

# **PENGUIN INTERNATIONAL LIMITED**

Condensed interim financial statements  
for the second half and year ended 31 December  
2023

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A. CONDENSED INTERIM CONSOLIDATED INCOME  
STATEMENT FOR THE SECOND HALF AND YEAR ENDED  
31 DECEMBER 2023

	Note	Group		+ / (-) %	Group		+ / (-) %
		6 months ended 31 December 2023 \$'000	6 months ended 31 December 2022 \$'000		12 months ended 31 December 2023 \$'000	12 months ended 31 December 2022 \$'000	
Revenue		93,445	73,818	26.6	182,412	135,227	34.9
Cost of sale		(63,493)	(53,564)	18.5	(130,128)	(99,311)	31.0
<b>Gross profit</b>		<b>29,952</b>	<b>20,254</b>	<b>47.9</b>	<b>52,284</b>	<b>35,916</b>	<b>45.6</b>
Other income	6.1	6,585	1,944	238.7	8,823	9,239	(4.5)
Marketing and distribution costs		(281)	(342)	(17.8)	(586)	(611)	(4.1)
Administrative expenses		(11,641)	(9,626)	20.9	(23,315)	(20,759)	12.3
Other operating expenses		(6,996)	(6,306)	10.9	(14,772)	(10,116)	46.0
Reversal of impairment loss on trade receivable		-	241	(100)	-	336	(100)
Results from operating activities		17,619	6,165	185.8	22,434	14,005	60.2
Finance costs		(1,506)	(338)	345.6	(2,415)	(600)	302.5
Finance income		780	538	45.0	1,469	1,223	20.1
<b>Profit before tax</b>	6	<b>16,893</b>	<b>6,365</b>	<b>165.4</b>	<b>21,488</b>	<b>14,628</b>	<b>46.8</b>
Income tax expense	7	(2,572)	(2,653)	(3.1)	(4,748)	(4,074)	16.4
<b>Profit for the period / year</b>		<b>14,321</b>	<b>3,712</b>	<b>285.6</b>	<b>16,740</b>	<b>10,554</b>	<b>58.5</b>
<b>Attributable to:</b>							
Owners of the Company		14,322	3,713	285.7	16,741	10,555	58.6
Non-controlling interests		(1)	(1)	0.0	(1)	(1)	0.0
<b>Profit for the period / year</b>		<b>14,321</b>	<b>3,712</b>	<b>285.8</b>	<b>16,740</b>	<b>10,554</b>	<b>58.6</b>
<b>Earnings per share (cents per share)</b>							
- Basic	8	6.50	1.69		7.60	4.79	
- Diluted	8	6.50	1.69		7.60	4.79	

B. CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE SECOND HALF AND YEAR ENDED 31 DECEMBER 2023

	Group		+ / (-)	Group		+ / (-)
	6 months ended 31 December 2023	6 months ended 31 December 2022		12 months ended 31 December 2023	12 months ended 31 December 2022	
Note	\$'000	\$'000	%	\$'000	\$'000	%
<b>Profit for the period / year</b>	14,321	3,712	285.8	16,740	10,554	58.6
<b>Other comprehensive income:</b>						
<b>Items that may be reclassified subsequently to profit or loss</b>						
Net effect of exchange differences arising from quasi capital loan to subsidiaries	(2,055)	(4,248)	(51.6)	(1,920)	(3,511)	(45.3)
Foreign currency translation	648	311	108.4	1,006	730	37.8
	(1,407)	(3,937)	(64.3)	(914)	(2,781)	(67.1)
<b>Items that will not be reclassified subsequently to profit or loss</b>						
Changes in fair value of equity investment at FVOCI	(729)	2,914	(125.0)	2,428	3,400	(28.6)
	(729)	2,914	(125.0)	2,428	3,400	(28.6)
<b>Other comprehensive income for the period / year, net of tax</b>	(2,136)	(1,023)	108.8	1,514	619	144.6
<b>Total comprehensive income for the period / year, net of tax</b>	12,185	2,689	353.1	18,254	11,173	63.4
<b>Attributable to:</b>						
Owners of the Company	12,186	2,690	353.0	18,255	11,174	63.4
Non-controlling interests	(1)	(1)	0.0	(1)	(1)	0.0
<b>Total comprehensive income for the period / year</b>	12,185	2,689	353.1	18,254	11,173	63.4

C. CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2023

	Note	Group		+ / (-) %	Company		+ / (-) %
		31 December 2023	31 December 2022		31 December 2023	31 December 2022	
		\$'000	\$'000		\$'000	\$'000	
<b>Non-current assets</b>							
Property, plant and equipment	13	163,267	153,447	6.4	311	94	230.9
Right-of-use assets		8,516	7,459	14.2	–	–	NM
Investment in subsidiaries		–	–	NM	99,858	99,858	0.0
Quoted investments	11	12,385	9,957	24.4	12,385	9,957	24.4
Intangible asset	12	78	78	(0.0)	–	–	NM
Trade receivables		12,815	13,814	(7.2)	–	–	NM
Other receivables	14	2,718	3,669	(25.9)	–	–	NM
		199,779	188,424	6.0	112,554	109,909	2.4
<b>Current assets</b>							
Inventories		61,433	68,588	(10.4)	–	–	NM
Trade receivables		41,358	21,189	95.2	8,206	5,233	56.8
Other receivables and deposits	14	36,101	19,492	85.2	997	238	318.9
Contract assets		5,188	4,543	14.2	–	–	NM
Prepayments		2,351	754	211.8	147	129	14.0
Derivatives		286	487	(41.3)	286	487	(41.3)
Loans to subsidiaries		–	–	NM	112,423	72,263	55.6
Fixed deposits		6,741	2,453	174.8	3,475	–	NM
Cash and bank balances		20,020	12,525	59.8	2,482	1,351	83.7
		173,478	130,031	32.3	128,016	79,701	60.6
<b>Current liabilities</b>							
Trade payables		9,135	31,664	(71.2)	5	7	(28.6)
Other payables and accruals	15	41,521	37,441	10.9	3,243	2,262	43.4
Provisions		1,347	701	92.2	–	–	NM
Contract liabilities		44,869	9,388	377.9	18,649	712	2,519.2
Derivatives		160	49	226.5	160	49	226.5
Provision for income tax		3,191	2,441	30.5	1,020	256	298.4
Lease liabilities		899	680	32.2	–	–	NM
Bank loans	16	12,758	7,994	59.6	9,114	7,994	14.0
Deposits from subsidiaries		–	–	NM	43,529	22,644	92.2
		113,880	90,358	26	75,720	33,924	123.2
<b>Net current assets</b>		59,598	39,673	50.2	52,296	45,777	14.2

**C. CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2023 (cont'd)**

	<b>Group</b>			<b>+ / (-)</b>	<b>Company</b>			<b>+ / (-)</b>	
		<b>31</b>	<b>31</b>			<b>31</b>	<b>31</b>		
	<b>Note</b>	<b>December</b>	<b>December</b>		<b>%</b>	<b>December</b>	<b>December</b>		<b>%</b>
	<b>2023</b>	<b>2022</b>		<b>2023</b>	<b>2022</b>				
	<b>\$'000</b>	<b>\$'000</b>		<b>\$'000</b>	<b>\$'000</b>				
<b>Non-current liabilities</b>									
Deferred tax liabilities		6,190	4,841	27.9	213	381	(44.1)		
Provisions		2,181	2,244	(2.8)	–	–	NM		
Lease liabilities		7,948	7,009	13.4	–	–	NM		
Bank loans	16	31,655	15,900	99.1	16,797	15,900	5.6		
		<u>47,974</u>	<u>29,994</u>	59.9	<u>17,010</u>	<u>16,281</u>	4.5		
<b>Net assets</b>		<u>211,403</u>	<u>198,103</u>	6.7	<u>147,840</u>	<u>139,405</u>	6.0		
Share capital	17	94,943	94,943	0.0	94,943	94,943	0.0		
Reserves		116,467	103,166	12.9	52,897	44,462	19.0		
Non-controlling interests		(7)	(6)	16.7	–	–	NM		
<b>Total equity</b>		<u>211,403</u>	<u>198,103</u>	6.7	<u>147,840</u>	<u>139,405</u>	6.1		

D. CONDENSED INTERIM STATEMENT OF CHANGE IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2023

	<u>Attributable to owners of the Company</u>				Non-controlling interests \$'000	Total equity \$'000
	Share capital \$'000	Other reserves \$'000	Retained earnings \$'000	Sub-total \$'000		
<b>The Group</b>						
<b>Opening balance at 1 January 2023</b>	94,943	(7,292)	110,458	198,109	(6)	198,103
Profit for the year	–	–	16,741	16,741	(1)	16,740
<u>Other comprehensive income</u>						
Net effect of exchange differences arising from quasi capital loan to subsidiaries	–	(1,920)	–	(1,920)	–	(1,920)
Foreign currency translation	–	1,006	–	1,006	–	1,006
Change in fair value of equity investment at FVOCI	–	2,428	–	2,428	–	2,428
Other comprehensive income for the year, net of tax	–	1,514	–	1,514	–	1,514
Total comprehensive income for the year	–	1,514	16,741	18,255	(1)	18,254
<u>Contributions by and distributions to owners</u>						
Dividends paid	–	–	(4,954)	(4,954)	–	(4,954)
Total contributions by and distributions to owners	–	–	(4,954)	(4,954)	–	(4,954)
<b>Closing balance at 31 December 2023</b>	94,943	(5,778)	122,245	211,410	(7)	211,403

D. CONDENSED INTERIM STATEMENT OF CHANGE IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2023 (cont'd)

	<u>Attributable to owners of the Company</u>				<b>Non- controlling interests</b>	<b>Total equity</b>
	<b>Share capital</b>	<b>Other reserves</b>	<b>Retained earnings</b>	<b>Sub-total</b>		
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>The Group</b>						
<b>Opening balance at 1 January 2022</b>	94,943	(7,911)	104,857	191,889	(5)	191,884
Profit for the year	–	–	10,555	10,555	(1)	10,554
<u>Other comprehensive income</u>						
Net effect of exchange differences arising from quasi capital loan to subsidiaries	–	(3,511)	–	(3,511)	–	(3,511)
Foreign currency translation	–	730	–	730	–	730
Change in fair value of equity investment at FVOCI	–	3,400	–	3,400	–	3,400
Other comprehensive income for the year, net of tax	–	619	–	619	–	619
Total comprehensive income for the year	–	619	10,555	11,174	(1)	11,173
<u>Contributions by and distributions to owners</u>						
Dividend paid	–	–	(4,954)	(4,954)	–	(4,954)
Total contributions by and distributions to owners	–	–	(4,954)	(4,954)	–	(4,954)
<b>Closing balance at 31 December 2022</b>	94,943	(7,292)	110,458	198,109	(6)	198,103

**D. CONDENSED INTERIM STATEMENT OF CHANGE IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2023 (cont'd)**

	<b>Share capital \$'000</b>	<b>Other reserve \$'000</b>	<b>Retained earnings \$'000</b>	<b>Total equity \$'000</b>
<b>Company</b>				
<b>Opening balance at 1 January 2023</b>	94,943	1,957	42,505	139,405
Profit for the year	–	–	10,961	10,961
<u>Other comprehensive income</u>				
Change in fair value of equity investment at FVOCI	–	2,428	–	2,428
Total comprehensive income for the year	–	2,428	10,961	13,389
<u>Contributions by and distributions to owners</u>				
Dividends paid	–	–	(4,954)	(4,954)
Total contributions by and distributions to owners	–	–	(4,954)	(4,954)
<b>Closing balance at 31 December 2023</b>	94,943	4,385	48,512	147,840

	<b>Share capital \$'000</b>	<b>Other reserve \$'000</b>	<b>Retained earnings \$'000</b>	<b>Total equity \$'000</b>
<b>Company</b>				
<b>Opening balance at 1 January 2022</b>	94,943	(1,443)	40,870	134,370
Profit for the year	–	–	6,589	6,589
<u>Other comprehensive income</u>				
Change in fair value of equity investment at FVOCI	–	3,400	–	3,400
Total comprehensive income for the year	–	3,400	6,589	9,989
<u>Contributions by and distributions to owners</u>				
Dividends paid	–	–	(4,954)	(4,954)
Total contributions by and distributions to owners	–	–	(4,954)	(4,954)
<b>Closing balance at 31 December 2022</b>	94,943	1,957	42,505	139,405

E. CONDENSED INTERIM CONSOLIDATED CASH FLOW  
STATEMENT FOR THE SECOND HALF AND YEAR ENDED 31  
DECEMBER 2023

	Group			
	6 months ended 31 December 2023	6 months ended 31 December 2022	12 months ended 31 December 2023	12 months ended 31 December 2022
Note	\$'000	\$'000	\$'000	\$'000
<b>Operating activities</b>				
Profit before tax	16,893	6,365	21,488	14,628
Adjustments for:				
Depreciation of property, plant and equipment and right-of-use assets	7,960	6,383	14,821	12,332
Gain on disposal of property, plant and equipment	(4,158)	(798)	(5,728)	(3,576)
Property, plant and equipment written off	–	–	–	147
Interest expense	1,354	307	2,128	545
Interest income	(780)	(538)	(1,469)	(1,223)
Reversal of impairment loss on trade receivable	–	(241)	–	(336)
Reversal of impairment of property, plant and equipment	(1,713)	–	(1,713)	–
Provision for employee retirement benefits	(69)	24	(69)	24
Net fair value (gain) / loss on derivatives	(560)	(224)	312	(403)
Reversal of restoration cost on leased land	–	(172)	–	(172)
Provision for warranty claims on shipbuilding contracts, net	903	413	1,668	468
Currency alignment	129	(887)	(95)	(1,098)
Operating cash flows before changes in working capital	19,959	10,632	31,343	21,336
Inventories	(27,140)	(28,800)	(15,950)	(32,889)
Trade receivables	3,202	11,210	(19,171)	4,050
Other receivables, deposits and prepayments	(16,211)	1,288	(17,437)	(9,537)
Contract assets	4,623	(2,163)	(645)	1,782
Trade payables	(17,563)	17,571	(22,529)	19,810
Other payables and accruals	(25,131)	2,212	4,080	16,234
Provisions	(372)	(229)	(1,022)	(626)
Contract liabilities	33,995	(3,780)	35,481	6,671
Cash flows (used in)/ generated from operations	(24,638)	7,941	(5,850)	26,831
Interest paid	(1,354)	(307)	(2,128)	(545)
Interest received	780	538	1,469	1,223
Income taxes paid, net	(750)	(1,064)	(2,407)	(2,089)
Net cash flows (used in)/ generated from operating activities	(25,962)	7,108	(8,916)	25,420

E. CONDENSED INTERIM CONSOLIDATED CASH FLOW  
STATEMENT FOR THE SECOND HALF AND YEAR ENDED 31  
DECEMBER 2023 (cont'd)

	Group			
	6 months ended 31 December 2023	6 months ended 31 December 2022	12 months ended 31 December 2023	12 months ended 31 December 2022
Note	\$'000	\$'000	\$'000	\$'000
<b>Investing activities</b>				
Proceeds from disposal of property, plant and equipment	21,043	4,279	26,152	4,369
Proceeds from disposal of assets classified as held for sale	-	-	-	9,969
Additions to property, plant and equipment	4,523	(30,153)	(19,582)	(48,060)
Net cash flows generated from / (used in) investing activities	25,566	(25,874)	6,570	(33,722)
<b>Financing activities</b>				
Proceed from bank loans	3,832	11,159	26,472	11,159
Repayment of bank loans	(3,839)	(1,300)	(5,954)	(2,500)
Dividends paid	-	-	(4,954)	(4,954)
Payment of principal portion of lease liabilities	(658)	(564)	(1,230)	(1,269)
Decrease / (increase) in pledged deposits with licensed banks	(832)	3,135	(4,521)	(385)
Net cash flows (used in) /generated from financing activities	(1,497)	12,430	9,813	2,051
<b>Net (decrease) / increase in cash and cash equivalents</b>	(1,893)	(6,336)	7,467	(6,251)
Effect of exchange rate changes on cash and cash equivalents	(300)	(400)	(206)	(196)
<b>Cash and cash equivalents at beginning of period / year</b>	21,979	19,261	12,525	18,972
<b>Cash and cash equivalents at end of period / year</b>	19,786	12,525	19,786	12,525

## F. Notes to the condensed interim consolidated financial statements

### 1. **Corporate information**

Penguin International Limited (the Company) is a limited company incorporated and domiciled in Singapore and is listed on the Singapore Exchange Securities Trading Limited (SGX-ST).

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

The principal activities of the Company are to act as: (a) owners and operators of workboats and passenger boats, (ii) designers and builders of aluminium high-speed vessels and (iii) investment holding.

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

The condensed interim financial statements for the year ended 31 December 2023 have been prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)") 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last annual financial statements for the year ended 31 December 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 2.1.

The condensed interim financial statements have been prepared on the historical cost basis except as otherwise described in the note below.

The condensed interim financial statements are presented in Singapore dollar, which is the Company's functional currency.

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

A number of amendments to Standards have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustment as a result of adopting those standards.

#### 2.2 **Use of judgements and estimates**

In preparing the condensed interim financial statements, management has made judgement, estimates and assumptions that effect the application of accounting policies and the reporting amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimations uncertainty were the same as those that applied to the consolidated financial statement as at end of the year ended 31 December 2023.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Management is of the opinion that there are no critical judgements made in applying the Group's accounting policies and no assumptions and estimation of uncertainties that have a significant risk of resulting in a material adjustment within the next financial year.

**3. Seasonal operations**

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

**4. Segment and revenue information**

**4.1 Reportable segments**

For management purposes, the Group is organised into business units based on their products and services, and has two reportable operating segments as follows:

- (a) The chartering segment charters out workboats and passenger boats as an owner and operator.
- (b) The shipbuilding, ship repair and maintenance segment designs and builds high-speed aluminium vessels.

Except as indicated above, no operating results have been aggregated to form the above reportable operating segments.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which in certain respects, as explained in the table below, is measured differently from operating profit or loss in the consolidated financial statements.

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

	Chartering		Shipbuilding, ship repair and maintenance		Adjustments and eliminations		Total		
	12 months ended 31 December 2023 \$'000	12 months ended 31 December 2022 \$'000	12 months ended 31 December 2023 \$'000	12 months ended 31 December 2022 \$'000	12 months ended 31 December 2023 \$'000	12 months ended 31 December 2022 \$'000	Notes	12 months ended 31 December 2023 \$'000	12 months ended 31 December 2022 \$'000
	<b>Revenue</b>								
Sales to external customers	38,176	30,854	144,236	104,373	–	–		182,412	135,227
Inter-segment sales	514	847	56,261	64,669	(56,776)	(65,516)	A	–	–
<b>Total revenue</b>	<b>38,690</b>	<b>31,701</b>	<b>200,497</b>	<b>169,042</b>	<b>(56,776)</b>	<b>(65,516)</b>		<b>182,412</b>	<b>135,227</b>
<b>Results</b>									
Finance income	45	442	2,196	1,569	(772)	(788)	B	1,469	1,223
Dividend income	6,000	6,000	–	–	(6,000)	(6,000)		–	–
Depreciation	(12,161)	(9,257)	(4,740)	(4,236)	2,080	1,161	B	(14,821)	(12,332)
Financial costs	(1,879)	(450)	(1,308)	(938)	772	788	B	(2,415)	(600)
Reversal of impairment of property, plant and equipment	1,713	–	–	–	–	–		1,713	–
Other non-cash expenses	–	(62)	–	250	–	–		–	188
Segment profit before tax	8,065	9,631	15,966	8,670	(2,543)	(3,673)	C	21,488	14,628
Taxation								(4,748)	(4,074)
<b>Profit for the year</b>								<b>16,740</b>	<b>10,554</b>

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

The following table presents assets, liabilities and other segment information regarding the Group's business segments for the year ended 31 December 2023 and 2022:

	Chartering		Shipbuilding, ship repair and maintenance		Discontinued operation		Adjustments and eliminations		Notes	Total	
	12 months ended 31 December 2023	12 months ended 31 December 2022	12 months ended 31 December 2023	12 months ended 31 December 2022	12 months ended 31 December 2023	12 months ended 31 December 2022	12 months ended 31 December 2023	12 months ended 31 December 2022		12 months ended 31 December 2023	12 months ended 31 December 2022
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000		\$'000	\$'000
<b>Assets and liabilities</b>											
Additions to non-current assets	46,209	63,902	2,675	13,386	–	–	(5,365)	(11,622)	D	43,519	65,666
Goodwill	–	–	78	78	–	–	–	–		78	78
Segment assets	216,531	181,220	185,320	163,598	367	367	(28,961)	(26,730)	E	373,257	318,455
Segment liabilities	42,123	24,102	111,975	89,504	–	–	7,756	6,746	F	161,854	120,352

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

**Note: Nature of adjustments and eliminations to arrive at amounts reported in the consolidated financial statements**

- A. Inter-segment revenues are eliminated on consolidation.
- B. Inter-segment interest income and finance expenses are eliminated on consolidation. Depreciation on mark-up arising from inter-segment sale of vessels are also eliminated on consolidation.
- C. The following items are added to / (deducted from) segment profit/(loss) before tax to arrive at "profit/(loss) before tax" presented in the consolidated income statement:

	<b>31 December 2023</b>	<b>31 December 2022</b>
	\$'000	\$'000
From inter-segment transactions	(2,543)	(6,929)
Unallocated income	–	3,643
Unallocated expenses	–	(387)
	<hr/>	<hr/>
	(2,543)	(3,673)
	<hr/>	<hr/>

The unallocated income pertain mainly to consideration sum related to the early move-out and relocation from 18 Tuas Basin Link, ahead of the property's lease expiry in 2025 and reversal of restoration cost of leased land.

The unallocated expenses pertain mainly to depreciation of leasehold building.

- D. The adjustments and eliminations relate to additions to leasehold building which cannot be allocated to each segment and inter-segment sales of vessels.
- E. The following items are added to / (deducted from) segment assets to arrive at total assets reported in the consolidated balance sheet:

	<b>31 December 2023</b>	<b>31 December 2022</b>
	\$'000	\$'000
Inter-segment assets	(28,961)	(26,730)
	<hr/>	<hr/>

- F. The following items are added to / (deducted from) segment liabilities to arrive at total liabilities reported in the consolidated balance sheet:

	<b>31 December 2023</b>	<b>31 December 2022</b>
	\$'000	\$'000
Inter-segment liabilities	(1,625)	(536)
Deferred tax liabilities	6,190	4,841
Current tax liabilities	3,191	2,441
	<hr/>	<hr/>
	7,756	6,746
	<hr/>	<hr/>



## 5 Financial assets and financial liabilities

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

	Group		Company	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
	\$'000	\$'000	\$'000	\$'000
<b>Financial assets</b>				
Financial assets at fair value through other comprehensive income (FVOCI)	12,385	9,957	12,385	9,957
Financial assets as fair value through profit and loss	286	487	286	487
Cash and bank balances, fixed deposits, trade receivables, other receivables and deposits and loans to subsidiaries (Amortised cost)	104,228	60,311	126,587	79,085
	<u>116,899</u>	<u>70,755</u>	<u>139,258</u>	<u>89,529</u>
<b>Financial liabilities</b>				
Trade payables, other payables and accruals, lease liabilities, deposit from subsidiary and bank loans (Amortised cost)	99,162	95,866	72,180	48,372
Financial liabilities at fair value through profit or loss	160	49	160	49
	<u>99,322</u>	<u>95,915</u>	<u>72,340</u>	<u>48,421</u>

## 6. Profit before tax

### 6.1 Significant items

	Group			
	6 months ended 31 December 2023	6 months ended 31 December 2022	12 months ended 31 December 2023	12 months ended 31 December 2022
	\$'000	\$'000	\$'000	\$'000
Other income				
Gain on disposal of property, plant, and equipment	4,158	798	5,728	3,576
Government grants under Covid-19 business support schemes provided by the Singapore government	—	—	—	268
Reversal of restoration cost of leased land	—	172	—	172
Consideration Sum*	—	—	—	3,550
Interest income	780	538	1,469	1,223
Interest expense	(1,354)	(307)	(2,128)	(545)
Depreciation of property, plant and equipment and right-of-use assets	(7,960)	(6,383)	(14,821)	(12,332)
Foreign exchange gain / (loss), net	59	291	(1,390)	1,542
Reversal of impairment loss on trade receivable	—	241	—	336
Reversal of impairment of property, plant and equipment	1,713	—	1,713	—
Property, plant and equipment and inventory written off	—	—	—	(147)

\* The Consideration Sum relates to the early move-out and relocation from 18 Tuas Basin Link, ahead of the property's lease expiry in 2025.

## 7. Income tax expense

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

	6 months ended 31 December 2023	6 months ended 31 December 2022	12 months ended 31 December 2023	12 months ended 31 December 2022
	\$'000	\$'000	\$'000	\$'000
Current tax				
Current income tax expense	2,228	1,234	3,266	2,197
Under / (over) provision in respect of previous years	100	(223)	100	(223)
Deferred tax				
Movement in temporary differences	1,201	1,778	2,314	2,193
Over provision in respect of previous years	(957)	(136)	(932)	(93)
	<u>2,572</u>	<u>2,653</u>	<u>4,748</u>	<u>4,074</u>

## 8. Earnings per share

	Group	
	12 months ended 31 December 2023	31 December 2022
Profit attributable to equity holders of the Company (\$)	<u>16,741,000</u>	<u>10,555,000</u>
Weighted average number of ordinary shares in issue for calculation of basic and diluted earnings per share	<u>220,169,774</u>	<u>220,169,774</u>
Basic earnings per share (cents)	<u>7.60</u>	<u>4.79</u>

The calculation of basic earnings per share at 31 December was based on profit attributable to owners of the Company and the weighted average number of ordinary shares outstanding.

The Group has no dilution in its earnings per share at 31 December 2023 and 31 December 2022.

## 9. Dividends

The directors have proposed a final dividend of 3.42 cents (2022: 2.25 cents) per ordinary share, one-tier exempt, totalling \$ 7,529,806 (2022: \$4,953,820) in respect of the year ended 31 December 2023.

## 10. Net asset value

	Group		Company	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
Net asset value per ordinary share based on the issued share capital at the end of period (cents)	96.02	89.98	67.15	63.32

Net asset value per share for both periods is computed based on the number of shares in issue of 220,169,774.

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

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

	Group	
	31 December 2023	31 December 2022
	\$'000	\$'000
Singapore listed equity securities		
- Marco Polo Marine Limited	12,385	9,957

### 11.1 Fair value measurement

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

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at 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.

As at 31 December 2023, the Group has investment in quoted equity security representing Level 1 financial asset which is carried at fair value amount of \$12,385,000 (31 December 2022: \$9,957,000). The quoted equity security is listed on the SGX-ST in Singapore

**12. Intangible assets**

	<b>Goodwill</b>
	\$'000
<b>Group</b>	
<b>Cost</b>	
At 31 December 2023 and 31 December 2022	291
<b>Accumulated impairment loss</b>	
At 31 December 2023 and 31 December 2022	(213)
<b>Net carrying amount</b>	
At 31 December 2023 and 31 December 2022	78

Goodwill on consolidation arose from the acquisition of PT Kim Seah Shipyard Indonesia during the financial year ended 31 December 2006. The goodwill amount was determined based on the fair value of the net assets acquired less the purchase consideration paid on the date of purchase. The goodwill has been allocated to PT Kim Seah Shipyard Indonesia as a cash generating unit (“CGU”) for impairment testing.

No impairment loss for goodwill was required for the financial year / period ended 31 December 2023 and 31 December 2022.

**13. Property, plant and equipment**

During the year ended 31 December 2023, the Group acquired assets amounting to \$42,687,000 (31 December 2022: \$58,737,000) and disposed of assets amounting to \$20,504,000 (31 December 2022: \$10,763,000).

**14. Other receivables and deposits**

	<b>Group</b>		<b>Company</b>	
	<b>31</b>	<b>31</b>	<b>31</b>	<b>31</b>
	<b>December</b>	<b>December</b>	<b>December</b>	<b>December</b>
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	\$'000	\$'000	\$'000	\$'000
Current:				
<i>Financial assets</i>				
Other receivables	18,857	4,350	1	44
Deposits	929	1,342	–	194
Insurance claims	790	969	–	–
	<hr/> 20,576	<hr/> 6,661	<hr/> 1	<hr/> 238
<i>Non-financial assets</i>				
Advance payment to suppliers	15,068	12,333	996	–
Other receivables	457	498	–	–
	<hr/> 15,525	<hr/> 12,831	<hr/> 996	<hr/> –
Total current other receivables and deposits	<hr/> 36,101	<hr/> 19,492	<hr/> 997	<hr/> 238
Non-current:				
<i>Financial assets</i>				
Other receivables	2,718	3,669	–	–
Total other receivables and deposits	<hr/> 38,819	<hr/> 23,161	<hr/> 997	<hr/> 238

Included in the Group's current other receivables and non-current other receivables is an amount of \$1,135,000 (31 December 2022: \$1,616,000) and \$2,718,000 (31 December 2022: \$3,669,000) respectively which pertains to sale of vessels (under property, plant and equipment) under deferred payment arrangements.

**15. Other payables and accruals**

	<b>Group</b>		<b>Company</b>	
	<b>31</b>	<b>31</b>	<b>31</b>	<b>31</b>
	<b>December</b>	<b>December</b>	<b>December</b>	<b>December</b>
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	\$'000	\$'000	\$'000	\$'000
<i>Financial liabilities</i>				
Accrued operating expenses	33,818	31,718	2,092	1,692
Advance payments and deposits received (refundable)	105	–	–	–
Advance billings	2,035	–	483	–
Other payables	809	901	160	135
	<u>36,767</u>	<u>32,619</u>	<u>2,735</u>	<u>1,827</u>
<i>Non-financial liabilities</i>				
Other payables	–	–	508	435
Advance payments Deposits received (non-refundable)	4,754	4,822	–	–
	<u>4,754</u>	<u>4,822</u>	<u>508</u>	<u>435</u>
Total other payables and accruals	<u>41,521</u>	<u>37,441</u>	<u>3,243</u>	<u>2,262</u>

Advance payments and deposits received (non-refundable) refer mainly to downpayments arising from shipbuilding activities and sale of operating fleet.

**16. Bank loans**

	<b>Group</b>		<b>Company</b>	
	<b>31</b>	<b>31</b>	<b>31</b>	<b>31</b>
	<b>December</b>	<b>December</b>	<b>December</b>	<b>December</b>
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	\$'000	\$'000	\$'000	\$'000
<u>Amount repayable within one year or on demand</u>				
Secured	11,699	6,956	8,055	6,956
Unsecured	1,059	1,038	1,059	1,038
	<u>12,758</u>	<u>7,994</u>	<u>9,114</u>	<u>7,994</u>
<u>Amount repayable after one year</u>				
Secured	31,279	14,465	16,421	14,465
Unsecured	376	1,435	376	1,435
	<u>31,655</u>	<u>15,900</u>	<u>16,797</u>	<u>15,900</u>
Total bank loans	<u>44,413</u>	<u>23,894</u>	<u>25,911</u>	<u>23,894</u>

The Group's bank borrowings are secured by way of mortgages over subsidiaries' vessels and property, including assignment of insurance policies, charter earnings and contracts.

**17. Share capital**

	<b>Group and Company</b>			
	<b>31 December 2023</b>		<b>31 December 2022</b>	
	<b>Number of</b>	<b>Amount</b>	<b>Number of</b>	<b>Amount</b>
	<b>shares</b>		<b>shares</b>	
	<b>'000</b>	<b>\$'000</b>	<b>'000</b>	<b>\$'000</b>
<b>Ordinary shares issued and fully paid</b>				
Beginning of interim period	220,170	94,943	220,170	94,943

The Company did not hold any treasury shares as at 31 December 2023 and 31 December 2022.

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

**18. Subsequent events**

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

## OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2

### 1. **Review**

The statement of financial position as at 31 December 2023 and the related consolidated income, consolidated statement of comprehensive income, statement of changes in equity and consolidated of cash flow statement for the year ended 31 December 2023 and the selected explanatory notes (the "Condensed Interim financial Statement") have not been audited or reviewed by the Company's auditors.

### 2. **Review of Performance of the Group**

#### **Overview**

Penguin's core shipbuilding and crewboat chartering activities are gradually picking up, but remain under pressure from rising costs, supply chain disruptions and patchy demand across various market segments.

#### **Review of the Group's Performance For 2H2023**

<b>Revenue</b>	<b>2H2023</b>	<b>2H2022</b>	<b>+ / (-)</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>%</b>
Shipbuilding, ship repair and maintenance	71,772	56,130	27.9%
Chartering	21,673	17,688	22.5%
<b>Total</b>	<b>93,445</b>	<b>73,818</b>	<b>26.6%</b>

Group revenue in 2H2023 was \$93.4 million, an increase of 26.6% from 2H2022. The increase in revenue and cost of sales was due mainly to an increase in the number of stock vessels sold and an increase in chartering activity over the period.

The increase in gross profit and gross profit margin in 2H2023 compared with 2H2022 was due mainly to improved margins from shipbuilding and chartering activities in the second half.

The increase in other income in 2H2023 compared with 2H2022 was due mainly to higher gains from the sale of vessels from the Group's operating fleet in 2H2023 and a reversal of impairment of property, plant and equipment of \$1.7m.

The increase in administrative expenses was due mainly to higher personnel cost arising from an increase in headcount and wages, in line with an increase in shipbuilding and chartering activities.

The increase in other operating expenses in 2H2023 was due mainly to higher marine insurance cost and sundry cost arising from more vessels being added to the Group's operating fleet in the second half.

As a result of the above, the Group posted a higher net profit of \$14.3 million in 2H2023, versus a net profit of \$3.7 million in 2H2022.

## **For FY2023**

<b>Revenue</b>	<b>FY2023</b>	<b>FY2022</b>	<b>+ / (-)</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>%</b>
Shipbuilding, ship repair and maintenance	144,236	104,373	38.2%
Chartering	38,176	30,854	23.7%
<b>Total</b>	<b>182,412</b>	<b>135,227</b>	<b>34.9%</b>

Group revenue in FY2023 was \$182.4 million, an increase of 34.9% from FY2022. The increase in revenue and cost of sales was due mainly to an increase in the number of stock vessels sold and an increase in chartering activity year-on-year.

The increase in gross profit and gross profit margin in FY2023 compared with FY2022 was due mainly to improved margins from the shipbuilding and chartering activities.

The decrease in other income in FY2023 compared with FY2022 was largely because in FY2022, there was a consideration sum in relation to the Group's early move-out and relocation from 18 Tuas Basin Link. This difference was partially offset in FY2023 by more fleet vessels sold from the Group's operating fleet and a reversal of impairment of property, plant and equipment of \$1.7m.

The increase in administrative expenses was due mainly to higher personnel cost arising from an increase in headcount and wages, in line with an increase in shipbuilding and chartering activities.

The increase in other operating expenses was due mainly to a net foreign exchange loss of \$1.4 million in FY2023, compared to a net foreign exchange gain of \$1.5 million in FY2022, as well as higher marine insurance cost and sundry cost arising from more vessels being added to the Group's operating fleet.

As a result of the above, the Group posted a higher net profit of \$16.7 million in FY2023, compared with a net profit of \$10.6 million in FY2022.

### **Changes in Balance Sheet**

As of the date of this announcement, the Group's core businesses in shipbuilding and vessel chartering remain unchanged.

The decrease in inventories was due mainly to the sale of stock vessels.

The increase in trade receivables (non-current) and trade receivables (current) was due mainly to differences in the timing of billings and collections during the period.

The increase in other receivables (non-current) and other receivables (current) and deposits was due mainly to an increase in deposits for long-lead equipment for shipbuilding activities and fleet vessel sold.

The decrease in trade payables and other payables and accruals was due mainly to differences in the timing of payment made during the period.

### **Review of Group Cashflow**

The net cash of \$8.9 million used in operating activities was used mostly in shipbuilding activities.

The net cash of \$6.6 million generated from investing activities arose from the sale of vessels from the Group's fleet. This was partially offset by the addition of new vessels to the Group's fleet.

The net cash of \$9.8 million from financing activities arose from the drawdown of bank loans. This was offset by the repayment of bank loans and dividend payment.

As a result of the above cash movements, the Group's cash and cash equivalents increased to \$19.8 million as at 31 December 2023, compared with \$12.5 million as at 31 December 2022.

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

Not applicable.

**4. 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 operating period and the next 12 months**

The company is currently experiencing some supply chain disruption and cost escalation from European suppliers shipping through the Red Sea. For now, the impact on deliveries and margins is small. Management is in talks with affected suppliers and assessing the situation regularly. While aluminium costs remain subdued for now, the cost of main equipment and other materials are still rising across the board. Management expects these uncertainties to persist for the foreseeable future.

In Singapore, Penguin in early 2024 brought fully online its Electric Dream project - comprising three pure electric ferries and three rapid DC shore chargers – under a long-term charter with Shell Singapore. Shuttling more than 3,000 commuters a day between Pasir Panjang Ferry Terminal and Shell's Energy and Chemicals Park on the island of Pulau Bukom, the Electric Dream project is Singapore's first commercial application of pure electric seagoing ships and rapid shore chargers. Penguin is the project's turnkey designer, builder, owner and operator.

**5. Dividend Information**

5a. Current Financial Period Reported on

Any dividend recommended for the current financial period reported on?

Name of Dividend: Final  
Dividend Type: Cash  
Dividend rate: 3.42 cents per ordinary share  
Tax Rate: One-tier tax exempt

5b. Corresponding Period of the Immediate Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

Name of Dividend: Final  
Dividend Type: Cash  
Dividend rate: 2.25 cents per ordinary share  
Tax Rate: One-tier tax exempt

5c. The date the dividend is payable

To be announced.

5d. The date on which Registrable Transfer received by the company (up to 5.00pm) will be registered before entitlement to the dividends are determined

To be announced.

5e. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year

There were no significant interested persons transactions of or over S\$100,000 in value entered into during the financial year end 31 December 2023.

	Latest Full Year S\$	Previous Full Year S\$
Ordinary shares – Final	<u>7,529,806</u>	<u>4,953,820</u>

6. **If the group has obtained a general mandate from shareholders for IPT's, the aggregate value of such transactions as required under Rule 920 (1)(a)(ii). If not IPT mandate has been obtained, a statement to that effect.**

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

There were no significant interested persons transactions of or over S\$100,000 in value entered into during the financial year end 31 December 2023.

7. **Review of performance of the Group – turnover and earnings**

	Group		+ / (-) %
	2023 \$'000	2022 \$'000	
Sales from continuing operations reported for first half-year	88,967	61,409	44.9
Profit for the year but before deducting non-controlling interest reported for the first half-year	2,419	6,842	(64.6)
Sales from continuing operations reported for second half-year	93,445	73,818	26.6
Profit for the year but before deducting non-controlling interest reported for the second-half year	14,321	3,712	285.6

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

The Company has received undertaking from all its directors and executive officers in the format as set out in Appendix 7.7 under Rule 720(1) of the Listing Manual of the SGX-ST.

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

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Tung Tak Wai	52	Brother of Finance and Administration Director, Tung May Fong	Appointed Manager (Logistics, Security and Facilities) on 1 June 2021.  Responsibility over the Group's shipyard logistics, security and facilities functions.	No change

#### **Confirmation by the Board**

On behalf of the Board of Directors of the Company, to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the financial statements for the year ended 31 December 2023 to be false or misleading in any material aspect.

On behalf of the Board of Directors

\_\_\_\_\_  
Tung May Fong  
Finance & Administration Director

Singapore  
23 February 2024