SDAI LIMITED
(Company Registration No. 201107179D)
(Incorporated in the Republic of Singapore)

UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE SECOND QUARTER AND SIX MONTHS PERIOD ENDED 30 JUNE 2025

Pursuant to Rule 705(2C) of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual Section B: Rules of Catalist ("**Catalist Rules**"), the SGX-ST requires SDAI Limited (the "**Company**", and together with its subsidiaries, the "**Group**") to announce its quarterly financial statements, in view of the disclaimer of opinion on the audited consolidated financial statements of the Group for the financial year ended 30 June 2021 ("**FY2021**"), dated 3 March 2022; (ii) the audited consolidated financial statements of the Group for the 18 months financial period ended 31 December 2022 ("**FP2022**"), dated 25 April 2024; (iii) the audited consolidated financial statements of the Group for the financial year ended 31 December 2023 ("**FY2023**"), dated 23 October 2024; and (iv) the audited consolidated financial statements of the Group for the financial year ended 31 December 2024 ("**FY2024**"), dated 7 April 2025.

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

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

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

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Condensed Interim Financial Statement of Profit and Loss and Other Comprehensive Income for Second Quarter and Six Months Period Ended 30 June 2025

		Group					
		3 months ended			6 months ended		
		30.06.2025	30.06.2024	Change	30.06.2025	30.06.2024	Change
		(Unaudited)	(Unaudited)	%	(Unaudited)	(Unaudited)	%
	Note	S$	S$	+/(-)	S$	S$	+/(-)
Revenue	4	139,800	175,205	(20.2%)	184,308	276,538	(33.4%)
Cost of sales		(39,636)	(71,150)	(44.3%)	(60,706)	(126,472)	(52.0%)
Gross profit		**100,164**	**104,055**	(3.7%)	**123,602**	**150,066**	(17.6%)
Other income	7	1,799	26,946	(93.3%)	3,461	102,090	(96.6%)
Other operating expenses		(256,099)	(1,919)	N.M.	(328,864)	(5,354)	N.M.
General and administrative expenses		(491,381)	(1,059,677)	(53.6%)	(1,021,233)	(1,402,139)	(27.2%)
Loss from operations		**(645,517)**	**(930,595)**	(30.6%)	**(1,223,034)**	**(1,155,337)**	5.9%
Finance costs	8	(154,866)	(836)	N.M.	(307,147)	(1,673)	N.M.
Share of results of associated companies	9	–	–	–.	–	–	–
Impairment loss on property, plant and equipment		–	(74,805)	N.M.	–	(117,354)	N.M.
Loss before tax	6	**(800,383)**	**(1,006,236)**	(20.5%)	**(1,530,181)**	**(1,274,364)**	20.1%
Tax expense		–	(1,391)	N.M.	–	(1,391)	N.M.
Loss for the period		**(800,383)**	**(1,007,627)**	(20.6%)	**(1,530,181)**	**(1,275,755)**	19.9%
Net (loss)/profit attributable to:							
Owners of the Company		(813,744)	(1,024,739)	(20.6%)	(1,535,625)	(1,290,282)	19.0%
Non-controlling interests		13,361	17,112	(21.9%)	5,444	14,527	(62.5%)
		(800,383)	**(1,007,627)**	(20.6%)	**(1,530,181)**	**(1,275,755)**	19.9%
Loss per share:		**S$ cents**	**S$ cents**		**S$ cents**	**S$ cents**	
Basic and diluted loss per share		(0.19)	(0.24)		(0.36)	(0.30)	

N.M. denotes Not Meaningful

Condensed Interim Financial Statement of Profit and Loss and Other Comprehensive Income for Second Quarter and Six Months Period Ended 30 June 2025 (cont'd)

		Group					
		3 months ended			6 months ended		
		30.06.2025	30.06.2024	Change	30.06.2025	30.06.2024	Change
		(Unaudited)	(Unaudited)	%	(Unaudited)	(Unaudited)	%
	Note	S$	S$	+/(-)	S$	S$	+/(-)
Loss for the period		**(800,383)**	**(1,007,627)**	(20.6%)	**(1,530,181)**	**(1,275,755)**	19.9%
Other comprehensive income, after tax:							
Items that may be reclassified subsequently to profit or loss							
Foreign currency translation differences relating to foreign operations		212,739	(37,253)	N.M.	254,548	(94,647)	N.M.
Items that will not be reclassified subsequently to profit or loss							
Foreign currency translation differences relating to foreign operations		50,599	–	N.M.	64,974	(13,715)	N.M.
Other comprehensive profit/(loss) for the period (nil tax)		**263,298**	**(37,253)**	N.M.	**319,522**	**(108,362)**	N.M.
Total comprehensive loss for the period		**(537,085)**	**(1,044,880)**	(48.6%)	**(1,210,659)**	**(1,384,117)**	(12.5%)
Total comprehensive loss attributable to:							
Owner of the Company		(601,005)	(1,061,992)	(43.4%)	(1,281,077)	(1,384,929)	(7.5%)
Non-controlling interests		63,920	17,112	N.M.	70,418	812	N.M.
Total comprehensive loss for the period		**(537,085)**	**(1,044,880)**	(48.6%)	**(1,210,659)**	**(1,384,117)**	(12.5%)

N.M. denotes Not Meaningful

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Condensed Interim Statement of Financial Position

	Note	Group 30.06.2025 (Unaudited) S$	Group 31.12.2024 (Audited) S$	Company 30.06.2025 (Unaudited) S$	Company 31.12.2024 (Audited) S$
ASSETS					
Non-current assets					
Property, plant and equipment	10	169,127	150,297	114,909	150,297
Intangible assets	11	11,138	–	–	–
Investment in associated companies	9	–	–	–	–
Total non-current assets		**180,265**	**150,297**	**114,909**	**150,297**
Current assets					
Inventories		113,194	99,105	–	–
Trade receivables	12	33,278	31,078	–	–
Other receivables	12	291,625	241,128	200,837	218,378
Contract assets		6,498	7,006	–	–
Cash and bank balances		167,779	725,607	24,282	544,171
Total current assets		**612,374**	**1,103,924**	**225,119**	**762,549**
Total Assets		**792,639**	**1,254,221**	**340,028**	**912,846**
EQUITY					
Capital and reserves					
Share capital	14	58,948,250	58,948,250	58,948,250	58,948,250
Foreign currency translation reserves		370,644	116,096	–	–
Accumulated losses		(67,035,288)	(65,499,663)	(67,174,627)	(66,189,301)
Equity attributable to owners of the Company		**(7,716,394)**	**(6,435,317)**	**(8,226,377)**	**(7,241,051)**
Non-controlling interests		(927,906)	(998,324)	–	–
Total equity		**(8,644,300)**	**(7,433,641)**	**(8,226,377)**	**(7,241,051)**
LIABILITIES					
Non-current liabilities					
Borrowings	13	–	6,956,790	–	6,956,790
Other payables		9,263	9,987	–	–
Lease liabilities		81,251	84,571	50,031	84,571
Total non-current liabilities		**90,514**	**7,051,348**	**50,031**	**7,041,361**
Current liabilities					
Borrowings	13	7,257,877	–	7,257,877	–
Lease liabilities		93,853	73,243	70,070	70,070
Other payables		1,913,969	1,496,099	1,188,427	1,042,466
Contract liabilities		80,726	67,172	–	–
Total current liabilities		**9,346,425**	**1,636,514**	**8,516,374**	**1,112,536**
Total liabilities		**9,436,939**	**8,687,862**	**8,566,405**	**8,153,897**
Total Liabilities and Equity		**792,639**	**1,254,221**	**340,028**	**912,846**

Condensed Interim Statement of Changes in Equity

Group	Share capital S$	Foreign currency translation reserves S$	Accumulated losses S$	Attributable to equity holders of the Company S$	Non-controlling interests S$	Total equity S$
	Attributable to equity holders of the Company					
At 01.01.2025 (unaudited)	58,948,250	116,096	(65,499,663)	(6,435,317)	(998,324)	(7,433,641)
Loss for the period	–	–	(1,535,625)	(1,535,625)	5,444	(1,530,181)
Other comprehensive loss						
Foreign currency translation differences relating to foreign operations	–	254,548	–	254,548	64,974	319,522
Total comprehensive income/(loss) for the period	**–**	**254,548**	**(1,535,625)**	**(1,281,077)**	**70,418**	**(1,210,659)**
At 30.06.2025 (unaudited)	**58,948,250**	**370,644**	**(67,035,288)**	**(7,716,394)**	**(927,906)**	**(8,644,300)**
At 01.01.2024 (unaudited)	58,948,250	233,378	(63,975,862)	(4,794,234)	(777,929)	(5,572,163)
Loss for the period	–	–	(1,523,801)	(1,523,801)	(190,527)	(1,714,328)
Other comprehensive income						
Foreign currency translation differences relating to foreign operations	–	(117,282)	–	(117,282)	(29,868)	(147,150)
Total comprehensive loss for the period	**–**	**(117,282)**	**(1,523,801)**	**(1,641,083)**	**(220,395)**	**(1,861,478)**
At 31.12.2024 (audited)	**58,948,250**	**116,096**	**(65,499,663)**	**(6,435,317)**	**(998,324)**	**(7,433,641)**

Condensed Interim Statement of Changes in Equity (cont'd)

Company	**Share capital S$**	**Accumulated losses S$**	**Total equity S$**
At 01.01.2025 (unaudited)	**58,948,250**	**(66,189,301)**	**(7,241,051)**
Loss and total comprehensive loss for the period	–	(985,326)	(985,326)
At 30.06.2025 (unaudited)	**58,948,250**	**(67,174,627)**	**(8,226,377)**
At 01.01.2024 (unaudited)	**58,948,250**	**(66,454,477)**	**(7,506,227)**
Profit and total comprehensive income for the period	–	265,176	265,176
At 31.12.2024 (audited)	**58,948,250**	**(66,189,301)**	**(7,241,051)**

Condensed Interim Consolidated Statement of Cash Flow

	Group			
	3 months ended		6 months ended	
	30.06.2025 (Unaudited) S$	30.06.2024 (Unaudited) S$	30.06.2025 (Unaudited) S$	30.06.2024 (Unaudited) S$
Cash flows from operating activities				
Loss for the period	**(800,383)**	**(1,006,237)**	**(1,530,181)**	**(1,274,364)**
Adjustments for:				
Amortization of intangible assets	331	–	331	–
Depreciation of property, plant and equipment	26,394	–	53,214	–
Interest expense	154,531	523	306,236	1,198
Interest income	–	(1)	–	(1)
Impairment loss on property, plant and equipment	–	74,805	–	117,354
Share of results of associated companies	–	–	–	–
Unrealised foreign exchange differences, net	255,735	–	327,959	–
Operating cash flows before working capital changes	**(363,392)**	**(930,910)**	**(842,441)**	**(1,155,813)**
Changes in working capital:				
- Inventories	(16,511)	(23,414)	(22,149)	19,150
- Trade and other receivables	(2,319)	(68,576)	(55,428)	(22,263)
- Trade and other payables	415,009	(732,674)	441,116	(868,092)
- Contract liabilities	(8,715)	3,246	19,181	(4,945)
Cash generated from/(used in) operations	**24,072**	**(1,752,328)**	**(459,721)**	**(2,031,963)**
Income tax paid	–	(1,391)	–	(1,391)
Net cash generated from/(used in) operating activities	**24,072**	**(1,753,719)**	**(459,721)**	**(2,033,354)**
Cash flows from investing activities				
Interest received	–	1	–	1
Acquisition of intangible assets	(11,456)	–	(11,456)	–
Additions to property, plant and equipment	–	(74,805)	–	(117,354)
Net cash used in investing activities	**(11,456)**	**(74,804)**	**(11,456)**	**(117,353)**

Condensed Interim Consolidated Statement of Cash Flow (cont'd)

	Group			
	3 months ended		6 months ended	
	30.06.2025 (Unaudited) S$	30.06.2024 (Unaudited) S$	30.06.2025 (Unaudited) S$	30.06.2024 (Unaudited) S$
Cash flows from financing activities				
Interest paid	(2,382)	(1,198)	(5,149)	(1,198)
Proceed of loan from a Director	–	2,500,000	–	2,500,000
Principal payment of lease liabilities	(25,759)	(11,062)	(54,612)	(24,568)
Net cash (used in)/generated from financing activities	**(28,141)**	**2,487,740**	**(59,761)**	**2,474,234**
Net (decrease)/increase in cash and cash equivalents	**(15,525)**	**659,217**	**(530,938)**	**323,527**
Cash and cash equivalents at beginning of the financial period	193,557	140,445	725,607	475,835
Effects of foreign exchange rate changes on cash and cash equivalents	(10,253)	(12,634)	(26,890)	(12,334)
Cash and cash equivalents at end of the financial period	**167,779**	**787,028**	**167,779**	**787,028**

Notes to the Condensed Interim Financial Statements

1. Corporate information

SDAI Limited (the "**Company**") is a limited liability company, incorporated and domiciled in Singapore, and listed on the Catalist board of the SGX-ST. The address of its registered office is Level 39 Marina Bay Financial Centre, Tower 2, 10 Marina Boulevard, Singapore 018983.

These condensed interim consolidated financial statements for the second quarter and three months period ended 30 June 2025 comprise the Company and its subsidiaries (collectively, the "**Group**").

The Company's principal activity is investment holding. The Group is primarily involved in selling and distributing imported high-end kitchen systems and appliances, wardrobe systems and household furniture and accessories.

The Group started a venture into the biotechnology industry with the incorporation of a new wholly-owned subsidiary, Beijing Blue Code Biotechnology Co., Ltd. (北京蓝码生物科技有限公司) ("**BBCB**"), on 8 October 2024. Subsequently, on 12 December 2024, the Company completed the transfer for the registration city of BBCB from Beijing to Hainan, for a more efficient tax structure, and BBCB was renamed to Hainan Blue Code Biotechnology Co., Ltd. (海南蓝码生物科技有限公司). The Group is focusing on transforming into a biotechnology industry specialising in healthcare-related products and services.

2. Basis of preparation

The condensed interim financial statements for the second quarter ("**2Q**") and six months period ended 30 June ("**1H**") 2025 have been prepared in accordance with the Singapore Financial Reporting Standards (International) ("**SFRS(I)**") 1-34 Interim Financial Reporting issued by the Accounting Standards Council of 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 audited consolidated financial statements for the financial year ended 31 December 2024.

Save as disclosed in Note 2.1 below, the Group has applied the same accounting policies and methods of computation as in the Group's latest audited consolidated financial statements for the financial year ended 31 December 2024.

The condensed interim financial statements are presented in Singapore Dollar which is the Company's functional currency. All financial information is presented in Singapore Dollar, unless otherwise stated.

2.1 New and amended standards adopted by the Group

A number of amendments to 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). The adoption of the new and revised SFRS(I) and interpretation of SFRS(I) has no material impact on the financial performance or position of the Group and the Company reported for the current or prior reporting periods.

2.2 Critical judgements and key sources of estimate uncertainty

In the application of the Group's accounting policies and assessment of going concern, the management of the Company ("**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 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.

Critical judgements in applying the Group's accounting policies

There are no critical judgements in applying accounting policies that have significant effect on the amounts recognised in the financial statements.

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the financial period, are discussed below.

<u>Impairment of property, plant and equipment</u>

As at 30 June 2025, the Group's and the Company's property, plant and equipment amounted to S$169,127 and S$114,909 (FY2024 - S$150,297 and S$150,297), respectively, as disclosed in Note 10.

The Group and the Company undertake an annual review of the carrying amount of the property, plant and equipment to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount (i.e., the higher of the fair value less costs of disposal and value in use) of the property, plant and equipment is estimated to determine the impairment loss or write-back of impairment.

As at 30 June 2025, the recoverable amount of property, plant and equipment was determined based on the higher of the fair value less costs of disposal and value in use. No impairment loss for the Group's and the Company's property, plant and equipment were recognised during 2Q2025 (FY2024: S$103,348 and S$103,348, respectively).

The key assumptions used in determining the recoverable amounts are disclosed in Note 10.

<u>Impairment of investment in associated companies</u>

As at 30 June 2025 and 31 December 2024, the Group and the Company have no investment in associated companies, as disclosed in Note 9.

The Group and the Company undertake an annual review of the carrying amount of the investment in the associate to identify any objective evidence of impairment. If such objective evidence of impairment is identified, the recoverable amount (i.e. the higher of the fair value less costs of disposal and value in use) of the investment is estimated to determine the impairment loss or reversal of any previous impairment.

As at 30 June 2025, the recoverable amount of investment in associated companies was determined based on fair value less costs of disposal. No impairment loss for investment in associated companies for the Group's and the Company's investment in associated companies, respectively, was recognised during the financial period under review (FY2024: S$Nil).

2.2 Critical judgements and key sources of estimate uncertainty (cont'd)

Valuation of inventories

A review is made periodically on inventory for obsolete and excess inventory and declines in net realisable value below cost, and a write-off or write-down is recorded against the carrying amount of the inventory balance for any such obsolescence, excess and declines. The realisable value represents the best estimate of the recoverable amount and is based on the acceptable evidence available at the end of the reporting date and inherently involves estimates regarding the future expected realisable value. The usual considerations for determining the amount of write-off or write-down include Management's expectations for future sales and inventory management, which may materially affect the carrying amounts of inventories at the reporting date. Possible changes in these estimates could result in revisions to the stated value of the inventories, but these changes would not arise from the assumptions or other sources of estimation uncertainty at the reporting date. No written-down and written off of inventories of the Group as at 30 June 2025 and 31 December 2024.

Impairment of trade receivables and contract assets

As at 30 June 2025, the Group's trade receivables and contract assets amounted to S$33,278 and S$6,498, respectively (FY2024: S$31,078 for trade receivables and S$7,006 for contract assets).

Based on the Group's historical credit loss experience, trade receivables exhibited significantly different loss patterns for each revenue segment. Within each revenue segment, the Group has common customers across different geographical regions and applies credit evaluations by customer. Accordingly, Management has determined the expected loss rates by grouping the receivables in each revenue segment across geographical regions. As at 30 June 2025, no impairment loss for trade receivables was recognised during the financial period under review (FY2024: S$19,270).

Notwithstanding the above, the Group evaluates the expected credit loss on customers in financial difficulties separately. There were no customers in financial difficulties during the financial year/period. As such, there was no impairment loss on trade receivables of the Group as at 30 June 2025.

Impairment of other receivables

As at 30 June 2025, the Group's and the Company's other receivables amounted to S$291,625 and S$200,837 (FY2024 S$241,128 and S$218,378), respectively, as disclosed in Note 11.

The Group and the Company use an approach that is based on an assessment of qualitative and quantitative factors that are indicative of the risk of default (including but not limited to external ratings, audited financial statements, management accounts and cash flow projections, and available press information, if available, and applying experienced credit judgement).

The Group and the Company assessed the credit exposure of these receivables for the 3-month financial period ended 30 June 2025 and measured the impairment losses based on 12-month expected credit loss basis, except for amounts due from former subsidiaries, former associates, subsidiaries and other receivables, which are measured at the amounts equal to lifetime expected credit loss, with the total impairment losses on other receivables of S$18,861,533 for the Group and S$23,144,953 for the Company (FY2024 - S$18,861,533 and S$23,169,032), for 2Q2025, as disclosed in Note 11.

2.2 Critical judgements and key sources of estimate uncertainty (cont'd)

Fair value measurement of derivative financial instrument

The Group's and the Company's loans contained an equity conversion option which enables the Company to convert the loans to ordinary shares of the Company upon resumption of trading of the shares of the Company. The equity conversion option meets the definition of a derivative financial instrument, which requires fair value measurement at each reporting period.

The key assumptions used in determining the fair value of derivative financial instrument is disclosed in Note 12.

3. Seasonal operations

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

4. Segment information

The Group is organised into business units based on its products and services for management purposes. The reportable segments are distribution and retail, and others.

The distribution and retail segment is involved in the selling and distribution of products through a network of authorised dealers and retailers.

Others are investment holding, dormant and inactive companies.

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

Notes to the Condensed Interim Financial Statements (cont'd)

4. Segment information (cont'd)

The revenue of the Group was solely derived from Hong Kong in 1H2025 and 1H2024.

	Residential projects		Distribution and retail		Others		Total	
	1H2025	1H2024	1H2025	1H2024	1H2025	1H2024	1H2025	1H2024
	S$	S$	S$	S$	S$	S$	S$	S$
Reportable segment revenue	–	43,367	184,308	233,171	–	–	184,308	276,538
Reportable segment losses	–	(16,801)	(268,429)	58,175	(1,261,752)	(1,315,738)	(1,530,181)	(1,274,364)
Reportable segment assets	–	107,032	463,704	455,215	328,935	923,057	792,639	1,485,304
Reportable segment liabilities	–	326,513	1,373,910	869,356	8,063,029	7,245,715	9,436,939	8,441,584
Capital expenditure*	–	(3,521)	(76,052)	(5,868)	–	(107,965)	(76,052)	(117,354)
Depreciation of property, plant and equipment	–	–	(35,388)	–	(17,826)	–	(53,214)	–

	Residential projects		Distribution and retail		Others		Total	
	2Q2025	2Q2024	2Q2025	2Q2024	2Q2025	2Q2024	2Q2025	2Q2024
	S$	S$	S$	S$	S$	S$	S$	S$
Reportable segment revenue	–	43,367	139,800	131,838	–	–	139,800	175,205
Reportable segment losses	–	(16,801)	(115,284)	36,028	(685,099)	(1,025,463)	(800,383)	(1,006,236)
Reportable segment assets	–	107,032	463,704	455,215	328,935	923,057	792,639	1,485,304
Reportable segment liabilities	–	326,513	1,373,910	869,356	8,063,029	7,245,715	9,436,939	8,441,584
Capital expenditure*	–	(3,432)	–	–	–	(71,373)	–	(74,805)
Depreciation of property, plant and equipment	–	–	(25,554)	–	(840)	–	(26,394)	–

* Included in the capital expenditure is the addition of right-of-use assets.

Notes to the Condensed Interim Financial Statements (cont'd)

5. Financial assets and liabilities

	Group		Company	
	30.06.2025 (Unaudited) S$	**31.12.2024 (Audited) S$**	**30.06.2025 (Unaudited) S$**	**31.12.2024 (Audited) S$**
Financial assets				
Trade and other receivables*	297,824	226,173	184,971	184,970
Cash and cash equivalents	167,779	725,607	24,282	544,171
	465,603	951,780	209,253	729,141
Financial liabilities				
Trade and other payables	1,923,232	1,506,086	1,188,427	1,042,466
Lease liabilities	175,104	157,814	120,101	154,641
Borrowings	7,257,877	6,956,790	7,257,877	6,956,790
	9,356,213	8,620,690	8,566,405	8,153,897

* Excludes prepayments

6. Loss before tax

Loss before tax has been arrived at after charging:

	Group			
	3 months ended		6 months ended	
	30.06.2025 (Unaudited) S$	**30.06.2024 (Unaudited) S$**	**30.06.2025 (Unaudited) S$**	**30.06.2024 (Unaudited) S$**
Cost of inventories recognized as an expense included in cost of sales	39,636	26,252	60,706	81,574
Depreciation of property, plant and equipment	26,394	–	53,214	–
Directors' fee	62,500	62,500	125,000	125,000
Interest income on bank deposits	–	(1)	–	(1)
Impairment loss on property, plant and equipment	–	74,805	–	117,354
Legal and professional fees	9,145	564,201	30,301	573,938
Net loss/(gain) on foreign exchange differences	255,735	(26,945)	327,959	(101,884)
Rental expense on operating lease	7,086	19,756	13,175	25,031
Salaries and related costs	271,137	307,285	546,239	544,295

Notes to the Condensed Interim Financial Statements (cont'd)

7. Other income

	Group			
	3 months ended		6 months ended	
	30.06.2025 (Unaudited) S$	30.06.2024 (Unaudited) S$	30.06.2025 (Unaudited) S$	30.06.2024 (Unaudited) S$
Interest income	–	1	–	1
Net gain on foreign exchange differences	–	26,945	–	101,884
Others	1,799	–	3,461	205
	1,799	**26,946**	**3,461**	**102,090**

8. Finance costs

	Group			
	3 months ended		6 months ended	
	30.06.2025 (Unaudited) S$	30.06.2024 (Unaudited) S$	30.06.2025 (Unaudited) S$	30.06.2024 (Unaudited) S$
Interest expense on borrowings	152,147	–	301,085	–
Interest expense on lease liabilities	2,382	523	5,149	1,198
	154,529	523	306,234	1,198
Bank charges	337	313	913	475
	154,866	**836**	**307,147**	**1,673**

9. Investment in associated companies

Set out below is the associated company of the Group:

Name	Principal activities	Country of business/ incorporation	% of ownership interest 30.06.2025	% of ownership interest FY2024
Held by SDAI Limited				
OOWAY Technology Pte. Ltd.	Holding company and provision of management consultancy services	Republic of Singapore	27.65	27.65

No investment in associated companies recorded as at 30 June 2025 and 31 December 2024.

Notes to the Condensed Interim Financial Statements (cont'd)

10. Property, plant and equipment

The Group	Leasehold properties S$	Renovations S$	Furniture and fittings S$	Office equipment S$	Total S$
Cost					
At 1 January 2024					
Cost	100,402	–	6,599	35,688	142,689
Addition	212,327	126,864	–	10,490	349,681
At 31 December 2024	**312,729**	**126,864**	**6,599**	**46,178**	**492,370**
Addition	76,052	–	–	–	76,052
At 30 June 2025	**388,781**	**126,864**	**6,599**	**46,178**	**568,422**
Accumulated depreciation and impairment loss					
At 1 January 2024	100,402	–	6,599	35,688	142,689
Depreciation for the year	62,030	31,590	–	2,416	96,036
Impairment loss for the year	–	95,274	–	8,074	103,348
At 31 December 2024	**162,432**	**126,864**	**6,599**	**46,178**	**342,073**
Depreciation for the period	53,214	–	–	–	53,214
Exchange differences	4,008	–	–	–	4,008
At 30 June 2025	**219,654**	**126,864**	**6,599**	**46,178**	**399,295**
Net book value					
At 30 June 2025	**169,127**	–	–	–	**169,127**
At 31 December 2024	**150,297**	–	–	–	**150,297**

The Company	Leasehold properties S$	Renovations S$	Furniture and fittings S$	Office equipment S$	Total S$
Cost					
At 1 January 2024	–	–	–	30,376	30,376
Addition	212,327	126,864	–	10,490	349,681
At 31 December 2024/30 June 2025	**212,327**	**126,864**	–	**40,866**	**380,057**
Accumulated depreciation and impairment loss					
At 1 January 2024	–	–	–	30,376	30,376
Depreciation for the year	62,030	31,590	–	2,416	96,036
Impairment loss for the year	–	95,274	–	8,074	103,348
At 31 December 2024	**62,030**	**126,864**	**–**	**40,866**	**229,760**
Depreciation for the period	35,388	–	–	–	35,388
At 30 June 2025	**97,418**	**126,864**	**–**	**40,866**	**265,148**
Net book value					
At 30 June 2025	**114,909**	**–**	**–**	**–**	**114,909**
At 31 December 2024	**150,297**	–	–	–	**150,297**

10. Property, plant and equipment

During the financial period, the Group acquired property, plant and equipment amounting to S$76,052 (FY2024: S$349,681), of which S$76,052 (FY2024: S$137,354) were financed through leases and S$Nil (FY2024: S$212,327) were settled in cash.

Impairment test of property, plant and equipment

Management has assessed the property, plant and equipment of the Group as corporate assets and as a single cash generating unit ("**CGU**"), which represents a group of assets that collectively generate cash inflows in the sales and distribution of kitchen systems, kitchen appliances, wardrobe system, household furniture and appliances in Hong Kong.

Management undertook an annual review of the carrying amount of the property, plant and equipment as at 31 December 2024 ("**Assessment**") to determine whether there is any indication of impairment. Based on this Assessment, an indication of impairment was identified by the Management, arising from the financial underperformance of the CGU relative to the expectations originally envisaged. As a result, the Management determined the recoverable amount of the CGU being the higher of the value in use and fair value less costs of disposal.

The value in use of the CGU was determined to be S$Nil on the basis of forecasted negative cash flows over a 4-year forecast period as a result of the economic slowdown in the real estate sector in Hong Kong and an absence of a constructive restructuring plan to turn around the business. The fair value less costs of disposal was estimated to be insignificant, considering the age and conditions of the property, plant and equipment of the Group and the low probability of transferring the remaining lease term to a third party, including its associated transaction costs.

Based on the Assessment, the recoverable amount of the CGU as at 31 December 2024 was determined to be S$Nil, which was below the carrying amount. Accordingly, an impairment loss of S$103,348 and S$103,348 for the Group and the Company, respectively, was recognised in the Group's consolidated statement of profit or loss and the Company's statement of profit or loss, respectively, for FY2024. There was no impairment loss on property, plant and equipment recorded for 1H2025 (1H2024: S$42,549).

11. Intangible assets

During the current reporting period, the Group capitalised new intangible assets amounting to S$11,456, representing the capitalisation of testing fees paid to a Hong Kong government authority in relation to regulatory compliance testing for a specific refrigerator model sold by the Group's Hong Kong subsidiary.

As at 30 June 2025, the carrying amount of the intangible assets of the Company amounts to S$11,138 after recognising an amortisation of S$331, partially offset by exchange rate differences of approximately S$13.

These costs were capitalised as intangible assets on the basis that they are directly attributable to bringing the product to market and are expected to generate future economic benefits through the continued sale of this refrigerator model.

Management considers these capitalised amounts to meet the recognition criteria for intangible assets under SFRS(I) 1-38 – Intangible Assets, as the expenditures are identifiable, controlled by the Group, and are expected to result in probable future economic inflows.

Notes to the Condensed Interim Financial Statements (cont'd)

12. Trade and other receivables

	Group		Company	
	30.06.2025 (Unaudited) S$	**31.12.2024 (Audited) S$**	**30.06.2025 (Unaudited) S$**	**31.12.2024 (Audited) S$**
Trade receivables	190,831	200,944	–	–
Impairment losses	(157,553)	(169,866)	–	–
Net trade receivables	33,278	31,078	–	–
Other receivables	73,016	13,201	5,939	5,939
Deposits	201,361	191,725	184,032	184,031
Amounts due from former subsidiaries	18,618,446	18,618,446	18,617,827	18,617,827
Amounts due from former associate	233,256	233,256	233,256	233,256
Amounts due from subsidiaries	–	–	4,288,870	4,312,949
	19,126,079	19,056,628	23,329,924	23,354,002
Impairment losses	(18,861,533)	(18,861,533)	(23,144,953)	(23,169,032)
At amortised cost (net)	264,546	195,095	184,971	184,970
Prepayments	27,079	46,033	15,866	33,408
Total other receivables	291,625	241,128	200,837	218,378
Trade and other receivables	324,903	272,206	200,837	218,378

The average credit period on the sale of goods is 60 days. No interest is charged on the trade receivables. Before accepting any new customer, the Group will assess the potential customer's credit quality and define credit limits by customer. Credit limits attributed to customers will be reviewed periodically.

Movement in the allowance for impairment in respect of other receivables during the period/year was as follows:

	Group		Company	
	1H2025 (Unaudited) S$	**FY2024 (Audited) S$**	**1H2025 (Unaudited) S$**	**FY2024 (Audited) S$**
At beginning of financial period/year	18,861,533	18,842,254	23,169,032	23,085,680
Impairment loss recognised	–	9,729	2,388	83,352
Reversal of impairment loss	–	–	(26,467)	–
Derecognition of subsidiaries	–	9,448	–	–
Exchange differences on translation	–	102	–	–
At end of financial period/year	**18,861,533**	**18,861,533**	**23,144,953**	**23,169,032**

Notes to the Condensed Interim Financial Statements (cont'd)

13. Borrowings

	Group		Company	
	30.06.2025 (Unaudited) S$	**31.12.2024 (Audited) S$**	**30.06.2025 (Unaudited) S$**	**31.12.2024 (Audited) S$**
Amount repayable less than one *year*				
Unsecured loan (Current)				
Loan 1	3,649,882	–	3,649,882	–
Loan 2	2,686,008	–	2,686,008	–
Redeemable Loans	921,987	–	921,987	–
	7,257,877	–	**7,257,877**	–
Amount repayable after one *year*				
Unsecured loan (Non-current)				
Loan 1	–	3,486,489	–	3,486,489
Loan 2	–	2,585,008	–	2,585,008
Redeemable Loans	–	885,293	–	885,293
	–	**6,956,790**	**–**	**6,956,790**

Loan 1

On 26 June 2023, the Company entered into a loan agreement with Asian Accounts Receivable Exchange Pte Ltd ("**Loan 1 Agreement**") for an interest-free loan of S$4,000,000 with full repayment 12 months from the date of the Loan Agreement ("**Loan 1**"). The salient terms of the Loan 1 Agreement can be found in the announcement made by the Company on 26 June 2023. On 27 March 2024, the Company renewed Loan 1 with a maturity date on 26 September 2025. As at 31 December 2023 and 31 December 2024, the Company has drawdown a total of S$4,000,000. On 11 November 2024, the Company further renewed Loan 1 with a new maturity date of 30 June 2026.

Loan 2

On 27 March 2024, the Company entered into a loan agreement with a director of the Company ("**Loan 2 Agreement**") for an interest-free loan of S$4,000,000 with full repayment 18 months from the date of the loan agreement ("**Loan 2**"). The salient terms of the loan agreement can be found in the announcement made by the Company on 27 March 2024. On 27 March 2024, the Company renewed the loan with a maturity date of 26 September 2025. As at 31 December 2024, the Company has drawdown a total of S$2.9 million. On 11 November 2024, the Company further renewed Loan 2 with a new maturity date of 30 June 2026.

Redeemable Loans

On 11 November 2024, the Company entered into four (4) separate redeemable loan agreements (collectively, the "**Redeemable Loan Agreements**") with (a) Mr Chee Tuck Hong, (b) Ms Elizabeth Widjaja, (c) Mr Tan Kee Tuan and (d) Mr Chan Lung Tin for an interest-free loan of S$1,000,000 ("**Loan 3**" or "**Redeemable Loans**") with full repayment 19 months from the date of the Redeemable Loan Agreements. The salient terms of the Redeemable Loan Agreements can be found in the announcement made by the Company on 11 November 2024. As at 31 December 2024, the Company has fully drawdown Loan 3.

Equity conversion option

The above loans contained an equity conversion option, which enables the Company to convert the loans to ordinary shares of the Company upon resumption of trading of the shares of the Company. This equity conversion feature does not qualify as an equity instrument because the conversion term does not meet the "fixed-for-fixed" test, where the number of ordinary shares to be converted is not fixed and may vary with the changes in fair value of the ordinary shares of the Company.

The equity conversion option meets the definition of a derivative financial instrument. The Group and the Company assessed that the fair value of the derivative financial instrument is insignificant as at 30 June 2025 and 31 December 2024, respectively, considering that the value of the shares of the Company are currently unknown due to their suspension in conjunction with exposure arising from the Notice of Compliance issued by Singapore Exchange Regulation.

14. Share capital

	The Group and the Company			
	1H2025		FY2024	
	No. of shares	S$	No. of shares	S$
Issued and paid-up				
Beginning and end of financial period/year	424,665,283	58,948,250	424,665,283	58,948,250

All shares rank equally with regard to the Company's residual assets. All issued shares are fully paid, with no par value.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All rights attached to the Company's shares held by the Group are suspended until those shares are reissued.

There were no changes in the share capital of the Company since 31 December 2024.

Save for the Loan 1, Loan 2 and the Redeemable Loans, the Company did not have any treasury shares, subsidiary holdings or other convertibles as at the end of the current financial period reported on and corresponding period of the immediately preceding financial year.

The Company did not hold any treasury shares and the Company's subsidiaries did not hold any shares in the Company as at 30 June 2025 and 30 June 2024.

15. Significant related party transactions

There were no material related party transactions during 1H2025 and FY2024.

16. Significant events

Save as disclosed below, there are no known significant events which led to adjustments to this set of interim financial statements:

(a) On 12 July 2021, the Company voluntarily suspended trading of its shares on the SGX-ST as the board of directors of the Company (the "**Board**" or "**Directors**") at the time was unable to confirm that all relevant material information has been announced, pending, *inter alia*, the completion of the additional agreed-upon-procedures or a special audit then being considered by the Audit and Risk Committee ("**ARC**"). Please refer to the Company's announcement dated 12 July 2021 for further details.

(b) The Company has on 14 July 2021 and 19 August 2021 received notices of compliance from the Singapore Exchange Regulation ("**SGX RegCo**"):

(i) The first notice of compliance ("**NOC**") issued by SGX RegCo on 14 July 2021 required the Company's ARC to commission its Internal Auditor ("**IA**") to expand its scope of work (the "**Additional Scope**") to include, among others, looking into the circumstances that led to breaches and/or potential breaches of the Catalist Rules as well as internal control weaknesses as stated in the IA's draft interim report ("**Interim Report**") which was mentioned in the Company's announcement dated 12 July 2021.

15. Significant events (cont'd)

Save as disclosed below, there are no known significant events which led to adjustments to this set of interim financial statements:

(ii) The second NOC issued by SGX RegCo on 19 August 2021 directed the Company to appoint a suitable independent special auditor ("**Special Auditor**") as recommended by the Company's continuing sponsor and approved by SGX RegCo. The second NOC superseded the instruction in the first NOC. The independent review into the identified matters and to review and make recommendations on the adequacy and effectiveness of the Group's internal controls ("**Special Audit**") must cover the following:

- Review the matters raised in the first NOC;
- Review the circumstances surrounding the payroll matter as disclosed below ("**Payroll Matters**"), including but not limited to whether the payments were made in accordance with the respective employment contracts and whether proper approvals had been obtained for such payments;
- Review the circumstances surrounding the unauthorised transactions and assess if there were other unauthorised transactions in the past one (1) year;
- Review the Group's internal controls, processes and procedures in relation to due diligence performed on acquisitions and disposals in the past one (1) year;
- Review the Group's whistleblowing policies, processes and procedures and advise on whether such policies, processes and procedures are adequate and effective. In addition, the Special Auditor must review all whistleblowing reports received by the Company and/or its directors, assess whether internal policies, processes and procedures have been adhered to, whether issues brought up by the whistleblower(s) have been robustly investigated into by non-conflicted persons and addressed in the process;
- Where internal control weaknesses are noted by the IA (in its Interim Report prior to the issue of the second NOC) and the Special Auditor, the Special Auditor must make recommendations on enhancements to ensure adequacy and effectiveness of the internal controls going forward; and
- Where breaches/potential breaches of the Catalist Rules, laws or regulations are noted, the Special Auditor must set out clearly the circumstances that led to the breaches and/or potential breaches as well as the parties responsible.

The Special Auditor reports only and directly to SGX RegCo.

In December 2021, the ARC (by way of majority votes) has also mandated the IA to perform the following:

(i) Review the implementation status of the remedial steps taken by Management to address the internal control weaknesses and potential lapses as stated in the Interim Report ("**Follow-up Review**"); and

(ii) Perform certain agreed-upon procedures ("**AUP**") for the utilisation of proceeds up to 30 November 2021.

15. Significant events (cont'd)

Save as disclosed below, there are no known significant events which led to adjustments to this set of interim financial statements:

(c) On 23 March 2022, the ARC received the Follow-up Review report and AUP report ("**AUP Report**") issued by the IA in connection with the utilisation of proceeds up to 30 November 2021. These Follow-up Review report and AUP Report had been shared by the Management with the Special Auditor on 31 March 2022 for their information.

Following the release of the Follow Up Review Report, the Management revised the draft Policies, Procedures and Delegation of Authority manual for the ARC's review and recommendation to the Board for Board's approval. In addition, the Board will continue to monitor Management's ongoing implementation of the recommendations raised in the Interim Report and the Follow Up Report.

Following the release of AUP Report, there were certain unmatched expenses items reported by the IA in connection with the utilisation of proceeds up to 30 November 2021. The Management was in the midst of conducting further analysis and investigations of the "unmatched" items quantified in the AUP Report in order to assess the accuracy of (i) the allocated amounts, the utilised amounts and the remaining balance of the proceeds, and (ii) the breakdown of the use of proceeds up to 30 November 2021.

The Company had subsequently provided multiple announcements on the information of the use of proceeds. On 19 October 2022, the Company further announced that, pending the conclusion of the Special Audit, the Board provided an update on the use of net proceeds raised to 30 September 2022, where the proceeds utilised has been further broken down into 5 separate time periods, (a) up to 7 July 2021, (b) from 8 July 2021 to 30 November 2021, (c) from 1 December 2021 to 31 March 2022, (d) 1 April 2022 to 31 July 2022, and (e) from 1 August 2023 to 30 September 2022, for the purposes of identifying the amounts of proceeds that were utilised by the Group during the respective periods in which Mr Lim Wee Li (former CEO of the Company) and Mr Lincoln Teo Choong Han (former Interim CEO of the Company), were respectively principally responsible for the management and conduct of the business of the Group during the period under review in the AUP Report, where Mr Lim Wee Li ceased to be the CEO of the Company on 7 July 2021, and Mr Lincoln Teo Choong Han was appointed as Interim CEO of the Company on 8 July 2021 and ceased to be the Interim CEO of the Company on 15 July 2022.

(d) On 21 July 2023, the Special Auditor issued the first phase of the Special Audit, which covered the auditing findings of the Payroll Matters and Unauthorised Transactions (as defined below).

<u>Payroll Matters</u>

In respect of suspected payroll irregularities of $520,000 arising from the past employment of two foreign nationals by its subsidiary, KHL Marketing Asia-Pacific Pte Ltd ("**KHLM**"), the Special Auditor was unable to independently verify whether the two former employees were meaningfully employed by KHLM. Based on the available evidence, it appeared that Mr Lim Wee Li had directed the said employment for the purpose of securing employment passes in exchange for monetary benefits, which may be a contravention of Sections 22 and 23 of the Employment of Foreign Manpower Act of Singapore. Additionally, the Special Auditor also noted that the employment and determination of their compensation appeared to lack justification, and the hiring and termination process departed from the Group's policy and practice.

15. Significant events (cont'd)

Save as disclosed below, there are no known significant events which led to adjustments to this set of interim financial statements:

Unauthorised Transactions

In respect of transfer of the Company's fund of US$480,010 carried out by Mr Lincoln Teo Choon Han without the requisite approval of the Board of the Company ("**Unauthorised Transactions**"), the Special Auditor uncovered a total of five agreements which Mr Lincoln Teo Choon Han had executed on behalf of the Company's wholly-owned subsidiary, KC Technologies Pte Ltd ("**KC Technologies**") without obtaining approval from the Board of the Company.

Under these agreements, KC Technologies and Sino Allied (HK) Limited ("**Sino Allied**") were to jointly establish a structured finance scheme for one (1) year to support Amazon's e-commerce merchants with their collective procurements. KC Technologies was to fund 80% (US$480,000) of the total investment amount (US$600,000), and Sino Allied was to fund the remaining 20% (US$120,000). It was not in the Group's ordinary course of business to provide such financing. The Group had since terminated the financing business and recovered monies extended in relation to the Unauthorised Transactions and its corresponding interest pursuant to the agreements on 14 October 2021.

Arising from the above issues surrounding the Payroll Matters and Unauthorised Transactions, the Special Auditor highlighted potential listing rule breaches relating to internal control lapses involving the Company's hiring processes and new investment proposals, potential breaches of the Employment of Foreign Manpower Act of Singapore and Ministry of Manpower of Singapore guidelines, as well as potential contravention of directors' fiduciary duties under Section 157 of the Companies Act 1967 of Singapore.

As at the date of these financial statements, the Special Auditor has finalised the special audit report ("**Report**"). However, the formal sign-off and release of the Report is contingent upon the settlement of the final outstanding fees amounting to an aggregate of S$196,338.90, which are due to the Special Auditor and its legal advisor by the Company as announced on 10 June 2025.

(e) On 20 May 2025, Kitchen Culture (Hong Kong) Limited ("**KC HK**"), an indirect subsidiary of the Company incorporated in Hong Kong, has received a letter of demand dated 16 May 2025 (the "**Letter of Demand**") from lawyers representing Kitchen Highlights Limited ("**Kitchen Highlights**").

The Letter of Demand states, *inter alia*, that a sum of HK$111,953.10 (the "**Claimed Amount**") is owing by KC HK to Kitchen Highlights, arising from certain project-related services rendered to KC HK during the calendar year of 2020 (the "**Claim**"). Kitchen Highlights has demanded payment of the Claimed Amount within seven (7) days from the date of the Letter of Demand, failing which Kitchen Highlights will commence legal proceedings against KC HK for the recovery of the Claimed Amount, together with interest thereon and its associated legal fees.

Prior to the receipt of the Letter of Demand, KC HK had, on 12 March 2025, received a reminder letter which included, *inter alia*, a breakdown of the Claimed Amount. The Company is currently investigating the Claim. Based on the information presently available to the current management of the Company, the project (including all liabilities and obligations) relating to the Claim had been transferred by KC HK to a third party prior to the appointment of the current Board on 26 June 2023.

15. Significant events (cont'd)

Save as disclosed below, there are no known significant events which led to adjustments to this set of interim financial statements:

On 24 July 2025, KC HK received a letter from the Small Claims Tribunal of Hong Kong ("**HK Tribunal**") notifying KC HK that, on 15 July 2025, Kitchen Highlights filed a claim (the "**Monetary Claim**") against KC HK with the HK Tribunal, seeking:

(i) The amount of HK$61,034.50 (the "**Revised Claimed Amount**");
(ii) Interest on the Revised Claimed Amount;
(iii) Further and/or other relief pertaining to the Monetary Claim; and
(iv) Cost incurred in relation to the Monetary Claim.

The Company has written to Kitchen Highlights electronically on 29 June 2025, requesting for the provision of further supporting documents in relation to the Letter of Demand, but no response has been received from Kitchen Highlights to date and the Revised Claimed Amount is substantially lower than the Claimed amount of HK$111,953.10 as set out in the Letter of Demand.

The Monetary Claim is scheduled to be heard at a tribunal to be held at the HK Tribunal on 28 August 2025.

(f) On 6 August 2025, the Company announced that it has entered into four (4) separate redeemable loan agreements ("**6 August Redeemable Loan Agreements**") with four (4) investors for an aggregate principal amount of S$1.0 million ("**6 August Redeemable Loans**"). The 6 August Redeemable Loans carries an interest rate of 8% per annum and has a maturity date of 30 June 2026.

Other Information Required by Appendix 7C of the Catalist Rules

Part I Information Required for Quarterly (Q1, Q2 & Q3), Half-Year and Full Year Announcements

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

   The condensed interim consolidated statement of financial position of the Company and its subsidiaries as at 30 June 2025 and the related condensed consolidated profit or loss and other comprehensive income, condensed consolidated statement of changes in equity, and condensed consolidated statement of cash flows for the second quarter and six months period ended 30 June 2025, and the explanatory notes herein have not been audited or reviewed by the independent auditor of the Company (the "**Auditor**").

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

   Not applicable.

3. **Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:—**

   (a) **Updates on the efforts taken to resolve each outstanding audit issue.**

   The Group's latest audited consolidated financial statements for FY2024 contained a Disclaimer of Opinion issued by the Auditor. The following subjects were included in the said audit opinion:

   (i) Use of going concern assumption;
   (ii) Notice of Compliances issued by the Singapore Exchange Regulation; and
   (iii) Opening balances and comparative information and the financial effect on the current financial year's figures.

   The Management is in the midst of resolving the audit issues raised by the Auditor as stated above.

   (b) **Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.**

   The Directors confirm that the impact of all outstanding audit issues on the financial statements has been adequately disclosed.

4. **Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

   Except for the adoption of the new and revised SFRS(I)s and amendments to SFRS(I), effective for the current financial period that are relevant to them, the Group has adopted the same accounting policies and methods of computation as stated in its latest audited consolidated financial statements for FY2024. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those SFRS(I). The adoption of the new and revised SFRS(I), and amendments to SFRS(I) has no material impact on the financial performance or position of the Group and the Company reported for the current or prior reporting periods.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

Please refer to item 4 above.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends:

	3 months ended		6 months ended	
	30.06.2025 (Unaudited)	**30.06.2024 (Unaudited) Restated**	**30.06.2025 (Unaudited)**	**30.06.2024 (Unaudited) Restated**
Loss for the period attributable to equity holders of the Company	(813,744)	(1,024,739)	(1,535,625)	(1,290,282)
Weighted average number of ordinary shares in use	424,665,283	424,665,283	424,665,283	424,665,283
Basic and diluted loss per share	**S$ cents**	**S$ cents**	**S$ cents**	**S$ cents**
Basic and diluted	(0.19)	(0.24)	(0.36)	(0.30)

There were no dilutive potential ordinary shares for 2Q2025 and 2Q2024. The diluted loss per share was the same as the basis loss per share for the aforementioned financial periods.

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares, excluding treasury shares of the issuer at the end of the:

	Group		Company	
	30.06.2025 (Unaudited)	**31.12.2024 (Audited)**	**30.06.2025 (Unaudited)**	**31.12.2024 (Audited)**
Net asset value per ordinary share (S$ cents)	(1.82)	(1.52)	(1.94)	(1.71)
Number of ordinary shares in issue as at period/year end	424,665,283	424,665,283	424,665,283	424,665,283

Net asset value per ordinary share is calculated by dividing the respective equity attributable to equity holders of the Company by the aggregate number of ordinary shares as at the end of the respective financial periods.

8. A review of the performance of the group

Review of Consolidated Statement of Profit and Loss

Revenue
The Group recorded revenue of S$139,800 in 2Q2025, a decrease of 20.2% or S$35,405 from S$175,205 in 2Q2024. The decrease was solely due to the discontinuance of revenue from residential projects by S$43,367 in 2Q2024.

Cost of sales
The Group's cost of sales decreased by 44.3%, or S$31,514, to S$39,636 in 2Q2025 from S$71,150 in 2Q2024. The decrease was primarily due to a decrease in purchases and sales resulting from the downsizing of the Group's business.

Gross profit
The Group's gross profit decreased by 3.7%, or S$3,891, to S$100,164 in 2Q2025 from S$104,055 in 2Q2024, primarily due to the discontinuance of revenue from residential projects in 2Q2024.

Other income
Other income decreased by S$25,147, or 93.3%, from S$26,946 in 2Q2024 to S$1,799 in 2Q2025, mainly due to foreign exchange loss arising from the revaluation of intercompany balances due to the Company by the Group's entities in Hong Kong, as the Singapore dollar strengthened against the Hong Kong dollar in 2Q2025.

Other operating expenses
Other operating expenses increased by S$254,180, from S$1,919 in 2Q2024 to S$256,099 in 2Q2025, mainly due to foreign exchange losses of S$0.26 million recognised as a result of the strengthening of the Singapore Dollar against the Hong Kong Dollar in 2Q2025.

General and administrative expenses
General and administrative expenses decreased by 53.6%, or S$0.57 million, from S$1.06 million in 2Q2024 to S$0.49 million in 2Q2025. The decrease was primarily due to a (i) decrease in legal and professional fees of S$0.56 million in 2Q2025 due to the absence of progressive billing from professional parties upon the completion of special audit, (ii) decrease in rental expense on operating lease of S$12,670 due to the termination of warehouse rental in Hong Kong; partially offset by an increase in depreciation of property, plant and equipment amounting to S$26,394, which, , was not recorded under depreciation of property, plant and equipment in 2Q2024, but was instead recognised as depreciation of right-of-use assets.

Finance costs
Finance costs increased by S$0.15 million, from S$836 in 2Q2024 to S$0.15 million in 2Q2025, mainly due to the reversal of the gain on loan extinguishment recognised in FY2024 in relation to Loan 1, Loan 2 and Redeemable Loans.

Loss before tax
As a result of the above, the Group recorded a loss before tax of S$0.80 million in 2Q2025, which was 20.5% or S$0.20 million lower than the loss before tax of S$1.0 million in 2Q2024.

Review of Statements of Financial Position

Non-current assets
The Group's non-current assets increased by S$29,978, from S$150,297 as at 31 December 2024 to S$180,275 as at 30 June 2025, primarily attributable to the recognition of additional right-of-use assets arising from new lease agreements for the Hong Kong office and intangible assets that is related to the capitalisation of payment to the Hong Kong authority for testing fees related to a specific model of refrigerator sold by our Hong Kong subsidiary. These costs have been capitalised as intangible assets, as the company expects to derive recurring benefits from the sale of this model in the future.

8. A review of the performance of the group (cont'd)

Review of Statements of Financial Position (cont'd)

Current assets
The Group recorded current assets of S$0.61 million as at 30 June 2025, a decrease of S$0.50 million, compared to S$1.11 million as at 31 December 2024. The decrease is mainly due to a decrease in cash and bank balances of S$0.56 million, partially offset by an increase in other receivables of S$0.05 million.

Please refer to the section entitled "Review of Consolidated Statement of Cash Flows" below for information on the decrease in cash and cash equivalents.

Non-current liabilities
The Group recorded non-current liabilities of S$0.09 million as at 30 June 2025, a decrease of S$6.96 million from S$7.05 million as at 31 December 2024. The decrease was mainly due to the reclassification of borrowings to current liabilities as the maturity date falls within 12 months of the reporting date.

Current liabilities
The Group recorded current liabilities of S$9.35 million as at 30 June 2025, an increase of S$7.71 million from S$1.64 million as at 31 December 2024. The increase was mainly due to an increase in other payables by S$0.41 million and the reclassification of borrowings from non-current liabilities as the maturity date falls within 12 months of the reporting date.

Equity
The Group recorded negative total equity of S$8.64 million as at 30 June 2025, as compared to negative total equity of S$7.43 million as at 31 December 2024, mainly due to the recognition of losses of S$1.21 million during 1H2025.

Working capital position
The Group reported a negative working capital position of approximately S$8.73 million as at 30 June 2025, as compared to a negative working capital of approximately S$0.53 million as at 31 December 2024.

The Group is in a negative working capital position as at 30 June 2025, which indicates that the Group may not be able to meet its short-term debt obligations when they become due. The Board acknowledges the uncertainties regarding the Group's ability to realise its assets and discharge its liabilities in the normal course of business. However, the Board remains confident that the Group will be able to meet its obligations as and when they fall due and that the preparation of these condensed interim consolidated financial statements on a going concern basis remains appropriate, taking into consideration that the Group's and the Company's ability to:-

(a) address all matters raised in the Notices of Compliance ("**NOC**") issued by Singapore Exchange Regulation on 14 July 2021 and on 19 August 2021;

(b) successfully complete the corporate turnaround plans and restructuring initiatives; and

(c) secure sufficient new loan financing and further extend the maturity dates of existing loans, which will mature on 26 September 2025.

On 11 November 2024, the Company entered into the following:

(a) a second side letter agreement with Asian Accounts Receivable Exchange Pte. Ltd. to amend the expiry date of Loan 1 from 26 September 2025 to 30 June 2026;

(b) a side letter agreement in relation to Loan 2 to (i) amend the drawdown structure of Loan 2, and (ii) extend the expiry date to 30 June 2026; and

(c) Redeemable Loan Agreements with four (4) new investors for an interest-free loan of S$1.0 million with a maturity date on 30 June 2026.

On 6 August 2025, the Company entered into the 6 August Redeemable Loan Agreements with four (4) investors for an aggregate principal amount of S$1.0 million, carrying an interest rate of 8% per annum, with a maturity date of 30 June 2026.

The Company is also actively pursuing new business opportunities to generate new revenue streams for the Group and enhance the Group's future prospects.

Review of Consolidated Statement of Cash Flows

The operating cash outflows of the Group in 2Q2025, prior to adjustments for changes in working capital, were S$0.36 million. The net cash generated from operating activities was S$24,072 after taking into account the net changes to working capital of an increase in trade and other payables of S$0.41 million, partially offset by a decrease in inventories by S$16,511.

The net cash used in investing activities was S$11,456 in 2Q2025, mainly consisting of the payment to the Hong Kong authority for testing fees related to a specific model of refrigerator sold by our Hong Kong subsidiary. These costs have been capitalised as intangible assets, as the company expects to derive recurring benefits from the sale of this model in the future.

The net cash used in financing activities was S$28,141 in 2Q2025, mainly consisting of the principal payment of lease liabilities of S$25,759.

As a result of the above and aftereffects of foreign exchange rate changes on cash and cash equivalents amounting to S$10,253, the Group recorded cash and cash equivalents of S$0.17 million as at 30 June 2025, representing a decrease of S$0.62 million from S$0.79 million as at 31 December 2024.

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

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

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

The Group's kitchen business has been shifted to Hong Kong following the compulsory liquidation of its principal wholly-owned subsidiary, KHLM, on 5 April 2022. Management anticipates a slowdown in both the residential projects segment as well as the distribution and retail segment of the Group.

On 8 October 2024, the Group commenced its venture into the biotechnology industry with the incorporation of a new wholly-owned subsidiary, Beijing Blue Code Biotechnology Co., Ltd. (北京蓝码生物科技有限公司) ("**BBCB**"). Subsequently, on 12 December 2024, the Company completed the transfer for the registration city of BBCB from Beijing to Hainan, for a more efficient tax structure. In conjunction with the transfer for the registration city, BBCB was renamed Hainan Blue Code Biotechnology Co., Ltd. (海南蓝码生物科技有限公司). The Company is focusing on leveraging biotechnology to produce and provide healthcare-related products and services.

As announced in the Group's media release dated 30 April 2025, the Group has obtained regulatory approval from the National Medical Products Administration (国家药品监督管理局) of the People's Republic of China to market its proprietary skincare line, Bluecode Biotech B-III series (蓝码生物 B-III 系列), in China. The approved series include two registered products, namely (i) the Apple Fruit Cell Serum (苹果果实细胞精华液) and (ii) the Adenium Obesum Cell Facial Mask (沙漠蔷薇叶细胞面膜). This regulatory approval represents a significant milestone in the Group's strategic transformation into a biotechnology-focused company, following its exploration of emerging opportunities in the biotechnology industry.

The Company will make further announcements as and when there are any material developments in relation with the aforementioned venture.

As announced on 10 June 2025, the Special Auditor has completed Phase 2 of the Special Audit. The Company intends to utilise part of the proceeds raised from the 6 August Redeemable Loans to settle the outstanding fees due to the Special Auditor and its legal advisor in relation to the Special Audit.

11. Dividend

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

No dividend has been declared or recommended for 2Q2025.

(b) (i) Amount per share

Not applicable.

(ii) Previous corresponding period

No interim dividend was declared or recommended in the previous corresponding period.

(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)

Not applicable.

(d) The date the dividend is payable.

Not applicable.

(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.

Not applicable.

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

No dividend has been declared or recommended by the Directors for 2Q2025 as the Group incurred a loss for 2Q2025 and continues to report accumulated losses as at 30 June 2025.

12. If the group has obtained a general mandate from shareholders for interested person tractions ("IPTs"), the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Group does not have a general mandate from its shareholders for IPTs.

13. Negative confirmation pursuant to Rule 705(5). (Not required for announcement on full year results)

On behalf of the board of directors of the Company, we, the undersigned, hereby confirm to the best of our knowledge, nothing has come to the attention of the board of directors of the Company which may render the unaudited condensed interim consolidated financial results for the Group for the Second Quarter and Six Months Period Ended 30 June 2025 to be false or misleading in any material aspect.

On behalf of the Board of Directors

Hao Dongting Executive Chairperson	Lam Kwong Fai Lead Independent Director

14. 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 in the format set out in Appendix 7H under the Rule 720(1) of the Catalist Rules have been obtained from its directors and executive officers.

15. Disclosure of acquisitions (including incorporations) and realisations of shares in subsidiaries and/or associated companies since the end of the previous reporting period pursuant to Rule 706A of the Catalist Rules.

The Group has not made any acquisitions (including incorporations) or realisations of shares in subsidiaries and/or associated companies since the end of FY2024, up to 30 June 2025.

Part II Additional Information Required for Full Year Announcement

16. Segmented revenue and results for operating segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.

Not applicable.

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

Not applicable.

18. A breakdown of sales as follows:

Not applicable.

19. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year as follows:—

Not applicable.

20. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(10) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Not applicable.

BY ORDER OF THE BOARD

Hao Dongting
Executive Chairperson
8 August 2025