



SINGASIA
Holdings Limited

星亞控股有限公司*

(Incorporated in the Cayman Islands with limited liability)
Stock Code: 8293

2024

INTERIM REPORT

* For identification purpose only.

CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

*This report, for which the directors (the “**Directors**”) of SingAsia Holdings Limited (the “**Company**”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “**GEM Listing Rules**”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this report is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this report misleading.*

The original report is prepared in the English language. This report is translated into Chinese. In the event of any inconsistencies between the Chinese and the English version, the latter shall prevail.

This report will remain on the “Latest Listed Company Announcements” page of the website of the Stock Exchange at www.hkexnews.hk for at least seven days from the day of its publication. This report will also be published on the Company’s website at www.singasia.com.sg.

HIGHLIGHTS

- The unaudited revenue of the Company and its subsidiaries (collectively the “**Group**”) amounted to approximately S\$7,491,000 for the six months ended 31 January 2024, representing a decrease of approximately S\$2,688,000 as compared with the six months ended 31 January 2023.
- The unaudited loss for the period of the Group was approximately S\$760,000 for the six months ended 31 January 2024, compared with the unaudited loss of the Group of approximately S\$32,000 for the six months ended 31 January 2023.
- The Board does not recommend the payment of an interim dividend for the six months ended 31 January 2024.

INTERIM RESULTS

The board of Directors (the “**Board**”) hereby announces the unaudited condensed consolidated results of the Group for the six months ended 31 January 2024, together with the unaudited comparative figures for the corresponding periods in 2023, as follows:

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 31 January 2024

| | | Six months ended 31 January | |
|--|--------------|--|----------------------------|
| | <i>Notes</i> | 2024 S\$ (Unaudited) | 2023 S\$ (Unaudited) |
| REVENUE | 5 | 7,491,023 | 10,178,861 |
| Cost of services rendered | | (5,767,882) | (7,961,374) |
| Gross profit | | 1,723,141 | 2,217,487 |
| Other income | 6 | 81,799 | 185,571 |
| Allowance for expected credit loss in respect of trade receivables, contract assets, deposit and other receivables, net | | 20,234 | (5,993) |
| Administrative expenses | | (2,389,364) | (2,221,219) |
| Other operating expenses | | (58,633) | (87,959) |
| Finance costs | 7 | (92,469) | (46,101) |
| Share of result of an associate | | (45,078) | (43,189) |
| LOSS BEFORE TAX | 8 | (760,370) | (1,403) |
| Income tax expense | 9 | - | (30,157) |
| LOSS FOR THE PERIOD | | (760,370) | (31,560) |
| OTHER COMPREHENSIVE LOSS | | | |
| <i>Items that may be reclassified to profit or loss in subsequent periods:</i> | | | |
| Exchange differences on translation of foreign operations | | 44,051 | (78,320) |
| TOTAL COMPREHENSIVE LOSS FOR THE PERIOD | | (716,319) | (109,880) |

| | | Six months ended 31 January | |
|---|--------------|--|----------------------------|
| | <i>Notes</i> | 2024 S\$ (Unaudited) | 2023 S\$ (Unaudited) |
| LOSS FOR THE PERIOD ATTRIBUTABLE TO: | | | |
| Owners of the Company | | (760,370) | (31,560) |
| TOTAL COMPREHENSIVE LOSS FOR THE PERIOD ATTRIBUTABLE TO: | | | |
| Owners of the Company | | (716,319) | (109,880) |
| LOSS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY | | | |
| Basic and diluted (Singapore cents) | <i>10</i> | (1.056) | (0.044) |

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 January 2024

| | Notes | 31 January 2024 S\$ (Unaudited) | 31 July 2023 S\$ (Audited) |
|--|-------|--|-------------------------------------|
| NON-CURRENT ASSETS | | | |
| Property, plant and equipment | 12 | 48,009 | 69,510 |
| Right-of-use assets | | 71,650 | 252,058 |
| Investment in an associate | | 1,968,234 | 2,002,176 |
| Deferred tax assets | | 443,406 | 443,406 |
| Total non-current assets | | 2,531,299 | 2,767,150 |
| CURRENT ASSETS | | | |
| Trade receivables | 13 | 1,247,621 | 2,020,205 |
| Contract assets | | 516,151 | 720,941 |
| Prepayments, deposits and other receivables | | 433,016 | 406,219 |
| Cash and cash equivalents | | 2,223,527 | 1,559,209 |
| Total current assets | | 4,420,315 | 4,706,574 |
| CURRENT LIABILITIES | | | |
| Other payables and accruals | 14 | 1,394,183 | 2,179,480 |
| Lease liabilities | | 68,430 | 242,524 |
| Bank and other borrowings | | 1,330,184 | 1,144,869 |
| Bonds payable | | 1,029,160 | – |
| Tax payable | | 50,610 | 101,256 |
| Total current liabilities | | 3,872,567 | 3,668,129 |
| NET CURRENT ASSETS | | 547,748 | 1,038,445 |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | 3,079,047 | 3,805,595 |
| NON-CURRENT LIABILITY | | | |
| Lease liabilities | | 12,560 | 22,789 |
| NET ASSETS | | 3,066,487 | 3,782,806 |
| CAPITAL AND RESERVES | | | |
| Share capital | 15 | 626,240 | 626,240 |
| Reserves | | 2,440,247 | 3,156,566 |
| TOTAL EQUITY | | 3,066,487 | 3,782,806 |

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 31 January 2024

| | Attributable to owners of the Company | | | | | Total | Non-controlling interests | Total equity |
|---|---------------------------------------|---------------|----------------|------------------|--------------------|-----------|---------------------------|--------------|
| | Share capital | Share premium | Merger reserve | Exchange reserve | Accumulated losses | | | |
| | S\$ | S\$ | S\$ | S\$ | S\$ | | | |
| 2024 | | | | | | | | |
| At 1 August 2023 (audited) | 626,240 | 16,138,803 | (2,379,552) | (76,963) | (10,525,722) | 3,782,806 | - | 3,782,806 |
| Loss for the period | - | - | - | - | (760,370) | (760,370) | - | (760,370) |
| Other comprehensive loss for the period: | | | | | | | | |
| - Exchange differences on translation of foreign operations | - | - | - | 44,051 | - | 44,051 | - | 44,051 |
| Total comprehensive loss for the period | - | - | - | 44,051 | (760,370) | (716,319) | - | (716,319) |
| At 31 January 2024 (unaudited) | 626,240 | 16,138,803 | (2,379,552) | (32,912) | (11,286,092) | 3,066,487 | - | 3,066,487 |
| 2023 | | | | | | | | |
| At 1 August 2022 (audited) | 626,240 | 16,138,803 | (2,379,552) | (21,332) | (11,090,750) | 3,273,409 | (198) | 3,273,211 |
| Loss for the period | - | - | - | - | (31,560) | (31,560) | - | (31,560) |
| Other comprehensive loss for the period: | | | | | | | | |
| - Exchange differences on translation of foreign operations | - | - | - | (78,320) | - | (78,320) | - | (78,320) |
| Total comprehensive loss for the period | - | - | - | (78,320) | (31,560) | (109,880) | - | (109,880) |
| At 31 January 2023 (unaudited) | 626,240 | 16,138,803 | (2,379,552) | (99,652) | (11,122,310) | 3,163,529 | (198) | 3,163,331 |

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 31 January 2024

| | Six months ended 31 January | |
|--|--|----------------------------|
| | 2024 S\$ (Unaudited) | 2023 S\$ (Unaudited) |
| Net cash (used in)/generated from operating activities | (400,666) | 445,377 |
| Net cash generated from/(used in) investing activities | 1,031,077 | (24,213) |
| Net cash generated from financing activities | 992 | 95,882 |
| Net increase in cash and cash equivalents | 631,403 | 517,046 |
| Cash and cash equivalents at beginning of period | 1,559,209 | 271,146 |
| Effect of foreign exchange rate changes, net | 32,915 | 12,711 |
| Analysis of balance of cash and cash equivalents: | | |
| Cash and bank balance | 2,223,527 | 800,903 |

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 31 January 2024

1. CORPORATE INFORMATION

SingAsia Holdings Limited (the “**Company**”) is an exempted company with limited liability incorporated in the Cayman Islands and its shares are listed on GEM of the Stock Exchange on 15 July 2016. The Company’s registered office address is Windward 3, Regatta Office Park, P.O. Box 1350, Grand Cayman KY1-1108, Cayman Islands. The Company was registered with the Registrar of Companies in Hong Kong as a non-Hong Kong company under Part 16 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) (the “**Companies Ordinance**”) on 22 December 2015 and the principal place of business registered in Hong Kong is Unit 1307A, 13/F, Two Harbourfront, 22 Tak Fung Street, Hunghom, Kowloon, Hong Kong. The head office and principal place of business of the Group is 60 Paya Lebar Road, #12–29 Paya Lebar Square, Singapore 409051.

The Company is an investment holding company. The Group is principally involved in the provision of manpower outsourcing and recruitment services in Singapore.

2. BASIS OF PREPARATION

These unaudited condensed consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“**IFRSs**”), which collective term includes all applicable IFRSs, International Accounting Standards (“**IASs**”) and Interpretations promulgated by the International Accounting Standards Board and the applicable disclosure requirements of the Companies Ordinance. For the purpose of preparation of the consolidated financial statements, information is considered material if such information is reasonably expected to influence decisions made by primary users. These consolidated financial statements also comply with the applicable disclosure provisions of the GEM Listing Rules.

These unaudited condensed consolidated financial statements have been prepared under the historical cost convention. These unaudited condensed consolidated financial statements are presented in Singapore dollars (“**S\$**”), which is the functional currency of the Company, except when otherwise indicated. The unaudited condensed financial statements should be read in conjunction with the audited consolidated financial statement for the year ended 31 July 2023.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group considers the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these unaudited condensed consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of IFRS 2, leasing transactions that are accounting for in accordance with IFRS 16 and measurements that have some similarities to fair value but are not fair value, such as net realisable value in IAS 2 or value in use in IAS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value in its entirety, which are described as follows:

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

The accounting policies and methods of computation used in the preparation of these unaudited condensed consolidated financial statements are consistent with those used in the consolidated financial statements for the year ended 31 July 2023, except for the adoption of the new/revised IFRSs that are relevant to the Group and effective from the current accounting period.

3. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS

During the six months ended 31 January 2024, the Group has adopted all the new and revised IFRSs issued by the International Accounting Standards Board (the “IASB”), which are effective for the Group’s financial period beginning on or after 1 August 2023. The adoption of these new and revised IFRSs did not have any significant effect on the unaudited condensed consolidated financial statements.

4. SEGMENT INFORMATION

Segment Information

Information reported internally to the Group’s management for the purpose of resource allocation and assessment of segment performance focuses on types of goods or services delivered or provided. The Group is principally engaged in provision of manpower outsourcing and recruitment services in Singapore.

Accordingly, the Group does not present separately segment information. No analysis of the Group’s results by type of works nor assets and liabilities is regularly provided to the Group’s management for review. In addition, all of the Group’s revenue is generated in Singapore and the Group’s assets and liabilities are mainly located in Singapore. Accordingly, no business or geographical segment information is presented.

Geographical information

The Group principally operates in Singapore, also the place of domicile. All revenue are derived from Singapore based on the location of services delivered and the Group’s property, plant and equipment are all located in Singapore.

Information about major customers

For the six month ended 31 January 2024, revenue of S\$4,030,000 (2023: S\$3,765,000) was derived from the provision of manpower services to our customers who individually contributed over 10% of the Group’s total revenue.

5. REVENUE

| | Six months ended 31 January | |
|---|-----------------------------|----------------------------|
| | 2024 S\$ (Unaudited) | 2023 S\$ (Unaudited) |
| Revenue from contract with customers | | |
| Manpower outsourcing | 7,472,003 | 10,103,592 |
| Manpower recruitment | 19,020 | 75,269 |
| | 7,491,023 | 10,178,861 |

6. OTHER INCOME

| | Six months ended 31 January | |
|-----------------------------------|-----------------------------|----------------------------|
| | 2024 S\$ (Unaudited) | 2023 S\$ (Unaudited) |
| Government grants (<i>Note</i>) | 36,769 | 103,946 |
| Sundry income | 27,351 | 64,393 |
| Forfeiture income | 17,375 | 17,150 |
| Sale of merchandise | 304 | 82 |
| | 81,799 | 185,571 |

Note: The government grants recognised during the period mainly represent Jobs Growth Incentive and other wage support programs from the Singapore government.

7. FINANCE COSTS

| | Six months ended 31 January | |
|-----------------------------|---|----------------------------|
| | 2024 S\$ (Unaudited) | 2023 S\$ (Unaudited) |
| Interest expense on: | | |
| – bank and other borrowings | 39,006 | 33,173 |
| – lease liabilities | 4,013 | 12,928 |
| – bonds payable | 49,450 | – |
| | 92,469 | 46,101 |

8. LOSS BEFORE TAX

The Group's loss before tax is arrived at after charging/(crediting):

| | Six months ended 31 January | |
|---|---|----------------------------|
| | 2024 S\$ (Unaudited) | 2023 S\$ (Unaudited) |
| Cost of services rendered | 5,767,882 | 7,961,374 |
| Depreciation of property, plant and equipment | 19,584 | 29,031 |
| Depreciation of right-of-use assets | 151,434 | 211,532 |
| Net allowance for expected credit losses in respect of trade receivables, contract assets, deposits and other receivables | (20,234) | 5,993 |
| Employee benefit expenses (excluding directors' remuneration): | | |
| – Salaries and bonuses | 6,251,572 | 8,322,770 |
| – Contributions to defined contribution plans | 344,876 | 395,074 |
| – Foreign Worker Levy | 238,091 | 229,767 |
| – Other short-term benefits | 44,681 | 18,240 |

For the six months ended 31 January 2024, cost of services includes S\$5,290,000 (2023: S\$7,426,000) related to salaries and bonuses, S\$249,000 (2023: S\$300,000) related to contributions to defined contribution plans and S\$215,000 (2023: S\$204,000) related to foreign worker levy, which amounts are also included in the respective total amounts disclosed separately above.

9. INCOME TAX EXPENSE

The Group is subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which entities of the Group are domiciled and operated.

Under the two-tiered profits tax rates regime in Hong Kong, the first HK\$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%.

The Group considered the amount involved upon implementation of the two-tiered profits tax rates regime as insignificant to the consolidated financial statements. Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for the both periods. No Hong Kong Profits Tax has been provided since no assessable profit arose in Hong Kong for the six months ended 31 January 2024 and 2023.

Singapore Corporate Income Tax has been provided at the rate of 17% (2023: 17%) on the chargeable income arising in Singapore during the period after offsetting any tax losses brought forward.

| | Six months ended 31 January | |
|----------------------------|------------------------------------|-------------|
| | 2024 | 2023 |
| | S\$ | S\$ |
| | (Unaudited) | (Unaudited) |
| Tax expense for the period | - | 30,157 |

10. LOSS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

| | Six months ended 31 January | |
|--|------------------------------------|-----------------------|
| | 2024 (Unaudited) | 2023 (Unaudited) |
| Loss attributable to owners of the Company (S\$) | (760,370) | (31,560) |
| Weighted average number of shares in issue | 72,000,000 | 72,000,000 |
| Basic and diluted loss per share (Singapore cents) | (1.056) | (Restated) (0.044) |

For the purpose of calculation of basic loss per share for the six months ended 31 January 2024 and 2023, the weighted average number of ordinary shares has been adjusted to take into effect of the share consolidation which became effective on 6 September 2023.

The diluted loss per share is the same as the basic loss per share as the Group had no potentially dilutive ordinary shares in issue during the six months ended 31 January 2024 and 2023.

11. DIVIDENDS

The Board does not recommend the payment of an interim dividend for the six months ended 31 January 2024 (2023: Nil).

12. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 31 January 2024, the Group acquired assets with aggregate cost of S\$5,000 (2023: S\$24,000).

13. TRADE RECEIVABLES

| | As at 31 January 2024 S\$ (Unaudited) | As at 31 July 2023 S\$ (Audited) |
|--|--|--|
| Third parties | 1,266,072 | 2,074,361 |
| Less: Allowance for expected credit losses | (18,451) | (54,156) |
| | 1,247,621 | 2,020,205 |

Trade receivables are non-interest bearing and are generally on 30-days terms.

An aged analysis of the Group's gross amount of trade receivables as at the date of this report, based on the invoice date, is as follows:

| | As at 31 January 2024 S\$ (Unaudited) | As at 31 July 2023 S\$ (Audited) |
|-------------------|--|--|
| Less than 30 days | 1,237,121 | 1,988,744 |
| 31 to 60 days | 5,594 | 25,017 |
| 61 to 90 days | 12,367 | 11,356 |
| More than 90 days | 10,990 | 49,244 |
| | 1,266,072 | 2,074,361 |

14. OTHER PAYABLES AND ACCRUALS

| | As at 31 January 2024 S\$ (Unaudited) | As at 31 July 2023 S\$ (Audited) |
|--|--|--|
| GST payables | 257,591 | 317,185 |
| Accrued casual labour costs | 379,288 | 627,709 |
| Accrued general staff costs | 375,688 | 210,410 |
| Accrued administrative and other operating expenses | 76,806 | 482,032 |
| Other payables | 304,810 | 542,144 |
| | 1,394,183 | 2,179,480 |

15. SHARE CAPITAL

| | Par value per share | Number of shares | HK\$ | Equivalent to S\$ |
|---|--------------------------------|-----------------------------|-------------|------------------------------|
| Authorised: | | | | |
| At 1 August 2022, 31 July 2023 and 1 August 2023 | 0.002 | 25,000,000,000 | 50,000,000 | |
| Effect of share consolidation <i>(i)</i> | | (24,000,000,000) | - | |
| At 31 January 2024 | 0.05 | 1,000,000,000 | 50,000,000 | |
| Issued and fully paid: | | | | |
| At 1 August 2022, 31 July 2023 and 1 August 2023 | | 1,800,000,000 | 3,600,000 | 626,240 |
| Share consolidation <i>(i)</i> | | (1,728,000,000) | - | - |
| At 31 January 2024 | | 72,000,000 | 3,600,000 | 626,240 |

- (i) Reference is made to the announcements of the Company dated 8 August 2023, 16 August 2023, 1 September 2023 and 6 September 2023 and the circular of the Company dated 16 August 2023. An extraordinary general meeting of the Company was held on 6 September 2023 to approve the share consolidation on the basis of every twenty-five (25) issued and unissued existing ordinary shares of par value of HK\$0.002 each in the share capital of the Company be consolidated into one (1) consolidated share of par value of HK\$0.05 each. The share consolidation became effective on 6 September 2023. As at 31 January 2024, the Company's issued share capital was HK\$3,600,000 (equivalent to approximately S\$626,240) and the number of its ordinary shares was 72,000,000 of HK\$0.05 each.

16. RELATED PARTY TRANSACTIONS AND CONNECTED TRANSACTIONS

- (a) The Group has not entered into any related party transaction during the six months ended 31 January 2024 and 2023.

(b) Compensation of Key Management Personnel

| | Six months ended 31 January | |
|---|---|----------------------------|
| | 2024 S\$ (Unaudited) | 2023 S\$ (Unaudited) |
| Salaries, allowances and benefits in kind | 406,010 | 639,021 |
| Contributions to defined contribution plans | 12,701 | 34,847 |
| | 418,711 | 673,868 |

The remuneration of executive directors and key executives of the Group is determined by having regard to the performance of individuals of the Group and market trends.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

Revenue

The Group's revenue was generated from manpower outsourcing and manpower recruitment services. The Group's revenue decreased from approximately S\$10,179,000 for the six months ended 31 January 2023 to approximately S\$7,491,000 for the six months ended 31 January 2024. The decrease was mainly attributable to decrease in revenue from manpower outsourcing services.

The revenue from manpower outsourcing services decreased by approximately S\$2,632,000 from approximately S\$10,104,000 for the six months ended 31 January 2023 to approximately S\$7,472,000 for the six months ended 31 January 2024. The drop in revenue from manpower outsourcing services was mainly attributable to a decrease in customer demand, particularly in the hotel and resort sector.

Gross profit

The Group's overall gross profit decreased by approximately S\$494,000 from approximately S\$2,217,000 for the six months ended 31 January 2023 to approximately S\$1,723,000 for the six months ended 31 January 2024, which is in line with decrease in revenue.

Other income

Other income decreased by approximately S\$104,000 from approximately S\$186,000 for the six months ended 31 January 2023 to approximately S\$82,000 for the six months ended 31 January 2024. It was mainly due to lower grants from other wage support programs received during the six months ended 31 January 2024.

Administrative expenses

Administrative expenses increased by approximately S\$168,000 from approximately S\$2,221,000 for the six months ended 31 January 2023 to approximately S\$2,389,000 for the six months ended 31 January 2024. It was mainly due to the expenses incurred in improving the operational processes and the professional fee for Rights Issue during the six months ended 31 January 2024.

Operating expenses

Other operating expenses decreased by approximately S\$29,000 for the six months ended 31 January 2024. The slightly decrease was mainly due to the drop in business development expenses.

Loss for the period

Due to the combined effect of the aforesaid factors, the Group recorded a loss of approximately S\$760,000 for the six months ended 31 January 2024.

Employee information

As at 31 January 2024, the Group had an aggregate of 96 employees (2023: 142), comprising of 2 executive Director (2023: 2). Our employees are remunerated according to their job scope and responsibilities. The Group offered attractive remuneration package in order to attract and retain high quality staff. Our employees are also entitled to discretionary bonus depending on their respective performance. Our foreign workers are employed on contractual basis and are remunerated according to their work skills.

Liquidity and financial resources

As at 31 January 2024, the Group had cash and cash equivalents of approximately S\$2,224,000 (31 July 2023: approximately S\$1,559,000) which were placed with major banks in Singapore. For the six months ended 31 January 2024, cash and cash equivalents increased by approximately S\$665,000 or 42.66% as compared to the balance as at 31 July 2023. The increase was mainly due to the proceeds from the issuance of unsecured bonds by the Group.

Capital Structure

Reference is made to the announcements of the Company dated 8 August 2023, 16 August 2023, 1 September 2023 and 6 September 2023 and the circular of the Company dated 16 August 2023.

An extraordinary general meeting of the Company was held on 6 September 2023 to approve the share consolidation on the basis of every twenty-five (25) issued and unissued existing ordinary shares of par value of HK\$0.002 each in the share capital of the Company be consolidated into one (1) consolidated share of par value of HK\$0.05 each. The share consolidation became effective on 6 September 2023.

As at 31 January 2024, the Company's issued share capital was HK\$3,600,000 (equivalent to approximately S\$626,240) and the number of its ordinary shares was 72,000,000 of HK\$0.05 each.

Exposure to foreign exchange

The Group mainly operates in the Singapore with the majority of its transactions denominated and settled in Singapore dollars, which is the functional currency of the majority of the Group's operating subsidiaries. However, the Group incurred some expenses denominated in Hong Kong dollars and United States dollars for its overseas entities. Currently, the Group does not have a foreign currency hedging policy. However, the Group will continue to monitor its foreign exchange exposure and will consider hedging significant foreign currency risk should the need arise.

Charges on assets

As at 31 January 2024, the Group's factoring facilities were secured over trade receivables of the Group of approximately S\$630,000 (31 July 2023: approximately S\$1,394,000) and corporate guarantee by the Company.

Bonds

On 10 August 2023, the Company entered into a bond agreement with a company incorporated in Hong Kong which is independent to the Group with principal amount of HK\$6,000,000 (equivalent to approximately S\$1,029,000). The Bonds bear interest rates at 10% per annum and due on 9 August 2024.

Contingent liabilities

As at 31 January 2024, the Group did not have any significant contingent liabilities (31 July 2023: Nil).

BUSINESS REVIEW AND OUTLOOK

The Group is an established workforce solutions provider for companies and organisations looking to streamline their operations in the hotel and resort, retail, food and beverage (“**F&B**”) sectors and other sectors (including event organisers, facility management and various industries).

The Group’s revenue dropped from approximately S\$10,179,000 for the six months ended 31 January 2023 to approximately S\$7,491,000 for the six months ended 31 January 2024. The primary reason for the decline was the decrease in revenue from manpower outsourcing services, which was caused by a decrease in customer demand.

Looking ahead, the Group will continue to deepen its relationships with existing customers and seek new business opportunities with new customers. The Group will also proactively seek opportunities to expand our market share and implement new business strategies to remain competitive in the market to enhance value to our shareholders.

CORPORATE GOVERNANCE AND OTHER INFORMATION

DIRECTORS’ AND CHIEF EXECUTIVE’S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ITS ASSOCIATED CORPORATIONS

As at 31 January 2024, none of the Directors nor chief executives of the Company has registered the interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the “**SFO**”), which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or which were recorded in the register required to be kept by the Company pursuant to section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the required standards of dealings by directors referred to in Rule 5.48 to Rule 5.67 of the GEM Listing Rules.

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 31 January 2024, the following interests, deemed interests or short positions of 5% or more of the issued share capital and share options of the Company were recorded in the register of interests required to be kept by the Company pursuant to section 336 of the SFO, or to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO:

Long positions in the Shares and Underlying Shares

| Name | Number of shares held, capacity and nature of interest | | | Total | Approximate percentage of the issued share capital |
|------------------------------|---|--------------------------------------|--|-----------|---|
| | Directly beneficially owned | Through controlled corporation | | | |
| Irregular Consulting Limited | 9,146,600 <i>(Note 1)</i> | – | | 9,146,600 | 12.70% |
| Wee Yu-Chih | – | 9,146,600 <i>(Note 1)</i> | | 9,146,600 | 12.70% |

Note:

1. Irregular Consulting Limited is beneficially wholly-owned by Wee Yu-Chih. Under the SFO, Wee Yu-Chih is deemed to be interested in all the shares of the Company held by Irregular Consulting Limited.

Save as disclosed above, as at 31 January 2024, the Directors are not aware of any other person had registered an interest or short position in the shares or underlying shares of the Company that was required to be recorded pursuant to section 336 of the SFO, or to be disclosed under provisions of Divisions 2 and 3 of Part XV of the SFO.

COMPETING INTERESTS

The Directors are not aware of any business or interest of the Directors nor the controlling Shareholders of the Company nor any of their respective close associates (as defined under the GEM Listing Rules) that competed or may compete, either directly or indirectly, with the business of the Group, or of any other conflicts of interest which any such person has or may have with the Group during the six months ended 31 January 2024.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the six months ended 31 January 2024.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the code of conduct regarding securities transactions by the Directors on terms no less exacting than the required standard of dealings as set out in Rules 5.46 to 5.67 of the GEM Listing Rules (the "**Required Standard of Dealings**"). The Company had made specific enquiries with all the Directors and all of them had confirmed their compliance with the Required Standard of Dealings during the six months ended 31 January 2024.

CORPORATE GOVERNANCE CODE

During the six months ended 31 January 2024, the Company had complied with the principles and code provisions in the Corporate Governance Code (the "**CG Code**") as set out in Appendix C1 to the GEM Listing Rules except the followings:

Code Provision C.2.1 of the CG Code states that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Mr. Lam Chun Yip ("**Mr. Lam**") is the chairman of the Board (the "**Chairman**") and the chief executive officer of the Company (the "**CEO**"). Mr. Lam is also the executive Director who is primarily responsible for providing leadership to the Board, directing the Group's business development strategies and supervising the overall operation of the Group. The Board believes that with the support of the management and the Board, vesting the roles of both the Chairman and the CEO in Mr. Lam, who has extensive experience in system technology, specializing in management, financial R&D and human resources management, can facilitate the execution of the Group's business strategies and enhance operational effectiveness and efficiency. In addition, the Board is also supervised by sufficient independent non-executive Directors. The Board considers that the present structure adequately ensures the balance of power and authority between the Board and the management of the Group, as the Board assumes collective responsibility on the decision-making process of the Company's business strategies and operation. Accordingly, the Company has not segregated the roles of the Chairman and the CEO as required by Code Provision C.2.1 of the CG Code.

Reference is made to the announcement of the Company dated 8 December 2023. Mr. Jong Voon Hoo (“**Mr. Jong**”) retired as an independent non-executive Director after the conclusion of the annual general meeting of the Company held on 8 December 2023 (the “**AGM**”) and did not offer himself for re-election at the AGM due to his other commitments. Accordingly, Mr. Jong ceased to act as the chairman of the audit committee of the Company (the “**Audit Committee**”) and a member of each of the remuneration committee of the Company (the “**Remuneration Committee**”) and the nomination committee of the Company (the “**Nomination Committee**”) at the conclusion of the AGM (collectively, the “**Retirement**”).

Following the Retirement, the Company failed to meet the following requirements that:

- (i) a listed issuer shall have at least three independent non-executive directors, and at least one of them shall possess appropriate professional qualifications or accounting or related financial management expertise pursuant to the requirement under the Rules 5.05(1) and 5.05 (2) of the GEM Listing Rules; and
- (ii) the audit committee of a listed issuer shall have at least three members, at least one of whom shall be an independent non-executive director with appropriate professional qualifications or accounting or related financial management expertise, and must be chaired by an independent non-executive director pursuant to the requirement under the Rule 5.28 of the GEM Listing Rules.

Reference is made to the announcement of the Company dated 8 March 2024. Mr. Chou Chiu Ho has been appointed as an independent non-executive Director, the chairman of the Audit Committee and a member of each of the Remuneration Committee and the Nomination Committee with effect from 8 March 2024 (collectively, the “**Appointment**”). Following the Appointment, the Company has re-complied with Rules 5.05(1), 5.05(2) and 5.28 of the GEM Listing Rules.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

Save for disclosed elsewhere in this interim result, no transaction, arrangement or contract of significance to which the Company, or any of its subsidiaries was a party, and in which a Director had a material interest, whether directly or indirectly, subsisted at any time during or at the end of the six months ended 31 January 2024.

SHARE OPTION SCHEME

A share option scheme (the "**Share Option Scheme**") was adopted at its extraordinary general meeting on 14 June 2018. No share option was granted, lapsed, exercised or cancelled by the Company under the Share Option Scheme during the six months ended 31 January 2024 and there was no outstanding share option as at the date of this report.

DIVIDENDS

The Board does not recommend the payment of an interim dividend for the six months ended 31 January 2024.

EVENTS AFTER THE REPORTING PERIOD

Reference is made to the circular of the Company dated 30 January 2024 and the announcement of the Company dated 29 February 2024. The Company proposed, subject to the passing of the necessary resolutions at the relevant extraordinary general meeting of the Company to be convened, to raise gross proceeds of approximately HK\$14.4 million before expenses (assuming full subscription under the rights issue) by way of a rights issue of up to 144,000,000 rights shares (the "**Rights Share(s)**") (assuming no change in the number of Shares in issue on or before the Record Date) at the subscription price of HK\$0.10 per Rights Share on the basis of two (2) Rights Shares for every one (1) existing shares held by the qualifying shareholders of the Company at the close of business on the record date (collectively, the "**Rights Issue**"). Besides the Rights Issue, the Board proposed to change the board lot size of the shares of the Company (the "**Shares**") for trading on the Stock Exchange from 5,000 Shares to 20,000 Shares upon the Rights Issue becoming effective.

Save as disclosed, there was no significant event after the six months ended 31 January 2024 and up to the date of this report.

AUDIT COMMITTEE

The Group established the Audit Committee on 20 June 2016 with written terms of reference in compliance with Rule 5.28 to 5.33 of the GEM Listing Rules and Code Provision D.3.3 of the CG Code. The Audit Committee consists of three independent non-executive Directors, namely Mr. Chou Chiu Ho, Mr. Chai Ming Hui and Mr. Lin Jian Feng. Mr. Chou Chiu Ho, who has appropriate professional qualifications, serves as the chairman of the Audit Committee.

The primary duties of the Audit Committee are, among others, to assist the Board in providing an independent view of the effectiveness of the Group's financial reporting system, risk management and internal control systems, to oversee the audit process, to review the Group's financial reports and to perform other duties and responsibilities as assigned by the Board.

The Audit Committee has reviewed the unaudited condensed consolidated results of the Group for the six months ended 31 January 2024 and has provided advice and comments thereon.

By order of the Board
SingAsia Holdings Limited
Xie Feng
Executive Director

Hong Kong, 22 March 2024

As at the date of this report, the executive Directors are Mr. Lam Chun Yip and Mr. Xie Feng; and the independent non-executive Directors are Mr. Chou Chiu Ho, Mr. Chai Ming Hui and Mr. Lin Jian Feng.

This report will remain on the "Latest Listed Company Information" page of the website of the Stock Exchange at www.hkexnews.hk for at least seven days from the day of its publication. This report will also be published on the Company's website at www.singasia.com.sg.