



F J BENJAMIN HOLDINGS LTD

Company Registration Number: 197301125N

Condensed interim consolidated financial statements For the six months ended 31 December 2023

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A Condensed interim consolidated statement of profit or loss and other comprehensive income

		-----GROUP-----		
		6 months ended 31 Dec 2023	6 months ended 31 Dec 2022	Change
		\$'000	\$'000	%
	Note			
Turnover		39,616	45,653	(13)
Cost of goods sold		(20,019)	(21,662)	(8)
Gross Profit		<u>19,597</u>	<u>23,991</u>	(18)
Other income, net	6	186	266	(30)
Staff costs		(7,930)	(8,011)	(1)
Rental of premises		(3,206)	(3,825)	(16)
Advertising and promotion		(963)	(1,256)	(23)
Depreciation of furniture, fixtures and equipment		(626)	(719)	(13)
Depreciation of right-of-use assets		(3,822)	(3,915)	(2)
Other operating expenses	6	(4,769)	(4,613)	3
Operating (loss)/ profit		<u>(1,533)</u>	<u>1,918</u>	nm
Interest expenses from borrowings		(391)	(294)	33
Interest expenses from lease liabilities		(246)	(161)	53
Foreign exchange loss, net		372	442	(16)
Share of results of associates, net of tax		13	809	(98)
(Loss)/ Profit before tax		<u>(1,785)</u>	<u>2,714</u>	nm
Income tax expenses	7	(335)	(979)	(66)
Net (loss)/ profit for the period		<u><u>(2,120)</u></u>	<u><u>1,735</u></u>	nm
Other comprehensive income:				
<u>Item that may be reclassified subsequently to profit or loss:</u>				
Foreign currency translation		22	(117)	nm
Total comprehensive income for the period		<u><u>(2,098)</u></u>	<u><u>1,618</u></u>	nm
Net (loss)/ profit attributable to:				
Equity holders of the parent		(2,120)	1,749	nm
Non-controlling interests		-	(14)	nm
		<u><u>(2,120)</u></u>	<u><u>1,735</u></u>	nm
Total comprehensive income attributable to:				
Equity holders of the parent		(2,098)	1,632	nm
Non-controlling interests		-	(14)	nm
		<u><u>(2,098)</u></u>	<u><u>1,618</u></u>	nm
(Loss)/ Earnings per share (cents)				
Basic and diluted	8	(0.18)	0.15	

nm - not meaningful

B Condensed interim statements of financial position

	-----GROUP-----		-----COMPANY-----	
	31 Dec 2023	30 June 2023	31 Dec 2023	30 June 2023
	\$'000	\$'000	\$'000	\$'000
NON-CURRENT ASSETS				
Furniture, fixtures and equipment	3,967	2,848	90	116
Right-of-use assets	11,160	12,087	199	244
Subsidiaries	-	-	37,117	37,101
Investment in associates	16,949	16,575	-	-
Deferred tax assets	465	470	-	-
	<u>32,541</u>	<u>31,980</u>	<u>37,406</u>	<u>37,461</u>
CURRENT ASSETS				
Inventories	28,463	23,270	-	-
External trade debtors	1,033	1,368	-	-
Trade debts due from associate	8,666	8,532	-	-
Other debtors	12,141	11,803	9,032	10,108
Prepayments and advances	578	449	56	31
Tax recoverable	389	-	-	-
Cash on hand and at bank	6,153	6,190	3,385	3,350
	<u>57,423</u>	<u>51,612</u>	<u>12,473</u>	<u>13,489</u>
CURRENT LIABILITIES				
Trade and other creditors	23,716	16,333	2,879	3,200
Borrowings	13,805	11,818	20	20
Lease liabilities	6,102	6,403	91	81
Provision for taxation	-	147	-	-
	<u>43,623</u>	<u>34,701</u>	<u>2,990</u>	<u>3,301</u>
NET CURRENT ASSETS	13,800	16,911	9,483	10,188
NON-CURRENT LIABILITIES				
Other creditors	-	-	9,233	8,806
Borrowings	1,940	1,706	63	73
Lease liabilities	6,001	6,687	125	177
	<u>7,941</u>	<u>8,393</u>	<u>9,421</u>	<u>9,056</u>
NET ASSETS	38,400	40,498	37,468	38,593
EQUITY				
Share capital	186,170	186,170	186,170	186,170
Foreign currency translation reserve	(2,717)	(2,739)	-	-
Other reserves	318	318	-	-
Accumulated losses	(145,338)	(143,218)	(148,702)	(147,577)
Equity attributable to equity holders of the parent	<u>38,433</u>	<u>40,531</u>	<u>37,468</u>	<u>38,593</u>
Non-controlling interests	(33)	(33)	-	-
TOTAL EQUITY	38,400	40,498	37,468	38,593

C Condensed interim statements of changes in equity

	----- Attributable to the equity holders of the parent -----						
	Share Capital	Foreign Currency Translation Reserve	Other Reserves	Accumulated Losses	Total	Non- controlling interests	Total Equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
GROUP							
At 1 July 2023	186,170	(2,739)	318	(143,218)	40,531	(33)	40,498
Loss for the period	-	-	-	(2,120)	(2,120)	-	(2,120)
<u>Other comprehensive income</u>							
Foreign currency translation	-	22	-	-	22	-	22
Total comprehensive income for the period	-	22	-	(2,120)	(2,098)	-	(2,098)
At 31 December 2023	186,170	(2,717)	318	(145,338)	38,433	(33)	38,400
At 1 July 2022	186,170	(1,271)	380	(146,750)	38,529	(19)	38,510
Profit for the period	-	-	-	1,749	1,749	(14)	1,735
<u>Other comprehensive income</u>							
Foreign currency translation	-	(117)	-	-	(117)	-	(117)
Total comprehensive income for the period	-	(117)	-	1,749	1,632	(14)	1,618
At 31 December 2022	186,170	(1,388)	380	(145,001)	40,161	(33)	40,128
COMPANY							
At 1 July 2023	186,170	-	-	(147,577)	38,593	-	38,593
Loss for the period, representing total comprehensive income for the period	-	-	-	(1,125)	(1,125)	-	(1,125)
At 31 December 2023	186,170	-	-	(148,702)	37,468	-	37,468
At 1 July 2022	186,170	-	-	(149,013)	37,157	-	37,157
Profit for the period, representing total comprehensive income for the period	-	-	-	554	554	-	554
At 31 December 2022	186,170	-	-	(148,459)	37,711	-	37,711

D Condensed interim consolidated statement of cash flows

	-----GROUP-----	
	6 months ended 31 Dec 2023 \$'000	6 months ended 31 Dec 2022 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES:		
(Loss)/ Profit before tax	(1,785)	2,714
Adjustments for:		
Depreciation of furniture, fixtures and equipment	626	719
Depreciation of right-of-use assets	3,822	3,915
Share of results of associates, net of tax	(13)	(809)
Currency realignment	(72)	(562)
Interest income	(36)	(24)
Interest expenses from borrowings	391	294
Interest expenses from lease liabilities	246	161
Allowance for inventory obsolescence and inventories written off, net	224	597
OPERATING CASH FLOWS BEFORE WORKING CAPITAL CHANGES	3,403	7,005
(Increase)/ Decrease in debtors	(345)	535
Increase in prepayments and advances	(129)	(121)
Increase in inventories	(5,417)	(2,249)
Increase in creditors	7,383	3,186
CASH FLOW GENERATED FROM OPERATIONS	4,895	8,356
Interest received	36	24
Income tax paid	(873)	(173)
NET CASH FLOWS GENERATED FROM OPERATING ACTIVITIES	4,058	8,207
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of furniture, fixtures and equipment	(1,769)	(1,045)
NET CASH FLOWS USED IN INVESTING ACTIVITIES	(1,769)	(1,045)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from bank borrowings	2,966	-
Repayment of bank borrowings	(753)	(3,236)
Repayment of other borrowings	(10)	(13)
Interest paid	(391)	(294)
Payment of lease liabilities	(4,127)	(4,244)
NET CASH FLOWS USED IN FINANCING ACTIVITIES	(2,315)	(7,787)
Net decrease in cash and cash equivalents	(26)	(625)
Cash and cash equivalents at beginning of financial period	5,239	10,950
Net effect of exchange rate changes on opening cash and cash equivalents	(29)	(257)
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	5,184	10,068
<u>Cash and cash equivalents comprise the following:</u>		
Cash on hand and at bank	6,153	10,873
Bank overdrafts	(969)	(805)
	5,184	10,068

E. Notes to the condensed interim consolidated financial statements

1. Corporate information

F J Benjamin Holdings Ltd (the Company) is a limited liability company incorporated and domiciled in Singapore and is listed on the Singapore Exchange Securities Trading Limited (SGX-ST). These condensed interim consolidated financial statements as at and for the six months ended 31 December 2023 comprise the Company and its subsidiaries (the Group).

The principal activities of the Company are those of investment holding and the provision of management services to its subsidiaries. The principal activities of the subsidiaries are those of investment holding and retailers, distributors and exporters of consumer fashion wear, accessories, timepieces, beauty, health and wellness products and operates a multi-label luxury shoe and lifestyle concept store.

2. Basis of preparation

The condensed interim consolidated financial statements for the six months ended 31 December 2023 have been prepared in accordance with SFRS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed interim consolidated 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 since the last annual consolidated financial statements of the Group for the year ended 30 June 2023.

The accounting policies and methods of computations adopted for the condensed interim consolidated financial statements are consistent with those adopted by the Group in its most recently audited annual consolidated financial statements for the year ended 30 June 2023, 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 below.

The condensed interim consolidated financial statements are presented in Singapore dollar which is the Company's functional currency and all values in the tables are rounded to nearest thousand (\$'000), except as otherwise indicated.

2.1 New and amended standards adopted by the Group

A number of amendments to the standards have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting these standards. The adoption of these standards did not have any material effect on the financial performance or position of the Group and the Company.

2.2 Use of judgements and estimates

In preparing the condensed interim consolidated 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 most recently audited annual consolidated financial statements of the Group as at and for the year ended 30 June 2023.

Estimates and underlying assumptions are reviewed on an on-going 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 reported on.

4. Segment and revenue information

For management purpose, the Group is organised into business units based on their channel of distribution and has three reportable operating segments as follows:

- i. The Ongoing Retail segment is involved in the operation of retail stores specialising in the retail of consumer fashion wear, accessories, timepieces, beauty, health and wellness products, chocolates and cafe.
- ii. The Distribution segment is involved in the distribution of consumer fashion wear, accessories, home furnishings, timepieces, beauty and health and wellness products.
- iii. The Export segment is involved in the export of consumer fashion wear, accessories, timepieces and health and wellness products.

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

4.1 Reportable segments

	Ongoing retail \$'000	Distribution \$'000	Export \$'000	Corporate and others \$'000	Group \$'000
1 Jul 2023 – 31 Dec 2023					
Sales to external customers	35,012	642	3,962	-	39,616
Segment results	342	(383)	246	(1,635)	(1,430)
Interest income					36
Interest expenses from borrowings					(391)
Loss before tax					(1,785)
Income tax expenses					(335)
Net loss for the period					(2,120)
Capital expenditure	1,630	-	-	139	1,769
Depreciation of furniture, fixtures and equipment	553	9	-	64	626
Depreciation of right-of-use assets	3,777	-	-	45	3,822

4.1 Reportable segments (continued)

	Ongoing retail \$'000	Distribution \$'000	Export \$'000	Corporate and others \$'000	Group \$'000
1 Jul 2022 – 31 Dec 2022					
Sales to external customers	40,424	2,464	2,765	-	45,653
Segment results	3,778	451	207	(1,452)	2,984
Interest income					24
Interest expenses from borrowings					(294)
Profit before tax					2,714
Income tax expenses					(979)
Net profit for the period					1,735
Capital expenditure	1,037	-	-	8	1,045
Depreciation of furniture, fixtures and equipment	644	36	-	39	719
Depreciation of right-of-use assets	3,866	-	-	49	3,915
1 Jul 2023 – 31 Dec 2023					
Segment assets	52,206	1,326	5,280	13,349	72,161
Investment in associates	-	-	-	16,949	16,949
Unallocated assets	52,206	1,326	5,280	30,298	89,110
Total assets					89,964
Segment liabilities	31,203	1,070	2,325	2,273	36,871
Unallocated liabilities					14,693
Total liabilities					51,564

4.1 Reportable segments (continued)

	Ongoing Retail	Distribution	Export	Corporate and Others	Group
	\$'000	\$'000	\$'000	\$'000	\$'000
<u>1 Jul 2022 – 31 Dec 2022</u>					
Segment assets	50,179	2,874	2,684	12,916	68,653
Investment in associates	-	-	-	15,951	15,951
	50,179	2,874	2,684	28,867	84,604
Unallocated assets					393
Total assets					84,997
Segment liabilities	27,105	1,760	1,329	2,016	32,210
Unallocated liabilities					12,659
Total liabilities					44,869

Assets and liabilities which are common and cannot be meaningfully allocated to the business segments are presented as unallocated assets and liabilities, as shown in the table below.

	31 Dec 2023 \$'000	31 Dec 2022 \$'000
Unallocated assets		
Deferred tax assets	465	393
Tax recoverable	389	-
	854	393
Unallocated liabilities		
Bank borrowings (excluding bank overdrafts)	14,693	11,589
Provision for taxation	-	1,070
	14,693	12,659

4.1 Reportable segments (continued)

Geographical segments

Revenue, non-current assets and capital expenditure information based on geographical location of customers and assets respectively are as follows:

	Southeast Asia \$'000	Others \$'000	Group \$'000
<u>1 Jul 2023 – 31 Dec 2023</u>			
Turnover	39,616	–	39,616
Other geographical information:			
Non-current assets	32,539	2	32,541
Capital expenditure	1,769	–	1,769
<u>1 Jul 2022 – 31 Dec 2022</u>			
Turnover	45,653	–	45,653
Other geographical information:			
Non-current assets	31,040	2	31,042
Capital expenditure	1,044	1	1,045

5. Financial assets and financial liabilities

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

	Group		Company	
	31 December 2023 \$'000	30 June 2023 \$'000	31 December 2023 \$'000	30 June 2023 \$'000
Financial assets measured at amortised cost				
Receivables from subsidiaries	–	–	28,601	28,585
Trade debtors	9,699	9,900	–	–
Other debtors	12,141	11,791	9,032	10,108
Cash on hand and at bank	6,153	6,190	3,385	3,350
	<u>27,993</u>	<u>27,881</u>	<u>41,018</u>	<u>42,043</u>
Financial asset carried at fair value through profit or loss				
Derivative financial assets	–	12		
Financial liabilities measured at amortised cost				
Trade and other creditors	22,949	15,536	12,112	12,006
Borrowings	15,745	13,524	83	93
Lease liabilities	12,103	13,090	216	258
	<u>50,797</u>	<u>42,150</u>	<u>12,411</u>	<u>12,357</u>

6. (Loss)/ profit before tax

6.1 Significant items

	Group	
	6 months ended 31 December 2023	6 months ended 31 December 2022
	\$'000	\$'000
Income		
Market support and administrative service income	127	133
Government grants	-	26
Expenses		
Allowance for inventory obsolescence, net	117	503
Inventories written off	107	94
Outlet related expenses	854	980
Utilities	227	217
Royalties	134	160
Freight, warehousing, handling and shipping costs	866	1,082
Professional and legal fees	581	332
Directors' fees of directors of the Company	80	100
Telecommunication	99	115
Repair and maintenance	340	271

6.2 Related party transactions

During the six months ended 31 December 2023 and 2022, the Group has entered into transactions with related parties on terms agreed between the parties, as shown below:

	6 months ended 31 December 2023	6 months ended 31 December 2022
	\$'000	\$'000
Sale of goods to associate	3,799	2,556
Market support and administrative service income from associate	127	133

7. Income tax expenses

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

	Group	
	6 months ended 31 December 2023	6 months ended 31 December 2022
	\$'000	\$'000
Current income tax expense	335	979
Deferred income tax relating to origination and reversal of temporary differences	–	–
	335	979

8. (Loss)/ Earnings Per Share

The basic (loss)/ earnings per share amounts are calculated by dividing the (loss)/ profit for the respective financial periods that is attributable to equity holders of the parent by the weighted average number of ordinary shares outstanding during the respective financial periods.

Diluted (loss)/ earnings per share amounts are calculated by dividing the (loss)/ profit for the respective financial periods that is attributable to equity holders of the parent by the weighted average number of ordinary shares outstanding during the respective financial periods plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

The following table reflected the (loss)/ profit and share data used in the computation for basic and diluted (loss)/ earnings per share:

	Group	
	6 months ended 31 December 2023	6 months ended 31 December 2022
	\$'000	\$'000
Net (loss)/ profit for the financial period attributable to equity holders of the parent used in the computation of basic and diluted (loss)/ earnings per share	(2,120)	1,749
	'000	'000
Weighted average number of ordinary shares for basic and diluted (loss)/ earnings per share computation	1,187,314	1,187,314

For the six months ended 31 December 2023 and 2022, the Company did not have any potential dilutive instruments.

9. Net Asset Value

	Group		Company	
	31 December 2023	30 June 2023	31 December 2023	30 June 2023
	Cents	Cents	Cents	Cents
Net asset value per ordinary share	3.24	3.41	3.16	3.25

The calculation of net asset value per ordinary share was based on 1,187,313,903 shares as at 31 December 2023 (30 June 2023: 1,187,313,903).

10. Financial assets at fair value through other comprehensive income

10.1 Fair value measurement

The Group categorises fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date,
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, and
- Level 3 - Unobservable inputs for the assets or liability.

The following table shows an analysis of each class of assets and liabilities measured at fair value at the end of the reporting period:

	Group			Total
	Fair value measurements at the end of the reporting period using:			
	Quoted prices in active markets for identical instruments (Level 1)	Significant observable inputs other than quoted prices (Level 2)	Significant unobservable inputs (Level 3)	
	\$'000	\$'000	\$'000	\$'000
Financial assets carried at fair value through profit or loss				
Derivative financial assets	–	–	–	–
Financial assets as at 31 December 2023	–	–	–	–
Financial assets carried at fair value through profit or loss				
Derivative financial assets	–	12	–	12
Financial assets as at 30 June 2023	–	12	–	12

11. Furniture, fixtures and equipment

	Group	
	6 months ended 31 December 2023	6 months ended 31 December 2022
	\$'000	\$'000
Addition	1,769	1,045
Disposal	494	370

12. Borrowings

	Group	
	31 December 2023	30 June 2023
	\$'000	\$'000
Amount repayable in one year or less, or on demand		
- Unsecured	13,805	11,818
Amount repayable after one year		
- Unsecured	1,940	1,706
Total borrowings	15,745	13,524
Cash on hand and at bank	(6,153)	(6,190)
Net borrowings	9,592	7,334

13. Share capital

	Group and Company			
	31 December 2023		30 June 2023	
	No. of shares '000	Amount \$'000	No. of shares '000	Amount \$'000
<u>Ordinary shares issued and fully paid</u>				
As at beginning and end of interim period	1,187,314	186,170	1,187,314	186,170

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares have no par value and carry one vote per share without restriction.

There were no outstanding convertibles for conversion into ordinary shares as at 31 December 2023, 30 June 2023 and 31 December 2022.

The Company did not hold any treasury shares as at 31 December 2023, 30 June 2023 and 31 December 2022.

The Company's subsidiaries did not hold any shares in the Company as at 31 December 2023, 30 June 2023 and 31 December 2022.

14. Subsequent event

There are no known subsequent events which led to adjustments to this set of condensed interim consolidated financial statements.

F. Other information required pursuant to Appendix 7C of the Catalist Rules

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

The condensed interim consolidated statement of financial position of F J Benjamin Holdings Ltd and its subsidiaries as at 31 December 2023 and the related condensed interim consolidated statement of profit or loss and other comprehensive income, condensed interim statements of changes in equity and condensed interim consolidated statement of cash flows for the six months period then ended and the explanatory notes have not been audited or reviewed by the Company's auditors.

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

Not applicable.

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

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

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

This is not required for any audit issue that is a material uncertainty relating to going concern.

Not applicable. The Group's latest audited consolidated financial statements for the financial year ended 30 June 2023 are not subject to an adverse opinion, qualified opinion or disclaimer of opinion issued by the Company's auditors.

4. Review of performance of the Group

(i) Review of Results for Half Year Ended 31 December 2023 (1H24)

Group revenue for the six months ended 31 December 2023 (1H24) decreased by 13% to \$39.6 million from \$45.7 million for the same period last year (1H23). Net loss attributable to shareholders amounted to \$2.1 million compared to a net profit attributable to shareholders of \$1.7 million in the first half of the previous financial year.

Sales in Singapore (excluding exports to the Indonesian associate) and Malaysia in 1H24 were down 23% and 13% respectively from the previous corresponding period. Consumer sentiment remained weak and coupled with inflationary pressures, festive sales were lower this year compared to the buoyant sales seen last year.

The contribution of the Group's online sales remained constant at 3% of total sales in 1H24. Gross profit margin dropped by 3.1 percentage points to 49.5% from 52.6% as the Group launched more promotions to drive sales amid weaker consumer demand.

Group operating expenses declined by 5% or \$1 million to \$21.3 million from \$22.3 million in 1H23. This decline was attributed to a \$0.6 million reduction in rental expenses from store closures, a \$0.3 million decrease in advertising spending and a \$0.1 million reduction in depreciation of furniture, fixtures and fittings.

The Group's share of profit from its Indonesian associate decreased to \$13,000 from \$809,000 in the same period last year. Turnover for the Indonesian associate increased by 8% in 1H24 as compared to 1H23 but with lower gross profit margins and higher operating expenses. More promotions had to be launched to drive sales especially during October to December.

Exports to the Group's Indonesian associate from Singapore increased by \$1.2 million as backlogs of goods ordered were delivered.

(ii) Balance sheet

Furniture, fixtures and fittings increased by \$1.1 million due to an additional capital expenditure of \$1.7 million mainly in Malaysia's newly opened malls. This was partly offset by a depreciation charge of \$0.6 million.

Right-of-use assets decreased by \$0.9 million mainly due to a depreciation charge of \$3.8 million offset by renewed and new leases totalling \$2.9 million. Correspondingly, total lease liabilities (current and non-current) reduced by \$1.0 million as payments of lease liabilities, totalling \$4.1 million exceeded renewed and new leases and interest charged amounting to \$3.1 million.

Inventories at end December 2023 were \$5.2 million higher due to slower-than-projected sales.

Tax recoverable of \$0.4 million pertains to difference between the higher corporate tax estimated and paid to the tax authorities compared to the provision for taxation made based on the half year results for the subsidiary in Malaysia. The final corporate tax will be determined after the completion of financial year.

Trade and other creditors increased by \$7.3 million mainly due to an increase in orders placed for the festive season.

Net borrowings totalled \$9.6 million as at 31 December 2023, up from \$7.3 million as at 30 June 2023 mainly from higher utilisation of invoice financing due to increased purchases. Gearing ratio stood at 25% as at 31 December 2023 against 18% as at 30 June 2023.

(iii) Cash Flows

For the period under review, the Group generated net cash flows of \$4.0 million from operating activities, saw an increase in net drawdown of bank borrowings of \$2.2 million, invested \$1.7 million in capital expenditure and repaid lease liabilities and interest of \$4.5 million. This resulted in a net cash outflow of \$26,000 for 1H24.

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

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

6. 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

Economies in our key Southeast Asian markets are expected to remain muted.

The Group will continue to manage costs and seek new opportunities to expand our portfolio of fashion and wellness brands.

7. Dividend information

7a. Current financial period reported on

Any dividend recommended for the current financial period reported on?

No.

7b. Corresponding period of the immediate preceding financial year

Any dividend declared for the corresponding period of the immediate preceding financial year?

No.

7c. Date payable

Not applicable.

7d. The date on which Registrable Transfers received by the Company (up to 5.00pm) will be registered before entitlements to the dividend are determined

Not applicable.

7e. If no dividend has been declared (recommended), a statement to that effect and the reason(s) for the decision.

No dividend has been declared or recommended as the Company incurred losses for the financial period.

8. Interested persons transactions

The Company does not have an IPT mandate.

9. Confirmation pursuant to Rule 705(5) of the Catalist Rules

To the best of their knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the interim financial statements for the six months ended 31 December 2023 to be false or misleading in any material aspect.

10. Confirmation that the issuer has procured undertaking from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1) of the Catalist Rules

The Company has received undertaking from all its directors and executive officers in the format as set out under Rule 720(1) of the Catalist Rules in the format set out in Appendix 7H.

11. Disclosure of acquisition (including incorporations) and sale of shares in subsidiaries and/or associated companies since the end of the previous reporting period under Rule 706A of the Catalist Rules

The Group does not have any acquisitions (including incorporations) and realisations of shares in subsidiaries and/or associated companies since the end of the previous reporting period, up to 31 December 2023.

12. Use of proceeds from Rights Issue, Exercise of Warrants and Share Placement

On 5 April 2018 and 6 April 2018, the Company allotted and issued 341,225,914 new ordinary shares ("Rights Shares") with 682,451,828 free detachable warrants ("Warrants") under the Rights cum Warrants Issue (details as set out in the Company's circular to its Shareholders dated 15 February 2018 and offer information statement dated 12 March 2018 ("Offer Information Statement")). The total gross proceeds raised from the allotment and issuance of the Rights Shares under the Rights cum Warrants Issue, after accounting for the conversion into the Right Shares of certain loans owing by the Group to certain Shareholders (the "Conversion"), amounted to approximately S\$8,118,000.

As set out in the Company's announcements dated 17 May 2021 and 30 December 2021, on the expiry of the Warrants on 5 April 2021, a total of 157,378,132 Warrants had been exercised at the exercise price of S\$0.04. Accordingly, the Company raised aggregate gross proceeds of approximately S\$6,295,000. Following a review of the Group's current operating environment, and taking into consideration of the on-going COVID-19 pandemic and safe distancing measures which impacted the businesses of the Group, the Board had reallocated an aggregate of S\$1,648,000 of the net proceeds from the exercise of Warrants, which was originally allocated for the expansion of the Group's business activities when the Rights cum Warrants Issue took place three years ago (pre-COVID-19) to general working capital purposes (the "Reallocation").

On 4 February 2022, the Company allotted and issued 120,000,000 new ordinary shares at an issue price of S\$0.025 per share pursuant to a placement exercise ("Share Placement"). The total gross proceeds raised from the Share Placement amounted to S\$3,000,000. Please refer to the Company's circular to its Shareholders dated 13 January 2022 ("Circular") for further details on the Share Placement.

The use of proceeds from the Rights cum Warrants issue and the Share Placement as at 31 December 2023 are as follows:

Rights issue

	Amount S\$'000
<u>Total net proceeds available:</u>	
Gross proceeds received from allotment and issuance of the Rights Shares, after accounting for Conversion	8,118
Share issuance expenses	(435)
Net proceeds available	<u>7,683</u>
<u>Use of proceeds:</u>	
(i) General working capital	
Allocation as disclosed in the Offer Information Statement	3,842
Total amount utilised – repayment of trade invoices financed by banks and trade suppliers' invoices	(3,842)
Balance	<u>-</u>
(ii) Expansion of the Group's business activities	
Allocation as disclosed in the Offer Information Statement	3,841
Total amount utilised	(841)
Balance	<u>3,000</u>

Warrants

	Amount S\$'000
<u>Total net proceeds available:</u>	
Gross proceeds from exercise of Warrants	6,295
Share issuance expenses	(21)
Net proceeds available	<u>6,274</u>
<u>Use of proceeds:</u>	
(i) General working capital	
Allocation as disclosed in the Offer Information Statement	3,137
Reallocation	<u>1,648</u>
Amount based on Reallocation basis	4,785
Total amount utilised	<u>(4,785)¹</u>
Balance	<u>-</u>
(ii) Expansion of the Group's business activities	
Allocation as disclosed in the Offer Information Statement	3,137
Reallocation	<u>(1,648)</u>
Amount based on Reallocation basis	1,489
Total amount utilised	<u>(1,481)</u>
Balance	<u>8</u>

Note:

- (1) Net proceeds used for general working capital comprising (a) S\$2,380,000 for repayment of trade invoices financed by banks and trade suppliers' invoices; and (b) S\$2,405,000 for repayment of non-trade creditors, which consisted of rental, freight costs and other operating expenses.

Share Placement

	Amount S\$'000
<u>Total net proceeds available:</u>	
Gross proceeds from Share Placement	3,000
Share issuance expenses	(59)
Net proceeds available	<u>2,941</u>
<u>Use of proceeds:</u>	
General working capital	
Allocation as disclosed in the Circular	2,941
Total amount utilised	<u>(2,602)²</u>
Balance	<u>339</u>

Note:

- (2) Net proceeds used for general working capital comprising (a) S\$1,767,000 for repayment of rental and other operating expenses; (b) S\$703,000 for repayment of short term loan; and (c) S\$132,000 for purchase of inventory.

Save as disclosed above on the Reallocation, the use of net proceeds from the Rights cum Warrants Issue is in accordance with the intended uses and percentage allocations as disclosed in the Offer Information Statement. The use of net proceeds from the Share Placement is in accordance with the intended uses and percentage allocations as disclosed in the Circular.

The Company will continue to provide periodic announcements on the utilisation of the balance of the net proceeds from the Rights cum Warrants Issue and the Share Placement as and when such net proceeds are materially disbursed or utilised, and whether such use is in accordance with the stated use and in accordance with the percentage allocated.

BY ORDER OF THE BOARD

Karen Chong Mee Keng
Company Secretary
8 February 2024

*This announcement has been prepared by F J Benjamin Holdings Ltd (the “**Company**”) and its contents have been reviewed by the Company’s sponsor (the “**Sponsor**”), ZICO Capital Pte. Ltd. in accordance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) Listing Manual Section B: Rules of Catalist.*

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