(loss) net of tax attributable to ordinary equity holders of the Company used in computation of basic loss per share (US\$'000)	1,255	(6,946)	1,475	(13,300)
Weighted average number of ordinary shares for basic loss per share computation (in '000)	313,092	313,092	313,092	313,092
Weighted average number of ordinary shares for diluted loss per share computation (in '000)	313,092	313,092	313,092	313,092
<b>(Amount in USD cents)</b>				
Profit/(loss) per ordinary share for the period after deducting any provision for preference dividends:				
(i) Basic earnings/(loss) per share (in cents)	0.40	(2.22)	0.47	(4.25)
(ii) Diluted earnings/(loss) per share (in cents)	0.40	(2.22)	0.47	(4.25)

**Note:**

Basic earnings/(loss) per share amounts are calculated by dividing profit/(loss) for the period that is attributable to the owners of the Company by the weighted average number of ordinary shares outstanding during the financial period.

Diluted earnings/(loss) per share amounts are calculated by dividing profit/(loss) for the period that is attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial period plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

## OTHER INFORMATION (CONT'D)

### 7. Review of performance of the Group

For the full year ended 31 December 2023 ("FY2023"), the Group reported a 0.9% year-on-year ("yoy") increase in revenue from US\$16.6 million in FY2022 to US\$16.8 million in FY2023. Gross profit in FY2023 was US\$1.5 million (FY2022: gross loss of US\$2.4 million) and the Group reported a net profit after tax attributable to owner of the Company of US\$1.5 million in FY2023 (FY2022: net loss of US\$13.3 million).

The Group's performance is attributable to the following factors:

#### **Revenue**

The increase in revenue of 0.9% in FY2023 was mainly due to increase in the sales for the Group's ICS business. The Group's Interactive Consumer Solution ("ICS") division continues to be a key revenue generator, accounting for 89.4% of the sales revenue in FY2023.

#### **Profitability**

Gross profit was US\$1.5 million in FY2023 as compared to a gross loss of US\$2.4 million in FY2022. The gross profit position in FY2023 was mainly due to the higher profit margin of our ICS products.

#### **Other Items of Income**

- Interest income increased by 124.0% yoy in FY2023 mainly due to the higher short-term deposit and the higher deposit interest rate in FY2023.
- Other income increased from US\$151,000 in FY2022 to US\$3.1 million in FY2023 mainly due to the net gain on disposal of an unquoted equity investment (US\$1.9 million) and net gain on fair value of investments (US\$542,000) in FY2023.

#### **Expenses**

The Group's total expenses amounted to US\$3.8 million in FY2023 (FY2022: US\$11.4 million) representing a decrease of 66.6% yoy. The factors contributing to the increase were as follow:

- Research and development ("R&D") expenses reported an increase of 33.0% yoy to US\$1.1 million in FY2023 (FY2022: US\$816,000). The increase was mainly due to higher staff costs incurred in FY2023 as the Group intensified its R&D and continue to innovate and make improvements to its core storage and IoT products and solutions.
- Marketing and distribution expenses increased by 0.3% yoy to US\$1.5 million in FY2023 (FY2022: US\$1.5 million). The increase was mainly due to higher staff costs incurred in FY2023.
- General administrative expenses increased by 2.0% yoy to US\$1.1 million in FY2023 (FY2022: US\$1.1 million) mainly due to share option expenses incurred in FY2023.
- Finance expenses decreased from US\$31,000 in FY2022 to US\$8,000 in FY2023 as no term loan was utilized in FY2023.
- No other expenses were incurred in FY2023 as the Group did not incur any net loss on fair value of investments (FY2022: US\$7.6 million) or net foreign exchange loss (FY2022: US\$265,000). The net gain on fair value of investments and net foreign exchange gain were recognized in other income.

#### **Net profit after tax attributable to owners of the Company**

The Group reported a net profit attributable to owners of the Company of US\$1.5 million in FY2023 (FY2022: net loss of US\$13.3 million).

#### **Other Financial Highlights**

- **Property, plant and equipment** – The increase in the Group's property, plant and equipment was mainly due to the capital gain on revaluation of the Group's properties amounting to US\$120,000 and purchases of fixed assets amounting to US\$244,000. This was partly offset by the depreciation expenses of US\$183,000 incurred in FY2023.
- **Right-of-use assets** – The increase in right-of-use assets in FY2023 was mainly due to the additional right-of-use assts recognized amounting to US\$159,000. This was partly offset by the depreciation of US\$123,000 incurred in FY2023.

## OTHER INFORMATION (CONT'D)

### 7. Review of performance of the Group (cont'd)

#### Other Financial Highlights

- **Quoted investments** – The Group's investment in quoted investments held for trading in current assets on 31 December 2023 was US\$17.1 million, an increase of US\$1.2 million from 31 December 2022 (US\$15.9 million). This increase was due to additional investments, net gain on fair value of investments and investment income re-invested into the investments.
- **Unquoted investments** – The Group's investment in unquoted investments decreased by US\$138,000 in FY2023 mainly due to the decreased in the fair value of unquoted investment in FY2023. Part of the unquoted investmentS amounting to US\$2.0 million was disposed in FY2023 resulting in a net gain on disposal of US\$1.9 million, as recognized in other income in FY2023.
- **Inventories** – The Group's inventories amounted to US\$3.0 million as at 31 December 2023, an increase of US\$603,000 from US\$2.4 million in 31 December 2022. Inventory turnover days in FY2023 were 76 days (FY2022: 89 days).
- **Trade and other receivables** – The Group's trade and other receivables amounted to US\$592,000 as at 31 December 2023 as compared to US\$4.9 million as at 31 December 2022. The decrease was mainly due to the higher collections from our customers in FY2023 and the decrease of credit terms to customers during the year. Trade receivable turnover days were 3 days in FY2023 (FY2022: 84 days).
- **Trade and other payables** – The Group's trade and other payables increased from US\$2.7 million as at 31 December 2022 to US\$4.7 million as at 31 December 2023. This increase was mainly due to the higher credit purchases in December 2023. Trade payable turnover days were 33 days in FY2023 (FY2022: 32 days).

#### Cashflow

The Group's cash and cash equivalent as at 31 December 2023 amounted to US\$10.4 million as compared to US\$2.6 million as at 31 December 2022, an increase of US\$7.8 million. The increase in the cash position in FY2023 was mainly due to the sales proceed from disposal of an unquoted equity investment (US\$3.9 million), loan repayment from an investee company (US\$1.5 million) and cash inflow from operating activities (US\$3.0 million).

The cash inflow from operating activities of US\$3.0 million in FY2023 arose mainly from the cash inflow from improvement of working capital (US\$6.5 million) and interest income from deposit (US\$359,000). This was partly offset by the cash outflow from operations (US\$3.2 million) and tax payment of US\$561,000 in FY2023.

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

Not Applicable.

### 9. 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

The Group believes that economic headwinds and inflationary pressures presented by global uncertainties and trade tensions are expected to persist in the next 12 months.

In this aspect, the Group expects the industry to remain challenging in the next 12 months.

To mitigate these headwinds, the Group has been selective in prioritising projects and will continue with cost prudence and discipline to keep expenditures low. The Group intends to capitalise on high-interest rates to curb inflationary pressures through effective financial management with low to no leverage. The Group will intensify its innovation efforts to improve its core storage and IOT solutions to stay relevant in this dynamic market. The Group will also focus additional resources on its Renewal Energy business segment as the potential in this segment is vast.

## OTHER INFORMATION (CONT'D)

### 10. Dividend Information

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

Any dividend recommended for the current financial period reported on? No

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

Any dividend declared for the corresponding period of the immediately preceding financial period? No

#### (c) Date payable

Not applicable.

#### (d) Books closure date

Not applicable.

### 11. If no dividend has been declared/(recommended), a statement to that effect.

The Company will not be declaring dividend as the Company continues to invest in research and development on the latest technology in the market.

### 12. Interested person transactions

The Company does not have any general mandate from shareholders pursuant to Rule 920.

### 13. In the case of an announcement of interim financial statement (quarterly or half-yearly), the issuer's directors must confirm that, to the best of their knowledge, nothing has come to the attention of the board of directors which may render the interim financial results to be false or misleading, in any material aspect. Please confirm that such a statement has been made.

Not Applicable.

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



## OTHER INFORMATION (CONT'D)

15. **Disclosure of person occupying a managerial position in the issues of 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.**

There is no person occupying managerial position in the Company or its principal subsidiaries that are related to any director or chief executive officer or substantial shareholder of the Company except for the following:

Name	Age	Family relationship with any director/or 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
Tan Boon Siong	61	Uncle of Mr Tan Joon Yong Wayne	Sales Manager in the company, since 10 April 2013.  Duties: - To manage the sales and marketing in retail outlet in Singapore.	Nil

*\* Tan Joon Yong Wayne is the Executive Chairman, Executive Director and Group President of Trek 2000 International Ltd.*

On behalf of the Board of Directors

### TAN JOON YONG WAYNE

Executive Chairman, Executive Director and Group President

28 February 2024