



**CASA HOLDINGS LIMITED**  
(Company Registration Number: 199406212Z)  
(Incorporated in the Republic of Singapore)

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**UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE SIX MONTHS ENDED 31 MARCH 2022**

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**A. Condensed interim consolidated statement of comprehensive income**

	Half Year ended 31 March		+ / (-) %
	2022 \$'000	2021 \$'000	
Revenue	10,745	9,459	13.6
Cost of sales	(6,010)	(5,560)	8.1
Gross profit	4,735	3,899	21.4
Other income	901	1,017	(11.4)
Other gains – net	622	316	96.8
Expenses			
- Distribution and marketing	(1,466)	(1,294)	13.3
- Administrative	(3,590)	(3,466)	3.5
- Finance	(759)	(773)	(1.8)
Share of profit of associated company	1,031	1,081	(4.6)
Share of loss of a joint-venture company	(13)	(17)	(23.5)
<b>Profit before income tax</b>	<b>1,461</b>	<b>763</b>	<b>91.5</b>
Income tax expense	(29)	(133)	(78.2)
<b>Profit after income tax</b>	<b>1,432</b>	<b>630</b>	<b>127.3</b>
<b>Other comprehensive loss net of tax:</b>			
Items that may be reclassified subsequently to profit or loss:			
- Shares of other comprehensive income of associated companies	(168)	(372)	-54.8%
- Currency translation differences arising from consolidation	(244)	17	N/M
<b>Other comprehensive loss, net of tax</b>	<b>(412)</b>	<b>(355)</b>	<b>16.1%</b>
<b>Total comprehensive income</b>	<b>1,020</b>	<b>275</b>	<b>270.9%</b>
<b>Profit/(loss) attributable to:</b>			
Equity holders of the Company	1,590	850	87.1%
Non-controlling interests	(158)	(220)	-28.2%
	<b>1,432</b>	<b>630</b>	<b>127.3%</b>
<b>Total comprehensive income/(loss) attributable to:</b>			
Equity holders of the Company	1,259	492	155.9%
Non-controlling interests	(239)	(217)	10.1%
	<b>1,020</b>	<b>275</b>	

N/M - not meaningful

**B. Condensed interim statements of financial position**

	Group		Company	
	31 Mar 2022 \$'000	30 Sep 2021 \$'000	31 Mar 2022 \$'000	30 Sep 2021 \$'000
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents	3,583	5,663	202	461
Trade and other receivables	3,582	3,258	34,938	35,007
Inventories	5,161	5,010	-	-
	<u>12,326</u>	<u>13,931</u>	<u>35,140</u>	<u>35,468</u>
<b>Non-current assets</b>				
Development properties	54,274	54,822	-	-
Investments in associated company	17,606	16,745	9,945	9,945
Investment in a joint venture company	3,235	3,114	-	-
Investments in subsidiary corporations	-	-	12,241	12,241
Property, plant and equipment	10,700	10,962	-	-
	<u>85,815</u>	<u>85,643</u>	<u>22,186</u>	<u>22,186</u>
<b>Total assets</b>	<u>98,141</u>	<u>99,574</u>	<u>57,326</u>	<u>57,654</u>
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Trade and other payables	4,972	5,647	8,938	8,928
Provision	520	511	-	-
Borrowings	669	663	-	-
Lease liabilities	63	53	-	-
Current income tax liabilities	328	391	-	-
	<u>6,552</u>	<u>7,265</u>	<u>8,938</u>	<u>8,928</u>
<b>Non-current liabilities</b>				
Other payables	29,884	30,078	-	-
Provision	162	162	-	-
Borrowings	1,737	2,190	-	-
Lease liabilities	1,455	1,493	-	-
Deferred income tax liabilities	116	122	-	-
	<u>33,354</u>	<u>34,045</u>	<u>-</u>	<u>-</u>
<b>Total liabilities</b>	<u>39,906</u>	<u>41,310</u>	<u>8,938</u>	<u>8,928</u>
<b>NET ASSETS</b>	<u>58,235</u>	<u>58,264</u>	<u>48,388</u>	<u>48,726</u>
<b>EQUITY</b>				
<b>Capital and reserves attributable to equity holders of the Company</b>				
Share capital	32,315	32,315	32,315	32,315
Currency translation reserve	(177)	153	-	-
Retained profits	27,154	26,613	16,073	16,411
	<u>59,292</u>	<u>59,081</u>	<u>48,388</u>	<u>48,726</u>
<b>Non-controlling interests</b>	<u>(1,057)</u>	<u>(817)</u>	<u>-</u>	<u>-</u>
<b>Total equity</b>	<u>58,235</u>	<u>58,264</u>	<u>48,388</u>	<u>48,726</u>

**C. Condensed interim statements of changes in equity**

	← Attributable to equity holders of the Company →					
	Share capital	Currency translation reserve	Retained profits	Total	Non-controlling interests	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Group</b>						
<b>2022</b>						
<b>Balance as at 1 October 2021</b>	32,315	153	26,613	59,081	(817)	58,264
Profit for the financial period	-	-	1,590	1,590	(158)	1,432
Other comprehensive loss for the financial period	-	(330)	-	(330)	(82)	(412)
Dividends paid	-	-	(1,049)	(1,049)	-	(1,049)
<b>Balance as at 31 March 2022</b>	<b>32,315</b>	<b>(177)</b>	<b>27,154</b>	<b>59,292</b>	<b>(1,057)</b>	<b>58,235</b>
<b>2021</b>						
<b>Balance as at 1 October 2020</b>	32,315	492	25,297	58,104	(319)	57,785
Profit for the financial period	-	-	850	850	(220)	630
Other comprehensive loss for the financial period	-	(358)	-	(358)	3	(355)
Dividends paid	-	-	(1,049)	(1,049)	-	(1,049)
<b>Balance as at 31 March 2021</b>	<b>32,315</b>	<b>134</b>	<b>25,098</b>	<b>57,547</b>	<b>(536)</b>	<b>57,011</b>
<b>Company</b>				<b>Share capital</b>	<b>Retained profits</b>	<b>Total equity</b>
<b>2022</b>				<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Balance as at 1 October 2021</b>				32,315	16,411	48,726
Total comprehensive income for the year				-	711	711
Dividends paid				-	(1,049)	(1,049)
<b>Balance as at 31 March 2022</b>				<b>32,315</b>	<b>16,073</b>	<b>48,388</b>
<b>2021</b>						
<b>Balance as at 1 October 2020</b>				32,315	16,259	48,574
Total comprehensive income for the year				-	620	620
Dividends paid				-	(1,049)	(1,049)
<b>Balance as at 31 March 2021</b>				<b>32,315</b>	<b>15,830</b>	<b>48,145</b>

**D. Condensed interim consolidated statement of cash flows**

	<b>Half Year ended 31 March</b>	
	<b>2022</b>	<b>2021</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Cash flows from operating activities</b>		
Net profit	1,432	630
Adjustments for:		
- Income tax expense	29	133
- Depreciation of property, plant and equipment	417	348
- Gain on amortisation of interest-free non-current payables	(706)	(701)
- Loss on disposal of property, plant and equipment	4	2
- Interest income	(1)	(1)
- Finance expense	759	773
- Share of profit of associated company	(1,031)	(1,081)
- Share of loss of a joint venture company	13	17
- Unrealised currency translation losses	92	414
	<b>1,008</b>	<b>534</b>
Change in working capital:		
- Development properties	-	(46)
- Inventories	(151)	(176)
- Trade and other receivables	(324)	273
- Trade and other payables	(490)	416
Cash generated from operations	43	1,001
Income tax paid	(131)	(108)
<b>Net cash (used in) / provided by operating activities</b>	<b>(88)</b>	<b>893</b>
<b>Cash flows from investing activities</b>		
Additions to property, plant and equipment	(159)	(652)
Loan to a joint-venture company	(168)	(113)
Dividends received from an associated company	-	87
Interest received	1	1
<b>Net cash used in investing activities</b>	<b>(326)</b>	<b>(677)</b>
<b>Cash flows from financing activities</b>		
Dividends paid to equity owners	(1,049)	(1,049)
Proceeds from bank borrowings	-	1,667
Proceeds from related parties' borrowings	99	148
Repayment of bank borrowings	(447)	(641)
Repayment of bills payable	(173)	(298)
Repayment of lease liabilities	(28)	(58)
Interest and finance related cost paid	(68)	(32)
<b>Net cash used in financing activities</b>	<b>(1,666)</b>	<b>(263)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(2,080)</b>	<b>(47)</b>
<b>Cash and cash equivalents</b>		
Beginning of the financial period	5,663	5,081
Effects of currency translation on cash and cash equivalents	-	3
<b>End of the financial period</b>	<b>3,583</b>	<b>5,037</b>

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

### **1. Corporate information**

Casa Holdings Limited (the “Company”) is listed on the Mainboard of Singapore Exchange Securities Trading Limited (“SGX-ST”) and incorporated and domiciled in Singapore. The address of its registered office is 15 Kian Teck Crescent, Singapore 628884.

The principal activities of the Group are distributor of electrical and electronic home appliances, property holdings and property development.

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

The condensed interim financial statements for the six months ended 31 March 2022 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 interim financial statements for the year ended 30 September 2021.

The Group has applied the same accounting policies and methods of computation as in the Group’s most recently audited financial statements.

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

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

A number of amendments to Singapore Financial Reporting Standards (International) (“SFRS(I)”) 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 SFRS(I).

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

Management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. 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 consolidated financial statements as at and for the six months ended 31 March 2022.

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.

### **3. Seasonal operations**

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

### **4. Segment and revenue information**

The Group is organised into the following main business segments:

- Segment 1: Trading
- Segment 2: Property development
- Segment 3: Unallocated included investment holding entity

Management monitors the operating results of its business segments separately for making decisions about allocation of resources and assessment of performances of each segment.

**E. Notes to the condensed interim consolidated financial statements (cont'd)**

**4. Segment and revenue information (cont'd)**

**4.1 Operating segments**

	<u>Trading</u> \$'000	<u>Property Development</u> \$'000	<u>Unallocated</u> \$'000	<u>Total</u> \$'000
<b><u>For 6 months ended</u></b>				
<b><u>31 March 2022</u></b>				
<b>Sales to external parties</b>	<b>10,745</b>	-	-	<b>10,745</b>
<b>Segment profit/(loss)</b>	<b>1,222</b>	<b>(118)</b>	<b>(191)</b>	<b>913</b>
Interest income	-	-	-	-
Share of profit of associated companies	-	-	1,031	1,031
Share of loss of a joint-venture company	-	-	(13)	(13)
Depreciation of property, plant and equipment	(289)	(128)	-	(417)
Interest expense	(68)	-	-	(68)
Amortised interest on non-current payables	(28)	(663)	-	(691)
Gain on amortisation of interest-free non-current payables	34	672	-	706
Profit before income tax				1,461
Income tax expense				(29)
Profit after income tax				1,432
<b><u>For 6 months ended</u></b>				
<b><u>31 March 2021</u></b>				
<b>Sales to external parties</b>	<b>9,459</b>	-	-	<b>9,459</b>
<b>Segment profit/(loss)</b>	<b>957</b>	<b>(209)</b>	<b>(630)</b>	<b>118</b>
Interest income	-	1	-	1
Share of profit of associated companies	-	-	1,081	1,081
Share of loss of a joint-venture company	-	-	(17)	(17)
Depreciation of property, plant and equipment	(213)	(135)	-	(348)
Interest expense	(65)	-	-	(65)
Amortised interest on non-current payables	(30)	(678)	-	(708)
Gain on amortisation of interest-free non-current payables	30	671	-	701
Profit before income tax				763
Income tax expense				(133)
Profit after income tax				630

**E. Notes to the condensed interim consolidated financial statements (cont'd)**

**4. Segment and revenue information (cont'd)**

**4.1 Operating segments (cont'd)**

	<u>Trading</u> \$'000	<u>Property Development</u> \$'000	<u>Unallocated</u> \$'000	<u>Total</u> \$'000
<b><u>31 March 2022</u></b>				
<b>Segment assets</b>	<b>22,385</b>	<b>54,915</b>	<b>20,841</b>	<b>98,141</b>
Segment assets includes:				
Investments in associated companies	-	-	17,606	17,606
Investments in a joint-venture company	-	-	3,235	3,235
Additions to:				
- investment in a joint-venture company	-	-	168	168
- property, plant and equipment	159	-	-	159
<b>Segment liabilities</b>	<b>9,908</b>	<b>29,884</b>	<b>114</b>	<b>39,906</b>
<b><u>31 March 2021</u></b>				
<b>Segment assets</b>	<b>21,852</b>	<b>55,192</b>	<b>19,749</b>	<b>96,793</b>
Segment assets includes:				
Investments in associated companies	-	-	16,741	16,741
Investments in a joint-venture company	-	-	3,008	3,009
Additions to:				
- investment in a joint-venture company	-	-	113	113
- property, plant and equipment	652	-	-	652
<b>Segment liabilities</b>	<b>9,636</b>	<b>29,917</b>	<b>229</b>	<b>39,782</b>



**E. Notes to the condensed interim consolidated financial statements (cont'd)**

**4. Segment and revenue information (cont'd)**

**4.2 Geographical segments**

	<b>Group 6 months ended</b>	
	<b>31 Mar 2022</b>	<b>31 Mar 2021</b>
	<b>\$'000</b>	<b>\$'000</b>
<u>Revenue</u>		
Singapore	10,542	9,312
Other countries	203	147
Total	10,745	9,459

	<b>Group</b>	
	<b>31 Mar 2022</b>	<b>31 Mar 2021</b>
	<b>\$'000</b>	<b>\$'000</b>
<u>Non-current assets</u>		
Singapore	6,336	6,456
Malaysia	78,559	77,838
Morocco	920	922
Total	85,815	85,216

	<b>Group</b>	
	<b>31 Mar 2022</b>	<b>31 Mar 2021</b>
	<b>\$'000</b>	<b>\$'000</b>
<u>Capital expenditure</u>		
Singapore	159	652

**4.3 Disaggregation of revenue**

	<b>Group 6 months ended</b>	
	<b>31 Mar 2022</b>	<b>31 Mar 2021</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Timing of revenue recognition:</b>		
At a point in time	10,745	9,459

**E. Notes to the condensed interim consolidated financial statements (cont'd)**

**5. Financial assets and financial liabilities**

Set out below is an overview of the financial assets and financial liabilities of the Group as at 30 September 2021 and 30 September 2021.

	Group		Company	
	31 Mar 2022 \$'000	30 Sep 2021 \$'000	31 Mar 2022 \$'000	30 Sep 2021 \$'000
<b>Financial Assets at amortised cost</b>				
Cash and cash equivalents	3,583	5,663	202	461
Trade and other receivables	3,350	2,987	34,924	34,994
	<b>6,933</b>	<b>8,650</b>	<b>35,126</b>	<b>35,455</b>
<b>Financial Liabilities at amortised cost</b>				
Trade and other payables	34,856	35,725	8,938	8,928
Borrowings	2,406	2,853	-	-
	<b>37,262</b>	<b>38,578</b>	<b>8,938</b>	<b>8,928</b>

**6. Other Income**

	Group 6 months ended	
	31 Mar 2022 \$'000	31 Mar 2021 \$'000
Interest income from bank deposits	1	1
Government grant	-	111
Rental income from lease	228	216
Service income – at a point in time	652	663
Others	20	26
Total	<b>901</b>	<b>1,017</b>

**7. Other gains-net**

	Group 6 months ended	
	31 Mar 2022 \$'000	31 Mar 2021 \$'000
Currency translation losses – net	(84)	(385)
Gain on amortisation of interest-free non-current payables	706	701
Total	<b>622</b>	<b>316</b>

**8. Finance expenses**

	Group 6 months ended	
	31 Mar 2022 \$'000	31 Mar 2021 \$'000
Amortised interest on non-current payables	691	708
Interest expense on borrowings	35	32
Interest expense on lease liabilities	33	33
Total	<b>759</b>	<b>773</b>

**E. Notes to the condensed interim consolidated financial statements (cont'd)**

**9. Expenses by Nature**

	<b>Group</b>	
	<b>6 months ended</b>	
	<b>31 Mar 2022</b>	<b>31 Mar 2021</b>
	<b>\$'000</b>	<b>\$'000</b>
Cost of inventories recognised as an expense (included in cost of sales)	5,660	5,308
Depreciation of property, plant and equipment	417	348
Employee compensation (included Directors' remuneration)	2,486	2,424
Distribution and marketing costs	1,466	1,294
Others operating expenses	1,037	946
<b>Total</b>	<b>11,066</b>	<b>10,320</b>

**10. Related party transactions**

The following transactions took place between the Group and related parties at terms agreed between the parties:

	<b>Group</b>	
	<b>6 months ended</b>	
	<b>31 Mar 2022</b>	<b>31 Mar 2021</b>
	<b>\$'000</b>	<b>\$'000</b>
Services rendered by related party	61	369
Purchases from related parties	226	194
Rental income from a related party	312	214
<b>Total</b>	<b>599</b>	<b>777</b>

Related parties comprise mainly companies which are controlled by or have significant influence from the Group's key management personnel and their close family members.

**11. Income taxes**

	<b>Group</b>	
	<b>6 months ended</b>	
	<b>31 Mar 2022</b>	<b>31 Mar 2021</b>
	<b>\$'000</b>	<b>\$'000</b>
Tax expense attributable to profit or loss is made up of:		
- Profit from current financial year:		
Current income tax	193	138
	<b>193</b>	<b>138</b>
- Over-provision of prior financial years:		
Current income tax	(158)	-
Deferred income tax	(6)	(5)
	<b>(164)</b>	<b>(5)</b>
	<b>29</b>	<b>133</b>

**E. Notes to the condensed interim consolidated financial statements (cont'd)**

**12. Dividends**

	<b>Group</b>	
	<b>31 Mar 2022</b>	<b>31 Mar 2021</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Ordinary dividends</b>		
Final exempt dividend paid in respect of the previous financial year of 0.5 cents per share	<u>1,049</u>	<u>1,049</u>

**13. Earnings per share**

Basic earnings per share is calculated by dividing the net profit attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the respective financial year.

	<b>Group</b>	
	<b>6 months ended</b>	
	<b>31 Mar 2022</b>	<b>31 Mar 2021</b>
	<b>cents</b>	<b>cents</b>
Basic earnings per share	<u>0.76</u>	<u>0.41</u>

There are no dilutive potential ordinary shares during the 6 months ended 30 September 2021 and 2020.

**14. Net Asset Value**

The net asset value per share of the Group and the Company as at 31 March 2022 and 31 September 2021 is computed based on the total number of issued share of 209,826,140.

	<b>Group</b>		<b>Company</b>	
	<b>31 Mar 2022</b>	<b>30 Sep 2021</b>	<b>31 Mar 2022</b>	<b>30 Sep 2021</b>
	<b>cents</b>	<b>cents</b>	<b>cents</b>	<b>cents</b>
Net asset value per ordinary share	<u>28.26</u>	<u>28.16</u>	<u>23.06</u>	<u>23.22</u>

**E. Notes to the condensed interim consolidated financial statements (cont'd)**

**15. Property, plant and equipment**

During the 6 months ended 31 March 2022 and 12 months ended 30 September 2021, the Group acquired assets amounting to \$159,000 and \$652,000 respectively and disposed of assets amounting to \$1,400 and \$412,000 respectively.

**16. Development properties**

	Group	
	31 Mar 2022	30 Sep 2021
	\$'000	\$'000
Costs of land	48,330	48,818
Development costs	4,273	4,316
Interest capitalised	1,671	1,688
	54,274	54,822

(a) The development properties are classified as non-current assets as the Group does not expect to realise the assets within the normal operating cycle from the reporting period.

(b) Details of the development properties of the Group at 31 March 2022 and 30 September 2021 are as follows:

<u>Description of location</u>	<u>Purpose</u>	<u>Tenure</u>	<u>Site area sqm</u>	<u>Stage of completion</u> <sup>(a)</sup>	<u>Group's effective interest</u>	
					31 Mar 2022	30 Sep 2021
					%	%
Teluk Jawa, Mukim of Plentong, Johor, Malaysia	Residential and commercial	Freehold	53,671	-	34.3	34.3
Title GM339 Lot 5, Mukim of Plentong, Johor, Malaysia	Residential and commercial	Freehold	18,590	-	34.3	34.3
Title GM340 Lot 6, Mukim of Plentong, Johor, Malaysia	Residential and commercial	Freehold	15,560	-	34.3	34.3

<sup>(a)</sup> *Halted at the early stage of the Group's development in FY 2016.*

(c) The Group had allocated 13,000 sqm of the land area at Teluk Jawa, Mukim of Plentong, Johor, Malaysia for its Seventh Cove residential project which is temporarily put on hold.

**E. Notes to the condensed interim consolidated financial statements (cont'd)**

**17. Bank borrowings**

	<b>Group</b>	
	<b>31 Mar 2022</b>	<b>30 Sep 2021</b>
	<b>\$'000</b>	<b>\$'000</b>
<u>Amount repayable within one year</u>		
Secured	669	663
<u>Amount repayable after one year</u>		
Secured	<u>1,737</u>	<u>2,190</u>
	<u><b>2,406</b></u>	<u><b>2,853</b></u>

Bank borrowings of the Group are secured over corporate guarantees.

**18. Share capital**

	<u>No. of ordinary shares</u>		<u>Amount</u>	
	<u>31 Mar 2022</u>	<u>30 Sep 2021</u>	<u>31 Mar 2022</u>	<u>30 Sep 2021</u>
	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
<b><u>Group and Company</u></b>				
Beginning and end of financial year	<u><b>209,826</b></u>	<u>209,826</u>	<u><b>32,315</b></u>	<u>32,315</u>

There were no change to the Company's issued and paid up share capital as at 31 March 2022 and 30 September 2021.

There were no outstanding convertibles as at 31 March 2022 and 30 September 2021 where shares may be issued upon conversion.

The Company did not hold any treasury shares as at 31 March 2022 and 30 September 2021.

## **F. Other information required by Listing Rule Appendix 7C**

### **1. Review**

The condensed consolidated statement of financial position of Casa Holdings Limited and its subsidiaries as at 31 March 2022 and the related condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statements of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended and certain explanatory notes have not been audited or reviewed. The Group's latest audited financial statements for the financial year ended 30 September 2021 were not subject to an adverse opinion, qualified opinion or disclaimer of opinion.

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

#### **Review of Condensed Interim Consolidated Statement of Comprehensive Income**

##### **Overview**

The Group recorded a net profit attributable to equity holders of the Company of \$1.6 million in HY2022, increase by \$0.7 million against \$0.9 million in HY2021.

##### **Revenue**

Revenue increased by 13.6% to \$10.7 million in HY2022 (HY2021: \$9.4 million) due to launch of new brand and new products as well as increase in demand for home appliances as construction and renovation project slowly rebound to pre-covid level.

##### **Cost of sales**

The Group's cost of sales increased by 8.1% to \$6.0 million in HY2022 (HY2021: \$5.5 million). The increase was in line with increase in revenue.

##### **Gross profit**

Gross profit increased by 21.4% to \$4.7 million in HY2022 (HY2021: \$3.9 million). The increase in gross profit is in line with increase in sales. This is further boost by increase in sale of premium product with higher profit margin.

##### **Other income**

Other income decreased by 11.4% to \$0.9 million in HY2022 (HY2021: \$1.0 million). The decrease is mainly due to the government grant received from IRAS related to Jobs Support Scheme amounted to \$0.1 million in the previous financial period HY2021 and none received in HY2022.

##### **Other gains**

Other gains increased by 96.8% to \$0.6 million in HY2022 (HY2021: \$0.3 million). The increase in other gain is due to decrease in the depreciation of Malaysian Ringgit against Singapore dollar result in loss on foreign currency loss during the period amounted to \$0.1 million (HY2021: \$0.4 million) as the portion of unrealized currency loss on advance to Malaysian subsidiaries was reclassified as currency loss in Currency Translation Reserve.

The gain on amortisation of interest-free non-current payables remained at \$0.7 million (HY2021: \$0.7 million) as there is no significant increase in interest rate used to compute the gain on amortization of interest-free non-current payables to 4.25% per annum (HY2021: 4.2% per annum). The interest rate used is consistent with the reduction in bank base rate and LIBOR rate.

##### **Distribution and marketing expenses**

Distribution and marketing expenses increased by 13.3% to \$1.5 million in HY2022 (HY2021: \$1.3 million). The increase in distribution and marketing expenses is due to investment in A&P to promote new brands and new products, as well as increase in installation and delivery charges which is consistent with increase in revenue during the financial period.

**F. Other information required by Listing Rule Appendix 7C (cont'd)**

**2. Review of performance of the Group (cont'd)**

**Review of Condensed Interim Consolidated Statement of Comprehensive Income (cont'd)**

**Administrative expenses**

Administrative expenses increased by 3.5% to \$3.6 million in HY2022 (HY2021: \$3.5 million). The increase in administrative expenses is due to increase in operating cost which is consistent with global inflation.

**Finance expenses**

Included in finance expenses is amortised interest on non-current payables amounting to \$0.7 million in HY 2022 (HY2021: \$0.7 million).

**Income tax expense and profit attributable to equity holders of the Company**

Tax expense decreased by 78.2% to \$0.1 million in HY2022 (HY2021: \$0.2 million). This is due to \$0.2 million income tax provided for current period was offset by reversal of income tax expenses of \$0.1 million over provided in the previous financial years.

As a result of increase in sales and gross profit, lower exchange loss and reversal of income tax expenses over provided, profit attributable to owners of the Company increased to \$1.6 million in HY2022 (HY2020: \$0.8 million).

**Review of Consolidated Interim Statements of Financial Position**

**Cash and cash equivalents**

A negative cash in operating activities of \$0.1 million is reported as a result of higher monthly sales not due for collection and higher year end bonus and profit sharing paid during Chinese New Year period.

Cash and cash equivalents decreased by 36.7% to \$3.5 million in HY2022 (HY2021: \$5.6 million) mainly due to cash used for operating activities of \$0.1 million, net of cash used in investing activities of \$0.3 million and cash used in financing activities of \$1.6 million.

**Trade and other receivables**

Trade and other receivables increased by 10.0% to \$3.6 million in HY2022 (HY2021: \$3.3 million) which is in line with increase in revenue.

**Inventories**

Inventories increased by 3.0% to \$5.1 million in HY2022 (HY2021: \$5.0 million) which is in line with increase in revenue and cost of sales.

**Development properties**

Development properties comprises of residential and commercial properties in Malaysia, and they are classified as non-current assets as the Group does not expect to realise the assets within the normal operating cycle from the reporting period. Development properties decreased marginally by 1.0% to \$54.2 million in HY2022 (HY2021: \$54.8 million), mainly due to the foreign currency translation loss arising from the depreciation of Malaysian Ringgit against Singapore dollar during the year.

**Investments in associated companies**

Investments in associated companies increased by 5.1% to \$17.6 million in HY2022 (HY2021: \$16.7 million), due to share of profit of \$1.0 million less loss on foreign translation reserve of \$0.1 million arising from the depreciation of Malaysian Ringgit against Singapore dollar during the year.



**F. Other information required by Listing Rule Appendix 7C (cont'd)**

**2. Review of performance of the Group (cont'd)**

**Review of Consolidated Interim Statements of Financial Position (cont'd)**

**Investment in a joint venture company**

Investment in a joint venture company increased by 3.8% to \$3.2 million in HY2022 (HY2021: \$3.1 million), largely due to an increase in loan to joint venture company classified under cost of investment.

**Property, plant and equipment**

Property, plant and equipment decreased by 2.4% to \$10.7 million in HY2022 (HY2021: \$10.9 million), mainly due the addition of property, plant and equipment of \$0.2 million offset against depreciation charges of \$0.4 million during the reporting period.

**Trade and other payables, current**

Trade payables and other payables decreased by 11.2% to \$4.9 million in HY2022 (HY2021: \$5.6 million) mainly due to decrease in bills payable by \$0.2 million, decrease in trade payable by \$0.2 million pertains to the goods in transits and drop in accrual for bonus and profit sharing of \$0.3 million after higher payout.

**Borrowings**

Borrowings decreased by 15.7% to \$2.4 million in HY2022 (HY2021: \$2.9 million) mainly due to repayments of borrowings amounting to \$0.4 million.

**Lease liabilities and deferred income tax liabilities**

Lease liabilities and deferred income tax liabilities refer to the adoption of SFRS(I) 16 *Leases* for the Group's non-cancellable operating lease with JTC group. The decrease of lease liabilities and deferred income tax liabilities arise from the repayment of the lease during the financial period.

**Other payables, non-current**

Other payables comprise of non-trade payables to related parties. Other payables increased by 0.6% to \$29.8 million in HY2022 (HY2021: \$30.0 million) due to increase in related parties' loan by \$0.3 million offset by the loss on currency translation difference result in the decrease of other payable amounted to \$0.2 million.

**Non-controlling interests**

Non-controlling interests decreased due to share of net loss recorded in foreign subsidiary corporations.

**F. Other information required by Listing Rule Appendix 7C (cont'd)**

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

No forecast or prospect statement was made previously in respect of the results for HY2022.

**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.**

With the increase in supplier cost and freight charges, sale of certain highly competitive core products which are highly sensitive to price adjustment are expected to be stagnant.

We have identified new markets and new products to meet customer demand under the new norm. While we are committed to investing in our brands position, it is a challenge for our fulfillment team to keep up with changing customer demands and providing goods and services in the new environment. Manpower shortages and difficulties in hiring would affect our operations and expansion plan in the next 12 months.

While we are operating with limited resources, we are cautiously optimistic that our staff hiring process will improve with the opening of borders between Malaysia and Singapore. We have been containing our expenses for the past 6 months. However, we foresee that our business cost to increase as inflation kicks in. We are committed to contain cost increase by investing in ERP and staff training to provide a more productive working environment.

**5. Dividend**

**5a. Current Financial Period Reported on**

Any dividend declared/recommended for the current financial period reported?

No ordinary dividend has been declared/recommended for the current period.

**5b. Corresponding Period of the Immediately Preceding Financial Year  
Any dividend declared for the corresponding period of the immediately preceding financial year?**

Not applicable.

**5c. Date payable**

Not applicable.

**5d. Books closure date**

Not applicable.

**6. Interested person transactions**

The Group does not have a general mandate from shareholders for Interested Person Transactions pursuant to Rule 920(1)(a)(ii) of the Listing Manual of the SGXST.

Interested Person transaction, as defined in Chapter 9 of the Listing Manual of the SX-ST, entered into by the Group or by the Group of by the Company during the period ended 31 March 2022 is as follows:

Name and Nature of Interested Person	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)
	\$'000	\$'000
Rental income received from Multicable Manufacturing (S) Pte Ltd, a company owned by CEO cum executive director	226	-
Purchase of home appliances from Arda (Zhejiang) Electric Co Ltd, company owned by a non-executive non-independent director	312	-

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

The Company hereby confirms that it 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.

**8. Negative confirmation pursuant to Rule 705(5) of the Listing Manual**

**CONFIRMATION BY THE BOARD**

The Board of Directors hereby confirm that, to the best of its knowledge, nothing has come to its attention which may render the unaudited financial results of the Group for HY2022 to be false or misleading in any material aspect.

**BY ORDER OF THE BOARD**

Lim Soo Kong @ Lim Soo Chong  
 Director and Chief Executive Officer  
 15 May 2022