



OKH GLOBAL LTD.

(formerly known as Sinobest Technology Holdings Ltd.)
(Incorporated in Bermuda on June 17, 2004)
(Company Registration Number: 35479)

Unaudited Condensed Financial Statements and Related Announcement for the Financial Year ended June 30, 2024

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August 23, 2024



A. CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Note	Group		change
		FY2024 12 months ended Jun 30, 2024 S\$'000	FY2023 12 months ended Jun 30, 2023 S\$'000 Audited	
Revenue	6	10,891	14,528	-25.0%
Cost of sales		(2,216)	(2,629)	-15.7%
Gross profit		8,675	11,899	-27.1%
Other income		4,018	2,665	50.8%
Other expenses		(1,000)	(2,144)	-53.4%
General and administrative expenses		(4,252)	(5,319)	-20.1%
Finance costs		(3,278)	(3,474)	-5.6%
Profit before income tax	7	4,163	3,627	14.8%
Income tax expense	8	(543)	(1,110)	-51.1%
Profit for the year representing total comprehensive income for the year		3,620	2,517	43.8%
Profit attributable to:				
Owners of the Company		3,620	2,517	43.8%
Non-controlling interests		-	-	n.m.
		3,620	2,517	43.8%

n.m. – percentage change more than 100% is deemed not meaningful.



B. CONDENSED STATEMENTS OF FINANCIAL POSITION

	Note	Group		Company	
		Jun 30, 2024	Jun 30, 2023	Jun 30, 2024	Jun 30, 2023
		S\$'000	S\$'000	S\$'000	S\$'000
		Audited		Audited	
<u>ASSETS</u>					
Current assets					
Cash and cash equivalents		5,455	9,179	56	114
Trade and other receivables		1,580	1,505	13,374	7,647
Non-current asset classified as held for sale	9	34,000	35,000	-	-
Total current assets		41,035	45,684	13,430	7,761
Non-current assets					
Property, plant and equipment	10	362	594	-	-
Investment properties	12	77,500	80,000	-	-
Total non-current assets		77,862	80,594	-	-
Total assets		118,897	126,278	13,430	7,761
<u>LIABILITIES AND EQUITY</u>					
Current liabilities					
Trade and other payables		5,290	5,408	3,831	3,428
Lease liabilities	13	155	206	-	-
Loan due to a shareholder		-	-	-	-
Bank loans	14	44,976	17,920	-	-
Income tax payable		520	898	-	-
Total current liabilities		50,941	24,432	3,831	3,428



B. CONDENSED STATEMENTS OF FINANCIAL POSITION (CONT'D)

	Group		Company	
	Jun 30, 2024	Jun 30, 2023	Jun 30, 2024	Jun 30, 2023
	S\$'000	S\$'000	S\$'000	S\$'000
		Audited		Audited
Non-current liabilities				
Other payables	927	830	927	830
Loan due to a shareholder	15	2,000	2,000	2,000
Lease liabilities	13	135	-	-
Bank loans	14	5,620	-	-
Total non-current liabilities		8,682	2,927	2,830
Total liabilities		59,623	6,758	6,258
Capital, reserves and non-controlling interests				
Share capital	16	27,916	8,936	8,936
Share premium		69,304	72,155	72,155
Contributed surplus		12,063	126,389	126,389
Translation reserves		(1,491)	(1,491)	(1,491)
Accumulated losses		(48,518)	(199,317)	(204,486)
Equity attributable to owners of the Company		59,274	6,672	1,503
Non-controlling interests		-	-	-
Total equity		59,274	6,672	1,503
Total liabilities and equity		118,897	13,430	7,761



C. CONDENSED STATEMENTS OF CHANGES IN EQUITY

Group	← Attributable to owners of the Company →					Total	Non-controlling interests	Total equity
	Share capital	Share premium	Contributed surplus	Translation reserves	Accumulated losses			
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at July 1, 2022	27,916	69,304	12,063	(1,491)	(54,655)	53,137	-	53,137
Profit for the year, representing total comprehensive income for the year	-	-	-	-	2,517	2,517	-	2,517
Balance at June 30, 2023	27,916	69,304	12,063	(1,491)	(52,138)	55,654	-	55,654
Balance at July 1, 2023	27,916	69,304	12,063	(1,491)	(52,138)	55,654	-	55,654
Profit for the year, representing total comprehensive income for the year	-	-	-	-	3,620	3,620	-	3,620
Balance at June 30, 2024	27,916	69,304	12,063	(1,491)	(48,518)	59,274	-	59,274



C. CONDENSED STATEMENTS OF CHANGES IN EQUITY (CONT'D)

Company	Share capital	Share premium	Contributed surplus	Translation reserves	Accumulated losses	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at July 1, 2022	8,936	72,155	126,389	(1,491)	(234,439)	(28,450)
Profit for the year, representing total comprehensive profit for the year	-	-	-	-	29,953	29,953
Balance at June 30, 2023	8,936	72,155	126,389	(1,491)	(204,486)	1,503
Balance at July 1, 2023	8,936	72,155	126,389	(1,491)	(204,486)	1,503
Profit for the year, representing total comprehensive profit for the year	-	-	-	-	5,169	5,169
Balance at June 30, 2024	8,936	72,155	126,389	(1,491)	(199,317)	6,672



D. CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Note	Group	
		12 months ended Jun 30, 2024 S\$'000	12 months ended Jun 30, 2023 S\$'000 Audited
Operating activities			
Profit for the year		3,620	2,517
Adjustments for:			
Income tax expense		543	1,110
Write-off of trade and other receivables from third parties	7	30	302
Loss allowance on amount due from joint venture	7	3	-
Gain on sale of investment properties	7	(390)	(1,024)
Gain on disposal of property, plant and equipment	7	(2)	(31)
Depreciation of property, plant and equipment	10	284	173
Interest expense		3,278	3,474
Changes in fair value of investment properties	12	(3,490)	2,144
Impairment loss on non-current asset classified as held for sale	7	1,000	-
Reversal of payables and accruals	7	-	(1,495)
Interest income	7	(53)	(31)
Operating cash flows before movement in working capital		4,823	7,139
Trade and other receivables		(108)	2,163
Trade and other payables		(296)	(2,563)
Cash generated from operations		4,419	6,739
Income tax paid		(921)	(491)
Interest paid		(3,005)	(5,301)
Net cash from operating activities		493	947
Investing activities			
Purchase of property, plant and equipment	10	(35)	(29)
Proceeds from disposal of property, plant and equipment		4	31
Proceeds from sale of investment properties		6,380	5,230
Interest received		53	27
Net cash from investing activities		6,402	5,259
Financing activities			
Repayment of bank loans		(10,416)	(10,475)
Repayment of lease liabilities		(203)	(110)
Repayment of loans due to a shareholder		-	(1,000)
Net cash used in financing activities		(10,619)	(11,585)
Net decrease in cash and cash equivalents		(3,724)	(5,379)
Cash and cash equivalents at beginning of year		9,179	14,558
Cash and cash equivalents at end of year		5,455	9,179



E. NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

The Company is incorporated in Bermuda with its principal place of business and registered office at 171 Chin Swee Road, #02-01 CES Centre, Singapore 169877 and Clarendon House, 2 Church Street, Hamilton HM11 Bermuda respectively. The Company is listed on the Singapore Exchange Securities Trading Limited.

The principal activity of the Company is that of investment holding. The principal activities of the subsidiaries, are provision of construction services and rental of investment properties.

2. BASIS OF PREPARATION

The condensed 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.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with IFRSs, except for the adoption of new and amended standards as set out in Note 2.1.

The condensed financial statements are expressed in Singapore Dollars ("S\$").

2.1. New and amended standards adopted by the Group

On July 1, 2023, the Group and the Company adopted all the new and revised IFRS pronouncements that are relevant to its operations. The adoption of these new/revised IFRS pronouncements does not result in changes to the Group's and the Company's accounting policies and has no material effect on the disclosures or on the amounts reported for the current or prior years.

2.2. Use of judgements and estimates

In preparing the condensed financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. 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.

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 last annual report.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial period are included in the following notes:

- Note 12 – Valuation of investment properties

Other information about assumptions and estimation uncertainties are discussed below.



2.2. Use of judgements and estimates (cont'd)

Impairment in investments in subsidiaries

The Group assesses annually whether its investments in subsidiaries has any indication of impairment in accordance with its accounting policy. Management has carried out a review of the recoverable amount of the investment in subsidiaries having regard to the existing performance and the carrying value of the net tangible assets of the respective subsidiaries. Management has estimated that the net tangible assets of the respective subsidiaries approximate their fair values less cost to sell as the investment properties, if any, recorded in these subsidiaries' books are already measured at fair value. The remaining assets which are largely current together with the current liabilities approximate their respective fair values and non-current liabilities relate mainly to bank loans. Allowance for impairment is provided for, where necessary.

3. SEASONAL OPERATIONS

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

4. SEGMENT AND REVENUE INFORMATION

Operating segments are aggregated into a single operating segment if they have similar economic characteristics. The Group's reportable operating segments are as follows:

- (i) Construction services: General builders and construction contractors, general engineering and sale of construction materials.
- (ii) Property investment: Leasing of investment properties to generate rental income and to gain from the appreciation in the value of the properties in the long term.

These operating segments are reported in a manner consistent with internal reporting provided to the chief operating decision maker who is responsible for allocating resources and assessing performance of the operating segments.



4. SEGMENT AND REVENUE INFORMATION (CONT'D)

4.1. Reportable segments

	Construction Services	Property Investment	Eliminations	Total
	\$'000	\$'000	\$'000	\$'000
Jun 30, 2024				
Revenue:				
External customers, representing total revenue	97	10,794	-	10,891
Results	(1,582)	9,745	(161)	8,002
Unallocated expenses				(561)
Finance costs				(3,278)
Profit before tax				4,163
Income tax expense				(543)
Profit for the year				3,620
Jun 30, 2023				
Revenue:				
External customers, representing total revenue	49	14,479	-	14,528
Results	250	7,531	(82)	7,699
Unallocated expenses				(598)
Finance costs				(3,474)
Profit before tax				3,627
Income tax credit				(1,110)
Profit for the year				2,517



4. SEGMENT AND REVENUE INFORMATION (CONT'D)

4.1. Reportable segments (cont'd)

	Construction Services	Property Investment	Total
	\$'000	\$'000	\$'000
Jun 30, 2024			
Segment assets:			
Total segment assets	1,550	117,086	118,636
Unallocated assets			261
Total consolidated assets			118,897
Segment liabilities:			
Total segment liabilities	595	55,698	56,293
Unallocated liabilities			3,330
Total consolidated liabilities			59,623
Other segment information:			
Gain on sale of investment properties	-	390	390
Depreciation	(284)	-	(284)
Change in fair value of investment properties	-	3,490	3,490
Impairment loss on non-current asset classified as held for sale	-	(1,000)	(1,000)
Write-off of trade and other receivables from third parties	-	(30)	(30)
Loss allowance on amount due from joint venture	(3)	-	(3)
Jun 30, 2023			
Segment assets:			
Total segment assets	2,832	123,228	126,060
Unallocated assets			218
Total consolidated assets			126,278
Segment liabilities:			
Total segment liabilities	775	66,772	67,547
Unallocated liabilities			3,077
Total consolidated liabilities			70,624
Other segment information:			
Gain on sale of investment properties	-	1,024	1,024
Depreciation	(173)	-	(173)
Change in fair value of investment properties	-	(2,144)	(2,144)
Write-off of trade and other receivables from third parties	(298)	(4)	(302)
Write back of payables and accruals	1,279	216	1,495



5. FINANCIAL ASSETS AND FINANCIAL LIABILITIES

The following table sets out the financial instruments as at the end of the reporting period:

	Group		Company	
	FY2024 S\$'000	FY2023 S\$'000	FY2024 S\$'000	FY2023 S\$'000
Financial assets				
At amortised cost:				
Cash and bank equivalents	5,455	9,179	56	114
Trade and other receivables	1,201	1,168	21,835	7,594
	<u>6,656</u>	<u>10,347</u>	<u>21,891</u>	<u>7,708</u>
Financial liabilities				
At amortised cost:				
Bank loans	50,596	61,012	-	-
Trade and other payables	5,242	5,136	4,758	4,258
Lease liabilities	290	476	-	-
Loans due to a shareholder	2,000	2,000	2,000	2,000
	<u>58,128</u>	<u>68,624</u>	<u>6,758</u>	<u>6,258</u>

6. REVENUE

	Group	
	FY2024 S\$'000	FY2023 S\$'000
Type of goods and services		
Revenue from construction services	97	49
Rental income	8,981	11,259
Rental related income	1,813	3,220
	<u>10,891</u>	<u>14,528</u>
Timing of revenue recognition		
At a point in time	97	49
Over time	1,813	3,220
	<u>1,910</u>	<u>3,269</u>

A breakdown of sales:

	Group		
	FY2024 S\$'000	FY2023 S\$'000	Change
Sales reported for first half year	5,313	8,640	-39%
Operating profit after tax before deducting minority interests reported for first half year	1,004	62	n.m.
Sales reported for second half year	5,578	5,888	-5%
Operating profit after tax before deducting minority interests reported for second half year	2,616	2,455	7%



7. PROFIT BEFORE INCOME TAX

The following significant items have been included in arriving at profit before income tax:

	Group	
	FY2024	FY2023
	S\$'000	S\$'000
Depreciation of property, plant and equipment	(284)	(173)
Write-off of trade and other receivables from third parties	(30)	(302)
Loss allowance on amount due from a joint venture	(3)	-
Changes in fair value of investment properties	3,490	(2,144)
Impairment loss on non-current asset classified as held for sale	(1,000)	-
Gain on sale of investment properties	390	1,024
Write back of payables and accruals	-	1,495
Gain on disposal of property, plant and equipment	2	31
Interest income	53	31
Grant income	7	18
Employee benefits expense	(1,887)	(1,844)

8. INCOME TAX EXPENSE

	Group	
	FY2024	FY2024
	S\$'000	S\$'000
Current year tax expense	479	828
Under provision of current tax in prior year	64	282
	543	1,110

9. NON-CURRENT ASSET CLASSIFIED AS HELD FOR SALE

On July 25, 2022, the Company's wholly owned subsidiary, OKH (Woodlands) Pte Ltd has approved and launched a public tender for the sale of the its investment property located at 12 Tai Seng Link ("12TSL"). A successful bidder for 12TSL and letter of acceptance in relation to the proposed sale of 12 TSL for a consideration of \$35,000,000 via the public tender was issued by the OKH (Woodlands) Pte Ltd to the purchaser on November 8, 2022. As at June 30, 2023, 12TSL was reclassified as non-current asset classified as held for sale and the carrying amount of the investment property was revalued to its realisable value of S\$35,000,000 as management is of the view that the tender will still be completed subjected to approval from the authorities.

On August 9, 2023, approval was still not obtained from the authorities, time being of the essence in the transaction and not having any indication of when a satisfactory response will be obtained from the authorities, the purchaser ultimately decided to terminate the tender contract. The Group continued to classify 12TSL as non-current asset classified as held for sale as the intention of the Group is to sell the property and the Group had continued to actively market the property subsequent to the termination of the tender contract. As at June 30, 2024, 12TSL carrying value is \$34,000,000, which has been arrived at on the basis of a valuation carried out by a qualified independent professional valuer not connected with the Group, which has appropriate qualifications and recent experiences in the valuation of similar properties in the relevant locations.



10. PROPERTY, PLANT AND EQUIPMENT

Group	Computer equipment S\$'000	Machinery S\$'000	Motor vehicles S\$'000	Office equipment and fittings S\$'000	Renovation S\$'000	Office premises S\$'000	Total S\$'000
Cost:							
At July 1, 2022	390	350	1,054	268	220	-	2,282
Additions	11	-	-	-	18	330	359
Disposals	-	-	(380)	-	-	-	(380)
At June 30, 2023	401	350	674	268	238	330	2,261
Additions	19	-	35	-	-	-	54
Disposals	(26)	(33)	-	(3)	-	-	(62)
At June 30, 2024	394	317	709	265	238	330	2,253
Accumulated depreciation:							
At July 1, 2022	343	350	697	264	220	-	1,874
Depreciation	27	-	89	-	2	55	173
Disposals	-	-	(380)	-	-	-	(380)
At June 30, 2023	370	350	406	264	222	55	1,667
Depreciation	24	-	89	-	6	165	284
Disposals	(24)	(33)	-	(3)	-	-	(60)
At June 30, 2024	370	317	495	261	228	220	1,891
Carrying amount:							
At June 30, 2023	31	-	268	4	16	275	594
At June 30, 2024	24	-	214	4	10	110	362

Right-of-use assets acquired under leasing arrangements are presented together with the owned assets of the same class. Details of such leased assets are disclosed in Note 11.



11. RIGHT-OF-USE ASSETS

The Group leases computer equipment, motor vehicles and office premises. The lease term ranges from 1 – 7 years.

	Motor vehicles	Computer equipment	Office premises	Total
	S\$'000	S\$'000	S\$'000	S\$'000
Cost:				
At July 1, 2022	452	26	-	478
Additions	-	-	330	330
At June 30, 2023	452	26	330	808
Additions	-	19	-	19
Disposals	-	(26)	-	(26)
At June 30, 2024	452	19	330	801
Accumulated depreciation:				
At July 1, 2022	95	18	-	113
Depreciation	89	6	55	150
At June 30, 2023	184	24	55	263
Depreciation	89	5	165	259
Disposals	-	(24)	-	(24)
At June 30, 2024	273	5	220	498
Carrying amount:				
At June 30, 2023	268	2	275	545
At June 30, 2024	179	14	110	303

12. INVESTMENT PROPERTIES

	Group	
	FY2024	FY2023
	S\$'000	S\$'000
At fair value		
Balance at beginning of the year	80,000	125,000
Sale of investment properties during the year	(5,990)	(3,356)
Change in fair value included in profit or loss (Note 7)	3,490	(2,144)
Reclassified to non-current asset classified as held for sale (Note 10)	-	(35,000)
Balance at end of the year	77,500	80,000

All of the Group's property interests held under operating leases to earn rentals are classified and accounted for as investment properties and are measured using the fair value model.

As at June 30, 2024, the fair value of the Group's investment properties amounting to S\$77,500,000 (FY2023: S\$80,000,000) has been arrived at on the basis of a valuation carried out by a qualified independent professional valuer not connected with the Group, which has appropriate qualifications and recent experiences in the valuation of similar properties in the relevant locations.

Fair value measurement

The fair value of the Group's investment properties is determined based on significant unobservable inputs and is categorised under Level 3 of the fair value measurement hierarchy. The valuations of completed investment properties are determined by:



12. INVESTMENT PROPERTIES (CONT'D)

- market comparable approach that reflects recent sales transaction prices for similar properties; or
- income capitalisation approach, which is arrived at by reference to net rental income allowing for reversionary income potential and market evidence of transaction prices for similar properties in the same locations and conditions, where appropriate. The capitalisation rate adopted is made by reference to the yield rates observed by the valuers for similar properties in the locality and adjusted based on the valuers' knowledge of the factors specific to the respective properties.

There has been no change in the valuation technique used in prior years. In estimating the fair value of the properties, highest and best use of the properties is their current use.

13. LEASE LIABILITIES

	Group	
	FY2024	FY2023
	S\$'000	S\$'000
Current	155	206
Non-current	135	270
	<u>290</u>	<u>476</u>

Reconciliation of liabilities arising from financing activities

	At beginning of financial year	Net financing cash flow	Addition of property, plant and equipment under leases	Disposal of property, plant and equipment under leases	At end of financial year
Group	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
FY2024					
Bank loans	61,012	(10,416)	-	-	50,596
Lease liabilities	476	(203)	19	(2)	290
	<u>61,488</u>	<u>(10,619)</u>	<u>19</u>	<u>(2)</u>	<u>50,886</u>

	At beginning of financial year	Net financing cash flow	Addition of property, plant and equipment under leases	At end of financial year
Group	S\$'000	S\$'000	S\$'000	S\$'000
FY2023				
Bank loans	71,487	(10,475)	-	61,012
Lease liabilities	256	(110)	330	476
Loans due to a shareholder	3,000	(1,000)	-	2,000
	<u>74,743</u>	<u>(11,585)</u>	<u>330</u>	<u>63,488</u>



14. BANK LOANS

	Group	
	FY2024	FY2023
	S\$'000	S\$'000
Bank loans – secured	50,596	61,012
<u>Current</u>		
On demand or within one year	44,976	17,920
<u>Non-current</u>		
Between one and five years	5,620	43,092
Total	50,596	61,012

The bank loans of the Group are secured over the Group's investment properties, corporate guarantees issued by the Company, assignment of rental proceeds and charge over receivables and project proceeds in respect to certain projects.

The weighted average effective interest rates at the end of the reporting period were as follows:

	Group	
	FY2024	FY2023
	%	%
Bank loans (floating rate)	5.61	5.64

15. LOAN DUE TO A SHAREHOLDER

As at June 30, 2024, the Company has one (2023: one) loan due to a shareholder amounting to S\$2,000,000 (2023: S\$2,000,000), Haiyi Holdings Pte. Ltd.

The loan bears interest of 4.8% per annum (2023: 4.8% per annum) and is due for repayment in July 2025.

In addition to the related party transactions disclosed elsewhere in the condensed financial statements, the Group has entered into the following significant related party transaction with a related party:

	Group	
	FY2024	FY2023
	S\$'000	S\$'000
<u>Shareholder</u>		
Interest on loans due to a shareholder, recorded as finance costs	96	143

16. SHARE CAPITAL

	Company			
	FY2024	FY2023	FY2024	FY2023
	Number of ordinary shares '000		S\$'000	S\$'000
Issued and fully paid up:				
At the beginning and end of the year	1,128,657	1,128,657	8,936	8,936

There were no treasury shares and subsidiary holdings as at June 30, 2024 and June 30, 2023.



17. EARNINGS PER ORDINARY SHARE

	Group		Change
	FY2024	FY2023	
Basic and diluted earnings per share			
Earnings per ordinary share based on the weighted average number of ordinary shares on issue (cents)	0.32	0.22	43.8%
Total number of issued ordinary shares	1,128,657,445	1,128,657,445	

18. NET ASSET VALUE PER ORDINARY SHARE

	Group		Change
	FY2024	FY2023	
Net asset value per ordinary share based on existing issued share capital as at the end of the period reported on (cents) (excluding non-controlling interests)	5.25	4.93	6.5%
Total number of issued ordinary shares	1,128,657,445	1,128,657,445	

	Company		Change
	FY2024	FY2023	
Net asset value per ordinary share based on existing issued share capital as at the end of the period reported on (cents) (excluding non-controlling interests)	0.59	0.13	n.m.
Total number of issued ordinary shares	1,128,657,445	1,128,657,445	



F. OTHER INFORMATION REQUIRED BY LISTING RULE

1. Review

The condensed consolidated statement of financial position of OKH Global Ltd and its subsidiaries as at June 30, 2024 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 twelve-month period then ended and certain explanatory notes have not been audited or reviewed.

2. Review of performance of the group

Condensed consolidated statement of profit or loss and other comprehensive income

Revenue

The Group posted revenue of approximately S\$10.89 million in FY2024 as compared to S\$14.53 million in FY2023. The decrease in the reported revenue for FY2024 was mainly attributed to the end of the Group's lease with Singapore Land Authority ("SLA") for the investment property, The Herencia, in February 2023.

Gross profit ("GP") / Gross profit margin ("GPM")

The Group recorded a lower gross profit of approximately S\$8.68 million in FY2024 as compared to approximately S\$11.90 million in FY2023. The lower gross profit in FY2024 due to the decreased in revenue as explained above. As a result, the Group's GPM was lower at 80.0% in FY2024 as compared to 81.9% in FY2023.

Other income

Other income for FY2024 was higher at approximately S\$4.02 million as compared to S\$2.67 million in FY2023. Amongst others, the increase was largely attributed to the fair value gain on investment properties of S\$3.49 million and S\$0.39 million gain from sale of investment properties in FY2024.

Other expenses

Other expenses for FY2024 decreased to S\$1.00 million as compared to S\$2.14 million in FY2023. The decrease was due to FY2024 recording only impairment loss on non-current asset classified as held for sale.

General and administrative expenses

General and administrative expenses decreased by 20.1% from approximately S\$5.32 million in FY2023 to S\$4.25 million in FY2024. The decrease was largely due to absence of rental expense to SLA due to the lease for the property, The Herencia, ending in February 2023. The decrease was partially offset by the increase in professional fees, depreciation and sales commission.

Finance costs

Finance costs decreased by 5.6% from approximately S\$3.47 million in FY2023 to S\$3.28 million in FY2024. The decrease was due to the lower outstanding bank loans in FY2024 due to repayments made in during the year, and slightly lower average interest rate.

Income tax expense

FY2024 income tax expense amounts to S\$0.54 million as compared to S\$1.11 million in FY2023. The decrease is due to the lower taxable profit from one of the Group's subsidiaries due to the end lease of the investment property, The Herencia in February 2023.



Profit for the year

As a result of the foregoing, the Group registered a total profit of approximately S\$3.62 million in FY2024 as compared to S\$2.52 million in FY2023.

Condensed statements of financial position

As at June 30, 2024, total current assets stood at approximately S\$41.04 million as compared to S\$45.68 million as at June 30, 2023. The decrease in total current assets was largely due to the impairment loss recognised on the non-current asset classified as held for sale back and the lower cash and cash equivalents due to repayment of bank loans.

Total non-current assets stood at approximately S\$77.86 million as at June 30, 2024 as compared to approximately S\$80.59 million as at June 30, 2023. The decrease is mainly due to the sale of some investment properties during the year which was partially offset by the fair value gain on investment properties.

As at June 30, 2024, total current liabilities increased to approximately S\$50.94 million as compared to approximately S\$24.43 million as at June 30, 2023. This was largely attributed to the reclassification of bank loans from non-current liabilities to current liabilities, the Group is in the midst of finalising the refinancing of these bank loans.

Total non-current liabilities decreased to approximately S\$8.68 million as at June 30, 2024 as compared to approximately S\$46.19 million as at June 30, 2023. The decrease was largely due to the reclassification of bank loans from non-current liabilities to current liabilities and the repayment of bank during the year.

Condensed consolidated statement of cash flows

Net cash from operating activities

For the financial year ended June 30, 2024, the Group generated a net cash from operating activities of approximately S\$0.49 million as compared to a net cash of approximately S\$0.95 million for the preceding financial year. The lower net cash inflow was primarily due to the lesser collection from rental of investment properties due to the end of the lease with SLA for the investment property, The Herencia.

Net cash from investing activities

The Group recorded a net cash from investing activities of approximately S\$6.40 million for the year ended June 30, 2024 as compared to net cash from investing activities of approximately S\$5.26 million in the preceding financial year. The higher net cash inflow in FY2024 is largely due to higher proceeds from the disposal of investment properties in the current year.

Net cash used in financing activities

The Group recorded net cash used in financing activities of approximately S\$10.62 million for the year ended June 30, 2024 as compared to a net cash used of S\$11.59 million in the preceding financial year. The net cash used was largely due to a repayment of bank loans. Lower repayment of loans due to a shareholder in FY2024 contributed to the lower net cash used in financing activities.

As a result of the above, the Group recorded a net decrease in cash and cash equivalents of approximately S\$3.72 million for the financial year ended June 30, 2024.

Cash and cash equivalents as at June 30, 2024 stood at S\$5.46 million.



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

Not applicable.

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

The Group owns a portfolio of investment properties. As part of its continuous review, the Group is assessing the relevance of the properties against its overall strategies. The Group will continue to explore new business opportunities.

5. Dividend Information

No dividends have been declared or recommended as the funds are retained for working capital purposes.

6. Interested person transactions

The Company has not obtained a general mandate from shareholders for IPTs. The Group did not obtain a mandate under Rule 920(1)(a)(ii). The value of interested person transactions entered into during the period under review were as follows:-.

Name of interested party	Nature of relationship	Aggregate value of all interested person transaction during the financial period under review (excluding transactions conducted under shareholders' mandate pursuant to Rule 920) S\$'000	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 S\$'000
<u>Haiyi Holdings Pte. Ltd.</u> Interest on loan (Please refer to note 1 below)	Controlling shareholder	96	-
<u>SingHaiyi Property Investment Pte. Ltd. (formerly known as CEL Property Investment Pte. Ltd.)</u> Rental expense for rental of units at CES Centre (Please refer to note 2 below)	Associate of Celine Tang	173	-
<u>Eura Construction Supply Pte Ltd</u> Rental income from leasing out of units at 12 Tai Seng Link (Pleae refer to note 2 below)	Associate of Celine Tang	310	-
<u>Chip Eng Seng Construction Pte Ltd</u> Rental income from leasing out of units at 12 Tai Seng Link (Pleae refer to note 2 below)	Associate of Celine Tang	1,522	-

Note 1 Please refer to Note 15 on Page 17 of the Condensed Financial Statements for more information on the Loan Due to a Shareholder.



Note 2 This transaction is exempted from shareholders' approval under SGX Listing Rule 916 (1). The Company had released announcement in relation to this transaction. Amount disclosed above represent the value incurred during the financial period under review.

7. Confirmation that the issuer has procured undertaking from all its directors and executive officers under Rule 720(1)

The Company hereby confirms that it has procured undertakings from all its directors and executive officers under Rule 720(1).

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

Pursuant to Rule 704(13), we confirm that there is no person occupying managerial positions in the Company or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholders of the Company.

9. Disclosure pursuant to Rule 706A of the Listing Manual

During the financial year ended June 30, 2024 and as at the date of this announcement, there were no changes to the Company's and the Group's shareholding percentage in its respective subsidiaries or associated companies nor incorporation of any new subsidiary or associate by the Company or any of the Group's entities.

BY ORDER OF THE BOARD

LOCK WAI HAN
EXECUTIVE DIRECTOR AND CHIEF EXECUTIVE OFFICER
AUGUST 23, 2024