



**FJ BENJAMIN**

**F J BENJAMIN HOLDINGS LTD**

**Company Registration Number: 197301125N**

**Condensed interim consolidated financial statements**

**For the six months ended 31 December 2024**

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

-----GROUP-----			
	6 months ended 31 Dec 2024	6 months ended 31 Dec 2023	Change
Note	\$'000	\$'000	%
Turnover	31,435	39,616	(21)
Cost of goods sold	(16,145)	(20,019)	(19)
<b>Gross Profit</b>	<b>15,290</b>	<b>19,597</b>	<b>(22)</b>
Other income, net	635	186	> 100
Staff costs	(7,267)	(7,930)	(8)
Rental of premises	(3,132)	(3,206)	(2)
Advertising and promotion	(704)	(963)	(27)
Depreciation of furniture, fixtures and equipment	(643)	(626)	3
Depreciation of right-of-use assets	(3,379)	(3,822)	(12)
Other operating expenses	(3,547)	(4,769)	(26)
<b>Operating loss</b>	<b>(2,747)</b>	<b>(1,533)</b>	<b>79</b>
Interest expenses from borrowings	(409)	(391)	5
Interest expenses from lease liabilities	(202)	(246)	(18)
Foreign exchange (loss)/gain, net	(112)	372	nm
Share of results of associates, net of tax	(891)	13	nm
<b>Loss before tax</b>	<b>(4,361)</b>	<b>(1,785)</b>	<b>&gt; 100</b>
Income tax expenses	-	(335)	(100)
<b>Net loss for the period</b>	<b>(4,361)</b>	<b>(2,120)</b>	<b>&gt; 100</b>
<b>Other comprehensive income:</b>			
<u>Item that may be reclassified subsequently to profit or loss:</u>			
Foreign currency translation	1,002	22	> 100
<b>Total comprehensive income for the period</b>	<b>(3,359)</b>	<b>(2,098)</b>	<b>60</b>
<b>Net loss attributable to:</b>			
Equity holders of the parent	(4,361)	(2,120)	> 100
Non-controlling interests	-	-	-
	<b>(4,361)</b>	<b>(2,120)</b>	<b>&gt; 100</b>
<b>Total comprehensive income attributable to:</b>			
Equity holders of the parent	(3,359)	(2,098)	60
Non-controlling interests	-	-	-
	<b>(3,359)</b>	<b>(2,098)</b>	<b>60</b>
<b>Loss per share (cents)</b>			
Basic and diluted	(0.37)	(0.18)	

nm - not meaningful

## B Condensed interim statements of financial position

	-----GROUP-----		-----COMPANY-----	
	31 Dec 2024	30 June 2024	31 Dec 2024	30 June 2024
	\$'000	\$'000	\$'000	\$'000
<b>NON-CURRENT ASSETS</b>				
Furniture, fixtures and equipment	3,382	3,615	38	64
Right-of-use assets	8,388	9,411	166	236
Subsidiaries	-	-	31,259	31,328
Investment in associates	15,152	16,146	-	-
Deferred tax assets	259	245	-	-
	<u>27,181</u>	<u>29,417</u>	<u>31,463</u>	<u>31,628</u>
<b>CURRENT ASSETS</b>				
Inventories	23,359	23,141	-	-
External trade debtors	1,221	1,212	-	-
Trade debts due from associate	6,324	8,423	-	-
Other debtors	11,441	11,055	12,093	12,333
Prepayments and advances	661	400	32	30
Tax recoverable	1,075	736	-	-
Cash on hand and at bank	3,319	3,550	3,009	3,029
	<u>47,400</u>	<u>48,517</u>	<u>15,134</u>	<u>15,392</u>
<b>CURRENT LIABILITIES</b>				
Trade and other creditors	18,843	18,892	2,621	2,474
Borrowings	14,033	12,620	21	21
Lease liabilities	5,558	6,115	150	146
	<u>38,434</u>	<u>37,627</u>	<u>2,792</u>	<u>2,641</u>
<b>NET CURRENT ASSETS</b>	<u>8,966</u>	<u>10,890</u>	<u>12,342</u>	<u>12,751</u>
<b>NON-CURRENT LIABILITIES</b>				
Other creditors	-	-	7,564	7,636
Borrowings	1,156	1,390	41	52
Lease liabilities	3,642	4,209	39	115
	<u>4,798</u>	<u>5,599</u>	<u>7,644</u>	<u>7,803</u>
<b>NET ASSETS</b>	<u>31,349</u>	<u>34,708</u>	<u>36,161</u>	<u>36,576</u>
<b>EQUITY</b>				
Share capital	186,170	186,170	186,170	186,170
Foreign currency translation reserve	(1,490)	(2,492)	-	-
Other reserves	414	414	-	-
Accumulated losses	(153,712)	(149,351)	(150,009)	(149,594)
Equity attributable to equity holders of the parent	<u>31,382</u>	<u>34,741</u>	<u>36,161</u>	<u>36,576</u>
Non-controlling interests	(33)	(33)	-	-
<b>TOTAL EQUITY</b>	<u>31,349</u>	<u>34,708</u>	<u>36,161</u>	<u>36,576</u>

## C Condensed interim statements of changes in equity

	----- Attributable to the equity holders of the parent -----					
	Share Capital	Foreign Currency Translation Reserve	Other Reserves	Accumulated Losses	Total	Non- controlling interests
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>GROUP</b>						
At 1 July 2024	186,170	(2,492)	414	(149,351)	34,741	(33)
Loss for the period	-	-	-	(4,361)	(4,361)	-
Other comprehensive income	-	-	-	-	-	-
Foreign currency translation	-	1,002	-	-	1,002	-
Total comprehensive income for the period	-	1,002	-	(4,361)	(3,359)	-
At 31 December 2024	186,170	(1,490)	414	(153,712)	31,382	(33)
At 1 July 2023	186,170	(2,739)	318	(143,218)	40,531	(33)
Loss for the period	-	-	-	(2,120)	(2,120)	-
Other comprehensive income	-	-	-	-	-	-
Foreign currency translation	-	22	-	-	22	-
Total comprehensive income for the period	-	22	-	(2,120)	(2,098)	-
At 31 December 2023	186,170	(2,717)	318	(145,338)	38,433	(33)
<b>COMPANY</b>						
At 1 July 2024	186,170	-	-	(149,594)	36,576	-
Loss for the period, representing total comprehensive income for the period	-	-	-	(415)	(415)	-
At 31 December 2024	186,170	-	-	(150,009)	36,161	-
At 1 July 2023	186,170	-	-	(147,577)	38,593	-
Loss for the period, representing total comprehensive income for the period	-	-	-	(1,125)	(1,125)	-
At 31 December 2023	186,170	-	-	(148,702)	37,468	-



## D Condensed interim consolidated statement of cash flows

	-----GROUP-----	
	6 months ended 31 Dec 2024 \$'000	6 months ended 31 Dec 2023 \$'000
<b>OPERATING ACTIVITIES:</b>		
Loss before tax	(4,361)	(1,785)
<u>Adjustments for:</u>		
Depreciation of furniture, fixtures and equipment	643	626
Depreciation of right-of-use assets	3,379	3,822
Share of results of associates, net of tax	891	(13)
Currency realignment	921	(72)
Gain on disposal of furniture, fixtures and equipment	(1)	-
Gain on derecognition of leases	(24)	-
Interest income	(15)	(36)
Interest expenses from borrowings	409	391
Interest expenses from lease liabilities	202	246
Allowance for inventory obsolescence and inventories written off, net	383	224
OPERATING CASH FLOWS BEFORE CHANGES IN WORKING CAPITAL	2,427	3,403
Decrease/ (Increase) in debtors	1,756	(345)
Increase in prepayments and advances	(261)	(129)
Increase in inventories	(601)	(5,417)
(Decrease)/ Increase in creditors	(49)	7,383
CASH FLOWS GENERATED FROM OPERATIONS	3,272	4,895
Interest received	15	36
Income tax paid	(291)	(873)
NET CASH FLOWS GENERATED FROM OPERATING ACTIVITIES	2,996	4,058
<b>INVESTING ACTIVITIES:</b>		
Purchase of furniture, fixtures and equipment	(275)	(1,769)
Proceeds from disposal of furniture, fixtures and equipment	6	-
NET CASH FLOWS USED IN INVESTING ACTIVITIES	(269)	(1,769)
<b>FINANCING ACTIVITIES:</b>		
Proceeds of bank borrowings	1,422	2,966
Repayment of bank borrowings	(815)	(753)
Repayment of other borrowings	(11)	(10)
Interest paid	(409)	(391)
Payment of lease liabilities	(3,668)	(4,127)
NET CASH FLOWS USED IN FINANCING ACTIVITIES	(3,481)	(2,315)
Net decrease in cash and cash equivalents	(754)	(26)
Cash and cash equivalents at beginning of financial period	2,570	5,239
Net effect of exchange rate changes on opening cash and cash equivalents	22	(29)
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	1,838	5,184
<u>Cash and cash equivalents comprise the following:</u>		
Cash on hand and at bank	3,319	6,153
Bank overdrafts	(1,481)	(969)
	1,838	5,184

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

### **1. Corporate information**

F J Benjamin Holdings Ltd (the “Company”) is a limited liability company incorporated and domiciled in Singapore and is listed on the Singapore Exchange Securities Trading Limited (“SGX-ST”). These condensed interim consolidated financial statements as at and for the six months ended 31 December 2024 comprise the Company and its subsidiaries (the “Group”).

The principal activities of the Company are those of investment holding and the provision of management services to its subsidiaries. The principal activities of the subsidiaries are those of investment holding and retailers, distributors and exporters of consumer fashion wear, accessories, timepieces, beauty, health and wellness products and operator of a multi-label luxury shoe and lifestyle concept store.

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

The condensed interim consolidated financial statements for the six months ended 31 December 2024 have been prepared in accordance with SFRS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed interim consolidated 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 since the last annual consolidated financial statements of the Group for the year ended 30 June 2024.

The accounting policies and methods of computations adopted for the condensed interim consolidated financial statements are consistent with those adopted by the Group in its most recently audited annual consolidated financial statements for the year ended 30 June 2024, which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1 below.

The condensed interim consolidated financial statements are presented in Singapore dollar which is the Company's functional currency and all values in the tables are rounded to nearest thousand (\$'000), except as otherwise indicated.

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

A number of amendments to the standards 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 these standards. The adoption of these standards did not have any material effect on the financial performance or position of the Group and the Company.

#### **2.2 Use of judgements and estimates**

In preparing the condensed interim consolidated 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 were the same as those that applied to the most recently audited annual consolidated financial statements of the Group as at and for the year ended 30 June 2024.

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

### **3. Seasonal operations**

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period reported on.

#### 4. Segment and revenue information

For management purpose, the Group is organised into business units based on their channel of distribution and has three reportable operating segments as follows:

- i. The Ongoing Retail segment is involved in the operation of retail stores specialising in the retail of consumer fashion wear, accessories, timepieces, beauty, health and wellness products, chocolates and cafe.
- ii. The Distribution segment is involved in the distribution of consumer fashion wear, accessories, home furnishings, timepieces, beauty and health and wellness products.
- iii. The Export segment is involved in the export of consumer fashion wear, accessories, timepieces and health and wellness products.

These operating segments are reported in the manner consistent with internal reporting provided to management who are responsible for allocating resources and assessing performance of the operating segments.

##### 4.1 Reportable segments

	Ongoing retail	Distribution	Export	Corporate and others	Group
	\$'000	\$'000	\$'000	\$'000	\$'000
<b><u>1 Jul 2024 – 31 Dec 2024</u></b>					
Sales to external customers	28,120	604	2,711	–	31,435
Segment results	(1,438)	(395)	239	(1,482)	(3,076)
Interest income					15
Interest expenses from borrowings					(409)
Share of results of associates, net of tax					(891)
Loss before tax					(4,361)
Income tax expenses					–
Net loss for the period					(4,361)
Capital expenditure	241	–	–	34	275
Depreciation of furniture, fixtures and equipment	554	11	–	78	643
Depreciation of right-of-use assets	3,309	–	–	70	3,379



#### 4.1 Reportable segments (continued)

	Ongoing retail \$'000	Distribution \$'000	Export \$'000	Corporate and others \$'000	Group \$'000
<b><u>1 Jul 2023 – 31 Dec 2023</u></b>					
Sales to external customers	35,012	642	3,962	–	39,616
Segment results	394	(448)	246	(1,635)	(1,443)
Interest income					36
Interest expenses from borrowings					(391)
Share of results of associates, net of tax					13
Loss before tax					(1,785)
Income tax expenses					(335)
Net loss for the period					(2,120)
Capital expenditure	1,630	–	–	139	1,769
Depreciation of furniture, fixtures and equipment	553	9	–	64	626
Depreciation of right-of- use assets	3,777	–	–	45	3,822

	Ongoing retail \$'000	Distribution \$'000	Export \$'000	Corporate and others \$'000	Group \$'000
<b><u>1 Jul 2024 – 31 Dec 2024</u></b>					
Segment assets	40,400	1,338	3,615	12,742	58,095
Investment in associates	–	–	–	15,152	15,152
	40,400	1,338	3,615	27,894	73,247
Unallocated assets					1,334
Total assets					74,581
Segment liabilities	23,027	1,099	2,581	2,879	29,586
Unallocated liabilities					13,646
Total liabilities					43,232



#### 4.1 Reportable segments (continued)

	Ongoing retail	Distribution	Export	Corporate and others	Group
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>1 Jul 2023 – 31 Dec 2023</b>					
Segment assets	52,206	1,326	5,280	13,349	72,161
Investment in associates	–	–	–	16,949	16,949
	52,206	1,326	5,280	30,298	89,110
Unallocated assets					854
Total assets					89,964
Segment liabilities	31,203	1,070	2,325	2,273	36,871
Unallocated liabilities					14,693
Total liabilities					51,564

Assets and liabilities which are common and cannot be meaningfully allocated to the business segments are presented as unallocated assets and liabilities, as shown in the table below.

	31 Dec 2024 \$'000	31 Dec 2023 \$'000
<b>Unallocated assets</b>		
Deferred tax assets	259	465
Tax recoverable	1,075	389
	1,334	854
<b>Unallocated liabilities</b>		
Bank borrowings (excluding bank overdrafts)	13,646	14,693
	13,646	14,693

#### 4.1 Reportable segments (continued)

##### Geographical segments

Revenue, non-current assets and capital expenditure information based on geographical location of customers and assets respectively are as follows:

	Southeast Asia \$'000	Others \$'000	Group \$'000
<b><u>1 Jul 2024 – 31 Dec 2024</u></b>			
Turnover	31,435	–	31,435
Other geographical information:			
Non-current assets	27,179	2	27,181
Capital expenditure	275	–	275
<b><u>1 Jul 2023 – 31 Dec 2023</u></b>			
Turnover	39,616	–	39,616
Other geographical information:			
Non-current assets	32,539	2	32,541
Capital expenditure	1,769	–	1,769

#### 5. Financial assets and financial liabilities

Set below is an overview of the financial assets and financial liabilities of the Group as at 31 December 2024 and 30 June 2024.

	Group		Company	
	31 December 2024	30 June 2024	31 December 2024	30 June 2024
	\$'000	\$'000	\$'000	\$'000
<b>Financial assets measured at amortised cost</b>				
Receivables from subsidiaries	–	–	22,743	22,812
Trade debtors	7,545	9,635	–	–
Other debtors	11,441	11,055	12,093	12,333
Cash on hand and at bank	3,319	3,550	3,009	3,029
	22,305	24,240	37,845	38,174
<b>Financial liabilities measured at amortised cost</b>				
Trade and other creditors	18,067	18,133	10,185	10,110
Borrowings	15,189	14,010	62	73
Lease liabilities	9,200	10,324	189	261
	42,456	42,467	10,436	10,444

## 6. Loss before tax

### 6.1 Significant items

	Group	
	6 months ended 31 December 2024	6 months ended 31 December 2023
	\$'000	\$'000
<b>Income</b>		
Market support and administrative service income	127	127
Government grants	11	12
Write back of payables	86	11
Waiver of royalties	345	–
Gain on disposal of furniture, fixtures and equipment	1	–
Gain on derecognition of leases	24	–
	<hr/>	<hr/>
<b>Expenses</b>		
Allowance for inventory obsolescence, net	306	117
Inventories written off	77	107
Outlet related expenses	546	854
Utilities	206	227
Royalties	29	134
Freight, warehousing, handling and shipping costs	708	866
Professional and legal fees	191	581
Directors' fees of directors of the Company	80	80
Telecommunication	99	99
Repair and maintenance	350	340
	<hr/>	<hr/>

### 6.2 Related party transactions

During the six months ended 31 December 2024 and 2023, the Group has entered into transactions with related parties on terms agreed between the parties, as shown below:

	6 months ended 31 December 2024	6 months ended 31 December 2023
	\$'000	\$'000
Sale of goods to associate	2,405	3,799
Market support and administrative service income from associate	127	127
	<hr/>	<hr/>

## 7. Income tax expenses

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	
	6 months ended 31 December 2024	6 months ended 31 December 2023
	\$'000	\$'000
Current income tax expense	–	335
	–	335

## 8. Loss per share

The basic loss per share is calculated by dividing the loss for the respective financial periods attributable to equity holders of the parent by the weighted average number of ordinary shares outstanding during the respective financial periods.

Diluted loss per share is calculated by dividing the loss for the respective financial periods attributable to equity holders of the parent by the weighted average number of ordinary shares outstanding during the respective financial periods plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

The following table reflected the loss and share data used in the computation for basic and diluted loss per share:

	Group	
	6 months ended 31 December 2024	6 months ended 31 December 2023
	\$'000	\$'000
Net loss for the financial period attributable to equity holders of the parent used in the computation of basic and diluted loss per share	(4,361)	(2,120)
	'000	'000
Weighted average number of ordinary shares for basic and diluted loss per share computation	1,187,314	1,187,314

For the six months ended 31 December 2024 and 2023, the Company did not have any potential dilutive instruments.

## 9. Net Asset Value

	Group		Company	
	31 December 2024	30 June 2024	31 December 2024	30 June 2024
	Cents	Cents	Cents	Cents
Net asset value per ordinary share	2.64	2.92	3.05	3.08

The calculation of net asset value per ordinary share was based on 1,187,313,903 shares as at 31 December 2024 (30 June 2024: 1,187,313,903).



#### 10. Furniture, fixtures and equipment

	Group	
	6 months ended 31 December 2024	6 months ended 31 December 2023
	\$'000	\$'000
Addition	275	1,769
Disposal	160	494

#### 11. Borrowings

	Group	
	31 December 2024	30 June 2024
	\$'000	\$'000
Amount repayable in one year or less, or on demand		
- Unsecured	14,033	12,620
Amount repayable after one year		
- Unsecured	1,156	1,390
Total borrowings	15,189	14,010
Cash on hand and at bank	(3,319)	(3,550)
Net borrowings	11,870	10,460

#### 12. Share capital

	Group and Company			
	31 December 2024		30 June 2024	
	No. of shares '000	Amount \$'000	No. of shares '000	Amount \$'000
<u>Ordinary shares issued and fully paid</u>				
As at beginning and end of interim period	1,187,314	186,170	1,187,314	186,170

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares have no par value and carry one vote per share without restriction.

There were no outstanding convertibles for conversion into ordinary shares as at 31 December 2024, 30 June 2024 and 31 December 2023.

The Company did not hold any treasury shares as at 31 December 2024, 30 June 2024 and 31 December 2023.

The Company's subsidiaries did not hold any shares in the Company as at 31 December 2024, 30 June 2024 and 31 December 2023.

#### 13. Subsequent event

There are no known subsequent events which led to adjustments to this set of condensed interim consolidated financial statements.

## **F. Other information required pursuant to Appendix 7C of the Catalyst Rules**

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

The condensed interim consolidated statement of financial position of F J Benjamin Holdings Ltd and its subsidiaries as at 31 December 2024 and the related condensed interim consolidated statement of profit or loss and other comprehensive income, condensed interim statements of changes in equity and condensed interim consolidated statement of cash flows for the six months period then ended and the explanatory notes have not been audited or reviewed by the Company's auditors.

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

Not applicable.

### **3. 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 issues 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. The Group's latest audited consolidated financial statements for the financial year ended 30 June 2024 are not subject to an adverse opinion, qualified opinion or disclaimer of opinion issued by the Company's auditors.

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

#### **(i) Review of results for the half year ended 31 December 2024 (1H FY25)**

Group revenue for the six months ended 31 December 2024 (1H FY25) decreased by 20.7% to \$31.4 million from \$39.6 million for the same period last year (1H FY24).

Sales in Singapore (excluding exports to the Indonesian associate) and Malaysia in 1H FY25 were down 32.2% and 12.2%, respectively, from the previous corresponding period. This was partly due to the closure of non-profitable stores. Consumer sentiment remained weak as consumers tightened their spending and coupled with the strong Singapore currency, resulted in more travelling and overseas spending.

The contribution of the Group's online sales remained constant at 3% of total sales in 1H FY25.

With the drop in sales, gross profit dropped by 22.0% to \$15.3 million in 1H FY25 from \$19.6 million in the previous period. Gross profit margin was lower by 0.9 percentage points to 48.6% in 1H FY25, as deeper discounts and promotions were offered to increase sales.

The increase in other income was mainly due to a waiver of royalties received from the principal of a brand the Group represents.

Group operating expenses declined by 12.4% or \$2.6 million to \$18.7 million in 1H FY25 from \$21.3 million in 1H FY24. This was mainly due to lower staff costs and ongoing streamlining of our headcount and moving our back-end office in Singapore to Malaysia, decrease in advertising spending and a reduction in depreciation of right-of-use assets.

The Group's share of loss from its Indonesian associate was \$0.9 million in 1H FY25 as compared to a share of profit of \$13,000 in the same period last year. Turnover for the Indonesian associate decreased by 7.9% (in local currency) in 1H FY25 as compared to 1H FY24. Due to the weak retail sentiment, gross profit margin was reduced by approximately 2%, resulting in a loss for 1H FY25. The stronger USD exchange rate to Rupiah also caused an increase in cost of goods sold.



Exports to the Group's Indonesian associate from Singapore have also decreased by \$1.4 million due to reduced demand.

Overall, the net loss attributable to shareholders amounted to \$4.4 million in 1H FY25 as compared to \$2.1 million in the first half of the previous financial year.

**(ii) Balance sheet**

Furniture, fixtures and fittings decreased by \$0.2 million due to depreciation charge of \$0.6 million, offset by additional capital expenditure of \$0.3 million mainly on stores in Malaysia.

Right-of-use assets decreased by \$1.0 million mainly due to a depreciation charge of \$3.4 million, offset by renewed and new leases totalling \$2.3 million. Correspondingly, total lease liabilities (current and non-current) reduced by \$1.1 million as payment of lease liabilities, totalling \$3.7 million exceeded renewed and new leases and interest charged amounting to \$2.6 million.

Trade receivables due from associate decreased by \$2.1 million mainly due to reduced sales.

Tax recoverable of \$1.1 million pertains to difference between the higher corporate tax estimated and paid to the tax authorities as compared to the provision for taxation made based on the half year results for the subsidiary in Malaysia. The final corporate tax will be determined after the completion of financial year.

Net borrowings totalled \$11.9 million as at 31 December 2024, up from \$10.5 million as at 30 June 2024 due to the increase in utilisation of invoice financing and short term revolving credit facility for working capital purposes. Gearing ratio stood at 37.9% as at 31 December 2024 as compared to 30.1% as at 30 June 2024.

**(iii) Cash flows**

For the period under review, the Group generated net cash flows of \$3.0 million from operating activities, increased its bank borrowings by \$0.6 million, invested \$0.3 million in capital expenditure and repaid lease liabilities and interest of \$4.1 million. This resulted in a net cash outflow of \$0.8 million for 1H FY25.

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

Not applicable. No forecast or prospect statement has been previously disclosed to shareholders.

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

To address the current challenging retail market, the Group will continue to focus on cost management, principally by right-sizing Singapore's operations, evaluate new opportunities and explore synergies with businesses that can assist in expanding our operations in more cost-effective markets.

We will prioritise representing brands that suit the local markets while continuing with a business strategy that will enhance the Group's growth and profitability.

**7. Dividend information**

**7a. Current financial period reported on**

**Any dividend recommended for the current financial period reported on?**  
No.

**7b. Corresponding period of the immediate preceding financial year**

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

No.

**7c. Date payable**

Not applicable.

**7d. The date on which Registrable Transfers received by the Company (up to 5.00pm) will be registered before entitlements to the dividend are determined**

Not applicable.

**7e. If no dividend has been declared (recommended), a statement to that effect and the reason(s) for the decision.**

No dividend has been declared or recommended as the Company incurred losses for the financial period.

**8. Interested persons transactions**

The Company does not have an IPT mandate.

**9. Confirmation pursuant to Rule 705(5) of the Catalyst Rules**

To the best of their knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the interim financial statements for the six months ended 31 December 2024 to be false or misleading in any material aspect.

**10. Confirmation that the issuer has procured undertaking from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1) of the Catalyst Rules**

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

**11. Disclosure of acquisition (including incorporations) and sale of shares in subsidiaries and/or associated companies since the end of the previous reporting period under Rule 706A of the Catalyst Rules**

The Group does not have any acquisitions (including incorporations) and realisations of shares in subsidiaries and/or associated companies since the end of the previous reporting period, up to 31 December 2024.

**12. Use of proceeds from Rights Issue and Exercise of Warrants**

On 5 April 2018 and 6 April 2018, the Company allotted and issued 341,225,914 new ordinary shares ("Rights Shares") with 682,451,828 free detachable warrants ("Warrants") under the Rights cum Warrants Issue (details as set out in the Company's circular to its Shareholders dated 15 February 2018 and offer information statement dated 12 March 2018 ("Offer Information Statement")). The total gross proceeds raised from the allotment and issuance of the Rights Shares under the Rights cum Warrants Issue, after accounting for the conversion into the Right Shares of certain loans owing by the Group to certain Shareholders (the "Conversion"), amounted to approximately S\$8,118,000.

As set out in the Company's announcements dated 17 May 2021 and 30 December 2021, on the expiry of the Warrants on 5 April 2021, a total of 157,378,132 Warrants had been exercised at the exercise price of S\$0.04. Accordingly, the Company raised aggregate gross proceeds of approximately S\$6,295,000. Following a review of the Group's then operating environment, and taking into consideration of the then on-going COVID-19 pandemic and safe distancing measures which impacted



the businesses of the Group, the Board had, in May 2021, reallocated an aggregate of S\$1,648,000 of the net proceeds from the exercise of Warrants, which was originally allocated for the expansion of the Group's business activities when the Rights cum Warrants Issue took place three years ago (pre-COVID-19) to general working capital purposes (the "Reallocation").

The use of proceeds from the Rights cum Warrants issue as at 31 December 2024 are as follows:

Rights issue

	Amount S\$'000
<u>Total net proceeds available:</u>	
Gross proceeds received from allotment and issuance of the Rights Shares, after accounting for Conversion	8,118
Share issuance expenses	(435)
Net proceeds available	<u>7,683</u>
<u>Use of proceeds:</u>	
(i) General working capital	
Allocation as disclosed in the Offer Information Statement	3,842
Total amount utilised – repayment of trade invoices financed by banks and trade suppliers' invoices	(3,842)
Balance	<u>-</u>
(ii) Expansion of the Group's business activities	
Allocation as disclosed in the Offer Information Statement	3,841
Total amount utilised	(841)
Balance	<u>3,000</u>

Warrants

	Amount S\$'000
<u>Total net proceeds available:</u>	
Gross proceeds from exercise of Warrants	6,295
Share issuance expenses	(21)
Net proceeds available	<u>6,274</u>
<u>Use of proceeds:</u>	
(i) General working capital	
Allocation as disclosed in the Offer Information Statement	3,137
Reallocation	1,648
Amount based on Reallocation basis	4,785
Total amount utilised	(4,785) <sup>1</sup>
Balance	<u>-</u>
(ii) Expansion of the Group's business activities	
Allocation as disclosed in the Offer Information Statement	3,137
Reallocation	(1,648)
Amount based on Reallocation basis	1,489
Total amount utilised	(1,481)
Balance	<u>8</u>

Note:

- (1) Net proceeds used for general working capital comprising (a) S\$2,380,000 for repayment of trade invoices financed by banks and trade suppliers' invoices; and (b) S\$2,405,000 for repayment of non-trade creditors, which consisted of rental, freight costs and other operating expenses.

Save as disclosed above on the Reallocation, the use of net proceeds from the Rights cum Warrants Issue is in accordance with the intended uses and percentage allocations as disclosed in the Offer Information Statement.

The Company will continue to make periodic announcements on the utilisation of the balance of the net proceeds from the Rights cum Warrants Issue as and when such net proceeds are materially disbursed or utilised, and whether such use is in accordance with the stated use and in accordance with the percentage allocated.

**BY ORDER OF THE BOARD**

**Wendy Isabel Wong Pei Fern**  
**Company Secretary**  
**13 February 2025**

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*This announcement has been reviewed by the Company's sponsor, ZICO Capital Pte. Ltd. (the "Sponsor").*

*This announcement has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "SGX-ST") and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.*

*The contact person for the Sponsor is Ms Goh Mei Xian, ZICO Capital Pte. Ltd. at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896, telephone (65) 6636 4201.*