



# CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2024

## CHOO CHIANG HOLDINGS LTD.

Incorporated in the Republic of Singapore  
Company Registration Number: 201426379D

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**Condensed Interim Consolidated Statement of Profit or Loss**  
**for the Financial Period Ended 30 June 2024**

	Note	The Group		Increase (Decrease) %
		Six (6) months ended 30.06.24 \$'000	30.06.23 \$'000	
<b>Revenue</b>	4	<b>42,423</b>	<b>43,746</b>	<b>(3.0)</b>
Cost of sales		(29,885)	(30,761)	(2.8)
<b>Gross profit</b>		<b>12,538</b>	<b>12,985</b>	<b>(3.4)</b>
Other operating income		785	623	26.0
Administrative and selling expenses		(6,596)	(6,374)	3.5
Other operating expenses		(833)	(930)	(10.4)
Finance costs		(54)	(52)	3.8
<b>Profit before income tax</b>	5	<b>5,840</b>	<b>6,252</b>	<b>(6.6)</b>
Income tax expense	6	(982)	(1,078)	(8.9)
<b>Profit for the year, representing total comprehensive income for the period attributable to owners of the Company</b>		<b>4,858</b>	<b>5,174</b>	<b>(6.1)</b>
<b>Earnings per share attributable to shareholders of the Company:</b>	7			
- Basic (Singapore cents)		2.34	2.49	(6.1)
- Diluted (Singapore cents)		2.34	2.49	(6.1)

## **Condensed Interim Statement of Financial Position** **as at 30 June 2024**

	Note	Group As at		Company As at	
		30.06.24 \$'000	31.12.23 \$'000	30.06.24 \$'000	31.12.23 \$'000
<b><u>ASSETS</u></b>					
<b>Current assets</b>					
Cash and cash equivalents		28,299	30,563	319	414
Trade receivables		6,368	6,169	1,654	6,166
Other receivables and prepayments		470	525	17,022	15,262
Financial assets at fair value through profit or loss		1,337	1,308	-	-
Inventories	8	23,614	20,816	-	-
<b>Total current assets</b>		<b>60,088</b>	<b>59,381</b>	<b>18,995</b>	<b>21,842</b>
<b>Non-current assets</b>					
Property, plant and equipment	9	7,098	6,827	-	-
Investment properties		12,035	12,200	-	-
Club membership		121	131	-	-
Investments in subsidiaries		-	-	2,110	2,110
Right-of-use assets		2,942	3,140	-	-
Other receivables and prepayments		1,296	-	-	-
<b>Total non-current assets</b>		<b>23,492</b>	<b>22,298</b>	<b>2,110</b>	<b>2,110</b>
<b>Total assets</b>		<b>83,580</b>	<b>81,679</b>	<b>21,105</b>	<b>23,952</b>
<b><u>LIABILITIES AND EQUITY</u></b>					
<b>Current liabilities</b>					
Trade payables		11,408	9,410	-	-
Other payables and accruals		1,718	3,216	95	112
Contract liabilities	10	40	72	-	-
Lease liabilities	11	462	503	-	-
Income tax payable		2,132	2,284	45	47
<b>Total current liabilities</b>		<b>15,760</b>	<b>15,485</b>	<b>140</b>	<b>159</b>
<b>Non-current liabilities</b>					
Lease liabilities	11	2,694	2,811	-	-
Deferred tax liabilities		75	75	-	-
<b>Total non-current liabilities</b>		<b>2,769</b>	<b>2,886</b>	<b>-</b>	<b>-</b>
<b>Total liabilities</b>		<b>18,529</b>	<b>18,371</b>	<b>140</b>	<b>159</b>
<b>Capital and reserves</b>					
Share capital	12	8,020	8,020	8,020	8,020
Treasury shares	12	(89)	(89)	(89)	(89)
Retained earnings		57,120	55,377	13,034	15,862
<b>Total equity</b>		<b>65,051</b>	<b>63,308</b>	<b>20,965</b>	<b>23,793</b>
<b>Total liabilities and equity</b>		<b>83,580</b>	<b>81,679</b>	<b>21,105</b>	<b>23,952</b>

## Condensed Interim Statement of Changes in Equity for the Financial Period Ended 30 June 2024

The Group	Share capital	Treasury shares	Accumulated profits	Total
	\$'000	\$'000	\$'000	\$'000
<b>Balance as at 1 January 2023</b>	8,020	(89)	49,612	57,543
Profit for the year, representing total comprehensive income for the period	-	-	5,174	5,174
<i>Transactions with owners, recognised directly in equity</i>				
Dividends paid, representing transactions with owners, recognised directly in equity (Note 13)	-	-	(2,492)	(2,492)
<b>Balance as at 30 June 2023</b>	<b>8,020</b>	<b>(89)</b>	<b>52,294</b>	<b>60,225</b>
<b>Balance as at 1 January 2024</b>	8,020	(89)	55,377	63,308
Profit for the year, representing total comprehensive income for the period	-	-	4,858	4,858
<i>Transactions with owners, recognised directly in equity</i>				
Dividends paid, representing transactions with owners, recognised directly in equity (Note 13)	-	-	(3,115)	(3,115)
<b>Balance as at 30 June 2024</b>	<b>8,020</b>	<b>(89)</b>	<b>57,120</b>	<b>65,051</b>

**Condensed Interim Statement of Changes in Equity  
 for the Financial Period Ended 30 June 2024 (cont'd)**

**The Company**

	<b>Share capital</b>	<b>Treasury shares</b>	<b>Accumulated profits</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Balance as at 1 January 2023</b>	8,020	(89)	13,305	21,236
Profit for the period, representing total comprehensive income for the period	-	-	233	233
<i>Transactions with owners, recognised directly in equity</i>				
Dividends paid, representing transactions with owners, recognised directly in equity (Note 13)	-	-	(2,492)	(2,492)
<b>Balance as at 30 June 2023</b>	<b>8,020</b>	<b>(89)</b>	<b>11,046</b>	<b>18,977</b>
<b>Balance as at 1 January 2024</b>	8,020	(89)	15,862	23,793
Profit for the period, representing total comprehensive income for the period	-	-	287	287
<i>Transactions with owners, recognised directly in equity</i>				
Dividends paid, representing transactions with owners, recognised directly in equity (Note 13)	-	-	(3,115)	(3,115)
<b>Balance as at 30 June 2024</b>	<b>8,020</b>	<b>(89)</b>	<b>13,034</b>	<b>20,965</b>

## Condensed Interim Consolidated Statement of Cash Flows for the Financial Period Ended 30 June 2024

	<b>The Group</b>	
	<b>Six (6) months ended</b>	<b>30.06.23</b>
	<b>30.06.24</b>	<b>30.06.23</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Operating activities:</b>		
Profit before income tax	5,840	6,252
Adjustments for:		
Interest expenses of lease liabilities	54	52
Interest income	(424)	(282)
Depreciation of property, plant and equipment	204	214
Depreciation of investment properties	165	167
Depreciation of right-of-use assets	356	299
Amortisation of club membership	10	9
Gain on disposal of property, plant and equipment	(31)	-
Loss allowance on trade receivables	20	152
Bad debts recovered	(7)	-
Allowance on stock obsolescence	-	209
Dividend income from financial assets at fair value through profit or loss	(10)	(6)
Fair value gain on financial assets at fair value through profit or loss	(9)	(11)
Gain on disposal of financial assets at fair value through profit or loss	-	(12)
<b>Operating cash flows before changes in working capital</b>	<b>6,168</b>	<b>7,043</b>
Trade receivables	(212)	(365)
Other receivables and prepayments	(1,241)	(6)
Inventories	(2,798)	329
Trade payables	1,988	602
Other payables and accruals	(1,498)	(1,086)
Contract liabilities	(32)	(171)
<b>Cash flows generated from operations</b>	<b>2,385</b>	<b>6,346</b>
Income tax paid	(1,134)	(994)
Interest received	424	282
<b>Net cash generated from operating activities</b>	<b>1,675</b>	<b>5,634</b>
<b>Investing activities:</b>		
Purchase of property, plant and equipment	(475)	(104)
Proceeds from disposal of property, plant and equipment	31	-
Dividend income from financial assets at fair value through profit or loss	10	6
Proceeds from disposal of financial assets at fair value through profit or loss	-	116
Purchase of financial assets at fair value through profit or loss	(20)	(48)
<b>Net cash flows used in investing activities</b>	<b>(454)</b>	<b>(30)</b>
<b>Financing activities:</b>		
Repayment of lease liabilities	(316)	(292)
Dividends paid (Note 13)	(3,115)	(2,492)
Interest paid	(54)	(52)
<b>Net cash flows used in financing activities</b>	<b>(3,485)</b>	<b>(2,836)</b>
Net (decrease)/increase in cash and cash equivalents	(2,264)	2,768
Cash and cash equivalents at beginning of the period	30,563	23,270
<b>Cash and cash equivalents at end of the period</b>	<b>28,299</b>	<b>26,038</b>

## **Notes to the Condensed Interim Consolidated Financial Statements**

### **1. Corporation Information**

Choo Chiang Holdings Ltd. (the “**Company**”) is incorporated and domiciled in Singapore and whose shares are publicly traded on the Catalist Board of the Singapore Exchange. These condensed interim consolidated financial statements as at and for the six months ended 30 June 2024 comprise the Company and its subsidiaries (collectively, the “**Group**”). The Company is an investment holding company.

The primary activities of the Group and the Company are those relating to sales and retail of electrical products and accessories, as well as rental income derived from its property investment.

### **2. Basis of preparation**

The condensed interim financial statements for the six months ended 30 June 2024 have been prepared in accordance with SFRS(I) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, 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 annual financial statements for the year ended 31 December 2023.

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

The condensed interim financial statements are presented in Singapore dollar which is the Company’s functional currency, and all values presented are rounded to the nearest thousand (“\$’000”), unless otherwise indicated.

#### **2.1 New and amended standards adopted by the Group**

During the current financial period, the Group and the Company have adopted the following amendments to SFRS(I)s which took effect from financial year beginning 1 January 2024:

- Amendments to SFRS(I) 1-1: *Classification of Liabilities as Current or Non-current*
- Amendments to SFRS(I) 10 and SFRS(I) 1-28: *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*
- Amendments to SFRS(I) 16: *Lease Liability in a Sale and Leaseback*
- Amendments to SFRS(I) 1-1: *Non-current Liabilities with Covenants*
- Amendments to SFRS(I) 1-7: *Supplier Finance Arrangements*

The adoption of the above amendments to SFRS(I)s is assessed to have no material financial effect on the results and financial position of the Group and of the Company for the year ending 31 December 2023. Accordingly, it has no material impact on the earnings per share of the Group and of the Company.



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

### **2.2 Use of judgments and estimates**

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

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

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

### **3. Seasonal operations**

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

### **4. Segment and revenue information**

The Group derives its revenue from the transfer of goods and services over time and at a point in time in the following major product lines. This is consistent with the revenue information that is disclosed for each reportable segment under SFRS(I) 8.

#### **4.1 Disaggregation of Revenue**

	<b>The Group</b>		<b>Increase (Decrease)</b>
	<b>Six (6) months ended</b>		
	<b>30.06.24</b>	<b>30.06.23</b>	
	<b>\$'000</b>	<b>\$'000</b>	<b>%</b>
<u>Segment revenue</u>			
Sales of goods	42,121	43,479	(3.1)
Rental income	302	267	13.1
	42,423	43,746	(3.0)
<u>Timing of revenue recognition</u>			
At a point in time:			
Sales of goods	42,121	43,479	(3.1)
Over time:			
Rental income	302	267	13.1
	42,423	43,746	(3.0)

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

### **4. Segment and revenue information (cont'd)**

#### **4.2 Reportable segment**

The Group is currently organised into two main business activities. The two main business activities are Distribution Business and Property Investment Business.

The principal assets employed by the Group are located in Singapore. Accordingly, no other segmental information by geographical segment is presented.

#### **Business segment information**

	<b>Distribution business</b>	<b>Property investment business</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b><u>Six (6) months ended 30 June 2024</u></b>			
<b>Revenue</b>			
External sales of goods	42,121	-	42,121
Rental income	-	302	302
Segment revenue	42,121	302	42,423
<b>Cost of sales</b>			
External purchases	(29,663)	-	(29,663)
Cost of property maintenance	-	(222)	(222)
Segment cost of sales	(29,663)	(222)	(29,885)
<b>Results</b>			
Segment result	12,458	80	12,538
Other operating income	785	-	785
Administrative and selling expenses	(6,576)	(20)	(6,596)
Other operating expenses	(833)	-	(833)
Finance costs	(54)	-	(54)
Profit before income tax	5,780	60	5,840
Income tax expense			(982)
Profit after income tax			4,858

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

### 4.2 Reportable segment (cont'd)

#### Business segment information

	Distribution business	Property investment business	Total
	\$'000	\$'000	\$'000
<b><u>Six (6) months ended 30 June 2024</u></b>			
<b>Assets</b>			
Segment assets	69,608	13,533	83,141
Unallocated assets			439
Combined total assets			<u>83,580</u>
<b>Liabilities</b>			
Segment liabilities	18,135	259	18,394
Unallocated liabilities			135
Combined total liabilities			<u>18,529</u>
<b>Other information</b>			
Purchase of property, plant and equipment	475	-	475
Addition of right-of-use assets	158	-	158
Depreciation of property, plant and equipment	204	-	204
Depreciation of right-of-use assets	356	-	356
Depreciation of investment properties	-	165	165
Amortisation of club membership	10	-	10

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

### 4.2 Reportable segment (cont'd)

#### **Business segment information**

	<b>Distribution business</b>	<b>Property investment business</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b><u>Six (6) months ended 30 June 2023</u></b>			
<b>Revenue</b>			
External sales of goods	43,479	-	43,479
Rental income	-	267	267
Segment revenue	43,479	267	43,746
<b>Cost of sales</b>			
External purchases	(30,544)	-	(30,544)
Cost of property maintenance	-	(217)	(217)
Segment cost of sales	(30,544)	(217)	(30,761)
<b>Results</b>			
Segment result	12,935	50	12,985
Other operating income	623	-	623
Administrative and selling expenses	(6,348)	(26)	(6,374)
Other operating expenses	(930)	-	(930)
Finance costs	(52)	-	(52)
Profit before income tax	6,228	24	6,252
Income tax expense			(1,078)
Profit after income tax			5,174
<b>Assets</b>			
Segment assets	64,267	12,516	76,783
Unallocated assets			352
Combined total assets			77,135
<b>Liabilities</b>			
Segment liabilities	16,536	225	16,761
Unallocated liabilities			149
Combined total liabilities			16,910
<b>Other information</b>			
Purchase of property, plant and equipment	104	-	104
Addition of right-of-use assets	182	-	182
Depreciation of property, plant and equipment	214	-	214
Depreciation of right-of-use assets	299	-	299
Depreciation of investment properties	-	167	167
Amortisation of club membership	9	-	9

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

### **5. Profit before income tax**

#### **5.1 Significant items**

	<b>The Group</b>	
	<b>Six (6) months ended</b>	
	<b>30.06.24</b>	<b>30.06.23</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Profit before income tax is arrived after charging/(crediting):</b>		
Government grant	(108)	(93)
Interest income	(424)	(282)
Bad debt recovered	(7)	-
Dividend income from financial assets at fair value through profit or loss ("FVTPL")	(10)	(6)
Cost of inventories included in expenses	29,663	30,544
Loss allowance on trade receivables	20	152
Allowance on stock obsolescence	-	209
Depreciation of property, plant and equipment	204	214
Depreciation of investment properties	165	167
Depreciation of right-of-use assets	356	299
Amortisation of club membership	10	9
Net foreign exchange gain	(9)	(54)
Fair value gain on financial assets at FVTPL	(9)	(11)
Gain on disposal of property, plant and equipment	(31)	-
Interest expenses of lease liabilities	54	52

#### **5.2 Related party transactions**

There are no material related party transactions apart those disclosed elsewhere in the condensed interim financial statements and other information required under listing manual.

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

### 6. Income tax expense

	<b>The Group</b>	
	<b>Six (6) months ended</b>	
	<u>30.06.24</u>	<u>30.06.23</u>
	<b>\$'000</b>	<b>\$'000</b>
<b>Current tax expense</b>		
Current year	982	1,078

### 7. Earnings per share

	<b>The Group</b>	
	<b>Six (6) months ended</b>	
	<u>30.06.24</u>	<u>30.06.23</u>
<b>Earnings per ordinary share ("EPS")</b>		
Profit attributable to owners of the Company (\$'000)	4,858	5,174
Weighted average number of ordinary shares /		
Number of ordinary shares ('000)	207,657	207,657
Basic and diluted EPS (Singapore cents)	2.34	2.49

The weighted average number of shares takes into account the changes as a result from share buy-backs transacted during the respective financial period. Fully diluted EPS and the basic EPS for the financial periods presented in the table above are the same as the Company did not have any outstanding instruments convertible into rights to subscribe for, and options in respect of its shares during these financial periods.

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

### 8. Inventories

	<b>The Group</b>	
	<b>As at</b>	
	<b>30.06.24</b>	<b>31.12.23</b>
	<b>\$'000</b>	<b>\$'000</b>
At cost:		
- Finished goods	24,900	22,435
- Goods in transit	409	76
	<u>25,309</u>	<u>22,511</u>
Less: Allowance for stock obsolescence	(1,695)	(1,695)
	<u>23,614</u>	<u>20,816</u>
Movement in the allowance for stock obsolescence:		
Balance as at 1 January	1,695	1,382
Charged to profit or loss	-	313
Balance as at 30 June / 31 December	<u>1,695</u>	<u>1,695</u>

### 9. Property, plant and equipment

During the six months ended 30 June 2024, the Group acquired assets amounting to \$475,000 (30 June 2023: \$104,000) and disposed of assets with a net book value of Nil (30 June 2023: Nil).

### 10. Contract liabilities

Contract liabilities relate to advanced payment from a customer. Revenue relating to sale of goods is recognised when control of the goods has transferred to the customer, being at the point the goods are delivered to the customer.

### 11. Lease liabilities

	<b>As at 30.06.24</b>		<b>As at 31.12.23</b>	
	<b>Secured</b>	<b>Unsecured</b>	<b>Secured</b>	<b>Unsecured</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b><u>Amount repayable in one year or less, or on demand</u></b>				
Lease liabilities	57	405	80	423
<b><u>Amount repayable after one year</u></b>				
Lease liabilities	112	2,582	132	2,679

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

### **11. Lease liabilities (cont'd)**

#### **Details of any collaterals**

***As at 30.06.24 and 31.12.23***

Lease liabilities are secured by the lessors' title to the leased assets.

### **12. Share capital and treasury shares**

	<b>The Group and the Company</b>			
	<u>30.06.24</u>	<u>31.12.23</u>	<u>30.06.24</u>	<u>31.12.23</u>
	<b>Number of issued shares</b>		<b>\$'000</b>	<b>\$'000</b>
Balance as at 1 January	208,000,000	208,000,000	8,020	8,020
Less: Treasury shares	<u>(343,300)</u>	<u>(343,300)</u>	<u>(89)</u>	<u>(89)</u>
Balance as at 30 June / 31 December	<u>207,656,700</u>	<u>207,656,700</u>	<u>7,931</u>	<u>7,931</u>

#### **Treasury shares**

During the six months ended 30 June 2024 and financial year ended 31 December 2023, the Company had not conducted any share buyback. The Company has 343,300 treasury shares and equivalent to 0.17% (31 December 2023: 0.17%) of the total number of outstanding issued shares as at 30 June 2024.

The Company had adopted the Choo Chiang Performance Share Plan prior to its listing on the Catalist in July 2015. As at 31 December 2023 and 30 June 2024, no share awards were granted under this performance share plan. As at 31 December 2023 and 30 June 2024, the Company did not have any outstanding options, warrants or other instrument convertible into securities of the Company.

The total number of issued shares excluding treasury shares as at 30 June 2024 and 31 December 2023 was 207,656,700 shares.

There were no sales, transfers, disposals, cancellation and/or use of treasury shares or subsidiary holdings as at 30 June 2024 and 31 December 2023.

The Company's subsidiaries do not hold any shares in the Company as at 30 June 2024 and 31 December 2023.



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

### 13. Dividends

	<b>The Group</b>	
	<b>Six (6) months ended</b>	
	<b>30.06.24</b>	<b>30.06.23</b>
	<b>\$'000</b>	<b>\$'000</b>
Dividends paid on ordinary shares:		
<b>Final exempt</b> (one tier) dividend for 2023: 1.5 (2022: 1.2) cents per share	3,115	2,492

### 14. Net Asset Value

	<b>The Group</b>		<b>The Company</b>	
	<b>As at</b>		<b>As at</b>	
	<b>30.06.24</b>	<b>31.12.23</b>	<b>30.06.24</b>	<b>31.12.23</b>
<b>Net Asset Value ("NAV")</b>				
Net assets (\$'000)	65,051	63,308	20,965	23,793
Number of issued shares excluding treasury shares ('000)	207,657	207,657	207,657	207,657
NAV per ordinary share (Singapore cents)	31.33	30.49	10.10	11.46

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

### 15. Financial assets and financial liabilities

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

	Note	The Group		The Company	
		As at		As at	
		30.06.24	31.12.23	30.06.24	31.12.23
		\$'000	\$'000	\$'000	\$'000
<b>Financial assets at fair value through profit or loss</b>					
Quoted equity instruments		286	278	-	-
Unquoted equity instruments		1,051	1,030	-	-
		<u>1,337</u>	<u>1,308</u>	<u>-</u>	<u>-</u>
<b>Financial assets at amortised cost</b>					
Cash and cash equivalents		28,299	30,563	319	414
Trade receivables		6,368	6,169	1,654	6,166
Other receivables		228	159	17,001	15,237
		<u>34,895</u>	<u>36,891</u>	<u>18,974</u>	<u>21,817</u>
<b>Financial liabilities at amortised cost</b>					
Trade payables		10,938	8,903	-	-
Other payables and accruals		1,563	3,046	95	112
Lease liabilities	11	3,156	3,314	-	-
		<u>15,657</u>	<u>15,263</u>	<u>95</u>	<u>112</u>

### Fair value measurement

The Group classifies financial assets measured at fair value using a fair value hierarchy which reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (**Level 1**);
- Inputs other than quoted prices included within Level 1 which are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (**Level 2**); and
- Inputs for the assets or liability which are not based on observable market data (unobservable inputs) (**Level 3**)

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

### **15. Financial assets and financial liabilities (cont'd)**

The following table presented the assets measured at fair value:

	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Group as at 30 June 2024</b>				
Financial assets at FVTPL				
- Quoted equity instruments <sup>(1)</sup>	286	-	-	286
- Unquoted equity instruments <sup>(2)</sup>	-	1,051	-	1,051
	286	1,051	-	1,337
<b>Group as at 31 December 2023</b>				
Financial assets at FVTPL				
- Quoted equity instruments <sup>(1)</sup>	278	-	-	278
- Unquoted equity instruments <sup>(2)</sup>	-	1,030	-	1,030
	278	1,030	-	1,308

(1) The quoted equity instruments classified at FVTPL have no fixed maturity date or coupon rate and are denominated in Singapore dollar. The fair values of these instruments are based on closing quoted market prices on the last market day of the financial year. These investments classified as Level 1 fair value hierarchy.

(2) The unquoted equity instruments are investments in unquoted equity instruments classified at FVTPL relates to investment in one private fund in Singapore and have no fixed maturity date or coupon rate and are denominated in Singapore dollars. The fair value of the unquoted equity shares was determined by reference to (i) the initial value thereof being the amount expended in the acquisition thereof; (ii) the price of the relevant investment as quoted by a person, firm or institution making a market in that investment; and the sale prices of recent transactions in the same or similar investments, valuations of comparable investments. These investments classified as Level 2 fair value hierarchy.

### **16. Subsequent events**

There is no known subsequent event which have led to adjustments to this set of interim financial statements.

## **Other Information Required by Appendix 7C of the Listing Rule**

### **1. Review**

The condensed consolidated statement of financial position of the Company and its subsidiaries as at 30 June 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 six-month period then ended and certain explanatory notes have not been audited or reviewed. There is no auditors' report issued (including any qualifications or emphasis of a matter).

The Company has an unqualified opinion for its most recently audited financial statements for the financial year ended 31 December 2023 ("**FY2023**").

### **2. Review of performance of the Group**

#### **Review of financial performance**

##### ***Revenue***

The Group's revenue is derived from sales and retail of electrical products and accessories in Singapore ("**Distribution Business**") and rental income from its investment properties in Singapore ("**Property Investment**").

Total revenue decreased by \$1,323,000 or 3.0%, from \$43,746,000 for the six months ended 30 June 2023 ("**HY2023**") to \$42,423,000 for the six months ended 30 June 2024 ("**HY2024**"), mainly due to a decrease in the revenue from the Distribution Business segment.

- ***Distribution Business***  
Revenue from Distribution Business segment decreased by \$1,358,000 or 3.1%, from \$43,479,000 in HY2023 to \$42,121,000 in HY2024. The decrease was mainly due to the decrease in sales volume as a result of the general slowdown in the industry.
- ***Property Investment***  
Rental income from the Property Investment segment increased by \$35,000 or 13.1%, from \$267,000 in HY2023 to \$302,000 in HY2024. The increase was mainly due to rental adjustments upon renewal of tenancy agreements after HY2023. All properties were fully leased out in both HY2024 and HY2023.

## **Review of financial performance (cont'd)**

### ***Cost of sales***

Cost of sales decreased by \$876,000 or 2.8%, from \$30,761,000 in HY2023 to \$29,885,000 in HY2024, which is in line with the decrease in revenue.

- ***Distribution Business***  
Cost of sales of the Distribution Business segment decreased by \$881,000 or 2.9%, from \$30,544,000 in HY2023 to \$29,663,000 in HY2024, generally in line with the decrease in revenue for this segment.
- ***Property Investment***  
Cost of sales of the Property Investment segment increased marginally by \$5,000 or 2.3%, from \$217,000 in HY2023 to \$222,000 in HY2024.

### ***Gross profit and gross profit margin***

Gross profit decreased by \$447,000 or 3.4% from \$12,985,000 in HY2023 to \$12,538,000 in HY2024. Gross profit margin decreased marginally from 29.7% in HY2023 to 29.6% in HY2024.

The gross profit margin of the Distribution Business segment decreased marginally by 0.1% from approximately 29.7% in HY2023 to 29.6% in HY2024.

The gross profit of the Property Investment segment increased by \$30,000 from \$50,000 in HY2023 to \$80,000 in HY2024, in tandem with the increase in rental income from this segment.

### ***Other operating income***

Other operating income increased by \$162,000 or 26.0%, from \$623,000 in HY2023 to \$785,000 in HY2024. The increase in other operating income was mainly due to increase in (i) interest income; and (ii) gain on disposal of property, plant and equipment.

### ***Administrative and selling expenses***

Administrative and selling expenses increased by \$222,000 or 3.5%, from \$6,374,000 in HY2023 to \$6,596,000 in HY2024. The increase in administrative and selling expenses was mainly due to an increase in (i) staff cost and staff welfare; and (ii) professional fee incurred for a third party review of workplace safety at the Company's warehouse.

### ***Other operating expenses***

Other operating expenses decreased by \$97,000 or 10.4%, from \$930,000 in HY2023 to \$833,000 in HY2024. The decrease was mainly due to a lower provision for allowance on trade receivables recognized in HY2024.

## **Review of financial performance (cont'd)**

### ***Finance costs***

Finance costs increased marginally from \$52,000 in HY2023 to \$54,000 in HY2024. The finance costs are related to interest expenses on lease liabilities.

### ***Profit before income tax***

As a result of the reasons mentioned above, the Group's profit before income tax decreased by \$412,000 or 6.6% from \$6,252,000 in HY2023 to \$5,840,000 in HY2024.

## **Review of financial position**

### ***Current assets***

Current assets increased by \$707,000 from \$59,381,000 as at 31 December 2023 to \$60,088,000 as at 30 June 2024. The increase in current assets were mainly due to an increase in inventories of \$2,798,000 in line with the Group's inventory management strategy, trade receivables of \$199,000 and investment in financial assets at fair value through profit or loss of \$29,000. These were offset by a decrease in cash and bank balances of \$2,264,000 and other receivables and prepayments of \$55,000.

### ***Non-current assets***

Non-current assets increased by \$1,194,000 from \$22,298,000 as at 31 December 2023 to \$23,492,000 as at 30 June 2024. The increase in non-current assets were mainly due to an increase in other receivables and prepayments of \$1,296,000 which relates to the deposit and downpayment paid for the acquisition of 5 units of commercial properties at "Food Ascent" and property, plant and equipment of \$271,000. These increases were offset by the decrease in right-of-use assets of \$198,000, investment properties of \$165,000 and club membership of \$10,000.

### ***Current liabilities***

Current liabilities increased by \$275,000 from \$15,485,000 as at 31 December 2023 to \$15,760,000 as at 30 June 2024. The increase in current liabilities were mainly due to increase in trade payables of \$1,998,000 in tandem with the purchases made during the financial period. This was offset by decrease in other payables and accruals of \$1,498,000, provision for taxation of \$152,000, contract liabilities of \$32,000 and current portion of lease liabilities of \$41,000.

### ***Non-current liabilities***

Non-current liabilities decreased by \$117,000 from \$2,886,000 as at 31 December 2023 to \$2,769,000 as at 30 June 2024. The decrease in non-current liabilities is mainly due to a decrease in the non-current portion of lease liabilities of \$117,000.

## **Review of cash flow management**

### ***Net cash generated from operating activities***

In HY2024, the Group generated net cash inflow from operating activities of approximately \$1,675,000, which was a result of operating cash flows before changes in working capital of approximately \$6,168,000, net working capital outflows of approximately \$3,783,000, income tax paid of approximately \$1,134,000 and interest received of approximately \$424,000.

### ***Net cash used in investing activities***

In HY2024, the Group's net cash outflow for investing activities amounted to approximately \$454,000, mainly due to (i) purchases of property, plant and equipment of \$475,000; and (ii) purchases of financial assets at fair value through profit or loss of \$20,000. These were offset by (i) dividend income from financial assets at fair value through profit or loss of \$10,000; and (ii) proceeds from disposal of property, plant and equipment of \$31,000.

### ***Net cash used in financing activities***

In HY2024, the Group's net cash outflow for financing activities amounted to approximately \$3,485,000, mainly due to (i) dividends payment of \$3,115,000 and (ii) lease liabilities and interest payments of \$370,000.

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

There has not been any forecast or prospect statement in relation to the Group's results for HY2024 previously disclosed to shareholders.

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

Subject to, *inter alia*, market conditions, availability of good location and other relevant business considerations, it is the Group's current intention to continue to expand its retail network in Singapore and extend its services in providing direct electrical and lighting solutions for developments and projects within Singapore via the CCM brand. On the product level, the Group also intends to reinforce and strengthen its market position in Singapore by widening the range of products sold under its "CCM" and "CRM" brands.

We remain committed to bring good value to our customers and explore business opportunities so as to increase our revenue and profit.

## 5. Dividend information

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

#### *Current financial period reported on*

The Directors are pleased to recommend an interim dividend of 1.1 Singapore cents per share for HY2024 (HY2023: 1.1 Singapore cents).

Name of dividend	Interim dividend
Dividend type	Cash
Dividend per ordinary share	1.1 Singapore cents
Total annual dividend	\$2,284,224
Tax rate	Tax exempt (one-tier)

#### *Previous corresponding period of the Immediately Preceding Financial Year*

Name of dividend	Interim dividend
Dividend type	Cash
Dividend per ordinary share	1.1 Singapore cents
Total annual dividend	\$2,284,224
Tax rate	Tax exempt (one-tier)

### (b) The date the dividend is payable

Interim dividend will be paid on 29 August 2024.

### (c) The date on which Registrable Transfers received by the company (up to 5.00 p.m.) will be registered before entitlements to the dividend are determined

Notice is hereby given that the Register of Members and the Transfer Books of the Company will be closed at 5.00p.m. on 20 August 2024 (“**Record Date**”) for the purpose of determining members’ entitlement to the interim dividend.

Duly completed registrable transfers received by the Company’s Share Registrar, B.A.C.S. Private Limited, at 77 Robinson Road #06-03 Robinson 77, Singapore 068896 up to 5.00 p.m. on 20 August 2024 will be registered to determine shareholders’ entitlements to the dividends.



**6. Interested person transactions**

The Group did not obtain any general mandate from the Company's shareholders in respect of interested person transactions.

The Company's Executive Chairman and CEO, Lim Teck Chuan, had provided personal guarantees to the Singapore Housing & Development Board in order that the Group may secure certain lease agreements. Lim Teck Chuan did not receive any benefit in kind, commission or interest from the Group for providing these personal guarantees.

**7. 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 hereby confirms that it has already procured undertakings from all of its Directors and relevant executive officers in the format as set out in Appendix 7H of the Catalist Rules in accordance with Rule 720(1) of the Catalist Rules.

**8. Disclosure on Acquisitions and Realisation of Shares pursuant to Catalist Rule 706(A)**

There were no acquisition or realisation of shares in any of the Group's subsidiary or associated company nor incorporation of any new subsidiary or associated company by the Company or any of the Group's entities during the financial period ended 30 June 2024.

**9. Negative confirmation by the Board pursuant to Rule 705(5)**

On behalf of the Board of Directors of the Company, we, the undersigned, hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the financial statements for the six-month period ended 30 June 2024 to be false or misleading in any material aspect.

**BY ORDER OF THE BOARD**

Lim Teck Chuan  
Executive Chairman and Chief Executive Officer

Singapore

08 August 2024