

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF HALF YEAR RESULTS

1(a) (i) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

| | Group | | |
|-----------------------------------|--------------------------|-----------------------|-------------------------|
| | For the Six Months Ended | | % |
| | 30/06/2016 S\$'000 | 30/06/2015 S\$'000 | Increase/ (Decrease) |
| Revenue | 9,283 | 7,488 | 23.9% |
| Cost of sales | (8,438) | (6,959) | 21.3% |
| Gross Profit | 845 | 529 | 59.7% |
| Other operating income | 151 | 63 | N.M |
| Other losses | (61) | (617) | (90.1%) |
| Selling and distribution expenses | (216) | (312) | (30.8%) |
| Administrative expenses | (962) | (1,223) | (21.3%) |
| Finance expenses | (2) | (2) | - |
| Loss before income tax | (245) | (1,562) | (84.3%) |
| Income tax expense | - | - | |
| Loss for the period | (245) | (1,562) | (84.3%) |
| Attributable to: | | | |
| Equity holders of the Company | (223) | (1,550) | (85.6%) |
| Non-controlling interests | (22) | (12) | 83.3% |
| | (245) | (1,562) | (84.3%) |

Note:

Loss before income tax is arrived at after charging (crediting):

| | | | |
|---|------|------|---------|
| Commission income | (42) | (41) | 2.4% |
| Depreciation of property, plant and equipment | 113 | 111 | 1.8% |
| Exchange loss | 61 | 617 | (90.1%) |
| Rental expenses | 47 | 127 | (67.7%) |

N.M – not meaningful

1(a) (ii) A statement of comprehensive income for the corresponding period of the immediately preceding financial year.

| | For the Six Months Ended | |
|---|--------------------------|-----------------------|
| | 30/06/2016 S\$'000 | 30/06/2015 S\$'000 |
| Loss for the period | (245) | (1,562) |
| Other comprehensive income: | | |
| Currency translation differences arising from consolidation | 249 | 500 |
| Total comprehensive loss for the period | (4) | (1,062) |
| Total comprehensive loss attributable to: | | |
| Equity holders of the Company | (48) | (1,032) |
| Non-controlling interests | 55 | (30) |
| | (4) | (1,062) |

1(b)(i) A statements of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

| | Group | | Company | |
|--|----------|----------|----------|----------|
| | 30/06/16 | 31/12/15 | 30/06/16 | 31/12/15 |
| | S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| Current assets | | | | |
| Cash and bank balances | 169 | 177 | 32 | 90 |
| Financial assets, at fair value through profit or loss | 10,000 | 10,000 | - | - |
| Trade and other receivables | 3,184 | 897 | 4,840 | 6,105 |
| Inventories | 1,054 | 2,472 | 11 | 11 |
| Other current assets | 223 | 263 | 17 | 27 |
| | 14,630 | 13,809 | 4,900 | 6,233 |
| Non-current assets | | | | |
| Investments in subsidiaries | - | - | 227 | 227 |
| Property, plant and equipment | 4,040 | 4,149 | 36 | 39 |
| Deposit | 97 | - | - | - |
| Deferred tax asset | 61 | 62 | - | - |
| | 4,198 | 4,211 | 263 | 266 |
| Total assets | 18,828 | 18,020 | 5,163 | 6,499 |
| Current liabilities | | | | |
| Trade and other payables | 3,076 | 2,599 | 1,709 | 1,833 |
| Borrowings | 468 | 117 | - | - |
| | 3,544 | 2,716 | 1,709 | 1,833 |
| Non- current liability | | | | |
| Deferred income tax liabilities | 1,895 | 1,941 | - | - |
| | | | | |
| Total liabilities | 5,439 | 4,658 | 1,709 | 1,833 |
| | | | | |
| Net assets | 13,389 | 13,363 | 3,454 | 4,666 |
| | | | | |
| Capital and reserves attributable to equity holders of the company | | | | |
| Share Capital | 17,817 | 17,817 | 17,817 | 17,817 |
| Other reserves | 4,123 | 3,926 | (21) | (21) |
| Accumulated losses | (8,298) | (8,074) | (14,342) | (13,130) |
| | 13,642 | 13,669 | 3,454 | 4,666 |
| Non- controlling interests | (253) | (306) | - | - |
| Total equity | 13,389 | 13,363 | 3,454 | 4,666 |

1(b)(ii) Aggregate amount of group's borrowings and debt securities.

Amount repayable in one year or less, or on demand

| | Group | |
|---------------------------|-----------------------------|-----------------------------|
| | S\$'000 | |
| | As at 30/06/2016 | As at 31/12/2015 |
| Bank overdraft | 468 | 79 |
| Finance lease liabilities | - | 38 |
| | 468 | 117 |

Amount repayable after one year

| | Group | |
|---------------------------|-----------------------------|-----------------------------|
| | S\$'000 | |
| | As at 30/06/2016 | As at 31/12/2015 |
| Finance lease liabilities | - | - |

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

| | Group | |
|--|--------------------------|-----------------------|
| | For the Six Months Ended | |
| | 30/06/2016 S\$'000 | 30/06/2015 S\$'000 |
| Cash flows from operating activities | | |
| Loss for the period | (223) | (1,562) |
| Adjustments for: | | |
| Depreciation | 113 | 111 |
| Loss on disposal of property, plant and equipment | - | 2 |
| Unrealised exchange loss | 259 | 548 |
| | 149 | (901) |
| Changes in working capital | | |
| - Inventories | 1,418 | 404 |
| - Trade and other receivables | (2,286) | (724) |
| - Other current assets | (56) | 64 |
| - Trade and other payables | 477 | 500 |
| Cash used in operations | (298) | (657) |
| Income tax paid | (46) | - |
| Net cash used in operating activities | (344) | (657) |
| Cash flows from investing activity | | |
| Purchase of property, plant and equipment | - | (4) |
| Net cash used in investing activity | - | (4) |
| Cash flows from financing activities | | |
| Proceeds from issuance of ordinary shares | - | 362 |
| Repayment of finance lease liabilities | (38) | (38) |
| Interest paid | - | (146) |
| Net cash (used in) provided by financing activities | (38) | 322 |
| Net decrease in cash and cash equivalents | (382) | (339) |
| Cash and cash equivalents at beginning of financial period | 97 | 545 |
| Effects of currency translation on cash and cash equivalents | (14) | 15 |
| Cash and cash equivalents at end of financial period ⁽¹⁾ | (299) | 221 |

Note:

⁽¹⁾ Cash and cash equivalents refers to cash and bank balance less bank overdraft.

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

| Group | Share capital | Other reserves | Accumulated losses | Total Attributable to Equity Holders of the Company | Non-controlling interests | Total |
|--|---------------|----------------|--------------------|---|---------------------------|---------------|
| | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| Balance at 1 January 2016 | 17,817 | 3,926 | (8,074) | 13,669 | (306) | 13,363 |
| Total comprehensive income / (loss) for the year | - | 197 | (224) | (27) | 53 | 26 |
| Balance at 30 June 2016 | 17,817 | 4,123 | (8,298) | 13,642 | (253) | 13,389 |
| | | | | | | |
| | | | | | | |
| | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| Balance at 1 January 2015 | 17,817 | 3,579 | (5,804) | 15,592 | (215) | 15,377 |
| Total comprehensive income / (loss) for the year | - | 347 | (2,270) | (1,923) | (91) | (2,014) |
| Balance at 31 December 2015 | 17,817 | 3,926 | (8,074) | 13,669 | (306) | 13,363 |

| Company | Share capital | Other reserves | Accumulated losses | Total |
|---|---------------|----------------|--------------------|----------------|
| | S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| Balance at 1 January 2016 | 17,817 | (21) | (13,130) | 4,666 |
| Total comprehensive loss for the period | - | - | (1,212) | (1,212) |
| Balance at 30 June 2016 | 17,817 | (21) | (14,342) | (3,454) |
| | | | | |
| | | | | |
| Balance at 1 January 2015 | 17,817 | (21) | (13,082) | 4,714 |
| Total comprehensive loss for the period | - | - | (48) | (48) |
| Balance at 31 December 2015 | 17,817 | (21) | (13,130) | 4,666 |

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

The total number of issued shares was 751,200,000 as at 30 June 2016 and 751,200,000 as at 31 December 2015

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

The total number of issued shares excluding treasury shares was 751,200,000 as at 30 June 2016 and 751,200,000 as at 31 December 2015.

1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Not applicable. The Company does not have any treasury shares.

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

These figures have not been audited or reviewed by the auditors.

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

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The Group has adopted the same accounting policies and methods of computation in the financial statements for the current reporting period as compared to the audited financial statements for the year ended 31 December 2015.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

The Group has adopted all the applicable new/revised Financial Reporting Standards ("FRS") which became effective during the year. There is no material impact on the Group's financial statements upon adoption of these FRS.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

| | For the Six Months Ended | |
|---|--------------------------|------------|
| | 30/06/2016 | 30/06/2015 |
| Loss per ordinary share of the group, after deducting any provision for preference dividends (cents): | | |
| (a) Based on weighted average number of ordinary shares on issue; and | | |
| - Basic and diluted | (0.03) | (0.21) |

7. Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the:
(a) current financial period reported on; and
(b) immediately preceding financial year.

| | Group | | Company | |
|---|------------|------------|------------|------------|
| | 30/06/2016 | 31/12/2015 | 30/06/2016 | 31/12/2015 |
| Net asset value per ordinary share based on issued share capital at the end of (cents): | 1.78 | 1.79 | 0.46 | 0.63 |

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

Revenue

The group's revenue increased by 23.9% from S\$7.5 million in 1HFY2015 to S\$9.3 million in 1HFY2016 due to increase in orders from our existing customers in Europe.

Revenue of wood-based products increased by S\$1.8 million or 23% from S\$7.5 million in 1HFY2015 to S\$9.3 million in 1HFY2016 while revenue of lifestyle outdoor furniture products declined by S\$0.14 million or 61% from S\$0.36 million in 1HFY 2015 to S\$0.14 million in 1HFY2016.

Revenue contribution from the Europe market increased by S\$2.8 million or 54.9% from S\$5.1 million in 1HFY2015 to S\$7.9 million in 1HFY2016 while revenue contribution from the Australia/New Zealand markets declined by S\$0.8 million or 40% from S\$2.0 million in 1HFY2015 to S\$1.2 million in 1HFY2016. The Asia/Other markets registered a decline of S\$0.25 million or 55.6% from S\$0.45 million in 1HFY2015 to S\$0.2 million in 1HFY2016.

Cost of sales and gross profit margin

With the increase in revenue, the cost of sales increased by S\$1.5 million or 21.3% to S\$8.4 million in 1HFY2016. The gross margin improved in 1HFY2016 because of better product mixed.

Other losses

Other gains and losses were mainly due to exchange loss of S\$61K in 1HFY2016 against exchange loss \$0.6 million in 1HFY2015.

Selling and distribution expenses

Selling and distribution expenses decreased by 30.8% to S\$0.2 million in 1HFY2016 against S\$0.3 million in 1HFY2015.

Administrative expenses

Administrative expenses decreased by S\$0.2 million to approximately S\$1 million in 1HFY2016 mainly due to cost saving from the termination of warehouse and showroom leases.

BALANCE SHEET

Current assets

Current assets increased by S\$0.9 million to S\$14.6 million in 1HFY2016. The increase of S\$2.3 million in trade and other receivables was offset by S\$1.4 million decrease in inventories held by the Group.

Non-current assets

Non-current assets decreased by S\$0.1 million to S\$4.2 million mainly due to the depreciation of property, plant and equipment.

Current liabilities

Current liabilities increased by S\$0.8 million to S\$3.5 million due mainly to higher trade and other payables of S\$0.5 million and increase in bank overdraft of S\$0.3 million to finance working capital requirements of the Group.

Cash Flows

The group incurred net cash used in operating activities before working capital changes of S\$0.01 million.

Net cash provided by working capital was due to:-

- (i) Decrease in inventories of S\$1.4 million
- (ii) Increase in trade receivables and others receivable of S\$2.3 million
- (iii) Increase in trade and other payables of S\$0.5 million

The net cash used in financing activities of S\$0.04 million was from the repayment of borrowings and finance lease liabilities.

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

Not applicable.

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

The group has on 25th July 2016 received shareholders' approval for the proposed expansion of the product range of the group to include Agricultural products. This would allow Sitra to diversify and expand its range of products, enter new sectors and increase our customer base which is expected to improve the overall financial performance of the group.

We believe that with the new products expansion it will enable Sitra to be more resilient and sustainable in the long run.

In addition, we will continue to leverage on innovation by creating new innovative products for our wood based segment and deepen our penetration to our existing markets.

With favorable condition in the Indonesia market, we expect to see improvement in the performance of our Indonesia subsidiary.

Our Group expects challenging market conditions to persist, however we will continue to closely manage our overheads and costs to improve our performance.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

No dividend has been declared for 1HFY2016.

(b) Corresponding Period of the Immediately Preceding Financial Year

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

None.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

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

Not applicable.

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

The Group has obtained a general mandate for the IPTs from the shareholders. The known IPT does not exceed S\$100,000 during the reporting period.

14. Confirmation that the issuer has procured undertakings from all its Directors and executive officers (in the format set out in Appendix 7H under Rule 720(1)).

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

15. Confirmation pursuant to the Rule 705(5) of the listing manual.

We, Chew Ah Ba and Steven Chew, being two directors of Sitra Holdings (International) Limited (the "Company"), do hereby confirm on behalf of the directors of the Company that, to the best of our knowledge nothing has come to the attention of the Board of Directors of the Company which may render the unaudited financial results of the Group for the Six Month period ended 30 June 2016 to be false or misleading.

On behalf of the Board of Directors

Chew Ah Ba
Director

Steven Chew
Director

BY ORDER OF THE BOARD

George Chew Ah Ba
Executive Chairman
14 August 2016

This announcement has been reviewed by the Company's Sponsor, RHT Capital Pte. Ltd., for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("SGX-ST"). The Company's Sponsor has not independently verified the contents of this announcement.

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.

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