



SERIAL SYSTEM LTD

(Company Registration Number: 199202071D)
(Incorporated in Singapore)
AND ITS SUBSIDIARIES

**UNAUDITED CONDENSED INTERIM
FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT**

**FOR THE SIX MONTH AND FULL YEAR ENDED
31 DECEMBER 2022**

**SERIAL SYSTEM LTD
AND ITS SUBSIDIARIES**

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**SERIAL SYSTEM LTD
AND ITS SUBSIDIARIES**

CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	Note	The Group			The Group		
		6 months	6 months	Increase/ (Decrease)	12 months	12 months	Increase/ (Decrease)
		ended 31 December 2022 US\$'000	ended 31 December 2021 US\$'000		ended 31 December 2022 US\$'000	ended 31 December 2021 US\$'000	
Sales	5	443,955	457,605	-3	906,723	895,893	1
Cost of sales	6	(410,097)	(419,563)	-2	(832,973)	(822,920)	1
Gross profit		33,858	38,042	-11	73,750	72,973	1
Gross profit margin		7.6%	8.3%	-0.7 pt	8.1%	8.1%	0 pt
Other income		9,698	8,965	8	13,386	15,251	-12
Interest income	5	1,389	1,071	30	2,556	2,325	10
Other operating income	5	8,309	7,894	5	10,830	12,926	-16
Expenses							
Distribution	6	(21,834)	(21,515)	1	(43,409)	(42,612)	2
Administrative	6	(4,918)	(4,744)	4	(9,693)	(8,812)	10
Finance	7	(6,030)	(2,665)	126	(9,394)	(5,254)	79
Other:							
Loss allowance on trade and other receivables	6	(1,431)	(2,622)	-45	(1,852)	(2,912)	-36
Other operating	6	(13,807)	(8,002)	73	(25,989)	(13,877)	87
Total expenses		(48,020)	(39,548)	21	(90,337)	(73,467)	23
		(4,464)	7,459	NM	(3,201)	14,757	NM
Share of results of associated companies (after income tax)		(794)	(364)	118	(830)	(658)	26
(Loss)/profit before income tax	6	(5,258)	7,095	NM	(4,031)	14,099	NM
Income tax expense	9	(849)	(968)	-12	(1,664)	(1,510)	10
(Loss)/profit after income tax		(6,107)	6,127	NM	(5,695)	12,589	NM
Attributable to:							
Equity holders of the Company		(5,008)	5,302	NM	(4,624)	11,139	NM
Non-controlling interests		(1,099)	825	NM	(1,071)	1,450	NM
		(6,107)	6,127	NM	(5,695)	12,589	NM
(Loss)/earnings per share attributable to equity holders of the Company:							
Basic	23	(0.55 cent)	0.59 cent	NM	(0.51 cent)	1.24 cents	NM
Diluted	23	(0.55 cent)	0.59 cent	NM	(0.51 cent)	1.24 cents	NM

**SERIAL SYSTEM LTD
AND ITS SUBSIDIARIES**

CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	The Group		The Group	
	6 months ended 31 December 2022 US\$'000	6 months ended 31 December 2021 US\$'000	12 months ended 31 December 2022 US\$'000	12 months ended 31 December 2021 US\$'000
Net (loss)/profit after income tax	(6,107)	6,127	(5,695)	12,589
Other comprehensive income/(loss)				
Items that will not be reclassified subsequently to profit or loss:				
Defined benefit plans' actuarial gain/(loss)	141	(9)	141	(9)
Share of associated company's other comprehensive income/(loss)	11	1,180	(493)	1,305
Cumulative share of an associated company's other comprehensive income reclassified to financial assets at fair value through profit or loss upon derecognition	(570)	-	(570)	-
Cumulative share of an associated company's other comprehensive income reclassified to equity upon disposal	(127)	-	(127)	-
Gain on revaluation of property, plant and equipment	-	4	-	38
	(545)	1,175	(1,049)	1,334
Items that may be reclassified subsequently to profit or loss:				
Share of associated companies' other comprehensive (loss)/income	(228)	26	(334)	17
Reclassification	697	-	697	-
Currency translation differences	164	(1,077)	(2,561)	(2,369)
	633	(1,051)	(2,198)	(2,352)
Other comprehensive income/(loss) for the period	88	124	(3,247)	(1,018)
Total comprehensive income/(loss) for the period	(6,019)	6,251	(8,942)	11,571
Attributable to				
Equity holders of the Company	(5,094)	5,520	(7,923)	10,399
Non-controlling interests	(925)	731	(1,019)	1,172
	(6,019)	6,251	(8,942)	11,571

**SERIAL SYSTEM LTD
AND ITS SUBSIDIARIES**

CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION

		The Group		The Company	
	Note	31 December 2022 US\$'000	31 December 2021 US\$'000	31 December 2022 US\$'000	31 December 2021 US\$'000
ASSETS					
Current assets					
Cash and cash equivalents		35,977	50,963	426	1,068
Trade and other receivables	13	178,351	169,649	34,710	36,071
Inventories	14	162,971	133,688	-	-
Financial assets, at fair value through profit or loss	15	9,809	10,715	-	-
Other current assets		11,208	8,600	1,001	397
		398,316	373,615	36,137	37,536
Non-current assets					
Income tax recoverable		1,667	1,667	-	-
Loans and other receivables		-	-	33,219	38,093
Financial assets, at fair value through profit or loss	15	12,196	7,481	-	-
Investments in associated companies		3,602	8,736	1,217	1,217
Investments in joint ventures		-	-	-	-
Investments in subsidiaries		-	-	58,623	57,255
Property, plant and equipment	16	30,415	33,980	323	384
Investment properties	17	6,457	7,187	-	-
Intangible assets	18	3,399	3,343	6	14
Other assets		595	787	420	600
Deferred income tax assets		871	1,001	-	-
		59,202	64,182	93,808	97,563
Total assets		457,518	437,797	129,945	135,099
LIABILITIES					
Current liabilities					
Trade and other payables	19	101,885	89,387	8,833	10,810
Current income tax liabilities		1,385	1,383	-	-
Borrowings	20	196,923	167,430	11,104	5,293
		300,193	258,200	19,937	16,103
Non-current liabilities					
Other payables		-	-	15,778	16,232
Borrowings	20	7,260	16,778	525	6,272
Defined benefit plans liabilities		200	395	-	-
Deferred income tax liabilities		1,232	1,029	600	479
		8,692	18,202	16,903	22,983
Total liabilities		308,885	276,402	36,840	39,086
NET ASSETS		148,633	161,395	93,105	96,013
EQUITY					
Capital and reserves attributable to equity holders of the Company					
Share capital	21	72,648	72,648	72,648	72,648
Treasury shares	21	(70)	(70)	(70)	(70)
Capital reserve		1,616	2,665	518	518
Defined benefit plans reserve		469	328	-	-
Fair value reserve		(742)	(742)	-	-
Revaluation reserve		266	198	-	-
Other reserve		(1,854)	(1,457)	-	-
Currency translation reserve		2,258	5,204	-	-
Retained earnings		64,392	71,997	20,009	22,917
		138,983	150,771	93,105	96,013
Non-controlling interests		9,650	10,624	-	-
TOTAL EQUITY		148,633	161,395	93,105	96,013

**SERIAL SYSTEM LTD
AND ITS SUBSIDIARIES**

CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY

The Group	Attributable to equity holders of the Company											
	Share capital US\$'000	Treasury shares US\$'000	Capital reserve US\$'000	Defined benefit plans reserve US\$'000	Fair value reserve US\$'000	Revaluation reserve US\$'000	Other reserve US\$'000	Currency translation reserve US\$'000	Retained earnings US\$'000	Total attributable to equity holders of the Company US\$'000	Non-controlling interests US\$'000	Total equity US\$'000
Balance at 1 January 2022	72,648	(70)	2,665	328	(742)	198	(1,457)	5,204	71,997	150,771	10,624	161,395
Profit for the period	-	-	-	-	-	-	-	-	384	384	28	412
Other comprehensive income/(loss):												
Share of associated companies' other comprehensive loss	-	-	(363)	-	-	68	(210)	(105)	-	(610)	-	(610)
Currency translation differences	-	-	-	-	-	-	-	(2,603)	-	(2,603)	(122)	(2,725)
Other comprehensive income/(loss) for the period, net of tax	-	-	(363)	-	-	68	(210)	(2,708)	-	(3,213)	(122)	(3,335)
Total comprehensive income/(loss) for the period	-	-	(363)	-	-	68	(210)	(2,708)	384	(2,829)	(94)	(2,923)
Distributions to owners:												
One-tier tax-exempt final cash dividend for year 2021	-	-	-	-	-	-	-	-	(2,974)	(2,974)	-	(2,974)
Total distributions to owners	-	-	-	-	-	-	-	-	(2,974)	(2,974)	-	(2,974)
Others:												
Dividend paid to non-controlling interest	-	-	-	-	-	-	-	-	-	-	(160)	(160)
Total others	-	-	-	-	-	-	-	-	-	-	(160)	(160)
Balance at 30 June 2022	72,648	(70)	2,302	328	(742)	266	(1,667)	2,496	69,407	144,968	10,370	155,338
Loss for the period	-	-	-	-	-	-	-	-	(5,008)	(5,008)	(1,099)	(6,107)
Other comprehensive income/(loss):												
Defined benefit plans' actuarial gain	-	-	-	141	-	-	-	-	-	141	-	141
Share of associated companies' other comprehensive loss	-	-	11	-	-	-	-	(228)	-	(217)	-	(217)
Cumulative share of an associated company's other comprehensive income reclassified to financial assets, at fair value through profit or loss upon derecognition	-	-	(570)	-	-	-	-	-	570	-	-	-
Cumulative share of an associated company's other comprehensive income reclassified to equity upon disposal	-	-	(127)	-	-	-	-	-	127	-	-	-
Currency translation differences	-	-	-	-	-	-	-	(10)	-	(10)	174	164
Other comprehensive income/(loss) for the period, net of tax	-	-	(686)	141	-	-	-	(238)	697	(86)	174	88
Total comprehensive income/(loss) for the period	-	-	(686)	141	-	-	-	(238)	(4,311)	(5,094)	(925)	(6,019)
Distributions to owners:												
One-tier tax-exempt interim cash dividend for year 2022	-	-	-	-	-	-	-	-	(704)	(704)	-	(704)
Total distributions to owners	-	-	-	-	-	-	-	-	(704)	(704)	-	(704)
Others:												
Investment in subsidiary by non-controlling interest	-	-	-	-	-	-	(187)	-	-	(187)	503	316
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	(298)	(298)
Total others	-	-	-	-	-	-	(187)	-	-	(187)	205	18
Balance at 31 December 2022	72,648	(70)	1,616	469	(742)	266	(1,854)	2,258	64,392	138,983	9,650	148,633

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CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY

	Attributable to equity holders of the Company										Non-controlling interests	Total equity
	Share capital	Treasury shares	Capital reserve	Defined benefit plans reserve	Fair value reserve	Revaluation reserve	Other reserve US\$'000	Currency translation reserve	Retained earnings	Total attributable to equity holders of the Company		
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
The Group												
Balance at 1 January 2021	72,648	(736)	1,276	337	(742)	175	(1,665)	7,278	63,063	141,634	10,104	151,738
Profit for the period	-	-	-	-	-	-	-	-	5,837	5,837	625	6,462
Other comprehensive income/(loss):												
Share of associated companies' other comprehensive income	-	-	139	-	-	(14)	-	(9)	-	116	-	116
Gain on revaluation of property, plant and equipment transferred to investment property	-	-	-	-	-	34	-	-	-	34	-	34
Currency translation differences	-	-	-	-	-	-	-	(1,108)	-	(1,108)	(184)	(1,292)
Other comprehensive income/(loss) for the period, net of tax	-	-	139	-	-	20	-	(1,117)	-	(958)	(184)	(1,142)
Total comprehensive income/(loss) for the period	-	-	139	-	-	20	-	(1,117)	5,837	4,879	441	5,320
Distributions to owners:												
One-tier tax-exempt final cash dividend for year 2020	-	-	-	-	-	-	-	-	(743)	(743)	-	(743)
Total distributions to owners	-	-	-	-	-	-	-	-	(743)	(743)	-	(743)
Others:												
Acquisition of additional interests in subsidiaries from non-controlling interests	-	-	-	-	-	-	(61)	-	-	(61)	(380)	(441)
Dividend paid to non-controlling interest	-	-	-	-	-	-	-	-	-	-	(110)	(110)
Total others	-	-	-	-	-	-	(61)	-	-	(61)	(490)	(551)
Balance at 30 June 2021	72,648	(736)	1,415	337	(742)	195	(1,726)	6,161	68,157	145,709	10,055	155,764
Profit for the period	-	-	-	-	-	-	-	-	5,302	5,302	825	6,127
Other comprehensive income/(loss):												
Defined benefit plans' actuarial loss	-	-	-	(9)	-	-	-	-	-	(9)	-	(9)
Share of associated companies' other comprehensive income	-	-	912	-	-	(1)	269	26	-	1,206	-	1,206
Gain on revaluation of property, plant and equipment transferred to investment property	-	-	-	-	-	4	-	-	-	4	-	4
Currency translation differences	-	-	-	-	-	-	-	(983)	-	(983)	(94)	(1,077)
Other comprehensive income/(loss) for the period, net of tax	-	-	912	(9)	-	3	269	(957)	-	218	(94)	124
Total comprehensive income/(loss) for the period	-	-	912	(9)	-	3	269	(957)	5,302	5,520	731	6,251
Distributions to owners:												
One-tier tax-exempt interim cash dividend for year 2021	-	-	-	-	-	-	-	-	(1,462)	(1,462)	-	(1,462)
Total distributions to owners	-	-	-	-	-	-	-	-	(1,462)	(1,462)	-	(1,462)
Others:												
Placement of treasury shares	-	666	338	-	-	-	-	-	-	1,004	-	1,004
Investment in subsidiaries by non-controlling interests	-	-	-	-	-	-	-	-	-	-	92	92
Dividend paid to non-controlling interest	-	-	-	-	-	-	-	-	-	-	(224)	(224)
Closure of subsidiaries	-	-	-	-	-	-	-	-	-	-	(30)	(30)
Total others	-	666	338	-	-	-	-	-	-	1,004	(162)	842
Balance at 31 December 2021	72,648	(70)	2,665	328	(742)	198	(1,457)	5,204	71,997	150,771	10,624	161,395

**SERIAL SYSTEM LTD
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CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY

	Share capital US\$'000	Treasury shares US\$'000	Capital reserve US\$'000	Retained earnings US\$'000	Total equity US\$'000
The Company					
Balance at 1 January 2022	72,648	(70)	518	22,917	96,013
Total comprehensive loss for the period	-	-	-	(289)	(289)
One-tier tax-exempt final cash dividend for year 2021	-	-	-	(2,974)	(2,974)
Balance at 30 June 2022	72,648	(70)	518	19,654	92,750
Total comprehensive income for the period	-	-	-	1,059	1,059
One-tier tax-exempt interim cash dividend for year 2022	-	-	-	(704)	(704)
Balance at 31 December 2022	72,648	(70)	518	20,009	93,105
 Balance at 1 January 2021	 72,648	 (736)	 180	 24,359	 96,451
Total comprehensive loss for the period	-	-	-	(103)	(103)
One-tier tax-exempt final cash dividend for year 2020	-	-	-	(743)	(743)
Balance at 30 June 2021	72,648	(736)	180	23,513	95,605
Total comprehensive income for the period	-	-	-	866	866
Placement of treasury shares	-	666	338	-	1,004
One-tier tax-exempt interim cash dividend for year 2021	-	-	-	(1,462)	(1,462)
Balance at 31 December 2021	72,648	(70)	518	22,917	96,013

**SERIAL SYSTEM LTD
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CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

	The Group		The Group	
	6 months ended 31 December 2022 US\$'000	6 months ended 31 December 2021 US\$'000	12 months ended 31 December 2022 US\$'000	12 months ended 31 December 2021 US\$'000
Cash flows from operating activities				
(Loss)/profit before income tax	(5,258)	7,095	(4,031)	14,099
Adjustments for:				
Amortisation of computer software license costs	28	52	64	104
Depreciation of property, plant and equipment	1,861	1,433	3,317	2,848
Property, plant and equipment written off	1	207	1	216
Gain on disposal of property, plant and equipment	-	(13)	(13)	(43)
Fair value loss/(gain) on investment properties	47	(427)	47	(427)
Fair value (gain)/loss on financial assets, at fair value through profit or loss	(62)	(623)	797	(917)
Gain on sale of financial assets, at fair value through profit or loss	(17)	(209)	(20)	(239)
Dividend income from financial assets, at fair value through profit or loss	(9)	(7)	(21)	(17)
Fair value loss/(gain) on derivative financial instruments	40	(439)	224	(1,441)
Gain on dilution of interest in associated companies	(1,034)	(6)	(1,044)	(15)
Gain on disposal of interest in associated companies	(329)	(306)	(397)	(306)
Gain on reclassification of associated company to financial assets, at fair value through profit or loss upon derecognition	(2,344)	-	(2,344)	-
Impairment loss on investment in an associated company	1,296	-	1,296	-
Loss on re-measuring previously held equity in a joint venture	-	165	-	165
Gain on closure of subsidiaries	-	(104)	-	(104)
Provision for defined benefit plans liabilities	131	222	258	354
Interest income	(1,389)	(1,071)	(2,556)	(2,325)
Interest expense	6,030	2,665	9,394	5,254
Share of results of associated companies	794	364	830	658
Operating cash flow before working capital changes	(214)	8,998	5,802	17,864
Changes in working capital				
Trade and other receivables	18,454	(11,558)	(18,049)	(26,581)
Financial assets, at fair value through profit or loss	(6,481)	11,596	906	5,093
Inventories	(12,949)	(36,538)	(33,078)	(25,382)
Other current assets	2,198	(1,538)	(2,877)	(2,889)
Other assets (non-current)	583	9	180	(546)
Trade and other payables	(9,566)	7,199	23,333	(16,451)
Cash used in operations	(7,975)	(21,832)	(23,783)	(48,892)
Income tax paid	(479)	(357)	(1,319)	(936)
Net cash used in operating activities	(8,454)	(22,189)	(25,102)	(49,828)
Cash flows from investing activities				
Payments for intangible assets (computer software license costs)	(3)	(5)	(116)	(20)
Payments for property, plant and equipment	(354)	(524)	(991)	(982)
Proceeds from disposal of property, plant and equipment	-	14	13	177
Proceeds from sale of financial assets, at fair value through profit or loss	117	712	163	868
Proceeds from disposal of interest in associated companies	918	841	1,097	841
Net cash inflow on step up acquisition from a joint venture to a subsidiary	-	100	-	100
Payments for financial assets, at fair value through profit or loss	-	(1,872)	(866)	(3,758)
Payments for investment in associated companies	-	(147)	-	(147)
Dividend received from financial assets, at fair value through profit or loss	9	7	21	17
Dividend received from an associated company	-	-	21	-
Interest received	1,387	1,071	2,554	2,325
Net cash from/(used in) investing activities	2,074	197	1,896	(579)

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CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

	The Group		The Group	
	6 months ended 31 December 2022 US\$'000	6 months ended 31 December 2021 US\$'000	12 months ended 31 December 2022 US\$'000	12 months ended 31 December 2021 US\$'000
Cash flows from financing activities				
Proceeds from placement of treasury shares	-	1,004	-	1,004
Investment in subsidiaries by non-controlling interests	315	92	315	92
Payment for acquisition of additional interests in subsidiaries from non-controlling interests	-	-	-	(441)
Dividend paid to shareholders of the Company	(704)	(1,462)	(3,678)	(2,205)
Dividend paid to non-controlling interests	(298)	(224)	(458)	(334)
Proceeds from bank borrowings	355,888	341,040	682,633	561,203
Proceeds from other borrowings	592	3,212	4,772	12,937
Repayment of bank borrowings	(348,612)	(308,409)	(657,109)	(513,796)
Repayment of other borrowings	(72)	(3,623)	(6,555)	(15,129)
Principal payments of lease liabilities	(1,104)	(689)	(1,777)	(1,323)
Interest paid	(5,601)	(2,635)	(8,708)	(5,226)
Net cash generated from financing activities	404	28,306	9,435	36,782
Net (decrease)/increase in cash and cash equivalents held	(5,976)	6,314	(13,771)	(13,625)
Cash and cash equivalents at the beginning of the period	41,628	43,873	50,177	63,953
Effect of currency translation on cash and cash equivalents	(475)	(10)	(1,229)	(151)
Cash and cash equivalents at the end of the period	35,177	50,177	35,177	50,177
Reconciliation:				
Cash and cash equivalents per statement of financial position	35,977	50,963	35,977	50,963
Less : Pledged fixed deposits	(800)	(786)	(800)	(786)
Cash and cash equivalents per consolidated statement of cash flows	35,177	50,177	35,177	50,177

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

1. General information

Serial System Ltd (the “Company”) is incorporated and domiciled in Singapore. The address of its registered office and principal place of business is as follows:

8 Ubi View #05-01
Serial System Building
Singapore 408554

The Company is listed on the Singapore Exchange Securities Trading Limited (“SGX-ST”).

These condensed interim financial statements as at and for the six months and full year ended 31 December 2022 comprise the Company and its subsidiaries (collectively, the “Group”).

The principal activities of the Company are that of investment holding and provision of management services to its subsidiaries.

The principal activities of the Group are:

- (a) Distribution of electronic components;
- (b) Distribution of consumer products, information technology, computer peripherals, parts, software and related products;
- (c) Hospitality and healthcare solutions;
- (d) Assembly and distribution of medical devices and ethylene oxide sterilization, and manufacturing of medical disposables and surgical supplies;
- (e) Provision of managed print services and the administrative, maintenance and distribution of copiers and printers, toners and papers;
- (f) Project financing in the form of leasing, hire purchase, factoring and loan;
- (g) Trading and distribution of consumer goods;
- (h) Research and experimental development on biotechnology, life and medical science, and trading and distribution of scientifically proven healthy food products;
- (i) Communication and power line construction;
- (j) Investment holding and trading;
- (k) Rental of investment properties;
- (l) Manufacture, sale and leasing of industrial and security robots and automated guided vehicles, and provision of artificial intelligence and robotic solutions and services for security, delivery and mobility applications, and provision of security services and management of commercial and industrial estates;
- (m) Retail sale of beverages; and
- (n) Manufacturing and retail sale of organically grown healthy products

2. Basis of preparation

2.1 Statement of compliance

The condensed interim financial statements for the six months and full year ended 31 December 2022 have been prepared in accordance with SFRS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last audited annual financial statements for the year ended 31 December 2021.

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 2.2.

The condensed interim financial statements are presented in United States dollar (US\$), which is the Company’s functional and presentation currency. All values are rounded to the nearest thousand (US\$’000) except when otherwise indicated.

2.2. New and amended standards adopted by the Group

The Group has adopted new and revised SFRS(I) and interpretations of SFRS(I) applicable to the Group which are effective for the financial year beginning 1 January 2022. These are not expected to have a material impact on the Group’s condensed interim financial statements.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

2. Basis of preparation (continued)

2.3. Use of judgements and estimates

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the audited annual financial statements as at and for the year ended 31 December 2021.

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

3. Seasonal operations

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

4. Segment information

Management has determined the operating segments based on the reports reviewed to make strategic decisions. Management considers the business from both business and geographic segment perspective. The Group has three reportable segments, as described below, which are the Group's strategic business units based on different product ranges targeting at different market channels.

- Electronic components distribution
- Consumer products distribution
- Other businesses

Operating segments are reported in a manner consistent with the internal reporting provided to the management whose members are responsible for allocating resources and assessing performance of the operating segments. The operating segments are formed by aggregating across the results of the Group's entities whose principal activities fall within the same operating segment as listed above. Management monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and performance assessment. Performance is measured based on sales, gross profit and profit after tax, as included in the internal management reports that are reviewed by the Group's Chief Executive Officer and Chief Financial Officer on a monthly basis. These criteria are used to measure performance as management believes that such information are the most relevant in evaluating the results of each entity within the same operating segment. Inter-segment transactions are determined on an arm's length basis.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

4. Segment information (continued)

4.1 Operating segments

The Group	Electronic components distribution US\$'000	Consumer products distribution US\$'000	Other businesses US\$'000	Inter-segment eliminations US\$'000	Total US\$'000
2022					
Sales – external	861,937	56,619	7,434	(19,267)	906,723
Segment results - operating profit/(loss)	4,737	(2,465)	321	-	2,593
Unallocated gain	8	-	1,036	-	1,044
Finance income	921	528	2,711	(1,604)	2,556
Finance expense	(8,142)	(1,302)	(1,554)	1,604	(9,394)
Share of results of associated companies (after income tax)	118	52	(1,000)	-	(830)
Loss before income tax					(4,031)
Income tax expense					(1,664)
Loss after income tax					(5,695)
Segment assets	420,512	52,261	60,703	(80,431)	453,045
Investments in associated companies	1,491	2,111	-	-	3,602
Deferred income tax assets					871
Consolidated total assets					457,518
Segment liabilities	109,700	22,660	50,156	(80,431)	102,085
Borrowings	159,115	27,340	17,728	-	204,183
Current and deferred income tax liabilities					2,617
Consolidated total liabilities					308,885
Capital expenditure on computer software license costs	-	-	116	-	116
Capital expenditure on property, plant and equipment	1,184	148	193	-	1,525
Investment in financial assets, at fair value through profit or loss	210	-	656	-	866
Amortisation of computer software license costs	51	-	13	-	64
Depreciation of property, plant and equipment	2,383	323	611	-	3,317
Fair value loss/(gain) on investment properties	105	5	(63)	-	47
Gain on reclassification of associated company to financial assets, at fair value through profit or loss upon derecognition	-	-	(2,344)	-	(2,344)
Impairment loss on investment in an associated company	-	-	1,296	-	1,296
Fair value loss on financial assets, at fair value through profit or loss	384	-	413	-	797
Fair value loss on derivative financial instruments	31	193	-	-	224
Gain on sale of financial assets, at fair value through profit or loss	(20)	-	-	-	(20)
Recovery of trade bad debts written off	947	-	-	-	947
Loss allowance on trade receivables	94	44	1,142	-	1,280
Loss allowance on non-trade receivable (associated company)	-	-	571	-	571

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

4. Segment information (continued)

4.1 Operating segments (continued)

The Group	Electronic components distribution US\$'000	Consumer products distribution US\$'000	Other businesses US\$'000	Inter-segment eliminations US\$'000	Total US\$'000
2021					
Sales – external	831,931	73,601	7,972	(17,611)	895,893
Segment results - operating profit/(loss)	17,580	636	(545)	-	17,671
Unallocated gain	6	-	9	-	15
Finance income	757	381	2,459	(1,272)	2,325
Finance expense	(4,306)	(741)	(1,479)	1,272	(5,254)
Share of results of associated companies (after income tax)	27	2	(687)	-	(658)
Profit before income tax					14,099
Income tax expense					(1,510)
Profit after income tax					12,589
Segment assets	403,112	40,072	58,281	(73,405)	428,060
Investments in associated companies	1,879	2,241	4,616	-	8,736
Deferred income tax assets					1,001
Consolidated total assets					437,797
Segment liabilities	96,676	16,037	50,474	(73,405)	89,782
Borrowings	144,832	20,558	18,818	-	184,208
Current and deferred income tax liabilities					2,412
Consolidated total liabilities					276,402
Capital expenditure on property, plant and equipment	3,475	272	734	-	4,481
Capital expenditure on intangible assets (computer software license costs)	16	-	4	-	20
Investment in associated companies	-	-	1,519	-	1,519
Investment in financial assets, at fair value through profit or loss	91	-	3,667	-	3,758
Amortisation of computer software license costs	102	-	2	-	104
Depreciation of property, plant and equipment	1,923	308	617	-	2,848
Fair value (gain)/loss on investment properties	(429)	2	-	-	(427)
Fair value loss/(gain) on financial assets, at fair value through profit or loss	235	-	(1,152)	-	(917)
Gain on sale of financial assets, at fair value through profit or loss	(44)	-	(195)	-	(239)
Fair value gain on derivative financial instruments	(1,441)	-	-	-	(1,441)
(Reversal of loss allowance)/loss allowance on trade receivables	(39)	130	556	-	647
Loss allowance on non-trade receivables (joint venture/ third party)	-	-	2,265	-	2,265

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

4. Segment information (continued)

4.1 Operating segments (continued)

The Group	Electronic components distribution US\$'000	Consumer products distribution US\$'000	Other businesses US\$'000	Inter-segment eliminations US\$'000	Total US\$'000
2H2022					
Sales – external	419,587	31,528	4,000	(11,160)	443,955
Segment results - operating profit/(loss)	(971)	(408)	522	-	(857)
Unallocated gain/(loss)	(2)	-	1,036	-	1,034
Finance income	690	354	1,439	(1,094)	1,389
Finance expense	(5,269)	(853)	(1,002)	1,094	(6,030)
Share of results of associated companies (after income tax)	22	35	(851)	-	(794)
Loss before income tax					(5,258)
Income tax expense					(849)
Loss after income tax					(6,107)
2H2021					
Sales – external	427,339	36,818	2,760	(9,312)	457,605
Segment results - operating profit/(loss)	10,053	(396)	(610)	-	9,047
Unallocated gain	6	-	-	-	6
Finance income	507	183	1,200	(819)	1,071
Finance expense	(2,181)	(415)	(888)	819	(2,665)
Share of results of associated companies (after income tax)	61	11	(436)	-	(364)
Profit before income tax					7,095
Income tax expense					(968)
Profit after income tax					6,127

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

4. Segment information (continued)

4.2 Geographical segments

The geographical segments comprised six broad primary geographic areas, namely: Southeast Asia and India [consisting of Singapore (the home and principal operating country of the Group), Malaysia, Thailand, Philippines, Indonesia, Vietnam and India], Hong Kong, China, South Korea, Taiwan and Japan which reflect the current business process and monitoring in these primary geographic business segments in which the Group operates in.

All geographic locations, except Japan, are engaged in the electronic components distribution business.

Consumer products distribution (which include provision of managed print services and the administrative, maintenance and distribution of copiers and printers) are located in Southeast Asia and India (comprising mainly Singapore, Malaysia, Thailand, Indonesia and Philippines) and Japan.

Other businesses in Southeast Asia and India (mainly Singapore, Malaysia and Thailand), Taiwan and China include investment holding and trading, rental of investment properties, hospitality and healthcare solutions, assembly and distribution of medical devices and ethylene oxide sterilization, project financing, trading and distribution of fast-moving consumer goods, communications and power line construction, manufacturing, sale and leasing of industrial and security robots and automated guided vehicles, and provision of artificial intelligence and robotic solutions and services for security, delivery and mobility applications and retail sale of beverages.

Sales are based on the geographical area in which the entities are located. Non-current assets are shown by the geographical area where the assets are located.

	Sales		Sales		Non-current assets*	
	6 months	6 months	12 months	12 months	31	31
	ended 31	ended 31	ended 31	ended 31	December	December
	December	December	December	December	2022	2021
The Group	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Southeast Asia and India	110,050	112,233	218,753	229,307	10,810	11,550
Hong Kong	181,398	217,682	389,833	418,183	5,483	6,081
China	98,199	72,636	183,979	136,533	13,750	15,834
South Korea	27,465	25,975	55,638	52,924	4,354	4,541
Taiwan	23,814	25,752	54,745	54,188	8,079	8,956
Japan	3,029	3,327	3,775	4,758	57	2
Southeast Asia and India - Associated company	-	-	-	-	2,111	5,532
Taiwan - Associated company	-	-	-	-	1,491	1,879
United States of America - Associated company	-	-	-	-	-	1,325
Total	443,955	457,605	906,723	895,893	46,135	55,700

* Non-current assets exclude financial assets, at fair value through profit or loss and deferred income tax assets.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

5. Revenue

	The Group		The Group	
	6 months ended 31 December 2022 US\$'000	6 months ended 31 December 2021 US\$'000	12 months ended 31 December 2022 US\$'000	12 months ended 31 December 2021 US\$'000
Sales of goods and services	443,955	457,605	906,723	895,893
Other operating income	8,309	7,894	10,830	12,926
Interest income	1,389	1,071	2,556	2,325
	453,653	466,570	920,109	911,144
Performance obligations satisfied at a point in time				
Sales of goods:				
- electronic components	408,775	418,131	843,048	814,612
- consumer products	31,419	36,936	56,482	73,047
- others	3,517	2,252	6,706	7,700
	443,711	457,319	906,236	895,359
Performance obligations satisfied over time				
Services	244	286	487	534
Total sales of goods and services	443,955	457,605	906,723	895,893

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

5. Revenue (continued)

	The Group		The Group	
	6 months ended 31 December 2022 US\$'000	6 months ended 31 December 2021 US\$'000	12 months ended 31 December 2022 US\$'000	12 months ended 31 December 2021 US\$'000
Other operating income:				
Commission and service income	1,939	1,858	2,911	2,693
Rebate income from suppliers	1,307	1,176	2,207	2,354
Warehouse management and rental income	(4)	170	159	237
Gain on disposal of property, plant and equipment	-	13	13	43
Fair value gain on investment properties	-	427	-	427
Gain on sale of financial assets, at fair value through profit or loss	17	209	20	239
Fair value gain on financial assets, at fair value through profit or loss:				
- listed equity securities	-	11	-	305
- unlisted equity security	-	612	-	612
- derivative financial instruments	-	439	-	1,441
Dividend income from financial assets, at fair value through profit or loss	9	7	21	17
Write-back of allowances for inventory obsolescence	-	2,336	-	3,128
Recovery of trade bad debts previously written off	947	-	947	-
Gain on reclassification of associated company to financial assets, at fair value through profit or loss upon derecognition	2,344	-	2,344	-
Gain on disposal of interest in associated companies	329	306	397	306
Gain on dilution of interest in associated companies	1,034	6	1,044	15
Gain on closure of subsidiaries	-	104	-	104
Government grants received	122	70	305	476
Sundry income	265	150	462	529
Total other operating income	8,309	7,894	10,830	12,926
Interest income:				
- project financing, factoring and leasing	1,237	1,084	2,374	2,238
- bank balances	96	36	126	72
- loan to an associated company	56	5	56	5
- loan to a joint venture	-	(54)	-	10
Total interest income	1,389	1,071	2,556	2,325

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

6. (Loss)/profit before income tax

	The Group		The Group	
	6 months ended 31 December 2022 US\$'000	6 months ended 31 December 2021 US\$'000	12 months ended 31 December 2022 US\$'000	12 months ended 31 December 2021 US\$'000
This is arrived at after charging:				
Amortisation charges for computer software license costs *	28	52	64	104
Depreciation of property, plant and equipment*	1,861	1,433	3,317	2,848
Property, plant and equipment written off*	1	207	1	216
Fair value loss/(gain) on financial assets, at fair value through profit or loss*:				
- listed equity securities	(62)	-	797	-
- derivative financial instruments	40	-	224	-
Fair value loss on investment properties*	47	-	47	-
Impairment loss on investment in an associated company*	1,296	-	1,296	-
Loss on re-measuring previously held equity in a joint venture*	-	165	-	165
Loss allowance:				
- trade receivables (third parties)*	860	357	1,281	647
- non-trade receivables (associated company/joint venture/third party)*	571	2,265	571	2,265
Inventories:				
- cost of inventories recognised as an expense (included in 'cost of sales')	410,085	419,547	832,944	822,886
- allowances for inventory obsolescence*	3,673	-	4,700	-
- write-off of inventories*	62	1,567	360	1,634
Cost of services (included in 'cost of sales')	12	16	29	34
Employee benefits expense	16,077	17,984	33,872	35,034
Rental expense - operating leases (short term lease)	823	970	1,710	2,138
Freight and handling charges	3,154	2,907	6,108	6,227
Travelling and transportation expenses	1,070	905	1,870	1,664
Sales commission expense	3,484	2,179	6,378	4,014
Foreign exchange loss/(gain) (net)*	2,965	(37)	6,621	231
Other expenses (included in distribution, administrative and other expenses)	6,040	5,929	11,726	11,026
Total cost of sales, distribution, administrative and other expenses	452,087	456,446	913,916	891,133

* Included in "other operating expenses"

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

7. Finance expense

	The Group		The Group	
	6 months ended 31 December 2022 US\$'000	6 months ended 31 December 2021 US\$'000	12 months ended 31 December 2022 US\$'000	12 months ended 31 December 2021 US\$'000
Interest expense:				
Bank borrowings	1,058	762	1,815	1,435
Trust receipts	2,495	1,046	3,828	1,853
Factoring	1,665	434	2,396	1,041
Lease liabilities	57	59	148	99
Loan from an associated company	26	13	50	55
Loan from a substantial shareholder of the Company	91	84	173	109
Others	638	267	984	662
Total	6,030	2,665	9,394	5,254

8. Related party transactions

A related party is a person or entity who is related to the entity that is preparing its financial statements ("reporting entity").

Parties are considered to be related if (a) a person or a close member of that person's family is related to a reporting entity, if that person (i) has control or joint control over the reporting entity; (ii) has significant influence over the reporting entity; or (iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity and (b) an entity is related to a reporting entity if (i) the entity and the reporting entity are members of the same group; (ii) one entity is an associate or joint venture of the other entity; (iii) both entities are joint ventures of the same third party; (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity; (v) the entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity; (vi) the entity is controlled or jointly controlled by a person identified in (a); (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity; and (viii) the entity or any member of a group of which is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

8. Related party transactions (continued)

8.1 Sales and purchases of goods and services

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

	The Group		The Group	
	6 months ended 31 December 2022 US\$'000	6 months ended 31 December 2021 US\$'000	12 months ended 31 December 2022 US\$'000	12 months ended 31 December 2021 US\$'000
With associated companies:				
Sales of goods to associated companies	13	471	315	482
Purchases of goods from an associated company	4	4	11	11
Rental received from an associated company	35	39	73	77
Dividend income received from an associated company	-	-	21	-
Interest income received from an associated company	56	5	56	5
Interest expense paid to an associated company	26	13	50	55
With directors and substantial shareholder:				
Service fees paid to an entity associated with a director of the Company	31	30	41	73
Purchases of goods from an entity which a director/shareholder of a subsidiary is a director and shareholder	-	-	-	287
Sales of goods to an entity which a director/shareholder of a subsidiary is a director and shareholder	-	-	11	-
Interest expense paid to a substantial shareholder of the Company	91	84	173	109

Sales and purchases of goods and services were carried out on commercial terms and conditions as agreed between the parties.

8.2 Share options granted/exercised by Directors of the Company

There were no share options granted to or exercised by Directors of the Company during the financial year ended 31 December 2022 and 31 December 2021. There were no outstanding share options granted to the Directors of the Company as at 31 December 2022 and 31 December 2021.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

9. Income tax expense

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

	The Group		The Group	
	6 months ended 31 December 2022 US\$'000	6 months ended 31 December 2021 US\$'000	12 months ended 31 December 2022 US\$'000	12 months ended 31 December 2021 US\$'000
Tax expense attributable to profit is made up of:				
Current income tax – Singapore	106	69	181	232
Current income tax – Foreign	589	867	1,505	1,323
	695	936	1,686	1,555
Deferred income tax	306	73	250	31
	1,001	1,009	1,936	1,586
Overprovision in preceding financial periods				
Current income tax	(150)	(39)	(269)	(73)
Deferred income tax	(2)	(2)	(3)	(3)
Total	849	968	1,664	1,510

10. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group and the Company as at 31 December 2022 and 31 December 2021:

	The Group		The Company	
	31 December 2022 US\$'000	31 December 2021 US\$'000	31 December 2022 US\$'000	31 December 2021 US\$'000
Financial assets at amortised cost:				
Cash and bank balances	35,977	50,963	426	1,068
Trade and other receivables, loans and other receivables	178,351	169,649	67,929	74,164
Deposits	3,571	3,195	1,024	600
Total	217,899	223,807	69,379	75,832
Financial liabilities at amortised cost:				
Trade and other payables	92,600	85,346	24,611	27,042
Borrowings	204,183	184,208	11,629	11,565
Total	296,783	269,554	36,240	38,607

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

11. Dividends paid

	The Group and the Company		The Group and the Company	
	6 months ended 31 December 2022	6 months ended 31 December 2021	12 months ended 31 December 2022	12 months ended 31 December 2021
	US\$'000	US\$'000	US\$'000	US\$'000
Ordinary dividends paid:				
One-tier tax-exempt interim cash dividend of 0.11 SGD cent (0.08 USD cent) per share paid in respect of the financial year ended 31 December 2022	704	-	704	-
One-tier tax-exempt final cash dividend of 0.45 SGD cent (0.33 USD cent) per share paid in respect of the financial year ended 31 December 2021	-	-	2,974	-
One-tier tax-exempt interim cash dividend of 0.22 SGD cent (0.16 USD cent) per share paid in respect of the financial year ended 31 December 2021	-	1,462	-	1,462
One-tier tax-exempt final cash dividend of 0.11 SGD cent (0.08 USD cent) per share paid in respect of the financial year ended 31 December 2020	-	-	-	743
Total	704	1,462	3,678	2,205

12. Net assets value

	The Group		The Company	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
Net assets backing per ordinary share based on the existing issued share capital as at the end of the year reported on (in US\$)	15.36 cents	16.66 cents	10.29 cents	10.61 cents

Net assets value per ordinary share as at 31 December 2022 and 31 December 2021 are calculated based on the net assets value attributable to the equity holders of the Company as at the end of the respective year and the respective aggregate number of ordinary shares of 904,841,914.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

13. Trade and other receivables

	The Group		The Company	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
	US\$'000	US\$'000	US\$'000	US\$'000
Trade receivables:				
Third parties	176,273	165,182	-	-
Subsidiaries	-	-	7,548	5,704
	176,273	165,182	7,548	5,704
Loss allowance	(6,376)	(6,046)	(13)	(257)
Net trade receivables	169,897	159,136	7,535	5,447
Other receivables:				
Third parties	8,970	10,240	448	447
Loss allowance	(2,248)	(2,248)	(42)	(42)
	6,722	7,992	406	405
Due from:				
Subsidiaries	-	-	28,651	31,847
Associated companies	2,818	2,276	1,786	1,781
Joint venture	2,642	3,547	-	-
	5,460	5,823	30,437	33,628
Loss allowance	(3,728)	(3,302)	(3,668)	(3,409)
	1,732	2,521	26,769	30,219
Net other receivables	8,454	10,513	27,175	30,624
Total	178,351	169,649	34,710	36,071

The Group has an unconditional right to consideration in exchange for goods or services that it has transferred to its customers. Accordingly, the Group has no contract asset as defined in SFRS(I) 15 and records the amounts of consideration as trade receivables for its sales arrangements with the customers.

The Group generally grants a credit period that ranges from 0 to 90 days to its customers. Trade receivables are recognised initially at the amounts of consideration that are unconditional unless they contain significant financing components, of which they will be recognised at fair value. Loss allowance for trade receivables is measured at an amount equal to lifetime expected credit losses.

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. Credit exposure to an individual counterparty is restricted by credit limit that is approved by the management based on ongoing credit evaluation. The counterparty's payment profile and credit exposure are continuously monitored at the entity level by the respective head of operation, and finance department and at the Group level by the corporate finance and management team.

The Group does not hold any collateral or other credit enhancements to cover its credit risks associated with its financial assets, except that the credit risk associated with trade receivables amounting to US\$2,106,000 (31 December 2021: US\$2,365,000) are mitigated because these are secured by properties. The Group is not permitted to sell or repledge the properties in the absence of default.

The Group purchased credit insurance to reduce credit risk from extension of credit to the majority of its customers in the electronic components distribution business and certain customers in the consumer products distribution business.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

14. Inventories

	The Group	
	31 December 2022 US\$'000	31 December 2021 US\$'000
Finished goods	161,979	132,739
Work in progress	52	30
Raw materials	940	919
Total	162,971	133,688

During the financial year, the Group made allowances for inventory obsolescence amounting to US\$4,700,000 (31 December 2021: write-back of allowances for inventory obsolescence amounting to US\$3,128,000).

15. Financial assets, at fair value through profit or loss

	The Group	
	31 December 2022 US\$'000	31 December 2021 US\$'000
Current	9,809	10,715
Non-current	12,196	7,481
	22,005	18,196
Comprised:		
Listed equity securities:		
- Singapore	344	478
- South Korea	897	1,113
- Taiwan	861	1,304
	2,102	2,895
Unlisted equity securities:		
- Singapore	5,312	-
- Sweden	805	620
	6,117	620
Preference shares:		
- Singapore	574	469
- Thailand	1,925	1,925
- United States	-	100
	2,499	2,494
Convertible bond – Singapore	1,386	1,374
Trade receivables	9,809	10,715
Derivative receivables – Singapore	92	98
	11,287	12,187
Total	22,005	18,196

16. Property, plant and equipment

During the financial year, the Group acquired property, plant and equipment amounting to US\$1,525,000 (31 December 2021: US\$4,481,000), of which US\$534,000 (31 December 2021: US\$3,499,000) were related to right-of-use assets. Cash payments of US\$991,000 (31 December 2021: US\$982,000) were made to purchase property, plant and equipment.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

17. Investment properties

	The Group	
	31 December	31 December
	2022	2021
	US\$'000	US\$'000
Beginning of financial year	7,187	5,543
Transfer from property, plant and equipment	-	1,025
Revaluation gain arising from the transfer	-	38
Fair value (loss)/gain	(47)	427
Currency translation differences	(683)	154
End of financial year	6,457	7,187

17.1 Valuation

Investment properties are initially recognised at cost and subsequently carried at fair value, determined annually by independent professional valuers on the highest-and-best use value using the Direct Market Comparison Method and if required, adjusted with appropriate adjustments, such as location, date of transaction and size of property. Changes in fair values are recognised in the consolidated statement of profit or loss.

18. Intangible assets

	The Group		The Company	
	31 December	31 December	31 December	31 December
	2022	2021	2022	2021
	US\$'000	US\$'000	US\$'000	US\$'000
Goodwill arising from acquisition of subsidiaries	3,138	3,126	-	-
Computer software license costs	261	217	6	14
Total	3,399	3,343	6	14

Goodwill arising from acquisition of subsidiaries comprised those arising from the Group's electronic components distribution subsidiaries in Hong Kong amounting to US\$1,656,000 (31 December 2021: US\$1,656,000) and the Group's other businesses' subsidiary in Singapore amounting to US\$1,482,000 (31 December 2021: US\$1,470,000). No impairment charges was made during the financial year (31 December 2021: Nil).

The Group acquired computer software license costs amounting to US\$116,000 (31 December 2021: US\$20,000) during the financial year.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

19. Trade and other payables

	The Group		The Company	
	31 December	31 December	31 December	31 December
	2022	2021	2022	2021
	US\$'000	US\$'000	US\$'000	US\$'000
Current				
Trade payables – Third parties	70,754	66,063	-	-
Other payables and accrued operating expenses	28,729	19,929	1,599	1,396
Contract liabilities	1,093	2,389	-	-
Derivative financial instruments	304	-	-	-
Due to subsidiaries	-	-	5,502	7,591
Due to an associated company	1,005	1,006	1,005	1,004
Financial guarantee contracts	-	-	727	819
Total	101,885	89,387	8,833	10,810

20. Borrowings

	The Group		The Company	
	31 December	31 December	31 December	31 December
	2022	2021	2022	2021
	US\$'000	US\$'000	US\$'000	US\$'000
Amount repayable within one year or on demand:				
Secured	35,501	27,979	7,374	1,594
Unsecured	161,422	139,451	3,730	3,699
Amount repayable after one year:				
Secured	2,481	8,816	525	6,272
Unsecured	4,779	7,962	-	-
Total	204,183	184,208	11,629	11,565

20.1 Details of any collateral

- (i) A term loan of the Company amounting to US\$5,970,000 (31 December 2021: US\$5,918,000) which is payable on 31 May 2023, is secured on the following:
- a first legal mortgage on the leasehold land and building ('Mortgaged Property') held by a wholly owned Singapore subsidiary, Serial Investment Pte Ltd;
 - an assignment of all rights and benefits relating to the Mortgaged Property;
 - an assignment of all rights, title interest and benefits in tenancy agreements, relating to the Mortgaged Property;
 - an assignment of all rights and benefits under the insurance policies taken in relation to the Mortgaged Property; and
 - joint and several guarantees of certain subsidiaries of the Group.
- (ii) Bank borrowing of US\$217,000 (31 December 2021: US\$287,000) taken by a wholly owned Malaysia subsidiary, Serial Microelectronics Sdn. Bhd., to part finance the acquisition of a freehold building in Malaysia is secured by a first legal mortgage of the property and guarantee by a subsidiary of the Group.
- (iii) Bank borrowings of US\$7,323,000 (31 December 2021: US\$8,615,000) taken by two Taiwan subsidiaries, wholly owned Serial Investment (Taiwan) Inc. and 95.5% owned Serial Microelectronics Inc., to part finance the acquisition of a freehold building in Taiwan and for working capital are secured by a first legal mortgage of the property.
- (iv) Bank borrowing of US\$9,230,000 (31 December 2021: US\$5,567,000) taken by a wholly owned South Korea subsidiary, Serial Microelectronics Korea Limited for working capital, is secured by a first legal mortgage of its freehold land and building in South Korea.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

20. Borrowings (continued)

20.1 Details of any collateral (continued)

- (v) Bank borrowing of US\$13,290,000 (31 December 2021: US\$12,843,000) taken by a 91.0% owned China subsidiary, Serial Microelectronics (Shenzhen) Co., Ltd for working capital, is secured by a first legal mortgage of its leasehold buildings in China.
- (vi) Bank borrowing of US\$1,880,000 (31 December 2021: US\$1,846,000) taken by the Company is secured by a cash security deposit of US\$1,020,000 (31 December 2021: US\$600,000) placed with the financial institution.
- (vii) Other borrowings of Nil (31 December 2021: US\$1,568,000) due to a third party, taken by a 46.4% owned China subsidiary, Newstone Technology (Shenzhen) Company Limited is secured on trade receivable of the subsidiary.
- (viii) Lease liabilities of US\$49,000 (31 December 2021: US\$102,000) of the Company and US\$72,000 (31 December 2021: US\$151,000) of the Group are secured on office equipment and motor vehicles acquired under leasing agreements.

20.2 Loan compliance

The Group regularly monitors its compliance with the covenants and is up to date with the scheduled repayments of the borrowings. As at 31 December 2022, the Group complied with covenants entered with various banks, except for certain banks, which have the right to call for immediate repayment of outstanding borrowings of US\$10,660,000 (31 December 2021: US\$2,824,000) included in current liabilities. The Group obtained waivers from compliance from certain banks subsequent to financial year end.

21. Share capital

	Issued number of shares		Total share capital	
	Share capital '000	Treasury shares '000	Share capital US\$'000	Treasury shares US\$'000
The Group and The Company				
2022				
At 1 January 2022 and 31 December 2022	905,788	(946)	72,648	(70)
2021				
At 1 January 2021	905,788	(9,946)	72,648	(736)
Placement of treasury shares	-	9,000	-	666
At 31 December 2021	905,788	(946)	72,648	(70)

There were no ordinary shares issued since the end of the financial year ended 31 December 2021.

There were no outstanding share options as at 31 December 2022 and 31 December 2021.

There were no purchase, sale, transfer, disposal, cancellation and use of treasury shares and subsidiary holdings during the financial year ended 31 December 2022.

OTHER INFORMATION

22. Review

The condensed interim statements of financial position of Serial System Ltd and its subsidiaries as at 31 December 2022 and the condensed interim consolidated statement of profit or loss, condensed interim consolidated statement of comprehensive income, condensed interim statements of changes in equity and condensed interim consolidated statement of cash flows for the six months and full year ended 31 December 2022 and certain explanatory notes have not been audited or reviewed.

23. (Loss)/earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	Second Half Year		Full Year Ended	
	6 months ended 31 December 2022	6 months ended 31 December 2021	12 months ended 31 December 2022	12 months ended 31 December 2021
Based on the weighted average number of ordinary shares in issue (in US\$); and	(0.55 cent)	0.59 cent	(0.51 cent)	1.24 cents
On a fully diluted basis (in US\$)	(0.55 cent)	0.59 cent	(0.51 cent)	1.24 cents

(Loss)/earnings per ordinary share on existing issued share capital are computed based on the weighted average number of shares in issue during the six months and full year ended 31 December 2022 of 904,841,914 (six months and full year ended 31 December 2021 of 896,481,258 and 900,083,010 respectively).

(Loss)/earnings per ordinary share on a fully diluted basis are computed based on the weighted average number of shares in issue during the six months and full year ended 31 December 2022 of 904,841,914 (six months and full year ended 31 December 2021 of 896,481,258 and 900,083,010 respectively) after adjusting assumed conversion of all potential dilutive ordinary shares.

There were no potential dilutive ordinary shares for the financial year ended 31 December 2022 and 31 December 2021.

OTHER INFORMATION

24. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-
(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Consolidated Statement of Profit or Loss

Results for Full Year Ended 31 December 2022

The Group recorded turnover of US\$906.7 million for the full year ended 31 December 2022 ("FY2022"), an increase of 1% compared to US\$895.9 million for the same period last year ("FY2021").

Turnover for the electronic components distribution business increased by 3% to US\$843.0 million mainly due to higher sales across all regions. Sales in Hong Kong and China increased due to higher demand, particularly in the industrial, renewable energy, artificial intelligence and automotive segments. In Southeast Asia and India, the Group recorded better performance in the Philippines, Singapore and Thailand region in the industrial, consumer and telecommunication segments. Turnover in South Korea and Taiwan, also increased, mainly due to higher demand for certain product lines in the industrial and automotive segments.

Turnover for the consumer products distribution business declined 23% to US\$56.5 million, mainly due to lower demand for computers, computer peripherals, and video graphics cards in Malaysia as work-from-home measures progressively eased. Lower sales of printer accessories in Singapore also contributed to the decline in turnover for the consumer products distribution business. The decrease was partially mitigated by higher sales in Thailand as the Group onboarded more product lines in 2022.

Turnover for other businesses decreased by 7% to US\$7.2 million, mainly due to lower sales in the Group's trading and distribution of fast-moving consumer goods in Singapore. The decrease was mitigated by higher revenue contribution from the medical device assembly and distribution business in Singapore.

Overall gross profit margin ("GPM") remained the same at 8.1% in FY2022 and FY2021. Higher margins achieved by the Group's other businesses were partially offset by lower margins achieved by the consumer products distribution business amid intense market competition in a challenging environment.

Other operating income decreased by US\$2.1 million or 16% to US\$10.8 million. The lower income in FY2022 was mainly due to write-back of allowances for inventory obsolescence of US\$3.1 million, fair value gain on derivative financial instruments of US\$1.4 million and fair value gain on financial assets, at fair value through profit or loss (listed and unlisted equity securities) of US\$0.9 million in FY2021 as opposed to allowances for inventory obsolescence of US\$4.7m, fair value loss on derivative financial instruments of US\$0.2m and fair value loss on financial assets, at fair value through profit or loss (listed equity securities) of US\$0.8 million, included in other operating expenses in FY2022. The decline was partially offset by gain on reclassification of an associated company to financial assets, at fair value through profit or loss upon derecognition of US\$2.3 million and a higher gain on dilution of interest in associated companies of US\$1.0 million in FY2022.

Distribution expenses increased by US\$0.8 million or 2% to US\$43.4 million, mainly due to higher sales commission expense, partially offset by lower staff costs, trade credit insurance charges and storage charges.

Administrative expenses increased by US\$0.9 million or 10% to US\$9.7 million, mainly due to higher staff-related costs, bank charges and utility costs.

Finance expenses increased by US\$4.1 million or 79% to US\$9.4 million, mainly due to higher interest rates across all trade facilities and increase in total borrowings in FY2022 compared with FY2021.

Consolidated Statement of Profit or Loss (continued)

Other operating expenses increased by US\$11.0 million or 66% to US\$27.8 million, amid higher net foreign exchange loss of US\$6.4 million mainly attributed to depreciation of the Chinese Renminbi and Japanese Yen against the United States Dollar, allowances for inventory obsolescence of US\$4.7 million, an impairment loss on investment in an associated company of US\$1.3 million and fair value loss on financial assets, at fair value through profit or loss (listed securities) of US\$0.8 million. Lower write-off of inventories of US\$1.3 million and loss allowance on trade and non-trade receivables of US\$1.1 million, partially offset the increase in other operating expenses in FY2022.

The Group's associated companies contributed to a higher loss of US\$0.8 million as compared to US\$0.7 million in FY2021. There was higher share of losses from Otsaw Digital Pte. Ltd. and Grandpointe Acquisition LLC, offset by higher share of profit from Bull Will Co., Ltd and PT Sentral Mitra Informatika in FY2022 when compared to the previous year.

The Group reported a net loss of US\$4.6 million in FY2022 as compared to a net profit after tax of US\$11.1 million in FY2021. The loss in FY2022 was mainly due to higher net foreign exchange loss of US\$6.6 million and allowances for inventory obsolescence of US\$4.7 million.

Results for Second Half Year Ended 31 December 2022

The Group recorded turnover of US\$444.0 million for the second half year ended 31 December 2022 ("2H2022"), a decrease of 3% when compared to US\$457.6 million for the same period last year ("2H2021").

Turnover for the electronic components distribution business declined 2% to US\$408.8 million mainly due to lower sales in Hong Kong and China amid softened demand due to COVID-related supply chain disruptions in China during the period. The decline was partially offset by better performance in South Korea, particularly in the industrial and automotive segments.

Turnover for the consumer products distribution business declined 16% to US\$31.4 million, mainly due to lower sales in Malaysia and Singapore affected by lower demand for their products. This was mitigated partially by higher turnover in Thailand as the Group onboarded more product lines in 1H2022.

Turnover for other businesses increased by 67% to US\$3.8 million, boosted by higher revenue from the medical device assembly and distribution business, as well as hospitality and healthcare solutions.

Overall gross profit margin decreased by 0.7 percentage point to 7.6% from 8.3% in 2H2021 due to lower margins achieved by all business divisions amid keen market competition in a challenging operating environment.

Other operating income increased by US\$0.4 million or 5% to US\$8.3 million. The higher income in 2H2022 was mainly due to a gain on reclassification of an associated company to financial assets, at fair value through profit or loss upon derecognition of US\$2.3 million, higher gain on dilution of interest in associated companies of US\$1.0 million and recovery of trade bad debts previously written off of US\$0.9 million. The increase was partially negated by write-back of allowances for inventory obsolescence of US\$2.3 million in 2H2021 as opposed to allowances for inventory obsolescence of US\$3.7 million included in other operating expenses in 2H2022, and lower fair value gain on financial assets, at fair value through profit or loss (listed and unlisted equity securities) of US\$0.6 million, fair value gain on derivative financial instruments of US\$0.4 million and fair value gain on investment properties of US\$0.4m in 2H2022 when compared to the previous period.

Distribution expenses increased by US\$0.3 million or 1% to US\$21.8 million on the back of higher sales commission expense and freight and handling charges. This was partially negated by lower staff costs, trade credit insurance charges and storage charges.

Administrative expenses increased by US\$0.2 million or 4% to US\$4.9 million, mainly due to higher utility costs and bank charges.

Finance expenses increased by US\$3.4 million or 126% to US\$6.0 million, mainly attributable to higher interest rates across all trade facilities and higher borrowings in 2H2022 compared with 2H2021.

Other operating expenses increased by US\$4.6 million or 43% to US\$15.2 million. The increase was mainly due to allowances for inventory obsolescence of US\$3.7 million, net foreign exchange loss of US\$3.0 million mainly attributed to the depreciation of the Chinese Renminbi and Japanese Yen against the United States Dollar and an impairment loss on investment in an associated company of US\$1.3 million in 2H2022. The increase was partially offset by lower write-off of inventories of US\$1.5 million, loss allowance on trade and other receivables of US\$1.2 million and staff costs of US\$1.0 million in 2H2022 when compared to the previous period.

Consolidated Statement of Profit or Loss (continued)

The Group's associated companies contributed to a higher loss of US\$0.8 million as compared to US\$0.4 million in 2H2021 mainly due to higher share of loss from Otsaw Digital Pte. Ltd. in 2H2022 when compared to the previous period.

The Group reported a net loss of US\$5.0 million in 2H2022 as compared to a net profit after tax of US\$5.3 million in 2H2021. The loss in 2H2022 was mainly due to net foreign exchange loss of US\$3.0 million and allowances for inventory obsolescence of US\$3.7 million.

Statements of Financial Position

Trade and other receivables increased by US\$8.7 million (net of factored trade receivables), contributed by the Group's electronic components distribution subsidiaries, its consumer products distribution subsidiary and project financing subsidiary in Thailand. Average turnover days for trade receivables increased to 70 in FY2022 from 65 in FY2021.

Inventories increased by US\$29.3 million to US\$163.0 million. The increase was mainly contributed by the Group's Hong Kong and China, Singapore and South Korea electronic components distribution subsidiaries as well as the Group's consumer products distribution subsidiary in Thailand and Japan.

Other current assets increased by US\$2.6 million, mainly due to advances to suppliers for purchases by the Group's Hong Kong electronic components distribution subsidiary.

Financial assets, at fair value through profit or loss (non-current assets) increased by US\$4.7 million mainly due to the reclassification of the net fair value amount of US\$4.9 million in 19.90%-owned Otsaw Digital Pte. Ltd., from investments in associated companies to financial assets, at fair value through profit or loss, upon the loss of significant influence following the divestment and dilution of equity interests to 15.92% in FY2022.

Investments in associated companies decreased by US\$5.1 million mainly due to the reclassification of US\$4.9 million to financial assets, at fair value through profit or loss (non-current assets) as detailed above.

Property, plant and equipment decreased by US\$3.6 million, mainly due to currency translation loss of US\$1.8 million and depreciation charges amounting to US\$3.3 million in FY2022. The decline was partially offset by additions of US\$1.5 million to property, plant and equipment.

Trade and other payables increased by US\$12.5 million. The increase was mainly attributed to increase in purchases by the Group's Singapore, South Korea and Taiwan electronic components distribution subsidiaries and the Group's Singapore consumer products distribution subsidiary. Average payment days for trade payables remained the same at 30 days in FY2022 and FY2021.

Borrowings increased by US\$20.0 million, mainly due to additional borrowings by the Group's electronic components distribution subsidiaries and Singapore consumer products distribution subsidiaries to finance increase in working capital requirements. The Company's non-current portion of a secured term loan, expiring on 31 May 2023, amounting to US\$5.9 million as at 31 December 2021 was reclassified to current borrowings as at 31 December 2022. Included in the Company's current borrowings was an interest-bearing loan amounting to S\$5.0 million (US\$3.7 million) [31 December 2021: S\$5.0 million (US\$3.7 million)] from the Company's substantial shareholder, Mr Goi Seng Hui.

Currency translation reserve decreased by US\$2.9 million mainly due to a decrease in the value of the Group's investments in its Taiwan, South Korea, China and Thailand subsidiaries, arising from the strengthening of the United States Dollar against these subsidiaries' functional currencies of New Taiwan Dollar, Korean Won, Chinese Renminbi and Thailand Baht.

OTHER INFORMATION

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

No forecast or prospect statement was previously issued in respect of the current reporting period.

26. **A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

The growth strategies implemented by the Group have resulted in a revenue continuing to improve despite the challenging operating environment. While demand for chips is expected to remain soft in the short term, the Group remains optimistic about the long-term growth of its electronic components distribution business. Demand for high-quality chips with superior processing power and memory storage will be driven by emerging technologies such as 5G infrastructure, IoT, artificial intelligence, electric and autonomous vehicles etc. which augur well for the Group's electronic components distribution business. As semiconductor chip manufacturers ramp up production and suppliers look for a reliable distributor, the Group sees opportunities to build up its supplier base, particularly in China. Meanwhile, the recent lifting of China's "Dynamic Zero" COVID policy is also expected to improve business momentum.

Demand for consumer products remains dampened amid rising interest rates, elevated inflationary pressures, and the easing of work-from-home measures. In response, the Group continues to leverage its position as a leading distributor of consumer products in Malaysia to increase its range of product offerings. In April 2022, the Group further expanded its geographical footprint into Thailand. These efforts will allow the Group to improve its top line for the consumer products distribution business, driven by a higher number of suppliers and expanded product range.

The operating environment will remain challenging as rising interest rates and persistent inflation will put pressure on operating costs, increase currency volatilities and impact consumer demand. Uncertainties resulting from the ongoing trade tensions between USA and China and prolonged Ukraine war may result in supply chain disruptions and higher costs. In response, the Group will continue to review its operations to boost efficiency and reduce costs, and be vigilant in managing its inventories and trade credit.

OTHER INFORMATION

27. Dividend

a) Current Financial Period Reported On

Any dividend declared (recommended) for the current financial period reported on? No.

Name of Dividend	Interim
Dividend Type	Cash
Dividend Amount per Share (in SGD cents)	0.11 cent per ordinary share
Optional:- Dividend Rate (in %)	
Par value of shares	Not applicable
Tax Rate	One-tier tax-exempt

b) Corresponding Period of the Immediately Preceding Financial Year

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

Name of Dividend	Interim	Final
Dividend Type	Cash	Cash
Dividend Amount per Share (in SGD cents)	0.22 cent per ordinary share	0.45 cent per ordinary share
Optional:- Dividend Rate (in %)		
Par value of shares	Not applicable	Not applicable
Tax Rate	One-tier tax-exempt	One-tier tax-exempt

c) Date payable

Not applicable

d) Books closure date

Not applicable

28. If no dividend has been declared/recommendeded, a statement to that effect.

No final dividend has been declared or recommended for the current financial period reported on as the Board deemed it necessary to preserve cash for working capital requirements.

OTHER INFORMATION

29. Interested person transactions

Pursuant to Rule 907 of the Listing Manual of the SGX-ST (the "Listing Manual"), the Board of Directors of the Company would like to announce the following Interested Person Transactions ("IPTs") for the financial year ended 31 December 2022 ("FY2022") as follows:

Name of interested person	Nature of relationship	Aggregate value of all IPTs during FY2022 (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920 of the Listing Manual) US\$'000	Aggregate value of all IPTs during FY2022 conducted under shareholders' mandate pursuant to Rule 920 of the Listing Manual (excluding transactions less than S\$100,000) US\$'000
Goi Seng Hui	Substantial shareholder of the Company	173	Not applicable

The Company entered into a loan agreement of S\$5,000,000 (US\$3,731,000) with Mr. Goi Seng Hui, a substantial shareholder of the Company, on 23 May 2022. The loan bears interest at 5.0% per annum and is repayable to Mr. Goi Seng Hui on 22 May 2023.

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

No general mandate from shareholders has been obtained for IPTs.

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

The Company confirms that it has procured undertakings from all its directors and executive officers in the format set out in Appendix 7.7 under Rule 720(1) of the SGX Listing Manual.

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

	12 months ended 31 December 2022 US\$'000	12 months ended 31 December 2021 US\$'000
Ordinary	704	4,436
Preference	-	-
Total:	704	4,436

OTHER INFORMATION

33. **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 SGX Listing Manual Rule 704(13). If there are no such persons, the issuer must make an appropriate negative statement.**

Pursuant to Rule 704(13) of the SGX Listing Manual, we submit the following report giving information on persons holding managerial positions who are relative of a director, chief executive officer or substantial shareholder of the Company or its principal subsidiaries.

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Mr. Derek Goh Bak Heng	61	Cousin of Goh Su Teng and father of Goh Si Hui Victoria. Derek Goh Bak Heng is a Substantial Shareholder of Serial System Ltd	<p><u>Current Position</u> Group Chief Executive Officer (Year 2001)</p> <p><u>Duties</u> Responsible for leading the management team in executing strategies to achieve the goals set by the Board.</p>	Not applicable
Mr. Goh Su Teng	43	Cousin of Derek Goh Bak Heng and uncle of Goh Si Hui Victoria.	<p><u>Current Position</u> Deputy Group Chief Executive Officer (Year 2022) and Executive Director of Serial System Ltd (Year 2021)</p> <p><u>Duties</u> Responsible for overall management of the Group. He will also work closely with the management team and the Board on corporate development and strategic planning of the Group.</p>	Goh Su Teng was promoted from Group Chief Operating Officer to Deputy Group Chief Executive Officer on 8 July 2022.
Ms. Goh Si Hui Victoria	30	Daughter of Derek Goh Bak Heng and niece of Goh Su Teng	<p><u>Current Position</u> Vice President, Business Development & Marketing of Serial System Ltd (Year 2022) and Executive Director of Serial System Ltd (Year 2022)</p> <p><u>Duties</u> Responsible for overseeing and managing the business and operation of the consumer products distribution business as well as supply chain and inventory management of the Group. She will also work closely with the management team and the Board on corporate development and strategic planning of the Group.</p>	Goh Si Hui Victoria was promoted from Director, Business Development & Marketing to Vice President, Business Development & Marketing on 1 January 2022 and was appointed an Executive Director of Serial System Ltd on 26 January 2022.

BY ORDER OF THE BOARD

Mr. Derek Goh Bak Heng
Group Chief Executive Officer
23 February 2023