



SITRA HOLDINGS (INTERNATIONAL) LIMITED

(Company Registration No.: 197901237E)
(Incorporated in the Republic of Singapore)

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SITRA HOLDINGS (INTERNATIONAL) LIMITED

Company Registration. No: 197901237E

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

	Note – (Page 15 to 17)	Group					
		Six-month period ended 31 December (“2H”)			Year ended 31 December (“FY”)		
		2022 S\$	2021 S\$	Change %	2022 S\$	2021 S\$	Change %
Revenue	2.01	7,708,781	15,370,736	-50%	21,872,920	26,621,182	-18%
Cost of sales	2.02	(7,017,664)	(13,857,894)	-49%	(20,132,867)	(24,036,740)	-16%
Gross profit		691,117	1,512,842	-54%	1,740,053	2,584,442	-33%
Other income		66,675	3,606	+1749%	123,974	123,800	0%
Other (loss)/gain - net	2.03	(1,056,575)	265,902	-497%	(1,269,533)	158,687	-900%
Expenses:							
- Selling and marketing	2.04	(302,433)	(338,133)	-11%	(603,784)	(595,323)	+1%
- Administrative	2.05	(1,675,432)	(1,349,499)	+24%	(2,775,861)	(2,262,774)	+23%
- Finance	2.06	(34,287)	(24,922)	+38%	(38,818)	(46,321)	-16%
(Loss)/Profit before income tax		(2,310,935)	69,796	-3411%	(2,823,969)	(37,489)	+7433%
Income tax	2.07	(22,415)	(121,502)	-82%	(101,945)	(121,502)	-16%
Loss for the period/year	2.08	(2,333,350)	(51,706)	+4413%	(2,925,914)	(158,991)	+1740%
Other comprehensive income/(loss)							
<i>Items that may be reclassified subsequently to profit or loss:</i> Currency translation differences arising from consolidation		27,488	(536,562)	-105%	173,467	(143,061)	-221%
<i>Items that will not be reclassified subsequently to profit or loss:</i> Revaluation gain on property, plant and equipment		368,520	-	NA	368,520	-	NA
Other comprehensive income/(loss), net of tax		396,008	(536,562)	-174%	541,987	(143,061)	-479%
Total comprehensive loss for the financial period/year		(1,937,342)	(588,268)	+229%	(2,383,927)	(302,052)	+689%
Loss for the period/year attributable to:							
Equity holders of the Company		(2,359,071)	(153,348)	+1438%	(3,050,411)	(245,633)	+1142%
Non-Controlling Interests		25,721	101,642	-75%	124,497	86,642	+44%
		(2,333,350)	(51,706)	+4413%	(2,925,914)	(158,991)	+1740%

A Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income (cont'd)

	Note – (Page 15 to 17)	Group					
		Six-month period ended 31 December ("2H")			Year ended 31 December ("FY")		
		2022 S\$	2021 S\$	Change %	2022 S\$	2021 S\$	Change %
Total comprehensive loss for the period/year attributable to:							
Equity holders of the Company		(1,954,733)	(657,166)	+197%	(2,467,621)	(355,950)	+593%
Non-Controlling Interests		17,391	68,898	-75%	83,694	53,898	+55%
		(1,937,342)	(588,268)	+229%	(2,383,927)	(302,052)	+689%
Loss per share (cents per share)							
Basic [A]		(0.16)	(0.01)		(0.21)	(0.02)	
Diluted [B]		(0.16)	(0.01)		(0.21)	(0.02)	

[A] & [B] Basic and diluted loss per share attributable to equity holders of the Company is calculated as follows:

	Group	
	31 Dec 2022	31 Dec 2021
Loss attributable to equity holders of the Company (S\$)	(3,050,411)	(245,633)
Weighted average number of ordinary shares outstanding for basic and diluted loss per share ('000)	1,483,300	1,295,368
Basic and diluted loss per share (cents per share)	(0.21)	(0.02)

- a. On 27 September 2021, the 255,000,000 Options Shares were exercised and included in the calculation of basic and diluted loss per share for the financial year ended 31 December 2021

B Condensed Interim Statements of Financial Position

	Note – (Page 18 to 21)	Group		Company	
		31 Dec 2022 S\$	31 Dec 2021 S\$	31 Dec 2022 S\$	31 Dec 2021 S\$
Current assets					
Cash and bank balances	2.09	1,746,456	724,924	1,051,897	221,634
Financial assets, at fair value through profit or loss (“FVPL”)	2.10	-	1,850,000	-	-
Trade and other receivables	2.11	774,266	2,316,261	2,675,649	3,609,883
Inventories	2.12	2,619,703	2,939,060	-	-
Other current assets	2.13	230,662	150,961	1,410	1,410
		5,371,087	7,981,206	3,728,956	3,832,927
Non-current assets					
Investments in subsidiaries	2.18	-	-	5,216,036	3,560,202
Property, plant and equipment	2.14	9,851,207	11,020,373	25,986	30,673
Deferred tax assets		24,128	26,463	-	-
		9,875,335	11,046,836	5,242,022	3,590,875
Total assets		15,246,422	19,028,042	8,970,978	7,423,802
Current liabilities					
Trade and other payables	2.15	1,974,600	2,843,575	3,885,279	2,284,239
Borrowings	2.16	73,831	442,144	-	-
		2,048,431	3,285,719	3,885,279	2,284,239
Non-current liabilities					
Other payables	2.17	1,677,446	-	1,677,446	-
Borrowings	2.16	18,806	382,823	-	-
Deferred income tax liabilities		377,000	195,000	-	-
		2,073,252	577,823	1,677,446	-
Total liabilities		4,121,683	3,863,542	5,562,725	2,284,239
Net assets		11,124,739	15,164,500	3,408,253	5,139,563
Capital and reserves attributable to equity holders of the Company					
Share capital		25,793,130	25,793,130	25,793,130	25,793,130
Other reserves		2,510,565	471,602	14,393	14,393
Accumulated losses		(17,868,351)	(14,817,940)	(22,399,270)	(20,667,960)
		10,435,344	11,446,792	3,408,253	5,139,563
Non-controlling interests		689,395	3,717,708	-	-
Total Equity		11,124,739	15,164,500	3,408,253	5,139,563

C Condensed Interim Statement of Changes in Equity

	Group					
	Attributable to equity holders of the Company				Non-controlling interersts	Total equity
	Share Capital S\$	Other reserves S\$	Accumulate d Losses S\$	Total S\$		
2022						
Balance at 1 January 2022	25,793,130	471,602	(14,817,940)	11,446,792	3,717,708	15,164,500
Loss for the year	-	-	(3,050,411)	(3,050,411)	124,497	(2,925,914)
Other comprehensive income	-	214,270	-	214,270	(40,803)	173,467
Revaluation gain on property, plant and equipment	-	368,520	-	368,520	-	368,520
Total comprehensive income/(loss) for the year	-	582,790	(3,050,411)	(2,467,621)	83,694	(2,383,927)
Acquisition of non-controlling interests	-	1,456,173	-	1,456,173	(3,112,007)	(1,655,834)
Balance at 31 December 2022	25,793,130	2,510,565	(17,868,351)	10,435,344	689,395	11,124,739
2021						
Balance at 1 January 2021	22,992,180	581,919	(14,572,307)	9,001,792	3,663,810	12,665,602
Loss for the year	-	-	(245,633)	(245,633)	86,642	(158,991)
Other comprehensive loss	-	(110,317)	-	(110,317)	(32,744)	(143,061)
Total comprehensive loss for the year	-	(110,317)	(245,633)	(355,950)	53,898	(302,052)
Issuance of new shares	2,805,000	-	-	2,805,000	-	2,805,000
Share issue expenses	(4,050)	-	-	(4,050)	-	(4,050)
Balance at 31 December 2021	25,793,130	471,602	(14,817,940)	11,466,792	3,717,708	15,164,500

C Condensed Interim Statements of Changes in Equity (cont'd)

	Company			
	Share Capital	Other reserves	Accumulated losses	Total
	S\$	S\$	S\$	S\$
2022				
Balance at 1 January 2022	25,793,130	14,393	(20,667,960)	5,139,563
Loss for the year	-	-	(1,731,310)	(1,731,310)
Other comprehensive loss	-	-	-	-
Total comprehensive loss for the year	-	-	(1,731,310)	(1,731,310)
Balance at 31 December 2022	25,793,130	14,393	(22,399,270)	3,408,253
2021				
Balance at 1 January 2021	22,992,180	14,393	(20,199,339)	2,807,234
Loss for the financial year	-	-	(468,621)	(468,621)
Other comprehensive loss	-	-	-	-
Total other comprehensive loss for the financial year	-	-	(468,621)	(468,621)
Issuance of new shares	2,805,000	-	-	2,805,000
Share issue expenses	(4,050)	-	-	(4,050)
Balance at 31 December 2021	25,793,130	14,393	(20,667,960)	5,139,563

D Condensed Interim Consolidated Statement of Cash Flows

	Note – (Page 21 & 22)	12 months ended 31 Dec 2022 S\$	12 months ended 31 Dec 2021 S\$
Cash flows from operating activities			
Loss for the year		(2,925,914)	(158,991)
Adjustments for:			
- Depreciation of property, plant and equipment		792,167	142,361
- Gain on disposal of property, plant and equipment		(2,768)	-
- Interest income		(133)	(153)
- Interest expenses		11,206	46,321
- Amortisation of notional interest		27,612	-
- Income tax expense		101,945	121,502
- Provision for slow-moving inventory		84,728	-
- Allowance for impairment of advances to suppliers		37,218	-
- Unrealised currency translation loss / (gains)		1,118,658	(145,237)
Operating cash flows before working capital changes		(755,281)	5,803
Working capital changes:			
- Trade and other receivables		1,504,777	(597,084)
- Inventories		234,629	(920,244)
- Other current assets		(79,701)	40,457
- Trade and other payables		(865,151)	352,323
Cash generated from / (used in) operations		39,273	(1,118,745)
Interest received		133	153
Interest paid		(7,311)	(6,563)
Income tax paid		(105,769)	(23,462)
Net cash used in operating activities	2.19	(73,674)	(1,148,617)
Cash flows from investing activities			
Proceeds from disposal of financial assets (FVPL)	2.20	1,850,000	1,850,000
Additions of property, plant, and equipment	2.21 (a)	(15,337)	(25,999)
Proceeds from disposal of property, plant and equipment		2,768	-
Acquisition of non-controlling interests	2.21 (b)	(6,000)	-
Net cash generated from investing activities		1,831,431	1,824,001
Cash flows from financing activities			
Principal payment of lease liabilities	A	(73,002)	(73,398)
Repayment of term loan	A	(387,024)	(1,112,976)
Proceeds from a director advance	A	-	803,460
Share issue expenses		-	(4,050)
Interest paid		(3,895)	(39,758)
Net cash used in investing activities		(463,921)	(426,722)

D Condensed Interim Consolidated Statement of Cash Flows (cont'd)

	Note – (Page 21)	12 months ended 31 Dec 2022 S\$	12 months ended 31 Dec 2021 S\$
Net increase in cash and cash equivalents		1,293,836	248,662
Cash and cash equivalents at 1 January		452,620	203,958
Cash and cash equivalents at 31 December	2.22	1,746,456	452,620

Note A. Reconciliation of liabilities arising from financing activities:

	Note (Page 21)	At 1 January 2022 S\$	Proceeds S\$	Principal & interest payments S\$	Non-cash changes	At 31 December 2022 S\$
					Interest expense S\$	
Lease liabilities	2.21 (c)	165,639	-	(75,600)	2,598	92,637
Term loan	2.21 (d)	387,024	-	(388,321)	1,297	-

	At 1 January 2021 S\$	Proceeds SS	Principal & interest payments S\$	Non-cash changes				At 31 December 2021 S\$
				Additi ons S\$	Interest expense S\$	Advances/ payments on behalf S\$	Subscripti on of new shares S\$	
Lease liabilities	92,095	-	(77,185)	146,942	3,787	-	-	165,639
Term loan	1,500,000	-	(1,148,947)	-	35,971	-	-	387,024
Director advances	1,897,800	803,460	-	-	-	103,740	(2,805,000)	-

E. Notes to the Condensed Interim Consolidated Financial Statements

1 Corporate Information

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

These condensed final financial statements as at and for the financial year ended 31 December 2022 comprise the Company and its subsidiaries (collectively, the “Group”).

The principal activities of the Company are those of an investment holding.

The principal activities of the subsidiaries are:

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

2 Basis of Preparation

The condensed interim financial statements for the financial year ended 31 December 2022 have been prepared in accordance with Singapore Financial Reporting Standards (International) (“SFRS(I)”) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed final financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to understanding the changes in the Group’s financial position and performance since the last annual financial statements for the year ended 31 December 2021.

The accounting policies and methods of computation in the financial statements adopted by the Group and the Company are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The condensed final financial statements are presented in Singapore dollars (“S\$”) which is the Company’s functional currency.

2.1 New and Amended Standards Adopted by the Group

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

2.2 Use of Estimates and Judgements

In preparing the condensed final financial statements, management has made judgments, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income, and expenses. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2021.

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

Information about critical judgements in applying accounting policies and estimates that have the most significant effect on the amounts recognized in the financial statements are valuation and depreciation of leasehold land and buildings.

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

3 Seasonal Operations

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

4 Segment and Revenue Information

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

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

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

(b) Property development

The Group intends to embark on the property development business.

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

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

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

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

4.1 Reportable Segment

The Group is principally engaged in the import and export of wood-based, lifestyle furniture, and other related products.

(a) Revenue

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

At a point in time	Group			
	2H2022 S\$	2H2021 S\$	FY2022 S\$	FY2021 S\$
Sales of goods				
- Australia / New Zealand	2,488,058	6,814,680	6,384,906	10,063,045
- Europe	5,117,653	8,466,104	15,023,477	16,001,280
- Asia / Others	19,782	8,152	264,037	298,649
	7,625,493	15,288,936	21,672,420	26,362,974
Rendering of services - Asia	83,288	81,799	200,500	258,208
Total	7,708,781	15,370,735	21,872,920	26,621,182

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

4.1 Reportable Segment (cont'd)

(b) Revenue from major products.

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

Major products	Group			
	FY2022		FY2021	
	S\$	%	S\$	%
Wood-based products	21,511,350	98.35	26,118,406	98.11
Outdoor lifestyle furniture	142,956	0.65	270,618	1.02
Others	218,614	1.00	232,158	0.87
Total	21,872,920	100.00	26,621,182	100.00

Major products	Group			
	2H2022		2H2021	
	S\$	%	S\$	%
Wood-based products	7,495,262	97.23	15,053,063	97.93
Outdoor lifestyle furniture	137,822	1.79	175,696	1.14
Others	75,697	0.98	141,976	0.93
Total	7,708,781	100.00	15,370,735	100.00

(c) Geographical information

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

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

The geographical breakdown is as follows:

Revenue	Group			
	FY2022		FY2021	
	S\$	%	S\$	%
Australia / New Zealand	6,384,906	29.19	10,063,045	37.80
Europe	15,023,477	68.69	16,001,280	60.11
Asia / Others	464,537	2.12	556,857	2.09
Total	21,872,920	100.00	26,621,182	100.00

Revenue	Group			
	2H2022		2H2021	
	S\$	%	S\$	%
Australia / New Zealand	2,488,058	32.28	6,814,680	44.34
Europe	5,117,653	66.39	8,466,104	55.08
Asia / Others	103,070	1.33	89,951	0.58
Total	7,708,781	100.00	15,370,735	100.00

No significant revenue is derived from a single external customer.

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

4.1 Reportable Segment (cont'd)

(c) Geographical information (cont'd)

Non-current Assets	Group			
	As at 31 Dec 2022		As at 31 Dec 2021	
	S\$	%	S\$	%
Europe	10,442	0.11	16,138	0.15
Asia / Others	9,864,893	99.89	11,030,698	99.85
Total	9,875,335	100.00	11,046,836	100.00

5. A Breakdown of Sales

	Group		
	FY2022 S\$	FY2021 S\$	Change %
(a) Sales reported for first half year	14,164,139	11,250,446	+26%
(b) Loss after tax for first half year	(592,564)	(107,285)	+453%
(c) Sales reported for second half year	7,708,781	15,370,736	-50%
(d) Loss after tax for second year	(2,333,350)	(51,706)	+4413%

6. Loss before Taxation

	Note - (page 16 & 17)	Group	
		FY2022 S\$	FY2021 S\$
<u>Included in other income</u>			
- Commission income		14,842	10,497
- Interest income from bank deposits		133	153
- Government grants ^(a)		7,077	110,972
- Rental income ^(b)		36,202	-
- Gain on disposal of property, plant and equipment		2,768	-
- VAT claims ^(c)		61,162	-
- Others		1,790	2,178
		123,974	123,800
<u>Included in other (loss)/gain – net</u>			
- Foreign currency translation loss / (gain) - net		(1,232,315)	158,687
- Allowance for impairment of advances to suppliers		(37,218)	-
	2.03	(1,269,533)	158,687

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

6. Loss before Taxation (cont'd)

	Note – (Page 16 & 17)	Group	
		FY2022 S\$	FY2021 S\$
<u>Included in finance expenses</u>			
- Bank overdrafts		(7,311)	(6,563)
- Term loan		(1,297)	(35,971)
- Lease liabilities		(2,598)	(3,787)
- Amortisation of notional interest ^(d)		(27,612)	-
	2.06	(38,818)	(46,321)

Notes: -

- (a) The government grants received in 2021 were mainly salary reimbursement for PCP for Digital Operations Talent, Singapore E-commerce, programme manpower support, and Covid-19 grant.
- (b) Rental income received is from letting part of the subsidiary's warehouse in Indonesia.
- (c) Value Added Tax ("VAT") is the extra VAT claims received by a subsidiary in Indonesia.
- (d) Amortisation of notional interest. The detail is disclosed in Note 2.17 on page 21.

7. Expenses by Nature

	Group	
	FY2022 S\$	FY2021 S\$
Bank charges	75,216	81,644
Changes in inventories	319,357	(920,244)
Commission expenses	81,665	96,630
Depreciation of property, plant, and equipment	792,167	142,361
Directors' fees	100,000	121,666
Employee compensation	1,459,885	1,582,353
Freight and other costs	3,429,689	3,332,335
Fees on audit services paid/payable to:		
- Auditor of the Company	83,000	83,000
- Under-provision in the previous year	4,000	3,435
- Other auditors	11,850	6,524
Insurance	63,628	48,684
Legal and professional fees	262,287	242,754
Purchases of inventories	16,267,868	21,511,572
Rental expense on operating leases	17,910	18,041
Water and electricity	71,385	67,635
Others	472,605	476,447
Total cost of sales, selling and marketing, and administrative expenses	23,512,512	26,894,837
In summary:		
Cost of sales	20,132,867	24,036,740
Selling and marketing	603,784	595,323
Administrative	2,775,861	2,262,774
Total	23,512,512	26,894,437

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

8. Taxation

The Group calculates the period income tax expense using a tax rate that would apply to the expected total annual earnings. The major components of income tax expenses in the condensed final consolidated statement of comprehensive income are:

	Group	
	FY2022 S\$	FY2021 S\$
<u>Tax expense attributable to loss is made up of:</u>		
- Current income tax	(101,945)	(121,502)
Total	(101,945)	(121,502)

9. Financial Assets and Financial Liabilities.

Set out below is an overview of the financial assets and financial liabilities of the Group and Company as at 31 December 2022 ("2022") and 31 December 2021 ("2021").

	Group		Company	
	2022 S\$	2021 S\$	2022 S\$	2021 S\$
<u>Financial Assets</u>				
Cash and bank balances	1,746,456	724,924	1,051,897	221,634
Financial assets, at FVPL	-	1,850,000	-	-
Trade and other receivables (excluding GST receivable & advances to suppliers)	627,375	2,027,889	2,670,234	3,605,609
Other current assets (excluding prepayments)	163,180	133,233	1,410	1,410
Total	2,537,011	4,736,046	3,723,541	3,828,653
<u>Financial Liabilities</u>				
Trade and other payables (excluding advances received from customers)	(3,259,249)	(2,778,823)	(5,562,725)	(2,284,239)
Borrowings	(92,637)	(824,967)	-	-
Total	(3,351,886)	(3,603,790)	(5,562,725)	(2,284,239)
<u>Net financial (liabilities) / assets</u>	(814,875)	1,132,256	(1,839,184)	1,544,414

10. Net Asset Value

	Group		Company	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Net asset value per ordinary share (cents)	0.70	0.77	0.23	0.35

Net asset value per ordinary share is calculated based on 1,483,300,000 shares as at 31 December 2022 (31 December 2021: 1,483,300,000).

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

11. Related party transactions

There is no material related to party transactions apart from those disclosed in Note 2.17 on page 21 of the financial statements.

12. Share Capital

<u>Issued and paid-up:</u>	Group and Company			
	31 December 2022		31 December 2021	
	No. of shares '000	Amount S\$	No. of shares '000	Amount \$\$
Beginning of the financial year	1,483,300	25,793,130	1,228,300	22,992,180
Shares issued (Option Shares)	-	-	255,000	2,805,000
Share issue expenses	-	-	-	(4,050)
End of the financial year	1,483,300	25,793,130	1,483,300	25,793,130

(i) Share Options

The Company has granted a call option to Mr Chew Hua Seng to allot and issue up to 255,000,000 new ordinary shares in the capital of the Company ("Option Shares") at an exercise price of \$0.011 pursuant to the acquisition of Mapur Rocky Resort Limited while Mr Chew Hua Seng had also granted a put option to the Company in respect of the Option Shares. The Put Option was exercised by the Company on 21 September 2021 and the Option Shares were issued and allotted to Mr Chew Hua Seng.

The Company did not have any other outstanding share options saved as disclosed.

(ii) Treasury Shares

The Company does not have any treasury shares as at 31 December 2022 and 31 December 2021.

(iii) Subsidiary holdings

The Company's subsidiaries do not hold any shares in the Company as at 31 December 2022 (31 December 2021: Nil)

13. Subsequent Events

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

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

1. Review.

The condensed consolidated statement of financial position of Sitra Holdings (International) Ltd and its subsidiaries as at 31 December 2022 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 financial year ended 31 December 2022 and certain explanatory notes have not been audited or reviewed.

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

- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial 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.

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

2.01 Revenue

2H2022 vs 2H2021

Revenue decreased by 50% or S\$7.662 million from S\$15.371 million in 2H2021 to S\$7.709 million in 2H2022 mainly due to a significant decrease in sales of wood-based products in all our key markets. This is further described below by geographical regions.

- (a) Revenue from Australia / New Zealand has decreased by 63% or S\$4.327 million from S\$6.815 million in 2H2021 to S\$2.488 million in 2H2022, and
- (b) Revenue from Europe has decreased by 40% or S\$3.348 million from S\$8.466 million in 2H2021 to S\$5.118 million in 2H2022.

FY2022 vs FY2021

Revenue decreased by 18% or S\$4.748 million from S\$26.621 million in FY2021 to S\$21.873 million in FY2022 mainly due to a significant decrease in sales of wood-based products in all our key markets. This is further described below by geographical regions.

- (a) Revenue from Australia / New Zealand has decreased by 37% or S\$3.678 million from S\$10.063 million in FY2021 to S\$6.385 million in FY2022, and
- (b) Revenue from Europe has decreased by 6% or S\$0.978 million from S\$16.001 million in FY2021 to S\$15.023 million in FY2022.

2.02 Cost of Sales and Gross Profit Margin

2H2022 vs 2H2021

Cost of sales decreased by 49% or S\$6.840 million from S\$13.858 million in 2H2021 to S\$7.018 million in 2H2022, in tandem with the decrease in revenue. The gross profit margin decreased from 9.8% in 2H2021 to 9.0% in 2H2022 due mainly to the low demand across all our key markets. High inflation coupled with geopolitical tension has affected consumer sentiment and led to more competition, which affected the Group's gross profit margin.

F. Other Information Required by Appendix 7C of the Catalyst Rules (cont'd)

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

2.02 Cost of Sales and Gross Profit Margin (cont'd)

FY2022 vs FY2021

Cost of sales decreased by 16% or S\$3.904 million from S\$24.037 million in FY2021 to S\$20.133 million in FY2022, in tandem with the decrease in revenue. The gross profit margin decreased by 1.7% from 9.7% in FY2021 to 8.0% in FY2022 due mainly to the low demand across all our key markets. High inflation and interest rates, currency fluctuations, and global uncertainties have affected consumer buying decisions coupled with strong competition, which affected the Group's gross profit margin.

2.03 Other (loss)/gain - Net

2H2022 vs 2H2021

Other (loss)/gain - net changed from a gain of S\$0.266 million in 2H2021 to a loss of S\$1.057 million in 2H2022 mainly due to the higher unrealized foreign currency translation loss in 2H2022.

FY2022 vs FY2021

Other (loss)/gain - net changed from a gain of S\$0.159 million in FY2021 to a loss of S\$1.270 million in FY2022 mainly due to the higher unrealized foreign translation loss in FY2022.

2.04 Selling and Marketing Expenses

2H2022 vs 2H2021

Selling and marketing expenses decreased by 11% or S\$0.036 million from S\$0.338 million in 2H2021 to S\$0.302 million in 2H2022 mainly due to the decrease of certification fees and commission expenses. This decrease was offset by the increase in the travelling expenses and buyers' claims in 2H2022.

FY2022 vs FY2021

Selling and marketing expenses increased by 1% or S\$0.009 million from S\$0.595 million in FY2021 to S\$0.604 million in FY2022 mainly due to the increase in travelling expenses and buyers' claims. This increase was offset by the decrease in certification fees and commission expenses in FY2022.

2.05 Administrative Expenses

2H2022 vs 2H2021

Administrative expenses increased by 24% or S\$0.326 million from S\$1.349 million in 2H2021 to S\$1.675 million in 2H2022 due mainly to the higher depreciation of property, plant and equipment, and legal & professional fees. This increase was offset by the decrease in bank charges and employee compensation in 2H2022.

FY2022 vs FY2021

Administrative expenses increased by 23% or S\$0.513 million from S\$2.263 million in FY2021 to S\$2.776 million in FY2022 due mainly to the higher depreciation of property, plant and equipment, and legal & professional fees. This increase was offset by the decrease in bank charges and employee compensation in FY2022.

F. Other Information Required by Appendix 7C of the Catalist Rules (cont'd)

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

2.06 Finance Expenses

2H2022 vs 2H2021

Finance expenses increased by 38% or S\$0.009 million from S\$0.025 million in 2H2021 to S\$0.034 million in 2H2022 mainly due to the amortisation of notional interest incurred in 2H2022. This increase was offset by the decrease in term loan interest in 2H2022.

FY2022 vs FY2021

Finance expenses decreased by 16% or S\$0.008 million from S\$0.046 million in FY2021 to S\$0.038 million in FY2022 mainly due to the decrease in term loan interest. The term loan was fully repaid on 11 January 2022. This decrease was offset by the amortisation of notional interest incurred in FY2022.

2.07 Income Tax Expense

2H2022 vs 2H2021

Income tax expenses decreased by 82% or S\$0.099 million from S\$0.121 million in 2H2021 to S\$0.022 million in 2H2022. The income tax is the provision of estimated tax payable in the French subsidiary in 2H2022.

FY2022 vs FY2021

Income tax expenses decreased by 16% or S\$0.019 million from S\$0.121 million in FY2021 to S\$0.102 million in FY2022. The income tax is the provision of estimated tax payable in the French subsidiary in FY2022.

2.08 Loss for the period/year

2H2022 vs 2H2021

Loss for the period increased by 4,413% or S\$2.282 million from S\$0.052 million in 2H2021 to S\$2.333 million in 2H2022 mainly due to:

- (a) Decrease in revenue as disclosed in Note 2.01,
- (b) Higher foreign currency translation loss as disclosed in Note 2.03, and
- (c) Higher depreciation on property, plant and equipment as disclosed in Note 2.05.

FY2022 vs FY2021

Loss for the year increased by 1,740% or S\$2.767 million from S\$0.159 million in FY2021 to S\$2.926 million in FY2022 mainly due to:

- (a) Decrease in revenue as disclosed in Note 2.01.
- (b) Higher foreign currency translation loss as disclosed in Note 2.03, and
- (c) Higher depreciation on property, plant and equipment as disclosed in Note 2.05.

Commentary on the Interim Statements of Financial Position as at 31 December 2022 (“2022”) and as at 31 December 2021 (“2021”)

2.09 Cash and Bank Balances

	Group		Company	
	2022 S\$	2021 S\$	2022 S\$	2021 S\$
Cash and bank balances	746,456	724,924	51,897	221,634
Fixed deposits with banks	1,000,000	-	1,000,000	-
	1,746,456	724,924	1,051,897	221,634

	Group	
	12 months ended 31 Dec 2022 S\$	12 months ended 31 Dec 2021 S\$
Cash and bank balances (as above)	1,746,456	724,924
Less: Bank overdrafts (Note 2.15)	-	(272,304)
Cash and cash equivalents per consolidated statement of cash flows	1,746,456	452,620

2.10 Financial Assets, at FVPL

Financial assets at FVPL represent the Group’s 10% equity investment in World Furnishing Hub Pte Ltd (“WFH”) which includes a put option to sell the 10% equity interest to the promoters in connection with the disposal of the Group’s property located at 18 Sungei Kadut Street 2, Singapore 729236 in 2014.

On 24 March 2021, the Group entered into a Sale and Purchase Agreement (“SPA”) with the promoter to dispose of the 10% equity investment in World Furnishing Hub Pte Ltd for an aggregate consideration of S\$3.700 million in cash, the put option will then be terminated once the consideration is fully satisfied.

On 17 January 2022, the Group received the remaining balance consideration of S\$1.850 million and transferred the remaining balance of 50,000 ordinary shares in WFH to the promoter. The aggregate consideration of S\$3.700 million and the transfer of 10,000 ordinary shares in WFH have been fully satisfied and completed during the financial year.

2.11 Current trade and other receivables breakdown as follows:

	Group		Company	
	2022 S\$	2021 S\$	2022 S\$	2021 S\$
Trade receivables – non-related parties	726,490	2,136,596	-	-
Less: Loss allowance (past due, more than 90 days)	(99,173)	(108,769)	-	-
Trade receivables - net	627,317	2,027,827	-	-
Other receivables:				
- Advances to suppliers ^(a)	48,521	52,200	-	-
- Non-related parties	58	62	-	-
- GST receivables	98,370	236,172	5,415	4,274
- Subsidiary corporations	-	-	12,235,234	13,170,609
- Less: Loss allowance	-	-	(9,565,000)	(9,565,000)
	-	-	2,670,234	3,605,609
Other receivables – net	146,949	288,434	2,675,649	3,609,883
Total	774,266	2,316,261	2,675,649	3,609,883

F. Other Information Required by Appendix 7C of the Catalist Rules (cont'd)

Commentary on the Interim Statements of Financial Position as at 31 December 2022 ("2022") and 31 December 2021 ("2021") (cont'd)

2.11 Current trade and other receivables breakdown as follows: (cont'd)

- (a) Advance to suppliers relates to the advances made to the non-related parties on the confirmed purchase orders. These advances are refundable.

2.12 Inventories

	Group	
	2022 S\$	2021 S\$
Work-in-progress	56,855	65,342
Finished goods	2,605,147	2,873,718
	2,662,002	2,939,060
Less: Provision for slow-moving inventory	(84,728)	-
	2,577,274	2,939,060
Goods in transit	42,429	-
Total	2,619,703	2,939,060

2.13 Other current assets

	Group		Company	
	2022 S\$	2021 S\$	2022 S\$	2021 S\$
Deposits	163,180	133,233	1,410	1,410
Prepayments	67,482	17,728	-	-
Total	230,662	150,961	1,410	1,410

2.14 Property, plant, and equipment

Property, plant and equipment ("PPE") decreased by S\$1.169 million from S\$11.020 million in 2021 to S\$9.851 million in 2022 mainly due to:

- (a) Foreign currency translation loss on PPE of S\$0.943 million mainly due to the strengthening of S\$ against the Indonesian rupiah, and
(b) Depreciation charge during the year of S\$0.792 million.

Offset by:

- (c) Revaluation gain on PPE of S\$0.551 million, and
(d) Addition to PPE of S\$0.015 million.

Apart from these, there were no significant purchases or disposals of PPE during the financial year. The PPE comprised mainly the property in Bintan, Indonesia acquired in October 2019, and the Group's land and factory in Indonesia.

F. Other Information Required by Appendix 7C of the Catalist Rules (cont'd)

Commentary on the Interim Statements of Financial Position as at 31 December 2022 ("2022") and 31 December 2021 ("2021") (cont'd)

2.15 Current trade and other payables breakdown as follows:

	Group		Company	
	2022 S\$	2021 S\$	2022 S\$	2021 S\$
Trade payable				
- Non-related parties	974,356	1,686,428	-	-
Other payables				
- Subsidiary corporations	-	-	3,760,630	2,154,555
- Non-related parties	233,474	694,173	30,491	18,502
	233,474	694,173	3,791,121	2,173,057
Accruals for operating expenses	361,906	386,865	87,462	104,486
Advances received from customers	392,797	64,752	-	-
Deposit received	12,067	11,357	6,696	6,696
Total	1,974,600	2,843,575	3,885,279	2,284,239

2.16 Borrowings

	Group		Company	
	2022 S\$	2021 S\$	2022 S\$	2021 S\$
Current:				
- Bank overdrafts	-	272,304	-	-
- Lease liabilities ^(a)	73,831	60,374	-	-
- Term loan ^(b)	-	109,466	-	-
	73,831	442,144	-	-
Non-current:				
- Lease liabilities ^(a)	18,806	105,265	-	-
- Term loan ^(b)	-	277,558	-	-
	18,806	382,823	-	-
Total borrowings	92,637	824,967	-	-

Security granted:

- Lease liabilities are secured by the rights to the leasehold building as the legal title is retained by the lessor.
- The term loan is secured by a corporate guarantee issued by the Company. It has been fully repaid in the financial year.

F. Other Information Required by Appendix 7C of the Catalist Rules (cont'd)

Commentary on the Interim Statements of Financial Position as at 31 December 2022 ("2022") and 31 December 2021 ("2021") (cont'd)

2.17 Non-current other payables breakdown as follows:

	Group		Company	
	2022 S\$	2021 S\$	2022 S\$	2021 S\$
Other payables ^(a)	1,677,446	-	1,677,446	-

(a) Other payables comprise the acquisition cost of 46.0% equity interest in Mapur Rocky Limited from non-controlling interests on 7 October 2022. The purchase consideration is S\$2.600 million. The notional interest of the purchase is estimated at S\$0.950 million. Amortisation of notional interest for 2022 is S\$0.028 million. Further detail is disclosed in Section 9 on page 23.

2.18 Investment in Subsidiary Corporations

	Company	
	2022 S\$	2021 S\$
<u>Equity investments, at cost</u>		
At the beginning of the financial year	3,922,476	3,922,476
Additions ^{(a) (b)}	1,655,834	-
At the end of the financial year	5,578,310	3,922,476
<u>Less: Allowance for impairment</u>		
At the beginning and end of the financial year	(362,274)	(362,274)
	5,216,036	3,560,202

- a. On 8 August 2022, the Company acquired the remaining 0.01% of the issued shares of PT East Bintan Resort Limited for a purchase consideration of S\$0.006 million.
- b. On 7 October 2022, the Company acquired the remaining 46.0% of the issued shares of Mapur Rocky Resort Limited for a purchase consideration of S\$2.600 million as disclosed in Note 2.17.

Commentary on the Condensed Interim Consolidated Statement of Cash Flows.

2.19 Net cash used in operating activities amounted to S\$0.074 million for the 12 months ended 31 December 2022.

2.20 Major contributors of cash inflows were due to the proceeds from the disposal of Financial Assets at FVPL of S\$1.850 million for the 12 months ended 31 December 2022.

2.21 Major cash outflows for the 12 months ended 31 December 2022 were for the following:

- (a) Payment for property, plant, and equipment of S\$0.015 million;
- (b) Payment for acquisition of the non-controlling interest of S\$0.006 million;
- (c) Payment for lease liabilities of S\$0.073 million, and
- (d) Repayment for the term loan of S\$0.387 million.

F. Other Information Required by Appendix 7C of the Catalist Rules (cont'd)

Commentary on the Condensed Interim Consolidated Statement of Cash Flows (cont'd)

2.22 The Group's cash position was S\$1.746 million at the end of the financial year 31 December 2022 (31 December 2021: S\$0.725 million).

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

No forecast was made or prospect statement previously disclosed.

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

The high inflation and rate hikes across the world have impacted consumers' sentiments. The ongoing geopolitical conflict between Ukraine and Russia has further affected our main markets in Europe which leads to a slowdown in home products.

We expect the demand for our timber products across our markets to remain weak due to the above ongoing situation.

The Group's property development business is in the planning and design stage and does not expect to contribute revenue in the next 12 months.

5 Dividend information

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

No dividend has been declared for the financial year ended 31 December 2022.

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

None

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

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

No dividend has been declared or recommended for the financial year ended 31 December 2022 as the Company does not have accumulated profits to declare a dividend under Singapore Companies Act.

F. Other Information Required by Appendix 7C of the Catalist Rules (cont'd)

- 7 If the Company has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Catalist Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

Not applicable as the Group does not have in place a general mandate for interest person transactions.

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

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

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

Acquisition of remaining shares in Mapur Rocky Resort Limited ("MRRL")

The Company had on 10 October 2022 completed the acquisition of the remaining 46% shares in MRRL from Madam Doris Chung Gim Lian ("**Vendor**") at a cash consideration of S\$2,600,000 on a willing-buyer-willing-seller basis after arm's length negotiations between the Company and the Vendor taking the value of the lands held by PT East Bintan Resort, a subsidiary of MRRL, ("**EBR**") as the benchmark together with the accumulated loss of the company in the computation of the value of the Vendor's interest in MRRL. The consideration will be paid in installments. Prior to the acquisition, the Company held 54% of the total issued shares of MRRL. After the acquisition, MRRL is wholly owned by the Company. Further details in relation to the acquisition including the rationale, installment schedule, and net asset value represented by the MRRL shares acquired can be found in the circular to shareholders dated 15 September 2022 and the Company's announcements on 10 August 2022, 11 August 2022, 30 September 2022 and 6 October 2022.

Acquisition of remaining shares in PT East Bintan Resort ("EBR")

The Company had on 8 August 2022 acquired 0.01% interest in EBR from the Vendor for a consideration of approximately S\$6,000 on a willing-buyer-willing-seller basis after arm's length negotiations between the Company and the Vendor based on the book value of the 0.01% interest. The consideration was paid in November 2022. At the date of acquisition, the net asset value of the 0.01% interest in EBR was approximately S\$6,000. Prior to the acquisition, MRRL holds a 99.99% interest in EBR. After the acquisition of a 0.01% interest in EBR and after the acquisition of the remaining shares in MRRL, EBR is an indirect wholly owned subsidiary of the Company. Further details in conjunction with the MRRL acquisition (as above) can be found in the circular to shareholders dated 15 September 2022.

- 10 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.**

Pursuant to Catalist Rule 704(10), the details of persons occupying managerial positions in the Company or any of its principal subsidiaries who are related to a director or chief executive officer or substantial shareholder of the Company or any of its principal subsidiaries are as follows:

F. Other Information Required by Appendix 7C of the Catalist Rules (cont'd)

10 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 (cont'd)

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Mr Chew Ah Ba, George	74	Brother of Mr Chew Hua Seng (Non-Executive Chairman and substantial shareholder of the Company) and the father of Mr Chew Chiew Siang, Steven (Executive Director of the Company) and husband to Mdm Tan Teresa (a substantial shareholder of the Company). He is also a substantial shareholder of the Company.	Appointed as Director of Timber Division since October 2019	Nil
Ms Lim Sook Hwa, Jacinta	52	Wife of Mr Chew Chiew Siang, Steven, Executive Director and Daughter-in-law of Chew Ah Ba, George and Tan Teresa (substantial shareholders of the Company).	Vice-President Operations since November 2006	Nil

BY ORDER OF THE BOARD

Chew Hua Seng
Non-Executive Chairman
24 February 2023

*This announcement has been reviewed by the Company's sponsor, RHT Capital Pte. Ltd. ("**Sponsor**"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("**SGX-ST**").*

This announcement has not been examined or approved by 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 details of the contact person for the Sponsor are:
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