



**EnGro Corporation Limited and its Subsidiaries**  
**Registration Number: 197302229H**

Condensed Interim Financial Information  
For the Second Half and Financial Year Ended  
31 December 2023

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**Condensed interim consolidated statement of profit or loss**  
**For the second half and financial year ended 31 December 2023**

	Note	Group			Group		
		2H2023 \$'000	2H2022 \$'000	Change %	FY2023 \$'000	FY2022 \$'000	Change %
Revenue		91,446	68,306	33.9	160,356	132,985	20.6
Other income		717	1,167	(38.6)	1,759	2,230	(21.1)
Changes in inventories of finished goods and work in progress		1,247	722	72.7	(304)	916	n.m.
Raw materials and consumables used		(68,322)	(50,403)	35.6	(118,887)	(100,914)	17.8
Depreciation of property, plant and equipment		(1,061)	(110)	n.m.	(1,857)	(690)	n.m.
Depreciation of right-of-use assets		(1,087)	(754)	44.2	(2,047)	(1,497)	36.7
Depreciation of investment properties		(24)	(13)	86.1	(50)	(13)	n.m.
Amortisation of intangible assets		(30)	(39)	(23.1)	(61)	(79)	(22.8)
Staff costs		(7,602)	(4,597)	65.4	(14,270)	(10,942)	30.4
Reversal of impairment loss on financial assets		300	3,072	(90.2)	653	3,454	(81.1)
Other expenses		(15,493)	(9,814)	57.9	(23,376)	(16,912)	38.2
<b>Results from operating activities</b>		<u>91</u>	<u>7,537</u>	<u>(98.8)</u>	<u>1,916</u>	<u>8,538</u>	<u>(77.6)</u>
Finance income	4	1,764	2,972	(40.6)	3,507	7,814	(55.1)
Finance costs	4	(5,807)	(12,208)	(52.4)	(4,982)	(13,320)	(62.6)
<b>Net finance costs</b>		<u>(4,043)</u>	<u>(9,236)</u>	<u>(56.2)</u>	<u>(1,475)</u>	<u>(5,506)</u>	<u>(73.2)</u>
Share of loss of associates and joint ventures, net of tax		(3,214)	(3,749)	(14.3)	(4,661)	(3,086)	51.0
<b>Loss before tax</b>		<u>(7,166)</u>	<u>(5,448)</u>	<u>31.5</u>	<u>(4,220)</u>	<u>(54)</u>	<u>n.m.</u>
Tax expense	5	(978)	(565)	73.1	(1,408)	(768)	83.3
<b>Loss for the period/year</b>		<u>(8,144)</u>	<u>(6,013)</u>	<u>35.4</u>	<u>(5,628)</u>	<u>(822)</u>	<u>n.m.</u>
<b>Loss attributable to:</b>							
Owners of the Company		(8,504)	(6,503)	30.8	(6,337)	(1,614)	n.m.
Non-controlling interests		360	490	(26.5)	709	792	(10.5)
<b>Loss for the period/year</b>		<u>(8,144)</u>	<u>(6,013)</u>	<u>35.4</u>	<u>(5,628)</u>	<u>(822)</u>	<u>n.m.</u>
<b>Earnings per share</b>							
Basic earnings per share (cents)	6	(7.16)	(5.48)		(5.34)	(1.36)	
Diluted earnings per share (cents)	6	(7.16)	(5.48)		(5.34)	(1.36)	
Gross profit margin		26.7%	27.3%		25.7%	24.8%	
Net loss margin		(8.9%)	(8.8%)		(3.5%)	(0.6%)	
Return on equity					(2.4%)	(0.6%)	

n.m. – not meaningful

**Condensed interim consolidated statement of comprehensive income**  
**For the second half and financial year ended 31 December 2023**

	Group			Group		
	2H2023	2H2022	Change	FY2023	FY2022	Change
	\$'000	\$'000	%	\$'000	\$'000	%
<b>Loss for the period/year</b>	(8,144)	(6,013)	35.4	(5,628)	(822)	n.m.
<b>Other comprehensive income</b>						
<b>Items that will not be reclassified to profit or loss:</b>						
Net change in fair value of equity investments at fair value through other comprehensive income	(675)	(2,695)	(75.0)	(812)	(7,163)	(88.7)
<b>Items that are or may be reclassified subsequently to profit or loss:</b>						
Foreign currency translation differences – foreign operations	(618)	(1,309)	(52.8)	(868)	(531)	63.5
Share of foreign currency translation differences of associates and joint ventures	471	(7,297)	n.m.	(3,582)	(9,753)	(63.3)
Exchange differences on monetary items forming part of net investment in foreign operations	(867)	(1,358)	(36.2)	(524)	(253)	n.m.
	(1,014)	(9,964)	(89.8)	(4,974)	(10,537)	(52.8)
<b>Other comprehensive income for the period/year, net of tax</b>	(1,689)	(12,659)	(86.7)	(5,786)	(17,700)	(67.3)
<b>Total comprehensive income for the period/year</b>	(9,833)	(18,672)	(47.3)	(11,414)	(18,522)	(38.4)
<b>Total comprehensive income attributable to:</b>						
Owners of the Company	(10,122)	(18,975)	(46.7)	(11,981)	(19,100)	(37.3)
Non-controlling interests	289	303	(4.6)	567	578	(1.9)
<b>Total comprehensive income for the period/year</b>	(9,833)	(18,672)	(47.3)	(11,414)	(18,522)	(38.4)

n.m. – not meaningful

**Condensed interim statements of financial position**  
**As at 31 December 2023**

	Note	Group		Company	
		As at	As at	As at	As at
		31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022
		\$'000	\$'000	\$'000	\$'000
<b>Assets</b>					
Property, plant and equipment	8	16,175	11,338	2,032	1,974
Subsidiaries		-	-	77,236	70,218
Intangible assets		249	310	223	266
Investment properties	9	2,403	2,558	-	-
Associates and joint ventures	10	79,157	109,919	33,831	51,649
Other investments	11	56,290	57,844	4,570	5,197
Other assets		78	78	78	78
Right-of-use assets	12	16,472	17,374	4,931	6,015
Deferred tax assets		-	169	-	-
Lease receivables		-	-	300	-
<b>Non-current assets</b>		<b>170,824</b>	<b>199,590</b>	<b>123,201</b>	<b>135,397</b>
Other investments	11	15,582	8,562	8,984	2,461
Inventories	13	9,341	10,113	3,329	5,207
Trade and other receivables	14	47,457	34,927	37,638	31,643
Tax recoverable		228	656	-	-
Loan to a subsidiary		-	-	4,944	5,144
Lease receivables		-	-	44	-
Cash and cash equivalents		73,478	66,723	51,707	47,460
<b>Current assets</b>		<b>146,086</b>	<b>120,981</b>	<b>106,646</b>	<b>91,915</b>
<b>Total assets</b>		<b>316,910</b>	<b>320,571</b>	<b>229,847</b>	<b>227,312</b>
<b>Equity</b>					
Share capital	15	85,270	85,270	85,270	85,270
Reserves		178,178	193,127	122,431	123,771
<b>Equity attributable to owners of the Company</b>		<b>263,448</b>	<b>278,397</b>	<b>207,701</b>	<b>209,041</b>
<b>Non-controlling interests</b>		<b>3,618</b>	<b>2,242</b>	<b>-</b>	<b>-</b>
<b>Total equity</b>		<b>267,066</b>	<b>280,639</b>	<b>207,701</b>	<b>209,041</b>
<b>Liabilities</b>					
Lease liabilities	16	15,480	16,445	3,867	4,464
Loans and borrowings	16	3,415	2,776	1,485	2,773
Deferred tax liabilities		1,315	1,149	-	-
Provision for reinstatement costs		1,045	1,045	550	550
<b>Non-current liabilities</b>		<b>21,255</b>	<b>21,415</b>	<b>5,902</b>	<b>7,787</b>
Loans and borrowings	16	2,881	2,356	4,460	5,333
Trade and other payables	17	23,418	14,318	11,048	4,324
Lease liabilities	16	2,053	1,843	736	827
Current tax liabilities		237	-	-	-
<b>Current liabilities</b>		<b>28,589</b>	<b>18,517</b>	<b>16,244</b>	<b>10,484</b>
<b>Total liabilities</b>		<b>49,844</b>	<b>39,932</b>	<b>22,146</b>	<b>18,271</b>
<b>Total equity and liabilities</b>		<b>316,910</b>	<b>320,571</b>	<b>229,847</b>	<b>227,312</b>
Inventory turnover (days)		29	37	18	31
Trade receivables turnover (days)		82	81	82	64
Debt equity ratio (times)		0.19	0.14	0.11	0.09
Current Ratio		5.11	6.53	6.57	8.77
Quick Ratio		4.78	5.99	6.36	8.27

The Group is able to meet short-term financial obligations due within the next 12 months, taking into account its cash and cash equivalent balances, the positive cash flow generated from its operating activities.

**Condensed interim consolidated statement of changes in equity**  
**For the financial year ended 31 December 2023**

	<b>Attributable to owners of the Company</b>									
	<b>Share capital</b>	<b>Capital reserve</b>	<b>Reserve for own shares</b>	<b>Share option reserve</b>	<b>Foreign currency translation reserve</b>	<b>Fair value reserve</b>	<b>Accumulated profits</b>	<b>Total</b>	<b>Non-controlling interests</b>	<b>Total equity</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Group</b>										
At 1 January 2022	85,270	(55)	-	-	(939)	(5,377)	226,314	305,213	1,664	306,877
<b>Total comprehensive income for the year</b>										
(Loss)/profit for the year	-	-	-	-	-	-	(1,614)	(1,614)	792	(822)
<b>Other comprehensive income</b>										
Foreign currency translation differences – foreign operations	-	-	-	-	(509)	-	-	(509)	(22)	(531)
Share of foreign currency translation differences of equity-accounted investees	-	-	-	-	(9,561)	-	-	(9,561)	(192)	(9,753)
Exchange differences on monetary items forming part of net investment in foreign operations	-	-	-	-	(253)	-	-	(253)	-	(253)
Net change in fair value of financial assets at fair value through other comprehensive income	-	-	-	-	-	(7,163)	-	(7,163)	-	(7,163)
<b>Total other comprehensive income</b>	-	-	-	-	(10,323)	(7,163)	-	(17,486)	(214)	(17,700)
<b>Total comprehensive income for the year</b>	-	-	-	-	(10,323)	(7,163)	(1,614)	(19,100)	578	(18,522)
<b>Transactions with owners, recognised directly in equity</b>										
<b>Distributions to owners</b>										
Dividend declared of 2.5 cents per share	-	-	-	-	-	-	(2,968)	(2,968)	-	(2,968)
Special dividend declared of 4.0 cents per share	-	-	-	-	-	-	(4,748)	(4,748)	-	(4,748)
<b>Total distributions to owners</b>	-	-	-	-	-	-	(7,716)	(7,716)	-	(7,716)
At 31 December 2022	85,270	(55)	-	-	(11,262)	(12,540)	216,984	278,397	2,242	280,639

**Condensed interim consolidated statement of changes in equity (cont'd)**  
**For the financial year ended 31 December 2023**

	<b>Attributable to owners of the Company</b>							<b>Total</b>	<b>Non-controlling interests</b>	<b>Total equity</b>
	<b>Share capital</b>	<b>Capital reserve</b>	<b>Reserve for own shares</b>	<b>Share option reserve</b>	<b>Foreign currency translation reserve</b>	<b>Fair value reserve</b>	<b>Accumulated profits</b>			
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>			
<b>Group</b>										
At 1 January 2023	85,270	(55)	-	-	(11,262)	(12,540)	216,984	278,397	2,242	280,639
<b>Total comprehensive income for the year</b>										
(Loss)/profit for the year	-	-	-	-	-	-	(6,337)	(6,337)	709	(5,628)
<b>Other comprehensive income</b>										
Foreign currency translation differences – foreign operations	-	-	-	-	(821)	-	-	(821)	(47)	(868)
Share of foreign currency translation differences of equity-accounted investees	-	-	-	-	(3,487)	-	-	(3,487)	(95)	(3,582)
Exchange differences on monetary items forming part of net investment in foreign operations	-	-	-	-	(524)	-	-	(524)	-	(524)
Net change in fair value of financial assets at fair value through other comprehensive income	-	-	-	-	-	(812)	-	(812)	-	(812)
<b>Total other comprehensive income</b>	-	-	-	-	(4,832)	(812)	-	(5,644)	(142)	(5,786)
<b>Total comprehensive income for the year</b>	-	-	-	-	(4,832)	(812)	(6,337)	(11,981)	567	(11,414)
<b>Transactions with owners, recognised directly in equity</b>										
<b>Distributions to owners</b>										
Final one-tier dividend declared of 2.5 cents per share	-	-	-	-	-	-	(2,968)	(2,968)	-	(2,968)
Contribution by non-controlling interest of a subsidiary	-	-	-	-	-	-	-	-	809	809
<b>Total distributions to owners</b>	-	-	-	-	-	-	(2,968)	(2,968)	809	(2,159)
At 31 December 2023	85,270	(55)	-	-	(16,094)	(13,352)	207,679	263,448	3,618	267,066

**Condensed interim consolidated statement of changes in equity (cont'd)**  
**For the financial year ended 31 December 2023**

	Attributable to owners of the Company						Total \$'000
	Share capital \$'000	Capital reserve \$'000	Reserve for own shares \$'000	Share option reserve \$'000	Fair value reserve \$'000	Accumulated profits \$'000	
<b>Company</b>							
At 1 January 2022	85,270	(55)	-	-	(4,989)	129,436	209,662
<b>Total comprehensive income for the year</b>							
Profit for the year	-	-	-	-	-	14,041	14,041
<b>Other comprehensive income</b>							
Net change in fair value of financial assets at fair value through other comprehensive income	-	-	-	-	(6,946)	-	(6,946)
<b>Total other comprehensive income</b>	-	-	-	-	(6,946)	-	(6,946)
<b>Total comprehensive income for the year</b>	-	-	-	-	(6,946)	14,041	7,095
<b>Transactions with owners, recognised directly in equity</b>							
<b>Distributions to owners</b>							
Dividend declared of 2.5 cents per share	-	-	-	-	-	(2,968)	(2,968)
Special dividend declared of 4.0 cents per share	-	-	-	-	-	(4,748)	(4,748)
Repurchase of treasury shares	-	-	-	-	-	-	-
Issue of treasury shares under share option scheme	-	-	-	-	-	-	-
<b>Total distributions to owners</b>	-	-	-	-	-	(7,716)	(7,716)
At 31 December 2022	85,270	(55)	-	-	(11,935)	135,761	209,041
At 1 January 2023	85,270	(55)	-	-	(11,935)	135,761	209,041
<b>Total comprehensive income for the year</b>							
Profit for the year	-	-	-	-	-	2,255	2,255
<b>Other comprehensive income</b>							
Net change in fair value of financial assets at fair value through other comprehensive income	-	-	-	-	(627)	-	(627)
<b>Total other comprehensive income</b>	-	-	-	-	(627)	-	(627)
<b>Total comprehensive income for the year</b>	-	-	-	-	(627)	2,255	1,628
<b>Transactions with owners, recognised directly in equity</b>							
<b>Distributions to owners</b>							
Dividend declared of 2.5 cents per share	-	-	-	-	-	(2,968)	(2,968)
Special dividend declared of 4.0 cents per share	-	-	-	-	-	-	-
<b>Total distributions to owners</b>	-	-	-	-	-	(2,968)	(2,968)
At 31 December 2023	85,270	(55)	-	-	(12,562)	135,048	207,701



**Condensed interim consolidated statement of cash flows**  
**For the financial year ended 31 December 2023**

	Note	Group	
		FY2023	FY2022
		\$'000	\$'000
<b>Cash flows from operating activities</b>			
Loss before tax		(4,220)	(54)
Adjustments for:			
Depreciation of property, plant and equipment		1,857	690
Depreciation of right-of-use assets		2,047	1,497
Depreciation of investment properties		50	13
Property, plant and equipment written off		24	-
Amortisation of intangible assets		61	79
Dividend income	4	(917)	(6,716)
Loss/(gain) on disposal of property, plant and equipment		335	(9)
Gain on termination on lease liabilities		(65)	(32)
Loss on divestment of a joint venture		643	-
Impairment loss on investment in a joint venture		3,837	-
Reversal of impairment loss on financial assets		(653)	(3,454)
Interest income	4	(1,634)	(764)
Interest expense	4	795	567
Other investment income	4	(956)	(334)
Net change in fair value of financial assets at fair value through profit or loss		3,113	11,588
Share of losses of associates and joint ventures, net of tax		4,661	3,086
		<u>8,978</u>	<u>6,157</u>
Changes in:			
- Inventories		674	(1,128)
- Trade and other receivables		(9,089)	(163)
- Trade and other payables		9,277	(9,488)
Cash from/(used in) operations		<u>9,840</u>	<u>(4,622)</u>
Tax paid		(211)	(537)
<b>Net cash from/(used in) operating activities</b>		<u>9,629</u>	<u>(5,159)</u>
<b>Cash flows from investing activities</b>			
Acquisition of property, plant and equipment		(4,487)	(7,130)
Cash paid for capitalised renovation costs in investment properties		(38)	-
Distributions from other investments		945	1,206
Dividends received from:			
- associates and joint ventures		2,305	4,343
- other investments		748	6,716
Direct costs incurred on right-of-use assets		-	(128)
Interest received		1,634	764
Investment in a joint venture		(888)	-
Proceeds from disposal of:			
- other investments		7,512	3,366
- property, plant and equipment		320	42
- joint venture		6,896	-
Purchase of other investments		(17,485)	(10,210)
Purchase of intangible assets		-	(200)
Repayment of loan from an associate		6,491	8,294
<b>Net cash from investing activities</b>		<u>3,953</u>	<u>7,063</u>

**Condensed interim consolidated statement of cash flows (cont'd)**  
**For the financial year ended 31 December 2023**

Note	Group	
	FY2023	FY2022
	\$'000	\$'000
<b>Cash flows from financing activities</b>		
Dividends paid	(2,968)	(7,716)
Interest paid	(795)	(567)
Payment of lease liabilities	(2,309)	(1,518)
Proceeds from minority shareholders from issue of shares by a subsidiary	809	-
Repayment of bank borrowings	(1,235)	(1,111)
<b>Net cash used in financing activities</b>	<b>(6,498)</b>	<b>(10,912)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	7,084	(9,008)
Cash and cash equivalents at 1 January	66,723	75,930
Effect of exchange rate fluctuations on cash held	(329)	(199)
<b>Cash and cash equivalents at 31 December</b>	<b>73,478</b>	<b>66,723</b>

**Significant non-cash transaction**

During the financial year ended 31 December 2023, the Group received investment properties with an aggregate cost of Nil (31 December 2022: \$2,657,000) as part of settlement plan with a trade receivable, and acquisition of property, plant and equipment under hire purchase with amounting \$2,957,000 (31 December 2022: \$168,000).

- (i) Cash and cash equivalents comprised:

	Group	
	As at 31 Dec 2023	As at 31 Dec 2022
	\$'000	\$'000
Fixed deposits	37,753	36,072
Cash and bank balances	35,725	30,651
	73,478	66,723

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

### **1 Corporate information**

EnGro Corporation Limited (“the Company”) is incorporated in the Republic of Singapore. The address of the Company’s registered office is 29 International Business Park, #08-05/06 Acer Building Tower B, Singapore 609923.

These condensed interim financial statements as at and for the financial year ended 31 December 2023 comprise the Company and its subsidiaries (collectively, “the Group”).

The principal activities of the Group are mainly those relating to the manufacture and sale of building materials and specialty polymers. In addition, the Company is also an investment holding company.

### **2 Basis of preparation**

#### **2.1 Statement of compliance**

The condensed interim financial statements for the financial year ended 31 December 2023 have been prepared in accordance with Singapore Financial Reporting Standards (International) (“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 the performance of the Group since the last interim financial statements for the period ended 30 June 2023.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.4.

#### **2.2 Functional and presentation currency**

The condensed interim financial statements are presented in Singapore dollars, which is the Company’s functional currency. All financial information presented in Singapore dollars have been rounded to the nearest thousand, unless otherwise stated.

#### **2.3 Use of estimates and judgements**

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 expenses. 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 audited consolidated financial statements as at and for the year ended 31 December 2022.

## 2 Basis of preparation (cont'd)

### 2.3 Use of estimates and judgements (cont'd)

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.

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

- Note 11 – Valuation of financial assets measured at fair value
- Note 14 – Measurement of loss allowance for trade receivables

### 2.4 Changes in accounting policies

#### **New standards and amendments**

The accounting policies adopted and methods of computation are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except in the current financial period, the Group has adopted all the new and revised standards which are effective for annual financial periods beginning on 1 January 2023. The adoption of these standards did not have any material effect on the financial performance or position of the Group.

## 3 Seasonal operations

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

## 4 Finance income and finance costs

	<b>Group</b>		<b>Group</b>	
	<b>2H2023</b>	<b>2H2022</b>	<b>FY2023</b>	<b>FY2022</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Interest income under the effective interest method on:				
- Cash and cash equivalents	744	457	1,435	635
- Debt securities measured at fair value through profit or loss ("FVTPL")	157	65	199	129
<b>Total interest income arising from financial assets measured at amortised cost or FVTPL</b>	<b>901</b>	<b>522</b>	<b>1,634</b>	<b>764</b>
Dividend income	671	2,290	917	6,716
Other investment income	192	160	956	334
<b>Finance income</b>	<b>1,764</b>	<b>2,972</b>	<b>3,507</b>	<b>7,814</b>

#### 4 Finance income and finance costs (cont'd)

	Group		Group	
	2H2023	2H2022	FY2023	FY2022
	\$'000	\$'000	\$'000	\$'000
Financial liabilities measured at amortised cost:				
- Interest expense on lease liabilities	(341)	(245)	(628)	(473)
- Interest expense on loans and borrowings	(131)	(46)	(167)	(94)
Net change in fair value of financial assets:				
- Mandatorily measured at FVTPL – held-for-trading	(205)	(296)	(11)	(170)
- Mandatorily measured at FVTPL – others	(4,766)	(10,160)	(3,102)	(11,418)
Net foreign exchange loss	(364)	(1,461)	(1,074)	(1,165)
<b>Finance costs</b>	<b>(5,807)</b>	<b>(12,208)</b>	<b>(4,982)</b>	<b>(13,320)</b>
<b>Net finance costs recognised in profit or loss</b>	<b>(4,043)</b>	<b>(9,236)</b>	<b>(1,475)</b>	<b>(5,506)</b>

#### 5 Tax expense

	Group		Group	
	2H2023	2H2022	FY2023	FY2022
	\$'000	\$'000	\$'000	\$'000
<b>Current tax expense</b>				
Current period/year	652	4	891	14
Under provided in prior periods/years	1	18	125	16
	653	22	1,016	30
<b>Deferred tax expense/(credit)</b>				
Origination and reversal of temporary differences	316	545	383	648
Under/(over) provided in prior periods/years	9	(2)	9	90
	325	543	392	738
Tax expense	<b>978</b>	<b>565</b>	<b>1,408</b>	<b>768</b>

#### 6 Earnings per share

	Group		Group	
	2H2023	2H2022	FY2023	FY2022
Loss attributable to owners of Company (\$'000)	(8,504)	(6,503)	(6,337)	(1,614)
Weighted average number of ordinary shares (basic) ('000)	118,703	118,703	118,703	118,703
Weighted average number of ordinary shares (diluted) during the year ('000)	118,703	118,703	118,703	118,703
Basic earnings per share (cents)	(7.16)	(5.48)	(5.34)	(1.36)
Diluted earnings per share (cents)	<b>(7.16)</b>	<b>(5.48)</b>	<b>(5.34)</b>	<b>(1.36)</b>

## 7 Net assets value

	<b>Group</b>		<b>Company</b>	
	As at	As at	As at	As at
	31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022
	\$	\$	\$	\$
Net asset value per ordinary share at end of the financial year	2.22	2.35	1.75	1.76
Total number of issued shares* at the end of the financial year ('000)	118,703	118,703	118,703	118,703

\*There were no treasury shares as at 31 December 2023 (31 December 2022: Nil)

## 8 Property, plant and equipment

During the financial year ended 31 December 2023, the Group acquired assets with an aggregate cost of \$7,444,000 (31 December 2022: \$7,298,000), partially offset by disposed off assets amounting \$679,000 (31 December 2022: \$33,000) and exchange movement \$71,000 (31 December 2022: \$89,000).

## 9 Investment properties

During the financial year ended 31 December 2023, the Group received investment properties with an aggregate cost of Nil (31 December 2022: \$2,657,000) as part of settlement plan with trade receivables.

	<b>Group</b>	
	As at	As at
	31 Dec 2023	31 Dec 2022
	\$'000	\$'000
<b>Freehold properties</b>		
At 1 January	2,558	-
Additions	38	2,657
Depreciation	(50)	(13)
Movements in exchange rates	(143)	(86)
At end of the financial year	2,403	2,558

## 10 Associates and joint ventures

During the current financial year, the Group's investments in associates and joint ventures decreased by \$30,762,000 (31 December 2022: decreased by \$24,620,000) mainly due to share of losses, repayment of loan from an associate, dividend received and forex losses.

## 11 Other investments

	<b>Group</b>		<b>Company</b>	
	<b>As at 31 Dec 2023 \$'000</b>	<b>As at 31 Dec 2022 \$'000</b>	<b>As at 31 Dec 2023 \$'000</b>	<b>As at 31 Dec 2022 \$'000</b>
<b>Non-current</b>				
Mandatorily at FVTPL:				
- Equity securities	6,518	5,760	-	-
- Investment funds	1,110	926	-	-
- Venture capital funds	43,432	45,526	-	-
- Other unquoted investment	660	247	-	-
Designated at FVOCI:				
- Equity securities	4,570	5,385	4,570	5,197
	<u>56,290</u>	<u>57,844</u>	<u>4,570</u>	<u>5,197</u>
<b>Current</b>				
Mandatorily at FVTPL:				
- Equity securities	4,475	3,972	-	-
- Debt securities	9,246	2,988	8,984	2,461
- Investment funds	1,861	1,602	-	-
	<u>15,582</u>	<u>8,562</u>	<u>8,984</u>	<u>2,461</u>
	<u>71,872</u>	<u>66,406</u>	<u>13,554</u>	<u>7,658</u>

### Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values of financial assets.

When measuring the fair value of an asset, the Group uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement (with Level 3 being the lowest).

The Group recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred. There were no transfers of financial assets between Level 1 and Level 2 of the fair value hierarchy during the financial year ended 31 December 2023 and 31 December 2022.

**11 Other investments (cont'd)**  
**Measurement of fair values (cont'd)**

<b>Group</b>	<b>Fair value</b>			
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>31 December 2023</b>				
Financial assets at fair value through profit or loss				
- Equity securities	4,531	-	6,462	10,993
- Venture capital funds	-	-	43,432	43,432
- Debt securities	-	9,246	-	9,246
- Investment funds	-	2,971	-	2,971
- Other unquoted investment	-	-	660	660
Financial assets at fair value through other comprehensive income				
- Equity securities	-	-	4,570	4,570
	<u>4,531</u>	<u>12,217</u>	<u>55,124</u>	<u>71,872</u>
<b>31 December 2022</b>				
Financial assets at fair value through profit or loss				
- Equity securities	4,042	-	5,690	9,732
- Venture capital funds	-	-	45,526	45,526
- Debt securities	-	2,988	-	2,988
- Investment funds	-	2,528	-	2,528
- Other unquoted investment	-	-	247	247
Financial assets at fair value through other comprehensive income				
- Equity securities	-	-	5,385	5,385
	<u>4,042</u>	<u>5,516</u>	<u>56,848</u>	<u>66,406</u>
<b>Company</b>				
<b>31 December 2023</b>				
Financial assets at fair value through profit or loss				
- Debt securities	-	8,984	-	8,984
Financial assets at fair value through other comprehensive income				
- Equity securities	-	-	4,570	4,570
	<u>-</u>	<u>8,984</u>	<u>4,570</u>	<u>13,554</u>
<b>31 December 2022</b>				
Financial assets at fair value through profit or loss				
- Debt securities	-	2,461	-	2,461
Financial assets at fair value through other comprehensive income				
- Equity securities	-	-	5,197	5,197
	<u>-</u>	<u>2,461</u>	<u>5,197</u>	<u>7,658</u>



## 11 Other investments (cont'd)

### Level 3 reconciliation

The fair value of financial assets classified in Level 3 of the fair value hierarchy is measured using the net asset values of the venture capital funds and equity securities.

	FVTPL – Venture capital funds	FVTPL – Equity securities	FVOCI – Equity securities	FVTPL – Other unquoted investment
	\$'000	\$'000	\$'000	\$'000
<b>Group</b>				
At 1 January 2022	49,580	8,192	12,552	-
Total unrealised losses recognised in profit or loss:				
- Finance costs	(7,681)	(3,580)	-	-
Total unrealised losses recognised in other comprehensive income:				
- Net change in fair value of equity investments at FVOCI	-	-	(7,163)	-
Purchases	4,732	1,216	-	287
Settlements	(839)	-	-	-
Exchange movement	(266)	(138)	(4)	(40)
At 31 December 2022	<u>45,526</u>	<u>5,690</u>	<u>5,385</u>	<u>247</u>
<b>Group</b>				
At 1 January 2023	45,526	5,690	5,385	247
Total unrealised (losses)/gains recognised in profit or loss:				
- Finance costs	(3,865)	888	-	(244)
Total unrealised losses recognised in other comprehensive income:				
- Net change in fair value of equity investments at FVOCI	-	-	(812)	-
Purchases	2,987	-	-	685
Settlements	(600)	-	-	-
Exchange movement	(616)	(116)	(3)	(28)
At 31 December 2023	<u>43,432</u>	<u>6,462</u>	<u>4,570</u>	<u>660</u>

**11 Other investments (cont'd)**  
**Level 3 reconciliation (cont'd)**

	<b>FVOCI – Equity security \$'000</b>
<b>Company</b>	
At 1 January 2022	12,143
Total unrealised losses recognised in other comprehensive income:	
- Net change in fair value of equity investments at FVOCI	(6,946)
At 31 December 2022	5,197
At 1 January 2023	5,197
Total unrealised losses recognised in other comprehensive income:	
- Net change in fair value of equity investments at FVOCI	(627)
At 31 December 2023	4,570

As at the reporting date, fair values of VCFs are determined based on the latest available net asset values obtained from the fund managers of the VCFs, and where relevant, adjustments for any capital contributions and distributions. The underlying assets of the VCFs consist of assets and liabilities which are measured at fair value.

Fair value of investments in unquoted equity securities are determined by estimating the fair value of the investee's net assets.

<b>Valuation technique</b>	<b>Significant unobservable inputs</b>	<b>Inter-relationship between significant unobservable inputs and fair value measurement</b>
Net asset value ("NAV")	Value of the underlying net assets	The estimated fair value would increase/decrease if NAV was higher/lower
A discount is applied to take into consideration the non-marketable nature of the investments, where applicable.	Discount rate: 2023: 29% - 34% 2022: 34% - 39%	The estimated fair value would increase/decrease if the discount rate was lower/higher

**12 Right-of-use assets**

During the financial year ended 31 December 2023, the Group had additions to rights-of-use assets with an aggregate cost of \$2,395,000 (31 December 2022: \$2,158,000), offset by depreciation of \$2,047,000 (31 December 2022: \$1,497,000) and early termination of \$1,195,000 (31 December 2022: \$163,000).

### 13 Inventories

	Group		Company	
	As at 31 Dec 2023 \$'000	As at 31 Dec 2022 \$'000	As at 31 Dec 2023 \$'000	As at 31 Dec 2022 \$'000
<b>At cost</b>				
Raw materials	2,582	1,985	-	-
Consumables	277	195	-	-
Work-in-progress	-	884	-	-
Finished goods	6,482	7,049	3,329	5,207
	9,341	10,113	3,329	5,207

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in first-out principle, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. In the case of manufactured inventories, cost includes an appropriate share of production overheads based on normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and estimated costs necessary to make the sale.

### 14 Trade and other receivables

	Group		Company	
	As at 31 Dec 2023 \$'000	As at 31 Dec 2022 \$'000	As at 31 Dec 2023 \$'000	As at 31 Dec 2022 \$'000
Trade receivables	36,225	29,419	20,080	13,706
Non-trade amount due from subsidiaries	-	-	13,850	16,915
Non-trade amount due from joint ventures	792	767	22	38
Deposits	877	421	61	51
Other receivables	507	1,442	384	455
Dividends receivable from associates and joint ventures	5,126	2,195	-	-
Prepayments	3,930	683	3,241	478
	47,457	34,927	37,638	31,643

#### *Source of estimation uncertainty*

The Group maintains allowance for doubtful accounts at a level considered adequate to provide for potential uncollectible receivables. The level of this allowance is evaluated by the Group on the basis of factors that affect the collectability of the accounts. These factors include, but are not limited to, the length of the Group's relationship with debtors, their payment behaviour and known market factors. The Group reviews the age and status of receivables and identifies accounts that are to be provided with allowance on a continuous basis. The amount and timing of recorded expenses for any period would differ if the Group made different judgements or utilised different estimates. An increase in the Group's allowance for doubtful accounts would increase the Group's recorded operating expenses and decrease its receivables (current assets).

#### *Expected credit loss assessment*

The Group uses an allowance matrix to measure the expected credit losses of trade receivables. In calculating the expected credit loss rates, the Group considers historical loss rates and, if relevant, adjustment for forward looking economic factors that may affect the customers' ability to settle the outstanding receivables.

## 15 Share capital

	<b>Ordinary shares</b>			
	As at 31 Dec 2023		As at 31 Dec 2022	
	No. of shares '000	\$'000	No. of shares '000	\$'000
<b>Issued and paid up:</b>				
As beginning and end of financial year	118,703	85,270	118,703	85,270

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

## 16 Loans and borrowings and lease liabilities

	Group		Company	
	As at 31 Dec 2023	As at 31 Dec 2022	As at 31 Dec 2023	As at 31 Dec 2022
	\$'000	\$'000	\$'000	\$'000
<b>Non-current</b>				
Secured	3,415	2,776	1,485	2,773
Unsecured	15,480	16,445	3,867	4,464
	18,895	19,221	5,352	7,237
<b>Current</b>				
Secured	1,857	1,286	1,290	1,267
Unsecured	3,077	2,913	3,906	4,893
	4,934	4,199	5,196	6,160
	23,829	23,420	10,548	13,397

The bank loan bears 2% interest per annum on monthly rests.

## 17 Trade and other payables

	Group		Company	
	As at 31 Dec 2023	As at 31 Dec 2022	As at 31 Dec 2023	As at 31 Dec 2022
	\$'000	\$'000	\$'000	\$'000
Trade payables	15,576	8,538	6,824	1,547
Accrued expenses	5,977	4,154	3,306	2,197
Other payables	1,811	1,424	864	378
Forward exchange contracts	54	202	54	202
	23,418	14,318	11,048	4,324

## 18 Dividends

	<b>Group and Company</b>	
	<b>FY2023</b>	<b>FY2022</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Paid by the Company to owners of the Company</b>		
Final 2.5 cents (2022: 2.5 cents) per ordinary share	2,968	2,968
Special Nil cents (2022: 4.0 cents) per ordinary share	-	4,748
	2,968	7,716

After the respective reporting dates, the following dividends were proposed by the directors. These dividends have not been provided for.

	<b>Group and Company</b>	
	<b>FY2023</b>	<b>FY2022</b>
	<b>\$'000</b>	<b>\$'000</b>
Final (one-tier) dividends of 3.0 cents (2022: 2.5 cents) per qualifying ordinary share	3,561	2,968
Special (one-tier) dividends of 2.0 cents (2022: Nil cents) per qualifying ordinary share	2,374	-
	5,935	2,968

For the year ended 31 December 2023, the Board proposed a final dividend of 3.0 cents, representing an increase of 20% from previous years.

In addition, to celebrate the Group's 50th anniversary, the board proposed a special dividend of 2.0 cents, making a total dividend of 5.0 cents per ordinary share for FY2023.

## 19 Interested person transaction

There were no transactions entered into by the Group with interested persons and their affiliates, as defined in the SGX Listing Manual.

## 20 Operating segments

The Group has four reportable segments, as described below, which are the Group's strategic business units. Each strategic business unit offer different products or services, and are managed separately. The Group's Chief Executive Officer ("CEO") reviews internal management reports of each strategic business unit on at least a monthly basis. The following summary describes the operations in each of the Group's reportable segments:

- Cement and building materials: Manufacture and sale of Cement, ready-mix concrete and other building materials.
- Specialty polymer: Manufacture and sale of thermosetting synthetic resin and plastic materials.
- Investments: Trading of quoted equity securities, debt securities and holding of investments in venture capital and investment funds and unquoted equity securities.
- Food and beverage: Operation of food and beverage outlets under franchise.

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit/(loss), as included in the internal management reports that are reviewed by the Group's CEO. Segment profit/(loss) is used to measure performance as management believes that such information is the most relevant in evaluating the results of the segments relative to other entities that operate within these industries.

## 20 Operating segments (cont'd)

### Information about reportable segments

	Cement and building materials \$'000	Specialty polymer \$'000	Investments \$'000	Food and beverage \$'000	Total \$'000
<b>Revenue and expenses</b>					
<b>2H2023</b>					
External revenues, representing consolidated revenue	84,888	5,673	-	885	91,446
Reportable segment profit/(loss)	6,924	1,617	(5,443)	(934)	2,164
Share of (loss)/profit of associates and joint ventures	(8,139)	433	655	-	(7,051)
	(1,215)	2,050	(4,788)	(934)	(4,887)
Headquarter expenses					(2,200)
Support expenses of associates and joint ventures					(508)
Interest expense					(472)
Interest income					901
Loss before tax					(7,166)
Add: Tax expense					(978)
Loss for the period					(8,144)
Timing of revenue recognition:					
– Products transferred at a point in time	84,888	5,673	-	885	91,446
<b>Revenue and expenses</b>					
<b>2H2022</b>					
External revenues, representing consolidated revenue	59,525	8,108	-	673	68,306
Reportable segment profit/(loss)	6,954	2,785	(10,322)	(114)	(697)
Share of (loss)/profit of associates and joint ventures	(4,156)	198	209	-	(3,749)
	2,798	2,983	(10,113)	(114)	(4,446)
Headquarter expenses					(882)
Support expenses of associates and joint ventures					(351)
Interest expense					(291)
Interest income					522
Loss before tax					(5,448)
Add: Tax expense					(565)
Loss for the period					(6,013)
Timing of revenue recognition:					
– Products transferred at a point in time	59,525	8,108	-	673	68,306

## 20 Operating segments (cont'd)

### Information about reportable segments (cont'd)

	Cement and building materials \$'000	Specialty polymer \$'000	Investments \$'000	Food and beverage \$'000	Total \$'000
<b>Revenue and expenses</b>					
<b>31 December 2023</b>					
External revenues, representing consolidated revenue	147,928	10,881	-	1,547	160,356
Reportable segment profit/(loss)	11,414	2,900	(3,411)	(1,219)	9,684
Share of (loss)/profit of associates and joint ventures	(9,231)	634	99	-	(8,498)
	2,183	3,534	(3,312)	(1,219)	1,186
Headquarter expenses					(5,442)
Support expenses of associates and joint ventures					(803)
Interest expense					(795)
Interest income					1,634
Loss before tax					(4,220)
Add: Tax expense					(1,408)
Loss for the year					(5,628)
Timing of revenue recognition:					
– Products transferred at a point in time	147,928	10,881	-	1,547	160,356
<b>Revenue and expenses</b>					
<b>31 December 2022</b>					
External revenues, representing consolidated revenue	116,437	15,057	-	1,491	132,985
Reportable segment profit/(loss)	10,629	3,274	(6,239)	(407)	7,257
Share of (loss)/profit of associates and joint ventures	(3,533)	228	219	-	(3,086)
	7,096	3,502	(6,020)	(407)	4,171
Headquarter expenses					(3,476)
Support expenses of associates and joint ventures					(946)
Interest expense					(567)
Interest income					764
Loss before tax					(54)
Add: Tax expense					(768)
Loss for the year					(822)
Timing of revenue recognition:					
– Products transferred at a point in time	116,437	15,057	-	1,491	132,985

## 20 Operating segments (cont'd)

### Information about reportable segments (cont'd)

	Cement and building materials \$'000	Specialty polymer \$'000	Investments \$'000	Food and beverage \$'000	Others \$'000	Total \$'000
<b>Assets and liabilities</b>						
<b>31 December 2023</b>						
Total assets for reportable segments	95,089	16,523	80,715	337	-	192,664
Investments in associates and joint ventures						79,157
Other unallocated amounts						45,089
Consolidated total assets						<u>316,910</u>
Total liabilities for reportable segments	39,410	4,130	67	1,008	-	44,615
Other unallocated amounts						5,229
Consolidated total liabilities						<u>49,844</u>
<b>Assets and liabilities</b>						
<b>31 December 2022</b>						
Total assets for reportable segments	84,244	14,122	75,036	353	-	173,755
Investments in associates and joint ventures						109,919
Other unallocated amounts						36,897
Consolidated total assets						<u>320,571</u>
Total liabilities for reportable segments	30,474	2,170	67	1,113	-	33,824
Other unallocated amounts						6,108
Consolidated total liabilities						<u>39,932</u>



## 20 Operating segments (cont'd)

### Information about reportable segments (cont'd)

	Cement and building materials \$'000	Specialty polymer \$'000	Investments \$'000	Food and beverage \$'000	Others \$'000	Total \$'000
<b>Other segment information</b>						
<b>2H2023</b>						
Capital expenditure	1,211	716	-	434	-	2,361
Depreciation and amortisation	1,816	213	-	174	-	2,202
Reversal of impairment loss on financial assets	(220)	(80)	-	-	-	(300)
<b>2H2022</b>						
Capital expenditure	4,644	34	-	1	-	4,679
Depreciation and amortisation	815	99	-	3	-	917
Reversal of impairment on financial assets	(1,993)	(1,079)	-	-	-	(3,072)
<b>31 December 2023</b>						
Capital expenditure	6,142	773	-	529	-	7,444
Depreciation and amortisation	3,435	305	-	275	-	4,015
Reversal of impairment loss on financial assets	(184)	(469)	-	-	-	(653)
<b>31 December 2022</b>						
Capital expenditure	7,461	36	-	1	-	7,498
Depreciation and amortisation	2,080	193	-	6	-	2,279
Reversal of impairment on financial assets	(2,375)	(1,079)	-	-	-	(3,454)

## 20 Operating segments (cont'd)

### Geographical segments

The Group's operations are mainly in Singapore, Malaysia and the People's Republic of China. 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.

	Singapore	Malaysia	People's Republic of China	Others	Elimination	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>2H2023</b>						
External customers						
– Cement and building materials	66,166	15,566	2,609	547	-	84,888
– Specialty polymer	7,661	(112)	(26)	(1,850)	-	5,673
– Food and beverage	-	-	885	-	-	885
Inter-segment revenue	9,826	(332)	-	-	(9,494)	-
Total revenue	<u>83,653</u>	<u>15,122</u>	<u>3,468</u>	<u>(1,303)</u>	<u>(9,494)</u>	<u>91,446</u>
Total non-current assets for reportable segments*	<u>31,772</u>	<u>3,527</u>	<u>78</u>	<u>-</u>	<u>-</u>	<u>35,377</u>
Total assets for reportable segments	177,794	20,052	1,847	-	-	199,693
Investments in associates and joint ventures	10,228	-	62,686	6,243	-	79,157
Other unallocated amounts						<u>38,060</u>
Consolidated total assets						<u><u>316,910</u></u>
<b>2H2022</b>						
External customers						
– Cement and building materials	47,414	6,410	3	5,697	-	59,525
– Specialty polymer	5,573	80	64	2,391	-	8,108
– Food and beverage	-	-	673	-	-	673
Inter-segment revenue	3,804	13	-	-	(3,817)	-
Total revenue	<u>56,791</u>	<u>6,504</u>	<u>740</u>	<u>8,088</u>	<u>(3,817)</u>	<u>68,306</u>
Total non-current assets for reportable segments*	<u>27,540</u>	<u>4,179</u>	<u>108</u>	<u>-</u>	<u>-</u>	<u>31,827</u>
Total assets for reportable segments	154,282	14,956	4,517	-	-	173,755
Investments in associates and joint ventures	16,974	-	87,083	5,862	-	109,919
Other unallocated amounts						<u>36,897</u>
Consolidated total assets						<u><u>320,571</u></u>

\*excludes associates and joint ventures, and other investments

## 20 Operating segments (cont'd)

### Geographical segments (cont'd)

	Singapore	Malaysia	People's Republic of China	Others	Elimination	Total
	S'000	S'000	S'000	S'000	S'000	S'000
<b>31 December 2023</b>						
External customers						
– Cement and building materials	118,720	25,697	2,609	902	-	147,928
– Specialty polymer	10,881	-	-	-	-	10,881
– Food and beverage	-	-	1,547	-	-	1,547
Inter-segment revenue	15,518	(329)	-	-	(15,189)	-
Total revenue	<u>145,119</u>	<u>25,368</u>	<u>4,156</u>	<u>902</u>	<u>(15,189)</u>	<u>160,356</u>
Total non-current assets for reportable segments*	<u>31,772</u>	<u>3,527</u>	<u>78</u>	<u>-</u>	<u>-</u>	<u>35,377</u>
Total assets for reportable segments	177,794	20,052	1,847	-	-	199,693
Investments in associates and joint ventures	10,228	-	62,686	6,243	-	79,157
Other unallocated amounts						38,060
Consolidated total assets						<u>316,910</u>
<b>31 December 2022</b>						
External customers						
– Cement and building materials	95,947	13,448	8	7,034	-	116,437
– Specialty polymer	10,417	125	141	4,374	-	15,057
– Food and beverage	-	-	1,491	-	-	1,491
Inter-segment revenue	7,380	21	-	-	(7,401)	-
Total revenue	<u>113,744</u>	<u>13,594</u>	<u>1,640</u>	<u>11,408</u>	<u>(7,401)</u>	<u>132,985</u>
Total non-current assets for reportable segments*	<u>27,540</u>	<u>4,179</u>	<u>108</u>	<u>-</u>	<u>-</u>	<u>31,827</u>
Total assets for reportable segments	154,282	14,956	4,517	-	-	173,755
Investments in associates and joint ventures	16,974	-	87,083	5,862	-	109,919
Other unallocated amounts						36,897
Consolidated total assets						<u>320,571</u>

\*excludes associates and joint ventures, and other investments

## **21 Capital commitments**

As at year end, the Group is committed to incur \$19,018,000 (31 December 2022: \$18,693,457) in respect of additional investments in VCFs and \$8,300,000 (31 December 2022: \$1,460,000) in respect of purchase of plant and equipment.

## **22 Subsequent events**

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

## **OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2**

### **1 Review**

The condensed interim consolidated statements of financial position of EnGro Corporation Limited and its subsidiaries as at 31 December 2023 and the related condensed interim consolidated statement of profit and loss, condensed interim consolidated statement of comprehensive income, condensed interim consolidated statements of changes in equity and condensed interim consolidated statement of cash flows for the year then ended and certain explanatory notes have not been audited or reviewed.

### **2 Review of group performance**

#### **2.1 Statement of profit or loss**

##### **2H 2023 vs 2H 2022**

The Group's revenue grew by 33.9% year-on-year (YoY) to \$91.4 million, driven by increased construction demand from both public and private sectors in Singapore and infrastructure projects secured in Malaysia. However, this increase was partially offset by the decrease in the Specialty Polymer business, attributable to weaker home appliance and automotive demand.

The Group recorded a loss after tax of \$8.1 million in 2H 2023, mainly due to unrealized fair value loss from venture capital and direct investments, cessation of F&B outlet, re-valuation of raw slag inventory and impairment of investment in our China JV Jinan Luxin Materials Co., Ltd.

##### **FY2023 vs FY2022**

The Group registered a total revenue of \$160.4 million in FY2023 with an YoY increase of 20.6%, mainly due to recovery of construction activities in both Singapore and Malaysia post COVID-19.

The Group recorded a loss after tax of \$5.6 million in FY2023 due to losses incurred in 2H2023.

## **2 Review of Group performance (cont'd)**

### **2.2 Statement of financial position**

Property, plant and equipment increased by \$4.8 million due to acquisition of \$7.4 million, partially offset by depreciation charge of \$1.9 million and disposal of \$0.7 million.

Investment in associates and joint ventures decreased by \$30.8 million attributable to repayment of loan from an associate of \$6.5 million, divestment from a joint venture of \$6.9 million, foreign exchange losses of \$4.3 million due to weaken of RMB against SGD, dividends recognised \$5.5 million, share of losses of \$4.7 million and impairment loss on investment in a joint venture of \$3.8 million, offset by addition investment in a joint venture of \$0.9 million for FY2023.

Net increase of \$5.5 million in other investments was a result of additional investments of \$17.5 million, offset by disposal of investments of \$7.5 million, fair value loss of \$3.6 million and cash distributions of \$0.9 million received from venture capital funds.

Trade and other receivables increased by \$12.5 million is in line with higher revenue in FY2023 and dividend receivable from joint ventures.

The details of cash and cash equivalents are elaborated in consolidated statement of cash flows.

Loans and borrowings increased by \$1.3 million due to addition of hire purchase of \$3.0 million, offset by repayment of \$1.7 million.

Trade and other payables increased by \$9.1 million mainly due to timing of payment to suppliers.

Lease liabilities decreased by \$0.9 million due to payment of lease liabilities of \$1.8 million, lease modification of \$1.9 million, lease termination of \$1.2 million, offset by new lease of \$4.0 million.

### **2.3 Statement of cash flows**

Net cash inflow from operating activities in FY2023 was \$9.4 million.

Net cash inflow of \$4.0 million from investing activities arose from dividends received from associates and joint ventures and other investments of \$3.1 million, loan repayment from an associate of \$6.5 million, proceeds from disposal of other investments, property, plant and equipment and joint venture of \$14.8 million, cash distribution from other investments of \$0.9 million and interest received of \$1.6 million. These were partially offset by cash used for acquisition of other investments of \$17.5 million, property, plant and equipment of \$4.5 million and investment in a joint venture \$0.9 million.

Net cash used in financing activities of \$6.5 million, arising from dividend payment \$3.0 million, payment of lease liabilities of \$1.8 million, repayment of bank borrowings \$1.7 million and interest paid of \$0.8 million. These were partially offset by cash inflow proceeds from minority shareholders from issue of shares by a subsidiary \$0.8 million.

The cash and cash equivalents as at end of FY2023 was \$73.5 million, a increase of \$6.8 million compared to FY2022.

### **3 Changes in share capital**

#### **3.1 Changes in share capital since the end of the previous period reported on:**

	<b>Number of Shares</b>
Issued share capital of the Company as at 31 December 2022	<u>118,702,500</u>
Issued share capital of the Company as at 31 December 2023	<u>118,702,500</u>

There were no treasury shares held by the Company as at 31 December 2023 (As at 31 December 2022: Nil). There was no sale, transfer, disposal, cancellation and use of treasury shares during the financial year ended 31 December 2023.

### **4 Prospect statement**

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

In the 1H 2023 interim results announcement dated 11 August 2023, the Group guided that it is expected to remain profitable for FY2023.

In the profit guidance subsequently issued on 29 January 2024, it was revised to a net loss for 2H2023 and FY2023.

In line with the profit guidance, the Group reported a net loss of \$8.1 million for 2H 2023 and a net loss of S\$5.6 million for FY2023.

## 5 Outlook

**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's Integral Cement and Ready-Mix Concrete business is expected to benefit from the buoyant construction market in Singapore and Malaysia. In 2024, the construction contract awards in Singapore is anticipated to grow between S\$32 billion and S\$38 billion; while Malaysia construction market is expected to stay vibrant, underpinned by key infrastructure projects such as the Johor Bahru-Singapore Rapid Transit System (RTS), new semiconductor foundries and data centres.

In China, the sluggish real estate sector and increasing concerns on overcapacity continue to pose challenges to all our China GGBS operations.

Additionally, our Specialty Polymer business is expected to face continued challenges amidst the subdued automotive industry in 2024, weighed down by slow consumer spending and high interest rates.

## 6 Dividends

**(a) Current financial period reported on**

Yes

Name of Dividend	First and Final	Special
Dividend Type	Cash	Cash
Dividend Amount	3.0 cents per ordinary share	2.0 cents per ordinary share
Tax Rate	Tax exempt (one-tier)	Tax exempt (one-tier)

**(b) Corresponding period of the immediate preceding financial year**

Yes

Name of Dividend	First and Final
Dividend Type	Cash
Dividend Amount	2.5 cents per ordinary share
Tax Rate	Tax exempt (one-tier)

**(c) Date payable**

To be announced at a later date.

**(d) Books closure date**

To be announced at a later date.

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

Not applicable.



## 7 Interested person transactions

The Company does not have a shareholders' mandate for interested person transactions.

## 8 Undertaking pursuant to Rule 720 (1)

The Company confirms that the undertakings under Rule 720(1) of the SGX-ST Listing Manual have been obtained from all its directors and executive officers.

## 9 A breakdown of sales

	FY2023 \$'000	FY2022 \$'000	% Change
Sales reported for first half year	68,910	64,679	6.5
Operating profit after tax before deducting non-controlling interests reported for first half year	2,516	5,191	(51.5)
Sales reported for second half year	91,446	68,306	33.9
Operating (loss)/profit after tax before deducting non-controlling interests reported for second half year	(8,144)	(6,013)	n.m.

n.m. – not meaningful

## 10 Persons occupying managerial positions who are related to the directors, chief executive officer or substantial shareholders

Name	Age	Family relationship with any Director and/or CEO and/or Substantial Shareholder	Current position and duties, and the year position was first held	Details of changes in duties and position held, if any, during the year
Mr Tan Cheng Gay	77	Brother of:  (a) Mr Tan Yok Koon, an Executive Director of the Company  (b) Mr Tan Chin Hoon, a Substantial Shareholder of the Company (see Note 1 below)	Position: Chairman/CEO  Appointed as Chairman since 2002  Appointed as CEO since 1979  Duties: To manage the Company's overall business activities	No Change

**10 Persons occupying managerial positions who are related to the directors, chief executive officer or substantial shareholders (cont'd)**

Name	Age	Family relationship with any Director and/or CEO and/or Substantial Shareholder	Current position and duties, and the year position was first held	Details of changes in duties and position held, if any, during the year
Mr Tan Yok Koon	75	Brother of:  (a) Mr Tan Cheng Gay, Chairman/CEO of the Company  (b) Mr Tan Chin Hoon, a Substantial Shareholder of the Company (see Note 1 below)	Position: President, China Operations since 1 March 2005  Duties: To manage the business activities in China	No Change
Mr Tan Tatt Yao	39	Son of:  (a) Mr Tan Cheng Gay, Chairman/CEO of the Company  Nephew of: (a) Mr Tan Yok Koon, an Executive Director of the Company  (b) Mr Tan Chin Hoon, a Substantial Shareholder of the Company (see Note 1 below)	Position: Business Development Manager (China) effective 26 February 2018 and promoted to Deputy General Manager, China Operations with effect from 01 September 2022.  Duties: To support the President of China Operations to manage the business activities, identify and evaluate investment opportunities in China. Support and advise concrete businesses in their strategic action plan execution.	No Change

Note:

(1) Mr Tan Chin Hoon is deemed to be a Substantial Shareholder of the Company through his shareholdings in Afro Asia Shipping Co (Pte) Ltd, Performance Investment Pte Ltd and New Town Development Pte Ltd.

**BY ORDER OF THE BOARD**

Joanna Lim  
Company Secretary  
27 February 2024