



**PASTURE HOLDINGS LTD.**

(Registration No: 201731601W)

**Condensed Interim Consolidated Financial Statements**

For the six months ended 31 December 2023

**PASTURE HOLDINGS LTD.**

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**Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income**

		<u>Group</u>		
		(Unaudited) 6 months ended	(Unaudited) 6 months ended	Change
	<u>Note</u>	<u>31 Dec 2023</u>	<u>31 Dec 2022</u>	
		US\$'000	US\$'000	%
<b>Revenue</b>	5	5,727	4,337	32.0
Cost of sales		(4,476)	(3,603)	24.2
<b>Gross profit</b>		1,251	734	70.4
Other income and gains	6.1	328	36	> 100
Marketing and distribution costs		(42)	(125)	66.4
Administrative expenses	6.2	(1,561)	(1,166)	33.9
Other losses	6.1	(47)	(2)	NM
Finance costs		(32)	(9)	> 100
<b>Loss before tax</b>		(103)	(532)	(80.6)
Income tax expense	7	(52)	–	NM
<b>Loss, net of tax and total comprehensive loss, attributable to owners of the Company</b>		(155)	(532)	(70.9)
Loss per Share				
- Basic and diluted (cents)	8	(0.12)	(0.48)	

NM – Not meaningful

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Condensed Interim Statements of Financial Position

	Note	Group		Company	
		(Unaudited) 31 Dec 2023 US\$'000	(Audited) 30 June 2023 US\$'000	(Unaudited) 31 Dec 2023 US\$'000	(Audited) 30 June 2023 US\$'000
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property, plant and equipment	10	308	345	35	–
Right-of-use assets	11	1,290	31	1,290	–
Other financial assets	12	539	–	–	–
Investment in subsidiaries		–	–	137	137
<b>Total non-current assets</b>		<b>2,137</b>	<b>376</b>	<b>1,462</b>	<b>137</b>
<b>Current assets</b>					
Income tax recoverable		–	14	–	–
Inventories		3,032	2,046	–	–
Trade and other receivables	4	190	307	806	233
Other non-financial assets		656	709	253	7
Cash and cash equivalents		5,114	4,194	2,005	2,919
<b>Total current assets</b>		<b>8,992</b>	<b>7,270</b>	<b>3,064</b>	<b>3,159</b>
<b>Total assets</b>		<b>11,129</b>	<b>7,646</b>	<b>4,526</b>	<b>3,296</b>
<b>EQUITY AND LIABILITIES</b>					
<b>Equity</b>					
Share capital	14	3,671	3,671	3,671	3,671
Retained earnings/(accumulated losses)		2	157	(1,393)	(1,259)
<b>Total equity attributable to owners of the Company</b>		<b>3,673</b>	<b>3,828</b>	<b>2,278</b>	<b>2,412</b>
<b>Non-current liabilities</b>					
Loans and borrowings, non-current	13	594	–	–	–
Lease liabilities, non-current	13	1,171	54	1,158	–
<b>Total non-current liabilities</b>		<b>1,765</b>	<b>54</b>	<b>1,158</b>	<b>–</b>
<b>Current liabilities</b>					
Income tax payable		52	–	–	–
Lease liabilities, current	13	267	95	197	–
Loans and borrowings, current	13	153	–	–	–
Other non-financial liabilities		4,489	3,234	–	–
Trade and other payables	4	730	435	893	884
<b>Total current liabilities</b>		<b>5,691</b>	<b>3,764</b>	<b>1,090</b>	<b>884</b>
<b>Total liabilities</b>		<b>7,456</b>	<b>3,818</b>	<b>2,248</b>	<b>884</b>
<b>Total equity and liabilities</b>		<b>11,129</b>	<b>7,646</b>	<b>4,526</b>	<b>3,296</b>

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Condensed Interim Statements of Changes in Equity

<u>Group:</u>	Total equity US\$'000	Share capital US\$'000	Retained earnings US\$'000
Opening balance at 1 July 2023	3,828	3,671	157
<b>Changes in equity:</b>			
Total comprehensive loss for the period	<u>(155)</u>	<u>–</u>	<u>(155)</u>
<b>Closing balance at 31 December 2023</b>	<u><u>3,673</u></u>	<u><u>3,671</u></u>	<u><u>2</u></u>
Opening balance at 1 July 2022	1,655	200	1,455
<b>Changes in equity:</b>			
Issue of share capital	3,709	3,709	–
Share issue expenses	(238)	(238)	–
Total comprehensive loss for the year	<u>(1,298)</u>	<u>–</u>	<u>(1,298)</u>
<b>Closing balance at 30 June 2023</b>	<u><u>3,828</u></u>	<u><u>3,671</u></u>	<u><u>157</u></u>
	<u>Total equity</u>	<u>Share capital</u>	Retained earnings (Accumulated losses)
	US\$'000	US\$'000	US\$'000
Opening balance at 1 July 2023	2,412	3,671	(1,259)
<b>Changes in equity:</b>			
Total comprehensive loss for the period	<u>(134)</u>	<u>–</u>	<u>(134)</u>
<b>Closing balance at 31 December 2023</b>	<u><u>2,278</u></u>	<u><u>3,671</u></u>	<u><u>(1,393)</u></u>
Opening balance at 1 July 2022	209	200	9
<b>Changes in equity:</b>			
Issue of share capital	3,709	3,709	–
Share issue expenses	(238)	(238)	–
Total comprehensive loss for the period	<u>(1,268)</u>	<u>–</u>	<u>(1,268)</u>
<b>Closing balance at 30 June 2023</b>	<u><u>2,412</u></u>	<u><u>3,671</u></u>	<u><u>(1,259)</u></u>

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**Condensed Interim Consolidated Statement of Cash Flows**

	<u>Group</u>	
	6 months ended <u>31 Dec 2023</u> US\$'000	6 months ended <u>31 Dec 2022</u> US\$'000
<b><u>Cash flows from operating activities</u></b>		
Loss before tax	(103)	(532)
Adjustments for:		
Interest income	(17)	(1)
Interest expense	32	9
Loss from disposal of property, plant and equipment	40	1
Impairment of property, plant and equipment	–	2
Depreciation of property, plant and equipment	46	69
Depreciation of right-of-use assets	80	11
Operating cash flows before changes in working capital	<u>78</u>	<u>(441)</u>
Inventories	(986)	(101)
Trade and other receivables	117	126
Other non-financial assets	53	(122)
Trade and other payables	295	(2,240)
Other non-financial liabilities	1,256	250
Net cash flows from (used in) operations	<u>813</u>	<u>(2,528)</u>
Income taxes recovered (paid)	14	(229)
Net cash flows from (used in) operating activities	<u>827</u>	<u>(2,757)</u>
<b><u>Cash flows from investing activities</u></b>		
Purchase of plant and equipment	(50)	(53)
Purchase of other financial assets	(539)	–
Interest received	17	1
Net cash flows used in investing activities	<u>(572)</u>	<u>(52)</u>
<b><u>Cash flows from financing activities</u></b>		
Increase in new loans and borrowings	775	–
Repayment of loans and borrowings	(28)	(218)
Interest paid	(14)	(8)
(Decrease) Increase in other financial liabilities	(68)	118
Net cash flows from (used in) financing activities	<u>665</u>	<u>(108)</u>
<b>Net increase (decrease) in cash and cash equivalents</b>	920	(2,917)
Cash and cash equivalents, statement of cash flows, beginning balance	<u>4,194</u>	<u>3,676</u>
<b>Cash and cash equivalents, statement of cash flows, ending balance</b>	<u>5,114</u>	<u>759</u>

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### Notes to the Condensed Interim Consolidated Financial Statements For the six months ended 31 December 2023

#### 1. Corporate Information

Pasture Holdings Pte. Ltd. (the “**Company**”) was incorporated on 3 November 2017 under the Companies Act 1967 as a private company. It is domiciled in Singapore. On 28 March 2023, the company was converted to a public company and changed its name to “Pasture Holdings Ltd.”. On 9 June 2023, the company was listed on the Catalist Board (the “**Catalist**”) of the Singapore Exchange Securities Trading Limited.

The principal activities of the company are those of investment holding and provision of management services.

The principal activities of the subsidiaries are set out below:

- (a) Wholesale of medicinal and pharmaceutical products (western);
- (b) Wholesale of medical, professional, scientific and precision equipment; and
- (c) Veterinary activities

Please refer to the Company’s Offer Document dated 31 May 2023 for further details.

The registered office of the company is located at 2 Corporation Rd #03-04/05 Corporation Place, Singapore 618494.

These unaudited condensed interim consolidated financial statements as at and for the six months ended 31 December 2023 comprise the Company and its subsidiaries (collectively, the “**Group**”).

#### 2. Significant accounting policies

##### 2.1 Basis of preparation

The condensed interim consolidated financial statements have been prepared in accordance with the Singapore Financial Reporting Standards (International) (“**SFRS(I)s**”) and the related Interpretations to SFRS(I) (“**SFRS(I) INT**”) as issued by the Accounting Standards committee under ACRA. They are in compliance with the provisions of the Companies Act 1967 and with the International Financial Reporting Standards (“**IFRSs**”) issued by the International Accounting Standards Board (“**IASB**”). 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 audited consolidated 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, except for the adoption of new and amended standards as set out in Note 2.2, if any.

The interim consolidated financial statements are presented in United States dollars which is the Company’s functional currency, and all values are rounded to the nearest thousand (US\$’000), except when otherwise indicated.

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### 2. Significant accounting policies (cont'd)

#### 2.2 New and amended standards adopted by the Group

A number of amendments to SFRS(I)s and the related SFRS(I) INT 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.

#### 2.3 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 those 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 2023.

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.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial period are: (i) revenue recognition - agent versus principal considerations; (ii) allowance for impairment on inventories; (iii) expected credit loss allowance on trade receivables; (iv) income tax amounts; and (v) determination of functional currency impairment.

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

### 3. Segment and revenue information

#### 3.1 Business segments

The Group has three business segments as follows:

- (a) Mask and Medical Supplies;
- (b) Pharmaceutical Wholesale and Drop-Shipment; and
- (c) Other Services referring mainly to sales of new lines of products and services in new markets, such as oral disintegrating strips and pet pharmaceutical and nutraceutical products and services.

These operating segments are reported in a manner consistent with internal reporting provided to the chief operating decision maker, in deciding how to allocate resources and assessing performance of the operating segments.

	6 months ended		6 months ended	
	31 Dec 2023		31 Dec 2022	
	US\$'000	%	US\$'000	%
Mask and medical supplies	126	2.2	3	0.1
Pharmaceutical wholesale and drop-shipment	5,593	97.7	4,329	99.8
Other services	8	0.1	5	0.1
<b>Total revenue</b>	<b>5,727</b>	<b>100.0</b>	<b>4,337</b>	<b>100.0</b>



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3 Segment information (cont'd)

3.1 Business segments (cont'd)

The following tables illustrate the information about the reportable segment profit or loss, assets and liabilities.

Profit or loss from operations and reconciliations

	<u>Pharmaceutical wholesale and drop-shipment</u> US\$'000	<u>Mask and medical supplies</u> US\$'000	<u>Other services</u> US\$'000	<u>Total</u> US\$'000
<b>6 months ended 31 Dec 2023</b>				
<b>Revenue by segment</b>				
Total revenue by segment	5,593	126	8	5,727
Cost of sales	(4,417)	(53)	(6)	(4,476)
<b>Gross profit</b>	<b>1,176</b>	<b>73</b>	<b>2</b>	<b>1,251</b>
Other income and gains	50	1	277	328
Marketing and distribution costs	(16)	–	(26)	(42)
Administrative expenses	(628)	(14)	(919)	(1,561)
Finance costs	(14)	–	(18)	(32)
Other losses	(27)	–	(20)	(47)
Profit (Loss) before tax	541	60	(704)	(103)
Income tax expense				(52)
<b>Loss, net of tax and total comprehensive loss</b>				<b>(155)</b>

	<u>Pharmaceutical wholesale and drop-shipment</u> US\$'000	<u>Mask and medical supplies</u> US\$'000	<u>Other services</u> US\$'000	<u>Total</u> US\$'000
<b>6 months ended 31 Dec 2022</b>				
<b>Revenue by segment</b>				
Total revenue by segment	4,329	3	5	4,337
Cost of sales	(3,597)	(2)	(4)	(3,603)
<b>Gross profit</b>	<b>732</b>	<b>1</b>	<b>1</b>	<b>734</b>
Other income and gains	36	–	–	36
Marketing and distribution costs	(125)	–	–	(125)
Administrative expenses	(734)	–	(432)	(1,166)
Finance costs	(9)	–	–	(9)
Other losses	(2)	–	–	(2)
(Loss) Profit before tax	(102)	1	(431)	(532)
Income tax expense				–
<b>Loss, net of tax and total comprehensive income</b>				<b>(532)</b>

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**3 Segment information (cont'd)**

**3.1 Business segments (cont'd)**

**Assets and reconciliations**

	<u>Pharmaceutical wholesale and drop-shipment</u> US\$'000	<u>Mask and medical supplies</u> US\$'000	<u>Other services</u> US\$'000	<u>Unallocated</u> US\$'000	<u>Total</u> US\$'000
<b><u>As at 31 Dec 2023</u></b>					
Total assets for reportable segments <sup>(a)</sup>	3,026	188	8	–	3,222
Unallocated:					
Property, plant and equipment	–	–	–	308	308
Right-of-use assets	–	–	–	1,290	1,290
Other financial assets	–	–	–	539	539
Cash and cash equivalents	–	–	–	5,114	5,114
Other non-financial assets	–	–	–	656	656
<b>Total group assets</b>	<b>3,026</b>	<b>188</b>	<b>8</b>	<b>7,907</b>	<b>11,129</b>

	<u>Pharmaceutical wholesale and drop-shipment</u> US\$'000	<u>Mask and medical supplies</u> US\$'000	<u>Other services</u> US\$'000	<u>Unallocated</u> US\$'000	<u>Total</u> US\$'000
<b><u>As at 31 Dec 2022</u></b>					
Total assets for reportable segments <sup>(a)</sup>	1,429	102	5	–	1,536
Unallocated:					
Property, plant and equipment	–	–	–	1,655	1,655
Right-of-use assets	–	–	–	42	42
Cash and cash equivalents	–	–	–	759	759
Other non-financial assets	–	–	–	641	641
<b>Total group assets</b>	<b>1,429</b>	<b>102</b>	<b>5</b>	<b>3,097</b>	<b>4,633</b>

(a) The segment assets consist principally of trade receivables and inventories. The other assets are not allocated to operating segments because they are not directly attributable to the segments or cannot be allocated to the segments on a reasonable basis.

**Liabilities and reconciliations**

The liabilities are not allocated to operating segments because they are not directly attributable to the segments or cannot be allocated to the segments on a reasonable basis.

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### 3 Segment information (cont'd)

#### 3.2 Geographical information

	6 months ended <u>31 Dec 2023</u> US\$'000	6 months ended <u>31 Dec 2022</u> US\$'000
Japan	2,388	3,006
Hong Kong	943	419
Canada	2,099	734
Singapore	131	100
Others	166	78
Total revenue	<u>5,727</u>	<u>4,337</u>

Revenues are attributed to country on the basis of the customer's location, irrespective of the origin of the goods and services. The Group's non-current assets were all located in Singapore.

#### 3.3 Major customers

Except for the major customers disclosed below, there is no other single customer that accounted for 10.0% or more of the Group's total revenue for the six months ended 31 December 2023 and 2022 respectively.

Business segment	6 months ended <u>31 Dec 2023</u> US\$'000	6 months ended <u>31 Dec 2022</u> US\$'000
Customer 1 Pharmaceutical wholesale and drop-shipment	2,011	2,805
Customer 2 Pharmaceutical wholesale and drop-shipment	1,393	189
Customer 3 Pharmaceutical wholesale and drop-shipment	603	406
Customer 4 Pharmaceutical wholesale and drop-shipment	469	441

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### 4. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group and the Company as at 31 December 2023 and 30 June 2023.

	<u>Group</u>		<u>Company</u>	
	31 Dec 2023 US\$'000	30 June 2023 US\$'000	31 Dec 2023 US\$'000	30 June 2023 US\$'000
<i><u>Trade and other receivables (current)</u></i>				
Trade receivables	339	456	655	–
Other receivables	–	–	151	233
Allowance for impairment	(149)	(149)	–	–
	190	307	806	233
Add: Cash and cash equivalents	5,114	4,194	2,005	2,919
Total financial assets carried at amortised cost	<u>5,304</u>	<u>4,501</u>	<u>2,811</u>	<u>3,152</u>
<i><u>Trade and other payables (current)</u></i>				
Trade payables	730	435	314	192
Related parties	–	–	579	692
Ultimate parent company	–	–	–	–
	730	435	893	884
Add: Borrowings	747	–	–	–
Add: Lease liabilities	1,438	149	1,355	–
Total financial liabilities at amortised cost	<u>2,915</u>	<u>584</u>	<u>2,248</u>	<u>884</u>

### 5. Revenue

	<u>Group</u>	
	6 months ended 31 Dec 2023 US\$'000	6 months ended 31 Dec 2022 US\$'000
Rendering of services	69	15
Sale of goods	5,658	4,322
Total revenue	<u>5,727</u>	<u>4,337</u>

All the contracts are less than 12 months in tenure. The revenue from sale of goods and rendering of services are recognised based on point in time. The customers are those companies in the pharmaceutical industry. A large portion of the goods is exported.

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**6. Profit before taxation**

**6.1 Breakdown and explanatory notes to Consolidated Statement of Profit or Loss**

	<u>Group</u>	
	6 months ended <u>31 Dec 2023</u> US\$'000	6 months ended <u>31 Dec 2022</u> US\$'000
Interest income	17	1
Impairment allowance on property, plant and equipment	–	(2)
Foreign exchange transaction (losses) gains, net	(1)	7
Government grant income	299	–
Loss from disposal of property, plant and equipment	(40)	(1)
Inventories write-off	(6)	–
Reversal for impairment for inventory	7	–
Other income	5	29
Net	<u>281</u>	<u>34</u>
Presented in profit or loss as:		
Other income and gains	328	36
Other losses	(47)	(2)
Net	<u>281</u>	<u>34</u>

**6.2 Administrative expenses**

The major components and other selected components include the following:

	<u>Group</u>	
	6 months ended <u>31 Dec 2023</u> US\$'000	6 months ended <u>31 Dec 2022</u> US\$'000
Depreciation of property, plant and equipment	46	81
Depreciation of right-of-use asset	80	–
Employee benefits expense	928	477
IPO expenses	–	391

**6.3 Related party transactions**

Other than disclosed elsewhere in the financial statements, the Group had transactions with related parties on terms agreed between the parties as follows:

	<u>Group</u>	
	6 months ended <u>31 Dec 2023</u> US\$'000	6 months ended <u>31 Dec 2022</u> US\$'000
<u>Related parties:</u> <sup>(a)</sup>		
Revenue	–	(407)
Purchases	17	6
Commission expenses	–	5

(a) The related parties are entities in which a director; or a corporate shareholder of the Company has a significant controlling interest over the entity.

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### 7. Income tax

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

	<u>Group</u>	
	6 months ended <u>31 Dec 2023</u> US\$'000	6 months ended <u>31 Dec 2022</u> US\$'000
<u>Current tax expense:</u>		
Current tax expense	52	–
Total income tax expense	<u>52</u>	<u>–</u>

### 8. Loss per share

	<u>Group</u>	
	6 months ended <u>31 Dec 2023</u>	6 months ended <u>31 Dec 2022</u>
Loss per share, attributable to owners of the Company (in USD cent)	(0.12)	(0.48)
Weighted average number of ordinary shares per share computation	<u>132,000,000<sup>(a)</sup></u>	<u>112,000,000<sup>(b)</sup></u>

(a) the weighted average number of ordinary shares is computed based on 112,000,000 after share split and an additional 20,000,000 new ordinary shares pursuant to the placement exercise in connection with the listing of the Company

(b) For comparative purposes, the weighted average number of shares is the pre-Placement share capital of 112,000,000 shares after adjusting for the Share split

Diluted loss per share is the same as basic loss per share as there were no potential dilutive ordinary shares existing during the respective financial periods.

### 9. Net Asset Value (“NAV”)

	<u>Group</u>		<u>Company</u>	
	<u>31 Dec 2023</u>	<u>30 Jun 2023</u>	<u>31 Dec 2023</u>	<u>30 Jun 2023</u>
Net assets (US\$'000)	3,673	3,828	2,278	2,412
NAV per share (in USD cents)	2.78	2.90	1.73	1.83
Number of ordinary shares	<u>132,000,000</u>	<u>132,000,000</u>	<u>132,000,000</u>	<u>132,000,000</u>

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### 10. Property, plant and equipment

During the six months ended 31 December 2023, the Group had disposed of property, plant and equipment of US\$96,000, resulting in a loss on disposal of US\$40,000 (31 December 2022: US\$1,000).

### 11. Right-of-use assets

During the six months ended 31 December 2023, the Group has leased a new office space. The right-of-use assets are under lease agreements (see Note 13).

### 12. Other financial assets

Financial assets are initially recognised at fair value on the date the financial instrument is entered into and are subsequently re-measured to their fair value at each reporting date with the gain or loss recognised immediately in profit or loss ("FVTPL").

During the six months ended 31 December 2023, the Group had acquired a keyman insurance policy for a consideration of US\$539,000, which partially is funded by the bank loan of US\$408,000 (see Note 12).

### 13. Borrowings and lease liabilities

	Group		Company	
	31 Dec 2023 US\$'000	30 June 2023 US\$'000	31 Dec 2023 US\$'000	30 June 2023 US\$'000
Lease liabilities, non-current	1,171	54	1,158	–
Lease liabilities, current	267	95	197	–
	<u>1,438</u>	<u>149</u>	<u>1,355</u>	<u>–</u>
Loans and borrowings (secured), non-current	594	–	–	–
Loans and borrowings (secured), current	153	–	–	–
	<u>747</u>	<u>–</u>	<u>–</u>	<u>–</u>

The bank loan for the keyman insurance carries a floating rate of interest 1.50% per annum over the bank's cost of funds. The bank loan is secured by a fixed deposit of US\$148,000 and the corporate guarantee from the holding company and is repayable over 10 years effective 25 September 2023. The fair value of the bank loan is a reasonable approximation of the carrying amount as the loan is a floating instrument that is frequently re-priced to the market interest rate.

The bank loan for working capital under Enterprise Financing Scheme carries a fixed rate of interest 7.5% per annum and secured by the corporate guarantee from the holding company and is repayable over 3 years effective 24 November 2023.

Lease for right-of-use assets – The Group has leases relating to the office premises and motor vehicle. The lease contracts are usually for fixed periods of 3 years but may have extension options. Lease terms contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

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### 13. Borrowings and lease liabilities (cont'd)

The lease liabilities above do not include the short-term leases of less than 12 months and leases of low-value underlying assets. Variable lease payments which do not depend on an index or a rate or based on a percentage of revenue are not included from the initial measurement of the lease liability and the right-of-use assets. The incremental borrowing rates applied to lease liabilities recognised are 1.99% and 6% per annum for motor vehicle and office premises, respectively (30 June 2023: 1.99% and 6%).

### 14. Share capital

	<u>Group and Company</u>	
	Number of shares <u>issued</u>	Share <u>capital</u> US\$'000
Ordinary shares:		
Balance at 30 June 2023 and 31 December 2023	<u>132,000,000</u>	<u>3,671</u>

The ordinary shares are fully paid, carry one vote each and have no right to fixed income. The Company is not subject to any externally imposed capital requirements.

The Company did not have any outstanding options and convertibles, and there were no treasury shares or subsidiary holdings as at 30 June 2023 and 31 December 2023.

### 15. Subsequent events

There are no known subsequent events which may lead to adjustments to this set of interim financial statements.

## Other information required by Catalyst Rule Appendix 7C

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

The condensed interim statements of financial position of the Group and of the Company as at 31 December 2023 and the related condensed interim consolidated profit or loss and other comprehensive income, condensed interim consolidated statement of changes in equity and condensed interim consolidated statement of cash flows for the six-month period ended 31 December 2023 and certain explanatory notes have not been audited or reviewed.

### 1A. 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.



2. **A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group's business**

**Six months ended 31 December 2023 ("1H2024") compared to the six months ended 31 December 2022 ("1H2023")**

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

**1H2024 vs 1H2023**

Revenue

Our revenues increased by 32.0% from US\$4.3m to US\$5.7m. This increase can be attributed to the expansion of our customer base and accounts, particularly in the Pharmaceutical wholesale and Drop-shipment segment. Customers in Canada, as highlighted in the geographical information under Note 3.2, played a substantial role in driving this positive trend. The decrease in revenue from the Japan segment is primarily attributed to supply shortages affecting the availability of certain products. There was a slight increase in local sales of US\$123k for the Mask and Medical Supplies segment.

Cost of sales

Cost of sales increased by 24.2% from US\$3.6m to US\$4.5m mainly due to the increase in the Pharmaceutical wholesale and Drop-shipment segment. Cost of sales mainly comprised purchase costs, freight charges and packing charges.

Gross profit

Gross profit increased by 70.5% from US\$0.7m to US\$1.3m and gross profit margin also increased from 16.9% in 1H2023 to 21.8% in 1H2024. This was mainly attributable to a increase in efficiency in both the Pharmaceutical wholesale and Drop-shipment segment and an increased contribution from the Mask and Medical segment.

Other Income and gains

Other income and gains increased by US\$0.3m due mainly to the government grant received in relation to the listing amounting to US\$222k and grant received for the Company's pet health mobile application *Furlife* of US\$77k in 1H2024.

Operating Expenses

Marketing and distribution costs decreased by US\$83k from US\$125k to US\$42k mainly due to the absence of costs incurred for the development of *Furlife* in 1H2023, following its launch in January 2023.

Administrative expenses increased by US\$0.4m from US\$1.2m to US\$1.6m mainly due to the increase in (a) employee benefits expenses costs of US\$451k resulted from higher headcount of employees and increment of salaries of US\$208k, an ex-gratia payment for mutual separation agreement of US\$89k, director's remunerations and directors' fees incurred in 1H2024 amounting to US\$131k; (b) warehousing cost of US\$62k; (c) commission fees of US\$41k; and (d) depreciation expenses of US\$45k. The increase was partially offset by the absence of professional fees and sundry expenses incurred in 1H2023 which were related to the Company's listing exercise.

Overall, the operating expenses of the Group increased by approximately US\$0.4m in 1H2024 as compared to in 1H2023.

**Statement of Profit or Loss and Other Comprehensive Income (cont'd)**

**1H2024 vs 1H2023**

Other losses

Other losses increased from US\$2k to US\$47k mainly due to a loss in disposal of property, plant and equipment of US\$40k and inventories written off of US\$6k in 1H2024.

Finance costs

Finance costs increased from US\$9k to US\$32k due to the increase in the interest expenses of lease and bank loans incurred in 1H2024.

Loss before tax

Loss before tax decreased by US\$0.4m from US\$0.5m in 1H2023 to US\$0.1m in 1H2024. This was mainly due to an increase in gross profit of US\$0.5m and other income and gains of US\$0.3m partially offset by the increase in operating expenses of US\$0.4m.

Income tax expense

There was a provision of income tax payable of US\$52k for 1H2024.

**Statement of Financial Position**

Non-current assets

Non-current assets increased by US\$1.7m from US\$0.4m as at 30 June 2023 to US\$2.1m as at 31 December 2023 due to the increase in right-of-use assets of US\$1.3m relating to the lease of a new office space and other financial assets of US\$0.5m which was related to the purchase of keyman insurance.

Current assets

Cash and cash equivalents increased by US\$0.9m from US\$4.2m as at 30 June 2023 to US\$5.1m as at 31 December 2023.

Inventories increased by US\$1.0m from US\$2.0m as at 30 June 2023 to US\$3.0m as at 31 December 2023. Our inventories comprised mainly goods for resale for our pharmaceutical wholesale and drop-shipment. The increase in inventory level was mainly due to the increase in orders from our customers that were paid but not yet shipped out to our customers as at 31 December 2023.

Total assets increased by US\$3.5m from US\$7.6m as at 30 June 2023 to US\$11.1m as at 31 December 2023.

Current and non-current liabilities

New loans and borrowings of US\$775k were incurred after 30 June 2023 in relation to the bank loan obtained for the purchase of keyman insurance and working capital.

Lease liabilities increased by US\$1.3m from US\$0.1m as at 30 June 2023 to US\$1.4m as at 31 December 2023 due to the lease of a new office space.

Other non-financial liabilities, under current liabilities, increased by US\$1.3m from US\$3.2m as at 30 June 2023 to US\$4.5m as at 31 December 2023 due to the increase in contract liabilities on advances received from customers for performance obligations that were not satisfied as at 31 December 2023.

**Statement of Financial Position (cont'd)**

Trade and other payables, under current liabilities, increased by US\$0.3m from US\$0.4m as at 30 June 2023 to US\$0.7m as at 31 December 2023.

A tax provision, under current liabilities, of US\$52k was recognized as at 31 December 2023.

Total liabilities increased by US\$3.7m from US\$3.8m as at 30 June 2023 to US\$7.5m as at 31 December 2023.

**Statement of Cash Flows**

The Group generated an operating loss before working capital changes of US\$0.1m. Net cash generated from operating activities, inclusive of working capital changes was US\$0.8m. The net working capital inflow in 1H2024 was mainly due to the following:

- (a) a decrease in trade and other receivables of US\$0.1m;
- (b) an increase in trade and other payables of US\$0.3m; and
- (c) an increase in other non-financial liabilities of US\$1.3m, partially offset by
- (d) an increase in inventories of US\$1m;

Net cash flows used in investing activities of US\$0.6m were mainly due to the addition of plant and equipment US\$50k and the purchase of keyman insurance of US\$539k under other financial assets.

Net cash flows from financing activities of US\$0.7m was mainly due to the drawdown of new bank loans and borrowings of US\$775k partially offset by the repayment of loans and borrowings of US\$28k, and lease payments under other financial liabilities of US\$68k.

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

Not applicable.

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

The continued growth of the aging population in developed nations<sup>1</sup>, along with increased healthcare expenditure across the Company's key markets and target expansion areas, provides a favourable outlook for the Company's growth<sup>2</sup>.

In response to these market dynamics, we maintain a proactive approach, continually adapting our strategies to align with emerging trends, aiming for sustainable growth and stakeholder value.

Furthermore, the Company's participation in fulfilling previous and ongoing contractual commitments with government entities to supply medical products has further fortified the resilience of its operational framework. The Company's continuing committed relationship with government entities will assist to contribute to the Company's revenue positively.

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<sup>1</sup> <https://www.oecd.org/health/health-at-a-glance/>

<sup>2</sup> <https://www.oecd.org/canada/health-at-a-glance-Canada-EN.pdf>, <https://www.oecd.org/japan/health-at-a-glance-Japan-EN.pdf>

**5. Dividend information**

**(a) Any dividend declared for the current financial period on?**

None.

**(b) Any dividend declared for the corresponding period of the immediately preceding financial year?**

None.

**(c) The date the dividend is payable.**

Not applicable.

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

Not applicable.

**6. 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 for the six months ended 31 December 2023. The Group plans to conserve cash in view of the Group's expansion plans and increase in capital expenditure expected in the financial year ended 30 June 2024.

**7. If the Group has obtained a general mandate from shareholders for 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 Group has obtained the renewal of the shareholders' general mandate for Interested Person Transactions (the "IPT General Mandate") during its AGM held on 31 Oct 2023.

There were no IPTs of S\$100k and above entered into by the Group for the six months ended 31 December 2023.

**8. Confirmation pursuant to Rule 720(1) of the Catalist Rules**

The Company hereby confirms that it has procured undertakings from all its directors and executive officers under Rule 720(1) of the Catalist Rules.

**PASTURE HOLDINGS LTD.**

**9. IPO net proceeds**

	Amount in aggregate US\$'000	Utilized in 1H2024 US\$'000	Amount Balance US\$'000
Use of proceeds			
Strengthening our existing business segments and diversification into new geographical market segments	742	–	742
Exploring opportunities in mergers and acquisitions, joint ventures and strategic alliances	1,187	–	1,187
General working capital purposes	342	(328)	14
Total	<u>2,271<sup>(a)</sup></u>	<u>(328)</u>	<u>1,943</u>

(a) Based on exchange rate of US\$1 = S\$1.3479 applied to the IPO net proceeds of S\$3,062,000 as stated in the Offer Document

The Company will continue to make periodic announcements via SGXNet on the utilization of the balance of the IPO net proceeds as and when such proceeds are materially disbursed.

**10. Disclosure of acquisition (including incorporations) and sale of shares under Catalist Rule 706A**

The Company did not acquire or dispose of any shares in 1H2024 which would require disclosure under Catalist Rule 706A.

**11. Negative assurance confirmation on interim financial results pursuant to Rule 705(5) of the Catalist Rules**

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

BY ORDER OF THE BOARD

Soong Chin Kum Jonathan Lloyd  
Executive Chairman and Chief Executive Officer

Prashanth Palepu  
Director

Date : 14 February 2024

## PASTURE HOLDINGS LTD.

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*Pasture Holdings Ltd. (the "Company") was listed on Catalist of the Singapore Exchange Securities Trading Limited (the "SGX-ST") on 9 June 2023. The initial public offering of the Company was sponsored by PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor").*

*This announcement has been reviewed by the Company's Sponsor. It has not been examined or approved by the SGX-ST. 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 document.*

*The contact person for the Sponsor is Mr. Shervyn Essex, 16 Collyer Quay, #10-00 Collyer Quay Centre, Singapore 049318, sponsorship@ppcf.com.sg.*