

NTEGRATOR

TODAY'S INTEGRATION, TOMORROW'S SOLUTION

**Condensed Interim Financial Statements
For the six months ended 31 December 2023**

**Negrator Holdings Limited
Incorporated in the Republic of Singapore
Company Registration Number – 199904281D**

Table of Contents

A. Condensed interim consolidated statement of profit and loss and other comprehensive income	2
B. Condensed interim statements of financial position	3
C. Condensed interim statements of changes in equity	4
D. Condensed interim consolidated statement of cash flows	6
E. Notes to the condensed interim consolidated financial statements	7
F. Other information required by Appendix 7C of the Catalist Rules	16

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

		Group			12 months ended 31 December
		6 months ended 31 December		2023	
Note		2023	2022	+ / (-)	S\$'000
		S\$'000	S\$'000	%	
	Revenue	45,443	51,684	(12.1)	92,551
	Cost of sales	(40,608)	(48,340)	(16.0)	(81,466)
	Gross profit	4,835	3,344	44.6	11,085
	Other loss - net	(329)	(437)	(24.7)	151
	Distribution and marketing expenses	(13)	(6)	116.7	(41)
	Administrative expenses	(4,741)	(5,224)	(9.2)	(9,620)
	Finance expense	(2,058)	(2,097)	(1.9)	(4,045)
	Loss before income tax	(2,306)	(4,420)	(47.8)	(2,470)
	Income tax credit	59	-	100.0	1
	Loss for the period	(2,247)	(4,420)	(49.2)	(2,469)
	Other comprehensive loss, net of tax:				
	Items that may be reclassified subsequently to profit or loss:				
	Currency translation differences arising from consolidation	(71)	(22)	222.7	17
	Total comprehensive loss	(2,318)	(4,442)	(47.8)	(2,452)
	(Loss) / profit attributable to:				
	Equity holders of the Company	(2,300)	(4,538)	(49.3)	(2,722)
	Non-controlling interests	53	118	(55.1)	253
		(2,247)	(4,420)	(49.2)	(2,469)
	Total comprehensive (loss) / income attributable to:				
	Equity holders of the Company	(2,364)	(4,560)	(48.2)	(2,700)
	Non-controlling interests	46	118	(61.0)	248
		(2,318)	(4,442)	(47.8)	(2,452)
	Earnings per share for loss attributable to equity holders of the Company (cents per share):				
	Basic	8	(0.43)	(0.85)	
	Diluted	8	(0.43)	(0.85)	

B. Condensed interim statements of financial position

	Note	Group		Company	
		31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022
		S\$'000	S\$'000	S\$'000	S\$'000
ASSETS					
Current assets					
Cash and bank balances		2,682	5,613	1	265
Financial assets, at FVPL		142	177	142	177
Trade and other receivables		24,354	13,897	4,668	4,392
Contract assets		6,270	7,232	-	-
Inventories		4,684	13,713	-	-
		38,132	40,632	4,811	4,834
Non-current assets					
Investments in subsidiaries		-	-	55,533	55,533
Intangible assets	11	38,425	38,425	-	-
Property, plant and equipment	10	575	672	-	-
Right-of-use assets		1,305	908	-	-
Other investments		72	313	-	-
Deferred income tax		778	778	-	-
		41,155	41,096	55,533	55,533
Total assets		79,287	81,728	60,344	60,367
LIABILITIES					
Current liabilities					
Trade and other payables		8,979	7,425	3,811	5,952
Contract liabilities		769	401	-	-
Borrowings	12	28,337	33,085	1,800	-
		38,085	40,911	5,611	5,952
Non-current liabilities					
Trade and other payables		5,283	-	5,283	-
Borrowings	12	33,904	36,350	30,479	31,215
Total liabilities		77,272	77,261	41,373	37,167
NET ASSETS		2,015	4,467	18,971	23,200
EQUITY					
Capital and reserves attributable to equity holders of the Company					
Share capital	13	31,044	31,044	31,044	31,044
Treasury shares	13	(11)	(11)	(11)	(11)
Other reserves		(5,042)	(5,064)	-	-
Accumulated losses		(24,369)	(21,647)	(12,062)	(7,833)
		1,622	4,322	18,971	23,200
Non-controlling interests		393	145	-	-
Total equity		2,015	4,467	18,971	23,200

C. Condensed interim statements of changes in equity

Group	← Attributable to equity holders of the Company →							Non-controlling interests	Total equity
	Share capital	Treasury shares	Capital reserve	Currency translation reserve	Accumulated losses	Total	Total equity		
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000		
Balance as at 1 July 2023	31,044	(11)	(5,025)	47	(22,069)	3,986	347	4,333	
Loss for the period	-	-	-	-	(2,300)	(2,300)	53	(2,247)	
Other comprehensive loss for the period	-	-	-	(64)	-	(64)	(7)	(71)	
Total comprehensive loss for the period	-	-	-	(64)	(2,300)	(2,364)	46	(2,318)	
Balance as at 31 December 2023	31,044	(11)	(5,025)	(17)	(24,369)	1,622	393	2,015	
Balance as at 1 July 2022	30,785	(11)	(5,025)	(17)	(17,109)	8,623	27	8,650	
Loss for the period	-	-	-	-	(4,538)	(4,538)	118	(4,420)	
Other comprehensive loss for the period	-	-	-	(22)	-	(22)	-	(22)	
Total comprehensive loss for the period	-	-	-	(22)	(4,538)	(4,560)	118	(4,442)	
Issuance of shares	259	-	-	-	-	259	-	259	
Balance as at 31 December 2022	31,044	(11)	(5,025)	(39)	(21,647)	4,322	145	4,467	

C. Condensed interim statements of changes in equity (cont'd)

Company	Attributable to owners of the Company			
	Share capital	Treasury shares	Accumulated losses	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000
Balance as at 1 July 2023	31,044	(11)	(9,862)	21,171
Loss for the period	-	-	(2,200)	(2,200)
Balance as at 31 December 2023	31,044	(11)	(12,062)	18,971
Balance as at 1 July 2022	30,785	(11)	(5,271)	25,503
Loss for the period	-	-	(2,562)	(2,562)
Issuance of shares	259	-	-	259
Balance as at 31 December 2022	31,044	(11)	(7,833)	23,200

D. Condensed interim consolidated statement of cash flows

		Group		
		6 months ended		12 months ended
		31 December	31 December	31 December
		2023	2022	2023
Note		S\$'000	S\$'000	S\$'000
Cash flows from operating activities				
	Net loss	(2,247)	(4,420)	(2,469)
	Adjustments for:			
	- Depreciation of property, plant and equipment	6.1 153	165	315
	- Depreciation of right-of-use assets	6.1 368	439	768
	- Fair value loss on financial assets at FVPL	6.1 70	71	35
	- Impairment loss on long term assets	-	19	-
	- Interest expense	2,058	2,097	4,045
	- (Gain) / Loss on disposal of property, plant and equipment	17	(1)	17
	- Impairment loss on inventory	-	327	-
	- Waiver of lease payment	-	(36)	-
	- Dividend income	(2)	-	(4)
	- Interest income	(2)	-	(2)
	- Unrealised currency translation loss	(657)	36	(544)
		(242)	(1,303)	2,161
	Change in working capital:			
	- Inventories	5,343	(8,929)	9,029
	- Trade and other receivables	(1,668)	22,878	(9,127)
	- Trade and other payables	(52)	1,108	5,174
	Net cash generated from operating activities	3,381	13,754	7,237
Cash flows from investing activities				
	Additions to property, plant and equipment	10 (42)	(205)	(246)
	Dividend received	2	-	4
	Interest received	2	-	2
	Proceeds from disposal of financial assets	-	21	-
	Proceeds from disposal of other investments	239	-	239
	Proceeds from disposal of property, plant and equipment	27	4	27
	Acquisition of subsidiaries, net of cash acquired	-	155	-
	Net cash generated from / (used in) investing activities	228	(25)	26
Cash flows from financing activities				
	Proceeds from issuance of ordinary shares	-	259	-
	Proceeds from bank borrowings	-	554	-
	Cash advances from short term loan	1,000	-	1,800
	Repayment to shareholder	-	-	(205)
	Bank deposits discharged/(pledged)	-	(173)	177
	Repayment of borrowings	(2,887)	(6,698)	(3,917)
	Repayment of lease liabilities	(423)	(418)	(816)
	Interest paid	(1,142)	(2,416)	(2,176)
	Net cash used in financing activities	(3,452)	(8,892)	(5,137)
	Net increase in cash and cash equivalents	157	4,837	2,126
Cash and cash equivalents				
	At the beginning of financial period	1,389	(5,417)	(580)
	Effects of currency translation on cash and cash equivalents	-	-	-
	At the end of financial period	1,546	(580)	1,546

E. Notes to the condensed interim consolidated financial statements

1. Corporate information

Ntegrator Holdings Limited (the “**Company**”) is listed on the Catalist Board of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) and incorporated and domiciled in Singapore. These condensed interim consolidated financial statements as at and for the six months ended 31 December 2023 comprise the financial statements of the Company and its subsidiaries (collectively, the “**Group**”).

The principal activity of the Company is that of investment holding. The principal activities of the Group are:

- (a) To provide system integration services of voice, video and data communication networks and building construction cable/civil works for underground road and inbuilding;
- (b) To provide building construction New Engineering Contracts (fiber patching, splicing, installation and maintenance);
- (c) To provide for the retailing, designing, manufacturing, marketing, distributing, trading and selling of watches and watch accessories; and
- (d) To provide for e-commerce solutions, mobile content development, online payment solutions, digital advertising and social marketing.

2. Basis of preparation

The condensed interim financial statements for the six months ended 30 December 2023 have been prepared in accordance with Singapore Financial Reporting Standards (International) (“**SFRS(I)s**”) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last annual financial statements for the year ended 31 December 2022.

Other than the adoption of the amended standards as set out in Note 2.1, there were no changes in accounting policies and methods of computation adopted in the financial statements for the current reporting period as compared to the most recent audited annual financial statements as at 31 December 2022, which were in accordance with SFRS(I)s.

The financial statements have been prepared on a going concern basis under the historical cost convention except for financial assets classified as fair value through other comprehensive income. The condensed interim financial statements are presented in Singapore dollars which is the Company’s functional currency.

2.1 Accounting Policies & adoption of new and revised standards

The accounting policies applied by the Group for this set of interim financial statements are the same as those applied in the previous financial year, which were prepared in accordance with SFRS(I)s, except for the adoption of the new and revised SFRS(I)s that are effective for the annual period beginning on 1 January 2023. The adoption of these new/revised SFRS(I)s pronouncements does not result in changes to the Group’s and Company’s accounting policies and has no material effect on the amounts reported for the current or prior years.

2.2 Use of judgements and estimates

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

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

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 were applied to the consolidated financial statements as at and for the year ended 31 December 2022.

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

The Group is organised into four operating segments:

- (i) Corporate;
- (ii) Project sales, project management and maintenance services;
- (iii) Retail; and
- (iv) Internet marketing

Corporate segment consists of investment holding company and dormant company which do not meet any of the quantitative threshold for determining a reportable segment.

Project sales segment engages in integration of network infrastructure that enables the customers to communicate electronically within an organisation or with another organisation whether located in the same country or globally. It also provides the customers with seamless integration of a wide variety of voice and data signals used in large institutional telecom applications. Project management and maintenance services segment provides installation and implementation services of the network infrastructure or voice communication systems that have been purchased by the customers from the Group's principals, and maintenance and support services mainly for the network infrastructure and voice communication systems.

Retail segment involves in sale of watches.

Internet marketing segment consists of services on digital advertising, digital content distribution and fashion e-commerce. It provides online advertising services to brand owners and advertising agencies. Its online advertising and content distribution services include social viral, engager and mass blogging services. Fashion e-commerce segment involves providing fulfilment solutions to merchants in Southeast Asia and worldwide.

4.1 Reportable segments

	Corporate		Project sales, project management and maintenance services		Retail		Internet marketing		Consolidated	
	6 months ended 31 December									
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Segment revenue										
Revenue to external parties	-	-	10,173	10,333	31,873	38,714	3,397	2,637	45,443	51,684
Segment results	-	-	2,331	857	1,596	1,634	908	853	4,835	3,344
Other gains / (loss) - net	44	(197)	137	252	(513)	(369)	3	(123)	(329)	(437)
- Distribution and marketing	-	(4)	-*	(1)	-	(1)	(13)	-	(13)	(6)
- Administrative	(1,153)	(1,518)	(2,484)	(2,739)	(410)	(545)	(694)	(422)	(4,741)	(5,224)
- Finance	(1,047)	(1,118)	(138)	(268)	(816)	(668)	(57)	(43)	(2,058)	(2,097)
(Loss) / Profit before income tax	(2,156)	(2,837)	(154)	(1,899)	(143)	51	147	265	(2,306)	(4,420)
Income tax credit for the period	-	-	-	-	11	-	48	-	59	-
Net (loss) / profit	(2,156)	(2,837)	(154)	(1,899)	(132)	51	195	265	(2,247)	(4,420)

* Amount below S\$1,000

4.1 Reportable segments (cont'd)

	Corporate		Project sales, project management and maintenance services		Retail		Internet marketing		Consolidated	
	31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Assets and liabilities										
Segment assets	38,657	38,954	13,200	16,903	25,113	22,096	2,317	3,775	79,287	81,728
Segment liabilities	(38,554)	(32,050)	(10,217)	(15,039)	(24,542)	(25,588)	(3,959)	(4,584)	(77,272)	(77,261)

	Corporate		Project sales, project management and maintenance services		Retail		Internet marketing		Consolidated	
	6 months ended 31 December									
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Other segment information										
Expenditure for property, plant and equipment		-	(38)	(189)	-	(1)	(4)	(15)	(42)	(205)
Other non-cash items:										
Depreciation of property, plant and equipment	-	-	(130)	(138)	(5)	(8)	(18)	(19)	(153)	(165)

4.1 Reportable segments (cont'd)

	Singapore		Hong Kong		Vietnam		Consolidated	
	6 months ended 31 December							
	2023	2022	2023	2022	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Segment revenue								
Sales to external parties	10,093	10,333	35,270	41,351	80	-	45,443	51,684

	Singapore		Hong Kong		Consolidated	
	31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Non-current assets	41,052	40,726	103	370	41,155	41,096

Revenue for the six months ended 31 December 2023 of approximately S\$7,561,234 (31 December 2022: S\$6,761,148) is derived from a single external customer. This revenue is attributable to the project sales, project management and maintenance services segment.

5. Financial assets and financial liabilities

	Group		Company	
	31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022
	S\$'000	S\$'000	S\$'000	S\$'000
Financial assets, at amortised cost	26,754	18,713	4,579	4,590
Financial assets, at fair value through profit or loss	142	177	142	177
Financial liabilities, at amortised cost	(76,039)	(76,334)	(41,372)	(37,167)

6. Loss before taxation

6.1. Significant items

	Group	
	6 months ended 31 December	
	2023	2022
	S\$'000	S\$'000
Expenses		
Depreciation of property, plant and equipment	153	165
Depreciation of right-of-use assets	368	439
	521	604
Other loss – net		
Fair value (losses)		
- Financial assets and liabilities, mandatorily measure at FVPL		
- Financial assets, at FVPL	(70)	(71)
Currency exchange loss - net	(388)	(108)
Loss on disposal of property, plant and equipment	(17)	(1)
Interest income	2	-
Fund dividend income	2	2
Provision for impairment on long term assets	-	(19)
Reversal of impairment loss/(impairment) on inventory	2	(327)
Government grants	40	143
Miscellaneous claims	100	(56)
	(329)	(437)

6.2. Related party transactions

There are no material related party transactions.

7. Taxation

The Group calculates the current financial period's income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major component of income tax credit in the condensed interim consolidated statement of profit or loss is:

	6 months ended 31 December	
	2023	2022
	S\$'000	S\$'000
Current income tax credit	59	-

8. Earnings per share

Basic losses per share is calculated by dividing the net loss attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the financial period.

	Group	
	6 months ended 31 December	
	2023	2022
Net loss attributable to equity holders of the Company (S\$'000)	(2,300)	(4,538)
Weighted average number of ordinary shares	532,685,377	532,685,377
Based on weighted average number of ordinary shares on issue (cents)	(0.43)	(0.85)
Fully diluted number of ordinary shares	532,685,377	532,685,377
Based on fully diluted basis (cents)	(0.43)	(0.85)
Issued share capital at the end of financial period	532,685,377	532,685,377

9. Net asset value per share

	Group		Company	
	31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022
Net asset value per ordinary share (cents per share) (S\$)	0.38	0.84	3.56	4.36
Total number of issued shares (excluding treasury shares) as at end of period/year	532,601,711	532,601,711	532,601,711	532,601,711

10. Property, plant and equipment

During the six months ended 31 December 2023, the Group acquired assets amounting to \$42,000 (31 December 2022: \$205,000) and disposed of assets amounting to \$27,000 (31 December 2022: \$65,000).

11. Intangible assets

	Group	
	Goodwill	
	S\$'000	
Net book value		
As at 1 July 2022		30,827
Additions		7,598
As at 31 December 2022 and 31 December 2023		38,425
	Goodwill on consolidation	
	31 Dec 2023	31 Dec 2022
	S\$'000	S\$'000
Cost	38,425	38,425
Accumulated amortisation and impairment	-	-
Net book value	38,425	38,425

12. Borrowings

	Group	
	31 Dec 2023	31 Dec 2022
	S\$'000	S\$'000
Amount repayable within one year or on demand		
Secured	22,577	24,620
Unsecured	5,760	8,465
Amount repayable after one year		
Secured	-	7,619
Unsecured	33,904	28,731

Bank borrowings of S\$22.6 million (31 December 2022: S\$24.6 million) from one of the subsidiaries are secured by private properties to serve as the collaterals owned by a director.

13. Share capital

	No. of ordinary shares		Amount	
	Issued share capital	Treasury shares	Issued share capital	Treasury shares
			S\$'000	S\$'000
Group and Company				
At 31 December 2022 and 31 December 2023	532,685,377	(83,666)	31,044	(11)

All issued ordinary shares are fully paid. There is no par value for these ordinary shares.

Fully paid ordinary shares (except for treasury shares) carry one vote per share and carry a right to dividends as and when declared by the Company.

F. Other information required by Appendix 7C of the Catalyst Rules

1. Review

The condensed consolidated statements of financial position of the Group as at 31 December 2023 and the related condensed consolidated statement of profit and loss, condensed consolidated statement of comprehensive income, condensed consolidated statements of changes in equity and condensed consolidated statement of cash flows for the six-month period ended 31 December 2023 and certain explanatory notes (the "Condensed Consolidated Financial Statements") have not been audited or reviewed by the Company's auditors.

2. Review of performance of the Group

Overview

The Group posted a revenue of S\$45.4 million for the six months ended 31 December 2023 ("HY2024") representing a decrease of 12.1% or S\$6.3 million from S\$51.7 million recorded in the previous corresponding period ("HY2023").

The Group posted a gross profit of S\$4.8 million in HY2024, representing an increase of 44.6% from S\$3.3 million reported in HY2023. This is a result of better management of cost of sales.

Overall, the Group made a net loss of S\$2.2 million in HY2024 compared to a net loss of S\$4.4 million in HY2023. Before taking into consideration non-controlling interests, net loss attributable to equity holders of the Company is S\$2.3 million in HY2024 compared to a net loss of S\$4.5 million in HY2023.

Revenue

Group Revenue	HY2024	HY2023	Increase/ (Decrease)
	S\$'000	S\$'000	%
Project Sales	482	1,174	(58.9)
Project Management and Maintenance Services	9,691	9,159	5.8
Retail	31,873	38,714	(17.7)
Internet Marketing	3,397	2,637	28.8
Total Group	45,443	51,684	(12.1)

The Group's revenue decreased by 12.1% in HY2024. The Project Sales and Retail segments of the Group were the main driver for the overall decrease in revenue. This was partially offset by an increase in revenue from the Project Management and Maintenance Services and Internet Marketing segments of the Group.

Project sales segment showed a decrease of 58.9% to S\$0.5 million in HY2024. Project sales are typically subject to a cycle starting from tendering, procuring and finishing with delivery. A number of the Group's order book is in the work-in-progress stage and is targeted to complete in the next half year. The Group is also constantly in the progress of submitting numerous tenders for all its business markets and is at the start of such a cycle.

Revenue in the Project Management and Maintenance Services segment increased marginally by 5.8% to S\$9.7 million in HY2024. The increase was a result of improvement in work efficiency and also the return of the foreign labour force who were allowed staggered home leave in the first half year of 2023. Nonetheless, this segment has always provided the Group with a steady stream of recurring income. The Group maintained, and intends to maintain its strategy of focusing on this core business segment.

The Retail segment contributed 70.1% or S\$31.9 million to the overall Group revenue of S\$45.4 million in HY2024. Revenue in retail segment decreased by 17.7% to S\$31.9 million in HY2024. The decrease in revenue was due to a sluggish consumer demand in luxury and spending stemming from an uncertain economic outlook as the global economy continues to recover from the Covid-19 pandemic.

The Internet Marketing segment contributed 7.5% or S\$3.4 million to the overall Group revenue of S\$45.4 million in HY2024. Revenue in Internet Marketing segment increased by 28.8% to S\$3.4 million in HY2024. The increase in revenue was due to a surge in the E-Commerce operations as more consumers recognise the subsidiary's in-house brand product. This is the result of direct advertising campaigns to boost brand awareness and promoting the products carried by the subsidiary.

Profitability

Gross Profit	HY2024	HY2023	Increase/ (Decrease)
	S\$'000	S\$'000	%
Project Sales	208	245	(15.1)
Project Management and Maintenance Services	2,123	612	246.9
Retail	1,596	1,634	(2.3)
Internet Marketing	908	853	6.4
Total Group	4,835	3,344	44.6

While the Group's revenue decreased, there was an improvement in the overall profitability of the Group contributed by the Project Management and Maintenance Services and Internet Marketing segment. Overall, the Group's profitability increased by 44.6% to S\$4.8 million in HY2024. This is a result of better management of costs by the Group.

Earnings before interest, tax, depreciation and amortisation ("EBITDA")	HY2024	HY2023	Decrease
	S\$'000	S\$'000	%
Loss before income tax	(2,306)	(4,420)	(47.8)
Add: Finance expenses	2,058	2,097	(1.9)
Add: Depreciation of property, plant and equipment and right-of-use assets	521	604	(13.7)
EBITDA	273	(1,719)	N.M.

The Group generated a positive EBITDA of S\$0.3 million in HY2024 as compared to a negative EBITDA of S\$1.7 million in HY2023.

The Group made a net loss of S\$2.2 million in HY2024 compared to a net loss of S\$4.4 million in HY2023 after taking into consideration the following:

- Decrease in cost of sales by 16.0% was mainly attributed to the Project Sales segment resulted due to the decline in the number of internally completed projects with higher margin as compared to the previous financial period. This is mitigated by a decrease in cost of sales under Project Management and Maintenance Services segment mainly due to the cost cutting measures taken during the 2nd quarter of HY2023 (November 2022) and improvements in work efficiency.
- Decrease in other loss – net by 24.7% due mainly to higher miscellaneous income received.
- Higher distribution and marketing expense by 116.7% mainly due to higher corporate action marketing cost.
- Decrease in administrative expenses by 9.2% largely due to reduction in administrative manpower and lower spending on professional fees. Details as shown in the table below.

	HY2024	HY2023	Increase/ (Decrease)
	S\$'000	S\$'000	%
Manpower	2,869	3,100	(7.5)
Depreciation of property, plant and equipment and right-of-use assets	521	604	(13.7)
Other professional fees	207	361	(42.7)
Bank charges	29	68	(57.4)
Telephone and internet	19	12	58.3
Others	1,096	1,079	1.6
Total administrative expenses	4,741	5,224	(9.2)

- Decrease in finance expenses by 1.9% or S\$39,000 from S\$2.097 million in HY2023 to S\$2.058 million in HY2024 is mainly due to decrease in interest paid as a result of repayment of promissory notes issued to fulfil the consideration of the acquisition of New Genesis Developments Limited (“**NG Acquisition**”) and Golden Ultra Limited (“**GU Acquisition**”).

Before taking into consideration non-controlling interests, net loss attributable to equity holders of the Company is S\$2.3 million in HY2024 compared to a net loss of S\$4.5 million in HY2023.

Financial Position

Assets

Cash and bank balances decreased by S\$2.9 million to S\$2.7 million as at 31 December 2023 mainly due to repayment of bank overdraft of S\$4.9 million, net cash generated from operating activities of S\$7.2 million, net cash generated from investing activities of S\$26,000, net cash used in financing of S\$5.1 million and a restricted cash balance of S\$0.2 million. Cash and bank balances decrease by S\$3.0 million to S\$2.6 million as at 30 June 2023 mainly due to repayment of bank overdraft of S\$4.8 million, net cash generated from operating activities of S\$3.9 million, net cash used in investing activities of S\$0.2 million, net cash used in financing of S\$1.7 million and a restricted cash balance of S\$0.2 million.

Trade and other receivables increased by S\$10.5 million mainly due to the increase of trade receivables of the Group by S\$15.0 million, majority of which were resulted from the sales from Retail Segment that was billed and remains unpaid as at 31 December 2023. As at 31 December 2023, 82.2% of the trade receivables are not due, 7.9% are 1 to 90 days past due and 9.9% are more than 90 days past due. This was mitigated by a decrease in the advance payment made to suppliers of S\$1.4 million for the sourcing of watches requested by the customers, reduction in prepayment of S\$0.3 million and decrease in amount due to non-related parties of S\$2.8 million.

Inventories decreased by S\$9.0 million mainly due to decrease in the inventories kept for the Retail Segment by S\$8.9 million as part of the Company strategy to maintain stock efficiency.

Contract assets decreased by S\$0.9 million or 13.3% which is a result of unbilled receivables readily transferring to trade receivables from both Project sales and Project management and maintenance services segments.

The increase in property, plant and equipment and right-of-use assets of \$0.3 million to S\$1.9 million as at 31 December 2023 was mainly due to:

- Purchase of property, plant and equipment of S\$0.2 million;
- Addition of right-of-use assets of S\$1.2 million resulting from the new lease of office and warehouse; offset by
- Depreciation of property, plant and equipment of S\$0.3 million; and
- Depreciation of right-of-use assets S\$0.8 million.

The increase in property, plant and equipment and right-of-use assets of \$0.2 million to S\$1.8 million as at 30 June 2023 was mainly due to:

- Purchase of property, plant and equipment of S\$0.2 million;
- Addition of right-of-use assets of S\$0.6 million resulting from the new lease of office and warehouse; offset by

- Depreciation of property, plant and equipment of S\$0.2 million; and
- Depreciation of right-of-use assets S\$0.4 million.

Liabilities

Current trade and other payables increased by S\$1.6 million mainly due to the increase of accruals for operating expenses and amount due to director by S\$0.9 million and S\$0.8 million respectively. The increase in amount due to director arose from an interest free loan from director for the Retail Business segment for operational cash flow needs of a subsidiary. The increase was also contributed by the advance payment made by customers of S\$0.5 million for watches reservation. This was offset by a decrease in trade payables of S\$0.2 million, decrease in amount due to shareholders of S\$0.2 million and other non-trade payables of S\$0.2 million.

Current borrowings decreased by S\$4.8 million mainly due to the repayments of bank overdraft of S\$4.9 million, repayment of bank borrowings of S\$1.8 million and offset by cash advances from short term loan of S\$1.8 million and additions in lease liabilities of S\$0.1 million in HY2024.

Non-current borrowings decreased by S\$2.5 million due to the repayment of loan of S\$2.7 million and offset by additions to lease liabilities of S\$0.2 million.

As at date of this announcement, the Board of Directors has assessed the overall receivables and liabilities of the Group. Barring any unforeseen circumstances and in the opinion of the Board of Directors, the Group will be able to continue as a going concern as there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

Cash flow

The Group recorded cash and cash equivalents of S\$1.5 million, net of bank deposits pledged and bank overdraft of S\$0.2 million and S\$0.9 million respectively, at the end of HY2024. This was an increase of S\$2.1 million from negative of S\$0.6 million as at 31 December 2022.

The Group's net cash generated from operating activities in HY2024 was S\$3.4 million. This is due to an operating net loss of S\$2.2 million adjusted for:

- Interest expenses of S\$2.1 million;
- Depreciation of property, plant and equipment and right-of-use asset of S\$0.5 million;
- Fair value loss on financial assets at FVPL of S\$0.1 million;
- Loss on disposal of property, plant and equipment of S\$17,000;
- Unrealised currency translation gain of S\$0.7 million;
- Decrease in inventories of S\$5.3 million;
- Increase in trade and other receivables of S\$1.7 million; and
- Increase in trade and other payables of S\$52,000.

The Group's net cash generated from investing activities in HY2024 was S\$0.2 million mainly due to:

- Proceeds from disposal of other investments of S\$0.2 million;
- Proceeds from disposal of property, plant and equipment of S\$27,000;
- Cash used in purchase of property, plant and equipment of S\$42,000.

The Group's net cash used in financing activities in HY2024 amounted to S\$3.5 million. Cash advances from short term loan of S\$1.0 million were mainly offset by:

- Repayment of borrowings of S\$2.9 million;
- Repayment of lease liabilities of S\$0.4 million; and
- interest paid of S\$1.2 million.

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

The financial results are in line with the forecast statement disclosed in the Company's announcements dated 14 March 2022 for two contracts secured for the amount of S\$26.0 million and S\$3.0 million respectively. As the contracts from Project Management segment are currently in-progress and still on track to be completed by 31 December 2024 as previously announced, the Company does not expect a material variance on the expected results on the completion of the contracts.

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

The outstanding order book (contracts signed) as at 31 December 2023 is S\$59.4 million. The majority of the Group's outstanding order book is in Singapore and from the Group's repeated customers. Project Management and Maintenance Services segment forms the majority of the order book. The Group will continue to improve this segment of the business which is providing a recurring revenue stream. Project sales segment still remains a core business of the Group. Despite of a smaller order book, the Group is constantly on the lookout for opportunities as its track record and reputation has always been strong in these endeavours.

The Group expected to see improvement in revenue after completion of the GU Acquisition and NG Acquisition. However, the Group anticipates that the operating landscape for both the telecom infrastructure and watch business will continue to present challenges over the upcoming 12 months. These difficulties stem from an uncertain economic outlook, exacerbated by elevated inflation and the looming possibility of recession. These factors have contributed to a decrease in consumer demand and spending, further complicating the business environment. Considering the upcoming challenges, the Group has been diligently overseeing its expenses and is carefully evaluating and putting into action a range of strategies aimed at reducing costs and maintaining effective cost control.

Market outlook for telecom infrastructure

According to Singapore Telecom Market Size and Share Analysis – Growth Trends & Forecast (2024 -2029) by Mordor Intelligence¹, the Singapore Telecom market in the current year and is expected to a register a CAGR of 1.41% during the forecast period. Singapore has among the highest internet penetration rates globally, with more than 90% of its residents having internet access. The Covid-19 pandemic substantially impacted Singapore's telecom sector, lowering penetration rates and postponing several critical infrastructure projects. The overall impact on the industry was quite mild compared to other industries that almost crumbled under the closure.

This trend will not be uniform across all markets. In emerging 5G markets, capex will continue to accelerate over the forecast period on 5G network rollout. To be competitive, Singapore has always accepted forced reinvention. Its strategies include providing cutting-edge technology, such as 5G. The country's primary goal is to "invest ahead and invest early" in critical infrastructure.

Market outlook for watch market

According to Market Analysis Report published by Grand View Research², the global luxury watch market size was valued at USD 42.21 billion in 2022 and is expected to grow at a compound annual growth rate (CAGR) of 5.0% from 2023 to 2030. The growing inclination for using luxury watches as a status sign amongst adults is an important factor driving the industry. The Company will position itself in the industry to tap the growth in the global luxury watch business.

The online channel segment is projected to expand at the fastest CAGR of more than 5.5% from 2023 to 2030. Consumers use online channels to purchase premium products on account of favourable value-added services including cash-on-delivery, easy return option, safe transactions, and integrated and centralized customer services.

Market outlook for Internet Marketing

According to an article by Science Direct³, the rapid development of online computing technology makes it imperative for businesses to seriously consider the Internet to avoid losing competitive advantage. A Web site gives direct contact between the organization and the consumer. However, product characteristics play an important role in whether the organization benefits from utilizing the Web as a means of direct sales. Despite overwhelming statistics regarding Internet development, both successful and unsuccessful cases of Internet marketing have reported. The Company have adopted the approach of building its competitive edge in the internet marketing although there is no substantial contribution to the Group's revenue currently. The Company still saw an improvement of approximately 28.8% growth in revenue during the reporting period (Refer to Page 9 of this report).

¹Singapore Telecom Market - Companies, Share & Industry Outlook (mordorintelligence.com)

² <https://www.grandviewresearch.com/industry-analysis/luxury-watch-market>

³[Marketing on the Internet — who can benefit from an online marketing approach? - ScienceDirect](https://www.sciencedirect.com/science/article/pii/S0959630920300000)

5. **Details of any changes in the company's share capital arising from rights issue, bonus issue, subdivision, consolidation, 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 the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, 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. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed 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.**

	Ordinary Shares	Warrants Outstanding/(Exercised)
Balance as at 30 June 2023	532,685,377	-
Balance as at 31 December 2023	532,685,377	-

The Company's share capital excluding treasury shares was S\$31,032,704 and comprised 532,601,711 shares as at 31 December 2023 and 31 December 2022.

Convertibles

There are no outstanding warrants as at 31 December 2023 and 31 December 2022.

Treasury Shares

There were 83,666 treasury shares representing 0.02% of the Company's 532,601,711 ordinary shares (excluding treasury shares) as at 31 December 2023 and 31 December 2022.

Subsidiary Holdings

There were no subsidiary holdings as at 31 December 2023 and 31 December 2022.

6. 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.

	31 Dec 2023	31 Dec 2022
Beginning and end of financial period	532,601,711	532,601,711

7. A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Not applicable. There were no sales, transfers, cancellation and/or use of treasury shares during and as at the end of the current financial period reported on.

8. A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

Not applicable. The Company did not have any subsidiary holdings during and at the end of the current financial period reported on.

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

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

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

Not applicable.

- 11. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion (this is not required for any audit issue that is a material uncertainty relating to going concern): —**
- (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.**

The independent auditor of the Company, RT LLP, has in their Independent Auditor's Report for the financial year ended 31 December 2022 dated 29 July 2023 expressed a disclaimer of opinion in respect of i) Notice of Compliance ("NOC") issued by Singapore Exchange Regulation ("SGX RegCo" or the "Exchange") and ii) Opening balance of inventories. The independent auditors of the Company, RT LLP has been engaged on 5 January 2023 under an Agreed-Upon Procedures Engagement for observation of Year-End inventory Count for the financial year ended 31 December 2022. They are unable to go back in time to determine the opening balance of inventories as at 1 January 2022.

Subsequent to the receipt of NOC dated 27 June 2022 from the SGX RegCo, the Company had on 25 July 2022 announced the appointment of Provenance Capital Pte. Ltd. as the Joint Independent Reviewer pursuant to the NOC.

The Company had been cooperating with the Joint Independent Reviewer to complete the independent review and the result of the findings were released on 10 November 2023.

To address the findings in the Independent Review Report, the Company will engage an internal auditor to review its existing standard operating procedures ("SOP") relating to investments and acquisitions of companies and businesses and to provide recommendations on the implementation of such SOP. The Internal auditor primary objectives are to identify any gaps, weaknesses or areas of improvement in the existing procedures and assess the Company's internal controls processes raised by SGX, which would be mainly focusing on the following areas:-

- Review of general control environment;
- Corporate governance;
- Interested person transactions;
- Investment management for expansion, mergers, acquisition and disposal etc.

Management will continue to monitor and ensure compliance with such SOP as part of the Group's operations including but not limited to its investments and acquisitions of companies and businesses, and explain to the Board of Directors of the Company on the deviations, if any, from SOP.

As at the date of this announcement, the internal audit review on the Company's existing standard operating procedures remains ongoing. The Company will update shareholders when there are material developments.

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

Please refer to "E. Notes to the condensed interim consolidated financial statements: 2. Basis of Preparation".

- 13. If there were 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.**

Please refer to "E. Notes to the condensed interim consolidated financial statements: 2.1. Accounting policies and adoption of new and revised standards".

14. Dividend Information

(a) Current Financial Period Reported on

No dividend was declared or recommended for the current financial period reported on.

(b) Corresponding Period of the Immediately Preceding Financial Year

No dividend was declared or recommended for the corresponding period of the immediately preceding financial year.

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).

Not applicable.

(d) Date Payable

Not applicable.

(e) Books Closure Date

Not applicable.

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

Due to losses incurred, no dividend has been declared for the current financial period ended 31 December 2023.

16. If the Group has obtained a general mandate from shareholders for interested person transactions ("IPT"), the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Group has not obtained a general mandate from shareholders of the Company for Interested Person Transactions. Save for the below, there were no IPT transactions amounting to S\$100,000 and above during the financial period ending 31 December 2023.

Name of interested person	Nature of relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)
Mission Well Limited	Mission Well Limited is a substantial shareholder of the Company.	S\$207,192.78 ⁽²⁾	Nil

	The value at risk disclosed herein represents the accrued interest paid to Mission Well Limited under a promissory note issued to fulfil the consideration of the GU Acquisition ⁽¹⁾ .		
Christian Kwok-Leun Yau Heilesen ⁽²⁾	Christian Kwok-Leun Yau Heilesen is an Executive Director of the Company and was deemed interested in Mission Well Limited which was 100% owned by him. The value at risk disclosed herein represents the accrued interest paid to Christian Kwok-Leun Yau Heilesen under a promissory note issued to fulfill the consideration of the GU Acquisition.	S\$37,971.99	Nil

⁽¹⁾ NG Acquisition and GU Acquisition (the “**GU and NG Acquisitions**”) were proposed on 12 October 2021 followed by a circular issued on 10 February 2022. Shareholders’ approval for the GU and NG Acquisitions were obtained during the extraordinary general meeting held on 4 March 2022. Subsequent to the shareholders’ approval, the GU Acquisition and NG Acquisition were completed on 25 April 2022 and 30 May 2022 respectively.

⁽²⁾ As at date of this announcement, Christian had disposed 100% of Mission Well Limited. As at 31 December 2023, Mission Well Limited is 100% owned by Christian Kwok-Leun Yau Heilesen, the aggregate of interest due to Christian Kwok-Leun Yau Heilesen is S\$245,164.77.

As at date of this announcement, the holders of the promissory notes are: -

	S\$
Zheng Zeli	27,308,240
Tam Ki Ying	2,338,487
Incredible Holdings Ltd	599,040
Total	30,245,767

17. 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)

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

18. Disclosures on Acquisition and Realisation of Shares pursuant to Rule 706A

There is no acquisition or realisation of shares pursuant to Rule 706A of the Catalist Rules during the period under review.

CONFIRMATION BY THE BOARD PURSUANT TO RULE 705(5) OF THE CATALIST RULES

On behalf of the Board of Directors of the Company, we hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the unaudited financial statements for the 6 months ended 31 December 2023 to be false or misleading in any material aspect.

On behalf of the Board of Directors

Christian Kwok-Leun Yau Heilesen
Executive Director
8 February 2024

By Order of the Board
Ntegrator Holdings Limited

Christian Kwok-Leun Yau Heilesen
Executive Director

8 February 2024

This announcement has been reviewed by the Company's Sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "Exchange") and the Exchange assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document.

The contact person for the Sponsor is Ms. Ng Shi Qing, 16 Collyer Quay #10-00 Collyer Quay Centre Singapore 049318, sponsorship@ppcf.com.sg.