



J LOGO HOLDINGS LIMITED

聚利寶控股有限公司

*(incorporated in the Cayman Islands with limited liability)*

Stock Code: 8527



INTERIM REPORT 2022



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## CORPORATE INFORMATION

### BOARD OF DIRECTORS

#### Executive Directors

Ms. LOW Yeun Ching @Kelly Tan  
*(Chairlady and Chief Executive Officer)*  
Mr. Sean LOW Yew Hong (Sean Liu Yaoxiong)  
Mr. CHIU Ka Wai  
Mr. Wu Guangliang

#### Independent Non-executive Directors

Mr. LU King Seng  
Mr. John Chi Chung MAN  
Mr. CHAN Pak Hung

### AUDIT COMMITTEE

Mr. LU King Seng *(Chairman)*  
Mr. John Chi Chung MAN  
Mr. CHAN Pak Hung

### REMUNERATION COMMITTEE

Mr. CHAN Pak Hung *(Chairman)*  
Ms. LOW Yeun Ching @Kelly Tan  
Mr. John Chi Chung MAN

### NOMINATION COMMITTEE

Ms. LOW Yeun Ching @Kelly Tan *(Chairlady)*  
Mr. John Chi Chung MAN  
Mr. CHAN Pak Hung

### COMPLIANCE OFFICER

Ms. LOW Yeun Ching @Kelly Tan

### COMPANY SECRETARY

Mr. CHAN Tai Wah Calvin

### AUTHORISED REPRESENTATIVES

Ms. LOW Yeun Ching @Kelly Tan *(Chairlady)*  
Mr. CHAN Tai Wah Calvin

### AUDITOR

Ernst & Young LLP, Singapore  
*Public Accountants and Chartered Accountants,*  
*Singapore*  
One Raffles Quay  
North Tower #18-01  
Singapore 048583

### PRINCIPAL BANKS

DBS Bank Limited  
12 Marina Boulevard  
Marina Bay Financial Centre Tower 3  
Singapore 018982

Malayan Banking Berhad  
Level 14, Menara Maybank  
100 Jalan Tun Perak  
50050 Kuala Lumpur  
Malaysia



## **HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE**

Tricor Investor Services Limited  
Level 54, Hopewell Centre  
183 Queen's Road East  
Hong Kong

17/F, Far East Finance Centre  
16 Harcourt Road  
Hong Kong  
(with effect from 15 August 2022)

## **PRINCIPAL PLACE OF BUSINESS AND HEADQUARTERS IN SINGAPORE**

124 Lorong 23 Geylang  
#10-01 and #10-02 Arcsphere  
Singapore 388405

## **REGISTERED OFFICE IN THE CAYMAN ISLANDS**

PO Box 1350  
Windward 3  
Regatta Office Park  
Grand Cayman KY1-1108  
Cayman Islands

## **PRINCIPAL PLACE OF BUSINESS IN HONG KONG UNDER PART 16 OF THE COMPANIES ORDINANCE (CAP. 622)**

Room 3705, 37/F  
Hong Kong Plaza  
188 Connaught Road West  
Hong Kong

## **STOCK CODE**

8527

## **COMPANY'S WEBSITE ADDRESS**

[www.jlogoholdings.com](http://www.jlogoholdings.com)



## INTERIM RESULTS

The board (the “**Board**”) of Directors of the Company is pleased to report the unaudited condensed consolidated financial results of the Company and its subsidiaries (collectively, the “**Group**”) for the six months ended 30 June 2022 with comparative unaudited figures for the corresponding period in 2021 as follows.

## UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the three months and six months ended 30 June 2022

	Notes	For the three months ended 30 June		For the six months ended 30 June	
		2022 S\$'000 (Unaudited)	2021 S\$'000 (Unaudited)	2022 S\$'000 (Unaudited)	2021 S\$'000 (Unaudited)
<b>Revenue</b>	3	<b>4,532</b>	2,800	<b>8,458</b>	6,918
Cost of inventories sold and consumed		<b>(1,239)</b>	(761)	<b>(2,306)</b>	(1,770)
<b>Gross profit</b>		<b>3,293</b>	2,039	<b>6,152</b>	5,148
Other income and gains, net	3	<b>138</b>	472	<b>281</b>	944
Employee benefits expense		<b>(1,588)</b>	(1,454)	<b>(3,152)</b>	(2,964)
Depreciation of property, plant and equipment		<b>(189)</b>	(203)	<b>(374)</b>	(429)
Depreciation of right-of-use assets		<b>(729)</b>	(1,029)	<b>(1,433)</b>	(2,038)
Amortisation of an intangible asset		–	(12)	–	(24)
Utility expenses		<b>(246)</b>	(207)	<b>(469)</b>	(428)
Marketing and advertising expenses		<b>(4)</b>	(34)	<b>(8)</b>	(35)
Other expenses		<b>(768)</b>	(533)	<b>(1,461)</b>	(1,463)
Finance costs		<b>(110)</b>	(141)	<b>(218)</b>	(257)
<b>LOSS BEFORE TAX</b>	5	<b>(203)</b>	(1,102)	<b>(682)</b>	(1,546)
Income tax expense	6	<b>(5)</b>	(9)	<b>(10)</b>	(17)
<b>LOSS FOR THE PERIOD</b> (Attributable to owners of the Company)		<b>(208)</b>	(1,111)	<b>(692)</b>	(1,563)
<b>OTHER COMPREHENSIVE INCOME</b>					
Other comprehensive income that may reclassified to profit or loss in subsequent periods:					
Exchange differences on translation of foreign operations		<b>(18)</b>	–	<b>(17)</b>	36
<b>OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX</b>		<b>(18)</b>	–	<b>(17)</b>	36
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b> (Attributable to owners of the Company)		<b>(226)</b>	(1,111)	<b>(709)</b>	(1,527)
<b>LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT</b>	8				
– Basic (S\$ cents)		<b>(0.04)</b>	(0.22)	<b>(0.14)</b>	(0.31)
– Diluted (S\$ cents)		<b>N/A</b>	N/A	<b>N/A</b>	N/A



# UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

As at 30 June 2022

		30 June 2022 S\$'000 (Unaudited)	31 December 2021 S\$'000 (Audited)
	Notes		
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	9	2,949	3,361
Right-of-use assets		2,948	4,224
Other receivables	10	467	470
Prepayment for purchases of items of property, plant and equipment		400	400
<b>Total non-current assets</b>		<b>6,764</b>	<b>8,455</b>
<b>CURRENT ASSETS</b>			
Inventories		295	325
Trade and other receivables	10	1,165	1,123
Prepayments		80	64
Pledged deposits		324	1,518
Cash and cash equivalents		2,767	3,068
<b>Total current assets</b>		<b>4,631</b>	<b>6,098</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	11	3,094	3,768
Due to a Director of the Company		46	–
Interest-bearing bank and other borrowings	12	476	470
Lease liabilities	12	1,885	2,873
Tax payable		7	7
<b>Total current liabilities</b>		<b>5,508</b>	<b>7,118</b>
<b>NET CURRENT LIABILITIES</b>		<b>(877)</b>	<b>(1,020)</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>5,887</b>	<b>7,435</b>
<b>NON-CURRENT LIABILITIES</b>			
Other payables	11	48	65
Interest-bearing bank and other borrowings	12	2,026	2,263
Lease liabilities	12	1,238	1,823
<b>Total non-current liabilities</b>		<b>3,312</b>	<b>4,151</b>
<b>Net assets</b>		<b>2,575</b>	<b>3,284</b>
<b>EQUITY</b>			
Share capital	13	869	869
Share Premium		13,311	13,311
Reserves		(11,605)	(10,896)
<b>Total equity</b>		<b>2,575</b>	<b>3,284</b>





## UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

For the six months ended 30 June 2022

	Share capital S\$'000	Share premium S\$'000	Merger reserve S\$'000	Exchange fluctuation reserve S\$'000	Accumulated losses S\$'000	Total S\$'000
<b>At 1 January 2022 (audited)</b>	869	13,311	1,735	40	(12,671)	3,284
Loss for the period	-	-	-	-	(692)	(692)
Other comprehensive loss for the period:						
Exchange differences on translation of foreign operations	-	-	-	(17)	-	(17)
Total comprehensive loss for the period	-	-	-	(17)	(692)	(709)
<b>At 30 June 2022 (unaudited)</b>	869	13,311	1,735	23	(13,363)	2,575
<b>At 1 January 2021 (audited)</b>	869	13,311	1,735	3	(9,852)	6,066
Loss for the period	-	-	-	-	(1,563)	(1,563)
Other comprehensive loss for the period:						
Exchange differences on translation of foreign operations	-	-	-	36	-	36
Total comprehensive loss for the period	-	-	-	36	(1,563)	(1,527)
<b>At 30 June 2021 (unaudited)</b>	869	13,311	1,735	39	(11,415)	4,539





## UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

For the six months ended 30 June 2022

	For the six months ended 30 June	
	2022 S\$'000 (Unaudited)	2021 S\$'000 (Unaudited)
Net cash flows generated from/(used in) operating activities	667	(507)
Net cash flows generated from investing activities	1,172	1,594
Net cash flows used in financing activities	(2,140)	(2,206)
<b>Net decrease in cash and cash equivalents</b>	<b>(301)</b>	<b>(1,119)</b>
Cash and cash equivalents at beginning of the period	3,068	4,649
<b>Cash and cash equivalents at end of the period</b>	<b>2,767</b>	<b>3,530</b>



# NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2022

## 1. GENERAL INFORMATION

The Company is an exempted company with limited liability incorporated in the Cayman Islands on 22 May 2017. The registered office of the Company is situated at PO Box 1350, Windward 3, Regatta Office Park, Grand Cayman KY1-1108, Cayman Islands. The principal place of business in Hong Kong under Part 16 of the Companies Ordinance (Cap. 622 of the Laws of Hong Kong) is at Room 901, 9 Floor, Prosperity Tower, 39 Queen's Road Central, Central, Hong Kong.

The Company's shares were listed on GEM of the Stock Exchange on 9 May 2018.

The Company is an investment holding company. The Company's subsidiaries are principally engaged in the business of:

- (1) dining operations in Singapore; and
- (2) artisanal bakery chain in Malaysia.

## 2. BASIS OF PREPARATION

The unaudited condensed consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRSs"), which include all International Financial Reporting Standards, International Accounting Standards ("IASs") and interpretations issued by the International Accounting Standards Board (the "IASB"), and the disclosure requirements of accounting principles generally accepted in Hong Kong and the Hong Kong Companies Ordinance.

The unaudited condensed consolidated financial statements have been prepared under the historical cost convention. The unaudited condensed consolidated financial statements are presented in Singapore dollar ("SGD" or "S\$") and all values in the tables are rounded to the nearest thousand ("S\$'000"), except when otherwise indicated.

The basis of preparation and accounting policies adopted in the preparation of the unaudited condensed consolidated financial statements for the six months ended 30 June 2022 are consistent with those adopted in the preparation of the of the Group's consolidated financial statements for the year ended 31 December 2021 included in the 2021 Annual Report.

The Group has not adopted the new and revised IFRSs, which have been issued but are not yet effective.



## Basis of consolidation

The unaudited condensed consolidated financial statements include the financial statements of the Company and its subsidiaries (collectively referred to as the “**Group**”) for the six months ended 30 June 2022. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

When the Company has, directly or indirectly, less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- (a) the contractual arrangement with the other vote holders of the investee;
- (b) rights arising from other contractual arrangements; and
- (c) the Group’s voting rights and potential voting rights.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group. All intra-group income and expenses relating to transactions between members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises (i) the assets (including goodwill) and liabilities of the subsidiary, (ii) the carrying amount of any non-controlling interest and (iii) the cumulative translation differences recorded in equity; and recognises (i) the fair value of the consideration received, (ii) the fair value of any investment retained and (iii) any resulting surplus or deficit in profit or loss. The Group’s share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, or the same basis as would be required if the Group had directly disposed of the related assets or liabilities.



### 3. REVENUE, AND OTHER INCOME AND GAINS

Revenue represents the amounts received and receivable from the Group's operation and management of restaurants and bakery retail outlets, net of discounts. An analysis of the Group's revenue, other income and gains is as follows:

	Three months ended		Six months ended	
	30 June		30 June	
	2022	2021	2022	2021
	S\$'000	S\$'000	S\$'000	S\$'000
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
<b>Revenue</b>				
Dining operations	3,518	2,089	6,551	5,494
Artisanal bakery:				
– sale of bread and flour confectionery products	1,011	708	1,900	1,417
– franchise and royalty fee income	3	3	7	7
	<b>4,532</b>	<b>2,800</b>	<b>8,458</b>	<b>6,918</b>
<b>Other income and gains</b>				
Government grants*	144	335	277	732
COVID-19 related rent concessions from lessors	–	121	–	192
Interest income	–	1	1	1
Others	(6)	15	3	19
	<b>138</b>	<b>472</b>	<b>281</b>	<b>944</b>

\* The amount mainly represents rewards or subsidies under the Job Support Scheme and Wage Subsidy Program which were received from the Singapore and Malaysia governments.



## 4. SEGMENT REVENUE AND RESULTS

Our management monitors the operating results of the Group's business units separately for the purpose of making decisions about resource allocation and performance assessment.

For management purposes, the Group is organised into business units based on their products and services, and has two reportable segments as follows:

- i. The dining operations segment relates to the operations and management of restaurants; and
- ii. The artisanal bakery segment relates to the retail outlets specialising in the sale of bread and flour confectionery products.

### For the six months ended 30 June 2022

	Dining operations S\$'000	Artisanal Bakery S\$'000	Eliminated S\$'000	Total S\$'000 (Unaudited)
<b>Segment revenue</b>				
Revenue from external customers	6,551	1,907	–	8,458
Inter-segment sales	76	–	(76)	–
<b>Total</b>	<b>6,627</b>	<b>1,907</b>	<b>(76)</b>	<b>8,458</b>
<b>Segment results</b>	<b>(66)</b>	<b>25</b>	<b>–</b>	<b>(41)</b>
Unallocated employee benefits expense				(497)
Unallocated other expenses				(144)
<b>Loss before taxation</b>				<b>(682)</b>

### For the six months ended 30 June 2021

	Dining operations S\$'000	Artisanal Bakery S\$'000	Eliminated S\$'000	Total S\$'000 (Unaudited)
<b>Segment revenue</b>				
Revenue from external customers	5,495	1,423	–	6,918
Inter-segment sales	83	–	(83)	–
<b>Total</b>	<b>5,578</b>	<b>1,423</b>	<b>(83)</b>	<b>6,918</b>
<b>Segment results</b>	<b>(570)</b>	<b>(148)</b>	<b>–</b>	<b>(718)</b>
Unallocated employee benefits expense				(481)
Unallocated other expenses				(347)
<b>Loss before taxation</b>				<b>(1,546)</b>



## 5. LOSS BEFORE TAX

The Group's loss before tax is arrived at after charging:

	For the three months ended 30 June		For the six months ended 30 June	
	2022 S\$'000 (Unaudited)	2021 S\$'000 (Unaudited)	2022 S\$'000 (Unaudited)	2021 S\$'000 (Unaudited)
Depreciation of property, plant and equipment	189	203	374	429
Depreciation of right-of-use assets	729	1,029	1,433	2,038
Amortisation of intangible assets	–	12	–	24
Rentals and related expenses	44	34	146	91
Fixed assets written off	59	–	59	–
Staff costs (excluding directors' and chief executive's remuneration)	1,421	1,299	2,798	2,659

## 6. 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 members of the Group are domiciled and operate.

Pursuant to the rules and regulations of the Cayman Islands, the Company is not subject to any income tax in the Cayman Islands.

Subsidiaries in Singapore and Malaysia are subject to taxation at rates of 17% and 24% on the estimated profits arising in Singapore and Malaysia, respectively for the six months ended 30 June 2022 and 2021.

	Three months ended 30 June		Six months ended 30 June	
	2022 S\$'000 (Unaudited)	2021 S\$'000 (Unaudited)	2022 S\$'000 (Unaudited)	2021 S\$'000 (Unaudited)
Current income tax	(5)	(9)	(10)	(17)
Tax expense for the period	(5)	(9)	(10)	(17)



## 7. DIVIDENDS

The Board did not recommend the payment of any interim dividend for the six months ended 30 June 2022 (six months ended 30 June 2021: Nil).

## 8. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of basic loss per share is based on the following data:

	Three months ended 30 June		Six months ended 30 June	
	2022 S\$'000 (Unaudited)	2021 S\$'000 (Unaudited)	2022 S\$'000 (Unaudited)	2021 S\$'000 (Unaudited)
<b>Loss for the period</b>	<b>(208)</b>	(1,111)	<b>(692)</b>	(1,563)
Weighted average number of ordinary Shares ('000)	<b>500,000</b>	500,000	<b>500,000</b>	500,000

Basic loss per share for the six months ended 30 June 2022 is S\$(0.14) cents (six months ended 30 June 2021: S\$(0.31)).

The Group had no potentially dilutive ordinary share in issue for the six months ended 30 June 2022 and 2021.

## 9. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2022, the Group acquired computer and equipment of approximately S\$31,000 (six months ended 30 June 2021: S\$8,000).





## 10. TRADE AND OTHER RECEIVABLES

	As at 30 June 2022 S\$'000 (Unaudited)	As at 31 December 2021 S\$'000 (Audited)
Trade receivables, net	39	81
Refundable deposits, net	1,312	1,326
Government grant receivables	66	53
Other receivables	215	133
	<b>1,632</b>	1,593
Less: Refundable deposits classified as non-current assets	<b>(467)</b>	(470)
Trade and other receivables – current portion	<b>1,165</b>	1,123

The Group's trading terms with its customers are mainly on cash and credit card settlement. The credit term to franchisees is generally on 14 to 30 days. In view of the fact that the Group's trade receivables relate to credit card receivables from banks and franchisees, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest bearing.

An ageing analysis of the trade receivables as at the end of the reporting period, based on the invoice date and net of loss allowance, is as follows:

	As at 30 June 2022 S\$'000 (Unaudited)	As at 31 December 2021 S\$'000 (Audited)
Less than 30 days	39	81
	<b>39</b>	81

The movements in the loss allowance for impairment of trade receivables are as follows:

	As at 30 June 2022 S\$'000 (Unaudited)	As at 31 December 2021 S\$'000 (Audited)
At beginning of period	–	138
Expected credit losses		
– Lifetime	–	(138)
– Credit-impaired	–	–
At end of period	–	–

An impairment analysis is performed at each reporting date using the general approach to measure expected credit losses. The Group assesses whether credit risk on the trade receivable has increased significantly since initial recognition. The Group considers trade receivables in default when contractual payments are 90 days past due.

Refundable deposits mainly represent rental deposits and deposits with suppliers. As at 30 June 2022 and 31 December 2021, the loss allowance is assessed as follows:

	As at 30 June 2022 S\$'000 (Unaudited)	As at 31 December 2021 S\$'000 (Audited)
Refundable deposits	1,325	1,339
Impairment	(13)	(13)
Refundable deposits, net	1,312	1,326



## 11. TRADE AND OTHER PAYABLES

	As at 30 June 2022 S\$'000 (Unaudited)	As at 31 December 2021 S\$'000 (Audited)
Trade payables	902	884
Other payables	1,018	1,534
Accrued expenses	911	1,125
Deferred revenue	–	3
Provision for unutilised leave	56	56
Provision for reinstatement costs	161	179
Goods and service tax ("GST") payables	94	52
	<b>3,142</b>	3,833
Less: Other payables classified as non-current liabilities	<b>(48)</b>	(65)
	<b>3,094</b>	3,768

Trade and other payables are normally settled on 60 days' terms. These amounts are non-interest bearing.

An aged analysis of the trade payables as at the end of the reporting period based on the invoice date, is as follows:

	As at 30 June 2022 S\$'000 (Unaudited)	As at 31 December 2021 S\$'000 (Audited)
Less than 30 days	416	484
30–60 days	355	300
61–90 days	95	82
More than 90 days	36	18
	<b>902</b>	884



## 12. INTEREST BEARING BANK AND OTHER BORROWINGS

	30 June 2022		31 December 2021	
	Maturity	S\$'000 (Unaudited)	Maturity	S\$'000 (Audited)
<b>Current</b>				
Bank loan I (note (a))	2023	31	2022	32
Bank loan II (note (b))	2023	19	2022	19
Bank loan III (note (c))	2023	123	2022	121
Bank loan IV	2023	182	2022	179
Bank loan V	2023	121	2022	119
Bank borrowings		476		470
Lease liabilities	2023	1,885	2022	2,873
		2,361		3,343
<b>Non-current</b>				
Bank loan I (note (a))	2044	888	2044	903
Bank loan II (note (b))	2026	62	2026	68
Bank loan III	2025	277	2025	340
Bank loan IV	2025	479	2025	571
Bank loan V	2025	320	2025	381
Bank borrowings		2,026		2,263
Lease liabilities	2024	1,238	2023	1,823
		3,264		4,086
Total		5,625		7,429

	30 June	31 December
	2022	2021
	S\$'000	S\$'000
	(Unaudited)	(Audited)
Analysed into:		
Within one year	2,361	3,343
In the second year	1,613	1,795
In the third to fifth year	764	1,388
Over five years	887	903
	5,625	7,429



Notes:

(a) Singapore dollar (“S\$”) term loan I

On 4 September 2019, the Group entered into a bank loan to finance the acquisition of a property. The bank loan is secured by way of corporate guarantee by the Group and mortgage over the property. This loan bears interest rate at 2.00%–3.00% above the one-month SIBOR rate.

(b) Singapore Dollar (“S\$”) bank loan II

This loan is secured by a charge over a motor vehicle. The discount rate implicit in the loan is 5.14% for the period ended 30 June 2022 (2021: 5.14%).

(c) Singapore dollar (“S\$”) term loan III

The loan is secured by way of corporate guarantee by the Group. The discount rate implicit in the loan is 3% for the period ended 30 June 2022 (2021: 3%). The loan is secured by the fixed deposit of S\$200,000 pledged to the bank.

(d) Singapore dollar (“S\$”) bank loan IV & V

The loan is secured by way of corporate guarantee by the Group and a personal guarantee by the Director. The discount rate implicit in the loan is 3% for the period ended 30 June 2022 (2021: 3%).

### 13. SHARE CAPITAL

The Company was incorporated in the Cayman Islands as an exempted company with limited liability on 22 May 2017 with an authorised share capital of HK\$100,000,000 shares of HK\$0.01 each. On the date of incorporation, 1 share of nominal value of HK\$0.01 was allotted and issued to Ms. Low. Upon completion of the Reorganisation on 11 August 2017, the Company became the holding company of the Group. As at 30 June 2022, there were 500,000,000 ordinary shares in issue. During the reporting period, there was no new shares issued by the Company.

	As at 30 June 2022 S\$’000 (Unaudited)	As at 31 December 2021 S\$’000 (Audited)
Issued and fully paid: 500,000,000 ordinary shares	869	869

### 14. WRIT OF SUMMONS

The Company was served with a writ of summons dated 23 February 2021 issued from the Supreme Court of Singapore by View Advance Limited against the Company and Ms. Low Yeun Ching@Kelly Tan (“**Ms. Low**”), the chairlady of the Board and the executive Director, claiming for a total sum of S\$9,073,811 (the “**Claim**”). On 4 April 2022, the Company has received an order of court dated 28 March 2022 issued from the Singapore Court that (i) the Claim be struck out in its entirety; and (ii) View Advance Limited (as the plaintiff) is to pay the Company and Ms. Low (as the defendants) costs for the application and defending the Claim. For details, please refer to the announcements of the Company dated 15 March 2021, 1 November 2021 and 6 April 2022.



# MANAGEMENT DISCUSSION AND ANALYSIS

## BUSINESS REVIEW

We are a food and beverage group which owns and operates award-winning restaurants in Singapore under different brands and owns one of the largest artisanal bakery chains in Malaysia in terms of revenue and the number of bakery retail outlets in Malaysia. We operate our dining operations in Singapore under two self-owned brands and one franchised brand. Our “Central Hong Kong Café” brand is primarily focused on offering a casual and authentic Cha Chaan Teng experience in a full service environment while our “Black Society” brand offers Chinese cuisines with a contemporary twist in a full service environment. The franchised “Greyhound Café” brand provides stylish and trendy ambience which serves a specialised Thai menu with creative twists. Our artisanal bakery chain in Malaysia offers a wide selection of artisan breads, pastries and cakes under our “Bread Story” brand.

We believe that our Group is competitively positioned based on our operating history of more than ten years, our strong brand recognition and reputation, diversified customer base, innovative product offerings, unique dining experience and experienced management. In addition, the locations of our restaurants in Singapore and our bakery retail outlets in Malaysia are vital to our Group’s strategy of targeting areas which are high in customer traffic and easily accessible by our target customers that will help in promoting our brands image and awareness.

## OUTLOOK

The Company’s Shares (“**Shares**”) were successfully listed on GEM of the Stock Exchange on 9 May 2018 (the “**Listing Date**”) by way of share offer of a total of 125,000,000 Shares, at the offer price of HK\$0.50 per Share (the “**Share Offer**”). The amount of net proceeds from the Share Offer received by the Company was approximately HK\$23.7 million.

The Directors believe that the listing of the Company on GEM of the Stock Exchange (the “**Listing**”) would facilitate the implementation of our business plans to capture more market share in the industry. The Listing would (i) strengthen our Group’s corporate profile; (ii) provide a fund-raising platform for our Group; and (iii) diversify our shareholder base.

Most global economies have rebounded strongly from this pandemic-induced woes and Singapore’s economy has recorded a positive growth of 4.8% in the first half of 2022. Our businesses benefitted from this rebound with most covid restrictions lifted in April 2022 both in Singapore and Malaysia. While broad-based growth will continue, economies like Singapore’s where it is heavily reliant on imports will continue to face the on-going bottlenecks and disruption to supply chains exacerbated part by China’s zero-covid policy as well as the ensuing Russia-Ukraine war. This double whammy has led to a spiralling hike in utilities and food costs and we are seeing a near 30% increase in almost all cost components across the board, with a ripple effect onto wage costs on the whole.



Inflationary pressures have also prompted the US Federal Reserve to sharply raise interest rates and Singapore has naturally corresponded with the same and this shall translate into higher costs for businesses as well. The group has adopted the direction to trim and cut down losses by closing outlets that were not profitable and we have since closed Masa Orchard Gateway in June this year when the 3-year tenancy expired opting not to renew. It is encouraging to see performance results for this second quarter showing a tremendous improvement both in Singapore and Malaysia and we are optimistic that this trend will continue where we are expecting governments (except China) to entirely lift all covid restriction measures, combined with more countries opening up their borders to resume tourism and free travel. Taking note that the economic situation is still volatile, the Directors will continue to adopt a cautious and prudent approach in adjusting its business strategy with the aim to minimise loss and improve the performance of the Group. Striving ahead, the Group remains committed towards all stakeholders and safeguarding the interest of every shareholder who takes confidence and faith in us remains our key motto.

## FINANCIAL REVIEW

### Revenue

Our revenue increased by approximately S\$1.54 million or 22.3% from approximately S\$6.92 million for the six months ended 30 June 2021 to S\$8.46 million for the six months ended 30 June 2022. The substantial increase in our revenue was primarily due to gradually removal of COVID-19 measures from 26 April 2022 onwards by the Singapore and Malaysia government. In particular, the removal of social group size limit and safe distancing requirements will effectively increase the total capacity of our restaurants and increase the footfall in the malls, and hence provide substantial uplift to our business.

### Cost of inventories sold and consumed

Our cost of inventories sold and consumed increased by approximately S\$0.54 million or 30.3% from approximately S\$1.77 million for the six months ended 30 June 2021 to approximately S\$2.31 million for the six months ended 30 June 2022. The rising in food costs was mainly due to overall ingredient prices inflation.

### Other income

Our other income decreased by approximately S\$0.66 million or 70.2% from approximately S\$0.94 million for the six months ended 30 June 2021 to approximately S\$0.28 million for the six months ended 30 June 2022. The decrease was due to local government gradually tapered the level of grants provided to the F&B sector and no rent concessions were offered by the landlords in 1H2022.

### Depreciation of right-of-use assets

Depreciation of right-of-use assets decreased by approximately S\$0.60 million or 29.7% from approximately S\$2.04 million for the period ended 31 March 2021 to approximately S\$1.43 million for the three months ended 31 March 2022. The decrease is due to lesser operating outlets as compared to prior year and one of our outlets was renewed as short term lease upon lease renewal.





### **Employee benefits expense**

Our employee benefits expense increased by approximately S\$0.19 million or 6.3% from approximately S\$2.96 million for the six months ended 30 June 2021 to approximately S\$3.15 million for the six months ended 30 June 2022. The increase in our employee benefits expense was mainly attributed to the increase in casual workers headcounts to cope with the business recovery and bonus payment in 1H2022 in compared to no bonus payout in 1H2021.

### **Other expenses**

Other expenses primarily consist of legal and professional fee, rental and related expenses, cleaning fee, repair and maintenance expenses, kitchen and bar utensils expenses, bank charges relating to credit card settlement, unrealised foreign currency exchange losses and other miscellaneous expenses.

### **Finance costs**

Finance costs decreased by approximately S\$0.04 million or 15.2% from approximately S\$0.26 million for the six months ended 30 June 2021 to S\$0.22 million for the six months ended 30 June 2022. The decrease was mainly due to one of our outlets was renewed as short-term lease upon lease renewal.

### **Loss for the period**

Our Group recorded a loss of approximately S\$0.69 million and S\$1.56 million for the six months ended 30 June 2022 and 2021, respectively. The reduction of loss for the six months ended 30 June 2022 was mainly attributable to the overall increase in revenue as a result of the removal of COVID-19 measures by the Singapore and Malaysia government.

### **Liquidity, financial resources and capital structure**

#### *Cash position*

Our cash and bank balances amounted to approximately S\$2.77 million and S\$3.07 million as at 30 June 2022 and 31 December 2021, respectively. These balances was denominated in the respective functional currencies of the Group entities. As at 30 June 2022, 28.7% (31 December 2021: 21.6%) of our Group's cash and bank balances was denominated in Singapore dollar, 38.7% (31 December 2021: 19.7%) in Hong Kong dollar, 7.6% (31 December 2021: 5.4%) in Malaysia ringgit and 25.0% (31 December 2021: 53.3%) in Renminbi.

Our Group had net cash flow generated from operating activities of approximately S\$0.67 million for the six months ended 30 June 2022. Barring the effect of IFRS16 depreciation of right-of-use assets of approximately S\$1.43 million, it would have been a net cash flow used in operating activities of approximately S\$0.76 million primarily due to the net repayment of trade and other payables amounting to S\$0.65 million and operating losses incurred for the period.



Net cash flow generated from investing activities of approximately S\$1.17 million mainly attributed to the reversal of pledged time deposits of S\$1.19 million, offset against the purchase of property, plant and equipment of S\$0.02 million during the six months ended 30 June 2022.

Net cash flow used in financing activities was S\$2.14 million for the six months ended 30 June 2022. Net cash flow was used in the repayment of bank borrowing and finance leases of S\$0.23 million, and repayment of lease obligations of S\$1.91 million.

Our restricted cash represents fixed deposit pledged to the bank. The Group is restricted to use the cash of approximately S\$0.32 million as at 30 June 2022.

The Group has adopted a prudent financial management approach towards its financial and treasury policies and thus maintained a healthy liquidity position since the Listing. The Management closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and other commitments can meet its funding requirements from time to time. The Group will utilise the balance of cash for appropriate investment in accordance with the Group's strategic direction and development.

#### *Borrowings*

Particulars of the Group's interest-bearing bank and other borrowings as at 30 June 2022 and 31 December 2021 (including their nature, currency involved, maturity profile and interest rate structure) are set out in note 12 to the consolidated financial statements.

#### *Gearing ratio*

Gearing ratio is measured by interest-bearing bank and other borrowings divided by the total equity. The gearing ratio is 97% as at 30 June 2022 (31 December 2021: 83%).

#### *Capital expenditure and commitment*

During the six months ended 30 June 2022, the Group has capital expenditures of S\$31,000 which consisted the addition of computer and equipment (31 December 2021: S\$8,000).

The Group has no capital commitment during the period ended 30 June 2022 (31 December 2021: nil).

#### *Risk of exchange rate fluctuation*

The Group has currency exposures arising from sales and purchases that are denominated in a currency other than the functional currency of the Group. Although the Group does not have a foreign exchange hedging policy and does not use any financial instruments, currency borrowings or other hedging instruments to mitigate such exposure, the Directors monitor the Group's foreign exchange exposure closely and may, depending on the circumstances and trend of foreign currency, consider adopting significant foreign currency hedging policy and measures in the future.



### *Contingent liabilities*

As at 30 June 2022, the Group had no contingent liabilities (31 December 2021: nil).

### *Charge on assets*

The Group's hire purchase loans are secured by a charge over the leased assets which had a carrying amount of approximately S\$153,000 as at 30 June 2022 (31 December 2021: S\$164,000).

On 4 September 2019, the Group entered into a bank term loan to finance the acquisition of a property. The bank term loan is secured by way of corporate guarantee by the Group and mortgage over the property with a net carrying amount of approximately S\$1,588,000 as at 30 June 2022 (31 December 2021: S\$1,605,000).

There was no further charge on assets of the Group created for the period ended 30 June 2022.

### *Employees and remuneration policy*

As at 30 June 2022, the Group had a total number 221 full-time employees (31 December 2021: 223) in Singapore and Malaysia.

The remuneration packages of all employees are determined based on factors such as the employees' individual qualifications, contribution to the Group, performance and years of work experience.

The Group provides ongoing training to our staff covering different aspects based on their operational responsibilities, including food ingredients preparation and preservation, customer service, hygiene requirements of the kitchen and dining areas, and quality control.

### *Events after the reporting period*

There were no significant events after the reporting period up to the date of this report.



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

As at the date of this report, the interests and short positions of the Directors and chief executive of the Company or any of their respective associates in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Cap. 571 of the laws of Hong Kong) (the "SFO")) as recorded in the register required to be kept by the Company under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules were as follows:

### Long position in the Shares as at 30 June 2022:

Name of Director/Chief Executive	Capacity/ Nature of Interest	Number of Underlying Shares	Approximate Percentage
Ms. Low Yeun Ching @Kelly Tan <sup>(1)</sup>	Beneficial interest	219,500,000 ordinary Shares <sup>(2)</sup>	43.9%

Notes:

- (1) Ms. Low Yeun Ching @Kelly Tan ("Ms. Low") is an executive Director, the chairlady of the Board and the chief executive officer of the Company.
- (2) These Shares are held in long position.

Save as disclosed above, as at 30 June 2022, none of the Directors, chief executive of the Company or their respective associates had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept by the Company under Section 352 of the SFO or as otherwise, notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules.

## DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed in the section headed "Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures of its Company and its Associated Corporations" above, at no time from the Listing Date to 30 June 2022 was the Company or any of its subsidiaries a party to any arrangement to enable the Directors or chief executive of the Company or their respective spouse or children under 18 years of age to have any right to subscribe for securities of the Company or any of its associated corporations as defined in the SFO or to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate.



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

As at 30 June 2022, the interests and short positions of substantial shareholders and other persons (other than a Director or chief executive of the Company) in the Shares and underlying Shares which were notified to the Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO or required to be entered in the register maintained by the Company pursuant to Section 336 of the SFO were as follows:

### Long Positions in the Shares as at 30 June 2022:

Name	Capacity/ Nature of Interest	Aggregate number of Shares or underlying Shares	Percentage of interest in our Company as at the Date of this Report
JingXin Healthcare International Limited 淨心療養院(國際)有限公司 (“JingXin Healthcare”) <sup>(1)</sup>	Beneficial interest	90,500,000 ordinary Shares <sup>(2)</sup>	18.1%

Notes:

- (1) JingXin Healthcare (formerly known as as Bright Honor Investment International Limited) is held as to 100% by Peaceful and Land International Limited 祥和國際有限公司, which in turn is held as to 100% by Mr. Tobias Li Xi BERNOTH and therefore Mr. Tobias Li Xi BERNOTH is deemed to be interested in the 90,500,000 Shares held by JingXin Healthcare, pursuant to the SFO.
- (2) These Shares are held in long position.

Save as disclosed above, as at 30 June 2022, according to the register of interests required to be kept by the Company under Section 336 of the SFO, there was no other person or corporation (other than the Directors and chief executive of the Company) who had any interest or short position in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 or Part XV of the SFO.

## RELATED PARTY TRANSACTIONS

For the six months ended 30 June 2022, the Group has not entered into any related party transactions.

## PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities since the Listing Date and up to 30 June 2022.

## SHARE OPTION SCHEME

The Company conditionally adopted a share option scheme on 4 April 2018 (the “Scheme”). The terms of the Scheme are in accordance with the provisions of Chapter 23 of the GEM Listing Rules. No share option has been granted since the adoption of the Scheme up to 30 June 2022.



## DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a code of conduct for securities transactions by Directors on terms equivalent to the required standard of dealings set out in Rule 5.48 to 5.67 of the GEM Listing Rules (the "**Model Code**"). The Company had made specific enquiries with written guidelines in relation to the Model Code to all Directors, and all Directors have confirmed that they complied with the required standards and code of conduct for Directors' securities transactions as set out in the Model Code throughout the six months ended 30 June 2022.

## COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Company is committed to achieving high standards of corporate governance. The Directors believe that sound and reasonable corporate governance practices are essential for the continuing growth of the Group and for safeguarding and maximising shareholders' interests.

Pursuant to code provision A.2 of the Corporate Governance Code contained in Appendix 15 to the GEM Listing Rules (the "**CG Code**"), the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. However, we do not have a separate chairlady and chief executive officer and Ms. LOW currently performs these two roles. Our Board believes that vesting the roles of both chairlady and chief executive officer in the same person has the benefit of ensuring consistent leadership within our Group and enables more effective and efficient overall strategic planning of our Group. Our Board considers that the balance of power and authority for the present arrangement will not be impaired and this structure will enable our Company to make and implement decisions promptly and effectively. Our Board will continue to review and consider splitting the roles of chairlady of our Board and chief executive officer of our Company at a time when it is appropriate and suitable by taking into account the circumstances of our Group as a whole.

Save as disclosed above, the Directors consider that during the six months ended 30 June 2022 and up to the date of this report, the Company has applied the principles and complied with all the applicable code provisions set out in the CG Code.

## DIRECTORS' AND CONTROLLING SHAREHOLDERS' INTERESTS IN COMPETING BUSINESSES

Save as disclosed in the Prospectus, as at 30 June 2022, each of the Directors, the controlling shareholders and their respective close associates (as defined in the GEM Listing Rules) has confirmed that none of them had an interest in a business (other than those businesses where the Director were appointed as directors to represent the interests of the Company and/or any member of the Group) which are considered to compete or are likely to compete, either directly or indirectly, with the business of the Group.

## CHANGES IN INFORMATION OF THE DIRECTORS

Since the date of the Company's 2021 annual report, Mr. Lu King Seng, an independent non-executive Director has been appointed as an independent non-executive director of Lincotrade & Associates Holdings Limited (formerly known as Fabchem China Limited) (Stock Code: BFT), which is listed on the Singapore Stock Exchange, since 3 August 2022.



## AUDIT COMMITTEE

Pursuant to Rule 5.28 of the GEM Listing Rules, the Company established an audit committee (the “**Audit Committee**”) with written terms of reference aligned with the provision of the code provisions set out in the CG Code. The primary duties of the Audit Committee are to review and supervise the financial reporting process and internal control procedures of the Group. As at 30 June 2022, the Audit Committee comprises Mr. Lu King Seng (chairman of the Audit Committee), Mr. John Chi Chung Man and Mr. Chan Pak Hung, all of whom are independent non-executive Directors. The Audit Committee has reviewed the unaudited interim results of the Group for the six months ended 30 June 2022. A meeting of the Audit Committee was held with the management of the Company for, amongst other things, reviewing the unaudited interim results of the Group for the six months ended 30 June 2022.

## DIVIDENDS

The Board did not recommend the payment of any interim dividend for the six months ended 30 June 2022 (six month ended 30 June 2021: Nil).

## SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITION AND DISPOSAL

The Group did not have any significant investments, material acquisition or disposal of subsidiaries or associates during the six months ended 30 June 2022.

## PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

Save as disclosed in this report, the Group did not have any concrete plans for material investments or acquisition of capital assets as at the date of this report. The Company will make further announcement in accordance with the GEM Listing Rules, where applicable, if any material investments and acquisition opportunities materialise.

## APPRECIATION

On behalf of the Board, I would like to extend our sincere thanks to our shareholders, business partners and customers for their continuous support to the Group. I would also extend my gratitude and appreciation to all the Directors, management and staff for their hard work and dedication throughout the period.

By Order of the Board  
**JLogo Holdings Limited**  
**LOW Yeun Ching @Kelly Tan**  
*Chairlady and Chief Executive Officer*

12 August 2022, Hong Kong