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**UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS AND FULL YEAR ENDED 31 DECEMBER 2023**

*This announcement has been reviewed by the Company's sponsor, SAC Capital Private Limited ("**Sponsor**"). This announcement has not been examined or approved by Singapore Exchange Securities Trading Limited ("**SGX-ST**") and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made, or reports contained in this announcement.*

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**A. CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

	Notes	Group				Change +ve/(-ve) S\$'000	Change +ve/(-ve) %
		Unaudited 2H2023 S\$'000	Unaudited 2H2022 S\$'000	Unaudited FY2023 S\$'000	Audited FY2022 S\$'000		
<b>Revenue</b>	4	42,358	55,988	79,286	104,184	(24,898)	(23.9)
Cost of sales		(35,929)	(44,274)	(66,214)	(83,230)	17,016	(20.4)
<b>Gross profit</b>		6,429	11,714	13,072	20,954	(7,882)	(37.6)
Other operating income		899	1,381	2,043	2,397	(354)	(14.8)
Distribution and selling expenses		(2,507)	(3,403)	(5,719)	(6,381)	662	(10.4)
Administrative expenses		(5,331)	(5,915)	(11,200)	(11,929)	729	(6.1)
Reversal of/(Provision for impairment loss) on trade and other receivables and contract assets		758	45	105	(613)	718	n.m.
Other operating expenses		(191)	(386)	(559)	(894)	335	(37.5)
Share of results of associates		404	206	341	168	173	103.0
		(6,867)	(9,453)	(17,032)	(19,649)	2,617	(13.3)
<b>(Loss)/profit from operations</b>		461	3,642	(1,917)	3,702	(5,619)	n.m.
Finance expenses		(1,190)	(890)	(2,193)	(1,592)	(601)	37.8
Interest income		37	26	62	83	(21)	(25.3)
<b>(Loss)/profit before tax</b>	6	(692)	2,778	(4,048)	2,193	(6,241)	n.m.
Tax (expense)/benefit	7	(665)	111	(766)	45	(811)	n.m.
<b>(Loss)/profit for the period</b>		(1,357)	2,889	(4,814)	2,238	(7,052)	n.m.
<b>Other comprehensive income</b>							
<u>Items that will not be reclassified subsequently to profit or loss</u>							
Net fair value loss on equity instrument at fair value through other comprehensive income ("FVOCI")		(2,639)	(145)	(2,639)	(145)	(2,494)	n.m.
<u>Item that may be reclassified subsequently to profit or loss</u>							
Foreign currency translation		(633)	(1,018)	(1,175)	(1,125)	(50)	n.m.
<b>Total comprehensive income for the period</b>		(4,629)	1,726	(8,628)	968	(9,596)	n.m.
<b>(Loss)/ profit for the period attributable to :-</b>							
Owners of the Company		(1,175)	2,527	(4,628)	2,073	(6,701)	n.m.
Non-controlling interests		(182)	362	(186)	165	(351)	n.m.
		(1,357)	2,889	(4,814)	2,238	(7,052)	n.m.
<b>Total comprehensive income for the period attributable to :-</b>							
Owners of the Company		(4,440)	1,525	(8,365)	1,007	(9,372)	n.m.
Non-controlling interests		(189)	201	(263)	(39)	(224)	n.m.
		(4,629)	1,726	(8,628)	968	(9,596)	n.m.
<b>(Loss)/earnings per share for (loss)/profit for the period attributable</b>							
Basic and diluted (cents)		(1.05)	2.27	(4.15)	1.86		

There were no potential dilutive ordinary shares existing during the respective financial periods.

1H: 6 months ended 30 June

2H: 6 months ended 31 December

FY: 12 months ended 31 December

n.m. : not meaningful

**B. CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION**

	Notes	Group		Company	
		Unaudited	Audited	Unaudited	Audited
		31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022
		S\$'000	S\$'000	S\$'000	S\$'000
<b>Non-current assets</b>					
Fixed assets	10	25,391	26,832	21,608	21,588
Investment property	11	44	49	-	-
Intangible assets		188	188	-	-
Right-of-use assets		14,476	13,560	12,517	12,749
Right-of-use assets-land use rights		1,622	1,691	-	-
Investment in subsidiaries		-	-	20,570	20,570
Investment in associates		8,031	8,547	7,281	7,281
Investment securities	9	6,522	9,621	-	-
Deferred tax assets		1,135	1,175	-	-
<b>Total non-current assets</b>		<b>57,409</b>	<b>61,663</b>	<b>61,976</b>	<b>62,188</b>
<b>Current assets</b>					
Inventories		15,521	19,211	7,806	9,371
Investment securities	9	997	2,360	997	2,360
Trade receivables		16,783	16,853	1,766	1,867
Contract assets		9,173	10,798	104	108
Other receivables		965	1,351	365	729
Deposits		410	256	55	55
Prepayments		220	240	50	53
Advance payment to suppliers		3,396	3,361	2,610	2,614
Amounts due from subsidiaries (trade)		-	-	571	2,288
Amounts due from subsidiaries (non-trade)		-	-	6,310	5,688
Amounts due from associates (trade)		419	935	-	265
Amounts due from associates (non-trade)		133	138	-	-
Tax recoverable		22	70	-	-
Fixed deposits		660	222	660	209
Cash and bank balances		5,732	5,947	897	1,410
<b>Total current assets</b>		<b>54,431</b>	<b>61,742</b>	<b>22,191</b>	<b>27,017</b>
<b>Total assets</b>		<b>111,840</b>	<b>123,405</b>	<b>84,167</b>	<b>89,205</b>
<b>Current liabilities</b>					
Trade payables		9,380	13,890	1,443	2,926
Contract liabilities		2,503	1,892	941	304
Trust receipts and bills payable (secured)	12	10,863	12,531	7,000	7,755
Other payables		1,007	826	341	295
Accruals and other liabilities		10,442	6,811	2,404	3,611
Dividend payable		27	25	26	25
Amounts due to subsidiaries (trade)		-	-	5,401	4,305
Amounts due to subsidiaries (non-trade)		-	-	1,560	859
Provision for income tax		329	768	-	-
Lease liabilities (current)		975	733	554	428
Term loans (current)	12	8,424	6,731	4,224	3,135
<b>Total current liabilities</b>		<b>43,950</b>	<b>44,207</b>	<b>23,894</b>	<b>23,643</b>
<b>Net current assets/ liabilities</b>		<b>10,481</b>	<b>17,535</b>	<b>(1,703)</b>	<b>3,374</b>
<b>Non-current liabilities</b>					
Deferred tax liabilities		2,029	2,554	-	-
Amounts due to subsidiaries (non-trade)		-	-	-	485
Lease liabilities (non-current)		13,936	13,308	13,716	13,063
Term loans (non-current)	12	12,624	15,184	12,361	14,405
<b>Total non-current liabilities</b>		<b>28,589</b>	<b>31,046</b>	<b>26,077</b>	<b>27,953</b>
<b>Total liabilities</b>		<b>72,539</b>	<b>75,253</b>	<b>49,971</b>	<b>51,596</b>
<b>Net assets</b>		<b>39,301</b>	<b>48,152</b>	<b>34,196</b>	<b>37,609</b>
<b>Equity attributable to owners of the Company</b>					
Share capital	13	19,680	19,680	19,680	19,680
Retained earnings		16,865	21,716	14,194	17,607
Fair value adjustment reserve		4,977	7,455	-	-
Asset revaluation reserve		(336)	-	-	-
Capital reserve		230	230	322	322
Translation reserve		(4,329)	(3,406)	-	-
		37,087	45,675	34,196	37,609
<b>Non-controlling interests</b>		2,214	2,477	-	-
<b>Total equity</b>		<b>39,301</b>	<b>48,152</b>	<b>34,196</b>	<b>37,609</b>

**C. CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS**

	Group	
	FY2023	FY2022
	Unaudited	Audited
	S\$'000	S\$'000
<b>Cash flows from operating activities</b>		
(Loss)/profit before tax	(4,048)	2,193
Adjustments:		
(Reversal of)/impairment loss on trade receivables and contract assets	(105)	613
Allowance for/(write back of allowance for) obsolete and slow-moving inventories, net	282	(583)
Fixed assets written off	1	6
Loss/(gains) on disposal of fixed assets, net	42	(14)
Gains on disposal of fixed asset held for sale, net	-	(7)
Depreciation of fixed assets	1,676	1,793
Depreciation of investment property	2	2
Depreciation of right-of-use assets	966	915
Depreciation of right-of-use assets - land use rights	44	45
Dividend income from investment securities	(370)	(350)
Net fair value loss on held for trading investment securities	196	241
Finance expenses	2,193	1,592
Interest income	(62)	(83)
Share of results of associates	(341)	(168)
Translation difference	(408)	(405)
	<hr/>	<hr/>
Operating cash flows before working capital changes	68	5,790
(Increase)/decrease in:		
Inventories	3,408	735
Trade receivables	(102)	(797)
Other receivables	302	227
Contract assets	1,902	(6,360)
Deposits, prepayments and advance payment to suppliers	(168)	892
Amounts due from associates (trade)	516	(120)
Increase/(decrease) in:		
Trade payables	6,353	17,209
Contract liabilities	611	(1,755)
Other creditors	181	(57)
Accruals and other liabilities	3,432	(2,470)
Amounts due to affiliated company (non-trade)	-	(158)
Cash flows generated from operations	<hr/>	<hr/>
	16,503	13,136
Interest paid	(1,643)	(1,004)
Income taxes paid	(835)	(391)
Income taxes refunded	37	177
Interest income	62	83
<b>Net cash flows generated from operating activities</b>	<hr/>	<hr/>
	14,124	12,001
<b>Cash flows from investing activities</b>		
Proceeds from disposal of fixed assets	80	14
Proceeds from disposal of fixed assets held for sale	-	897
Proceeds from disposal of investment securities	1,716	1,763
Prepayment of lease	(212)	-
Purchase of fixed assets	(525)	(486)
Purchase of investment securities	(550)	-
Dividends received	553	465
<b>Net cash flows generated from investing activities</b>	<hr/>	<hr/>
	1,062	2,653
<b>Cash flows from financing activities</b>		
Dividends paid	(223)	(201)
Repayment of trust receipts and bills payable	(43,555)	(63,362)
Proceeds from trust receipts and bills payable	31,040	51,355
Payment of principal portion of lease liabilities	(814)	(855)
Interest paid on lease liabilities	(550)	(588)
Proceeds of term loans, net	16,207	16,016
Repayment from term loans	(17,019)	(17,794)
Bank deposit pledged	200	-
<b>Net cash flows used in financing activities</b>	<hr/>	<hr/>
	(14,714)	(15,429)
<b>Net increase/(decrease) in cash and cash equivalents</b>	<hr/>	<hr/>
	472	(775)
Effect of exchange rate changes on cash and cash equivalents	(49)	(71)
Cash and cash equivalents at beginning of period	5,969	6,815
<b>Cash and cash equivalents at end of period</b>	<hr/>	<hr/>
	6,392	5,969
<b>Cash and cash equivalents consist of the following :</b>		
Cash and bank balances	5,732	5,947
Less: Bank deposit pledged	-	(200)
Fixed deposits	660	222
	<hr/>	<hr/>
	6,392	5,969

**D. CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY**

	Attributable to owners of the Company								
	Equity, total	Equity attributable to owners of the Company, total	Share capital	Retained earnings	Fair value adjustment reserve	Asset revaluation reserve	Capital reserve	Translation reserve	Non- controlling interests
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>Group</b>									
<b>Balance at 1 January 2023</b>	48,152	45,675	19,680	21,716	7,455	-	230	(3,406)	2,477
Loss for the year	(4,814)	(4,628)	-	(4,628)	-	-	-	-	(186)
<u>Other comprehensive income</u>									
Foreign currency translation	(839)	(762)	-	-	161	-	-	(923)	(77)
Share of other comprehensive income of associate	(336)	(336)	-	-	-	(336)	-	-	-
Net fair value loss on equity instrument at FVOCI	(2,639)	(2,639)	-	-	(2,639)	-	-	-	-
Total comprehensive income	(8,628)	(8,365)	-	(4,628)	(2,478)	(336)	-	(923)	(263)
<u>Contributions by and distribution to owners</u>									
Dividends on ordinary shares	(223)	(223)	-	(223)	-	-	-	-	-
<b>Balance at 31 December 2023</b>	39,301	37,087	19,680	16,865	4,977	(336)	230	(4,329)	2,214
<b>Balance at 1 January 2022</b>	47,385	44,869	19,680	19,844	7,641	-	230	(2,526)	2,516
Profit for the year	2,238	2,073	-	2,073	-	-	-	-	165
<u>Other comprehensive income</u>									
Foreign currency translation	(1,125)	(921)	-	-	(41)	-	-	(880)	(204)
Net fair value loss on equity instrument at FVOCI	(145)	(145)	-	-	(145)	-	-	-	-
Total comprehensive income	968	1,007	-	2,073	(186)	-	-	(880)	(39)
<u>Contributions by and distribution to owners</u>									
Dividends on ordinary shares	(201)	(201)	-	(201)	-	-	-	-	-
<b>Balance at 31 December 2022</b>	48,152	45,675	19,680	21,716	7,455	-	230	(3,406)	2,477
<b>Company</b>									
<b>Balance at 1 January 2023</b>	37,609	37,609	19,680	17,607	-	-	322	-	-
Loss for the year, representing total comprehensive income for the period	(3,190)	(3,190)	-	(3,190)	-	-	-	-	-
<u>Contributions by and distribution to owners</u>									
Dividends on ordinary shares	(223)	(223)	-	(223)	-	-	-	-	-
<b>Balance at 31 December 2023</b>	34,196	34,196	19,680	14,194	-	-	322	-	-
<b>Balance at 1 January 2022</b>	33,412	33,412	19,680	13,410	-	-	322	-	-
Profit for the year, representing total comprehensive income for the period	4,398	4,398	-	4,398	-	-	-	-	-
<u>Contributions by and distribution to owners</u>									
Dividends on ordinary shares	(201)	(201)	-	(201)	-	-	-	-	-
<b>Balance at 31 December 2022</b>	37,609	37,609	19,680	17,607	-	-	322	-	-

## E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

### 1. Corporate Information

Far East Group Limited (the "Company") is incorporated and domiciled in Singapore and whose shares are publicly traded on the Catalist of the Singapore Exchange. These condensed interim consolidated financial statements as at and for the 6 months and the financial year ended 31 December 2023 comprise the Company and its subsidiaries (collectively, the "Group"). The principal activities of the Company consist of manufacturing and trading of refrigeration parts, servicing of cold rooms, construction and installation of commercial and industrial cold rooms and all other incidental business of refrigeration.

The principal activities of the Group are disclosed in Note 4 on segment and revenue information below.

### 2. Basis of Preparation

The condensed interim financial statements for the six months and the full year ended 31 December 2023 have been prepared in accordance with SFRS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last interim financial statements for the 1H2023.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)s"), except for the adoption of new and amended standards as set out in Note 2.1.

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

The financial information contained in this announcement has neither been audited nor reviewed by the auditors.

The latest audited annual financial statements were not subject to an adverse opinion, qualified opinion or disclaimer of opinion.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)s"), except for the adoption of new and amended standards as set out in Note 2.1.

The condensed interim financial statements are presented in Singapore dollar which is the Company's functional currency. The financial information contained in this announcement has neither been audited nor reviewed by the auditors. The latest audited annual financial statements were not subject to an adverse opinion, qualified opinion or disclaimer of opinion.

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

The Group has adopted all the new and amended standards which are relevant to the Group and are effective for annual financial periods beginning on or after 1 January 2023. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

#### 2.2. Use of judgements and estimates

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities at the end of the reporting period. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

##### 2.2.1 Judgements made in applying accounting policies

###### 2.2.1a Income taxes

Uncertainties exist with respect to the interpretation of complex tax regulations and the amount and timing of future taxable income. Given the Group's regional business relationships and the nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax provisions already recorded.

The Group establishes provisions, based on reasonable estimates, for possible consequences of audits by the tax authorities of the respective countries in which it operates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the relevant tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective Group's domicile.

Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the timing and level of future taxable profits together with future tax planning strategies.

As at 31 December 2023, the carrying amounts of the Group's tax recoverable, provision for income tax, deferred tax assets and deferred tax liabilities amounted to \$22,000 (31 December 2022: \$70,000), \$329,000 (31 December 2022: \$768,000), \$1,135,000 (31 December 2022: \$1,175,000) and \$2,029,000 (31 December 2022: \$2,554,000) respectively.

###### 2.2.1b Assessment of classification of unquoted investment security

The Group holds 30% equity interest in its unquoted investment security. The Group does not participate in the operating and financing decision process, fails to obtain representation on the board of directors and is unable to obtain timely or adequate financial information required to apply equity method. Based on these facts and circumstances, management concludes that the Group cannot exert a significant influence in its unquoted investment security and classifies this investment as financial instrument carried at fair value through other comprehensive income.

### **2.2.2 Key sources of estimation uncertainty**

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period are discussed below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

#### **2.2.2a Impairment of non-financial assets**

An impairment exists when the carrying value of an asset or cash-generating unit exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use. The value in use calculation is based on a discounted cash flow model. The cash flows are derived from the forecast for the next five years. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash inflows and the growth rate used for extrapolation purposes.

As at 31 December 2023, the carrying amounts of the Company's investments in subsidiaries were \$20,570,000 (2022: \$20,570,000).

#### **2.2.2b Expected credit losses for trade receivables and contract assets**

The Group uses a provision matrix to calculate ECLs for trade receivables and contract assets. For trade receivables and contract assets, the provision rates are based on days past due for groupings of various customer segments that have similar loss patterns.

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust historical credit loss experience with forward-looking information. At every reporting date, historical default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

As at 31 December 2023, the carrying amounts of the Group's and Company's trade receivables and contract assets, including balances with subsidiaries and associates totaled \$26,375,000 (31 December 2022: \$28,586,000) and \$2,441,000 (31 December 2022: \$4,528,000) respectively.

#### **2.2.2c Fair value measurement of unquoted equity security**

The Group has investment in unquoted equity security which is measured at FVOCI. This requires the Group to engage external valuation expert to perform the valuation.

This financial instrument is categorised as Level 3 in the fair value hierarchy where certain pricing inputs to value these instruments are unobservable. The valuation involves the application of unobservable inputs such as discount for lack of marketability used by the external valuation expert.

As at 31 December 2023, the carrying amount of the unquoted equity security amounted to \$6,522,000 (31 December 2022: \$9,621,000).

#### **2.2.2d Revenue from engineering contracts**

Engineering contracts revenue is recognised over time by reference to the Group's progress towards completing the performance obligation in the contract. The measure of progress is based on the costs incurred to date as a proportion of total costs expected to be incurred up to the completion of the performance obligation within the contract.

Significant assumptions are required to estimate the total contract costs that will affect the stage of completion and revenue recognised. The estimates are based on the past experiences and knowledge of the project director and the quantity surveyor team.

Contract revenue comprises the initial amount of revenue agreed in the contract and variations in contract work to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

As at 31 December 2023, the carrying amounts of the Group's contract assets arising from engineering contracts amounted to \$9,173,000 (31 December 2022: \$10,798,000).

### **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

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

- Wholesale and Distribution segment represents the sale of the Group's own manufactured products, multinational agency products and other distribution models of the Group;
- Manufacturing segment mainly comprises the manufacturing and sale of the Group's comprehensive range of energy-efficient heat-exchangers, compressor racks and condensing units; and
- Engineering Solutions segment represents the provision of system design and installation of various sustainable engineering solutions and applications for various industries.

##### 4.1. Reportable segments

Group	Wholesale and Distribution \$'000	Manufacturing \$'000	Engineering Solutions \$'000	Elimination \$'000	Total \$'000
<b>FY2023</b>					
Revenue	42,014	19,476	31,718	(13,922)	79,286
Cost of sales	(34,655)	(16,075)	(29,406)	13,922	(66,214)
Gross profit	<b>7,359</b>	<b>3,401</b>	<b>2,312</b>		<b>13,072</b>
<b>FY2022</b>					
Revenue	54,976	23,302	43,499	(17,593)	104,184
Cost of sales	(44,016)	(19,096)	(37,711)	17,593	(83,230)
Gross profit	<b>10,960</b>	<b>4,206</b>	<b>5,788</b>		<b>20,954</b>



#### 4.2. Disaggregation of Revenue

Segment	Wholesale and Distribution		Manufacturing		Engineering Solutions		Elimination		Total	
	2H2023	2H2022	2H2023	2H2022	2H2023	2H2022	2H2023	2H2022	2H2023	2H2022
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Primary geographical markets</b>										
Singapore	5,077	7,045	1,066	533	17,233	23,477	(1,547)	(1,113)	21,829	29,942
Malaysia	8,483	10,066	293	524	-	-	(2,399)	(3,349)	6,377	7,241
Indonesia	5,060	4,394	-	-	-	-	(1,970)	(678)	3,090	3,716
Hong Kong/Macau/People's Republic of China	1,288	2,788	9,394	11,581	-	-	(669)	(2,193)	10,013	12,176
Indo-China*	1,179	3,011	-	11	57	309	(661)	(1,209)	575	2,100
Others	466	769	8	44	-	-	-	-	474	813
	<b>21,553</b>	<b>28,073</b>	<b>10,761</b>	<b>12,671</b>	<b>17,290</b>	<b>23,786</b>			<b>42,358</b>	<b>55,988</b>

Revenue contribution from a single region is disclosed separately when it exceeds 5% of the Group's revenue respectively.

#### Major revenue streams

Sale of goods	21,072	27,037	10,761	12,671	208	102	(7,261)	(8,551)	24,780	31,259
Project installation and maintenance services	15	242	-	-	1,811	572			1,826	814
Engineering contracts revenue	466	794	-	-	15,271	23,112	15	9	15,752	23,915
	<b>21,553</b>	<b>28,073</b>	<b>10,761</b>	<b>12,671</b>	<b>17,290</b>	<b>23,786</b>			<b>42,358</b>	<b>55,988</b>

#### Timing of transfer of goods or services

At a point in time	21,087	27,279	10,761	12,671	2,019	674	(7,261)	(8,551)	26,606	32,073
Over time	466	794	-	-	15,271	23,112	15	9	15,752	23,915
	<b>21,553</b>	<b>28,073</b>	<b>10,761</b>	<b>12,671</b>	<b>17,290</b>	<b>23,786</b>			<b>42,358</b>	<b>55,988</b>

\* relates to Vietnam, Myanmar and Cambodia

#### 4.2. Disaggregation of Revenue

Segment	Wholesale and Distribution		Manufacturing		Engineering Solutions		Elimination		Total	
	FY2023	FY2022	FY2023	FY2022	FY2023	FY2022	FY2023	FY2022	FY2023	FY2022
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Primary geographical markets</b>										
Singapore	10,571	14,720	2,292	2,251	31,488	42,916	(3,189)	(3,146)	41,162	56,741
Malaysia	17,474	20,814	894	1,412	-	-	(5,644)	(8,471)	12,724	13,755
Indonesia	7,573	8,506	-	-	-	-	(2,207)	(984)	5,366	7,522
Hong Kong/Macau/People's Republic of China	2,430	4,216	16,264	19,594	-	-	(1,417)	(3,174)	17,277	20,636
Indo-China*	3,184	4,979	-	-	230	583	(1,465)	(1,818)	1,949	3,744
Others	782	1,741	26	45	-	-	-	-	808	1,786
	<b>42,014</b>	<b>54,976</b>	<b>19,476</b>	<b>23,302</b>	<b>31,718</b>	<b>43,499</b>			<b>79,286</b>	<b>104,184</b>
<b>Major revenue streams</b>										
Sale of goods	41,211	52,615	19,476	23,302	433	247	(13,922)	(17,593)	47,198	58,571
Project installation and maintenance services	31	257	-	-	2,614	1,191	-	-	2,645	1,448
Engineering contracts revenue	772	2,104	-	-	28,671	42,061	-	-	29,443	44,165
	<b>42,014</b>	<b>54,976</b>	<b>19,476</b>	<b>23,302</b>	<b>31,718</b>	<b>43,499</b>			<b>79,286</b>	<b>104,184</b>
<b>Timing of transfer of goods or services</b>										
At a point in time	41,242	52,872	19,476	23,302	3,047	1,438	(13,922)	(17,593)	49,843	60,019
Over time	772	2,104	-	-	28,671	42,061	-	-	29,443	44,165
	<b>42,014</b>	<b>54,976</b>	<b>19,476</b>	<b>23,302</b>	<b>31,718</b>	<b>43,499</b>			<b>79,286</b>	<b>104,184</b>

\* relates to Vietnam, Myanmar and Cambodia

#### 4.3. A breakdown of sales is as follows:-

	GROUP		Change +ve/(-ve)
	FY2023 S\$'000	FY2022 S\$'000	
(a) Sales reported for the first half year	36,928	48,196	-23%
(b) Operating loss after tax before deducting non-controlling interest reported for the first half year	(3,457)	(651)	n.m.
(c) Sales reported for the second half year	42,358	55,988	-24%
(d) Operating (loss)/profit after tax before deducting non-controlling interests reported for the second half year	(1,357)	2,889	n.m.

#### 5. Financial assets and financial liabilities

	Group		Company	
	31 Dec 2023 \$'000	31 Dec 2022 \$'000	31 Dec 2023 \$'000	31 Dec 2022 \$'000
<b>Financial Assets</b>				
<u>Financial assets at FVOCI</u>				
Unquoted equity security	6,522	9,621	-	-
<u>Financial assets at FVPL</u>				
Held for trading investment securities	997	2,360	997	2,360
<u>Financial assets carried at amortised cost</u>				
Cash and bank balances and trade and other receivables (Amortised cost)	25,102	25,702	10,624	12,511
	<u>32,621</u>	<u>37,683</u>	<u>11,621</u>	<u>14,871</u>

#### Financial Liabilities

Trade and other payables and borrowings (Amortised cost)	67,678	70,039	49,030	50,807
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#### 6. Profit before taxation

##### 6.1. Significant items

The Group's total comprehensive income for the financial period is derived after charging/(crediting) the following:

	Group			
	Unaudited 2H2023 S\$'000	Unaudited 2H2022 S\$'000	Unaudited FY2023 S\$'000	Audited FY2022 S\$'000
Interest income	(37)	(26)	(62)	(83)
Finance expenses	1,190	890	2,193	1,592
(Reversal of)/impairment loss on trade and other receivables and contract assets	(758)	(45)	(105)	613
Allowance for/(Write back of allowance for) obsolete and slow-moving inventories, net	156	(389)	282	(583)
Fixed assets written off	1	4	1	6
Loss/(gain) on disposal of fixed asset held for sale, net	-	4	-	(7)
Gain/(loss) on disposal of fixed assets, net	(21)	(13)	42	(14)
Depreciation of fixed assets	828	879	1,676	1,793
Depreciation of investment property	2	2	2	2
Depreciation of right-of-use assets	485	474	966	915
Depreciation of right-of-use assets - land use rights	22	22	44	45
Dividend income from investment securities	(60)	(350)	(370)	(350)
Share of results of associates	(404)	(206)	(341)	(168)
Net fair value (gain)/loss on held for trading investment securities	-	(5)	196	241
Foreign currency loss, net	202	464	290	629

## 6.2. Related party transactions

### Sale and purchase of goods and services

In addition to the related party information disclosed elsewhere in the condensed interim financial statements, the following significant transactions between the Group and related parties took place at terms agreed between the parties during FY2023:

	Group \$'000	Company \$'000
<b>Income</b>		
Sales of goods to subsidiaries	-	11,665
Sales of goods to associates	1,563	-
Sales of goods to affiliated companies	497	-
Management fee income from subsidiaries	-	1,833
Dividend income from a subsidiary	-	799
Royalty fee income from a subsidiary	-	166
		<hr/>
<b>Expenses</b>		
Purchases from subsidiaries	-	2,768
Rental paid to an affiliated company	4	-
Loan interest paid to subsidiaries	-	67
		<hr/>

## 7. Taxation

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

	Group			
	2H2023 \$'000	2H2022 \$'000	FY2023 \$'000	FY2022 \$'000
Current income tax expense	549	480	621	514
Deferred income tax expense/(benefit) relating to origination and reversal of temporary differences	116	(591)	145	(559)
	<hr/>	<hr/>	<hr/>	<hr/>
	665	(111)	766	(45)

## 8. Dividends

### Declared and paid during the financial year:

	Company	
	FY2023 \$'000	FY2022 \$'000
Dividends on ordinary shares:		
Final exempt 2022 dividend of 0.20 cents per share (2022: Final exempt 2021 dividend of 0.18 cents per share)	223	201
	<hr/>	<hr/>

## 9. Investment securities

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

	Group	
	31 Dec 2023 \$'000	31 Dec 2022 \$'000
Unquoted equity security		
- Guangzhou Fayi Trading Co., Ltd.	6,522	9,621
	<hr/>	<hr/>

The Group has elected to measure the unquoted equity security at FVOCI due to the Group's intention to hold the equity instruments for long-term appreciation.

### Financial assets at fair value through profit or loss comprise the following:

	Group	
	31 Dec 2023 \$'000	31 Dec 2022 \$'000
Held for trading investment securities (quoted) on:		
-Bonds	997	2,360
	<hr/>	<hr/>

## 9.1 Fair value measurement

The Group categorises fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

Level 1 – Quoted prices (unadjusted) in active market for identical assets or liabilities that the Group can access at the measurement date;  
Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and  
Level 3 – Unobservable inputs for the asset or liability.

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The following table presented the assets measured at fair value:

	Group			Total \$'000
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	
<b>31 December 2023</b>				
<b>Financial assets</b>				
FVOCI investments	-	-	6,522	6,522
At fair value through profit or loss- held for trading investment securities (quoted)	997	-	-	997
<b>31 December 2022</b>				
<b>Financial assets</b>				
FVOCI investments	-	-	9,621	9,621
At fair value through profit or loss- held for trading investment securities (quoted)	2,360	-	-	2,360

## 10. Fixed assets

In FY2023, the Group acquired assets amounting to \$525,000 (FY2022: \$486,000) and disposed of assets amounting to \$122,000 (FY2022: NIL).

## 11. Investment property

The Group's investment property is a commercial property held for long term for rental yield and capital appreciation and is not substantially occupied by the Group. It is leased to a third party.

	Group	
	31 Dec 2023 \$'000	31 Dec 2022 \$'000
<b>Cost</b>		
At 1 January and 31 December	115	115
<b>Accumulated depreciation</b>		
At 1 January	66	62
Depreciation charge for the year	2	2
Translation	3	2
At 31 December	71	66
<b>Net book value</b>	44	49
<b>At valuation:</b>		
Freehold property	790	724

### 11.1 Valuation

The Group engages external, independent and qualified valuer, Knight Frank Malaysia Sdn Bhd, to determine the fair value of the Group's investment property regularly based on the property's highest and best use. The fair value of the Group's investment property is derived using the market approach, under which the valuer considers the sales of similar or substitute properties and related market data, and establishes a value estimate by adjustments made for differences in factors that affect value. In general, a property being valued is compared with sales of similar properties that have been transacted in the open market. Listings and offers may also be considered.

## 12. Borrowings

	Group				Company			
	As at 31 Dec 2023	As at 31 Dec 2022	As at 31 Dec 2023	As at 31 Dec 2022	As at 31 Dec 2023	As at 31 Dec 2022	As at 31 Dec 2023	As at 31 Dec 2022
	Secured S\$'000	Secured S\$'000	Unsecured S\$'000	Unsecured S\$'000	Secured S\$'000	Secured S\$'000	Unsecured S\$'000	Unsecured S\$'000
Repayable in one year or less, or on demand	18,412	19,475	1,123	1,099	10,316	10,979	1,123	1,099
Repayable after one year	12,351	15,787	1,426	2,546	11,925	14,800	1,426	2,546
<b>Total borrowings</b>	<b>30,763</b>	<b>35,262</b>	<b>2,549</b>	<b>3,645</b>	<b>22,241</b>	<b>25,779</b>	<b>2,549</b>	<b>3,645</b>

### Details of any collateral

The above borrowings are secured by (i) legal mortgages over the leasehold land and buildings; (ii) corporate guarantee by the Company; and (iii) leased assets. Total borrowings include trust receipts and bills payable, leases liabilities under hire purchase, term loans and bank overdraft.

## 13. Share Capital

	Group and Company			
	As at 31 Dec 2023		As at 31 Dec 2022	
	No. of shares	\$'000	No. of shares	\$'000
<b>Issued and fully paid ordinary shares</b>				
Beginning and end of interim period	111,462	19,680	111,462	19,680

The total number of issued shares (excluding treasury shares) was 111,462,000 as at 31 December 2023 and 31 December 2022.

There was no change in the Company's issued and paid up share capital from 1 January 2023 to 31 December 2023.

The Company does not hold any treasury shares or convertible instruments as at 31 December 2023 and 31 December 2022.

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

## 14. Net assets value

	Group		Company	
	As at 31 Dec 2023	As at 31 Dec 2022	As at 31 Dec 2023	As at 31 Dec 2022
Net asset value attributable to owners of the Company (S\$'000)	37,087	45,675	34,196	37,609
Number of ordinary shares ('000)	111,462	111,462	111,462	111,462
Net asset value per share (cents)	33.3	41.0	30.7	33.7

## 15. Subsequent events

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

## **F. OTHER INFORMATION REQUIRED BY CATALIST RULE APPENDIX 7C**

1. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss any significant factors that affected the turnover, cost, and earning of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

### **Review of Financial Performance**

#### **Revenue**

Revenue decreased by S\$24.9 million or 23.9%, from S\$104.2 million in FY2022 to S\$79.3 million in FY2023. The Group's performance slowed down due to the drop in revenue from all business segments.

Revenue by Business Segment	2H2023	Group	2H2022	Contribution	Change	Change
	S\$'000	Contribution %	S\$'000	Contribution %	+ve/(-ve) S\$'000	+ve/(-ve) %
Wholesale and Distribution	15,753	37.2%	21,589	38.6%	(5,836)	(27.0)
Manufacturing	9,402	22.2%	10,653	19.0%	(1,251)	(11.7)
Engineering Solutions	17,203	40.6%	23,746	42.4%	(6,543)	(27.6)
	<u>42,358</u>	<u>100%</u>	<u>55,988</u>	<u>100%</u>	<u>(13,630)</u>	<u>(24.3)</u>

Revenue by Business Segment	FY2023	Group	FY2022	Contribution	Change	Change
	S\$'000	Contribution %	S\$'000	Contribution %	+ve/(-ve) S\$'000	+ve/(-ve) %
Wholesale and Distribution	31,380	39.6%	42,322	40.6%	(10,942)	(25.9)
Manufacturing	16,290	20.5%	18,412	17.7%	(2,122)	(11.5)
Engineering Solutions	31,616	39.9%	43,450	41.7%	(11,834)	(27.2)
	<u>79,286</u>	<u>100%</u>	<u>104,184</u>	<u>100%</u>	<u>(24,898)</u>	<u>(23.9)</u>

Revenue from Wholesale and Distribution segment decreased by S\$10.9 million in FY2023 as compared with FY2022 mainly due to drop in sales in Singapore, Indonesia and Vietnam markets, amid economy slowdown in the South East Asia region.

Revenue from Manufacturing segment decreased by S\$2.1 million in FY2023 as compared with FY2022 mainly due to the slow recovery of the Group's business in the People's Republic of China.

Revenue from Engineering Solutions segment decreased by S\$11.8 million in FY2023 as compared with FY2022 as significant new projects secured in 2H2023 have yet to contribute substantial revenue in FY2023.

#### **Gross profit and gross profit margin**

The Group's gross profit decreased by S\$7.9 million or 37.6%, from S\$21.0 million in FY2022 to S\$13.1 million in FY2023 mainly due to the decrease in revenue. The gross profit margin decreased slightly by 3.6 percentage points, from 20.1% in FY2022 to 16.5% in FY2023. This decrease mainly arose from Engineering Solutions segment due to the increase in material costs and subcontractor charges relative to level of revenue.

#### **Other operating income**

Other operating income decreased by S\$0.4 million, from S\$2.4 million in FY2022 to S\$2.0 million in FY2023 mainly due to reduction in management fee from third parties of S\$0.4 million.

#### **Distribution and selling expenses**

Distribution and selling expenses decreased by S\$0.7 million or 10.4%, from S\$6.4 million in FY2022 to S\$5.7 million in FY2023. This is in line with the decrease in revenue in FY2023.

#### **Administrative expenses**

Administrative expenses decreased by S\$0.7 million, from S\$11.9 million in FY2022 to S\$11.2 million in FY2023. This was mainly due to decrease in staff costs.

#### **Reversal for impairment loss on trade and other receivables and contract assets**

The reversal for impairment loss on trade and other receivables and contract assets of S\$0.1 million was mainly due to a reversal of impairment loss on contract assets of S\$0.3 million, partially offset by a provision for impairment loss on trade and other receivables of S\$0.2 million.

#### **Other operating expenses**

Other operating expenses decreased by S\$0.3 million, from S\$0.9 million in FY2022 to S\$0.6 million in FY2023 mainly due to foreign currency exchange differences.

#### **Finance expenses**

Finance expenses increased by S\$0.6 million, from S\$1.6 million in FY2022 to S\$2.2 million in FY2023. This was mainly due to the hikes of interest rate in FY2023.

### **Tax expense**

Tax expense of S\$0.8 million comprises (i) current year tax provision of S\$0.6 million; and (ii) deferred tax expenses recognised in FY2023 of S\$0.2 million.

### **Profitability**

The Group incurred a loss of S\$4.0 million mainly due to the significant drop in revenue and lower gross profit margin.

### **Review of Financial Position**

#### **Non-current assets**

Non-current assets decreased by S\$4.2 million, from S\$61.6 million as at 31 December 2022 to S\$57.4 million as at 31 December 2023.

The decrease was mainly due to a decrease in (i) the fair value of unquoted equity security of S\$3.1 million; (ii) fixed assets of S\$1.4 million; (iii) investment in associates of S\$0.5 million; and (iv) land use right of S\$0.1 million. This was partially offset by an increase in right-of-use assets of S\$0.9 million.

#### **Current assets**

Current assets decreased by S\$7.3 million, from S\$61.7 million as at 31 December 2022 to S\$54.4 million as at 31 December 2023.

The decrease was mainly due to a decrease in (i) inventories of S\$3.7 million; (ii) trade receivables and contract assets of S\$1.7 million; (iii) investment securities of S\$1.4 million; (iv) amount due from affiliated companies (trade) of S\$0.5 million; (v) other receivables of S\$0.4 million; and (vi) cash and bank balances of S\$0.2 million. This was partially offset by an increase in (i) fixed deposits of S\$0.4 million; and (ii) deposits of S\$0.2 million.

#### **Current liabilities**

Current liabilities decreased by S\$0.3 million, from S\$44.2 million as at 31 December 2022 to S\$43.9 million as at 31 December 2023.

The decrease was mainly due to a decrease in (i) trade payables of S\$4.5 million; (ii) trust receipts and bills payable of S\$1.7 million; and (iii) provision for income tax of S\$0.4 million. This was partially offset by an increase in (i) accruals and other liabilities of S\$3.6 million; (ii) term loans of S\$1.7 million; (iii) contract liabilities of S\$0.6 million; (iv) other creditors of S\$0.2 million; and (v) lease liabilities of S\$0.2 million.

#### **Non-current liabilities**

Non-current liabilities decreased by S\$2.5 million, from S\$31.1 million as at 31 December 2022 to S\$28.6 million as at 31 December 2023.

The decrease was mainly due to a decrease in term loans of S\$2.5 million.

### **Equity**

Total equity decreased by S\$8.9 million, from S\$48.2 million as at 31 December 2022 to S\$39.3 million as at 31 December 2023.

The decrease was mainly due to was mainly due to (i) loss for the year of S\$4.9 million; decrease in (ii) fair value adjustment reserve of S\$2.5 million; (iii) translation reserve of S\$0.9 million; (iv) asset revaluation reserve of S\$0.3 million; and (v) non-controlling interests of S\$0.3 million.

### **Review of Cash Flow Statement**

Net cash flows generated from operating activities amounted to S\$14.1 million in FY2023, mainly due to (i) operating cash inflows before working capital changes of S\$0.1 million; (ii) positive working capital changes of S\$16.4 million; and (iii) interest income of S\$0.1 million. This was partially offset by (i) interest paid of S\$1.7 million; and (ii) income taxes paid of S\$0.8 million.

Net cash generated from investing activities amounting to S\$0.9 million in FY2023 was mainly due to (i) proceeds from disposal of investment securities of S\$1.7 million; (ii) dividend received of S\$0.4 million; and (iii) proceeds from disposal of fixed assets of S\$0.1 million. This was partially offset by (i) purchase of investment securities of S\$0.6 million; (ii) purchase of fixed assets of S\$0.5 million; and (iii) prepayment of lease of S\$0.2 million.

Net cash used in financing activities amounted to S\$14.7 million in FY2023. This was mainly due to (i) net repayment of trust receipts and bills payable of S\$12.5 million; (ii) net repayment of lease liabilities and interest of S\$1.4 million; (iii) net repayment of term loans of S\$0.8 million; and (iv) dividend paid of S\$0.2 million. This was partially offset by receipt of bank deposit pledged of S\$0.2 million.

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

The Group's results for FY2023 are generally in line with the Company's profit guidance announcement dated 27 February 2024.

## **3. A commentary at the date of the announcement of the competitive conditions of the industry in which the group operates and any known factors or**

The Group continues to face volatility with the on-going US-China tensions affecting market sentiments. The stubborn inflation due to the strong economy in the United States has kept interest rates high in Singapore, thus resulting in persistently high operating costs. The Israel-Hamas war, and the Red Sea issue with commercial vessels being targeted, affected the supply chain resulting in delayed shipments, thereby affecting the timely receipt of goods. If this persists, the Group expects freight costs to increase on affected routes.

The various segments will continue to be cautious in navigating the uncertain and volatile environments in the regions that the Group operates. The Distribution and Wholesale segment remains challenging and very competitive with customers being very price-sensitive. The Engineering and Solutions segment continues to face the impact of the inflation and will take action to mitigate such impact by working with suppliers and subcontractors with an increased order book. The Group expects the Manufacturing segment to ride the moderate growth of the China economy while striving to grow export sales.

The Group expects the markets to remain very challenging. The Management continues to focus on cost controls and remain competitive.



#### 4. Dividend

##### (a) Current Financial Period Reported on 31 December 2023

Any dividend declared for the current financial period that is reporting?

No.

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

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

Name of dividend	Final
Dividend type	Cash
Dividend amount per share (in cents)	0.20 cents per ordinary share
Tax rate	Tax exempt (one-tier)

##### (c) Date Payable

To be announced, subject to shareholders' approval at the Annual General Meeting of the Company to be convened.

##### (d) Record Date

To be announced, subject to shareholders' approval at the Annual General Meeting of the Company to be convened.

#### 5. If no dividend has been declared/recommended, a statement to the effect and reason(s) for the decision.

No final dividend is proposed for FY2023 as the Board is of the view that it would be more prudent to conserve the cash resources in times of economic slowdown, aggravated by high inflationary and interest pressures.

#### 6. Interested Person Transaction ("IPT")

The Group does not have a general mandate from shareholders for interested person transactions pursuant to Rule 920(1)(a)(ii) of the Catalist Rules. There are no interested person transactions of S\$100,000 or more during the financial period under review.

#### 7. Issuer to confirm that it has procured undertaking from all its directors and executive officers in the format set out in Appendix 7H under Rule 720(1)

The Board of Directors confirms that the Company has procured undertakings from all its directors and executive officers in the format set out in Appendix 7H under Rule 720(1) of the Catalist Rules.

#### 8. Disclosures on acquisition or sale of shares pursuant to Rule 706A of the Catalist Rules

On 13 July 2023, the Group incorporated FEG Logistics Pte Ltd, a wholly-owned subsidiary in Singapore for a paid-up capital comprising 2 shares at S\$1 per share. The subsidiary is engaged in the provision of general and refrigerated warehousing and storage. The Group also struck off FE & B Engineering (M) Sdn. Bhd., a wholly-owned subsidiary in Malaysia, effective 7 July 2023. The company was dormant since 2015. It was previously engaged in trading of electrical, refrigeration and air-conditioning equipment and parts. Other than the aforementioned, there were no acquisition or realisation of shares thereby resulting (i) in a change in the shareholding percentage in any of the subsidiary or associated company of the Group or (ii) an entity becoming or ceasing to be (as the case may be) a subsidiary or associated company of the Group during 2H2023.

#### 9. 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

Pursuant to Rule 704(10) of the Catalist Rules, the Company confirms that during FY2023 and up to the date hereof, there has not been any person occupying a managerial position in the Company or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the Company.

#### BY ORDER OF THE BOARD

Far East Group Limited

Loh Mun Yew  
CEO and Executive Director

Leng Chee Keong  
COO and Executive Director

29 February 2024