ASL MARINE HOLDINGS LTD.
(Incorporated in the Republic of Singapore)
Co. Reg. No. 200008542N

UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE FOURTH QUARTER ENDED 30 JUNE 2023

QUARTERLY FINANCIAL STATEMENTS

Pursuant to Rule 705(2C) of the Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Manual, the Company is required by SGX-ST to continue to announce its quarterly financial statements.

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A. Statements of Financial Position

	Note	Group 30-Jun-23 $'000	Group 30-Jun-22 $'000	Company 30-Jun-23 $'000	Company 30-Jun-22 $'000
Non-current assets					
Property, plant and equipment	3	394,252	375,228	-	-
Right-of-use assets		14,733	8,856	-	-
Investment in subsidiaries		-	-	32,986	38,166
Investment in joint ventures and associates		4,286	2,116	-	-
Other receivables	7	-	-	5,167	5,167
Finance lease receivables		-	4,580	-	-
		413,271	**390,780**	**38,153**	**43,333**
Current assets					
Inventories	5	29,150	89,721	-	-
Contract assets	6	29,343	21,121	-	-
Trade and other receivables	7	59,603	51,528	231,506	236,019
Prepayments		3,130	3,660	190	190
Finance lease receivables		554	5,080	-	-
Derivative financial instruments		-	1	-	-
Cash and bank balances		24,730	22,072	5,110	3,700
		146,510	**193,183**	**236,806**	**239,909**
Current liabilities					
Trade and other payables	8	167,291	149,436	76,565	82,873
Contract liabilities	6	23,669	25,883	-	-
Trust receipts	9	12,399	8,767	-	-
Interest-bearing loans and borrowings	9	31,563	37,364	10,631	10,536
Lease liabilities		382	1,658	-	-
Derivative financial instruments		-	1	-	-
Income tax payables		10,922	7,595	14	14
		246,226	**230,704**	**87,210**	**93,423**
Net current (liabilities)/ assets		**(99,716)**	**(37,521)**	**149,596**	**146,486**
Non-current liabilities					
Other payables	8	1,453	1,494	-	-
Other liabilities		2,447	2,524	-	-
Contract liabilities	6	2,345	8,144	-	-
Interest-bearing loans and borrowings	9	217,048	262,785	155,062	156,734
Lease liabilities		11,155	3,635	-	-
Deferred tax liabilities		6,233	6,922	-	-
		240,681	**285,504**	**155,062**	**156,734**
Net assets		**72,874**	**67,755**	**32,687**	**33,085**
Equity attributable to owners of the Company					
Share capital	10	109,606	108,140	109,606	108,140
Treasury shares		(923)	(923)	(923)	(923)
Reserves		(35,138)	(38,634)	(75,996)	(74,132)
		73,545	**68,583**	**32,687**	**33,085**
Non-controlling interests		(671)	(828)	-	-
Total equity		**72,874**	**67,755**	**32,687**	**33,085**

B. Consolidated Income Statement

	Note	Group					
		3 months ended 30 June		Increase/	12 months ended 30 June		Increase/
		4Q FY2023	4Q FY2022	(Decrease)	FY2023	FY2022	(Decrease)
		$'000	$'000	%	$'000	$'000	%
Revenue	11	96,903	59,849	61.9	335,814	235,556	42.6
Cost of sales		(82,266)	(64,931)	26.7	(306,367)	(235,681)	30.0
Gross profit/ (loss)		**14,637**	**(5,082)**	**Nm**	**29,447**	**(125)**	**Nm**
Other operating income	12	9,975	7,416	34.5	27,695	11,569	139.4
Selling and distribution expenses		(217)	(309)	(29.8)	(1,973)	(1,218)	62.0
Administrative expenses		(4,641)	(4,965)	(6.5)	(16,146)	(15,917)	1.4
Other operating expenses	13	(1,585)	-	Nm	(5,268)	(588)	795.9
Finance costs	14	(8,066)	(6,188)	30.3	(28,960)	(23,883)	21.3
Impairment loss on financial assets		(382)	(307)	24.4	(118)	(1,502)	(92.1)
Share of results of joint ventures and associates		2,309	(1,084)	Nm	2,340	(146)	Nm
Profit/ (Loss) before tax	15	**12,030**	**(10,519)**	**Nm**	**7,017**	**(31,810)**	**Nm**
Income tax (expense)/ credit	16	(1,656)	1,165	Nm	(3,430)	(385)	790.9
Profit/ (Loss) for the period		**10,374**	**(9,354)**	**Nm**	**3,587**	**(32,195)**	**Nm**
Attributable to:							
Owners of the Company		10,567	(9,447)	Nm	3,541	(32,273)	Nm
Non-controlling interests		(193)	93	Nm	46	78	Nm
		10,374	**(9,354)**	**Nm**	**3,587**	**(32,195)**	**Nm**
Earnings per share (cents per share)	17						
Basic		1.67	(1.50)	Nm	0.56	(5.12)	Nm
Diluted		1.67	(1.50)	Nm	0.56	(5.12)	Nm
Adjusted EBITDA* for the period		**22,710**	**6,457**	**251.7**	**63,899**	**38,964**	**64.0**

Notes:

* Adjusted EBITDA is computed based on earnings of the Company and its subsidiaries before interest, tax, depreciation, amortisation, and after adjusting for impairment and write-off of financial and non-financial assets and any other non-cash flow items.

Nm: Not meaningful

C. Consolidated Statement of Comprehensive Income

		Group			
		3 months ended 30 June		12 months ended 30 June	
		4Q FY2023	4Q FY2022	FY2023	FY2022
		$'000	$'000	$'000	$'000
Profit/ (Loss) for the period		**10,374**	**(9,354)**	**3,587**	**(32,195)**
Items that may be reclassified subsequently to profit or loss:					
Translation differences relating to financial statements of foreign subsidiaries, net of tax	(i)	(863)	505	162	2,135
Share of other comprehensive income of joint ventures and associates		71	103	(99)	127
Realisation of foreign currency translation reserves upon dissolution of subsidiaries		-	-	-	(401)
Net fair value changes to cash flow hedges	(ii)	-	(1)	1	(1)
Items that will not be reclassified subsequently to profit or loss:					
Re-measurement of defined benefit plans		40	712	40	712
Other comprehensive income for the period, net of tax		**(752)**	**1,319**	**104**	**2,572**
Total comprehensive income for the period		**9,622**	**(8,035)**	**3,691**	**(29,623)**
Attributable to:					
Owners of the Company		9,822	(8,045)	3,535	(29,592)
Non-controlling interests		(200)	10	156	(31)
		9,622	**(8,035)**	**3,691**	**(29,623)**

Notes:

(i) The movement in foreign currency translation reserves arose from the consolidation of subsidiaries whose functional currencies are United States Dollar ("**USD**"), Euro ("**EUR**") and Indonesian Rupiah ("**IDR**").

(ii) The fair value gain on cash flow hedges was primarily due to fair value adjustments on foreign currency forward contracts entered for shipbuilding contracts.

D. Statements of Changes in Equity

Group	Share capital $'000	Treasury shares $'000	Foreign currency translation reserve $'000	Hedging reserve $'000	Warrant reserve $'000	Accumulated losses $'000	Total reserves $'000	Equity attributable to owners of the Company $'000	Non-controlling interests $'000	Total Equity $'000
	For the period ended 30-Jun-23									
	Attributable to owners of the Company									
FY2023										
As at 1 July 2022	**108,140**	**(923)**	**2,381**	**(1)**	**897**	**(41,911)**	**(38,634)**	**68,583**	**(828)**	**67,755**
Profit for the year	-	-	-	-	-	**3,541**	**3,541**	**3,541**	46	**3,587**
Other comprehensive income										
Translation differences relating to financial statements of foreign subsidiaries, net of tax	-	-	40	-	-	-	**40**	**40**	122	**162**
Share of other comprehensive income of joint ventures and associates	-	-	(88)	-	-	-	**(88)**	**(88)**	(11)	**(99)**
Re-measurement of defined benefit plans	-	-	-	-	-	40	**40**	**40**	-	**40**
Net fair value changes to cash flow hedges	-	-	-	1	-	-	**1**	**1**	-	**1**
Other comprehensive income for the period, net of tax	**-**	**-**	(48)	1	-	40	**(7)**	**(7)**	111	**104**
Total comprehensive income for the year	-	-	(48)	1	-	3,581	**3,534**	**3,534**	157	**3,691**
Contributions by owners										
Conversion of warrants	1,466	-	-	-	(38)	-	**(38)**	**1,428**	-	**1,428**
As at 30 June 2023	**109,606**	**(923)**	**2,333**	**-**	**859**	**(38,330)**	**(35,138)**	**73,545**	**(671)**	**72,874**

D. Statements of Changes in Equity (Cont'd)

Group	Share capital $'000	Treasury shares $'000	Foreign currency translation reserve $'000	Hedging reserve $'000	Warrant reserve $'000	Accumulated losses $'000	Total reserves $'000	Equity attributable to owners of the Company $'000	Non-controlling interests $'000	Total Equity $'000
	For the period ended 30-Jun-22									
	Attributable to owners of the Company									
FY2022										
As at 1 July 2021	**108,133**	**(923)**	**411**	**-**	**897**	**(10,350)**	**(9,042)**	**98,168**	**(797)**	**97,371**
Loss for the year	-	-	-	-	-	**(32,273)**	**(32,273)**	**(32,273)**	78	**(32,195)**
Other comprehensive income										
Translation differences relating to financial statements of foreign subsidiaries, net of tax	-	-	2,260	-	-	-	**2,260**	**2,260**	(125)	**2,135**
Share of other comprehensive comprehensive income of joint ventures and associates	-	-	111	-	-	-	**111**	**111**	16	**127**
Realisation of foreign currency translation reserves upon dissolution of subsidiaries	-	-	(401)	-	-	-	**(401)**	**(401)**	-	**(401)**
Re-measurement of defined benefit plans	-	-	-	-	-	712	**712**	**712**	-	**712**
Net fair value changes to cash flow hedges	-	-	-	(1)	-	-	**(1)**	**(1)**	-	**(1)**
Other comprehensive income for the period, net of tax	**-**	**-**	1,970	(1)	-	712	**2,681**	**2,681**	(109)	**2,572**
Total comprehensive income for the year	-	-	1,970	(1)	-	(31,561)	**(29,592)**	**(29,592)**	(31)	**(29,623)**
Contributions by owners										
Conversion of warrants	7	-	-	-	-	-	**-**	**7**	-	**7**
As at 30 June 2022	**108,140**	**(923)**	**2,381**	**(1)**	**897**	**(41,911)**	**(38,634)**	**68,583**	**(828)**	**67,755**

D. Statements of Changes in Equity (Cont'd)

For the years ended 30-Jun-23 and 30-Jun-22						
COMPANY	**Share capital $'000**	**Treasury shares $'000**	**Warrant reserve $'000**	**Accumulated losses $'000**	**Total reserves $'000**	**Total equity $'000**
FY2023						
As at 1 July 2022	**108,140**	**(923)**	**897**	**(75,029)**	**(74,132)**	**33,085**
Loss for the year, representing total comprehensive income for the year	-	-	-	(1,826)	(1,826)	**(1,826)**
Contributions by owners						
Conversion of warrants	1,466	-	(38)	-	(38)	**1,428**
As at 30 June 2023	**109,606**	**(923)**	**859**	**(76,855)**	**(75,996)**	**32,687**
FY2022						
As at 1 July 2021	**108,133**	**(923)**	**897**	**(75,280)**	**(74,383)**	**32,827**
Profit for the year, representing total comprehensive income for the year	-	-	-	251	**251**	**251**
Contributions by owners						
Conversion of warrants	7	-	-	-	**-**	**7**
As at 30 June 2022	**108,140**	**(923)**	**897**	**(75,029)**	**(74,132)**	**33,085**

E. Consolidated Statement of Cash Flows

	Group	
	12 months ended 30 June	
	FY2023	FY2022
	$'000	$'000
Cash flows from operating activities		
Profit/ (Loss) before tax	**7,017**	**(31,810)**
Adjustments for:		
Amortisation of intangible assets	-	296
Amortisation of lease prepayments	-	-
Bad debts written off	-	-
Depreciation of property, plant and equipment	48,556	44,731
Depreciation of right-of-use assets	1,876	2,399
Gain on dissolution of subsidiaries	-	(401)
Gain on termination of lease	(40)	-
Loss/ (Gain) on disposal of property, plant and equipment	1,093	(3,921)
Loss on remeasurement of lease liabilities	-	60
Loss on ineffective portion of cash flow hedges on forward currency contracts	1	-
(Reversal of)/ Impairment loss on financial assets, net:		
Joint ventures and associates	(2,753)	(2,554)
Contract assets	480	55
Other receivables	646	(297)
Trade receivables (third parties)	1,745	4,298
(Reversal of)/ Impairment loss on non-financial assets, net:		
Intangible assets	-	1,626
Inventories	(15,227)	-
Property, plant and equipment	(6,475)	(3,660)
Interest income	(471)	(677)
Interest expense	28,960	23,883
Property, plant and equipment written off	1,885	528
Provision/ (Reversal of provision) for warranty, net	4	(7)
(Reversal of)/ Provision for pension liabilities	(67)	110
Share of results of joint venture and associates	(2,340)	146
Operating cash flows before changes in working capital	**64,890**	**34,805**
Changes in working capital:		
Inventories	14,739	(4,193)
Contract assets and liabilities	(16,638)	3,716
Trade and other receivables	(11,658)	(1,882)
Prepayments	530	119
Trade and other payables	20,605	24,366
Finance lease receivables	9,734	170
Other liabilities	1	(97)
Balances with related parties (trade)	1,353	(1,108)
Cash flows generated from operations	**83,556**	**55,896**
Interest received from finance lease receivables	316	233
Income tax paid	(505)	(725)
Net cash flows generated from operating activities	**83,367**	**55,404**

E. Consolidated Statement of Cash Flows (Cont'd)

	Group	
	12 months ended 30 June	
	FY2023	FY2022
	$'000	$'000
Cash flows from investing activities		
Interest received	27	23
Purchase of property, plant and equipment	(16,099)	(18,229)
Proceeds from disposal of property, plant and equipment	13,921	5,584
Prepaid rent for a finance lease	-	(549)
Movement in balances with related parties (non-trade)	(410)	1,038
Net cash flows used in investing activities	**(2,561)**	**(12,133)**
Cash flows from financing activities		
Interest paid	(14,734)	(11,196)
Repayment of interest-bearing loans and borrowings	(66,204)	(37,606)
Principal repayment of lease liabilities	(2,013)	(2,037)
Repayment of trust receipts	(34,956)	(26,101)
Proceeds from trust receipts	38,572	28,869
Proceeds from issuance of ordinary shares upon conversion of warrants	1,428	7
Cash and bank balances (restricted use)*	2,797	(2,226)
Net cash flows used in financing activities	**(75,110)**	**(50,290)**
Net increase/ (decrease) in cash and cash equivalents	5,696	(7,019)
Cash and cash equivalents at beginning of period	7,438	14,125
Effects of exchange rate changes on cash and cash equivalents	(241)	332
Cash and cash equivalents at end of period (Note 1)	**12,893**	**7,438**
Note 1:		
Cash and cash equivalents comprised of:		
Bank balances and cash	24,730	22,072
Less: Restricted cash *		
Cash at banks	(11,837)	(14,634)
Cash and cash equivalents at end of the period	**12,893**	**7,438**

* The Group's restricted cash has been set aside for specific use with respect to certain shipbuilding financing and banking facilities granted to the Group.

F. Selected Notes to the Condensed Consolidated Interim Financial Statements

1. Corporate information

ASL Marine Holdings Ltd. (the "**Company**"), incorporated in the Republic of Singapore on 4 October 2000, is a public limited company listed on the Mainboard of the Singapore Exchange Securities Trading Limited ("**SGX-ST**").

These condensed consolidated interim financial statements as at and for the three months and year ended 30 June 2023 comprise the Company and its subsidiaries (collectively, the "**Group**").

The principal activity of the Company is investment holding. The principal activities of the subsidiaries are those relating to shipbuilding, shiprepair and conversion, shipchartering, dredge engineering and other marine related services.

The condensed consolidated interim financial statements have not been audited nor reviewed by the Company's auditors.

2. Basis of preparation

2.1 Statement of compliance

The condensed consolidated interim financial statements for the three months and year ended 30 June 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, and should be read in conjunction with the Group's last annual consolidated financial statements as at and for the year ended 30 June 2022. The condensed consolidated 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 30 June 2022.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.5.

2.2 Basis of measurement

The condensed consolidated interim financial statements have been prepared on the historical cost basis except as otherwise disclosed.

The condensed consolidated interim financial statements are presented in Singapore dollars ("**SGD**" or "**$**"), which is the Company's functional currency, and all values in the tables are rounded to the nearest thousand ($'000) except when otherwise indicated.

2.3 Going concern basis of preparation of financial statements

The Group recorded profit after tax of $3,587,000 (FY2022: loss after tax of $32,195,000) for the financial year ended 30 June 2023 ("**FY2023**"). As at 30 June 2023, the Group's current liabilities exceeded its current assets by $99,716,000 (30 June 2022: $37,521,000). As at 30 June 2023, the Group's and Company's total borrowings amounted to $261,010,000 and $165,693,000 (30 June 2022: $308,916,000 and $167,270,000) of which $43,962,000 and $10,631,000 (30 June 2022: $46,131,000 and $10,536,000) were classified as current liabilities respectively.

2.3 Going concern basis of preparation of financial statements (Cont'd)

The Group's businesses are capital intensive. As at 30 June 2023, the aggregate value of property, plant and equipment and right-of-use assets amounted to $408,985,000 (30 June 2022: $384,084,000), which represented 73% (30 June 2022: 66%) of its total assets. The majority of these assets were financed through bank loans, bonds and lease liabilities of $260,148,000 (30 June 2022: $305,442,000), which represented 53% (30 June 2022: 59%) of its total liabilities as of 30 June 2023. The Group has been generating positive operating cash flows in fulfilling its debt repayment obligations, with majority of its debts maturing in 2025 and beyond.

The management and directors of the Company, having assessed the available sources of liquidity and funding, believe that the Group and the Company can continue as a going concern for the foreseeable future. In analysing the validity of the going concern basis applied in the preparation of the condensed consolidated interim financial statements of the Group and the Company, the following factors were considered:

(i) The Group is able to generate sufficient operating cash flows from operations to meet its working capital needs. This is supported by positive Earnings before Interest, Tax, Depreciation, Amortisation and after adjusting for impairments and any other non-cash flow items of $63,899,000 for FY2023 (FY2022: $38,964,000). The consolidated net cash flows generated from operating activities have been consistently positive, and the Group has been meeting all its short-term obligations. The availability of the working capital banking facilities secured since August 2019 from its principal lenders provide the Group with short term trade financing when needed;

(ii) Management has provided consistent and conscientious efforts in cost controls and cash flow enhancement measures, which include:

- Planning and keeping track of project budget and setting performance parameters;
- Regular operations review and close monitoring of project progress, schedule, cost and profitability;
- Review by the management on all purchases and capital expenditures;
- Diversify supply sources for competitive procurement;
- Cutting overheads and administrative expenses which include measures such as redesigning of job scope for employees and controlling of headcount to reduce recurring expenses;
- Close collaboration with contractors and suppliers to improve working capital management, such as improved credit terms and payment plans;
- Stricter customer credit control;
- Strengthening coordination among business divisions, marketing, operations and finance departments for better credit control; and
- Disposal of vessels to reduce debt and interest expenses and improve cashflow position.

(iii) Continuing support from principal lenders including trade line and project financing which provides a strong base in sustaining the businesses of the Group. The principal lenders had also granted the Group waivers from complying with certain financial covenants, a further request for the waiver may be sought, at the appropriate juncture; and

(iv) The controlling shareholders of the Company remain supportive to the Company and the Group with their injection of funds during the Company's last two fund raising exercises in December 2016 and July 2019. The controlling shareholders remain committed to funding the Group, amongst others, provided an unsecured and interest-free loan of $6,620,000 in October 2017 which remained unpaid as at reporting date.

2.4 Uses of estimates and judgements

The preparation of the condensed consolidated interim financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities. These are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

The critical judgement and key sources of estimation uncertainty made by the management remains unchanged from audited consolidated financial statements for the financial year ended 30 June 2023.

2.5 New and amended standards

During the current financial year, the Group and the Company have adopted new or amended Singapore Financial Reporting Standards (International) ("SFRS(I)") which took effective for annual periods beginning on or after 1 July 2022.

The adoption of the new accounting standards does not have any significant impact on the financial statements of the Group and of the Company for the year ended 30 June 2023. Accordingly, it has no material impact on the earnings per share of the Group and the Company.

3. Property, plant and equipment

	Group	
	30-Jun-23	**30-Jun-22**
	$'000	**$'000**
Balance as at 1 July	**375,228**	**395,623**
Additions	19,667	19,668
Disposals/ Write-off	(18,190)	(3,786)
Depreciation charge	(48,241)	(45,767)
Reversal of impairment loss on property, plant and equipment	6,475	3,660
Transfer from inventories	63,920	-
Translation differences	(4,607)	5,830
Balance as at 30 June	**394,252**	**375,228**

Impairment of property, plant and equipment

During the financial year, the Group carried out a review of the recoverable amount of its property, plant and equipment. In view of the improved market outlook of certain vessels, a net reversal of impairment loss of $6,475,000 (FY2022: $3,660,000), representing the write-back of these property, plant and equipment to their recoverable amounts, were recognised in "other operating income" line in the consolidated income statement. The recoverable amounts of these property, plant and equipment were based on fair value less cost of disposal.

3. Property, plant and equipment (Cont'd)

Depreciation charge for the period/ year as shown in profit or loss is arrived at as follows:

	Group			
	3 months ended 30 June		12 months ended 30 June	
	4Q FY2023	4Q FY2022	FY2023	FY2022
	$'000	$'000	$'000	$'000
Depreciation charge for the period	12,416	11,466	48,241	45,767
Depreciation included in construction work-in-progress carried forward	18	(466)	(3,937)	(4,252)
Depreciation capitalised in prior year construction work-in-progress now charged to consolidated income statement	-	-	4,252	3,216
Depreciation charge as disclosed in Note 15	**12,434**	**11,000**	**48,556**	**44,731**

4. Intangible assets

Intangible assets comprise customer relationships, brand, goodwill, patented technology and order backlog which were acquired in a business combination. The intangible assets were fully amortised and impaired in the previous financial years.

5. Inventories

Inventories comprise the following:

	Group	
	30-Jun-23	30-Jun-22
	$'000	$'000
At cost or net realisable value:		
Raw materials and consumables	15,963	15,182
Finished goods	13,187	74,539
	29,150	**89,721**

6. Contracts assets and contract liabilities

Information on contract assets and contract liabilities from contracts with customers is disclosed as follows:

	Group	
	30-Jun-23	30-Jun-22
	$'000	$'000
Contract assets		
Current		
Accrued revenue	7,333	13,010
Construction work-in-progress	22,010	8,111
	29,343	**21,121**
Contract liabilities		
Current		
Deferred income and deposits received from customers	(18,729)	(16,293)
Progress billings in excess of construction work-in-progress	(4,940)	(9,590)
	(23,669)	(25,883)
Non-current		
Deferred income	(2,345)	(8,144)
	(26,014)	**(34,027)**

6. Contracts assets and contract liabilities (Cont'd)

Construction work-in-progress and progress billings in excess of construction work-in-progress are disclosed as follows:

	Group	
	30-Jun-23	30-Jun-22
	$'000	$'000
At gross:		
Construction work-in-progress and attributable profits (less recognised losses) to date	90,127	32,535
Less: Progress billings	(73,057)	(34,014)
	17,070	**(1,479)**
Presented on a contract basis, net:		
Construction work-in-progress	22,010	8,111
Progress billings in excess of construction work-in-progress	(4,940)	(9,590)
	17,070	**(1,479)**

7. Trade and other receivables

	Group		Company	
	30-Jun-23	30-Jun-22	30-Jun-23	30-Jun-22
	$'000	$'000	$'000	$'000
Non-current				
Other receivables:				
Amount due from a subsidiary	**-**	**-**	**5,167**	**5,167**
Current				
Trade receivables	57,658	57,135	-	-
Less: Allowance for impairment	(18,629)	(22,261)	-	-
	39,029	34,874	-	-
Other receivables and deposits	12,599	9,951	20	20
Amounts due from subsidiaries	-	-	299,284	311,778
Amounts due from joint ventures and associates	62,086	63,051	2,614	2,683
Amounts due from related parties	434	437	-	-
	75,119	73,439	301,918	314,481
Less: Allowance for impairment				
Other receivables	(1,437)	(818)	-	-
Amounts due from subsidiaries	-	-	(68,926)	(75,779)
Amounts due from joint ventures and associates	(53,064)	(55,922)	(1,486)	(2,683)
Amounts due from related parties	(44)	(45)	-	-
	(54,545)	(56,785)	(70,412)	(78,462)
	20,574	**16,654**	**231,506**	**236,019**
Total trade and other receivables (current)	**59,603**	**51,528**	**231,506**	**236,019**
Total trade and other receivables (current and non-current)	**59,603**	**51,528**	**236,673**	**241,186**

8. Trade and other payables

	Group		Company	
	30-Jun-23	30-Jun-22	30-Jun-23	30-Jun-22
	$'000	$'000	$'000	$'000
Non-current				
Other payables:				
Amounts due to an associate	**1,453**	**1,494**	**-**	**-**
Current				
Trade payables and accruals	146,156	130,826	3,858	3,590
Payables for property, plant and equipment	4,348	2,192	-	-
Other payables	2,626	2,308	-	-
Other liabilities:				
Deferred income	845	987	-	-
Deposits received from customers	2,019	1,837	-	-
Amounts due to subsidiaries	-	-	72,707	79,283
Amounts due to joint ventures and associates	277	263	-	-
Amounts due to related parties	4,186	4,187	-	-
Amounts due to non-controlling interests of subsidiaries	207	213	-	-
Amounts due to a shareholder	6,620	6,620	-	-
Provision for warranty	7	3	-	-
	167,291	**149,436**	**76,565**	**82,873**
Total trade and other payables (current and non-current)	**168,744**	**150,930**	**76,565**	**82,873**

The balances with joint ventures and associates and related parties and non-controlling interests of subsidiaries are unsecured, interest-free and repayable on demand.

Related parties are Koon Holdings Limited ("KHL") and its subsidiaries (collectively known as "Koon Group") and Sintech Metal Industries Pte Ltd ("Sintech"). Two of the directors and Mr. Ang Sin Liu have a deemed equity interest of 53.76% (FY2022: 53.76%) in Koon Group. One of the directors of the Company is also a director of KHL. Mr. Ang Sin Liu wholly owns Sintech, which is an exempt private company limited by share.

KHL was delisted from the Australian Stock Exchange on 6 September 2021 and the SGX-ST on 22 September 2021. KHL was placed under Creditors' Voluntary Liquidation on 12 May 2022.

Mr. Ang Sin Liu is the father of Mr. Ang Kok Tian, Mr. Ang Ah Nui and Mr. Ang Kok Leong, all of whom are Directors and substantial shareholders of the Company.

9. Loans and borrowings

	Group		Company	
	30-Jun-23	30-Jun-22	30-Jun-23	30-Jun-22
	$'000	$'000	$'000	$'000
Current				
Trust receipts	12,399	8,767	-	-
Interest-bearing loans and borrowings:				
Finance lease liabilities (secured)	1,012	285	-	-
Floating rate (secured)	28,773	33,386	10,631	10,536
Fixed rate (secured)	-	1,244	-	-
Fixed rate (unsecured)	1,778	2,449	-	-
	31,563	37,364	10,631	10,536
	43,962	**46,131**	**10,631**	**10,536**
Non-current				
Interest-bearing loans and borrowings:				
Finance lease liabilities (secured)	1,270	172	-	-
Floating rate (secured)	213,939	258,997	155,062	156,734
Fixed rate (unsecured)	1,839	3,616	-	-
	217,048	**262,785**	**155,062**	**156,734**
	261,010	**308,916**	**165,693**	**167,270**

Loans and borrowings of the Group and the Company are secured by certain assets of the Group as follows:

- Legal mortgages of certain leasehold properties of subsidiaries;
- Legal mortgages over certain vessels, plant and equipment of subsidiaries;
- Assignment of charter income and insurance of certain vessels of subsidiaries;
- Certain vessels under construction;
- Assignment and subordination of intercompany loans; and
- Corporate guarantees from the Company and certain subsidiaries.

The Group's and the Company's secured borrowings included the Series 006 and Series 007 notes (the "**Notes**") issued pursuant to the S$500,000,000 Multicurrency Debt Issuance Programme established by the Company. The Series 006 and Series 007 notes with carrying value of $77,298,000 (30 June 2022: $71,632,000) and $35,109,000 (30 June 2022: $32,687,000) will mature on 28 March 2025 and 1 October 2026 respectively. The Notes are secured by second priority mortgages of vessels, pledged as securities for the $99,900,000 5-year club term loan facility ("**CTL Facility**").

The total carrying value of the collateralized assets as of 30 June 2023 was $378,149,000 (30 June 2022: $376,801,000).

10. Share capital and treasury shares

The holders of ordinary shares (except for treasury shares) are entitled to receive dividends as and when declared by the Company. All ordinary shares (except for treasury shares) carry one vote per share without restriction.

10. Share capital and treasury shares (Cont'd)

	Group and Company					
	Number of shares			Amount		
	Total issued share capital	Treasury shares	Total issued share capital (Excluding treasury shares)	Issued share capital $'000	Treasury shares $'000	Total $'000
Fully paid ordinary shares, with no par value						
FY2023						
Balance as at 1 July	633,138,541	(2,511,600)	630,626,941	108,140	(923)	107,217
Conversion of warrants	23,803,500	-	23,803,500	1,466	-	1,466
Balance as at 30 June	656,942,041	(2,511,600)	654,430,441	109,606	(923)	108,683
FY2022						
Balance as at 1 July	633,018,541	(2,511,600)	630,506,941	108,133	(923)	107,210
Conversion of warrants	120,000	-	120,000	7	-	7
Balance as at 30 June	633,138,541	(2,511,600)	630,626,941	108,140	(923)	107,217

Treasury shares

Treasury shares relate to ordinary shares of the Company that are held by the Company, the Company's subsidiaries did not hold any treasury shares. During the financial years ended 30 June 2023 and 30 June 2022, the Company did not buy back any shares and there were no sales, transfers, disposal, cancellation and/ or use of treasury shares.

Warrants

	Group and Company	
	Number of Warrants	
	As at 30-Jun-23	As at 30-Jun-22
Balance as at 1 July	565,770,713	565,890,713
Warrants exercised	(23,803,500)	(120,000)
Balance as at 30 June	541,967,213	565,770,713

Other information

The percentage of the aggregate number of treasury shares held against the total number of shares outstanding that is listed as at 30 June 2023 and 30 June 2022 is 0.38% and 0.40% respectively.

Except for the warrants, there were no convertible securities as at 30 June 2023 and 30 June 2022. As at 30 June 2023, 25,163,500 warrants were exercised since the date of issuance of warrants on 25 July 2019 and the outstanding number of shares that may be issued on exercise of warrants were 541,967,213 (FY2022: 565,770,713).

There were no outstanding share options granted under the ASL Employee Share Option Scheme 2012 ("**ESOS**") as at 30 June 2023 and 30 June 2022. The ESOS had expired on 25 October 2022.

The Company has no subsidiary holdings as at 30 June 2023 and 30 June 2022.

11 Segment and revenue information

11.1 (i) Business segments

The Group's operating segments are its strategic business units that offer different products and serves different markets. Management monitors the operating results of its business segments separately for purpose of making decisions about resource allocation and performance assessment. The Group has the following four main business segments:

Shipbuilding	: Construction of vessels
Shiprepair, conversion and engineering services	: Provision of shiprepair, dredging engineering products and marine related services
Shipchartering	: Provision for chartering of vessels and transportation services
Investment holding	: Provision of corporate and treasury services to the Group

The following tables set out the Group's revenue and assets in various business segments:

	Group					
	3 months ended 30 June					
Revenue and expenses	**Shipbuilding $'000**	**Shiprepair, conversion and engineering services $'000**	**Shipchartering $'000**	**Investment holding $'000**	**Eliminations $'000**	**Consolidated $'000**
From 1 April 2023 to 30 June 2023						
Revenue from external customers	23,273	47,941	25,689	-	-	96,903
Inter-segment revenue	7,814	18,900	6,216	7,000	(39,930)	-
Total revenue	**31,087**	**66,841**	**31,905**	**7,000**	**(39,930)**	**96,903**
Segment results	1,490	9,385	5,969	921	-	17,765
Interest income from finance lease receivables	-	-	22	-	-	22
Finance costs						(8,066)
Share of results of joint ventures and associates						2,309
Income tax expense						(1,656)
Profit for the period						**10,374**
From 1 April 2022 to 30 June 2022						
Revenue from external customers	4,734	30,258	24,857	-	-	59,849
Inter-segment revenue	4,426	20,522	5,974	-	(30,922)	-
Total revenue	**9,160**	**50,780**	**30,831**	**-**	**(30,922)**	**59,849**
Segment results	(2,535)	(3,064)	2,413	(223)	-	(3,409)
Interest income from finance lease receivables	-	-	162	-	-	162
Finance costs						(6,188)
Share of results of joint ventures and associates						(1,084)
Income tax expense						1,165
Loss for the period						**(9,354)**

11.1 (i) Business segments (Cont'd)

	Group					
	12 months ended 30 June					
Revenue and expenses	**Shipbuilding $'000**	**Shiprepair, conversion and engineering services $'000**	**Shipchartering $'000**	**Investment holding $'000**	**Eliminations $'000**	**Consolidated $'000**
From 1 July 2022 to 30 June 2023						
Revenue from external customers	78,502	165,629	91,683	-	-	335,814
Inter-segment revenue	(20,930)	66,250	17,025	7,000	(69,345)	-
Total revenue	**57,572**	**231,879**	**108,708**	**7,000**	**(69,345)**	**335,814**
Segment results	21,871	30,046	(19,019)	296	-	33,194
Interest income from finance lease receivables	-	-	443	-	-	443
Finance costs						(28,960)
Share of results of joint ventures and associates						2,340
Income tax expense						(3,430)
Profit for the year						**3,587**
From 1 July 2021 to 30 June 2022						
Revenue from external customers	24,986	110,380	100,190	-	-	235,556
Inter-segment revenue	8,439	51,920	25,628	-	(85,987)	-
Total revenue	**33,425**	**162,300**	**125,818**	**-**	**(85,987)**	**235,556**
Segment results	(6,186)	2,557	(4,069)	(737)	-	(8,435)
Interest income from finance lease receivables	-	-	654	-	-	654
Finance costs						(23,883)
Share of results of joint ventures and associates						(146)
Income tax expense						(385)
Loss for the year						**(32,195)**

	Group					
Assets and liabilities	**Shipbuilding $'000**	**Shiprepair, conversion and engineering services $'000**	**Shipchartering $'000**	**Investment holding $'000**	**Eliminations $'000**	**Consolidated $'000**
As at 30 June 2023						
Segment assets	32,648	158,853	357,383	6,611	-	555,495
Unallocated assets						4,286
Total assets						**559,781**
Segment liabilities	28,911	111,512	64,444	3,875	-	208,742
Unallocated liabilities						278,165
Total liabilities						**486,907**
As at 30 June 2022						
Segment assets	75,393	166,783	335,588	4,083	-	581,847
Unallocated assets						2,116
Total assets						**583,963**
Segment liabilities	27,392	90,486	71,289	3,608	-	192,775
Unallocated liabilities						323,433
Total liabilities						**516,208**

11.1 (i) Business segments (Cont'd)

	Shipbuilding $'000	Shiprepair, conversion and engineering services $'000	Shipchartering $'000	Investment holding $'000	Consolidated $'000
	Group				
Other segmental information	3 months ended 30 June				
From 1 April 2023 to 30 June 2023					
Capital expenditure	356	312	7,200	-	7,868
Depreciation and amortisation	1,021	2,331	9,464	-	12,816
Other non-cash (income)/ expense	(13,442)	(140)	13,449	-	(133)
(Reversal of)/ Impairment loss on financial assets, net	-	(967)	2,476	(1,127)	382
Impairment loss/ (Reversal of impairment loss) on non-financial assets, net	4	17	(8,274)	-	(8,253)
Finance cost	1,176	1,870	2,188	2,832	8,066
Interest income	(1)	(5)	(15)	(2)	(23)
From 1 April 2022 to 30 June 2022					
Capital expenditure	127	499	2,974	-	3,600
Depreciation and amortisation	916	2,497	8,185	-	11,598
Other non-cash (income)/ expense	(5)	59	-	-	54
Impairment loss / (Reversal of) on financial assets, net	-	1,524	(1,217)	-	307
Impairment loss/ (Reversal of impairment loss) on non-financial assets, net	5	1,641	(3,680)	-	(2,034)
Finance cost	456	1,895	1,300	2,537	6,188
Interest income	(1)	(3)	(163)	-	(167)

	Shipbuilding $'000	Shiprepair, conversion and engineering services $'000	Shipchartering $'000	Investment holding $'000	Consolidated $'000
	Group				
Other segmental information	12 months ended 30 June				
From 1 July 2022 to 30 June 2023					
Capital expenditure	787	3,311	15,569	-	19,667
Depreciation and amortisation	4,027	10,409	35,996	-	50,432
Other non-cash (income)/ expense	(13,442)	(108)	15,332	-	1,782
(Reversal of)/ Impairment loss on financial assets, net	-	(899)	2,144	(1,127)	118
Impairment loss/ (Reversal of impairment loss) on non-financial assets, net	4	17	(21,723)	-	(21,702)
Finance cost	2,351	9,201	6,630	10,778	28,960
Interest income	(3)	(18)	(448)	(2)	(471)
From 1 July 2021 to 30 June 2022					
Capital expenditure	348	1,247	18,073	-	19,668
Depreciation and amortisation	3,901	10,586	32,939	-	47,426
Other non-cash (income)/ expense	(5)	76	528	-	599
Impairment loss/ (Reversal of impairment loss) on financial assets, net	-	1,892	(390)	-	1,502
Impairment loss/ (Reversal of impairment loss) on non-financial assets, net	5	1,641	(3,680)	-	(2,034)
Finance cost	2,095	7,056	5,066	9,666	23,883
Interest income	(2)	(13)	(661)	(1)	(677)

11.1 (ii) Geographical segments

The Group operates in Singapore, Indonesia, Rest of Asia, Europe, Australia and other countries. In presenting information on the basis of geographical segments, segment revenue is based on the countries in which customers are invoiced.

Non-current assets relate to property, plant and equipment, right-of-use assets, investment in joint ventures and associates, intangible assets and finance lease receivables. Non-current assets are based on the geographical location of the respective entities within the Group.

	Group						
	3 months ended 30 June						
From 1 April 2023 to 30 June 2023	**Singapore $'000**	**Indonesia $'000**	**Rest of Asia $'000**	**Europe $'000**	**Australia $'000**	**Other Countries $'000**	**Consolidated $'000**
Revenue from external customers	38,104	24,966	8,932	2,849	16,784	5,268	96,903
Non-current assets	252,439	118,191	41,711	930	-	-	413,271
From 1 April 2022 to 30 June 2022							
Revenue from external customers	21,902	9,095	14,048	5,105	1,366	8,333	59,849
Non-current assets	218,714	127,393	43,343	1,330	-	-	390,780

	Group						
	12 months ended 30 June						
	Singapore $'000	**Indonesia $'000**	**Rest of Asia $'000**	**Europe $'000**	**Australia $'000**	**Other Countries $'000**	**Consolidated $'000**
From 1 July 2022 to 30 June 2023							
Revenue from external customers	141,794	52,237	76,629	19,921	24,682	20,551	335,814
Non-current assets	252,439	118,191	41,711	930	-	-	413,271
From 1 July 2021 to 30 June 2022							
Revenue from external customers	90,502	35,168	48,711	18,712	10,394	32,069	235,556
Non-current assets	218,714	127,393	43,343	1,330	-	-	390,780

Management believes it would not be meaningful to analyse the segment assets by geographical segment because:

a. For charter services, certain vessels cannot be practically allocated to the different geographical areas. Charterers of the Group’s vessels have the discretion to operate within a wide area and are not constrained by a specific sea route; and

b. For shipyard operations, majority of the large scale repair works are performed in the Group’s Batam shipyard, and where geographical location of customers is outside Indonesia, the segment revenue is presented based on the geographical location of customers.

11.2 Disaggregation of revenue

Group	3 months ended 30 June						12 months ended 30 June					
	4Q FY2023			4Q FY2022			FY2023			FY2022		
	At a point in time	Over time	Total	At a point in time	Over time	Total	At a point in time	Over time	Total	At a point in time	Over time	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Shipbuilding segment												
Construction of tugs	(33,518)	3,765	(29,753)	-	340	340	-	8,768	8,768	-	992	992
Construction of barges and others	22,021	31,005	53,026	141	4,253	4,394	31,933	37,801	69,734	7,362	16,632	23,994
	(11,497)	34,770	23,273	141	4,593	4,734	31,933	46,569	78,502	7,362	17,624	24,986
Shiprepair, conversion and engineering services segment												
Provision of shiprepair and related services	-	44,899	44,899	-	28,228	28,228	-	154,516	154,516	-	104,389	104,389
Provision of engineering service and sales of components	1,366	1,676	3,042	604	1,426	2,030	5,878	5,234	11,112	1,938	4,053	5,991
	1,366	46,575	47,941	604	29,654	30,258	5,878	159,750	165,628	1,938	108,442	110,380
Shipchartering segment												
Leasing income	-	12,447	12,447	-	7,700	7,700	-	36,809	36,809	-	36,337	36,337
Mobilisation and demobilisation income	-	1,603	1,603	-	377	377	-	3,229	3,229	-	1,043	1,043
Freight income	-	3,693	3,693	-	4,458	4,458	-	19,421	19,421	-	20,311	20,311
Other charter ancillary and marine related service income	2,650	4,542	7,192	2,338	9,445	11,783	7,992	22,853	30,845	6,556	34,564	41,120
Ship management income	-	12	12	-	177	177	-	237	237	-	662	662
Trade sales	651	91	742	317	45	362	997	146	1,143	555	162	717
	3,301	22,388	25,689	2,655	22,202	24,857	8,989	82,695	91,684	7,111	93,079	100,190
	(6,830)	**103,733**	**96,903**	**3,400**	**56,449**	**59,849**	**46,800**	**289,014**	**335,814**	**16,411**	**219,145**	**235,556**

11.2 Disaggregation of revenue (Cont'd)

The following table set out the Group's revenue disaggregated by primary geographical markets and business segments:

	Group							
	3 months ended 30 June							
	Shipbuilding		Shiprepair, conversion and engineering services		Shipchartering and rental		Total	
	4Q FY2023 $'000	4Q FY2022 $'000	4Q FY2023 $'000	4Q FY2022 $'000	4Q FY2023 $'000	4Q FY2022 $'000	4Q FY2023 $'000	4Q FY2022 $'000
Singapore	10,387	-	17,939	12,980	9,778	8,922	38,104	21,902
Indonesia	1,175	141	20,239	6,667	3,552	2,287	24,966	9,095
Rest of Asia	(310)	340	2,446	4,880	6,796	8,828	8,932	14,048
Europe	-	-	2,262	4,699	587	406	2,849	5,105
Australia	12,289	-	2,500	285	1,995	1,081	16,784	1,366
Other Countries	(268)	4,253	2,556	747	2,980	3,333	5,268	8,333
	23,273	**4,734**	**47,942**	**30,258**	**25,688**	**24,857**	**96,903**	**59,849**

	Group							
	12 months ended 30 June							
	Shipbuilding		Shiprepair, conversion and engineering services		Shipchartering and rental		Total	
	FY2023 $'000	FY2022 $'000	FY2023 $'000	FY2022 $'000	FY2023 $'000	FY2022 $'000	FY2023 $'000	FY2022 $'000
Singapore	48,000	7,537	56,975	46,120	36,819	36,845	141,794	90,502
Indonesia	3,256	562	39,069	22,844	9,912	11,762	52,237	35,168
Rest of Asia	9,828	992	39,074	11,045	27,727	36,674	76,629	48,711
Europe	-	-	17,187	16,776	2,734	1,936	19,921	18,712
Australia	12,289	-	5,176	5,139	7,217	5,255	24,682	10,394
Other Countries	5,129	15,895	8,148	8,456	7,274	7,718	20,551	32,069
	78,502	**24,986**	**165,629**	**110,380**	**91,683**	**100,190**	**335,814**	**235,556**

11.3 Seasonality of operations

The Group's shipyard and shipchartering businesses are not affected significantly by seasonable factors quarter-to-quarter in a financial year.

12. Other operating income

	Group			
	3 months ended 30 June		12 months ended 30 June	
	4Q FY2023 $'000	4Q FY2022 $'000	FY2023 $'000	FY2022 $'000
Gain on disposal of property, plant and equipment	-	2,485	-	3,921
Gain on dissolution of subsidiaries	-	-	-	401
Gain on foreign exchange, net	872	2,051	-	363
Gain on termination of a lease	-	-	40	-
Government grants	-	266	-	1,523
Interest income from debt instruments at amortised costs:				
Deposits and bank balances	-	5	28	23
Finance lease receivables	22	162	443	654
Insurance claims/ (in excess)	(2)	-	3,145	1,257
Rental income	73	129	392	501
Reversal of/ (Impairment loss) on non-financial assets, net:				
Intangible assets	-	(1,626)	-	(1,626)
Inventories	1,778	-	15,227	-
Property, plant and equipment	6,475	3,660	6,475	3,660
	8,253	**2,034**	**21,702**	**2,034**
Miscellaneous income	421	284	1,536	892
Write back of liabilities no longer required	336	-	409	-
	9,975	**7,416**	**27,695**	**11,569**

Write-back of liabilities no longer required relate to unclaimed balances due to third parties that have exceeded the statute of limitations. Management assessed that there are no valid claims on these balances and have written them back to the income statement.

13. Other operating expenses

	Group			
	3 months ended 30 June		12 months ended 30 June	
	4Q FY2023 $'000	4Q FY2022 $'000	FY2023 $'000	FY2022 $'000
Loss on disposal of property, plant and equipment	1,585	-	1,093	-
Loss on remeasurement of lease liabilities	-	-	-	60
Loss on foreign exchange, net	-	-	2,290	-
Property, plant and equipment written off	-	-	1,885	528
	1,585	**-**	**5,268**	**588**

14. Finance costs

	Group			
	3 months ended 30 June		12 months ended 30 June	
	4Q FY2023 $’000	4Q FY2022 $’000	FY2023 $’000	FY2022 $’000
Interest expense on:				
Bank loans and bonds	3,250	2,720	13,818	10,383
Finance lease	52	6	79	29
Lease liabilities	477	136	824	623
Trust receipts	153	55	472	175
Amortisation of bank loans and bonds	4,286	3,326	14,239	12,848
	8,218	**6,243**	**29,432**	**24,058**
Less:				
Interest expense capitalised in contract assets:				
Trust receipts	(8)	1	(16)	(3)
Interest expense charged to cost of sales:				
Trust receipts	(144)	(56)	(456)	(172)
	8,066	**6,188**	**28,960**	**23,883**

15. Profit/ (Loss) before tax

	Group			
	3 months ended 30 June		12 months ended 30 June	
	4Q FY2023	4Q FY2022	FY2023	FY2022
	$'000	$'000	$'000	$'000
Profit/ (Loss) before tax is stated after charging/ (crediting):				
Amortisation of intangible assets	-	71	-	296
Audit fees paid/ payable:				
Auditor of the Company	87	101	350	330
Overseas affiliates of the auditors of the Company	27	22	91	85
Other auditors	(32)	42	10	56
Non-audit fees paid/ payable to auditor of the Company	3	7	14	10
Depreciation of property, plant and equipment	12,434	11,000	48,556	44,731
Depreciation of right-of-use assets	382	527	1,876	2,399
Employee benefits expense	10,140	9,649	39,814	37,459
Loss on ineffective portion of cash flow hedges on forward currency contracts	-	-	1	-
(Reversal of)/ Impairment loss on financial assets, net:				
Amount due from joint ventures and associates	(1,926)	(1,854)	(2,753)	(2,554)
Contract assets	531	88	480	55
Amount due from other receivables	646	(119)	646	(297)
Amount due from trade receivables (third parties)	1,131	2,192	1,745	4,298
Impairment loss/ (Reversal of impairment loss) on non-financial assets, net (recorded under other operating income):				
Intangible assets	-	1,626	-	1,626
Inventories	(1,778)	-	(15,227)	-
Property, plant and equipment	(6,475)	(3,660)	(6,475)	(3,660)
Write back of liabilities no longer required	336	-	409	-

16. Income tax expense/ (credit)

The major components of income tax expense/ (credit) are:

	Group			
	3 months ended 30 June		12 months ended 30 June	
	4Q FY2023	4Q FY2022	FY2023	FY2022
	$'000	$'000	$'000	$'000
Current income tax:				
Current year income tax	3,231	(348)	5,365	1,602
(Over)/ Underprovision in prior years	(224)	(376)	(772)	767
	3,007	**(724)**	**4,593**	**2,369**
Deferred tax:				
Movements in temporary differences	(373)	(1,110)	(373)	(1,836)
(Over)/ Underprovision in prior years	(978)	669	(790)	(148)
	(1,351)	**(441)**	**(1,163)**	**(1,984)**
Income tax expense/ (credit)	**1,656**	**(1,165)**	**3,430**	**385**

17. Earnings per share

Basic earnings per share are calculated by dividing profit or loss, net of tax, attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial period.

Diluted earnings per share are calculated by dividing profit or loss, net of tax, 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.

The following table reflects the profit or loss and share data used in the computation of basic and diluted earnings per share during the financial periods reported on:

	Group			
	3 months ended 30 June		12 months ended 30 June	
	4Q FY2023	4Q FY2022	FY2023	FY2022
Earnings per ordinary share:				
(i) On weighted average no. of ordinary shares in issue	1.67 cents	(1.50) cents	0.56 cents	(5.12) cents
(ii) On a fully diluted basis	1.67 cents	(1.50) cents	0.56 cents	(5.12) cents
Net profit/ (loss) attributable to shareholders	$10,567,000	($9,447,000)	$3,541,000	($32,273,000)
Number of shares in issue:				
(i) Weighted average no. of shares in issue	632,625,833	630,626,941	632,625,833	630,619,051
(ii) On a fully diluted basis	632,625,833	630,626,941	632,625,833	630,619,051

Treasury shares have not been included in the calculation of both basic and diluted earnings per share because the holders of these treasury shares are not entitled to dividend of the Company.

The outstanding warrants as disclosed in Note 10 have not been included in the calculation of diluted earnings per share because these were anti-dilutive.

18. Net asset value per share

	Group		Company	
	30-Jun-23	30-Jun-22	30-Jun-23	30-Jun-22
Net Asset Value ("**NAV**") per ordinary share	11.24 cents	10.88 cents	4.99 cents	5.25 cents
NAV computed based on no. of ordinary shares issued	654,430,441	630,626,941	654,430,441	630,626,941

The calculation of net asset value per share as at 30 June 2023 and 30 June 2022 was computed based on the number of shares as at the end of the reporting years.

19. Related party transactions

In addition to the related party information disclosed elsewhere in the condensed consolidated interim financial statements, the following significant transactions were entered by the Group and its related parties on terms agreed between the parties during the financial periods:

(i) Sale and purchase of goods and services

	Group			
	3 months ended 30 June		12 months ended 30 June	
	4Q FY2023	4Q FY2022	FY2023	FY2022
	$'000	$'000	$'000	$'000
Joint ventures and associates				
Charter and trade expenses	235	(766)	(2,239)	(2,390)
Shiprepair income	1,280	-	1,280	321
Related parties				
Charter and trade expenses	-	-	-	(10)
Purchase of materials	-	-	(3)	-
Purchase of plant and machinery	-	-	-	(810)
Shipcharter income	-	-	-	676

	Company			
	3 months ended 30 June		12 months ended 30 June	
	4Q FY2023	4Q FY2022	FY2023	FY2022
	$'000	$'000	$'000	$'000
Subsidiaries				
Interest income	1,629	1,393	6,497	5,433

(ii) Settlement of liabilities on behalf by/ (for) the Group

	Group			
	3 months ended 30 June		12 months ended 30 June	
	4Q FY2023	4Q FY2022	FY2023	FY2022
	$'000	$'000	$'000	$'000
Joint ventures and associates	184	176	791	1,344
Joint ventures and associates	-	(12)	-	(12)
Related parties	-	-	(370)	-

20. Fair value measurement

(i) Financial assets and financial liabilities

The following table shows carrying amounts of financial assets and financial liabilities. It does not include fair value information for financial assets and financial liabilities measured at amortised cost if the carrying amount is a reasonable approximation of fair value.

20. Fair value measurement (Cont'd)

	Group		Company	
	30-Jun-23	30-Jun-22	30-Jun-23	30-Jun-22
	$'000	$'000	$'000	$'000
Financial assets not measured at fair value				
Trade and other receivables	59,603	51,528	236,673	241,186
Accrued revenue	7,333	13,010	-	-
Finance lease receivables	554	9,660	-	-
Cash and bank balances	24,730	22,072	5,110	3,700
At amortised cost	92,220	96,270	241,783	244,886
Financial liabilities not measured at fair value				
Trade and other payables*	165,873	148,103	76,565	82,873
Trust receipts	12,399	8,767	-	-
Interest bearing loans and borrowings	248,611	300,149	165,693	167,270
Lease liabilities	11,537	5,293	-	-
At amortised cost	438,420	462,312	242,258	250,143

* Excludes deferred income, deposits received from customers and provision for warranty.

(ii) Measurement of fair values

(a) Fair value hierarchy

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

Level 1: Quoted prices (unadjusted) in active markets of identical assets or liabilities that the Group can access at the measurement date,

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, and

Level 3: Unobservable inputs for the asset or liability.

Fair value measurements that use inputs of different hierarchy levels are 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.

There have been no transfers between Level 1 and Level 2 and no transfers into or out of Level 3 during financial years ended 30 June 2023 and 30 June 2022.

(b) Assets and liabilities measured at fair value

Level 3 fair value measurements

<u>Property, plant and equipment</u>

Except for the recoverable amount of two PSVs which were transferred from inventories to property, plant and equipment during the year, the recoverable amounts of certain plant and equipment of $107,507,000 (30 June 2022: $118,113,000) were based on fair value less cost of disposal which was determined by independent valuers of the lenders' approved panel of valuers. The valuers considered replacement costs of similar plant and equipment currently owned by the Group adjusted for age, condition and technological obsolescence. In addition, the valuers also considered sales of similar plant and equipment that have been transacted in the open market.

20. Fair value measurement (Cont'd)

The recoverable amounts of two PSVs $64,000,000 were based on sale price of similar sister vessel that was transacted in the open market during the year.

<u>Inventories</u>

The recoverable amounts of certain inventories of $6,361,000 (30 June 2022: $68,547,000) were based on fair value less cost of disposal which was determined by independent valuers of the lenders' approved panel of valuers. The valuers considered sales of similar vessels that have been transacted in the open market.

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

The Group's financial assets and liabilities include cash and bank balances, trade and other receivables, contract assets, trade and other payables, contract liabilities, trust receipts, floating rate loans and current portion of fixed rate loans.

The carrying amounts of these financial assets and liabilities are reasonable approximation of fair values, because these are short-term in nature or that they are floating rate instruments that are repriced to market interest rates on or near to the end of the reporting period.

(d) Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are not a reasonable approximation of fair value.

The fair value of financial liabilities by classes that are not carried at fair value and whose carrying amounts are not reasonable approximation of fair value are as follows:

	Group			
	Carrying amount		Fair value	
	30-Jun-23	30-Jun-22	30-Jun-23	30-Jun-22
	$'000	$'000	$'000	$'000
Financial liabilities				
Finance lease liabilities (Non-current) (Note 9)	1,270	172	1,384	160
Fixed rate loans (Non-current) (Note 9)	1,839	3,616	1,806	3,241

These financial liabilities are categorised within Level 3 of the fair value hierarchy.

<u>Determination of fair value</u>

The fair values of finance lease liabilities, interest-bearing loans and borrowings and lease liabilities with fixed interest rates are estimated by discounting expected future cash flows at market incremental lending rate for similar types of lending, borrowing or leasing arrangements at the end of the reporting period.

(II) Other Information Required under Appendix 7.2 of the Listing Manual of SGX-ST

A. Review of Group Performance

Consolidated Income Statement

Revenue by business segments

Group revenue for the 3 months ended 30 June 2023 ("**4Q FY2023**") was $96.9 million, an increase of $37.1 million (61.9%) as compared to the corresponding quarter ended 30 June 2022 ("**4Q FY2022**") of $59.8 million, on the back of higher revenue from all three business segments. For the 12 months ended 30 June 2023 ("**FY2023**"), the Group revenue of $335.8 million was $100.2 million (42.6%) higher as compared to the corresponding year ended 30 June 2022 ("**FY2022**") of $235.6 million due to higher revenue from shipbuilding and shiprepair, conversion and engineering services.

The breakdown of revenue generated from each respective segment are as follows:

	Group					
	3 months ended 30 June		Increase/	12 months ended 30 June		Increase/
	4Q FY2023	4Q FY2022	(Decrease)	FY2023	FY2022	(Decrease)
	$'000	$'000	%	$'000	$'000	%
Shipbuilding	23,273	4,734	391.6	78,502	24,986	214.2
Shiprepair, conversion and engineering services	47,942	30,258	58.4	165,629	110,380	50.1
Shipchartering	25,688	24,857	3.3	91,683	100,190	(8.5)
	96,903	**59,849**	**61.9**	**335,814**	**235,556**	**42.6**

Shipbuilding

Revenue and related costs of shipbuilding contracts with non-enforceability of right to payment for performance completed to-date are recognised only when the constructed vessels are delivered to customers ("**Completion method**"), instead of using the percentage of completion method ("**POC method**") in accordance with SFRS(I) 15 *Revenue from Contracts with Customers*. As a result, shipbuilding revenue and results can fluctuate depending on whether the revenue from shipbuilding contracts is recognised based on Completion or POC methods.

The breakdown of the revenue from shipbuilding with the respective number of vessels are as follows:

	Group									
	3 months ended 30 June				Increase/	12 months ended 30 June				Increase/
	4Q FY2023		4Q FY2022		(Decrease)	FY2023		FY2022		(Decrease)
	Units	$'000	Units	$'000	%	Units	$'000	Units	$'000	%
Platform Supply Vessels ("**PSV**")	-	-	-	-	Nm	1	33,519	-	-	Nm
Tugs	1	3,765	1	340	1,007.4	1	8,768	1	992	783.9
Barges and others	14	19,508	2	4,394	344.0	22	36,215	5	23,994	50.9
	15	**23,273**	**3**	**4,734**	391.6	**24**	**78,502**	**6**	**24,986**	214.2

Shipbuilding revenue of $23.3 million in 4Q FY2023 was significantly higher by $18.5 million (391.6%) as compared to last corresponding quarter mainly attributable to higher revenue derived from delivery of seven units of barges recognised based on completion method in 4Q FY2023.

Shipbuilding revenue of $78.5 million in FY2023 was $53.5 million (214.2%) higher as compared to last corresponding year due to a) disposal of one PSV previously held as inventories for sale in 3Q FY2023 and b) delivery of fifteen units of barges as compared to three units of barges in FY2022.

As at 30 June 2023, the Group had an outstanding shipbuilding order book from external customers of approximately $42 million for ten vessels with progressive deliveries up to 2H FY2024.

Shiprepair, conversion and engineering services

Shiprepair, conversion and engineering services are generally performed based on customer's specifications and control is transferred progressively when the services are rendered. Recognition of shiprepair and conversion revenue is calculated based on project value multiplied by percentage of completion.

As compared to corresponding periods, the segment revenue increased by $17.6 million (58.4%) to $47.9 million in 4Q FY2023 and $55.2 million (50.1%) to $165.6 million in FY2023. The higher revenue was due to higher volume of repair jobs, notably from projects with higher value, which involved repair of larger vessels including bulk carriers, tankers, container/ cargo vessels, oil rig, coal floating terminal, pipe lay and offshore supply vessels. In addition, the higher revenue was also partly attributed to higher contribution from cutter systems, pump systems and coupling systems from engineering services.

Shipchartering

The breakdown of revenue generated from the shipchartering segment are as follows:

	Group					
	3 months ended 30 June		Increase/	12 months ended 30 June		Increase/
	4Q FY2023	4Q FY2022	(Decrease)	FY2023	FY2022	(Decrease)
	$'000	$'000	%	$'000	$'000	%
Offshore Support Vessels ("**OSV**")	8,617	6,479	33.0	24,035	23,987	0.2
Tug Boats	5,328	7,617	(30.1)	29,573	32,376	(8.7)
Barges	7,622	5,535	37.7	20,659	26,685	(22.6)
Total charter	**21,567**	**19,631**	**9.9**	**74,267**	**83,048**	**(10.6)**
Trade sales and other services	4,121	5,226	(21.1)	17,416	17,142	1.6
	25,688	**24,857**	**3.3**	**91,683**	**100,190**	**(8.5)**

Charter revenue increased by $2.0 million (9.9%) to $21.6 million in 4Q FY2023. Revenue was higher mainly attributable to

(i) higher contribution from several new local marine infrastructure projects which started since the end of last preceding quarter (3Q FY2023);

(ii) higher contribution from OSV which included charter income of one PSV which was on-hired since February 2023;

partially offset by

(iii) reduced contribution from overseas towing jobs and rock transportation.

Charter revenue decreased by $8.8 million (10.6%) to $74.3 million in FY2023. The lower revenue was mainly due to:

(i) Reduced contribution from local infrastructure projects which are near completion and overseas towing jobs;

(ii) More vessels undergoing dry docking and re-activation in Batam in earlier quarters in preparation for new local marine infrastructure projects commencing end of 3Q FY2023.

partially offset by

(iii) higher contribution from OSV which included charter income of one PSV which was on-hired since February 2023.

Gross profit/ (loss) and gross margin

The breakdown of gross profit/ (loss) and gross margin for each respective segment are as follows:

	Group							
	3 months ended 30 June				12 months ended 30 June			
	4Q FY2023		4Q FY2022		FY2023		FY2022	
	$'000	GPM	$'000	GPM	$'000	GPM	$'000	GPM
Shipbuilding	2,207	9.5%	(819)	(17.3%)	10,977	14.0%	79	0.3%
Shiprepair, conversion and engineering services	11,957	24.9%	3,261	10.8%	38,330	23.1%	14,291	12.9%
Shipchartering	473	1.8%	(7,524)	(30.3%)	(19,859)	(21.7%)	(14,495)	(14.5%)
	14,637	**15.1%**	**(5,082)**	**(8.5%)**	**29,447**	**8.8%**	**(125)**	**(0.1%)**

Shipbuilding

Gross profit in 4Q FY2023 was $2.2 million, mainly derived from delivery of barges during the quarter. The gross loss in 4Q FY2022 was attributed to costs overrun on the construction of barges which were near completion.

Apart from the above-mentioned, gross profit in FY2023 was significantly higher due to the disposal of one PSV previously held as inventories for sale in 3Q FY2023.

Shiprepair, conversion and engineering services

In line with the higher revenue, gross profit increased by $8.7 million to $12.0 million in 4Q FY2023 and $24.0 million to $38.3 million in FY2023. Despite increase in overheads, gross profit margin improved more than doubled from 10.8% in last corresponding quarter to 24.9% in 4Q FY2023 and from 12.9% in last corresponding year to 23.1% in FY2023. There were lower margins derived from certain high value projects recognised in last financial periods.

Shipchartering

The breakdown of gross profit/ (loss) and gross margin from shipchartering segment are as follows:

	Group							
	3 months ended 30 June				12 months ended 30 June			
	4Q FY2023		4Q FY2022		FY2023		FY2022	
	$'000	GPM	$'000	GPM	$'000	GPM	$'000	GPM
OSV	568	6.6%	(2,474)	(38.2%)	(3,899)	(16.2%)	(5,032)	(21.0%)
Tug boats and Barges	(343)	(2.6%)	(6,981)	(53.1%)	(19,822)	(39.5%)	(14,131)	(23.9%)
Total charter	**225**	1.0%	**(9,455)**	(48.2%)	**(23,721)**	(31.9%)	**(19,163)**	(23.1%)
Trade sales and other services	248	6.0%	1,931	36.9%	3,862	22.2%	4,668	27.2%
	473	1.8%	**(7,524)**	(30.3%)	**(19,859)**	(21.7%)	**(14,495)**	(14.5%)

Despite having an improved 4Q FY2023 due to higher revenue contribution from OSV, a higher gross loss was recorded in FY2023 as compared to corresponding year. This was mainly due to:

(i) decrease in revenue contribution due to completion of several infrastructure projects;

(ii) on a reduced quantum consumed, average fuel price remained elevated at S$1.38/litre in FY2023, as compared to S$1.0/litre in FY2022;

(iii) higher insurance premiums and staff costs due to general inflationary pressure; and

(iv) higher depreciation charged out from dry docking expenditure capitalized in earlier quarters. Included in the fixed operating costs of the chartering fleet, an overall depreciation charge of $36.0 million and $32.9 million were recorded in FY2023 and FY2022 respectively.

In 4Q FY2022, the Group incurred higher operating costs including fuel and upkeep expenses in mobilizing vessels deployed in overseas infrastructure projects under towage and contract of affreightment arrangements.

Other operating income

Refer to breakdown of other operating income in section (I) F, Note 12 of this report.

The increase by $2.6 million (34.5%) to $10.0 million in 4Q FY2023 was mainly due to higher reversal of impairment loss on inventories and vessels, partially offset by lower gain on foreign exchange and absence of gain on disposal of assets recorded in 4Q FY2023.

The increase by $16.1 million (139.4%) to $27.7 million in FY2023 was mainly due to higher reversal of impairment loss on inventories and vessels, insurance claims and miscellaneous income partially offset by absence of gain on foreign exchange, gain on disposal of assets and government grants received on COVID-19 related subsidies and other various support schemes in FY2023.

The other operating income of $27.7 million in FY2023 mainly comprised:

(i) reversal of impairment loss on inventories and vessels of $21.7 million, which related to:

    (a) impairment loss reversal of $15.3 million on two PSVs previously recorded under inventories held for sale, reversed based on the sale price of one PSV recently sold in 3Q FY2023. The two PSVs were being transferred from inventories to property, plant and equipment after having secured long-term charter contracts during the year; and

    (b) impairment loss reversal of $6.5 million on other vessels, reversed based on fair market value assessed by independent professional valuers; and

(ii) insurance claims of $3.1 million which pertained to few barges written off (recorded in other operating expense) in 1Q FY2023.

Selling and distribution expenses

Selling and distribution expenses increased by $0.8 million (62.0%) to $2.0 million in FY2023 mainly due to higher sales commission and marketing expenses incurred in line with higher revenue.

Administrative expenses

Administrative expenses increased marginally by $0.2 million (1.4%) to $16.1 million in FY2023 mainly due to higher staff related expenses.

Other operating expenses

Refer to breakdown of other operating expenses in section (I) F, Note 13 of this report.

Other operating expenses of $5.3 million in FY2023 comprised

(i) barges written off of $1.9 million, the insurance claims of which were recorded under other operating income;

(ii) a net foreign exchange loss of $2.3 million, bulk of which were unrealized losses due to depreciation of USD against SGD on SGD denominated liabilities of certain subsidiaries whose functional currency are USD

	30 Jun 2023	31 Mar 2023	30 Jun 2022	31 Mar 2022	30 Jun 2021
USD against SGD	1.3534	1.3279	1.3895	1.3530	1.3445

(iii) loss on disposal of property, plant and equipment of $1.1 million which mainly pertained to disposal of a tanker in 4Q FY2023.

Finance costs

	Group					
	3 months ended 30 June		Increase/	12 months ended 30 June		Increase/
	4Q FY2023	4Q FY2022	(Decrease)	FY2023	FY2022	(Decrease)
	$'000	$'000	%	$'000	$'000	%
Interest expense on:						
Bank loans and bonds	3,250	2,720	19.5	13,818	10,383	33.1
Finance lease and lease liabilities	530	142	273.2	903	652	38.5
Amortisation of bank loans and bonds	4,286	3,326	28.9	14,239	12,848	10.8
	8,066	**6,188**	**30.3**	**28,960**	**23,883**	**21.3**

Finance costs was higher mainly due to higher interest rate incurred on floating rate bank loans as well as higher amortisation of bank loans and bonds. The amortisation of bank loans and bond was pertained to amortisation of fair value adjustments resulting from re-measurement of long-term bank loans and bonds in prior years.

(Reversal of)/ Impairment loss on financial assets and non-financial assets

	Group			
	3 months ended 30 June		12 months ended 30 June	
	4Q FY2023	4Q FY2022	FY2023	FY2022
	$'000	$'000	$'000	$'000
(Reversal of)/ Impairment loss on financial assets, net:				
Amount due from joint ventures and associates	(1,926)	(1,854)	(2,753)	(2,554)
Contract assets	531	88	480	55
Amount due from other receivables	646	(119)	646	(297)
Amount due from trade receivables (third parties)	1,131	2,192	1,745	4,298
	382	**307**	**118**	**1,502**
Impairment loss/ (Reversal of impairment loss) on non-financial assets, net (recorded under other oerating income):				
Intangible assets	-	1,626	-	1,626
Inventories	(1,778)	-	(15,227)	-
Property, plant and equipment	(6,475)	(3,660)	(6,475)	(3,660)
	(8,253)	**(2,034)**	**(21,702)**	**(2,034)**
	(7,871)	**(1,727)**	**(21,584)**	**(532)**

The impairment loss made on receivables are based on expected credit loss model and specific impairment on certain receivables where collectivity of such receivable is uncertain.

Reversal of impairment loss was made based on recovery of these receivables. The Group remains committed in its endeavors to recover these receivables by regularly review of its outstanding, tightening credit policies and negotiating payment plans.

The reversal of impairment loss on amount due from joint ventures and associates resulted from progressive settlement of debts and reversal of prior year's impairment made in view of certainty of recoverability.

Share of results of joint ventures and associates

The Group's share of results of joint ventures and associates comprised of:

		Group			
	Group's effective interest	3 months ended 30 June		12 months ended 30 June	
		4Q FY2023 $'000	4Q FY2022 $'000	FY2023 $'000	FY2022 $'000
Joint ventures					
Sindo-Econ group	50%	-	-	-	-
Associates					
PT. Hafar Capitol Nusantara ("**PT Hafar**")	36.75%	2,297	(869)	2,279	(87)
PT Capitol Nusantara Indonesia ("**PT CNI**")	27%	12	(215)	61	(59)
		2,309	**(1,084)**	**2,340**	**(146)**

The Group has restricted its share of losses from Sindo-Econ group to its cost of investment since 1Q FY2018. Sindo-Econ Pte Ltd has commenced creditors' voluntary winding up on 21 July 2020, which is still on going in the current financial year.

The share of profits from PT Hafar of $2.3 million in FY2023 was mainly attributable to reversal of impairment loss on its operating vessels.

The share of profits from PT CNI was attributable to progressive recognition of the Group's proportionate interest in unrealised profits previously eliminated on sale of vessels to PT CNI. The Group has restricted its share of losses to its cost of investment since 4Q FY2017.

Profit/ (Loss) before tax

The Group recorded profit before tax of $12.0 million in 4Q FY2023 (4Q FY2022: loss before tax of $10.5 million) and $7.0 million in FY2023 (FY2022: loss before tax of $31.8 million). This was mainly attributable to higher revenue and gross profit from shipbuilding and shiprepair segments, reversal of impairment loss on assets, higher share of results of joint ventures and associates partially offset by higher finance costs and other operating expenses which included net foreign exchange loss, loss on disposal of property, plant and equipment and vessels written off.

Excluding the finance costs on amortisation of bank loans and bonds which pertained to amortisation of fair value adjustments resulting from re-measurement of long term bank loans and bonds in prior years, the Group's profit before tax would have been $16.3 million in 4Q FY2023 (4Q FY2022: loss before tax of $7.2 million) and $21.3 million in FY2023 (FY2022: loss before tax of $19.0 million).

Non-controlling interests

Non-controlling interests' share of profit or loss was mainly pertained to the results of non-wholly owned subsidiaries in Indonesia.

Consolidated Statement of Cash Flows

The Group recorded a higher net cash inflow from operating activities of $83.4 million in FY2023 (FY2022: $55.4 million) mainly attributable to higher sales revenue from business activities.

The lower net cash outflow from investing activities of $2.6 million in FY2023 (FY2022: $12.1 million) was mainly due to higher proceeds received from disposal of property, plant and equipment.

The higher net cash outflow from financing activities of $75.1 million in FY2023 (FY2022: $50.3 million), was mainly due to higher net repayments of interest-bearing loans and borrowings including the prepayment of the underlying loan of the one PSV disposed and higher interest paid, partially offset by proceeds received from conversion of warrants and restricted cash released from project accounts upon completion of shipbuilding projects.

Consolidated Statement of Financial Position

Non-current assets

Non-current assets increased by $22.5 million (5.8%) from $390.8 million to $413.3 million mainly attributable to increase in property, plant and equipment, right-of-use assets, investment in associates which resulted from share of profits, partially offset by decrease in finance lease receivables and right-of-use assets during the year.

Property, plant and equipment

Referring to the movement in property, plant and equipment during the year in section I (F), Note 3 of this report. Property, plant and equipment increased by $19.0 million (5.1%) from $375.2 million as at 30 June 2022 to $394.3 million as at 30 June 2023, mainly attributable to additions made during the year and transfer of two PSV from inventories, partially offset by depreciation charge and disposal of vessels.

The additions made during the year comprised:

	$'000
Vessels and modification works	3,840
Plant and equipment, office equipment and motor vehicles	4,717
Assets under construction	2,672
Drydocking expenditure on vessels capitalised	8,438
	19,667

The capitalised drydocking expenditure arose from regulatory requirement for intermediate and special surveys on vessels (seaworthiness checks) to ensure the vessels meet its standards of operating conditions.

Right-of-use assets ("**ROU assets**")

ROU assets pertained to leases of plant and equipment, leasehold properties and buildings and land use rights over plots of land in Indonesia and Singapore where the shipyards of the Group operate. ROU assets increased by $5.9 million (66.4%) to $14.7 million as at 30 June 2023 mainly due to lease modification which resulted an addition of $7.6 million, partially offset by depreciation charge. The Group extended the lease term of its properties in Singapore for another 20 years with Jurong Town Corporation.

Finance lease receivables

The finance lease receivables as at 30 June 2022 comprised of a vessel which was previously deemed as being disposed and accounted for under finance lease. The Vessel was seized and re-possessed by the Group during the year due to non-payment of past monthly instalments. Accordingly, the finance lease was terminated with the underlying vessel reclassified as inventories held for sale.

Current assets

Current assets decreased by $46.7 million (24.2%) to $146.5 million as at 30 June 2023, mainly due to decrease in inventories and finance lease receivables, partially offset by increase in contract assets and trade and other receivables.

Inventories

	Group			
	30-Jun-23	30-Jun-22	Increase/ (Decrease)	
	$'000	$'000	$'000	%
At cost or net realisable value:				
Raw materials and consumable	15,963	15,182	781	5.1
Finished goods	13,187	74,539	(61,352)	(82.3)
	29,150	**89,721**	**(60,571)**	**(67.5)**

Referring to breakdown of inventories in section (I) F, Note 5 of this report.

Raw materials and consumables are inventories used for ongoing shipbuilding and shiprepair projects. Finished goods comprise of vessels for sale and dredge component parts.

The decrease in inventories on finished goods was mainly due to disposal of vessels for sale including one PSV and transfer of the remaining two PSV to property, plant and equipment after having secured long-term charter contracts during the year.

Contracts assets and liabilities

Referring to the breakdown of contracts assets and liabilities in section (I) F, Note 6 of this report.

Accrued revenue of $7.3 million relates to shiprepair and shipchartering services completed but invoices not yet raised at the end of financial years. Subsequent to the end of financial year, $4.0 million of the accrued revenue have been invoiced.

The Group recorded a net construction work-in-progress in excess of progress billings of $17.1 million as at 30 June 2023 (30 June 2022: a net progress billings in excess of construction work-in-progress of $1.5 million) mainly due to higher work in progress incurred for shipbuilding and shiprepair projects.

Deferred income and deposits received from customers primarily relate to advance payments received from customers for which charter services have not been rendered and/or obligation to transfer goods. The deferred income and deposits will be recognised as income when the services are performed.

Trade and other receivables

	Group			
	30-Jun-23	30-Jun-22	Increase/ (Decrease)	
	$'000	$'000	$'000	%
Trade and other receivables (current)				
Trade receivables	39,029	34,874	4,155	11.9
Other receivables and deposits	11,162	9,133	2,029	22.2
Amounts due from related parties	390	392	(2)	(0.5)
Amounts due from joint ventures and associates	9,022	7,129	1,893	26.6
	59,603	**51,528**	**8,075**	**15.7**

The increase in trade receivables was due to higher receivables from shiprepair and shipchartering segments. Subsequent to the end of financial year, $19.6 million of the outstanding receivables have been received.

Included in other receivables was receivables from sale of vessels, advances to subcontractors, recoverable from customers and deposits. The increase in other receivables was mainly due to higher deposits and insurance claims. There was a placement of deposits of $1.3 million with financial institutions for issuance of performance guarantees to its customers during the year. Subsequent to the end of financial year, insurance claims of $1.25 million have been received.

Current liabilities

Current liabilities increased by $15.5 million (6.7%) to $246.2 million as at 30 June 2023 mainly due to increase in trade and other payables, trust receipts and income tax payables, partially offset by decrease in interest-bearing loans and borrowings.

Trade and other payables

Referring to the breakdown of trade and other payables in section (I) F, Note 8 of this report.

Trade and other payables increased by $17.9 million (11.9%) to $167.3 million as at 30 June 2023 mainly due to higher payables to suppliers and subcontractors in line with the increase of operating activities.

Net current liabilities

The Group recorded profit after tax of $3.6 million (FY2022: loss after tax of $32.2 million) for the financial year ended 30 June 2023 ("**FY2023**"). As at 30 June 2023, the Group recorded a net current liabilities of $99.7 million as at 30 June 2023 (30 June 2022: $37.5 million), the increase in net current liabilities was mainly due to the reduction of inventories, where we had disposed one Platform Supply Vessel (PSV) and transferred two PSVs to Property, Plant and Equipment during the financial year. The aggregate value of these PSVs was assessed at net realisable value of $68.0 million as of 30 June 2022.

The financial statements are prepared on a going concern basis and the validity of which was disclosed in Note 2.3 of this results announcement. The management and directors of the Company are of the opinion that the Group is able to generate sufficient cash flows from its operations to meet its working capital needs with the continuing support from its controlling shareholders and principal lenders on the availability of its credit facilities.

Loans and borrowings

The breakdown of the Group's loans and borrowings are as follows:

	Group (Carrying Value)				Group (Face Value)			
	30-Jun-23 $'000	30-Jun-22 $'000	Increase/ (Decrease) $'000	%	30-Jun-23 $'000	30-Jun-22 $'000	Increase/ (Decrease) $'000	%
Current								
Bonds	1,500	1,500	-	-	1,500	1,500	-	-
Trust receipts:								
General	12,399	8,767	3,632	41.4	12,399	8,767	3,632	41.4
Term loans:								
Vessels loan	8,867	9,167	(300)	(3.3)	10,650	11,637	(987)	(8.5)
Assets financing	4,669	8,525	(3,856)	(45.2)	5,300	9,334	(4,034)	(43.2)
Working capital	15,515	17,887	(2,372)	(13.3)	15,778	18,294	(2,516)	(13.8)
	29,051	35,579	(6,528)	(18.3)	31,728	39,265	(7,537)	(19.2)
Finance lease liabilities	1,012	285	727	255.1	1,012	285	727	255.1
	43,962	**46,131**	**(2,169)**	**(4.7)**	**46,639**	**49,817**	**(3,178)**	**(6.4)**
Non-current								
Bonds	110,907	102,819	8,088	7.9	130,500	132,000	(1,500)	(1.1)
Term loans:								
Vessels loan	41,731	51,694	(9,963)	(19.3)	45,404	57,261	(11,857)	(20.7)
Assets financing	17,146	50,568	(33,422)	(66.1)	18,162	53,037	(34,875)	(65.8)
Working capital	45,994	57,532	(11,538)	(20.1)	46,258	57,966	(11,708)	(20.2)
	104,871	159,794	(54,923)	(34.4)	109,824	168,264	(58,440)	(34.7)
Finance lease liabilities	1,270	172	1,098	638.4	1,270	172	1,098	638.4
	217,048	**262,785**	**(45,737)**	**(17.4)**	**241,594**	**300,436**	**(58,842)**	**(19.6)**
	261,010	**308,916**	**(47,906)**	**(15.5)**	**288,233**	**350,253**	**(62,020)**	**(17.7)**

Total shareholders' funds	73,545	68,583
Gearing ratio (times)	3.55	4.50
Net gearing ratio (times)	3.21	4.18

The Group's total borrowings (carrying value) decreased by $47.9 million (15.5%) to $261.0 million as at 30 June 2023 mainly due to net repayment of interest-bearing loans and borrowings which included the prepayment of the underlying loan of one PSV that was disposed during the year, partially offset by the accretion of interests on bank loans and bonds measured at fair value.

The Group re-measured its bonds and long-term loans arising from the debts refinancing exercise at fair value (carrying value) pursuant to the adoption of SFRS(I)9. The face value (nominal value) of the bonds and long-term loans is separately disclosed for information.

Non-current liabilities

Non-current liabilities decreased by $44.8 million (15.7%) to $240.7 million as at 30 June 2023 mainly due to decrease in contract liabilities and interest-bearing loans and borrowings, partially offset by increase in lease liabilities.

The decrease in interest-bearing loans and borrowings was mainly due to repayment and prepayment of loans. The decrease in contract liabilities was due to transfer of current portion of deferred income to current liabilities where revenue is recognised over the period when services are performed. The increase in lease liabilities corresponded to the increase in ROU assets pursuant to extension of lease term of properties in Singapore.

B. Variance from Prospect Statement

Not applicable as no forecast or prospect statement has been made.

C. Outlook and Prospect

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.

1. Market and industry outlook

The outlook for the shipbuilding, ship repair, offshore, and marine services industries is dependent on several factors, including the global economic conditions, demand for shipping, changes in regulations and environmental standards as well as technologies. The main macroeconomic variables affecting our performance include but are not limited to the global logistics trade, supply and demand of energy and natural resources and infrastructure expenditure in Asia.

The macro trends remain mixed and uncertain:

a. The global economy has shown strength but is slowing down amidst uncertainty. The rise in central bank policy rates to fight inflation continues to weigh on economic activity.

   International Monetary Fund ("IMF") projected global growth to fall from an estimated 3.5 percent in 2022 to 3.0 percent in both 2023 and 2024. The World Health Organization (WHO) announced in May that it no longer considers COVID-19 to be a "global health emergency." Supply chains have largely recovered, and shipping costs and suppliers' delivery times of goods are back to pre-pandemic levels. But forces that hindered growth in 2022 persist. Inflation remains high and continues to erode household purchasing power. Policy tightening by central banks in response to inflation has raised the cost of borrowing, constraining economic activity[1].

b. Tighter monetary policy and higher interest rates, high energy prices, weak real household income growth and declining confidence are all expected to sap growth. The outlook for transport and logistics industry is affected by slower growth in the Chinese and global economies.

c. Policymakers are increasingly implementing fiscal policies that support growth in infrastructure, green energy, decarbonization, and sustainable resources projects. Though the wider economy can benefit from the stronger and higher spending in the long run, the projects are of long term commitments with higher financial risks and burden, and it does not guarantee short to mid-term realization.

There are encouraging signs that the maritime industry is recovering in tandem, barring the adverse impact that may be caused by a) geopolitical rivalry; b) rising interest rates and c) increase in the prices of energy, raw materials as well as labour costs. Whilst it is difficult to predict the impact of global events on the maritime industry, the overall long-term maritime industry outlook remains sustainable.

The management, with the support of various stakeholders, will continue to adapt, navigate and mitigate foreseeable risks and long-run disruptions that the current political, social, and economic environment present.

[1] IMF World Economy Outlook, Near-term Resilience, Persistent Challenges July 2023

The management is closely monitoring the market demands on our core business, optimizing our current business processes and strengthening our foothold in the local and global maritime industry. The Group had embarked on leveraging its integrated marine engineering capabilities to explore and expand to new growth areas anchored in environmental sustainability.

2. **Business segments**

Shipbuilding, Shiprepair, Conversion and Engineering Services

For the shipbuilding segment, we continue to focus on securing orders for standardized vessels like tugs, barges and workboats which have shorter delivery cycles and are less capital intensive. We will continue to exercise caution with our review of customers based on their creditworthiness.

The Group sold one of its three Platform Supply Vessels (“PSVs”) in 3Q FY2023, the remaining two PSVs were being transferred from inventories to property, plant and equipment after having secured long-term charter contracts during the year.

For the shiprepair segment, the Group will expand its dry-docking capacity in its Singapore yard by deploying a second floating dock in September 2023 to capture a larger share of the local shiprepair market for bunkering vessels and harbour crafts. The Group is actively expanding its marketing network and engaging international customers. Seaborne transport is essential for international trade and upswing of shipping activities will continue to spur the demand for maintenance and repairs of vessels.

The Group will continue to improve its operational efficiency and tighten cost control to enhance its competitiveness and performance.

Shipchartering

The diversified vessel types in our fleet are expected to lend support to our chartering business. With the commencement of new projects, we expect continued inflow of business from customers in the marine infrastructure industry (e.g. land reclamation and dredging, port and bridge construction), oil and gas exploration and production, wind energy sectors and cargo transhipment sectors in Asia Pacific and South Asia region.

Order Book

As at 30 June 2023, the Group had an outstanding shipbuilding order book from external customers of approximately $42 million for ten vessels with progressive deliveries up to 2H FY2024.

The Group's shipchartering revenue consists of mainly short-term and ad-hoc contracts. Approximately 27% of shipchartering revenue in FY2023 was attributed to long-term chartering contracts (meaning contracts with a duration of more than one year). As at 30 June 2023, the Group had an outstanding ship chartering order book of approximately $27 million with respect to long-term contracts. With the increase in demand for vessels from the traditional oil and gas industry, national infrastructure projects in the region and the emerging renewable energy market, we anticipate that we will be able to secure more employment for our fleet of vessels.

D. Dividend

No dividend has been declared or recommended for the three months and the year ended 30 June 2023 and in the previous corresponding periods after taking into consideration the operating requirement, cash flow position of the Group and the current market weakness, and to conserve cash for working capital usage.

E. Interested Person Transactions

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

The Group has not obtained a general mandate from shareholders for interested person transactions. During FY2023, the following interested person transactions were entered into by the Group:

	Nature of relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than $100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920 of the SGX-ST Listing Manual) $'000	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 of the SGX-ST Listing Manual (excluding transactions less than $100,000) $'000
Expenses paid on behalf of			
PT Sindomas Precas	Wholly owned by Mr. Ang Sin Liu	103	-

Notes:

Mr. Ang Sin Liu is the father of Ang Kok Tian, Ang Ah Nui and Ang Kok Leong, all of whom are Directors and substantial shareholders of the Company. He is also the father of Ang Kok Eng and Ang Swee Kuan, both of whom are also the substantial shareholders of the Company. Each of them is deemed to have an interest in the shares held by the other.

F. Confirmation Pursuant to Rule 720(1)

The Company confirms that it has procured the undertakings from all its Directors and Executive Officers in the format set out in Appendix 7.7 under Rule 720(1) of the SGX-ST Listing manual.

G. Breakdown of Sales

	Group			
	FY2023 $'000	FY2022 $'000	Increase/ (Decrease) $'000	%
Sales reported for first half year	136,684	103,854	32,830	31.6
Operating loss after tax before deducting non-controlling interests reported for first half year	(20,830)	(15,785)	(5,045)	32.0
Sales reported for second half year	199,130	131,702	67,428	51.2
Operating profit/ (loss) after tax before deducting non-controlling interests reported for second half year	24,417	(16,410)	40,827	(248.8)

H. Disclosure Pursuant to Rule 704(13)

Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Name	Age	Family relationship with any director, chief executive officer and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Ang Kok Tian	62	Brother of Ang Ah Nui and Ang Kok Leong, both of whom are Directors and substantial shareholders of the Company. Son of Ang Sin Liu and brother of Ang Kok Eng and Ang Swee Kuan, all of whom are substantial shareholders of the Company.	Appointed in 2003 as Chairman and Managing Director and Chief Executive Officer of the Company. Also acting as Executive Director of certain principal subsidiaries of the Company. Responsible for the Group's business strategies and direction, corporate plans and policies as well as the overall management, development, operations, finance and treasury functions of the Group. Also in charge of the Group's shipbuilding division and dredge engineering business.	No change
Ang Ah Nui	60	Brother of Ang Kok Tian and Ang Kok Leong, both of whom are Directors and substantial shareholders of the Company. Son of Ang Sin Liu and brother of Ang Kok Eng and Ang Swee Kuan, all of whom are substantial shareholders of the Company.	Appointed in 2003 as Deputy Managing Director of the Company. Also acting as Executive Director of certain principal subsidiaries of the Company. Jointly responsible for the Group's business strategies and direction, corporate plans and policies. Also, in charge of the Group's shipchartering, shiprepair and conversion business.	No change
Ang Kok Leong	55	Brother of Ang Kok Tian and Ang Ah Nui, both of whom are Directors and substantial shareholders of the Company. Son of Ang Sin Liu and brother of Ang Kok Eng and Ang Swee Kuan, all of whom are substantial shareholders of the Company.	Appointed in 2002 as Executive Director of the Company. Also acting as Executive Director of certain principal subsidiaries of the Company. Responsible for the Group's marketing and business development function for Europe, Middle East and other regions. Also in charge of overseeing engineering and research development division of the Group.	No change

Ang Kok Eng	56	Brother of Ang Kok Tian, Ang Ah Nui and Ang Kok Leong, all of whom are Directors and substantial shareholders of the Company. Son of Ang Sin Liu and brother of Ang Swee Kuan, both of whom are substantial shareholders of the Company.	Acting as Executive Director of certain principal subsidiaries of the Company since 2003. Responsible for the Group's marketing and business development function for Asia. Also in charge of the Group's management information systems.	No change
Ang Sin Liu	88	Father of Ang Kok Tian, Ang Ah Nui and Ang Kok Leong, all of whom are Directors and substantial shareholders of the Company. Father of Ang Kok Eng and Ang Swee Kuan, both of whom are substantial shareholders of the Company.	Appointed in 2003 as Advisor to the Company. Advising on the setting of Group's business strategy and direction	No change

Ang Kok Tian, Ang Ah Nui, Ang Kok Eng, Ang Kok Leong, Ang Sin Liu and Ang Swee Kuan are substantial shareholders of the Company.

Ang Sin Liu is the father of Ang Kok Tian, Ang Ah Nui, Ang Kok Eng, Ang Kok Leong and Ang Swee Kuan. Each of them is deemed to have an interest in the shares held by the other.

I. Use of Proceeds

Refer to breakdown of convertible securities in section (I) F, Note 10 of this report. As of to-date, the Group has received proceeds of $1,509,810 from the warrant holders on their conversion of 25,163,500 warrants into shares. The Group intends to use these proceeds for its upcoming semi-annual principal repayments of outstanding bonds.

The use of proceeds arising from the conversion is in accordance with the intended use as disclosed in the Company's circular dated 3 July 2019.

BY ORDER OF THE BOARD

Ang Kok Tian
Chairman, Managing Director and CEO
29 August 2023