

SITRA HOLDINGS (INTERNATIONAL) LIMITED

Company Registration. No: 197901237E

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

Group	Note – (Page 12)	Six-month period ended on 30 June (“1H”)		
		1H2024 \$	1H2023 \$	Change %
Revenue	2.01	6,742,523	6,683,976	+0.9%
Cost of sales	2.02	(6,158,650)	(5,923,635)	+4.0%
Gross profit		583,873	760,341	-23.2%
Other income	2.03	149,693	52,977	+182.6%
Other (losses)/gains	2.04	(43,562)	501,469	-108.7%
Expenses:				
- Selling and marketing	2.05	(276,265)	(251,182)	+10.0%
- Administrative	2.06	(1,164,367)	(1,283,198)	-9.3%
- Finance	2.07	(99,061)	(88,897)	+11.4%
Loss before income tax		(849,689)	(308,490)	+175.4%
Income tax credit	2.08	19,165	27,149	-29.4%
Loss for the period		(830,524)	(281,341)	+195.2%
Other comprehensive income/(loss): <i>Items that may be reclassified subsequently to profit or loss:</i>				
Currency exchange differences arising on translating foreign operations		4,118	(85,827)	-104.8%
Total comprehensive loss for the period		(826,406)	(367,168)	+125.1%
Loss for the period attributable to:				
Equity holders of the Company		(826,910)	(360,195)	+129.6%
Non-Controlling Interests		(3,614)	78,854	-104.6%
		(830,524)	(281,341)	+195.2%
Total comprehensive loss for the period attributable to:				
Equity holders of the Company		(822,317)	(466,483)	+76.3%
Non-Controlling Interests		(4,089)	99,315	-104.1%
		(826,406)	(367,168)	+125.1%
Loss per share (cents per share)	2.09			
Basic		(0.06)	(0.02)	
Diluted		(0.06)	(0.02)	

B Condensed Interim Statements of Financial Position as at 30 June 2024 (“2024”) and as at 31 December 2023 (“2023”)

	Note – (Page 14)	Group		Company	
		2024 \$	2023 \$	2024 \$	2023 \$
Current assets					
Cash and bank balances	2.10	368,989	549,183	114,939	407,732
Trade and other receivables	2.11	626,308	688,157	907,120	808,000
Inventories	2.12	1,732,112	2,039,211	-	-
Other current assets	2.13	352,288	247,607	1,410	1,410
		3,079,697	3,524,158	1,023,469	1,217,142
Non-current assets					
Property, plant and equipment	2.14	6,091,830	8,956,300	19,704	18,065
Investments in subsidiaries		-	-	6,752,724	7,104,632
Investment property	2.15	2,545,377	-	-	-
Deferred tax assets		23,147	23,881	-	-
		8,660,354	8,980,181	6,772,428	7,122,697
Total assets		11,740,051	12,504,339	7,795,897	8,339,839
Current liabilities					
Trade and other payables	2.16	1,310,184	1,217,934	3,896,701	3,840,903
Other financial liability	2.17	520,000	-	520,000	-
Borrowings	2.18	179,628	182,788	-	-
		2,009,812	1,400,722	4,416,701	3,840,903
Non-current liabilities					
Other financial liability	2.17	1,427,703	1,853,096	1,427,703	1,853,096
Borrowings	2.18	68,642	133,987	-	-
Deferred tax liabilities		167,750	188,750	-	-
		1,664,095	2,175,833	1,427,703	1,853,096
Total liabilities		3,673,907	3,576,555	5,844,404	5,693,999
Net assets		8,066,144	8,927,784	1,951,493	2,645,840
Capital and reserves attributable to equity holders of the Company					
Share capital		25,793,130	25,793,130	25,793,130	25,793,130
Other reserves		2,545,860	2,541,267	14,393	14,393
Accumulated losses		(20,980,895)	(20,153,985)	(23,856,030)	(23,161,683)
		7,358,095	8,180,412	1,951,493	2,645,840
Non-controlling interest		708,049	747,372	-	-
Total Equity		8,066,144	8,927,784	1,951,493	2,645,840

C Condensed Interim Statements of Changes in Equity

Group	Attributable to equity holders of the Company				Non-controlling interests \$	Total equity \$
	Share Capital \$	Other reserves \$	Accumulated Losses \$	Total \$		
2024						
Balance as at 1 January 2024	25,793,130	2,541,267	(20,153,985)	8,180,412	747,372	8,927,784
Loss for the period	-	-	(826,910)	(826,910)	(3,614)	(830,524)
Other comprehensive income - Currency exchange differences arising on translating foreign operations	-	4,593	-	4,593	(475)	4,118
Total comprehensive loss for the period	-	4,593	(826,910)	(822,317)	(4,089)	(826,406)
Dividend paid to non-controlling interest	-	-	-	-	(35,234)	(35,234)
Balance as at 30 June 2024	25,793,130	2,545,860	(20,980,895)	7,358,095	708,049	8,066,144
2023						
Balance as at 1 January 2023	25,793,130	2,510,565	(17,868,351)	10,435,344	689,395	11,124,739
Loss for the period	-	-	(360,195)	(360,195)	78,854	(281,341)
Other comprehensive loss - Currency exchange differences arising on translating foreign operations	-	(106,288)	-	(106,288)	20,461	(85,827)
Total comprehensive loss for the period	-	(106,288)	(360,195)	(466,483)	99,315	(367,168)
Balance as at 30 June 2023	25,793,130	2,404,277	(18,228,546)	9,968,861	788,710	10,757,571

D Condensed Interim Consolidated Statement of Cash Flows

	Note - (Page 18)	Group	
		1H2024 \$	1H2023 \$
Cash flows from operating activities			
Loss for the period		(830,524)	(281,341)
Adjustments for:			
- Depreciation of property, plant and equipment		295,888	448,249
- Amortisation of notional interest		94,607	85,639
- Interest expenses		4,454	3,258
- Interest income		(3,158)	(10,643)
- Tax expenses		(19,165)	(27,149)
- Unrealised currency translation loss/(gain)		36,121	(469,788)
Operating cash flows before working capital changes		(421,777)	(251,775)
Change in working capital:			
- Trade and other receivables		89,502	298,594
- Inventories		307,099	(152,386)
- Other current assets		(104,681)	9,392
- Trade and other payables		92,250	(751,000)
Cash used in operations		(37,607)	(847,175)
Interest paid		(2,359)	(2,098)
Interest received		3,158	10,643
Income tax paid		(29,488)	(54,605)
Net cash used in operating activities	2.19	(66,296)	(893,235)
Cash flows from investing activities			
Additions of property, plant, and equipment	2.20 (a)	(8,064)	(30,017)
Increase in short-term bank deposits	2.20 (b)	(105,316)	-
Net cash used in investing activities		(113,380)	(30,017)
Cash flows from financing activities			
Repayment of principal portion of lease liabilities	A	(43,820)	(36,640)
Repayment of interest portion of lease liabilities	A	(2,095)	(1,160)
Dividend paid to non-controlling interest	2.20 (d)	(35,234)	-
Net cash used in financing activities		(81,149)	(37,800)
Net decrease in cash and cash equivalents		(260,825)	(961,052)
Cash and cash equivalents at 1 January		441,472	1,746,456
Cash and cash equivalents at 30 June	2.21	180,647	785,404

D Condensed Interim Consolidated Statement of Cash Flows (continued)

Note A. Reconciliation of liabilities arising from financing activities:

	Note (Page 18)	1 January 2024	Proceeds	Principal & interest payments	Non-cash changes	30 June 2024
					Interest expense	
		\$	\$	\$	\$	\$
Lease liabilities	2.20 (c)	209,064	-	(45,915)	2,095	165,244

	Note	1 January 2023	Proceeds	Principal & interest payments	Non-cash changes	30 June 2023
					Interest expense	
		\$	\$	\$	\$	\$
Lease liabilities		92,637	-	(37,800)	1,160	55,997

E. Notes to the Condensed Interim Consolidated Financial Statements

1 Corporate Information

Sitra Holdings (International) Ltd (the Company) is a limited liability company incorporated and domiciled in the Republic of Singapore (Registration Number: 197901237E) and listed on the official list of SGX Catalist. The address of its registered office and principal place of business is 15 Hillview Terrace, Singapore 669226.

These condensed interim financial statements as at and for the financial period ended 30 June 2024 comprise the Company and its subsidiaries (collectively, the “**Group**”).

The principal activity of the Company is that of investment holding.

The principal activities of the Company’s subsidiaries are:

- (a) Importer and exporter of wood-based & manufacturing, supplying, and distributing wood-based and other related products; and
- (b) Property development.

2 Basis of Preparation

The condensed interim financial statements for the financial period ended 30 June 2024 have been prepared in accordance with Singapore Financial Reporting Standards (International) (“**SFRS(I)**”) 1-34 Interim Financial Reporting. 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 understanding the changes in the Group’s financial position and performance since the last annual financial statements for the year ended 31 December 2023.

The accounting policies and methods of computation in the financial statements adopted by the Group and the Company 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 2.1.

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 standards have become applicable for the current reporting period. The Group and the Company did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

2.2 Use of Estimates and Judgements

In preparing the condensed interim financial statements, management has made judgements, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income, and expenses. 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 year ended 31 December 2023.

E. Notes to the Condensed Interim Consolidated Financial Statements (continued)

2.2 Use of Estimate and Judgement (continued)

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

Information about critical judgements in applying accounting policies and estimates that have the most significant effect on the amounts recognized in the financial statements is included in the following notes:

Note 2.14 and 2.15 on page 16 – Valuation of property, plant and equipment and investment property.

The useful lives of the leasehold land and building which takes into consideration the lease terms and physical conditions of the assets. Depreciation is provided to write off the cost of these assets over their estimated useful lives, using the straight-line method.

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 has two reportable segments, as described below, which are the Group's strategic business units. The following summary describes the operation in each of the Group's reportable segments.

(a) Importer and exporter of wood-based & manufacturing, supplying, and distributing of wood-based and other related products

The Group offers a wide range of wood-based and lifestyle outdoor furniture products through our subsidiaries in Asia and European countries.

(b) Property development

The Group intends to embark on the property development business.

The Group has determined the operating segments based on the reports reviewed by the board of directors that are used to make strategic decisions.

The Group considers the business from both a geographic and business segment perspective. Geographically, management manages and monitors the business in the following primary geographic areas: (i) Australia & New Zealand, (ii) Europe, and (iii) Asia & Others. All geographic locations are engaged in the sale of wood-based products and outdoor lifestyle furniture.

No separate segmental information by business segment is presented, except for segment revenue, as both business segments use the same resources and share the same costs. Management believes it is not practicable to separate the costs, assets, and liabilities for each business segment.

No revenue was generated from the Group's property development business segments as the Group has not commenced the construction of the development project in Bintan, Indonesia.

4.1 Reportable Segment

The Group is principally engaged in importing and exporting wood-based, lifestyle furniture, and other related products.

E. Notes to the Condensed Interim Consolidated Financial Statements (continued)

4.1 Reportable Segment (continued)

(a) Revenue

The Group derives revenue for the transfer of goods and services at a point in time in the following major product lines and geographical regions. Revenue is attributed to countries by the location of customers.

At a point in time	Group	
	1H2024 \$	1H2023 \$
Sales of goods		
- Australia / New Zealand	3,157,061	1,874,564
- Europe	3,486,594	4,526,976
- Asia / Others	88,847	167,933
	6,732,502	6,569,473
Rendering of services - Asia	10,021	114,503
Total	6,742,523	6,683,976

Note: No significant revenue is derived from a single external customer.

(b) Revenue from major products

Revenues from external customers are derived mainly from selling wood-based products, outdoor lifestyle furniture, and others. The breakdown of the revenue is as follows:

Major products	Group			
	1H2024		1H2023	
	\$	%	\$	%
Wood-based products	6,672,688	99.0	6,532,748	97.7
Outdoor lifestyle furniture	41,442	0.6	36,725	0.6
Others	28,393	0.4	114,503	1.7
Total	6,742,523	100.0	6,683,976	100.0

(c) Geographical information

The Group's two business segments operate in three main geographical areas:

- Australia/New Zealand – the operations in this area are principally the sales of wood-based products and outdoor lifestyle furniture.
- Europe – the operations in this area are principally the sales of wood-based products and outdoor lifestyle furniture.
- Asia/Others – the operations in this area are principally the sales and services of wood-based products and outdoor lifestyle furniture.

E. Notes to the Condensed Interim Consolidated Financial Statements (continued)

4.1 Reportable Segment (continued)

(a) Geographical information (continued)

The Group	1H2024		1H2023	
	Revenue		Revenue	
	\$	%	\$	%
Australia / New Zealand	3,157,061	46.8	1,874,564	28.0
Europe	3,486,594	51.7	4,526,976	67.7
Asia / Others	98,868	1.5	282,436	4.3
Total	6,742,523	100.0	6,683,976	100.0
	Non-current assets ^(A)		Non-current assets ^(A)	
	\$	%	\$	%
Europe	26,384	0.3	32,671	0.3
Asia / Others	8,610,823	99.7	9,787,375	99.7
Total	8,637,207	100.0	9,820,046	100.0

Note (A) Non-current assets exclude deferred tax assets.

5. Expenses by nature

	Group	
	1H2024 \$	1H2023 \$
Bank charges	38,756	50,925
Changes in inventories	307,099	(152,386)
Commission expenses	37,724	14,237
Depreciation of property, plant, and equipment	295,888	448,249
Directors' fees	50,000	50,000
Employee compensation	618,607	596,463
Freight and other costs	638,187	500,853
Fees on audit services paid/payable to:		
- Auditor of the Company	41,500	42,500
- Under-provision in the previous year	1,485	2,111
- Other auditors	-	2,890
- Internal auditors	5,000	15,000
Insurance	26,455	25,759
Legal and professional fees	69,780	65,558
Purchases of inventories	5,189,594	5,525,115
Rental expenses on operating leases	23,703	8,467
Water and electricity	13,165	28,504
Others	242,339	233,770
Total cost of sales, selling and marketing, and administrative expenses	7,599,282	7,458,015
Summary:		
Cost of sales	6,158,650	5,923,635
Selling and marketing	276,265	251,182
Administrative expenses	1,164,367	1,283,198
Total	7,599,282	7,458,015

E. Notes to the Condensed Interim Consolidated Financial Statements (continued)

6. Loss before Taxation

	Group	
	1H2024 \$	1H2023 \$
<u>Included in other income</u>		
- Government grants	4,041	10,784
- Interest income from bank deposits	3,158	10,643
- Rental income ^(A)	124,340	16,601
- Others	18,154	14,949
	149,693	52,977
<u>Included in other (losses)/gains</u>		
- Unrealised and realised foreign currency translation (losses)/gains	(43,562)	501,469
<u>Included in finance expenses</u>		
- Lease interest	(2,095)	(1,160)
- Bank overdraft interest	(2,359)	(2,098)
- Amortisation of notional interest ^(B)	(94,607)	(85,639)
	(99,061)	(88,897)

Notes:

(A) Rental income is mainly from leasing the Group's leasehold land, factory, warehouse, and office in Indonesia to an unrelated party starting March 1, 2024.

(B) Amortisation of notional interest. The detail is disclosed in Note 2.16 on page 17.

7. Net Asset Value

	Group		Company	
	30 June 2024	31 December 2023	30 June 2024	31 December 2023
Net asset value per ordinary share (cents)	0.50	0.55	0.13	0.18

Net asset value per ordinary share is calculated based on 1,483,300,000 shares as at 30 June 2024 (31 December 2023: 1,483,300,000).

E. Notes to the Condensed Interim Consolidated Financial Statements (continued)

8. Financial Assets and Financial Liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group as at 30 June 2024 ("2024") and as at 31 December 2023 ("2023").

	Group		Company	
	2024 \$	2023 \$	2024 \$	2023 \$
<u>Financial Assets</u>				
Cash and bank balances	368,989	549,183	114,939	407,732
Trade and other receivables (excluding GST receivables & advances to suppliers)	404,928	561,749	898,771	803,671
Other current assets (excluding prepayments)	272,805	176,275	1,410	1,410
	1,046,722	1,287,207	1,015,120	1,212,813
<u>Financial Liabilities</u>				
Trade and other payables (excluding advance received from customers)	(1,273,824)	(1,033,227)	(3,896,701)	(3,840,903)
Other financial liability	(1,947,703)	(1,853,096)	(1,947,703)	(1,853,096)
Borrowings	(248,270)	(316,775)	-	-
	(3,469,797)	(3,203,098)	(5,844,404)	(5,693,999)
Net financial liabilities	(2,423,075)	(1,915,891)	(4,829,284)	(4,481,186)

9. Share Capital

	Group and Company			
	30 June 2024		31 December 2023	
	No. of ordinary shares '000	Amount \$	No. of ordinary shares '000	Amount \$
<u>Issued and paid up:</u>				
Share Capital	1,483,300	25,793,130	1,483,300	25,793,130

E. Notes to the Condensed Interim Consolidated Financial Statements (continued)

9. Share Capital (continued)

(i) Outstanding Convertibles

The Company does not have any outstanding convertibles as at 30 June 2024, 31 December 2023 and 30 June 2023.

(ii) Treasury Shares

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

(iii) Subsidiary holdings

There are no subsidiary holdings as at 30 June 2024, 31 December 2023 and 30 June 2023.

10. Related party transactions

There are no material related party transactions apart from those disclosed elsewhere in the financial statements.

11. Subsequent Events

There are no known subsequent events that led to adjustment or disclosure to this set of condensed interim financial statements.

F. Other Information Required by Appendix 7C of the Catalyst Rules

1. Review

The condensed interim consolidated statement of financial position of Sitra Holdings (International) Ltd and its subsidiaries as at 30 June 2024 and the related condensed interim consolidated statement of 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 financial period ended 30 June 2024 and certain explanatory notes have not been audited or reviewed.

2. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:

- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
- (b) any material factors that affected the cash flow, working capital, assets, or liabilities of the group during the current financial period reported on.

Commentary on the Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income

2.01 Revenue

The Group's revenue increased by \$0.058 million or 0.9% to \$6.742 million in 1H2024, mainly due to the higher sales demand from our Australia/New Zealand market.

The revenue increase was across our two major products with main wood-based products registering an increase in revenue of \$0.140 million or 2.1% to \$6.673 million, and lifestyle outdoor furniture products registering an increase in revenue of \$0.005 million or 12.8% to \$0.041 million. The revenue increase was offset by a decrease in revenue of other products by \$0.087 million or 75.2% to \$0.028 million.

F. Other Information Required by Appendix 7C of the Catalist Rules (continued)

Commentary on the Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income (continued)

2.01 Revenue (continued)

In terms of business by geographical regions, the revenue of Australia/New Zealand market has increased by \$1.282 million or 68.4% to \$3.157 million. The key markets of Europe declined by \$1.040 million or 23.0% to \$3.487 million and the Asia/Others market also declined by \$0.184 million or 65.0% to \$0.099 million.

2.02 Cost of Sales and Gross Profit Margin

Cost of sales increased by \$0.235 million or 4.0% from \$5.924 million in 1H2023 to \$6.159 million in 1H2024. The cost of sales as a percentage of revenue increased from 88.6% in 1H2023 to 91.3% in 1H2024; thus resulting in a decline in gross profit margin from 11.4% in 1H2023 to 8.7% in 1H2024. The increase in the cost of sales was mainly due to higher freight and handling charges.

2.03 Other income

Other income increased by \$0.097 million to \$0.150 million in 1H2024. This rise was mainly due to higher rental income from the Indonesia subsidiary, which began leasing its leasehold land, factory, warehouse, and office to an unrelated party starting March 1, 2024.

2.04 Other (losses)/gains

Other losses amounted to \$0.044 million in 1H2024 compared to Other gains of \$0.501 million in 1H2023.

Included in other gains of \$0.501 million in 1H2023 was \$0.480 million currency translation gains on the "Amount due from a subsidiary corporation" as a result of the strengthening of the Indonesia Rupiah against the Singapore dollar in 1H2023. The "Amount due from a subsidiary corporation" was reclassified as part of the Company's net investment in foreign operation from Other receivables at the financial year ended 31 December 2023. As a result, foreign currency translation differences are no longer accounted for under Other gains/losses in 1H2024.

2.05 Selling and Marketing Expenses

Selling and marketing expenses increased slightly by \$0.025 million or 10.0% from \$0.251 million in 1H2023 to \$0.276 million in 1H2024. This rise was mainly due to higher advertisement and commission expenses, partially offset by lower traveling expenses.

2.06 Administrative Expenses

Administrative expenses decreased by \$0.119 million, or 9.3% from \$1.283 million in 1H2023 to \$1.164 million in 1H2024. This decrease was primarily due to reduced depreciation of property, plant and equipment, which was partially offset by an increase in repair and maintenance expenses.

2.07 Finance Expenses

Finance expenses increased by \$0.010 million from \$0.089 million in 1H2023 to \$0.099 million in 1H2024 mainly due to higher amortisation of notional interest in 1H2024.

F. Other Information Required by Appendix 7C of the Catalist Rules (continued)

Commentary on the Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income (continued)

2.08 Income Tax Credit

The major components of income tax expenses in the condensed interim consolidated statement of profit or loss and other comprehensive income are:

	Group	
	1H2024 \$	1H2023 \$
Tax expense attributable to loss is made up of:		
- Current income tax	(1,835)	(54,605)
- Withholding tax	-	(2,246)
- Deferred income tax	21,000	84,000
	19,165	27,149

2.09 Loss per share

Basic and diluted loss per share attributed to equity holders of the Company is calculated as follows:

	Group	
	1H2024	1H2023
Loss attributable to equity holders of the Company (S\$)	(826,910)	(360,195)
Weighted average number of ordinary shares outstanding for basic and diluted loss per share ('000)	1,483,300	1,483,300
Basic and diluted loss per share (S\$ cents per share)	(0.06)	(0.02)

Commentary on the Condensed Interim Consolidated Financial Position as at 30 June 2024 ("2024") and as at 31 December 2023 ("2023")

2.10. Cash and Bank Balances

	Group		Company	
	2024 \$	2023 \$	2024 \$	2023 \$
Cash at banks	263,373	274,857	114,939	157,732
Cash on hand	300	1,826	-	-
Short-term bank deposits ^(A)	105,316	272,500	-	250,000
	368,989	549,183	114,939	407,732

Note:

(A) Short-term bank deposits are mainly for a tenure of six months and earn interest at a rate of 2.55% to 4.00% (31 December 2023: a tenure of three months and interest rate at 2.50% to 2.55%) per annum.

F. Other Information Required by Appendix 7C of the Catalist Rules (continued)

Commentary on the Condensed Interim Consolidated Financial Position as at 30 June 2024 (“2024”) and as at 31 December 2023 (“2023”) (continued)

2.10. Cash and Bank Balances (continued)

For the purpose of presenting the condensed interim consolidated statement of cash flows, cash and cash equivalents comprise the following:

	Group	
	2024 \$	2023 \$
Cash and bank balances (as above)	368,989	549,183
Less: Bank overdrafts (Note 2.18)	(83,026)	(107,711)
Less: Short-term bank deposits	(105,316)	-
Cash and cash equivalents per condensed interim consolidated statement of cash flows	180,647	441,472

2.11 Current trade and other receivables

	Group		Company	
	2024 \$	2023 \$	2024 \$	2023 \$
Trade receivables				
- non-related parties	484,853	637,887	-	-
Less: Loss allowance (past due, more than 90 days)	(95,140)	(98,156)	-	-
Trade receivables - net	389,713	539,731	-	-
Other receivables:				
- Advances to suppliers	9,284	8,770	-	-
- Non-related parties	15,215	22,018	-	-
- GST/VAT receivables	212,096	117,638	8,349	4,329
- Subsidiary corporations ^(A)	-	-	898,771	803,671
Other receivables - net	236,595	148,426	907,120	808,000
Total	626,308	688,157	907,120	808,000

Note:

(A) The other receivables from subsidiary corporations are unsecured, interest-free, and repayable on demand.

F. Other Information Required by Appendix 7C of the Catalist Rules (continued)

Commentary on the Condensed Interim Consolidated Financial Position as at 30 June 2024 (“2024”) and as at 31 December 2023 (“2023”) (continued)

2.12 Inventories

	Group	
	2024 \$	2023 \$
Work-in-progress	54,297	116,906
Finished goods	2,088,154	2,187,963
Goods in transit	-	144,681
	2,142,451	2,449,550
Less: Provision for slow-moving inventory	(410,339)	(410,339)
	1,732,112	2,039,211

2.13 Other current assets

	Group		Company	
	2024 \$	2023 \$	2024 \$	2023 \$
Deposits	272,805	176,275	1,410	1,410
Prepayments	79,483	71,332	-	-
	352,288	247,607	1,410	1,410

2.14 Property, plant, and equipment

The Group’s property, plant, and equipment (“PPE”) decreased by \$2.864 million to \$6.092 million as at 30 June 2024. The decrease was primarily due to the reclassification of the Group’s leasehold land and buildings, totaling \$2.545 million, to investment property (Note 2.15), and the depreciation of \$0.296 million in 1H2024. During the period, there were additional purchases of PPE amounting to \$0.008 million. Apart from these, there were no other significant purchases, disposals, or transfers related to PPE.

The remaining PPE of \$6.092 million mainly consists of vacant leasehold land in Bintan, Indonesia, which was acquired in October 2019. The property was valued by a professional independent valuer annually based on the property’s highest and best use using the direct market comparison method and depreciated replacement cost method. For the leasehold land, the sales prices of comparable properties in close proximity are adjusted for differences in key attributes such as property size. The most significant input into this valuation approach was the selling price per square metre.

2.15 Investment property

Investment property valued at \$2.545 million as at 30 June 2024 resulted from reclassifying leasehold land and buildings from property, plant, and equipment to investment property on March 1, 2024. This reclassification occurred because the Group leased its leasehold land, factory, warehouse, and office to an unrelated party.

F. Other Information Required by Appendix 7C of the Catalist Rules (continued)

Commentary on the Condensed Interim Consolidated Financial Position as at 30 June 2024 (“2024”) and as at 31 December 2023 (“2023”) (continued)

2.15 Investment property (continued)

The property was valued by a professional independent valuer annually based on the property’s highest-and-best use using the direct market comparison method and depreciated replacement cost method.

For the leasehold land, the sales prices of comparable properties in close proximity are adjusted for differences in key attributes such as property size. The most significant input into this valuation approach was the selling price per square metre.

For the buildings, the costs that are relevant in determining the price at which market participants will pay, which is based on replacing assets with equal utility rather than physical creating the same assets. The most significant input into this valuation approach was the material cost per square metre.

2.16 Current trade and other payables

	Group		Company	
	2024 \$	2023 \$	2024 \$	2023 \$
Trade payable				
- Non-related parties	426,029	509,891	-	-
Other payables				
- Subsidiary corporations	-	-	3,749,631	3,759,630
- Non-related parties	601,374	212,491	110,317	11,226
	601,374	212,491	3,859,948	3,770,856
Accruals for operating expenses	208,046	297,176	30,057	63,351
Advances received from customers	36,360	184,707	-	-
Deposit received	38,375	13,669	6,696	6,696
	1,310,184	1,217,934	3,896,701	3,840,903

2.17 Other financial liability

	Group and Company	
	2024 \$	2023 \$
Current liabilities	520,000	-
Non-current liabilities	1,427,703	1,853,096
Total liabilities ^(a)	1,947,703	1,853,096

Note:

- (a) Other financial liability relates to the fair value of the consideration payable for the acquisition of the remaining 46% equity interest in Mapur Rocky Resort Limited from a non-controlling interest on 7 October 2022. The consideration payable is unsecured and interest-free and will be paid in cash to the non-controlling interest in 5 tranches.

F. Other Information Required by Appendix 7C of the Catalist Rules (continued)

Commentary on the Condensed Interim Consolidated Financial Position as at 30 June 2024 (“2024”) and as at 31 December 2023 (“2023”) (continued)

2.17 Other financial liability (continued)

Note

(a) (continued)

The first tranche of \$520,000 is payable 6 months after the earlier date of launch of the pre-sale of a resort and apartments on the Group’s vacant land in Bintan, Indonesia, or 31 December 2024. The fair value of the consideration payable is determined by discounted cash flows method using a discount rate of 10%. The difference between the present value of the consideration payable and the gross amount of \$950,166 is treated as notional interest.

	Group and Company	
	2024 \$	2023 \$
Gross amount	2,600,000	2,600,000
Less: Notional interest	(950,166)	(950,166)
Present value	1,649,834	1,649,834
Add: Amortisation of notional interest	297,869	203,262
Carrying amount	1,947,703	1,853,096

2.18 Borrowings

	Group	
	2024 \$	2023 \$
Current: Amount repayable within one year or on-demand		
Bank overdraft (Note 2.10)	83,026	107,711
Lease liabilities	96,602	75,077
	179,628	182,788
Non-Current: Amount repayable after one year		
Lease liabilities	68,642	133,987
	68,642	133,987
Total borrowings	248,270	316,775

Commentary on the Condensed Interim Consolidated Statement of Cash Flows

2.19 Net cash used in operating activities amounted to \$0.066 million for 1H2024.

2.20 Major cash outflows of non-operating activities were for:
 (a) Payment for property, plant, and equipment of \$0.008 million,
 (b) Increase in short-term bank deposits of \$0.105 million,
 (c) Principal payment of lease liabilities of \$0.046 million, and
 (d) Dividend paid to non-controlling interest of \$0.035 million.

2.21 The Group’s cash position was \$0.181 million at the end of the financial period 30 June 2024 (31 December 2023: \$0.441 million).

F. Other Information Required by Appendix 7C of the Catalist Rules (continued)

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

No forecast nor prospect statement has been previously disclosed to shareholders.

4 A commentary at the date of the announcement of the 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.

Economic conditions in our major markets remain challenging due to sustained weak demand driven by high interest rates and ongoing geopolitical tensions. Shipping disruptions, including port congestion and longer routes taken to avoid conflicts in the Red Sea, are expected to keep freight rates at elevated levels and delay our cargo deliveries. These factors are likely to negatively impact consumers' spending and exert pressure on our profit margins.

5 Dividend

(a) Current Financial Period Reported On. Any dividend declared for the current financial period reported on?

No dividend has been declared for the financial period ended 30 June 2024.

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

No

(c) Date 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 reason(s) for the decision.

No dividend has been declared or recommended for the financial period ended 30 June 2024 as the Company does not have accumulated profits to declare a dividend under the Companies Act 1967 of Singapore.

7 If the Company has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii) of the Listing Manual Section B: Rule of Catalist of the Singapore Exchange Securities Trading Limited ("Catalist Rules"). If no IPT mandate has been obtained, a statement to that effect.

The Group does not have in place a general mandate for interest person transactions ("IPT"). There was no IPT of S\$100,000 or more for the financial period ended 30 June 2024.

F. Other Information Required by Appendix 7C of the Catalist Rules (continued)

8 Confirmation that the Company has procured undertakings from all its Directors and executive officers (in the format set out in Appendix 7H) under Catalist Rule 720(1).

The Board confirms that the undertakings from all its directors and executive officers as required in the format as set out in Appendix 7H of the Catalist Rule in accordance with Catalist 720(1).

9 Disclosure on Acquisitions and Sales of Shares pursuant to Catalist Rule 706A.

There were no acquisition or realisation of shares resulting (i) in a change in the shareholding percentage in any subsidiary or associated company of the Group; or (ii) an entity becoming or ceasing to be a subsidiary or associated company of the Group during the financial period under review.

10 Confirmation by the Board pursuant to Catalist Rule 705(5)

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 financial statements for the six-month period ended 30 June 2024 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

Sim Guan Seng
Independent Director

Chew Chiew Siang, Steven
Executive Director

8 August 2024

This document has been reviewed by the Company's sponsor, RHT Capital Pte. Ltd. ("Sponsor"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited ("Exchange") and the Exchange assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document.

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