



**Sakae Holdings Ltd.**  
(Company Registration No. 199604816E)

**Condensed Interim Financial Statements**  
**For the Six Months and Full Year Ended 30 June 2024**

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

	Note	Group					Increase / (Decrease) %
		Six months ended 30 June		Increase / (Decrease) %	Twelve months ended 30 June		
		2024 (2H2024) \$'000	2023 (2H2023) \$'000		2024 (FY2024) \$'000	2023 (FY2023) \$'000	
Revenue	4	6,973	7,849	(11.2)	14,405	17,058	(15.6)
Cost of sales		(2,766)	(2,985)	(7.3)	(5,205)	(5,922)	(12.1)
Gross profit		4,207	4,864	(13.5)	9,200	11,136	(17.4)
Other operating income and gains		2,967	5,552	(46.6)	5,010	7,840	(36.1)
Administrative expenses		(6,629)	(6,744)	(1.7)	(12,539)	(12,587)	(0.4)
Other operating expenses		(1,694)	(1,687)	(0.4)	(2,938)	(3,502)	(16.1)
Impairment on trade and other receivables						(100)	
Finance costs							
- Interest on borrowings		(628)	(639)	(1.7)	(1,085)	(1,167)	(7.0)
- Interest on leases		(291)	(286)	1.7	(574)	(547)	4.9
(Loss)/Profit before income tax	7	(2,068)	1,060	N.M.	(2,926)	1,073	N.M.
Tax (expense)/credit	8	(375)	221	N.M.	(375)	217	N.M.
(Loss)/Profit for the period/year		(2,443)	1,281	N.M.	(3,301)	1,290	N.M.
Basic and diluted (loss)/profit per share (cents per share)		(1.76)	0.92		(2.38)	0.93	
Other comprehensive income: <i>Items that will not be reclassified Subsequently to profit or loss</i> <i>Revaluation of property, plant and equipment, net of tax</i>		1,729	1,654	4.5	1,729	1,654	4.5
<i>Items that may be reclassified subsequently to profit or loss</i> Currency translation differences arising from consolidation		(65)	(140)	(53.6)	(91)	(310)	(70.6)
Other comprehensive income for the period, net of tax		1,664	1,514	9.9	1,638	1,344	20.8
<b>Total comprehensive (loss)/income for the period</b>		(779)	2,795	N.M.	(1,663)	2,634	N.M.

## B. Condensed interim statements of financial position

	Note	Group		Company	
		30/06/2024	30/06/2023	30/06/2024	30/06/2023
		\$'000	\$'000	\$'000	\$'000
<b>ASSETS</b>					
<b>Current assets:</b>					
Cash and bank balances	11	3,823	5,784	1,221	3,200
Trade receivables		1,183	638	169	45
Other receivables and prepayments	12	625	885	126	146
Inventories		441	430	10	11
Income tax recoverable		0	2	-	-
<b>Total current assets</b>		<b>6,072</b>	<b>7,739</b>	<b>1,526</b>	<b>3,402</b>
<b>Non-current assets:</b>					
Deposits	12	148	65	-	-
Subsidiaries		-	-	10	10
Due from subsidiaries		-	-	4	3,525
Equity investments at fair value through profit or loss	13	-	4,100	-	4,100
Investment property	14	391	395	-	-
Property, plant and equipment	15	102,696	102,322	99,520	99,999
<b>Total non-current assets</b>		<b>103,235</b>	<b>106,882</b>	<b>99,534</b>	<b>107,634</b>
<b>Total assets</b>		<b>109,307</b>	<b>114,621</b>	<b>101,060</b>	<b>111,036</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>					
<b>Current liabilities:</b>					
Bank loans	16	20,387	22,962	20,387	22,962
Lease liabilities		1,308	1,438	115	377
Trade payables		1,521	1,485	173	387
Other payables and accruals		1,442	1,482	1,070	1,142
Provisions		189	210	50	50
Due to subsidiaries		-	-	6,182	6,994
Income tax payable		552	-	206	-
<b>Total current liabilities</b>		<b>25,399</b>	<b>27,577</b>	<b>28,183</b>	<b>31,912</b>
<b>Non-current liabilities:</b>					
Bank loans	16	539	1,816	539	1,816
Lease liabilities		10,785	10,339	9,455	9,557
Deferred tax liabilities	17	13,202	13,148	13,203	13,148
<b>Total non-current liabilities</b>		<b>24,526</b>	<b>25,303</b>	<b>23,197</b>	<b>24,521</b>
<b>Equity:</b>					
Share capital	18	10,736	10,736	10,736	10,736
Treasury shares	18	(951)	(951)	(951)	(951)
Currency translation reserve		(1,098)	(1,007)	-	-
Revaluation reserve	19	75,502	73,773	75,502	73,773
Accumulated losses		(24,807)	(20,810)	(35,607)	(28,955)
<b>Total equity</b>		<b>59,382</b>	<b>61,741</b>	<b>49,680</b>	<b>54,603</b>
<b>Total liabilities and equity</b>		<b>109,307</b>	<b>114,621</b>	<b>101,060</b>	<b>111,036</b>

## C. Condensed interim consolidated statement of cash flows

	12 months ended 30 June	
	2024 (FY2024)	2023 (FY2023)
	\$'000	\$'000
<b>Cash flows from operating activities</b>		
(loss)/Profit before tax	(2,926)	1,073
Adjustments for:		
Bad debts written off	-	9
Depreciation of property, plant and equipment	2,414	2,289
Depreciation of right-of-use assets	2,017	1,816
Rental rebate on leases	-	(27)
Reversal of impairment on property, plant and equipment	(8)	(70)
Impairment loss on property, plant and equipment	6	11
Impairment loss on trade receivables	-	100
Impairment loss on right-of-use assets	(3)	-
Loss on disposal of property, plant and equipment	2	22
Fair value gain on investment property	-	(21)
Property, plant and equipment written off	-	3
Fair value gain on equity investments in FVTPL	26	(3,085)
Impairment loss on trade and other receivables	16	-
Unrealised foreign currency exchange gain	9	151
Interest expense	1,659	1,714
Interest income	(58)	(41)
Operating cash flows before working capital changes	3,154	3,944
Trade receivables	(561)	89
Other receivables and prepayments	177	77
Inventories	(11)	10
Trade payables	36	(154)
Other payables and accruals	(62)	(532)
Cash from operations	2,733	3,434
Interest paid	(1,659)	(1,714)
Interest received	58	41
Income tax and withholding taxes refunded/(paid), net	(125)	155
Net cash from operating activities	1,007	1,916
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(570)	(279)
Receipts of partial liquidation proceed	4,074	3,481
Net cash from investing activities	3,504	3,202
<b>Cash flows from financing activities</b>		
Repayment of leases	(1,760)	(1,670)
Repayment of bank loans	(3,851)	(4,227)
Dividend paid	(695)	(695)
Purchase of treasury shares	-	(59)
Net cash used in financing activities	(6,306)	(6,651)
Net (decrease)/increase in cash and cash equivalents	(1,796)	(1,832)
Cash and cash equivalents at beginning of financial year	5,784	7,731
Effects of exchange rate changes on cash and cash equivalents	(165)	(115)
<b>Cash and cash equivalents at end of financial year</b>	<b>3,823</b>	<b>5,784</b>

## D. Condensed interim statements of changes in equity

	Share capital	Treasury shares	Currency translation reserve	Revaluation reserve	Accumulated losses (profits)	Attributable to equity holders of the company
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Group</b>						
<b>Balance at July 1, 2022</b>	10,736	(892)	(697)	72,119	(21,405)	59,861
<i>Total comprehensive income for the year</i>						
Profit for the year	-	-	-	-	1,290	1,290
Other comprehensive income for the year	-	-	(310)	1,654	-	1,344
Repurchase of shares	-	(59)	-	-	-	(59)
Dividend paid	-	-	-	-	(695)	(695)
<b>Total</b>	<b>-</b>	<b>(59)</b>	<b>(310)</b>	<b>1,654</b>	<b>595</b>	<b>1,880</b>
<b>Balance at June 30, 2023</b>	<b>10,736</b>	<b>(951)</b>	<b>(1,007)</b>	<b>73,773</b>	<b>(20,810)</b>	<b>61,741</b>
<b>Balance at July 1, 2023</b>	10,736	(951)	(1,007)	73,773	(20,810)	61,741
<i>Total comprehensive income for the year</i>						
Loss for the year	-	-	-	-	(3,302)	(3,302)
Other comprehensive income for the year	-	-	(91)	1,729	-	1,638
Dividend paid	-	-	-	-	(695)	(695)
<b>Total</b>	<b>-</b>	<b>-</b>	<b>(91)</b>	<b>1,729</b>	<b>(3,997)</b>	<b>(2,359)</b>
<b>Balance at June 30, 2024</b>	<b>10,736</b>	<b>(951)</b>	<b>(1,098)</b>	<b>75,502</b>	<b>(24,807)</b>	<b>59,382</b>
	Share capital	Treasury shares	Revaluation reserve	Accumulated losses (profits)	Total	
	\$'000	\$'000	\$'000	\$'000	\$'000	
<b>Company</b>						
<b>Balance at July 1, 2022</b>	10,736	(892)	72,119	(29,868)	52,095	
<i>Total Comprehensive income for the year</i>						
Profit for the year	-	-	-	1,608	1,608	
Dividend paid	-	-	-	(695)	(1,674)	
Repurchase of shares	-	(59)	-	-	(59)	
Other comprehensive income	-	-	1,654	-	1,654	
<b>Total</b>	<b>-</b>	<b>(59)</b>	<b>1,654</b>	<b>913</b>	<b>2,508</b>	
<b>Balance at June 30, 2023</b>	<b>10,736</b>	<b>(951)</b>	<b>73,773</b>	<b>(28,955)</b>	<b>54,603</b>	
<b>Balance at July 1, 2023</b>	10,736	(951)	73,773	(28,955)	54,603	
<i>Total Comprehensive income for the year</i>						
Loss for the year	-	-	-	(5,957)	(5,957)	
Other comprehensive income for the year	-	-	1,729	-	1,729	
Dividend paid	-	-	-	(695)	(695)	
<b>Total</b>	<b>-</b>	<b>-</b>	<b>1,729</b>	<b>(6,653)</b>	<b>(4,923)</b>	
<b>Balance at June 30, 2024</b>	<b>10,736</b>	<b>(951)</b>	<b>75,502</b>	<b>(35,608)</b>	<b>49,680</b>	

## **E. Notes to the condensed interim consolidated financial statements**

### **1. Corporate information**

Sakae Holdings Ltd. (the “Company”) is incorporated and domiciled in Singapore. Its shares are publicly traded on the Mainboard of the Singapore Exchange. These condensed interim consolidated financial statements as at and for the twelve months ended 30 June 2024 are for the Company and its subsidiaries (collectively, the “Group”).

The principal activities of the Company consist of the business of operating restaurants, trading of raw food materials, food processing and operating as caterer and event organiser.

The principal activities of the Group consist of the business of investment holding, operating restaurants, kiosks and cafes, provision of corporate advisory services, provision of cold storage warehousing and logistics services.

### **2. Basis of preparation**

The condensed interim financial statements for the twelve months ended 30 June 2024 have been prepared in accordance with SFRS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore (“Standards”). 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 financial position and performance of the Group since the last audited annual financial statements for the year ended 30 June 2023.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s.

The condensed interim financial statements are presented in Singapore dollars, which is the Company’s functional currency.

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

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Group has adopted all the new and amended standards which are relevant to the Group and are effective for annual financial periods beginning on or after 1 July 2023. The adoption of these standards did not have any material effect on the financial performance or position of the Group.

#### **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.

The significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty are the same as those that applied to the consolidated financial statements as at and for the year ended 30 June 2023.

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

### 3. Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period from 1 July 2023 to 30 June 2024 ("FY2024").

### 4. Revenue

	Group			
	Six months ended 30 June		Twelve months ended 30 June	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
<b>Types of goods and services</b>				
Food and beverage sales	6,704	7,581	13,832	16,317
Rendering of services	269	268	573	741
Total	6,973	7,849	14,405	17,058
<b>Timing of revenue recognition</b>				
At a point in time	6,973	7,849	14,405	17,058

### 5. Segment information

Information reported to the Group's chief operating decision maker for the purposes of resource allocation and assessment of segment performance is specifically focused on the category of each type of goods and services. The Group's reportable segments under SFRS(I) 8 Operating Segments are therefore as follows:

- Sakae Sushi, which is the main brand in provision of food and beverages to retail customers from the general public.
- Hei Sushi, which is the main brand in provision of halal food and beverages to retail customers from the general public.
- Other products and services, which is inclusive of other brands and services offered by the Group namely Sakae Teppanyaki, Sakae Delivery, Hei Delivery, Senjyu, Nouvelle Events, Japanmartsg and Sakae Corporate Advisory.



## 5.1 Reportable segments

Information regarding the Group's reportable segments is presented below.

Twelve months ended 30 June	Revenue		Net profit	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Sakae Sushi	2,934	4,988	137	686
Hei Sushi	6,746	7,819	3,843	4,648
Other products and services	6,623	6,281	2,281	2,301
Less: Inter-segment revenue	(1,898)	(2,030)	-	-
<b>Total</b>	<b>14,405</b>	<b>17,058</b>	<b>6,261</b>	<b>7,635</b>
Central administration costs and directors' salaries			(8,107)	(8,583)
Other operating income and gains			5,010	4,755
Depreciation			(4,431)	(4,105)
Finance costs			(1,659)	(1,714)
Fair value gain on equity investments			-	3,085
(Loss)/Profit before income tax			(2,926)	1,073
Tax (expense)/credit			(375)	217
(Loss)/Profit for the financial year			(3,301)	1,290

  

Twelve months ended 30 June	Depreciation		Additions to property, plant and equipment	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Sakae Sushi	765	1,214	484	710
Hei Sushi	1,037	898	86	111
Unallocated corporate items	2,629	1,993	-	-
<b>Total</b>	<b>4,431</b>	<b>4,105</b>	<b>570</b>	<b>821</b>

  

	Segment Assets		Segment Liabilities	
	30 June 2024	30 June 2023	30 June 2024	30 June 2023
	\$'000	\$'000	\$'000	\$'000
Sakae Sushi	14,222	17,246	25,868	28,517
Hei Sushi	2,836	1,750	1,833	3,294
Other products and services	2,248	1,525	22,225	21,069
Unallocated corporate items	90,000	94,100	-	-
<b>Total</b>	<b>109,307</b>	<b>114,621</b>	<b>49,926</b>	<b>52,880</b>

## 5.2 Disaggregation of revenue

	Revenue		Property, plant and equipment	
	Twelve months ended 30 June		30 June	30 June
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	S\$'000
Singapore	13,312	14,658	101,759	101,695
Malaysia	1,093	2,400	937	627
	14,405	17,058	102,696	102,322

## 6. Financial instruments

Set out below is an overview of the financial assets and financial liabilities of the Group and the Company as at 30 June 2024:

	Group		Company	
	30 June 2024	30 June 2023	30 June 2024	30 June 2023
	\$'000	\$'000	\$'000	\$'000
<b>Financial assets</b>				
At amortised cost	5,628	7,232	1,520	6,916
At fair value through profit or loss	-	4,100	-	4,100
	5,628	11,332	1,520	11,016
<b>Financial liabilities</b>				
At amortised cost	35,833	39,370	37,916	43,131

## 7. (Loss)/Profit before tax

Six months ended 30 June	Group	
	2024	2023
	S\$'000	S\$'000
Depreciation of property, plant and equipment	1,266	1,099
Depreciation of right-of-use assets	1,062	713
Gain on disposal of property, plant and equipment, net	-	45
Write-off of property, plant and equipment	-	12
Interest on borrowings	628	639
Interest on leases	290	286

Twelve months ended 30 June	Group	
	2024	2023
	S\$'000	S\$'000
Depreciation of property, plant and equipment	2,414	2,230
Depreciation of right-of-use assets	2,017	1,816
Loss on disposal of property, plant and equipment	2	22
Fair value gain on equity investments at FVTPL	26	(3,085)
Write-off of property, plant and equipment	6	3
Interest on borrowings	1,085	1,167
Interest on leases	574	547

## 8. Tax (expense)/credit

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 and loss are:

Six months ended 30 June	Group	
	2024	2023
	\$'000	\$'000
Current income tax (expense)/Credit	(375)	221
Total tax (expense)/credit	(375)	221

Twelve months ended 30 June	Group	
	2024	2023
	\$'000	\$'000
Current income tax expense	(674)	(73)
Deferred tax credit (Note 17) current	299	290
Total tax (expense)/credit	(375)	217

9. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares at the end of the:-  
(a) current financial period reported on; and,  
(b) immediately preceding financial year.

	Group		Company	
	30/6/2024	30/6/2023	30/06/2024	30/6/2023
Net asset value per ordinary share based on issued share capital as at the end of period (cents)	42.72	44.43	35.75	39.29

## 10. Earnings per share

<b>Six months ended 30 June</b>	<b>Group</b>	
	<b>2024</b>	<b>2023</b>
Total (loss)/profit for the year (\$'000)	(2,443)	1,281
Basic and diluted earnings per share (cents)	(1.76)	0.92

<b>Twelve months ended 30 June</b>	<b>Group</b>	
	<b>2024</b>	<b>2023</b>
Total (loss)/profit for the year (\$'000)	(3,301)	1,290
Basic and diluted earnings per share (cents)	(2.38)	0.93

Explanatory notes:

Basic earnings and diluted earnings per share are calculated by dividing the Group's (loss)/profit for the financial period/year attributable to shareholders of the Company by the weighted average number of ordinary shares outstanding during the financial year.

## 11. Cash and bank balances

	<b>Group</b>		<b>Company</b>	
	<b>30 June 2024</b>	<b>30 June 2023</b>	<b>30 June 2024</b>	<b>30 June 2023</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Cash at bank	2,868	3,883	1,220	3,199
Cash on hand	9	20	1	1
Fixed deposit	946	1,881	-	-
Cash and cash equivalents in consolidated statement of cash flow	<b>3,823</b>	<b>5,784</b>	<b>1,221</b>	<b>3,200</b>

## 12. Other receivables and prepayments

	Group		Company	
	30 June 2024	30 June 2023	30 June 2024	30 June 2023
	\$'000	\$'000	\$'000	\$'000
Other receivables	57	405	-	393
Less: allowance for impairment loss	-	(393)	-	(393)
	57	12	-	-
Deposits	565	798	126	146
Prepayments	3	75	-	-
Total Current	625	885	126	146
Deposits - Non-current	148	65	-	-
Total	773	950	126	146

## 13. Equity investments at fair value through profit or loss

Presented as non-current assets:

	Group		Company	
	30 June 2024	30 June 2023	30 June 2024	30 June 2023
	\$'000	\$'000	\$'000	\$'000
Unquoted equity shares, at fair value	-	4,100	-	4,100

Investments in unquoted equity shares relate to the following:

	Proportion of ownership interest	Country of incorporation
	%	
<i>Under liquidation:</i>		
Griffin Real Estate Investments Holdings Pte Ltd ("GREIH")	24.69	Singapore
Gryphon Capital Management Pte Ltd ("GCM")	20.00	Singapore

The Group's investments in GREIH and GCM were previously accounted for as investments in associates. With the commencement of liquidation proceedings in 2017, the Group re-classified its cost of investments in GREIH and GCM to available-for-sale investments during the financial period ended 30 June 2018. As of 1 July 2018, the Group reclassified the available-for-sale investments to equity investments at fair value through profit or loss following its adoption of SFRS(I) 9 *Financial Instruments*.

Fair values of the investments in unquoted equity shares are determined based on the net expected amounts to be realised through the sale of assets and repayment of obligations as assessed by the liquidators as at end of reporting period.

Unquoted equity shares are classified as Level 3 (30 June 2023 : Level 3) in the fair value hierarchy.

Movement for unquoted equity shares at fair value for the financial period/year is as follow:

	Group		Company	
	30 June 2024	30 June 2023	30 June 2024	30 June 2023
	\$'000	\$'000	\$'000	\$'000
Balance at the beginning of the financial year	4,100	4,496	4,100	4,496
Receipts of partial liquidation proceeds	(4,074)	(3,481)	(4,074)	(3,481)
Fair value (loss)/gain for the financial year	(26)	3,085	(26)	3,085
	-	4,100	-	4,100

During the current financial period, the group received a final return of capital from the liquidator of GREIH of \$4,074,000 (30 June 2023 : interim return of capital of \$3,481,000).

#### 14. Investment property

	Group	
	30 June 2024	30 June 2023
	\$'000	\$'000
Balance at the beginning of the financial year	395	-
Reclassification from non-current assets classified as held for sale	-	374
Fair value gain recognised in profit or loss	-	21
	395	395
Exchange differences	(4)	-
Balance at the end of the financial year	391	395

#### 15. Property, plant and equipment

During the year ended 30 June 2024, the Group acquired property, plant and equipment with an aggregate cost of \$570,000 (30 June 2023: \$279,000).

## 16. Bank loans

	Group		Company	
	30 June 2024	30 June 2023	30 June 2024	30 June 2023
	\$'000	\$'000	\$'000	\$'000
<u>Amount repayable within one year or on demand</u>				
Secured	19,110	21,710	19,110	21,710
Unsecured	1,277	1,252	1,277	1,252
	<u>20,387</u>	<u>22,962</u>	<u>20,387</u>	<u>22,962</u>
 <u>Amount repayable after one year</u>				
Unsecured	539	1,816	539	1,816

The Group obtained loan facilities to finance the construction of its headquarters which was mortgaged to the lending bank as a form of collateral and short term loans for working capital.

## 17. Deferred tax liabilities

The following are the major deferred tax liabilities recognised by the Group and Company, and, movements thereon, during the current and prior reporting periods:

	Revaluation reserve \$'000	Accelerated tax depreciation \$'000	Total \$'000
<u>Group</u>			
At 1 July 2022	13,090	9	13,099
Charge to other comprehensive Income	339	-	339
(Credit) Charge to profit and loss	(290)	-	(290)
At 30 June 2023	13,139	9	13,148
Charge to other comprehensive Income	353	-	353
Credit to profit and loss	(299)	-	(299)
At 30 June 2024	<u>13,193</u>	<u>9</u>	<u>13,202</u>

<u>Company</u>	Revaluation	Accelerated	Total
	reserve	tax depreciation	
	\$'000	\$'000	\$'000
At 1 July 2022	13,090	9	13,099
Charge to other comprehensive income	339	-	339
Credit to profit or loss	(290)	-	(290)
At 30 June 2023	13,139	9	13,148
Charge to other comprehensive income	354	-	354
Credit to profit or loss	(299)	-	(299)
At 30 June 2024	13,194	9	13,203

## 18. Share capital

	<b>Group and Company</b>			
	<b>30 June 2024</b>	<b>30 June 2023</b>	<b>30 June 2024</b>	<b>30 June 2023</b>
	'000	'000	\$'000	\$'000
	Number of <u>ordinary shares</u>		Total share <u>capital</u>	
Issued and paid up:				
At beginning and end of the year	142,000	142,000	10,736	10,736

Fully paid ordinary shares, which have no par value, carry one vote per share and carry a right to dividends as and when declared by the Company.

The total number of issued shares (excluding treasury shares) was 138,972,000 (30 June 2023 : 138,972,000).

### Treasury shares

The Company's Treasury shares as set out below.

	<b>Group and Company</b>			
	<b>30 June 2024</b>	<b>30 June 2023</b>	<b>30 June 2024</b>	<b>30 June 2023</b>
	'000	'000	\$'000	\$'000
	Number of <u>ordinary shares</u>		Total share <u>capital</u>	
Issued and fully paid up:				
At beginning of the year	3,028	2,528	951	892
Shares purchased during the year	-	500	-	59
At end of the year	3,028	3,028	951	951



## 19. Revaluation reserve

The property revaluation reserve arises on the revaluation of leasehold building.

	<u>Group</u>
	\$'000
At 1 July 2023	73,773
Recognised in other comprehensive income	1,729
	<u>75,502</u>
At 30 June 2024	<u>75,502</u>

## 20. Dividend

	<u>Group and Company</u>	
	<u>30 June</u>	<u>30 June</u>
	<u>2024</u>	<u>2023</u>
	\$'000	\$'000
A final dividend of 0.5 cents per share tax exempt one-tier on the issued and fully paid ordinary shares	<u>695</u>	<u>695</u>

## 21. Related party transactions

Some of the Group's transactions and arrangements are with related parties and the effect of these on the basis determined between the parties is reflected in these financial statements. The balances are unsecured, interest-free and repayable on demand unless otherwise stated.

In addition to the related party information disclosed elsewhere in the notes to the financial statements, group entities entered into the following transactions with related parties during the financial period.

	<u>Group</u>	
<b>Twelve months ended 30 June</b>	<u>2024</u>	<u>2023</u>
	\$'000	\$'000
Rental income	<u>506</u>	<u>490</u>

## 22. Subsequent events

There are no known subsequent events which have led to adjustments to these condensed interim financial statements.

## **F. Other Information required by Listing Rule Appendix 7.2**

### **1. Review**

The condensed consolidated statement of financial position of Sakae Holdings Ltd and its subsidiaries as at 30 June 2024, the related condensed profit or loss and other comprehensive income, condensed consolidated statements of changes in equity, condensed consolidated statement of cash flows for the six months period and twelve months then ended, and, certain explanatory notes have not been audited or reviewed.

### **2. Review of performance of the Group**

#### Financial performance (2HFY2024 vs 2HFY2023)

Group revenue for the half-year ended 30 June 2024 (“2HFY2024”) totalled \$7 million, a decrease of 11.2% as compared to \$7.8 million in the corresponding period of the previous year (“2HFY2023”). Among other headwinds, tighter and inherent competition in the Food & Beverage sector, operating in an inflationary environment, disruption in restaurant operations due to the renovation of stores as obligated by leasing requirements, as well as store relocation and movement in Malaysia contributed to the decrease. Despite these challenges, the Group has revamped and developed new food and menu offerings for its brands with a physical refresh of its stores. The Group will continue to actively drive sales via various channels, including online orders and delivery services, and will also look to collaborate with other food operators to explore extending the Group’s reach.

The Group is strategically expanding its operations into food trading to diversify revenue streams and enhance profitability. While the cost of sales in food trading is higher than that of retail sales, this strategy grants direct access to food suppliers and potentially more competitive pricing. This approach enables the Group to optimise the utilisation of raw materials for its restaurant operations and increase procurement efficiency from producer sources, in alignment with the Group’s farm-to-table philosophy.

The gross profit margin has declined marginally from 62.0% in 2HFY2023 to 60.3% in 2HFY2024. The Group will continue its ongoing efforts to review and manage the inflationary raw materials costs through effective pricing strategies and ongoing food cost management.

Other operating income and gains decreased by 46.6%, from \$5.6 million in 2HFY2023 to \$3.0 million in 2HFY2024, mainly due to a fair value gain on equity investment at fair value through profit or loss (“FVTPL”) of \$3.1 million in FY2023. The said equity investment has since been liquidated in the current financial year.

Administrative expenses remain the same at \$6.7 million in 2HFY2024 as compared to 2HFY2023.

Other operating expenses remain the same at \$1.7 million in 2HFY2024 as compared to 2HFY2023.

Finance costs remain the same at \$0.9 million in 2HFY2024 as compared to 2HFY2023.

Group loss before tax and net loss for 2HFY2024 are recorded at \$2.1 million and \$2.4 million respectively, which represent a decrease of \$3.2 million and \$3.7 million, as compared to Group profit before tax and net profit for 2HFY2023 of \$1.1 million and \$1.3 million respectively. The Group’s net loss is attributed largely to the depreciation of its building in Singapore and interest totalling \$3.1 million. The Group will continue to use the building and its resources efficiently and effectively to support the Group’s operations.

### Financial performance (FY2024 vs FY2023)

Group revenue for the twelve months ended 30 June 2024 (“FY2024”) totalled \$14.4 million, a decrease of 15.6% as compared with \$17.1 million in the corresponding period of the previous year (“FY2023”). Among other headwinds, tighter and inherent competition in the Food & Beverage sector, operating in an inflationary environment, disruption in restaurant operations due to the renovation of stores as obligated by leasing requirements, as well as store relocation and movement in Malaysia contributed to the decrease. The Group will continue its efforts to develop new product offerings for dining and online delivery orders, and connect closely with our customers through social media and various marketing platforms.

Despite the ongoing inflationary trend in raw material costs in FY2024, the Group’s gross profit margin stands at 63.9% in FY2024, a marginal decline from 65.3% in FY2023, through effective pricing strategies and continued efforts in procurement alternatives, while continuing to serve great quality food to our customers.

Other operating income and gains decreased by 36.1%, from \$7.8 million in FY2023 to \$5.0 million in FY2024, mainly due to a fair value gain on equity investment at FVTPL of \$3.1 million in FY2023. The said equity investment has since been liquidated in the current financial year.

Administrative expenses remain the same at \$12.5 million in 2HFY2024 as compared to 2HFY2023.

Other operating expenses decreased by 16.1%, from \$3.5 million in FY2023 to \$2.9 million in FY2024, mainly due to savings derived from reduction in operating costs arising from the closure of poor performing outlets.

Finance costs decreased marginally in FY2024 as compared to FY2023 by 3.2%, with lower outstanding loan amount.

Group loss before tax and net loss after tax are recorded at \$2.9 million and \$3.3 million respectively in FY2024, which represent a decrease of \$4.0 million and \$4.6 million, as compared to Group profit before tax and net profit after tax of \$1.1 million and \$1.3 million respectively in FY2023.

The Group’s net loss for the period is attributed largely to the depreciation of its building in Singapore and interest totalling \$3.1 million. The Group will continue to use the building and its resources efficiently and effectively to support the Group’s operations.

### Financial position of the Group

The Group and Company cash and bank balances as at 30 June 2024 stood at \$3.8 million and \$1.2 million respectively, as compared to \$5.8 million and \$3.2 million respectively as at 30 June 2023. The Group will continue to be cautious and will take reasonable steps to manage its cash flow effectively.

Trade receivables has increased by \$0.6 million from \$0.6 million in FY2023 to \$1.2 million in FY2024 and is attributed to billings to customers at period end, which are collectible after the period end.

Other receivables and pre-payments decreased by \$0.3 million from \$0.9 million in FY2023 to \$0.6 million in FY2024 and is attributed to refund of outlet rental deposits with the expiration of some of the store leases.

The balance of equity investments at FVTPL has reduced to nil with the final return of capital of \$4.1 million from the liquidator of GREIH in FY2024.

There are no significant movements noted in trade payables as well as other payables and provision during the period.

Shareholders’ equity for the Group and Company stood at \$59.4 million and \$49.7 million respectively as at FY2024, as compared with \$61.7 million and \$54.6 million respectively as at FY2023.

### Cash flow of the Group

Although the Group has net cash outflows of \$1.8 million in FY2024, it continues to generate positive operating cashflows. The Group has received \$4.1 million from the liquidator of GREIH for the final return of capital, which is utilised mainly against repayment of bank loans of \$3.9 million, and a declaration of a final tax exempt (one-tier) dividend of \$0.7 million. The Group will continue to adopt a cautious approach even as it seeks sustainable growth in its operations and in managing its operating costs effectively.

3. (i) **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 well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares 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.**

#### Treasury shares

The Company's Treasury shares as set out below.

	<b>Group and Company</b>			
	<b>30 June 2024</b>	<b>30 June 2023</b>	<b>30 June 2024</b>	<b>30 June 2023</b>
	'000	'000	\$'000	\$'000
	<u>Number of ordinary shares</u>		<u>Total share capital</u>	
Issued and fully paid up:				
At beginning of the year	3,028	2,528	951	892
Share purchased during the year	-	500	-	59
At end of the year	<u>3,028</u>	<u>3,028</u>	<u>951</u>	<u>951</u>

- (ii) **To show the number of shares held as treasury shares, if any, against 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.**

	<b>30 June 2024</b>	<b>30 June 2023</b>
Number of shares held as treasury shares	3,028,000	3,028,000
Total number of issued shares (excluding treasury shares)	138,972,000	138,972,000

- (iii) **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.

**(iv) A statement showing all sales, transfers, cancellation and/or use of subsidiary holding as at end of the current financial period reported on.**

During the financial period, there was no transaction pertaining to subsidiary holdings.

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

Not applicable as the figures have not been audited or reviewed by the Company's statutory auditors.

**5. 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.**

Not applicable.

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

Not applicable.

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

Accounting policies and methods of computation used in the condensed interim financial statements for the year ended 30 June 2024 are consistent with those applied in the consolidated financial statements for the year ended 30 June 2023.

**7. 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.

**8. 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.**

	<b>6 months ended 30 June</b>	
	<b>2024</b>	<b>2023</b>
Earnings per ordinary share for the period		
(a) Based on weighted average number of ordinary shares in issue (cents)	(1.76)	0.92
(b) On a fully diluted basis (cents)	(1.76)	0.92

	12 months ended 30 June	
	2024	2023
Earnings per ordinary share for the period		
(a) Based on weighted average number of ordinary shares in issue (cents)	(2.38)	0.93
(b) On a fully diluted basis (cents)	(2.38)	0.93

## 9. A breakdown of sales

	FY2024 \$'000	FY2023 \$'000	Increase / (Decrease) %
a) Revenue reported for first half year	7,432	9,209	(19.3)
b) (Loss)/Profit after income tax before deducting non-controlling interests reported for the first half year	(858)	9	N.M.
c) Revenue reported for second half year	6,973	7,849	(11.2)
d) (Loss)/Profit after income tax before deducting non-controlling interests reported for the second half year	(2,443)	1,281	N.M.

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

No forecast or prospect statement has been issued previously.

## 11. 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.

Due to global economic circumstances and trends, the Group expects the operating environment to remain challenging in the food and beverages industry. Amidst an environment of high inflationary costs and inherent competition, the Group will adopt a cautious outlook in managing the challenging operating conditions while exploring ways to improve its operational efficiency and extending reach.

## 12. Dividend

### (a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

No.

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

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

Name of dividend	Final
Dividend type	Cash
Dividend amount per share (in cents)	0.5 cents per share
Tax rate	Tax Exempt 1-tier

**(c) Date payable**

Not applicable

**(d) Books closure date**

Not applicable

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

No dividend has been declared or recommended for current financial period. The Group will proceed conservatively in its management of resources in the uncertain global economy and will make recommendations for dividends when appropriate to do so.

**14. Interested person transactions**

There were no interested person transactions during the financial period ended 30 June 2024. The Company did not obtain any general mandate from its shareholders in respect of any interested person transaction.

**15. Report of persons occupying managerial positions who are related to a director, CEO or substantial shareholder**

Pursuant to Rule 704(13) of the SGX-ST Listing Manual, the Company wishes to inform that none of the persons occupying a managerial position in the Company or any of its principal subsidiaries is a relative to a Director or Chief Executive Officer or Substantial Shareholder of the Company as at 30 June 2024.

**16. Confirmation Pursuant to Rule 705(5) of the Listing Manual**

To the best of our knowledge, nothing has come to the attention of the Board of Directors which may render the unaudited financial results of the Company for the twelve months ended 30 June 2024 presented in this announcement, to be false or misleading in any material respect.

**17. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1).**

The Company confirmed that it has procured undertakings from all its directors and executive officers (in the format as set out in Appendix 7.7) under Rule 720(1).

**BY ORDER OF THE BOARD**

Chan Lai Yin  
Company Secretary

29 August 2024