



Unaudited Condensed Interim Financial Statements For First Half ended 31 December 2021

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 2021.

	Note	Group		Change
		1H FY2022	1H FY2021	
		\$'000	\$'000	%
<b>Revenue</b>	N3	7,974	7,325	8.9
Cost of sales		(4,000)	(3,517)	13.7
<b>Gross profit</b>		3,974	3,808	4.4
Other operating income	N4	657	829	(20.7)
Distribution costs		(1,398)	(1,278)	9.4
Administrative expenses		(3,091)	(2,912)	6.1
Write back of (loss) allowance on trade receivables		149	(22)	n/m
Other operating expenses		(136)	(127)	7.1
Finance costs		(18)	(27)	(33.3)
<b>Profit before income tax</b>	N5	137	271	(49.4)
Income tax expense	N6	(31)	(48)	(35.4)
<b>Profit for the period</b>		106	223	(52.5)
<b>Other comprehensive (loss) income:</b>				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Net fair value (loss) gain in equity instruments designated as at FVTOCI <sup>(1)</sup> arising during the year		(11)	38	n/m
<i>Items that may be reclassified subsequently to profit or loss</i>				
Exchange differences arising on translation of foreign subsidiaries		-	(2)	n/m
Financial assets at FVTOCI <sup>(1)</sup> :				
Fair value gain on investments in debt instruments measured at FVTOCI		-	18	n/m
<b>Other comprehensive (loss) gain for the period</b>		(11)	54	n/m
<b>Total comprehensive income for the period</b>		95	277	(65.7)

n.m = not meaningful

Note:

<sup>1</sup> FVTOCI - denote fair value through other comprehensive income

## Unaudited Condensed Interim Financial Statements For First Half ended 31 December 2021

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 21 \$'000 Unaudited	30 Jun 21 \$'000 Audited	31 Dec 21 \$'000 Unaudited	30 Jun 21 \$'000 Audited
<b>ASSETS</b>					
<b>Current assets</b>					
Cash and cash equivalents		9,821	14,234	7,350	11,693
Trade receivables	N8	1,471	1,042	1,013	535
Amount due from subsidiaries		-	-	371	55
Other receivables and prepayments		959	682	811	645
Inventories	N9	3,784	1,466	2,570	1,007
<b>Total current assets</b>		<b>16,035</b>	<b>17,424</b>	<b>12,115</b>	<b>13,935</b>
<b>Non - current assets</b>					
Subsidiaries		-	-	3,097	3,097
Club membership		200	200	200	200
Financial assets at FVTOCI <sup>(1)</sup>		2,484	2,495	2,484	2,495
Plant and equipment		525	665	387	502
Right-of-use assets		682	1,099	682	1,099
Investment properties		15,133	15,133	15,133	15,133
<b>Total non-current assets</b>		<b>19,024</b>	<b>19,592</b>	<b>21,983</b>	<b>22,526</b>
<b>Total assets</b>		<b>35,059</b>	<b>37,016</b>	<b>34,098</b>	<b>36,461</b>
<b>LIABILITIES AND EQUITY</b>					
<b>Current liabilities</b>					
Trade payables		1,943	425	1,357	347
Amount due to related companies, associates and related parties		-	-	986	986
Other payables		1,819	2,122	1,457	1,780
Provision for reinstatement costs	N10	25	15	25	15
Contract liabilities		299	118	169	50
Lease liabilities, current portion		711	760	711	760
Income tax payable		82	96	53	40
<b>Total current liabilities</b>		<b>4,879</b>	<b>3,536</b>	<b>4,758</b>	<b>3,978</b>
<b>Non-current liabilities</b>					
Provision for reinstatement costs	N10	154	164	154	164
Lease liabilities		386	697	386	697
Deferred tax liabilities		34	34	4	4
<b>Total non-current liabilities</b>		<b>574</b>	<b>895</b>	<b>544</b>	<b>865</b>
<b>Capital and reserves</b>					
Share capital		10,251	10,251	10,251	10,251
Currency translation deficit		(87)	(87)	-	-
Fair value adjustment surplus		99	110	99	110
Retained earnings		19,343	22,311	18,446	21,257
<b>Total equity</b>		<b>29,606</b>	<b>32,585</b>	<b>28,796</b>	<b>31,618</b>
<b>Total liabilities and equity</b>		<b>35,059</b>	<b>37,016</b>	<b>34,098</b>	<b>36,461</b>

## Note:

<sup>1</sup> 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

Unaudited Condensed Interim Financial Statements For First Half ended 31 December 2021

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 FY2022	1H FY2021
	\$'000	\$'000
<b>Operating activities:</b>		
Profit before income tax	137	271
Adjustments for:		
Reversal of impairment loss on other investment		
Depreciation of plant and equipment	207	216
Amortisation of right-of-use assets	417	468
Dividend income from financial assets at FVTOCI	(42)	(57)
Interest income from financial assets at amortised cost	(16)	(12)
Finance costs	18	27
(Write back of) loss allowance on trade receivables	(149)	22
Net foreign exchange loss (gain)	1	(2)
Gain on disposal of plant and equipment	(13)	-
Operating cash flows before movements in working capital	560	933
Trade receivables	(280)	(744)
Deposits, other receivables and prepayments	(277)	74
Inventories	(2,318)	(738)
Trade payables	1,518	1,110
Other payables	(303)	(313)
Contract liabilities	181	116
Cash (used in) generated from operations	(919)	438
Interest received	16	12
Interest paid	(18)	(27)
Income tax paid	(46)	(16)
Net cash (used in) generated from operating activities	<b>(967)</b>	<b>407</b>
<b>Investing activities</b>		
Dividend income	42	57
Proceeds on disposal of financial assets at FVTOCI	-	24
Proceeds on disposal of plant and equipment	13	-
Purchase of plant and equipment	(67)	(129)
Purchase of financial assets at FVTOCI	-	(95)
Net cash used in investing activities	<b>(12)</b>	<b>(143)</b>
<b>Financing activities</b>		
Dividend paid	(3,074)	(1,537)
Repayment of lease liabilities	(360)	(393)
Net cash used in financing activities	<b>(3,434)</b>	<b>(1,930)</b>
Net decrease in cash and cash equivalents	(4,413)	(1,666)
Cash and cash equivalents at beginning of period	14,234	12,929
<b>Cash and cash equivalents at end of period</b>	<b>9,821</b>	<b>11,263</b>
<b>Cash and cash equivalents consist of :</b>		
Cash and bank balances	6,140	4,115
Fixed deposits	3,681	7,148
Total	<b>9,821</b>	<b>11,263</b>

## Unaudited Condensed Interim Financial Statements For First Half ended 31 December 2021

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 surplus	Retained earnings	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Balance at July 1, 2021</b>	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)
<b>Balance at December 31, 2021</b>	10,251	(87)	99	19,343	29,606
<b>Balance at July 1, 2020</b>	10,251	(86)	26	22,368	32,559
<i>Total comprehensive income for the period:</i>					
Profit for the period	-	-	-	223	223
Other comprehensive loss for the period	-	(2)	56	-	54
Total	-	(2)	56	223	277
<i>Transactions with owners, recognised directly in equity</i>					
Dividends	-	-	-	(1,537)	(1,537)
<b>Balance at December 31, 2020</b>	10,251	(88)	82	21,054	31,299

Company

	Share capital	Fair value adjustment surplus	Retained earnings	Total
	\$'000	\$'000	\$'000	\$'000
<b>Balance at July 1, 2021</b>	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)
<b>Balance at December 31, 2021</b>	10,251	99	18,446	28,796
<b>Balance at July 1, 2020</b>	10,251	26	21,677	31,954
<i>Total comprehensive income for the period:</i>				
Profit for the period	-	-	374	374
Other comprehensive loss for the period	-	56	-	56
Total	-	56	374	430
<i>Transactions with owners, recognised directly in equity</i>				
Dividends	-	-	(1,537)	(1,537)
<b>Balance at December 31, 2020</b>	10,251	82	20,514	30,847

Unaudited Condensed Interim Financial Statements For First Half ended 31 December 2021

**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 2021 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 2021.

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 2021.

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 \$'000
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	
<b>31 December 2021</b>				
<b>Financial assets</b>				
Financial assets at FVTOCI				
- Quoted equity and debt securities	2,484	-	-	2,484
Investment properties	-	-	15,133	15,133
<b>30 June 2021</b>				
<b>Financial assets</b>				
Financial assets at FVTOCI				
- Quoted equity and debt securities	2,495	-	-	2,495
Investment properties	-	-	15,133	15,133

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**N3. Revenue**

	Group	
	1H FY2022	1H FY2021
	\$'000	\$'000
Sale of gifts and hampers, at point in time	7,757	7,087
Rental income	217	238
Total	<u>7,974</u>	<u>7,325</u>

As at December 31, 2021, 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 \$299,000 (December 31, 2020: \$297,000). 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 FY2022	1H FY2022	1H FY2022	1H FY2021	1H FY2021	1H FY2021
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>SEGMENT REVENUE AND RESULTS</b>						
Revenue	7,757	217	7,974	7,087	238	7,325
Results:						
Segment results	(529)	109	(420)	(611)	146	(465)
Other operating Income	594	8	602	762	-	762
Finance cost			(18)			(27)
Unallocated operating income			55			66
Unallocated expenses			(82)			(65)
Profit before income tax			<u>137</u>			<u>271</u>
Income tax expense			(31)			(48)
Profit after income tax			<u>106</u>			<u>223</u>
<b>Other information:</b>						
Capital expenditure on plant and equipment	67	-	67	129	-	129
Depreciation on plant and equipment	203	4	207	212	4	216
Depreciation on right-of use assets	417	-	417	468	-	468

**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.

**N4. Other operating income**

	Group	
	1H FY2022	1H FY2021
	\$'000	\$'000
Other income:		
Government grants (net)	577	757
Dividend income from financial assets at FVTOCI	42	57
Interest income from financial assets at amortised cost	16	12
Gain on disposal of plant and equipment	13	-
Others	9	3
	<u>657</u>	<u>829</u>

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**N5. Profit before income tax**

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

	Group	
	1H FY2022	1H FY2021
	\$'000	\$'000
Depreciation of plant and equipment	207	216
Amortisation on right-of-use assets	417	468
(Write back of) loss allowance on trade receivables	(149)	22
Net foreign exchange loss (gain)	1	(2)

**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 FY2022	1H FY2021
	\$'000	\$'000
Income tax		
- Current tax provision	17	-
- Under provision in respect of prior years	14	48
Income tax expense	31	48

**N7. Dividends**

	Group	
	1H FY2022	1H FY2021
	\$'000	\$'000
First and final one-tier tax-exempt dividend of 0.2 cent per share and a special dividend of 1.3 cents per share for financial year ended 30 June 2020	-	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	-
	3,074	1,537

**N8. Calculation of loss allowance for trade receivables**

	Group		Company	
	31-Dec-21	30-Jun-21	31-Dec-21	30-Jun-21
	\$'000	\$'000	\$'000	\$'000
Outside parties	1,887	1,667	1,259	868
Less: Loss allowance	(416)	(625)	(246)	(333)
	1,471	1,042	1,013	535

The average credit period is 30 days (30 Jun 21: 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.

**N9. Allowance for 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.

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**N10. Provision for reinstatement cost**

	Group		Company	
	31-Dec-21	30-Jun-21	31-Dec-21	30-Jun-21
	\$'000	\$'000	\$'000	\$'000
Current liabilities	25	15	25	15
Non-current liabilities	154	164	154	164
Total	179	179	179	179

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 2021 to 2024. 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 2021, there was no change in the Company's share capital during the six months ended 31 December 2021.

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 2021 and 30 June 2021	102,476,024	\$10,251,458

There was no change in the Company's number of shares since 30 June 2021.

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 31/12/2021	As at 30/6/21
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 2021, 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.

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 2021.



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- 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-21	Group 31-Dec-20
Earning per ordinary share for the period: -		
(i) Based on weighted average number of ordinary shares on issue (cents)	0.10	0.22
(ii) On a fully diluted basis (cents)	0.10	0.22

Note to item (6i) :

Earnings per share is calculated based on the weighted average number of 102,476,024 (30 Jun 21: 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 2021.

	Group		Company	
	31-Dec-21	30-Jun-21	31-Dec-21	30-Jun-21
Net assets value per ordinary share (cents)	28.89	31.80	28.10	30.85
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 2021 ("1H FY2022") as compared to the six months ended 31 December 2020 ("1H FY2021").**

**Statement Of Profit or Loss and Other Comprehensive Income**

**Revenue**

The Group recorded revenue of \$8.0 million in 1H FY2022, which is \$0.7 million higher as compared to \$7.3 million in 1H FY2021. The increase was from gifts division.

**Gross profit**

Accordingly, gross profit increased by \$0.2 million from \$3.8 million in 1H FY2021 to \$4.0 million in 1H FY2022. However, the gross profit margin was affected by rising supply chain costs.

**Other operating income**

The Group's other income was lowered by \$0.1 million to \$0.7 million in 1H FY2022 comprises mainly government grants and investment incomes.

**Operating expenses**

Distribution costs increased by \$0.1 million to \$1.4 million mainly in marketing expenses to create awareness and for wider outreach.

Administrative expenses increased by \$0.2 million to \$3.1 million mainly due to higher payroll expenses.

During the period, there was a write back of loss allowance on trade receivables (net) amounting to \$0.1 million.

**Profit for the period**

As a result of the abovementioned, profit before income tax decreased by \$0.1 million in 1H FY2022 as compared to 1H FY2021.

- (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 and Cash Flows Statement**

The Group's assets decreased by \$1.9 million from \$37.0 million in FY2021 to \$35.1 million in 1H FY2022. The decrease was primarily due to decrease in cash and cash equivalents of \$4.4 million, right-of-use assets of \$0.4 million and plant and equipment of \$0.1 million. The overall decrease was offset by the increase in trade receivables of \$0.4 million, inventories of \$2.3 million for stocking up of season stocks and other receivables and prepayments of \$0.3 million.

The Group's liabilities increased by \$1.0 million from \$4.4 million in FY2021 to \$5.4 million in 1H FY2022. The increase was primarily due to the increase in trade payables of \$1.5 million and contract liabilities of \$0.2 million, which was partially offset by the decrease in other payables of \$0.3 million and lease liabilities of \$0.4 million.

**Unaudited Condensed Interim Financial Statements For First Half ended 31 December 2021**

The Group recorded net cash used in operating activities of \$1.0 million in 1H FY2022 as compared to net cash generated from operating activities of \$0.4 million in 1H FY2021, due mainly to higher inventories.

Net cash used in investing activities of \$0.01 million was mainly due to the purchase of plant and equipment, offset by the dividend income and the proceeds from disposal of plant and equipment.

Net cash used in financing activities of \$3.4 million was mainly due to dividend payment.

Overall, the Group recorded a net decrease in cash and cash equivalents \$4.4 million in 1H FY2022, resulting in cash and cash equivalents of \$9.8 million as at 31 December 2021.

**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 business environment is challenging and the Covid-19 pandemic situation remains uncertain. The Group will continue to evaluate existing strategies, develop talent pool and build better processes.

**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.

**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.

**BY ORDER OF THE BOARD**

Alfred Wong Siu Hong  
Managing Director

Wong Phui Hong  
Executive Director

8 February 2022