



CO REG NO: 200403029E

**Unaudited Condensed Interim Consolidated Financial Statements
For The Half Year and Full Year Ended 31 December 2024**

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Condensed Interim Consolidated Income Statement and Consolidated Statement of Comprehensive Income

	Note	Group			
		Half Year ended 31/12/2024 (Unaudited) S\$'000	Half Year ended 31/12/2023 (Unaudited) S\$'000	Full Year ended 31/12/2024 (Unaudited) S\$'000	Full Year ended 31/12/2023 (Audited) S\$'000
Revenue	4.4	35,077	33,532	72,750	67,297
Cost of sales		(26,255)	(25,794)	(55,672)	(52,330)
Gross profit		8,822	7,738	17,078	14,967
Other income		970	500	1,646	970
Selling and distribution expenses		(1,303)	(1,326)	(3,538)	(2,983)
Administrative expenses		(5,009)	(4,278)	(9,290)	(8,138)
Other expenses		(884)	(1,252)	(2,190)	(2,743)
Loss allowance (made)/reversed on third party trade and other receivables		(249)	(49)	(368)	19
Finance costs		(191)	(197)	(382)	(458)
Profit before income tax	6	2,156	1,136	2,956	1,634
Income tax expense	7	(459)	(472)	(680)	(666)
Profit for the financial year		1,697	664	2,276	968
Other comprehensive income					
<i>Items that may be reclassified subsequently to profit or loss:</i>					
Exchange differences on translation of foreign operations		378	(117)	381	(476)
Other comprehensive income/(loss) for the financial period, net of tax		378	(117)	381	(476)
Total comprehensive income for the financial year		2,075	547	2,657	492
Profit attributable to:					
Owners of the parent		1,385	672	1,974	986
Non-controlling interests		312	(8)	302	(18)
		1,697	664	2,276	968
Total comprehensive income attributable to:					
Owners of the parent		1,759	549	2,358	505
Non-controlling interests		316	(2)	299	(13)
		2,075	547	2,657	492
Earnings per share					
Basic and diluted (in cents)	9	0.43	0.20	0.61	0.30

Condensed Interim Statements of Financial Position

		Group		Company	
	Note	As at 31/12/2024 (Unaudited) S\$'000	As at 31/12/2023 (Audited) S\$'000	As at 31/12/2024 (Unaudited) S\$'000	As at 31/12/2023 (Audited) S\$'000
Non-current assets					
Property, plant and equipment	11	18,012	17,359	-	-
Intangible asset	12	108	143	-	-
Investments in subsidiaries		-	-	13,136	11,408
Financial assets, at fair value through profit or loss		98	96	-	-
Financial assets, at fair value through other comprehensive income	13	-	-	-	-
Deferred tax assets		110	38	-	-
		18,328	17,636	13,136	11,408
Current assets					
Inventories		17,311	15,794	-	-
Trade and other receivables		15,681	12,763	10,155	10,970
Other current assets		1,329	882	-	-
Financial assets, at fair value through profit or loss		2	3	-	-
Fixed deposits		34	31	-	-
Cash and bank balances		5,816	5,408	56	57
		40,173	34,881	10,211	11,027
Current liabilities					
Trade and other payables		8,532	6,788	315	200
Refund liabilities		2,698	1,660	-	-
Current income tax payable		454	295	40	33
Lease liabilities		122	106	-	-
Bank borrowings		7,230	6,424	-	-
		19,036	15,273	355	233
Net current assets		21,137	19,608	9,856	10,794
Non-current liabilities					
Other payables		384	384	-	-
Lease liabilities		2,728	2,426	-	-
Bank borrowings		659	675	-	-
Deferred tax liabilities		241	313	24	24
		4,012	3,798	24	24
Net assets		35,453	33,446	22,968	22,178
Equity					
Share capital	15	24,777	24,777	24,777	24,777
Foreign currency translation account		(211)	(595)	-	-
Fair value reserve		(49)	(49)	-	-
Retained earnings/(Accumulated losses)		10,936	9,612	(1,809)	(2,599)
Equity attributable to owners of the parent		35,453	33,745	22,968	22,178
Non-controlling interests		-	(299)	-	-
Total equity		35,453	33,446	22,968	22,178

Condensed Interim Consolidated Statement of Cash Flows

		Group	
	Note	Full Year ended 31/12/2024 (Unaudited) S\$'000	Full Year ended 31/12/2023 (Audited) S\$'000
Operating activities			
Profit before income tax		2,956	1,634
Adjustments for:			
Loss allowance made/(reversed) on third party trade receivables		368	(19)
Bad debt written off		-	24
Write-down of inventories	6.1	400	716
Amortisation of intangible asset		63	62
Depreciation of property, plant and equipment	6.1	1,104	1,098
Gain on disposal of subsidiary		(302)	-
Property, plant and equipment written off		7	-
Fair value (gain)/loss arising from financial assets, at fair value through profit or loss		(1)	8
Gain on disposal of property, plant and equipment		(11)	(50)
Interest expense	6.1	382	458
Interest income		(55)	(35)
Unrealised exchange gain		(178)	(46)
Operating cash flows before working capital changes		4,733	3,850
Working capital changes:			
Inventories		(1,638)	911
Trade and other receivables		(2,727)	3,158
Trade and other payables		1,536	351
Other current assets		(447)	104
Refund liabilities		1,038	(262)
Cash generated from operations		2,495	8,112
Income tax paid		(658)	(814)
Interest received		55	35
Net cash from operating activities		1,892	7,333
Investing activities			
Proceeds from disposal of property, plant and equipment		11	50
Purchase of property, plant and equipment		(889)	(304)
Purchase of intangible asset		(28)	-
Financial assets, at fair value through profit or loss		-	(100)
Decrease in fixed deposits		-	100
Net cash used in investing activities		(906)	(254)
Financing activities			
Dividend paid	8	(650)	(650)
Fixed deposits pledged		(3)	(1)
Interest paid		(382)	(458)
Repayment of lease liabilities		(114)	(120)
Proceeds from bank borrowings		29,780	23,443
Repayment of bank borrowings		(29,388)	(29,152)
Net cash used in financing activities		(757)	(6,938)
Net change in cash and cash equivalents		229	141
Cash and cash equivalents at beginning of financial year		5,408	5,416
Net effect of exchange rate changes on cash and cash equivalents		179	(149)
Cash and cash equivalents at end of financial year		5,816	5,408

Condensed Interim Consolidated Statement of Changes in Equity

Group	Share capital S\$'000	Foreign currency translation account S\$'000	Fair value reserve S\$'000	Retained earnings S\$'000	Equity attributable to owners of the parent S\$'000	Non- controlling interests S\$'000	Total S\$'000
(Unaudited)							
Balance at 1 January 2024	24,777	(595)	(49)	9,612	33,745	(299)	33,446
Profit for the financial year	-	-	-	1,974	1,974	302	2,276
Exchange differences on translating foreign operations	-	384	-	-	384	(3)	381
Total comprehensive income for the financial year	-	384	-	1,974	2,358	299	2,657
Transactions with owners:							
Dividends	-	-	-	(650)	(650)	-	(650)
Balance at 31 December 2024	24,777	(211)	(49)	10,936	35,453	-	35,453
(Audited)							
Balance at 1 January 2023	24,777	(114)	(49)	9,276	33,890	(286)	33,604
Profit for the financial year	-	-	-	986	986	(18)	968
Exchange differences on translating foreign operations	-	(481)	-	-	(481)	5	(476)
Total comprehensive income for the financial year	-	(481)	-	986	505	(13)	492
Transactions with owners:							
Dividends	-	-	-	(650)	(650)	-	(650)
Balance at 31 December 2023	24,777	(595)	(49)	9,612	33,745	(299)	33,446

Condensed Interim Statement of Changes in Equity

Company	Share capital S\$'000	Accumulated losses S\$'000	Total S\$'000
(Unaudited)			
Balance at 1 January 2024	24,777	(2,599)	22,178
Profit for the financial year	-	1,440	1,440
Total comprehensive income for the financial year	-	1,440	1,440
Transactions with owners:			
Dividends	-	(650)	(650)
Balance at 31 December 2024	24,777	(1,809)	22,968
(Audited)			
Balance at 1 January 2023	24,777	(2,670)	22,107
Profit for the financial year	-	721	721
Total comprehensive income for the financial year	-	721	721
Transactions with owners:			
Dividends	-	(650)	(650)
Balance at 31 December 2023	24,777	(2,599)	22,178

Notes to Condensed Interim Consolidated Financial Statements

1. General corporate information

Hosen Group Ltd. (the “Company”) (Registration Number: 200403029E) is a public company limited by shares incorporated and domiciled in Singapore with its principal place of business and registered office at 267 Pandan Loop, Singapore 128439. The Company is listed on the Singapore Exchange Securities Trading Limited (“SGX-ST”).

These condensed interim consolidated financial statements as at and for the half and full year ended 31 December 2024 comprise the Company and its subsidiaries (the “Group”).

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

The principal activities of the Group are:

- (a) import, distribution and wholesale of fast moving consumer goods; and
- (b) develop, process, trade and distribute house brand and new chocolate products.

2. Basis of preparation

The condensed interim financial statements for the half and full year ended 31 December 2024 have been prepared in accordance with Singapore Financial Reporting Standards (International) (“SFRS(I)s”) under the historical cost convention and 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 condensed interim financial statements for the half year ended 30 June 2024.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s. There was no change in the accounting policies and methods of computation for the current financial year reported on.

The individual financial statements of each entity within the Group are measured and presented in the currency of the primary economic environment in which the entity operates (its functional currency). The condensed interim consolidated financial statements of the Group and the condensed interim statement of financial position of the Company are presented in Singapore dollar (“\$”) which is the functional currency of the Company and the presentation currency for the condensed interim consolidated financial statements and all values presented are rounded to the nearest thousand (“\$’000”), unless otherwise stated.

The Group and the Company manage their capital to ensure that the Group and the Company are able to continue as a going concern and maintain an optimal capital structure so as to maximise shareholder value.

The capital structure of the Group consists of equity attributable to equity holders of the parent, comprising issued capital, treasury shares (if any), foreign currency translation account, fair value reserve and retained earnings. The Group’s management reviews the capital structure on a semi-annual basis. As part of this review, management considers the cost of capital and the risks associated with each class of capital. Upon review, the Group will balance its overall capital structure through the payment of dividend, new share issues and share buy-backs as well as the issue of new debt or the redemption of existing debt. The Group’s overall strategy remains unchanged from the previous financial year.

2.1 Use of judgements and estimates

The preparation of condensed interim financial statements in compliance with SFRS(I)s requires management to make judgements, estimates and assumptions that affect the Group's application of accounting policies and reported amounts of assets, liabilities, revenue and expenses. Although these estimates are based on management's best knowledge of current events and actions, actual results may differ from these estimates.

In the application of the Group's accounting policies, management made judgements, estimates and assumptions about the carrying amounts of assets and liabilities that were not readily apparent from other sources. The estimates and associated assumptions were based on historical experience and other factors that were considered to be reasonable under the circumstances. Actual results may differ from these estimates.

The significant judgments made by the management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the condensed interim consolidated financial statements as at and for the half and full year ended 31 December 2023.

These estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

3. Seasonal operations

Management uses the expected value method which analyses the historical purchasing patterns and product returns of customers, including seasonal trends, to develop its estimation of refund liabilities for return of goods and the assets recognised from rights to the recovered goods. The trend is dependent on the market and economic factors which may affect customers' behaviour.

4. Segment and revenue information

Management has determined the operating segments based on the reports reviewed by the chief operating decision maker. The Group's reportable segments are strategic business units that are organised based on their function and targeted customer groups. They are managed separately because each business unit requires different skill sets and marketing strategies.

The Group is primarily engaged in two reportable segments, namely, house brands and non-house brands.

Principal activities of each business segment are as follows:

- House brands – Development, trading and distribution of canned seafood, canned fruits and vegetables and canned meat products, and chocolate products.
- Non-house brands – Importation, distribution, wholesaling and retailing of canned food and household consumable goods.

4.1 Reportable segments

Operating segment

Half Year ended 31 December 2024			
	House Brands (Unaudited) S\$'000	Group Non-House Brands (Unaudited) S\$'000	Total (Unaudited) S\$'000
External revenue	29,481	5,596	35,077
Inter-segment revenue	3,763	34	3,797
Total revenue	33,244	5,630	38,874
Interest expense	(168)	(23)	(191)
Depreciation of property, plant and equipment	(399)	(81)	(480)
Amortisation of intangible asset	(25)	(7)	(32)
Loss allowance (made)/reversed on third party trade receivables	(258)	9	(249)
(Write-down)/Written-back of inventories	(5)	13	8
(Loss)/Gain on disposal of property, plant and equipment	(2)	1	(1)
Gain/(Loss) on written off of property, plant and equipment	2	(1)	1
Segment profit	1,585	448	2,033
Assets			
Segment assets	41,832	7,417	49,249
Capital expenditure	1,223	191	1,414
Liabilities			
Segment liabilities	18,154	3,233	21,387

Half Year ended 31 December 2023			
	House Brands (Unaudited) S\$'000	Group Non-House Brands (Unaudited) S\$'000	Total (Unaudited) S\$'000
External revenue	27,785	5,747	33,532
Inter-segment revenue	4,122	10	4,132
Total revenue	31,907	5,757	37,664
Interest expense	(169)	(28)	(197)
Depreciation of property, plant and equipment	(358)	(56)	(414)
Amortisation of intangible asset	(24)	(7)	(31)
Loss allowance made on third party trade receivables	(33)	(16)	(49)
Bad debt written off	1	-	1
(Write-down)/Written-back of inventories	(337)	34	(303)
Gain on disposal of property, plant and equipment	38	12	50
Segment profit	817	438	1,255
Assets			
Segment assets	36,827	7,143	43,970
Capital expenditure	292	46	338
Liabilities			
Segment liabilities	13,834	4,019	17,853

Full Year ended 31 December 2024			
	House Brands (Unaudited) S\$'000	Group Non-House Brands (Unaudited) S\$'000	Total (Unaudited) S\$'000
External revenue	62,307	10,443	72,750
Inter-segment revenue	5,931	44	5,975
Total revenue	68,238	10,487	78,725
Interest expense	(338)	(44)	(382)
Depreciation of property, plant and equipment	(808)	(137)	(945)
Amortisation of intangible asset	(50)	(13)	(63)
Loss allowance (made)/reversed on third party trade receivables	(369)	1	(368)
Write-down of inventories	(375)	(25)	(400)
Gain on disposal of property, plant and equipment	10	1	11
Loss on written off of property, plant and equipment	(6)	(1)	(7)
Segment profit	2,125	795	2,920
Assets			
Segment assets	41,832	7,417	49,249
Capital expenditure	1,223	191	1,414
Liabilities			
Segment liabilities	18,154	3,233	21,387

Full Year ended 31 December 2023			
	House Brands (Audited) S\$'000	Group Non-House Brands (Audited) S\$'000	Total (Audited) S\$'000
External revenue	56,020	11,277	67,297
Inter-segment revenue	6,582	21	6,603
Total revenue	62,602	11,298	73,900
Interest expense	(393)	(65)	(458)
Depreciation of property, plant and equipment	(797)	(141)	(938)
Amortisation of intangible asset	(47)	(15)	(62)
Loss allowance reversed/(made) on third party trade receivables	44	(25)	19
Bad debt written off	(24)	-	(24)
Write-down of inventories	(703)	(13)	(716)
Gain on disposal of property, plant and equipment	38	12	50
Segment profit	1,474	447	1,921
Assets			
Segment assets	36,827	7,143	43,970
Capital expenditure	292	46	338
Liabilities			
Segment liabilities	13,834	4,019	17,853

Reconciliations of reportable segment revenue, profit or loss, assets and liabilities:

	Group			
	Half Year ended 31/12/2024 (Unaudited) S\$'000	Half Year ended 31/12/2023 (Unaudited) S\$'000	Full Year ended 31/12/2024 (Unaudited) S\$'000	Full Year ended 31/12/2023 (Audited) S\$'000
Revenue				
Total revenue for reportable segments	38,874	37,664	78,725	73,900
Elimination of inter-segment revenue	(3,797)	(4,132)	(5,975)	(6,603)
Consolidated revenue	35,077	33,532	72,750	67,297
Profit or loss				
Total segment profit	2,033	1,255	2,920	1,921
Unallocated corporate expenses	313	78	418	171
Other expenses	(190)	(197)	(382)	(458)
Consolidated profit before income tax	2,156	1,136	2,956	1,634
Assets				
Segment assets	49,249	43,970	49,249	43,970
Other unallocated assets	9,252	8,547	9,252	8,547
Consolidated total assets	58,501	52,517	58,501	52,517
Liabilities				
Segment liabilities	21,387	17,853	21,387	17,853
Other unallocated liabilities	1,661	1,218	1,661	1,218
Consolidated total liabilities	23,048	19,071	23,048	19,071

Geographical segment

	Group			
	Half Year ended 31/12/2024 (Unaudited) S\$'000	Half Year ended 31/12/2023 (Unaudited) S\$'000	Full Year ended 31/12/2024 (Unaudited) S\$'000	Full Year ended 31/12/2023 (Audited) S\$'000
Total revenue from external customers				
Singapore	14,360	15,642	31,203	31,438
Malaysia	10,284	8,994	23,432	20,397
Others ⁽¹⁾	10,433	8,896	18,115	15,462
	35,077	33,532	72,750	67,297
Non-current assets				
Singapore	13,711	13,545	13,711	13,545
Malaysia	4,617	4,091	4,617	4,091
Others ⁽¹⁾	-	-	-	-
	18,328	17,636	18,328	17,636

⁽¹⁾ "Others" include countries in Europe and Asia other than Malaysia and Singapore of which none of these countries contributes individually more than 10 percent of the Group's revenue.

4.2 In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments

External revenue from House Brands increased by S\$6.29 million to S\$62.31 million in FY2024 from S\$56.02 million in FY2023 was mainly due to higher sales demand and sales volume in overseas market as a result of stronger sales in both canned food and chocolates. Whilst external revenue from Non-House Brands decreased by S\$0.84 million to S\$10.44 million in FY2024 from S\$11.28 million in FY2023 as the Group focused on the sales of House Brands products. This resulted the percentage of external revenue for the House Brands products over the Group's revenue to increase from approximately 83.24% to 85.65% on year-on-year basis. Overall, the revenue of the Group increased by S\$5.45 million to S\$72.75 million in FY2024 from S\$67.30 million in FY2023.

4.3 A breakdown of sales and profit after tax before non-controlling interests

	Full year ended 31/12/2024 (Unaudited) S\$'000	Group Full year ended 31/12/2023 (Unaudited) S\$'000	Increase / (Decrease) (Unaudited) %
First Half			
Sales reported for the first half year	37,673	33,765	11.57
Operating profit after income tax before non-controlling interests reported for the first half year	579	304	90.46
Second Half			
Sales reported for the second half year	35,077	33,532	4.61
Operating profit after income tax before non-controlling interests reported for the second half year	1,697	664	155.57

4.4 Disaggregation of revenue

The Group's revenue is recognised at a point in time and disaggregated into the following:

	Group					
	House Brands		Non-House Brands		Total	
	Half Year ended 31/12/2024 (Unaudited) S\$'000	Half Year ended 31/12/2023 (Unaudited) S\$'000	Half Year ended 31/12/2024 (Unaudited) S\$'000	Half Year ended 31/12/2023 (Unaudited) S\$'000	Half Year ended 31/12/2024 (Unaudited) S\$'000	Half Year ended 31/12/2023 (Unaudited) S\$'000
Type of good or service:						
Goods	29,399	27,711	5,574	5,725	34,973	33,436
Services	82	74	22	22	104	96
	29,481	27,785	5,596	5,747	35,077	33,532

	Group					
	House Brands		Non-House Brands		Total	
	Full Year ended 31/12/2024 (Unaudited) S\$'000	Full Year ended 31/12/2023 (Audited) S\$'000	Full Year ended 31/12/2024 (Unaudited) S\$'000	Full Year ended 31/12/2023 (Audited) S\$'000	Full Year ended 31/12/2024 (Unaudited) S\$'000	Full Year ended 31/12/2023 (Audited) S\$'000
Type of good or service:						
Goods	62,169	55,880	10,407	11,234	72,576	67,114
Services	138	140	36	43	174	183
	62,307	56,020	10,443	11,277	72,750	67,297

5. Financial assets and financial liabilities

	Group		Company	
	As at 31/12/2024 (Unaudited) S\$'000	As at 31/12/2023 (Audited) S\$'000	As at 31/12/2024 (Unaudited) S\$'000	As at 31/12/2023 (Audited) S\$'000
Financial assets				
Cash and bank balances, fixed deposits and trade and other receivables ⁽¹⁾	18,893	16,734	10,207	11,024
Financial liabilities				
Trade and other payables, lease liabilities and Bank borrowings ⁽²⁾	(18,286)	(15,870)	(315)	(200)

⁽¹⁾ Excludes advance payment to suppliers and prepayments.

⁽²⁾ Excludes advance receipts from customers and goods and services tax.

6. Profit before income tax

6.1 Significant items

	Group			
	Half Year ended 31/12/2024 (Unaudited) S\$'000	Half Year ended 31/12/2023 (Unaudited) S\$'000	Full Year ended 31/12/2024 (Unaudited) S\$'000	Full Year ended 31/12/2023 (Audited) S\$'000
Expenses/(Income)				
Write-down/(Write-back) of inventories	(8)	303	400	716
Loss allowance made/(reversed) on third party receivables	249	49	368	(19)
Depreciation of property, plant and equipment	559	544	1,104	1,098
Interest expense	191	197	382	458
Forex exchange (gain)/loss - net	(143)	7	(359)	137

6.2 Related party transactions

	Group			
	Half Year ended 31/12/2024 (Unaudited) S\$'000	Half Year ended 31/12/2023 (Unaudited) S\$'000	Full Year ended 31/12/2024 (Unaudited) S\$'000	Full Year ended 31/12/2023 (Audited) S\$'000
Sales to related parties	14	17	23	38
Purchases from related parties	10	10	20	42

7. Income tax expense

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

	Group			
	Half Year ended 31/12/2024 (Unaudited) S\$'000	Half Year ended 31/12/2023 (Unaudited) S\$'000	Full Year ended 31/12/2024 (Unaudited) S\$'000	Full Year ended 31/12/2023 (Audited) S\$'000
Current income tax expense	596	412	817	606
Deferred income tax expense relating to origination and reversal of temporary differences	(137)	60	(137)	60
	<u>459</u>	<u>472</u>	<u>680</u>	<u>666</u>

8. Dividends

	Group	
	Full Year ended 31/12/2024 (Unaudited)	Full Year ended 31/12/2023 (Audited)
First and final tax-exempt dividend paid in respect of the previous financial year		
- Per share	S\$0.002	S\$0.002
- Value (S\$'000)	<u>650</u>	<u>650</u>

9. Earnings per share

	Group			
Earnings per ordinary share of the Group attributable to owners of the parent for the period on the net profit after income tax:	Half Year ended 31/12/2024 (Unaudited)	Half Year ended 31/12/2023 (Unaudited)	Full Year ended 31/12/2024 (Unaudited)	Full Year ended 31/12/2023 (Audited)
(Singapore cents)				
(a) Based on the weighted average number of shares	0.43	0.20	0.61	0.30
(b) On a fully diluted basis	<u>0.43</u>	<u>0.20</u>	<u>0.61</u>	<u>0.30</u>

Basic earnings per share are computed based on the weighted average number of issued shares excluding treasury shares of 324,900,846 for the financial year ended 31 December 2024 and 31 December 2023.

The basic and diluted earnings per share are the same as there were no potentially dilutive securities for the respective financial periods ended 31 December 2024 and 31 December 2023.

10. Net asset value

(Singapore cents)	Group		Company	
	As at 31/12/2024 (Unaudited)	As at 31/12/2023 (Audited)	As at 31/12/2024 (Unaudited)	As at 31/12/2023 (Audited)
Net asset value per ordinary share	10.91	10.39	6.88	6.83

The net asset value per share is calculated based on the total number of issued shares excluding treasury shares of 324,900,846 as at 31 December 2024 and 31 December 2023.

11. Property, plant and equipment

The Group's addition of assets amounted to S\$1,081,000 and assets disposed with net book value of S\$Nil for the half year ended 31 December 2024 as compared to addition of assets amounting to S\$181,000 and disposal of assets with net book value of S\$Nil for the half year ended 31 December 2023.

The Group's addition of assets amounted to S\$1,386,000 and assets disposed with net book value of S\$Nil in the full year ended 31 December 2024 as compared to addition of assets amounting to S\$338,000 and disposal of assets with net book value of S\$Nil in the full year ended 31 December 2023.

12. Intangible asset

	Group Computer Software S\$'000
As at 30 June 2024 (Unaudited)	
Cost	676
Accumulated amortisation	(564)
Net carrying amount	112
Half Year ended 31 December 2024 (Unaudited)	
Balance as at 1 July 2024	112
Addition	28
Amortisation charge	(32)
Balance as at 31 December 2024	108
As at 31 December 2024 (Unaudited)	
Cost	704
Accumulated amortisation	(596)
Net carrying amount	108

13. Financial assets, at fair value through other comprehensive income

The Group has designated its unlisted equity investment in Singapore of S\$49,000 to be measured at FVOCI. The Group intends to hold this investment for long-term and strategic investment purposes.

The fair value of the unlisted equity investment was derived using adjusted net assets of the unlisted equity investment as at 31 December 2024, the carrying amount of which was S\$Nil (31 December 2023: S\$Nil).

14. Bank Borrowings

	Group			
	As at 31/12/2024 (Unaudited)		As at 31/12/2023 (Audited)	
	(2) Secured S\$'000	(1) Unsecured S\$'000	(2) Secured S\$'000	(1) Unsecured S\$'000
Repayable within one year or less or on demand	156	7,132	120	6,336
Repayable after one year	901	-	685	-
Total	1,057	7,132	805	6,336

(1) The unsecured bank borrowings comprise unsecured short term bank loans of the Group amounting to S\$2.60 million (31 December 2023: S\$2.00 million) and bills payable amounting to S\$4.53 million (31 December 2023: S\$4.34 million).

(2) The secured bank borrowings include term loan amounting to S\$0.76 million (31 December 2023: S\$0.76 million) and finance lease of the Group amounting to S\$0.30 million (31 December 2023: S\$0.04 million).

Details of any collateral

Term loan is secured by legal mortgage over a property in Malaysia. Finance lease payables are secured by the underlying assets acquired.

15. Share capital

	Group and Company			
	As at 31/12/2024 (Unaudited)		As at 31/12/2023 (Audited)	
	Number of shares	Amount S\$'000	Number of shares	Amount S\$'000
Total number/amount of Ordinary Shares	324,900,846	24,777	324,900,846	24,777

There were no changes in the Company's share capital since the end of the previous period reported on.

There were no outstanding convertibles as at 31 December 2024 and 31 December 2023.

There were no treasury shares as at 31 December 2024 and 31 December 2023. As such, there was no sale, transfer, cancellation and/or use of treasury shares during and as at the end of the current financial year reported on.

There were no subsidiary holdings as at 31 December 2024 and 31 December 2023. As such, there was no sale, transfer, cancellation and/or use of subsidiary holdings during and as at the end of the current financial year reported on.

16. Subsequent events

There is no known subsequent events which have led to adjustments to the condensed interim financial statements for the half year and full year ended 31 December 2024.

On 14 February 2025, the Company announced that Fortune Melinka Pte Ltd, a subsidiary of the Company, has submitted an application to the Accounting and Corporate Regulatory Authority to strike its name off the Register of Companies pursuant to Section 344A of the Companies Act 1967.

Other Information Required by Appendix 7C of the Catalyst Rules

1. Review

The condensed interim consolidated financial statements for the half year and full year ended 31 December 2024 and certain explanatory notes have not been audited or reviewed by the Company's auditor.

The Group's latest financial statements for the year ended 31 December 2023 were not subject to an adverse opinion, qualified opinion or disclaimer of opinion.

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 year 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 year reported on

Condensed Interim Consolidated Statement of Comprehensive Income

The Group recorded a higher revenue of S\$72.75 million for the financial year ended 31 December 2024 ("FY2024") as compared to S\$67.30 million for the financial year ended 31 December 2023 ("FY2023"). The increase of S\$5.45 million or 8.1% in revenue was mainly due to higher sales demand and increase in sales volume of canned food and chocolate products in FY2024.

Gross profit increased by S\$2.11 million to S\$17.08 million in FY2024 mainly due to increase in revenue and gross profit margin from 22.24% to 23.47%.

Other income increased by S\$0.68 million to S\$1.65 million in FY2024 mainly due to gain on disposal of indirect subsidiary Hock Seng Food (Shanghai) Co Ltd and gain in forex exchange in FY2024.

Selling and distribution expenses increased by S\$0.56 million to S\$3.54 million in FY2024 from S\$2.98 million in FY2023 due to higher expenses spent on promotion and logistic costs which commensurate with the higher sales.

Administrative expenses increased by S\$1.15 million to S\$9.29 million in FY2024 from S\$8.14 million in FY2023 mainly due to higher staff cost and directors' remuneration in line with the higher profit earned by the Group in FY2024.

Other expenses decreased by S\$0.55 million to S\$2.19 million in FY2024 from S\$2.74 million in FY2023 mainly due to the absence foreign exchange loss and higher provision for stock that were recorded in FY2023.

Loss allowance on third-party trade and other receivables of S\$0.37 million was made in FY2024, as compared to S\$0.02 million which comprised of credit impaired loss allowance and expected credit loss allowance reversed in FY2023.

Finance costs decreased by S\$0.08 million to S\$0.38 million in FY2024 from S\$0.46 million in FY2023 mainly due to the reduction in borrowing interest rate in FY2024.

As a result, the Group recorded a net profit attributable to owners of the parent of S\$1.97 million in FY2024 as compared to a net profit attributable to owners of the parent of S\$0.99 million in FY2023.

Condensed Interim Consolidated Statement of Financial Position

The Group's net assets were S\$35.45 million as at 31 December 2024, compared to S\$33.45 million as at 31 December 2023. The net increase of S\$2.00 million was mainly a net result of the profit earned in FY2024 offset against dividend paid, changes in non-controlling interests and the effect of exchange differences on translating foreign operations.

The significant changes to the Condensed Interim Consolidated Statement of Financial Position were as follows:-

Property, plant and equipment as at 31 December 2024 increased by S\$0.65 million from 31 December 2023 mainly represented by the addition of property, plant and equipment offset by the current period depreciation charged.

Inventories increased by S\$1.52 million to S\$17.31 million as at 31 December 2024 mainly due to higher inventory level maintained by the Group at the end of FY2024 to meet the sales during Chinese New Year in January 2025 ("CNY2025").

Trade and other receivables increased by S\$2.92 million to S\$15.68 million as at 31 December 2024 due to more sales made before the year end and increased in advance payment to suppliers, as CNY2025 falls in January 2025.

Other current assets, representing the right to the recovered goods for sales returns by customers, increased to S\$1.33 million as at 31 December 2024 from S\$0.88 million as at 31 December 2023 mainly due to the increased amount of goods sold near the end of FY2024 in connection with CNY2025 sales.

Trade and other payables in current liabilities increased by S\$1.74 million to S\$8.53 million as at 31 December 2024 mainly due to increase in accrual of employees' and directors' remuneration and more advance receipt from customers in FY2024, as well as more purchases being made towards the end of FY2024.

Refund liabilities represent the liabilities for arising from return of goods and sales rebates. It increased to S\$2.70 million as at 31 December 2024 from S\$1.66 million as at 31 December 2023 which was in line with the increase in other current assets and in connection to more CNY2025 sales made before the year end.

Lease liabilities in current liabilities and non-current liabilities increased by S\$0.32 million to S\$2.85 million as at 31 December 2024 mainly due to adjustment on lease obligations of JTC rent for the building in Singapore, and offset by the repayment of lease obligations of motor vehicles.

Bank borrowings in current liabilities increased by S\$0.81 million to S\$7.23 million as at 31 December 2024 as a result of higher utilisation of trade facilities to finance higher inventory level of the Group towards the end of FY2024 to meet the demand of CNY2025.

Bank borrowings in non-current liabilities decreased by S\$0.02 million to S\$0.66 million as at 31 December 2024 from S\$0.68 million as at 31 December 2023 mainly due to repayment of term loan for the property in Malaysia.

Condensed Interim Consolidated Statement of Cash Flows

Cash and cash equivalents stood at S\$5.82 million as at 31 December 2024. Out of the cash and cash equivalents, S\$1.89 million was generated from operating activities, S\$0.91 million was used in investing activities and S\$0.76 million was used in financing activities.

The net cash generated from operating activities mainly comprised the operating cash flows before working capital changes of S\$4.73 million, increase in inventories by S\$1.64 million, increase in trade and other receivables by S\$2.73 million, increase in trade and other payables by S\$1.54 million and increase in refund liabilities by S\$1.04 million.

The net cash used in investing activities was mainly attributable to the acquisition of property, plant and equipment of S\$0.89 million.

The net cash used in financing activities was mainly due to dividend paid of S\$0.65 million, interest paid of S\$0.38 million and net proceeds of bank borrowings of S\$0.39 million in FY2024.

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 full year

The Group anticipates that sales demand to be affected by slower economic growth, rising costs, global trade tension and increasing geopolitical and economic uncertainties. Despite these challenging economic conditions, the Group will focus on actively managing costs, improving operational efficiencies, and exploring new business opportunities to navigate the uncertain landscape.

As announced on 6 September 2024, the Company's subsidiary, Hosen Chocolate Sdn Bhd entered into a Sale and Purchase Agreement for the acquisition of land in Malaysia. The acquisition is subjected to State Authority's approval and the application is pending approval. The Company will make further announcements to keep shareholders informed, as and when there are further material updates and developments in respect of the Acquisition.

5. Dividend information

5.1 If a decision regarding dividend has been made:

(a) Whether an interim (final) ordinary dividend has been declared (recommended); and

The Board of Directors ("Board") recommends a first and final dividend, subject to the approval of shareholders at the upcoming annual general meeting of the Company.

(b) (i) Amount per share cents

0.2 Singapore cents

(ii) Previous corresponding period cents

0.2 Singapore cents

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).

The proposed dividend is tax-exempt one-tier dividend.

(d) The date the dividend is payable.

The proposed first and final dividend, if approved at the forthcoming annual general meeting of the Company, will be paid on 30 May 2025.

(e) 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.

The record date will be 16 May 2025 at 5.00 p.m. Please refer to the separate announcement made on 27 February 2025.

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

Not applicable.

6. Interested person transactions

The Company does not have a general mandate for IPT from shareholders. There was no IPT with value of more than S\$100,000 entered into during the financial year.

7. Disclosure of acquisition (including incorporations) and sale of shares under Rule 706A

The Company did not carry out any acquisition or sale of shares during the current financial year.

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

The Company confirms that all the required undertakings under Rule 720(1) of the Catalist Rules have been obtained from all its directors and executive officers in the format set out in Appendix 7H of the Catalist Rules.

9. Disclosure of persons occupying managerial positions who are related to a director, CEO or substantial shareholder

Name	Age	Family Relationship with any Director and/or Chief Executive Officer and/or Substantial Shareholder	Current position and duties, and the year position was first held	Details of changes in duties and position held, if any, during the year
Chong Poh Soon	76	Spouse of Lim Hai Cheok, Executive Director and Substantial Shareholder. Mother of Lim Hock Chye Daniel, Chief Executive Officer. Sister-in-law of Lim Kim Eng, Executive Director and Substantial Shareholder.	Senior Director, since December 2020.	Nil
Lai Ginn Keow	50	Spouse of Lim Hock Chye Daniel, Chief Executive Officer. Daughter-in-law of Lim Hai Cheok, Executive Director and Substantial Shareholder; and Chong Poh Soon, Senior Director and Substantial Shareholder. Niece-in-law of Lim Kim Eng, Executive Director and Substantial Shareholder.	Procurement Manager, since August 2019.	Nil

BY ORDER OF THE BOARD

Lim Hai Cheok
Chief Executive Officer

27 February 2025

This announcement has been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "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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