



Unaudited Condensed Interim Financial Statements For First Half ended 31 December 2022

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF YEAR AND FULL YEAR RESULTS

- 1 (a) An income statement and statement of comprehensive income, or a statement of comprehensive income (for the Group) together with a comparative statement for the corresponding period of the immediately preceding financial year

Condensed interim consolidated statement of profit or loss and other comprehensive income for first half ended 31 Dec 2022.

	Note	Group		Change
		1H FY2023	1H FY2022	
		\$'000	\$'000	%
Revenue	N3	7,615	8,089	(5.9)
Cost of sales		(3,800)	(4,000)	(5.0)
Gross profit		3,815	4,089	(6.7)
Other operating income	N4	320	657	(51.3)
Distribution costs		(1,449)	(1,513)	(4.2)
Administrative expenses		(3,152)	(3,091)	2.0
Write back of allowance on trade receivables		10	149	(93.3)
Other operating expenses		(173)	(136)	27.2
Finance costs		(11)	(18)	(38.9)
Loss / (Profit) before income tax	N5	(640)	137	(567.2)
Income tax expenses	N6	(6)	(31)	(80.6)
Loss/ (Profit) for the period		(646)	106	(709.4)
Other comprehensive income:				
<i>Item that will not be reclassified subsequently to profit or loss</i>				
Net fair value loss in equity instruments designated as at FVTOCI ⁽¹⁾		(85)	(11)	n.m
<i>Items that may be reclassified subsequently to profit or loss</i>				
Exchange differences arising on translation of foreign subsidiaries		(5)	-	n.m
Financial assets at FVTOCI ⁽¹⁾ :				n.m
Fair value loss on investments in debt instruments measured at FVTOCI		(34)	-	n.m
Other comprehensive loss for the period		(124)	(11)	n.m
Total comprehensive (loss) / income for the period		(770)	95	n.m

n.m = not meaningful

Note:

¹ FVTOCI - denote fair value through other comprehensive income

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

Condensed interim statement of financial position

	Note	Group		Company	
		31 Dec 22 \$'000 Unaudited	30 Jun 22 \$'000 Audited	31 Dec 22 \$'000 Unaudited	30 Jun 22 \$'000 Audited
ASSETS					
Current assets					
Cash and bank balances		8,233	11,890	5,811	8,723
Trade receivables	N8	1,626	849	1,176	484
Amount due from subsidiaries		-	-	387	153
Deposits, other receivables and prepayments		1,553	769	515	708
Inventories	N9	4,443	1,544	3,971	1,173
Total current assets		15,855	15,052	11,860	11,241
Non - current assets					
Deposits, other receivables and prepayments		-	222	-	222
Subsidiaries		-	-	3,097	3,097
Club membership		208	208	208	208
Financial assets at FVTOCI ⁽¹⁾		2,618	2,642	2,618	2,642
Plant and equipment		417	446	327	338
Right-of-use assets		406	728	406	728
Investment properties		14,658	16,558	14,658	16,558
Deferred tax assets		35	35	25	25
Total non-current assets		18,342	20,839	21,339	23,818
Total assets		34,197	35,891	33,199	35,059
LIABILITIES AND EQUITY					
Current liabilities					
Trade payables		998	504	619	399
Amount due to subsidiaries		-	-	985	1,004
Other payables		1,179	1,786	822	1,419
Provision for reinstatement costs	N10	116	-	116	-
Contract liabilities		1,136	121	686	56
Lease liabilities, current portion		501	624	501	624
Income tax payable		46	49	46	30
Total current liabilities		3,976	3,084	3,775	3,532
Non-current liabilities					
Provision for reinstatement costs	N10	31	132	31	132
Lease liabilities		111	289	111	289
Total non-current liabilities		142	421	142	421
Capital and reserves					
Share capital		10,251	10,251	10,251	10,251
Foreign currency translation reserve		(39)	(34)	-	-
Fair value adjustment (deficit) / surplus		(88)	43	(88)	43
Retained earnings		19,955	22,126	19,119	20,812
Total equity		30,079	32,386	29,282	31,106
Total liabilities and equity		34,197	35,891	33,199	35,059

Note:

¹ FVTOCI - denote fair value through other comprehensive income

1(b)(ii) In relation to the aggregate amount of the Group's borrowings and debt securities, specify the following as at the end of the current financial period reported on with comparative figures as at the end of the immediately preceding financial year.

Amount repayable in one year or less, or on demand.

Not applicable

Amount repayable after one year

Not applicable

Details of any collateral

Not applicable

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

Condensed interim consolidated statement of cash flows

	Group	
	1H FY2023	1H FY2022
	\$'000	\$'000
Operating activities:		
(Loss) / Profit before income tax	(640)	137
<u>Adjustments for:</u>		
Depreciation of plant and equipment	131	207
Amortisation of right-of-use assets	322	417
Dividend income from financial assets at FVTOCI	(28)	(8)
Interest income from financial assets at amortised cost	(84)	(16)
Interest income from financial assets at FVTOCI	(34)	(34)
Finance costs	11	18
Write back of allowance on trade receivables	(10)	(149)
Trade receivables written off	3	-
Inventories written off	34	-
Net foreign exchange (gain) / loss	(5)	1
Gain on disposal of plant and equipment	-	(13)
Gain on disposal of investment property	(96)	-
Operating cash flows before changes in working capital	(396)	560
Changes in working capital:		
Trade receivables	(770)	(280)
Deposits, other receivables and prepayments	(562)	(277)
Inventories	(2,933)	(2,318)
Trade payables	494	1,518
Other payables	(592)	(303)
Contract liabilities	1,015	181
Cash used in operations	(3,744)	(919)
Interest received	118	50
Income tax paid (net)	(9)	(46)
Net cash flows used in operating activities	(3,635)	(915)
Investing activities		
Dividend income	28	8
Proceeds on disposal of investment property (net)	1,996	-
Proceeds on redemption of financial assets at FVTOCI	62	-
Proceeds on disposal of plant and equipment	-	13
Purchase of plant and equipment	(102)	(67)
Purchase of financial assets at FVTOCI	(157)	-
Net cash flows generated from (used in) investing activities	1,827	(46)
Financing activities		
Dividend paid	(1,537)	(3,074)
Repayment of principal portion lease liabilities	(301)	(360)
Repayment of interest portion lease liabilities	(11)	(18)
Net cash flows used in financing activities	(1,849)	(3,452)
Net decrease in cash and bank balances	(3,657)	(4,413)
Cash and bank balances at beginning of period	11,890	14,234
Cash and bank balances at end of period	8,233	9,821
Cash and bank balances consist of :		
Cash on hand and cash at banks	5,052	6,140
Fixed deposits	3,181	3,681
Total	8,233	9,821

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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.

Condensed interim statements of changes in equity

Group

	Share capital	Currency translation deficit	Fair value adjustment (deficit) / surplus	Retained earnings	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at July 1, 2022	10,251	(34)	43	22,126	32,386
<i>Total comprehensive income for the period:</i>					
Loss for the period	-	-	-	(646)	(646)
Other comprehensive loss for the period	-	(5)	(119)	-	(124)
Total	-	(5)	(119)	(646)	(770)
<i>Transactions with owners, recognised directly in equity</i>					
Dividends	-	-	-	(1,537)	(1,537)
Total	-	-	-	(1,537)	(1,537)
<i>Transfer upon disposal of equity instruments designated as at FVTOCI</i>	-	-	(12)	12	-
Balance at December 31, 2022	<u>10,251</u>	<u>(39)</u>	<u>(88)</u>	<u>19,955</u>	<u>30,079</u>
Balance at July 1, 2021	10,251	(87)	110	22,311	32,585
<i>Total comprehensive income for the period:</i>					
Profit for the period	-	-	-	106	106
Other comprehensive loss for the period	-	-	(11)	-	(11)
Total	-	-	(11)	106	95
<i>Transactions with owners, recognised directly in equity</i>					
Dividends	-	-	-	(3,074)	(3,074)
Balance at December 31, 2021	<u>10,251</u>	<u>(87)</u>	<u>99</u>	<u>19,343</u>	<u>29,606</u>

Company

	Share capital	Fair value adjustment (deficit) / surplus	Retained earnings	Total
	\$'000	\$'000	\$'000	\$'000
Balance at July 1, 2022	10,251	43	20,812	31,106
<i>Total comprehensive income for the period:</i>				
Loss for the period	-	-	(168)	(168)
Other comprehensive loss for the period	-	(119)	-	(119)
Total	-	(119)	(168)	(287)
<i>Transactions with owners, recognised directly in equity</i>				
Dividends	-	-	(1,537)	(1,537)
Total	-	-	(1,537)	(1,537)
<i>Transfer upon disposal of equity instruments designated as at FVTOCI</i>		(12)	12	-
Balance at December 31, 2022	<u>10,251</u>	<u>(88)</u>	<u>19,119</u>	<u>29,282</u>
Balance at July 1, 2021	10,251	110	21,257	31,618
<i>Total comprehensive income for the period:</i>				
Profit for the period	-	-	263	263
Other comprehensive loss for the period	-	(11)	-	(11)
Total	-	(11)	263	252
<i>Transactions with owners, recognised directly in equity</i>				
Dividends	-	-	(3,074)	(3,074)
Balance at December 31, 2021	<u>10,251</u>	<u>99</u>	<u>18,446</u>	<u>28,796</u>

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N. SELECTED NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

N1. Corporate Information

The Company (Registration No. 198303940Z) is incorporated in Singapore with its principal place of business and registered office at 21 Ubi Road 1, #03-01, Singapore 408724. The Company is listed on the mainboard of the Singapore Exchange Securities Trading Limited. These condensed interim consolidated financial statements as at and for the six months ended 31 December 2022 comprise the Company and its subsidiaries (collectively, the "Group").

The principal activities of the Company are the marketing of gifts, property investment and development and the operation of a franchise programme whereby franchisees will have the right to use the company's name, creative gift designs, and marketing, sales, operations and purchasing strategies and systems.

N2. Basis of Preparation

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

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with the SFRS(I)s, except for the adoption of new and amended standards that 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 those standards.

N2.1 Use of judgements and 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 consolidated financial statements as at and for the year ended 30 June 2022.

No critical judgement was made in the process of applying the Group's accounting policies that would have a significant effect on the amounts recognised in the financial statements.

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.

N2.2 Fair value measurement

The Group and the Company classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- a) Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;
- b) Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- c) Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	Fair value measurement using			Total
	Level 1	Level 2	Level 3	
	\$'000	\$'000	\$'000	\$'000
31 December 2022				
Financial assets				
Financial assets at FVTOCI				
- Quoted equity and debt securities	2,618	-	-	2,618
Investment properties	-	-	14,658	14,658
30 June 2022				
Financial assets				
Financial assets at FVTOCI				
- Quoted equity and debt securities	2,642	-	-	2,642
Investment properties	-	-	16,558	16,558

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N3. Revenue

	Group	
	1H FY2023	1H FY2022
	\$'000	\$'000
Sale of gifts and hampers, at point in time	7,355	7,872
Rental income	260	217
Total	7,615	8,089

As at December 31, 2022, the transaction price allocated to performance obligation that are unsatisfied (or partially satisfied) in relation to customer loyalty programme and advance payment from customers are approximately \$1,136,000 (June 30, 2022: \$121,000). This will be recognised as revenue as the customer loyalty programme points are redeemed, which is expected to occur in the following year.

N3.1. Segment Information

(a) Operating segments

The Group determines its operating segments based on internal reports about components of the Group that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segments and to assess their performance.

The Group is organised into business units based on their products and services on which information is prepared and reportable to the Group's chief operating decision maker for the purposes of resources allocation and assessment of performance.

The accounting policies of the reportable segments are the same as the Group's accounting policies as in the Group's most recently audited financial statements. Segment profit represents the profit earned by each segment without investment revenue and income tax expense. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

The Group is principally engaged in two reportable segments, namely "Gifts" and "Properties". The Gifts segment relates to the marketing of gifts. The Properties segment relates to property investment.

	Gifts	Properties	Group	Gifts	Properties	Group
	1H FY2023	1H FY2023	1H FY2023	1H FY2022	1H FY2022	1H FY2022
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
SEGMENT REVENUE AND RESULTS						
Revenue	7,355	260	7,615	7,872	217	8,089
Results:						
Segment results	(987)	136	(851)	(529)	109	(420)
Other operating Income	99	96	195	594	8	602
Finance cost			(11)			(18)
Unallocated operating income			91			21
Unallocated interest income			34			34
Unallocated expenses			(98)			(82)
(Loss) / Profit before income tax			(640)			137
Income tax expense			(6)			(31)
(Loss) / Profit after income tax			(646)			106
Other information:						
Capital expenditure on plant and equipment	102	-	102	67	-	67
Depreciation on plant and equipment	131	-	131	203	4	207
Depreciation on right-of use assets	322	-	322	417	-	417

3.2 In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

Apart from the comments made under section 8, there are no other factors leading to material changes.

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N4. Other operating income

	Group	
	1H FY2023	1H FY2022
	\$'000	\$'000
Other income:		
Government grants (net)	76	577
Dividend income from financial assets at FVTOCI	28	8
Interest income from financial assets at amortised cost	84	16
Interest income from financial assets at FVTOCI	34	34
Gain on disposal of plant and equipment	-	13
Gain on disposal of investment property	96	-
Others	2	9
	320	657

N5. (Loss) / Profit before income tax

(Loss) / Profit before income tax has been arrived at after charging (crediting):

	Group	
	1H FY2023	1H FY2022
	\$'000	\$'000
Depreciation of plant and equipment	131	207
Amortisation on right-of-use assets	322	417
Write back of allowance on trade receivables	(10)	(149)
Net foreign exchange (gain) / loss	(5)	1

N6. Income tax expense

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

	Group	
	1H FY2023	1H FY2022
	\$'000	\$'000
Income tax		
- Current tax provision	-	17
- Under provision in respect of prior years	6	14
Income tax expense	6	31

N7. Dividends

	Group	
	1H FY2023	1H FY2022
	\$'000	\$'000
First and final one-tier tax-exempt dividend of 0.3 cent per share and a special dividend of 1.2 cents per share for financial year ended 30 June 2022	1,537	-
First and final one-tier tax-exempt dividend of 0.3 cent per share and a special dividend of 2.7 cents per share for financial year ended 30 June 2021	-	3,074
	1,537	3,074

N8. Calculation of loss allowance for trade receivables

	Group		Company	
	31-Dec-22	30-Jun-22	31-Dec-22	30-Jun-22
	\$'000	\$'000	\$'000	\$'000
Outside parties	1,951	1,184	1,354	673
Less: Loss allowance	(325)	(335)	(178)	(189)
	1,626	849	1,176	484

The average credit period is 30 days (30 Jun 22: 30 days). No interest is charged on outstanding trade receivables. The Group and Company does not hold any collateral over these balances.

Loss allowance for trade receivables has been measured at an amount equal to lifetime expected credit losses (ECL). The ECL on trade receivables are estimated by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate at the reporting date.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

A trade receivable is written off when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery.

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N9. Inventories

Inventories are valued at the lower of cost or net realisable value. The Group reviews its inventories levels in order to identify slow-moving and obsolete merchandise as well as assessing if net realisable value is lower than its carrying amount. Where the Group identifies slow-moving and obsolete merchandise, or items of inventories with a net realisable value that is lower than its carrying amount, the Group estimates the amount of inventory loss as allowance on inventories.

N10. Provision for reinstatement cost

	Group		Company	
	31-Dec-22	30-Jun-22	31-Dec-22	30-Jun-22
	\$'000	\$'000	\$'000	\$'000
Current liabilities	116	15	116	15
Non-current liabilities	31	132	31	132
Total	147	147	147	147

Provision for reinstatement relates to the estimated costs to be incurred to restore the current leased premise to its original condition at the end of the tenure of the lease in 2022 to 2025. The amounts relating to the accrued restoration costs have not been discounted because the effect is not material.

1(d)(ii) **Details of any changes in the company's share capital arising from the rights issue, bonus issue, subdivision, consolidation, share buy-backs, the exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for the acquisition or 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.**

Since the end of the last financial year ie 30 June 2022, there was no change in the Company's share capital during the six months ended 31 December 2022.

The Company does not have any subsidiary that holds shares issued by the Company.

	Number of shares	Paid-up Capital
Balance as at 31 December 2022 and 30 June 2022	102,476,024	\$10,251,458

There was no change in the Company's number of shares since 30 June 2022.

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.**

	As at 31/12/2022	As at 30/6/22
Total number of issued ordinary shares excluding treasury shares	102,476,024	102,476,024

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

As at 31 December 2022, there were no sales, transfers, cancellations and/or use of treasury shares.

1(d)(v) **A statement showing all sales, transfer, disposal, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.**

Not applicable as the Company does not have any subsidiary that holds shares issued by the Company.

2 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 Company's auditors.

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

Not applicable.

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3A 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 issue 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.

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 applied the same accounting policies and methods of computation in the preparation of the financial statements for the current financial period compared to its most recently audited annual financial statements for the financial year ended 30 June 2022.

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.

Not applicable.

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

	Group 31-Dec-22	Group 31-Dec-21
(Loss) Earning per ordinary share for the period: -		
(i) Based on weighted average number of ordinary shares on issue (cents)	(0.63)	0.10
(ii) On a fully diluted basis (cents)	(0.63)	0.10

Note to item (6i) :

Earnings per share is calculated based on the weighted average number of 102,476,024 (30 Jun 22: 102,476,024) ordinary shares in issue.

The basic and fully diluted earnings per ordinary share are the same as the Group did not have any potential dilutive ordinary share outstanding as at 31 December 2022.

7 Net asset value (for the Company and the Group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the: (a) current financial period reported on; and (b) immediately preceding financial year.

	Group		Company	
	31-Dec-22	30-Jun-22	31-Dec-22	30-Jun-22
Net assets value per ordinary share (cents)	29.35	31.60	28.57	30.35
Number of ordinary shares at half year / year end	102,476,024	102,476,024	102,476,024	102,476,024

8 Review for the performance of the Group for the six months ended 31 December 2022 ("1H FY2023") as compared to the six months ended 31 December 2021 ("1H FY2022").

Revenue

The Group recorded revenue of \$7.6 million in 1H FY2023, which is \$0.4 million lower as compared to \$8.0 million in 1H FY2022.

Gross profit

Accordingly, gross profit decreased by \$0.2 million from \$4.0 million in 1H FY2022 to \$3.8 million in 1H FY2023.

Other operating income

During the period, the Group disposed the residential leasehold property; the gain on disposal amounted to \$96,000 is recorded in other operating income.

The Group's other income decreased by \$0.4 million to \$0.3 million in 1H FY2023 mainly due to the decreased in government grants, offset by the increase in interest income and disposal of investment property.

Operating expenses

Administrative expenses increased by \$0.1 million to \$3.2 million mainly due to higher professional expenses.

Loss for the period

As a result of the abovementioned, loss before income tax was \$0.6 million in 1H FY2023 as compared to profit before tax of \$0.1 million in 1H FY2022.

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(b) any material factors that affected the cash flow, working capital, assets or liabilities of the Group during the current financial period reported on.

Statement of Financial Position

As at 31 Dec 2022, the Group's current assets amounted to \$15.9 million, up by \$0.8 million from last year. The increase was mainly attributable to inventories of \$2.9 million as the group stocking up of season stocks, trade receivables of \$0.8 million and other receivables of \$0.8 million. The increase was offsetted by the decreased in cash and bank balances by \$3.7 million.

The Group's non-current assets was at \$18.3 million, a decline of \$2.4 million mainly due to the decrease of other receivables and prepayment of \$0.2 million, disposal of the residential leasehold property of \$1.9 million and decrease of right-of-use-assets and deposits of \$0.3 million.

The Group's current liabilities amounted to \$4.0 million, up by \$0.9 million from last year. The increase was mainly attributable to higher trade payables of \$0.5 million and revenue related contract liabilities in relation to customer loyalty programme and customer advances of \$1 million. The increase was offsetted by the decreased in other payables of \$0.6 million.

Statement of Cash Flows Statement

The Group recorded net cash used in operating activities of \$3.6 million in 1H FY2023 as compared to \$0.9 million in 1H FY2022, due mainly to higher inventories and trade receivables.

Net cash generated in investing activities of \$1.8 million was mainly due to the disposal of leasehold property of \$2.0 million, offsetted by the purchase of equity instruments of \$0.2 million.

Net cash used in financing activities of \$1.8 million were mainly due to dividend payment of \$1.5 million and repayment of lease liabilities of \$0.3 million.

Overall, the Group recorded a net decrease in cash and bank balances of \$3.7 million in 1H FY2023, resulting in cash and cash equivalents of \$8.2 million as at 31 December 2022.

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 lifting of the COVID-19 restriction has changed the buying behavior of customers that has dampened the demand for our products. In addition, the Group is facing upwards pressure in materials, labour and other operating costs.

Any fair value change in investment properties will also impact the Group's results.

11 **Dividend**

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on? Nil

(b) Corresponding Period of the Immediately Preceding Financial Year

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

(c) Whether the dividends 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) Record date

Not applicable.

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

No interim dividend has been declared or recommended for the current reporting period on grounds of prudence.

13 If the Company has obtained a general mandate from shareholders for interested person transaction (IPTs), 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 Company has not obtained an IPT mandate from shareholders. It does not have any interested person transaction (excluding transaction less than \$100,000) during the period under review.

14 Negative assurance on interim financial statement pursuant to Rule 705(5).

The Board of Directors, hereby confirmed that, to the best of its knowledge, nothing has come to its attention which may render the unaudited half financial results of the Group to be false or misleading in any material aspect.

15 Confirmation that the issuer has procured undertakings from all its directors and executive officers under Rule 720(1).

The Company has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1) of the Listing Manual Listing Manual of the Singapore Exchange Securities Trading Limited.

16 Disclosure on acquisition and realisation of shares pursuant to Rule 706A.

Save as disclosed on SGXNET, there were no acquisitions or realisations of shares resulting in a company becoming or ceasing to be a subsidiary or associated company of the company, or resulting in the company increasing or reducing its shareholding percentage in a subsidiary or associated company.

BY ORDER OF THE BOARD

Alfred Wong Siu Hong
Managing Director

Wong Phui Hong
Non-Executive Director

8 February 2023