



FJ BENJAMIN

F J BENJAMIN HOLDINGS LTD

Company Registration Number: 197301125N

Condensed interim consolidated financial statements

For the six months and full year ended 30 June 2023

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A Condensed interim consolidated statement of profit or loss and other comprehensive income

	----- GROUP -----			-----GROUP -----		
	6 months	6 months	Change	12 months	12 months	Change
	ended	ended		ended	ended	
Note	30 June 2023	30 June 2022	%	30 June 2023	30 June 2022	%
	\$'000	\$'000		\$'000	\$'000	
Turnover	40,801	44,739	(9)	86,454	80,903	7
Cost of goods sold	(19,632)	(21,689)	(9)	(41,294)	(40,958)	1
Gross Profit	21,169	23,050	(8)	45,160	39,945	13
Other income, net	7 196	170	15	462	738	(37)
Staff costs	(8,200)	(7,782)	5	(16,211)	(14,784)	10
Rental of premises	(2,494)	(3,233)	(23)	(6,319)	(3,118)	> 100
Advertising and promotion	(1,069)	(1,058)	1	(2,325)	(2,240)	4
Depreciation of furniture, fixtures and equipment	(627)	(860)	(27)	(1,346)	(1,839)	(27)
Depreciation of right-of-use assets	(4,964)	(4,688)	6	(8,879)	(10,328)	(14)
Other operating expenses	7 (3,183)	(3,023)	5	(7,796)	(6,787)	15
Operating profit before expected credit losses allowance and impairment	828	2,576	(68)	2,746	1,587	73
Reversal of allowance for expected credit losses	625	1,035	(40)	625	1,035	(40)
Impairment of furniture, fixtures and equipment and right-of-use assets	-	(40)	(100)	-	(40)	(100)
Reversal of impairment loss on investment in an associate	-	469	(100)	-	469	(100)
Operating profit	1,453	4,040	(64)	3,371	3,051	10
Interest expenses from borrowings	(336)	(357)	(6)	(630)	(723)	(13)
Interest expenses from lease liabilities	(244)	(160)	53	(405)	(376)	8
Foreign exchange gain, net	224	17	> 100	666	67	> 100
Share of results of associates, net of tax	1,025	1,554	(34)	1,834	1,867	(2)
Profit before tax	2,122	5,094	(58)	4,836	3,886	24
Income tax expenses	8 (339)	(833)	(59)	(1,318)	(954)	38
Net profit for the period/ year	1,783	4,261	(58)	3,518	2,932	20
Other comprehensive income:						
Item that may be reclassified subsequently to profit or loss:						
Foreign currency translation	(1,351)	(499)	> 100	(1,468)	(638)	> 100
Share of other comprehensive income of associate, net of tax	(62)	(15)	> 100	(62)	(15)	> 100
Total comprehensive income for the period/ year	370	3,747	(90)	1,988	2,279	(13)
Net profit attributable to:						
Equity holders of the parent	1,783	4,304	(59)	3,532	2,975	19
Non-controlling interests	-	(43)	(100)	(14)	(43)	(67)
	1,783	4,261	(58)	3,518	2,932	20
Total comprehensive income attributable to:						
Equity holders of the parent	370	3,790	(90)	2,002	2,322	(14)
Non-controlling interests	-	(43)	(100)	(14)	(43)	(67)
	370	3,747	(90)	1,988	2,279	(13)
Earnings per share (cents)						
Basic and diluted	9 0.15	0.37		0.30	0.27	

nm - not meaningful

B Condensed interim statements of financial position

	Note	-----GROUP-----		-----COMPANY-----	
		30 June 2023	30 June 2022	30 June 2023	30 June 2022
		\$'000	\$'000	\$'000	\$'000
NON-CURRENT ASSETS					
Furniture, fixtures and equipment	12	2,848	2,225	116	169
Right-of-use assets		12,087	8,411	244	48
Subsidiaries		-	-	37,101	38,923
Investment in associates		16,575	14,409	-	-
Deferred tax assets		470	407	-	-
		<u>31,980</u>	<u>25,452</u>	<u>37,461</u>	<u>39,140</u>
CURRENT ASSETS					
Inventories		23,270	20,339	-	-
External trade debtors		1,368	1,544	-	-
Trade debts due from associate		8,532	8,115	-	-
Other debtors		11,803	11,294	10,108	4,858
Prepayments and advances		449	552	31	49
Tax recoverable		-	13	-	-
Cash on hand and at bank		6,190	12,510	3,350	4,128
		<u>51,612</u>	<u>54,367</u>	<u>13,489</u>	<u>9,035</u>
CURRENT LIABILITIES					
Trade and other creditors		16,333	15,598	3,200	2,395
Borrowings	13	11,818	13,254	20	19
Lease liabilities		6,403	5,727	81	61
Provision for taxation		147	294	-	-
		<u>34,701</u>	<u>34,873</u>	<u>3,301</u>	<u>2,475</u>
NET CURRENT ASSETS		16,911	19,494	10,188	6,560
NON-CURRENT LIABILITIES					
Other creditors		-	-	8,806	8,450
Borrowings	13	1,706	3,246	73	93
Lease liabilities		6,687	3,190	177	-
		<u>8,393</u>	<u>6,436</u>	<u>9,056</u>	<u>8,543</u>
NET ASSETS		40,498	38,510	38,593	37,157
EQUITY					
Share capital	14	186,170	186,170	186,170	186,170
Foreign currency translation reserve		(2,739)	(1,271)	-	-
Other reserves		318	380	-	-
Accumulated losses		(143,218)	(146,750)	(147,577)	(149,013)
Equity attributable to equity holders of the parent		<u>40,531</u>	<u>38,529</u>	<u>38,593</u>	<u>37,157</u>
Non-controlling interests		(33)	(19)	-	-
TOTAL EQUITY		40,498	38,510	38,593	37,157

C Condensed interim statements of changes in equity

	----- Attributable to the equity holders of the parent -----						
	Share Capital	Foreign Currency Translation Reserve	Other Reserves	Accumulated Losses	Total	Non- controlling interests	Total Equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
GROUP							
At 1 July 2022	186,170	(1,271)	380	(146,750)	38,529	(19)	38,510
Profit/ (loss) for the year	-	-	-	3,532	3,532	(14)	3,518
<u>Other comprehensive income</u>							
Foreign currency translation	-	(1,468)	-	-	(1,468)	-	(1,468)
Share of other comprehensive income of associate, net of tax	-	-	(62)	-	(62)	-	(62)
Total comprehensive income for the year	-	(1,468)	(62)	3,532	2,002	(14)	1,988
At 30 June 2023	186,170	(2,739)	318	(143,218)	40,531	(33)	40,498
At 1 July 2021	183,229	(633)	395	(149,725)	33,266	-	33,266
Profit/ (loss) for the year	-	-	-	2,975	2,975	(43)	2,932
<u>Other comprehensive income</u>							
Foreign currency translation	-	(638)	-	-	(638)	-	(638)
Share of other comprehensive income of associate, net of tax	-	-	(15)	-	(15)	-	(15)
Total comprehensive income for the year	-	(638)	(15)	2,975	2,322	(43)	2,279
Capital contribution from a non-controlling interest	-	-	-	-	-	24	24
Issuance of shares from placement	3,000	-	-	-	3,000	-	3,000
Share issuance expenses	(59)	-	-	-	(59)	-	(59)
At 30 June 2022	186,170	(1,271)	380	(146,750)	38,529	(19)	38,510
COMPANY							
At 1 July 2022	186,170	-	-	(149,013)	37,157	-	37,157
Profit for the year, representing total comprehensive income for the year	-	-	-	1,436	1,436	-	1,436
At 30 June 2023	186,170	-	-	(147,577)	38,593	-	38,593
At 1 July 2021	183,229	-	-	(149,561)	33,668	-	33,668
Profit for the year, representing total comprehensive income for the year	-	-	-	548	548	-	548
Issuance of shares from placement	3,000	-	-	-	3,000	-	3,000
Share issuance expenses	(59)	-	-	-	(59)	-	(59)
At 30 June 2022	186,170	-	-	(149,013)	37,157	-	37,157

D Condensed interim consolidated statement of cash flows

	-----GROUP-----	
	12 months ended 30 June 2023 \$'000	12 months ended 30 June 2022 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES:		
Profit before tax	4,836	3,886
Adjustments for:		
Depreciation of furniture, fixtures and equipment	1,346	1,839
Depreciation of right-of-use assets	8,879	10,328
Share of results of associate, net of tax	(1,834)	(1,867)
Currency realignment	(936)	(456)
Loss on disposal of furniture, fixtures and equipment	26	133
Interest income	(64)	(9)
Interest expenses from borrowings	630	723
Interest expenses from lease liabilities	405	376
Impairment of furniture, fixtures and equipment and right-of-use assets	-	40
Reversal of impairment loss on investment in associate	-	(469)
(Reversal of allowance)/ allowance for inventory obsolescence and inventories written off, net	(78)	546
Reversal of allowance for expected credit losses	(625)	(1,035)
OPERATING CASH FLOWS BEFORE WORKING CAPITAL CHANGES	12,585	14,035
(Increase)/ Decrease in debtors	(282)	1,503
Decrease/ (Increase) in prepayments and advances	103	(198)
(Increase)/ Decrease in inventories	(2,853)	5,567
Increase / (Decrease) in creditors	675	(5,137)
CASH FLOW GENERATED FROM OPERATIONS	10,228	15,770
Interest received	64	9
Income tax paid	(1,534)	(216)
NET CASH FLOWS GENERATED FROM OPERATING ACTIVITIES	8,758	15,563
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of furniture, fixtures and equipment	(1,395)	(66)
Proceeds from disposal of furniture, fixtures and equipment	-	71
NET CASH FLOWS (USED IN)/ GENERATED FROM INVESTING ACTIVITIES	(1,395)	5
CASH FLOWS FROM FINANCING ACTIVITIES:		
Capital contribution from a non-controlling interest	-	24
Proceeds from issuance of shares from placement	-	3,000
Shares issuance expenses	-	(59)
Repayment of bank borrowings	(2,345)	(4,735)
Repayment of other borrowings	(22)	(93)
Interest paid	(630)	(723)
Payment of lease liabilities	(9,471)	(11,061)
NET CASH FLOWS USED IN FINANCING ACTIVITIES	(12,468)	(13,647)
Net (decrease)/ increase in cash and cash equivalents	(5,105)	1,921
Cash and cash equivalents at beginning of financial year	10,950	9,133
Net effect of exchange rate changes on opening cash and cash equivalents	(606)	(104)
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR	5,239	10,950
<u>Cash and cash equivalents comprise the following:</u>		
Cash on hand and at bank	6,190	12,510
Bank overdrafts	(951)	(1,560)
	5,239	10,950

E. Notes to the condensed interim consolidated financial statements

1. Corporate information

F J Benjamin Holdings Ltd (the Company) is a limited liability company incorporated and domiciled in Singapore and is listed on the Singapore Exchange Securities Trading Limited (SGX-ST). These condensed interim consolidated financial statements as at and for the six months and full year ended 30 June 2023 comprise the Company and its subsidiaries (the Group).

The principal activities of the Company are those of investment holding and the provision of management services to its subsidiaries. The principal activities of the subsidiaries are those of investment holding and retailers, distributors and exporters of consumer fashion wear, accessories, timepieces, beauty, health and wellness products and operates a multi-label luxury shoe and lifestyle concept store.

2. Basis of preparation

The condensed interim consolidated financial statements for the six months and full year ended 30 June 2023 have been prepared in accordance with SFRS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed interim consolidated 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 since the last interim consolidated financial statements of the Group for the six months ended 31 December 2022.

The accounting policies and methods of computations adopted for the condensed interim consolidated financial statements are consistent with those adopted by the Group in its most recently audited annual consolidated financial statements for the year ended 30 June 2022, which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1 below.

The condensed interim consolidated financial statements are presented in Singapore dollar which is the Company's functional currency and all values in the tables are rounded to nearest thousand (\$'000), except as otherwise indicated.

2.1 New and amended standards adopted by the Group

A number of amendments to the standards have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting these standards. The adoption of these standards did not have any material effect on the financial performance or position of the Group and the Company.

2.2 Use of judgements and estimates

In preparing the condensed interim consolidated 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 that applied to the most recently audited annual consolidated financial statements of the Group as at and for the year ended 30 June 2022.

Estimates and underlying assumptions are reviewed on an on-going 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 reported on.

4. Segment and revenue information

For management purpose, the Group is organised into business units based on their channel of distribution and has three reportable operating segments as follows:

- i. The Ongoing Retail segment is involved in the operation of retail stores specialising in the retail of consumer fashion wear, accessories, timepieces, beauty, health and wellness products, chocolates and cafe.
- ii. The Distribution segment is involved in the distribution of consumer fashion wear, accessories, home furnishings, timepieces, beauty and health and wellness products.
- iii. The Export segment is involved in the export of consumer fashion wear, accessories, timepieces and health and wellness products.

These operating segments are reported in the manner consistent with internal reporting provided to management who are responsible for allocating resources and assessing performance of the operating segments.

4.1 Reportable segments

	Ongoing retail \$'000	Distribution \$'000	Export \$'000	Corporate and others \$'000	Group \$'000
1 Jan 2023 – 30 Jun 2023					
Sales to external customers	35,670	1,875	3,256	-	40,801
Segment results	2,094	815	282	(773)	2,418
Interest income					40
Interest expenses from borrowings					(336)
Profit before tax					2,122
Income tax expenses					(339)
Net profit for the period					1,783
Capital expenditure	1,029	-	-	21	1,050
Depreciation of furniture, fixtures and equipment	558	26	-	43	627
Depreciation of right-of-use assets	4,929	-	-	35	4,964

4.1 Reportable segments (continued)

	Ongoing retail	Distribution	Export	Corporate and others	Group
	\$'000	\$'000	\$'000	\$'000	\$'000
1 Jan 2022 – 30 Jun 2022					
Sales to external customers	39,221	2,350	3,168	-	44,739
Segment results	4,273	762	246	162	5,443
Interest income					8
Interest expenses from borrowings					(357)
Profit before tax					5,094
Income tax expenses					(833)
Net profit for the period					4,261
Capital expenditure	20	-	-	33	53
Depreciation of furniture, fixtures and equipment	779	41	-	40	860
Depreciation of right-of-use assets	4,655	-	-	33	4,688
Impairment of furniture, fixtures and equipment and right-of-use assets	40	-	-	-	40
Reversal for impairment of investment in associate	-	-	-	(469)	(469)
	Ongoing retail	Distribution	Export	Corporate and others	Group
	\$'000	\$'000	\$'000	\$'000	\$'000
1 Jul 2022 – 30 Jun 2023 (FY2023)					
Sales to external customers	76,094	4,339	6,021	-	86,454
Segment results	5,988	1,283	489	(2,358)	5,402
Interest income					64
Interest expenses from borrowings					(630)
Profit before tax					4,836
Income tax expenses					(1,318)
Net profit for the year					3,518
Capital expenditure	2,066	-	-	29	2,095
Depreciation of furniture, fixtures and equipment	1,202	62	-	82	1,346
Depreciation of right-of-use assets	8,795	-	-	84	8,879

4.1 Reportable segments (continued)

	Ongoing retail \$'000	Distribution \$'000	Export \$'000	Corporate and others \$'000	Group \$'000
1 Jul 2021 – 30 Jun 2022 (FY2022)					
Sales to external customers	69,486	4,574	6,843	-	80,903
Segment results	4,428	928	614	(1,370)	4,600
Interest income					9
Interest expenses from borrowings					(723)
Profit before tax					3,886
Income tax expenses					(954)
Net profit for the year					2,932
Capital expenditure	20	-	-	46	66
Depreciation of furniture, fixtures and equipment	1,665	96	-	78	1,839
Depreciation of right-of-use assets	10,251	-	-	77	10,328
Impairment of furniture, fixtures and equipment and right-of-use assets	40	-	-	-	40
Reversal for impairment of investment in associate	-	-	-	(469)	(469)

	Ongoing Retail \$'000	Distribution \$'000	Export \$'000	Corporate and Others \$'000	Group \$'000
1 Jul 2022 – 30 Jun 2023 (FY 2023)					
Segment assets	46,594	2,635	3,464	13,854	66,547
Investment in associates	-	-	-	16,575	16,575
	46,594	2,635	3,464	30,429	83,122
Unallocated assets					470
Total assets					83,592
Segment liabilities	26,362	1,490	1,371	1,244	30,467
Unallocated liabilities					12,627
Total liabilities					43,094

4.1 Reportable segments (continued)

	Ongoing Retail	Distribution	Export	Corporate and Others	Group
	\$'000	\$'000	\$'000	\$'000	\$'000
1 Jul 2021 – 30 Jun 2022 (FY 2022)					
Segment assets	44,435	2,856	3,687	14,012	64,990
Investment in associates	–	–	–	14,409	14,409
	<u>44,435</u>	<u>2,856</u>	<u>3,687</u>	<u>28,421</u>	<u>79,399</u>
Unallocated assets					420
Total assets					<u>79,819</u>
Segment liabilities	<u>21,628</u>	<u>1,689</u>	<u>1,627</u>	<u>1,246</u>	26,190
Unallocated liabilities					15,119
Total liabilities					<u>41,309</u>

Business segments

Assets and liabilities which are common and cannot be meaningfully allocated to the business segments are presented as unallocated assets and liabilities, as shown in the table below.

	2023	2022
	\$'000	\$'000
Unallocated assets		
Deferred tax assets	470	407
Tax recoverable	–	13
	<u>470</u>	<u>420</u>
Unallocated liabilities		
Bank borrowings (excluding bank overdrafts)	12,480	14,825
Provision for taxation	147	294
	<u>12,627</u>	<u>15,119</u>

4.1 Reportable segments (continued)

Geographical segments

Revenue, non-current assets and capital expenditure information based on geographical location of customers and assets respectively are as follows:

	Southeast Asia	Other	Group
	\$'000	\$'000	\$'000
1 Jul 2022 – 30 Jun 2023 (FY 2023)			
Turnover	86,454	–	86,454
Other geographical information:			
Non-current assets	31,978	2	31,980
Capital expenditure	2,094	1	2,095
1 Jul 2021 – 30 Jun 2022 (FY 2022)			
Turnover	80,751	152	80,903
Other geographical information:			
Non-current assets	25,451	1	25,452
Capital expenditure	64	2	66
1 Jan 2023 – 30 Jun 2023			
Turnover	40,801	–	40,801
Capital expenditure	1,050	–	1,050
1 Jan 2022 – 30 Jun 2022			
Turnover	44,648	91	44,739
Capital expenditure	53	–	53

5. Disaggregation of sales

A breakdown of sales:

	FY 2023 \$'000	Group FY 2022 \$'000	Change %
Sales reported for first half year	45,653	36,164	26
Profit/ (loss) after tax before deducting non-controlling interests reported for first half year	1,735	(1,329)	nm
Sales reported for second half year	40,801	44,739	(9)
Profit after tax before deducting non-controlling interests reported for second half year	1,783	4,261	(58)

nm: not meaningful

6. Financial assets and financial liabilities

Set below is an overview of the financial assets and financial liabilities of the Group as at 30 June 2023 and 30 June 2022.

	Group		Company	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Financial assets measured at amortised cost				
Receivables from subsidiaries	–	–	28,754	30,894
Trade debtors	9,900	9,659	–	–
Other debtors	11,791	11,293	10,108	4,858
Cash on hand and at bank	6,190	12,510	3,350	4,128
	27,881	33,462	42,212	39,880
Financial asset carried at fair value through profit or loss				
Derivative financial assets	12	1		
Financial liabilities measured at amortised cost				
Trade and other creditors	15,536	14,894	12,006	10,845
Borrowings	13,524	16,500	93	112
Lease liabilities	13,090	8,917	258	61
	42,150	40,311	12,357	11,018

7. Profit before tax

7.1 Significant items

	Group			
	2H 2023	2H 2022	FY 2023	FY 2022
	\$'000	\$'000	\$'000	\$'000
Income				
Market support and administrative service income	132	132	265	265
Government grants	10	129	36	546
Write back of payables and accruals	121	–	121	–
Loss on disposal of furniture, fixtures and equipment	(26)	(123)	(26)	(133)
<hr/>				
Expenses				
(Reversal of allowance)/ Allowance for inventory obsolescence, net	(627)	66	(124)	(51)
Inventories (written back)/ written down	(48)	431	46	597
Outlet related expenses	803	673	1,783	1,360
Utilities	230	202	447	357
Freight, warehousing, handling and shipping costs	874	841	1,956	1,759
Royalties	92	119	252	231
Professional and legal fees	406	143	738	432
Telecommunication	103	108	218	226
Repair and maintenance	308	252	579	473
Directors' fees of directors of the Company	80	102	180	205
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7.2 Related party transactions

During the six months and financial years ended 30 June 2023 and 2022, the Group has entered into transactions with related parties on terms agreed between the parties, as shown below:

	2H 2023	2H 2022	FY 2023	FY 2022
	\$'000	\$'000	\$'000	\$'000
Sale of goods to associate	3,035	2,853	5,591	6,257
Market support and administrative service income from associate	132	132	265	265
<hr/>				

8. Income tax expenses

The Group calculates the period/ year income tax expense using the tax rate that would be applicable to the expected total annual earnings.

The major components of income tax expense for the six months and financial years ended 30 June 2023 and 2022 are:

	Group			
	2H 2023	2H 2022	FY2023	FY2022
	\$'000	\$'000	\$'000	\$'000
Current income tax:				
- Current tax	425	880	1,404	1,001
- Under provision in respect of prior years	15	1	15	1
Deferred income tax :				
- Movements in temporary differences	(101)	(48)	(101)	(48)
	<u>339</u>	<u>833</u>	<u>1,318</u>	<u>954</u>

9. Earnings Per Share

The basic earnings per share amounts are calculated by dividing the profit for the respective financial periods that is attributable to equity holders of the parent by the weighted average number of ordinary shares outstanding during the respective financial periods.

Diluted earnings per share amounts are calculated by dividing the profit for the respective financial periods that is attributable to equity holders of the parent by the weighted average number of ordinary shares outstanding during the respective financial periods plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

The following table reflects the profit and share data used in the computation for basic and diluted earnings per share:

	Group			
	6 months ended	6 months ended	12 months ended	12 months ended
	30 June	30 June	30 June	30 June
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Net profit for the financial period attributable to equity holders of the parent used in the computation of basic and diluted earnings per share	1,783	4,304	3,532	2,975
	'000	'000	'000	'000
Weighted average number of ordinary shares for basic and diluted earnings per share computation	1,187,314	1,164,647	1,187,314	1,115,314

The Company and the Group did not have any potentially dilutive instruments for the respective financial periods.

10. Net Asset Value

	Group		Company	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	Cents	Cents	Cents	Cents
Net asset value per ordinary share	3.41	3.24	3.25	3.13

The calculation of net asset value per ordinary share was based on 1,187,313,903 shares as at 30 June 2023 (30 June 2022: 1,187,313,903).

11. Financial assets at fair value through other comprehensive income

Fair value measurement

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

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

The following table shows an analysis of each class of assets and liabilities measured at fair value at the end of the reporting period:

	Group			Total
	Fair value measurements at the end of the reporting period using:			
	Quoted prices in active markets for identical instruments (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
	\$'000	\$'000	\$'000	\$'000
Financial assets carried at fair value through profit or loss				
Derivative financial assets	–	12	–	12
Financial assets as at 30 June 2023	–	12	–	12
Financial assets carried at fair value through profit or loss				
Derivative financial assets	–	1	–	1
Financial assets as at 30 June 2022	–	1	–	1

12. Furniture, fixtures and equipment

	Group			
	6 months ended 30 June 2023	6 months ended 30 June 2022	12 months ended 30 June 2023	12 months ended 30 June 2022
	\$'000	\$'000	\$'000	\$'000
Addition	1,050	53	2,095	66
Disposal	1,047	2,035	1,417	3,093

13. Borrowings

	Group	
	30 June 2023	30 June 2022
	\$'000	\$'000
Amount repayable in one year or less, or on demand		
- Unsecured	11,818	13,254
Amount repayable after one year		
- Unsecured	1,706	3,246
Total borrowings	13,524	16,500
Cash on hand and at bank	(6,190)	(12,510)
Net borrowings	7,334	3,990

14. Share capital

	Group and Company			
	2023 No. of shares	2023 Amount	2022 No. of shares	2022 Amount
	'000	\$'000	'000	\$'000
<u>Ordinary shares issued and fully paid</u>				
Beginning of interim period	1,187,314	186,170	1,067,314	183,229
Issuance of shares from placement	-	-	120,000	3,000
Share issuance expenses	-	-	-	(59)
	1,187,314	186,170	1,187,314	186,170

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares have no par value and carry one vote per share without restriction.

On 4 February 2022, the Company allotted and issued 120,000,000 new ordinary shares at \$0.025 per share to Western Properties Pte Ltd pursuant to a placement exercise.

As at 30 June 2023 and 30 June 2022, there were no outstanding convertibles for conversion into ordinary shares.

The Company did not hold any treasury shares as at 30 June 2023, 31 December 2022 and 30 June 2022.

The Company's subsidiaries do not hold any shares in the Company as at 30 June 2023, 31 December 2022 and 30 June 2022.

15. Subsequent event

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

F. Other information required pursuant to Appendix 7C of the Catalist Rules

1. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.

The condensed interim consolidated statement of financial position of F J Benjamin Holdings Ltd and its subsidiaries as at 30 June 2023 and the related condensed interim consolidated profit or loss and other comprehensive income, condensed interim consolidated statement of changes in equity and condensed interim consolidated statement of cash flows for the financial year ended 30 June 2023 and the explanatory notes have not been audited or reviewed by the Company's auditors.

2. Where the figures have been audited or reviewed, the auditors' report (including any modifications or emphasis of a matter).

Not applicable.

3. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:—

(a) Updates on the efforts taken to resolve each outstanding audit issue.

(b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

This is not required for any audit issue that is a material uncertainty relating to going concern.

Not applicable. The Group's latest audited consolidated financial statements for the financial year ended 30 June 2022 are not subject to an adverse opinion, qualified opinion or disclaimer of opinion issued by the Company's auditors.

4. Review of performance of the Group

(i) Review of Results for Full Year Ended 30 June 2023 (FY2023)

Group revenue increased 7% from \$80.9 million for FY22 to \$86.5 million for FY23. Net profit after tax attributable to shareholders was \$3.5 million in FY23, an increase of 19% over FY22. For the first half of FY23, from 1 July to 31 December 2022, sales rose 26% to \$45.7 million from \$36.2 million in the same period last year. This was mainly due to an increase in revenue from its Malaysian operations as business rebounded with the lifting of Covid-19 restrictions and the re-opening of Malaysia's borders.

For the second half of FY23, from 1 January to 30 June 2023, the Group reported a profit before tax of \$2.1 million, compared to a profit before tax of \$5.1 million in the same period of the previous financial year. Sales declined by 9% from \$44.7 million to \$40.8 million. This was mainly from lower sales reported in the fourth quarter of FY23 from 1 April to 30 June 2023 by 15% due to weaker consumer sentiment.

The Group's full year operating profit was \$2.7 million. This was before a write-back in allowance for expected credit losses on receivable from related party of Indonesian associate of \$625,000.

Sales in Singapore (excluding exports to Indonesia associate) and Malaysia in FY23 were up 6% and 11% respectively, as compared to FY22. Sales in Malaysia would have increased by 17% if not for the impact of the weakening ringgit, resulting in a translation loss of \$3.0 million when converting the sales from ringgit to Singapore dollars.

Sales at the Group's Indonesia associate was up 15% in FY23 with the lifting of all Covid-19 restrictions while gross profit margins remained constant. Exports to Indonesia associate from Singapore, however, decreased by \$666,000 as compared to the previous financial year due to lower orders transiting through Singapore and hence lower billing, but increase in purchases being shipped directly. The Group's share of profit in associate was \$1.9 million, similar to the previous year despite increase in sales due to higher staff costs and increased advertising spend. The Group also accounted for share of loss of \$60,000, mainly relating to pre-opening expenses in RegalRare GEM Museum Pte. Ltd., where the Group has a 20% shareholding.

Other income fell 37% to \$462,000 mainly due to the cessation of wage credits under Singapore's Jobs Support Scheme.

Gross profit margin increased from 49.4% in the previous financial year to 52.2% in FY23. With more consumers returning to shop at brick-and-mortar stores, the Group was able to clear more existing stocks and hence had less inventory to put on sales.

Group operating expenses rose 10% to \$42.9 million. This was primarily due to a reduction in rental rebates from landlords, which pushed rents up by \$3.2 million; increased staff costs of \$1.4 million as salaries were restored; higher commissions that were paid in line with higher sales; higher travelling costs as staff resumed overseas buying trips; higher credit card commissions paid with higher sales; and an increase in window display expenses with additional stores opened. The increase in operating expenses was partly offset by lower depreciation of right-of-use assets that resulted from expired leases, and lower depreciation of furniture, fixtures and equipment.

The foreign exchange gain of \$666,000 arose mainly from the revaluation of intercompany balances following the appreciation of the Singapore dollar against most currencies and the weaker USD during the financial year.

With the improved performance of the associate in Indonesia, the Group was able to write back impairment made in previous years totalling \$625,000 in FY23 after an assessment of recoverability of other receivables.

The Group's online business now includes 14 brands. For FY23, turnover from online channels accounted for 5% (7% in FY22) of total sales in Singapore and 3% (3% in FY22) of total sales in Malaysia. The Group noted a decline in online sales after safe management measures were lifted and more customers returned to brick-and-mortar stores.

(ii) Balance Sheet

Furniture, fixtures and equipment increased by \$0.6 million mainly due to additional capital expenditure of \$2.1 million and partially offset by depreciation charge of \$1.3 million.

Right-of-use assets increased by \$3.7 million, mainly due to renewals and new leases offset by a depreciation charge of \$8.9 million during the year. Correspondingly, total lease liabilities (current and non-current) rose by \$4.2 million as renewals and new leases of \$13.7 million exceeded payment of lease liabilities amounting to \$9.5 million.

Investment in associates increased by \$2.1 million mainly due to share of profit of the Group's Indonesia associate of \$1.9 million.

Inventories rose 14% to \$23.3 million as the Group increased purchases for new stores opened during the year and to meet growing consumer demand.

Trade and other creditors increased by \$0.7 million mainly due to an increase in orders placed to achieve higher sales.

Business recovery led to more internal funds being used for purchases and new stores opening. Gross borrowings reduced by \$3.0 million to \$13.5 million as at 30 June 2023, as compared to \$16.5 million

as at 30 June 2022. Net borrowings totalled \$7.3 million as at 30 June 2023, up from \$4.0 million as at 30 June 2022. Gearing stood at 18% as at 30 June 2023 against 10% as at 30 June 2022.

The Group generated positive working capital of \$16.9 million as at 30 June 2023.

(iii) Cash Flows

For the financial year under review, the Group generated net cash flows of \$8.8 million from operating activities, invested \$1.4 million in capital expenditure, repaid bank and other borrowings and interest expense of \$3.0 million and repaid lease liabilities of \$9.5 million. This resulted in a net cash outflow of \$5.1 million for FY23.

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

Not applicable. No forecast or prospect statement has been previously disclosed to shareholders.

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

As economies in the region begin to slow down due to high interest rates and lower external demand, consumer sentiment is expected to weaken.

Management will be vigilant in managing costs while exploring new diversification opportunities.

7. Dividend information

7a. Current financial period reported on

Any dividend recommended for the current financial period reported on?

No.

7b. Corresponding period of the immediate preceding financial year

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

No.

7c. Date payable

Not applicable.

7d. The date on which Registrable Transfers received by the Company (up to 5.00pm) will be registered before entitlements to the dividend are determined

Not applicable.

7e. If no dividend has been declared (recommended), a statement to that effect and the reason(s) for the decision.

In view of the minimal profit made by the Company in this financial year, no dividend has been declared or recommended.

7f. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.

Not applicable. No dividend has been declared or recommended for FY2023 and FY2022.

8. Interested persons transactions

The Company does not have an IPT mandate.

9. Confirmation pursuant to Rule 705(5) of the Catalyst Rules

Not applicable for full year results announcement.

10. Confirmation that the issuer has procured undertaking from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1) of the Catalyst Rules

The Company has received undertaking from all its directors and executive officers in the format as set out under Rule 720(1) of the Catalyst Rules in the format set out in Appendix 7H.

11. Disclosure of acquisition (including incorporations) and sale of shares in subsidiaries and/or associated companies since the end of the previous reporting period under Rule 706A of the Catalyst Rules

The Group does not have any acquisitions (including incorporations) and realisations of shares in subsidiaries and/or associated companies since the end of the previous reporting period, up to 30 June 2023.

12. Use of proceeds from Rights Issue, Exercise of Warrants and Share Placement

On 5 April 2018 and 6 April 2018, the Company allotted and issued 341,225,914 new ordinary shares ("Rights Shares") with 682,451,828 free detachable warrants ("Warrants") under the Rights cum Warrants Issue (details as set out in the Company's circular to its shareholders dated 15 February 2018 and offer information statement dated 12 March 2018 ("Offer Information Statement")). The total gross proceeds raised from the allotment and issuance of the Rights Shares under the Rights cum Warrants Issue, after accounting for the conversion into the Right Shares of certain loans owing by the Group to certain shareholders of the Company (the "Conversion"), amounted to approximately S\$8,118,000.

As set out in the Company's announcements dated 17 May 2021 and 30 December 2021, on the expiry of the Warrants on 5 April 2021, a total of 157,378,132 Warrants had been exercised at the exercise price of S\$0.04. Accordingly, the Company raised aggregate gross proceeds of approximately S\$6,295,000. Following a review of the Group's current operating environment, taking into consideration of the on-going COVID-19 pandemic and safe distancing measures which impacted the businesses of the Group, the Board had reallocated an aggregate of S\$1,648,000 of the net proceeds from the exercise of Warrants, which was originally allocated for the expansion of the Group's business activities when the Rights cum Warrants Issue took place three years ago (pre COVID-19) to general working capital purposes (the "Reallocation").

On 4 February 2022, the Company allotted and issued 120,000,000 new ordinary shares at an issue price of S\$0.025 per share pursuant to a placement exercise ("Share Placement"). The total gross proceeds raised from the Share Placement amounted to S\$3,000,000. Please refer to the Company'

circular to its shareholders dated 13 January 2022 (“Circular”) for further details on the Share Placement.

The use of proceeds from the Rights cum Warrants issue and the Share Placement as at 30 June 2023 are as follows:

Rights issue

	Amount S\$'000
<u>Total net proceeds available:</u>	
Gross proceeds received from allotment and issuance of the Rights Shares, after accounting for Conversion	8,118
Share issuance expenses	(435)
Net proceeds available	<u>7,683</u>
<u>Use of proceeds:</u>	
(i) General working capital	
Allocation as disclosed in the Offer Information Statement	3,842
Total amount utilised – repayment of trade invoices financed by banks and trade suppliers’ invoices	(3,842)
Balance	<u>-</u>
(ii) Expansion of the Group’s business activities	
Allocation as disclosed in the Offer Information Statement	3,841
Total amount utilised	(841)
Balance	<u>3,000</u>

Warrants

	Amount S\$'000
<u>Total net proceeds available:</u>	
Gross proceeds from exercise of Warrants	6,295
Share issuance expenses	(21)
Net proceeds available	<u>6,274</u>
<u>Use of proceeds:</u>	
(i) General working capital	
Allocation as disclosed in the Offer Information Statement	3,137
Reallocation	1,648
Amount based on Reallocation basis	<u>4,785</u>
Total amount utilised	<u>(4,785)¹</u>
Balance	<u>-</u>
(ii) Expansion of the Group’s business activities	
Allocation as disclosed in the Offer Information Statement	3,137
Reallocation	(1,648)
Amount based on Reallocation basis	<u>1,489</u>
Total amount utilised	<u>(1,481)</u>
Balance	<u>8</u>

Note:

- (1) Net Proceeds used for general working capital comprising (a) S\$2,380,000 for repayment of trade invoices financed by banks and trade suppliers’ invoices; and (b) S\$2,405,000 for repayment of non-trade creditors, which consisted of rental, freight costs and other operating expenses.

Share Placement

	Amount S\$'000
<u>Total net proceeds available:</u>	
Gross proceeds from Share Placement	3,000
Share issuance expenses	(59)
Net proceeds available	<u>2,941</u>
<u>Use of proceeds:</u>	
(i) General working capital	
Allocation as disclosed in the Circular	2,941
Total amount utilised	<u>(2,602)²</u>
Balance	<u>339</u>

Note:

- (2) Net Proceeds used for general working capital comprising (a) S\$1,767,000 for repayment of rental and other operating expenses; (b) S\$703,000 for repayment of short term loan; and (c) S\$132,000 for purchase of inventory.

Save as disclosed above on the Reallocation, the use of net proceeds from the Rights cum Warrants Issue is in accordance with the intended uses and percentage allocations as disclosed in the Offer Information Statement. The use of net proceeds from the Share Placement is in accordance with the intended uses and percentage allocations as disclosed in the Circular.

The Company will continue to provide periodic announcements on the utilisation of the balance of the net proceeds from the Rights cum Warrants Issue and the Share Placement as and when such proceeds are materially disbursed or utilised, and whether such use is in accordance with the stated use and in accordance with the percentage allocated.

13. Disclosure of persons occupying managerial positions who are related to a director, CEO or substantial shareholder

<i>Name</i>	<i>Age</i>	<i>Family relationship with any director, CEO and/or substantial shareholder</i>	<i>Current position and duties, and the year the position was first held</i>	<i>Details of changes in duties and position held, if any, during the year</i>
Eli Manasseh Benjamin	73	Uncle of Douglas Jackie Benjamin, Group Chief Executive	Executive Chairman since 1 January 2023	Group Chief Executive Officer since 5 May 2006; and appointed as Executive Chairman with effect from 1 January 2023
Mavis Benjamin	84	Mother of Douglas Jackie Benjamin, Group Chief Executive	Executive Vice President – Store & Planning since 1996	Nil

Douglas Jackie Benjamin	59	Nephew of Eli Manasseh Benjamin, Executive Chairman	Group Chief Executive Officer since 1 January 2023	Group Chief Operating Officer since 1 September 2012; and promoted to Group Chief Executive Officer with effect from 1 January 2023
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BY ORDER OF THE BOARD

Karen Chong Mee Keng
Company Secretary
24 August 2023

*This announcement has been prepared by F J Benjamin Holdings Ltd (the “**Company**”) and its contents have been reviewed by the Company’s sponsor, ZICO Capital Pte. Ltd. (the “**Sponsor**”), in accordance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) Listing Manual Section B: Rules of Catalist.*

This announcement has not been examined or approved by the 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.

The contact person for the Sponsor is Ms Goh Mei Xian, Director, ZICO Capital Pte. Ltd. at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896, telephone (65) 6636 4201.