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高原之宝
TREASURE OF PLATEAU

Plateau Treasures Limited

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 8402

2024
Interim Report

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

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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.

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This report, for which the directors (the “Directors”) of Plateau Treasures Limited (the “Company”) collectively and individually accept full responsibility, include 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 (1) the information contained in this report is accurate and complete in all material respects and not misleading and deceptive; and (2) 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.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Mr. Wei Guangjun (*Chairman*)
(*appointed on 1 August 2024*)
Ms. Chen Xiaoyu
(*retired as Chairperson on*
1 August 2024)
Mr. Ong Cheng Yew

Non-executive Directors

Ms. Lin Xiaoqin
Ms. Yang Pu
Mr. Chan Kwun Wah Derek
(*resigned on 1 August 2024*)
Mr. Shi Shuyuan
(*retired on 28 June 2024*)

Independent non-executive Directors

Mr. Wong Carson Ka Chun
Ms. Chen Li
Mr. Ji Gaofeng
(*appointed on 8 May 2024*)
Mr. Tong Kai Tak
(*resigned on 31 January 2024*)

AUDIT COMMITTEE MEMBERS

Mr. Wong Carson Ka Chun (*Chairman*)
Ms. Chen Li
Mr. Ji Gaofeng (*appointed on 8 May 2024*)
Mr. Tong Kai Tak
(*resigned on 31 January 2024*)

NOMINATION COMMITTEE MEMBERS

Mr. Wei Guangjun (*Chairman, appointed*
on 1 August 2024)
Ms. Chen Xiaoyu (*appointed as*
chairperson on 31 January 2024,
re-destinated as a member
on 1 August 2024)
Mr. Wong Carson Ka Chun
Ms. Chen Li
Mr. Ji Gaofeng (*appointed on 8 May 2024*)
Mr. Tong Kai Tak (*Chairman, resigned on*
31 January 2024)

REMUNERATION COMMITTEE MEMBERS

Ms. Chen Li (*Chairperson*)

Mr. Wong Carson Ka Chun

Mr. Ji Gaofeng

(appointed on 8 May 2024)

Mr. Wei Guangjun

(appointed on 1 August 2024)

Mr. Tong Kai Tak

(resigned on 31 January 2024)

COMPANY SECRETARY

Mr. Chan Pak Lun

AUTHORISED REPRESENTATIVES

Mr. Chan Pak Lun

Mr. Wei Guangjun

(appointed on 1 August 2024)

Ms. Chen Xiaoyu

(resigned on 1 August 2024)

AUDITOR

SFAI (HK) CPA Limited

(formerly known as Yongtuo Fuson

CPA Limited, Registered Public

Interest Entity Auditors)

Unit 1020, 10/F, Tower B

New Mandarin Plaza

14 Science Museum Road

Tsim Sha Tsui East

Kowloon

REGISTERED OFFICE

Cricket Square

Hutchins Drive PO Box 2681

Grand Cayman KY1-1111

Cayman Islands

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

64 Woodlands Industrial Park E9

Singapore 757833

PRINCIPAL PLACE OF BUSINESS IN HONG KONG REGISTERED UNDER PART 16 OF THE COMPANIES ORDINANCE (CAP 622 OF THE LAWS OF HONG KONG)

Room 1701, 17/F.

Wai Fung Plaza

664 Nathan Road

Mongkok, Kowloon

Hong Kong

INTERIM RESULTS

The board of Directors (the “Board”) is pleased to present the unaudited consolidated results of the Company and its subsidiaries (the “Group”) for the six months ended 30 June 2024, together with the unaudited comparative figures for the corresponding period of 2023, as follows:

UNAUDITED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2024

| | | Six months ended | |
|--|------|-------------------------|-------------|
| | | 30 June | |
| | | 2024 | 2023 |
| | Note | S\$ | S\$ |
| | | (Unaudited) | (Unaudited) |
| Revenue | 3 | 12,150,977 | 7,221,802 |
| Cost of services | | (9,724,918) | (6,028,195) |
| | | <hr/> | <hr/> |
| Gross profit | | 2,426,059 | 1,193,607 |
| Other income | 4 | 348,632 | 138,265 |
| Selling expenses | | (115,080) | (100,204) |
| Administrative expenses | | (2,337,077) | (2,777,621) |
| Finance costs | 5 | (58,137) | (51,726) |
| | | <hr/> | <hr/> |
| Profit (loss) before taxation | 6 | 264,397 | (1,597,679) |
| Income tax expense | 7 | (20,279) | – |
| | | <hr/> | <hr/> |
| Profit (loss) for the period | | 244,118 | (1,597,679) |
| Other comprehensive expense | | | |
| <i>Item that was subsequently reclassified to profit or loss</i> | | (47,735) | (36,856) |
| | | <hr/> | <hr/> |
| Total comprehensive income (expense) for the period | | 196,383 | (1,634,535) |
| | | <hr/> | <hr/> |
| Basic earnings (loss) per share (S\$ cents) | 9 | 0.05 | (0.33) |
| | | <hr/> | <hr/> |

UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2024

| | Note | As at 30 June 2024 S\$ (Unaudited) | As at 31 December 2023 S\$ (Audited) |
|--|------|--|--|
| Non-current assets | | | |
| Property, plant & equipment | 12 | 920,334 | 1,272,014 |
| Right-of-use assets | 13 | 779,035 | 1,261,489 |
| Investment properties | | 2,069,627 | 2,091,144 |
| Deferred tax assets | | 335,951 | 326,954 |
| | | 4,104,947 | 4,951,601 |
| Current assets | | | |
| Trade receivables | 14 | 4,708,354 | 2,600,055 |
| Contract assets | 15 | 5,742,910 | 3,755,928 |
| Deposits, prepayments and other receivables | 16 | 2,548,472 | 3,001,720 |
| Pledged bank deposits | | 500,000 | 1,075,000 |
| Bank balances and cash | | 912,801 | 3,242,599 |
| | | 14,412,537 | 13,675,302 |
| Current liabilities | | | |
| Trade and other payables | 17 | 4,783,180 | 3,597,861 |
| Contract liabilities | 15 | 654,842 | 1,466,690 |
| Lease liabilities | 13 | 567,516 | 714,265 |
| Borrowings | | 627,604 | 865,788 |
| Income tax payable | | 20,279 | – |
| | | 6,653,421 | 6,644,604 |
| Net current assets | | 7,759,116 | 7,030,698 |
| Total assets less current liabilities | | 11,864,063 | 11,982,299 |

UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)

As at 30 June 2024

| | | As at 30 June 2024 S\$ (Unaudited) | As at 31 December 2023 S\$ (Audited) |
|---|----|---|--|
| Non-current liabilities | | | |
| Lease liabilities | 13 | 255,668 | 570,287 |
| Borrowings | | 1,678,669 | 1,678,669 |
| | | 1,934,337 | 2,248,956 |
| Net assets | | 9,929,726 | 9,733,343 |
| Capital and reserves | | | |
| Share capital | 18 | 827,603 | 827,603 |
| Share premium | | 8,619,759 | 8,619,759 |
| Merger reserves | | 2,999,983 | 2,999,983 |
| Translation reserve | | – | 47,735 |
| Accumulated losses | | (2,517,619) | (2,761,737) |
| Equity attributable to owners of the Company | | 9,929,726 | 9,733,343 |

UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2024

| | Share capital S\$ | Share premium S\$ | Merger reserves S\$ | Accumulated profits (losses) S\$ | Translation Reserve S\$ | Total S\$ |
|--|-------------------------|-------------------------|---------------------------|---|-------------------------------|--------------|
| At 1 January 2023 (audited) | 827,586 | 8,613,061 | 2,999,983 | (1,323,799) | 36,856 | 11,153,687 |
| <i>Total comprehensive expense for the period:</i> | | | | | | |
| Loss for the period | - | - | - | (1,597,679) | - | (1,597,679) |
| Other comprehensive expense for the period | - | - | - | - | (36,856) | (36,856) |
| Total | - | - | - | (1,597,679) | (36,856) | (1,634,535) |
| At 30 June 2023 (unaudited) | 827,586 | 8,613,061 | 2,999,983 | (2,921,478) | - | 9,519,152 |
| At 1 January 2024 (audited) | 827,603 | 8,619,759 | 2,999,983 | (2,761,737) | 47,735 | 9,733,343 |
| <i>Total comprehensive expense for the period:</i> | | | | | | |
| Profit for the period | - | - | - | 244,118 | - | 244,118 |
| Other comprehensive expense for the period | - | - | - | - | (47,735) | (47,735) |
| Total | - | - | - | 244,118 | (47,735) | 196,383 |
| At 30 June 2024 (unaudited) | 827,603 | 8,619,759 | 2,999,983 | (2,517,619) | - | 9,929,726 |

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2024

| | Six months ended 30 June | |
|--|---------------------------------|-------------|
| | 2024 | 2023 |
| | S\$ | S\$ |
| | (Unaudited) | (Unaudited) |
| Net cash used in operating activities | (2,111,764) | (1,367,468) |
| Net cash used in investing activities | (10,008) | – |
| Net cash used in financing activities | (160,291) | (2,118,903) |
| | <hr/> | <hr/> |
| Net decrease in cash and cash equivalents | (2,282,063) | (3,486,371) |
| Cash and cash equivalents at beginning of the period | 3,242,599 | 4,696,989 |
| Effects of foreign exchange rate changes on the balance of cash held in foreign currencies | (47,735) | (36,856) |
| | <hr/> | <hr/> |
| Cash and cash equivalents at end of the period | 912,801 | 1,173,762 |
| | <hr/> | <hr/> |

NOTES TO THE UNAUDITED CONSOLIDATED FINANCIAL RESULTS

1. GENERAL

The Company was incorporated and registered as an exempted company in the Cayman Islands with limited liability on 1 February 2017. The registered office of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands. The principal place of business is at 64 Woodlands Industrial Park E9, Singapore 757833. The issued shares of the Company (the "Shares") are listed on GEM of the Stock Exchange with effect from 17 November 2017.

The Company is an investment holding company and its operating subsidiaries, are engaged in the designing, supplying, fabricating and erecting structural steel-works for the construction of buildings including technological plants, industrial buildings, commercial buildings, government institutions and residential buildings and provision of pre-fabricated steel structures or on-site installation services.

The interim financial information is presented in Singapore Dollar ("S\$"), which is also the functional currency of the Company.

The unaudited consolidated interim financial information was approved by the Board on 27 August 2024.

2. BASIS OF PREPARATION

These unaudited condensed consolidated financial results should be read in conjunction with the audited financial statements for the year ended 31 December 2023, which have been prepared in accordance with International Financial Reporting Standards ("IFRS"). For these unaudited consolidated financial results, the Group has applied the new and amendments to IFRSs and interpretations. The adoption of new and revised standards did not have substantial effect on the financial performance and position of the Group.

3. REVENUE AND SEGMENT INFORMATION

Revenue represents the fair value of amounts received and receivable from the provision of construction services, installation and auxiliary services provided by the Group to external customers. The Group's operations are mainly derived from Singapore during the financial period.

Information is reported to the executive Directors, being the chief operating decision maker ("CODM") of the Group, for the purposes of resource allocation and performance assessment. The CODM reviews revenue by category, i.e. provision of services comprising design, supply, fabrication and erection of structural steel-works for the construction of buildings, including technological plants, industrial buildings, commercial buildings, government institutions and residential buildings in Singapore and Malaysia and other installation and auxiliary services by the Group to external customers for the respective reporting period. No analysis of the Group's results, assets and liabilities is regularly provided to the CODM for review. Accordingly, only entity-wide disclosures on services, major customers and geographical information are presented in accordance with IFRS 8 Operating Segments.

3. REVENUE AND SEGMENT INFORMATION (continued)

An analysis of the Group's revenue for the period is as follows:

| | Six months ended | |
|--|-------------------------|-------------|
| | 30 June | |
| | 2024 | 2023 |
| | S\$ | S\$ |
| | (Unaudited) | (Unaudited) |
| Revenue from: | | |
| Provision of structural steel-works services | 12,150,977 | 7,221,802 |

Major customers

Revenue from customers individually contributing over 10% of the total revenue of the Group are as follows:

| | Six months ended | |
|--------------|-------------------------|-------------|
| | 30 June | |
| | 2024 | 2023 |
| | S\$ | S\$ |
| | (Unaudited) | (Unaudited) |
| Customer I | 4,800,796 | 1,517,396 |
| Customer II | 2,752,031 | 1,378,263 |
| Customer III | –* | 1,169,488 |

* The corresponding revenue did not contribute over 10% of the total revenue of the Group for the respective reporting period.

Geographical information

Revenue based on geographical location of customers are as follows:

| | Six months ended | |
|-----------|-------------------------|-------------|
| | 30 June | |
| | 2024 | 2023 |
| | S\$ | S\$ |
| | (Unaudited) | (Unaudited) |
| Singapore | 12,150,977 | 7,221,802 |

4. OTHER INCOME

| | Six months ended | |
|-------------------------|-------------------------|-------------|
| | 30 June | |
| | 2024 | 2023 |
| | S\$ | S\$ |
| | (Unaudited) | (Unaudited) |
| Insurance claim receipt | 4,562 | 31,496 |
| Government grants | 16,792 | 17,758 |
| Rental income | 277,168 | 85,895 |
| Sundry income | 50,110 | 3,116 |
| | 348,632 | 138,265 |

5. FINANCE COSTS

| | Six months ended | |
|--|-------------------------|-------------|
| | 30 June | |
| | 2024 | 2023 |
| | S\$ | S\$ |
| | (Unaudited) | (Unaudited) |
| Interest on: | | |
| Bank borrowings | | |
| – wholly repayable within five years | 26,526 | 23,590 |
| – not wholly repayable within five years | – | – |
| Lease liabilities | 31,611 | 28,136 |
| | 58,137 | 51,726 |

6. PROFIT (LOSS) BEFORE TAXATION

| | Six months ended | |
|--|-------------------------|-------------|
| | 30 June | |
| | 2024 | 2023 |
| | S\$ | S\$ |
| | (Unaudited) | (Unaudited) |
| Profit (loss) for the period has been arrived at after charging: | | |
| Depreciation of property, plant and equipment: | | |
| – Recognised in cost of services | 82,998 | 89,778 |
| – Recognised in administrative expenses | 361,689 | 256,976 |
| Depreciation of right-of-use assets: | | |
| – Recognised in cost of services | 295,667 | 168,185 |
| – Recognised in administrative expenses | 35,529 | 109,162 |
| Depreciation of investment properties | 21,516 | 26,633 |
| Directors' remuneration | 255,053 | 335,966 |
| Other staff costs | | |
| – Salaries and wages | 2,001,325 | 1,660,312 |
| – Defined contribution plans | 46,700 | 108,977 |
| – Other staff benefits | 24,863 | 18,879 |
| | <hr/> | |
| Total staff costs (inclusive of Directors' remuneration) | 2,327,941 | 2,124,134 |
| | <hr/> | |
| Cost of materials recognised as expenses | 3,074,767 | 1,659,719 |
| Subcontractor costs recognised as expenses | 3,625,072 | 2,674,005 |
| | <hr/> | |

7 INCOME TAX EXPENSE

Singapore CIT is calculated at 17% (2023: 17%) of the estimated assessable profit.

| | Six months ended | |
|--|-------------------------|-------------|
| | 30 June | |
| | 2024 | 2023 |
| | (Unaudited) | (Unaudited) |
| Tax expense comprises: | | |
| Current tax | | |
| – Singapore corporate income tax (“CIT”) | 20,279 | – |
| | <hr/> | <hr/> |

8. DIVIDEND

The Directors do not recommend the payment of dividend for the six months ended 30 June 2024 (2023: Nil).

9. EARNINGS (LOSS) PER SHARE

The calculation of basic earnings (loss) per share is based on the profit (loss) for the period attributable to owners of the Company and the weighted average number of shares in issue.

No diluted earnings (loss) per share is presented for both periods as there was no potential ordinary share in issue for both periods.

| | Six months ended | |
|--|-------------------------|-------------|
| | 30 June | |
| | 2024 | 2023 |
| | (Unaudited) | (Unaudited) |
| Profit (loss) attributable to the owners of the Company (<i>S\$</i>) | 244,118 | (1,597,679) |
| Weighted average number of ordinary shares in issue | 480,010,000 | 480,000,000 |
| Basic earnings (loss) per share (<i>S\$ cents</i>) | 0.05 | (0.33) |
| | <hr/> | <hr/> |

10. RELATED PARTY TRANSACTIONS

Apart from disclosure elsewhere in the financial statements, the Group entered into the following transactions with related parties during the period:

The remuneration of the Directors and other members of key management during the period were as follows:

| | Six months ended | |
|--------------------------|-------------------------|-------------|
| | 30 June | |
| | 2024 | 2023 |
| | S\$ | S\$ |
| | (Unaudited) | (Unaudited) |
| Short term benefits | 248,117 | 323,726 |
| Post-employment benefits | 6,936 | 12,240 |
| | 255,053 | 335,966 |

11. RESERVES

During the period under review, there was no movement to and from any reserves other than loss for the six months ended 30 June 2024.

12. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2024, the Group acquired assets with aggregate cost of approximately S\$11,000 (2023: approximately S\$Nil) of which S\$Nil (2023: Nil) was acquired under finance leases.

The Group incurred depreciation expenses for the six months ended 30 June 2024 of approximately S\$445,000 (2023: approximately S\$347,000).

13. RIGHT-OF-USE ASSETS/LEASE LIABILITIES

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the lessee uses its incremental borrowing rate.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group incurred depreciation expenses on right-of-use assets for the six months ended 30 June 2024 of approximately S\$331,000 (2023: approximately S\$277,000).

The lease liabilities include lease liabilities under finance lease of approximately S\$Nil (31 December 2023: lease liabilities under finance lease of approximately S\$Nil).

14. TRADE RECEIVABLES

| | As at 30 June 2024 S\$ (Unaudited) | As at 31 December 2023 S\$ (Audited) |
|------------------------|---|--|
| Trade receivables | 2,786,224 | 2,108,638 |
| Less: Loss allowance | (88,945) | (88,945) |
| Unbilled revenue(Note) | 2,011,075 | 580,362 |
| | 4,708,354 | 2,600,055 |

Note: Unbilled revenue are those accrued revenue which payment certificates are issued by the customers but no billing has been raised to customers.

14. TRADE RECEIVABLES (continued)

The average credit period granted to the customers is from 30 to 60 days, from the invoice date for trade receivables. The following is an analysis of trade receivables presented based on the invoice dates as at the end of each reporting period:

| | As at 30 June 2024 S\$ (Unaudited) | As at 31 December 2023 S\$ (Audited) |
|----------------|---|--|
| Within 30 days | 2,786,224 | 2,089,427 |
| Over 31 days | – | 19,211 |
| | 2,786,224 | 2,108,638 |

Before accepting any new customers, the Group assesses the potential customer's credit quality and defined credit limit to each customer on an individual basis. Limits attributed to customers are reviewed periodically.

The Group applied simplified approach to provide the expected credit losses prescribed by IFRS 9.

As part of the Group's credit risk management, the Group assesses the impairment for its customers based on different group of customers which share common risk characteristics that are representative of the customers' abilities to pay all amounts due in accordance with the contractual terms.

The Directors considered that the ECL for trade receivables is insignificant as at 30 June 2024.

15. CONTRACT ASSETS (LIABILITIES)

| | As at 30 June 2024 S\$ (Unaudited) | As at 31 December 2023 S\$ (Audited) |
|-------------------------------------|---|--|
| Analysed for reporting purposes as: | | |
| Contract assets | 5,742,910 | 3,755,928 |
| Contract liabilities | (654,842) | (1,466,690) |
| | 5,088,068 | 2,289,238 |

The contract assets primarily relate to the Group's right to consideration for work completed and not billed because the rights are conditioned on the Group's future performance in satisfying the respective performance obligations at the reporting date on construction contracts in respect of project works.

Retention money is unsecured, interest-free and expected to be received within the Group's normal operating cycle.

The Directors considered that the ECL for contract assets is insignificant as at 30 June 2024.

16. DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

| | As at 30 June 2024 S\$ (Unaudited) | As at 31 December 2023 S\$ (Audited) |
|----------------|---|--|
| Deposits | 2,268,445 | 2,667,718 |
| Prepayments | 118,897 | 151,695 |
| Sundry debtors | 161,130 | 182,307 |
| | 2,548,472 | 3,001,720 |

In determining the ECL, management has taken into account the historical default experience and the financial position of the counterparties, adjusted for factors that are specific to the debtors and general economic conditions of the industry in which the debtors operate, in estimating the probability of default of each of these financial assets occurring within their respective loss assessment time horizon, as well as the loss upon default in each case.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period in assessing the loss allowance for other receivables.

17. TRADE AND OTHER PAYABLES

| | As at 30 June 2024 S\$ (Unaudited) | As at 31 December 2023 S\$ (Audited) |
|--------------------------------|---|--|
| Trade payables | 3,840,121 | 2,365,391 |
| GST payables | 11,553 | 230,333 |
| Other payables | 590,114 | 521,370 |
| Deposits received | 39,262 | 52,019 |
| Provision for unutilised leave | 31,021 | 31,021 |
| Salaries and CPF payables | 271,109 | 397,727 |
| | 4,783,180 | 3,597,861 |

The following is an aged analysis of trade payables presented based on the invoice date at the end of each reporting period:

| | As at 30 June 2024 S\$ (Unaudited) | As at 31 December 2023 S\$ (Audited) |
|--------------------|---|--|
| Within 30 days | 2,047,721 | 1,160,038 |
| 31 days to 60 days | 1,248,849 | 442,213 |
| 61 days to 90 days | 543,551 | 696,309 |
| Over 90 days | – | 66,831 |
| | 3,840,121 | 2,365,391 |

18. SHARE CAPITAL

Details of movements of authorised and issued capital of the Company are as follows:

| | Number of Shares | Share Capital HK\$ |
|---|-----------------------------|-----------------------------------|
| Authorised share capital of the Company: | | |
| At 1 January 2023, 31 December 2023 (audited) and 30 June 2024 (unaudited) | 5,000,000,000 | 50,000,000 |
| | Number of Shares | Share Capital S\$ |
| Issued and fully paid of the Company: | | |
| As at 1 January 2023 | 480,000,000 | 827,586 |
| Exercise of 2023 Warrants subscription rights during the year 2023 | 10,000 | 17 |
| As at 31 December 2023 (audited) and 30 June 2024 (unaudited) | 480,010,000 | 827,603 |

Fully paid ordinary shares, which have no par value, carry one vote per share and a right to dividends as and when declared by the Company.

MANAGEMENT DISCUSSION AND ANALYSIS

General

For the financial period to date, the Group is principally engaged in the design, supply, fabrication and erect structural steel-works for the construction of buildings, including technological plants, industrial buildings, commercial buildings, government institutions and residential buildings in Singapore.

FINANCIAL REVIEW Revenue and Results

For the six months ended 30 June 2024, the Group recorded an unaudited revenue of approximately S\$12,151,000 (2023: approximately S\$7,222,000) which is primarily attributable to an increase in the number of projects undertaken by the Group, and profit of approximately S\$244,000 (2023: loss of approximately S\$1,598,000).

The gross profit for the six months ended 30 June 2024 was approximately S\$2,426,000 (2023: approximately S\$1,194,000), an increase of approximately S\$1,232,000 which was mainly due to significantly increase of revenue contributed by new projects. The gross profit margin maintained at approximately 17% to 20% for the six months ended 30 June 2024 and 2023.

Other income for the six months ended 30 June 2024 was approximately S\$349,000 (2023: approximately S\$138,000), which involves an increase in rental income of approximately S\$191,000 contributed by the Group's leasing of open spaces at its factory.

Selling and administrative expenses for the six months ended 30 June 2024 was approximately S\$2,452,000 (2023: approximately S\$2,878,000), representing a decrease of approximately of S\$426,000 which was mainly due to absence of expenses related to mandatory cash offers and the decrease in directors' remuneration.

The Group recorded a profit before taxation for the six months ended 30 June 2024 was approximately S\$264,000 (2023: loss before taxation S\$1,598,000).

For the reasons set out above, the Group recorded the profit after taxation for the six months ended 30 June 2024 of approximately S\$244,000 (2023: loss after taxation approximately S\$1,598,000). The turnaround from loss to profit was primarily attributable to (1) increase in revenue, (2) increase in gross profit, (3) increase in other income and (4) reduction of administrative expenses.

FINANCIAL REVIEW (continued)

Liquidity, Financial Resources and Capital Structure

The Group's exposure to liquidity risk arises in the general funding of the Group's operations, in particular, that the duration of the contracts spans from one month to one year and during which the amount of progress claim vary from month to month depending on the provision of construction works and installation and auxiliary services for the month. The supply and installation schedule is as directed by the customer, in accordance with the main contractor's schedule. As such, the Group actively manages our customers' credit limits, aging, and repayment of retention monies and monitor the operation cash flows to ensure adequate working capital funds and repayment schedule is met.

The Group's net current assets was approximately S\$7,759,000 (31 December 2023: approximately S\$7,031,000) and the Group has cash and cash equivalent of approximately S\$913,000 (31 December 2023: approximately S\$3,243,000) which were placed with major banks in Singapore, Hong Kong and Malaysia.

For the period under review, the net cash used in operating activities was approximately S\$2,112,000.

As at 30 June 2024, the Group's borrowings comprised the lease liabilities of approximately S\$Nil exclusive of lease liabilities in relation to the addition of IFRS 16 of approximately S\$823,000 (31 December 2023: lease liabilities of approximately S\$Nil exclusive of lease liabilities in relation to the addition of IFRS 16 of approximately S\$1,285,000) and bank and other borrowings of approximately S\$2,306,000 (31 December 2023: approximately S\$2,544,000).

The Group's current ratio was approximately 2.2 times (31 December 2023: approximately 2.1 times). The gearing ratio is calculated based on the total borrowings divided by the total equity as the respective periods end. The Group's gearing ratio was approximately 23.2% (31 December 2023: approximately 26.1%).

The Group's total equity attributable to owners of the Group amounted to approximately S\$9,930,000 (31 December 2023: approximately S\$9,733,000). The capital of the Group mainly comprises share capital and reserves.

FINANCIAL REVIEW (continued)

Foreign Exchange Exposure

The Group transacts mainly in Singapore dollars, which is the functional currency of the Group. The cash held and the borrowings made by the Group were primarily denominated in Singapore dollars. However, the Group retains the proceeds from the share offer in Hong Kong dollar, which exposed the Group to foreign exchange risk arising from the fluctuations of exchange rate for Hong Kong dollar against Singapore dollars. The Group does not have a foreign currency hedging policy but it continuously monitors its foreign exchange exposure and will apply appropriate measures if necessary.

Reserves

Movement in the reserves of the Group for the six months ended 30 June 2024 are set out above in the unaudited condensed consolidated statement of changes in equity.

Dividend

No dividend was paid, proposed or declared for the ordinary shareholders of the Company (the "Shareholders") for the six months ended 30 June 2024 (2023: Nil).

Charges on Group's Assets

The Group has total present value of lease obligations under finance lease, which are secured by the relevant leased machinery and motor vehicles amounting to approximately S\$Nil as at 30 June 2024 (as at 31 December 2023: S\$Nil).

Capital Commitments

As at 30 June 2024, the Group did not have any capital commitments (2023: Nil).

Contingent Liabilities

As at 30 June 2024, the Group did not have any contingent liabilities (2023: Nil).

FINANCIAL REVIEW (continued)

Employee Information

As at 30 June 2024, the Group had an aggregate of 142 (31 December 2023: 142) employees. The employees of the Group are remunerated according to their job scope and responsibilities. The local employees are also entitled to discretionary bonus depending on their respective performance. The foreign workers are employed on contractual basis of one or two years and are remunerated according to their work skills. The Company has also adopted the share option scheme to incentivise employees of the Company.

Total staff costs, including the Directors' emoluments, amounted to approximately S\$2,328,000 for the six months ended 30 June 2024 (2023: approximately S\$2,124,000).

COMPARISON OF BUSINESS OBJECTIVES WITH ACTUAL BUSINESS PROGRESS

An analysis comparing the business objectives as set out in the prospectus of the Company dated 30 October 2017 (the "Prospectus") with the Group's actual business progress, from 17 November 2017, being the date of listing (the "Listing") of the Shares on GEM of the Stock Exchange, to 30 June 2024 (the "Review Period") is set out below:

| Business strategies | Actual business progress during the Review Period |
|--|--|
| <ul style="list-style-type: none"> - Purchase of new fabrication facility | <ul style="list-style-type: none"> - The Group has fully utilised approximately HK\$20.4 million for the purchase of new fabrication facility |
| <ul style="list-style-type: none"> - Expand our workforce to support our business expansion | <ul style="list-style-type: none"> - The Group has fully utilised approximately HK\$0.8 million for the expansion of workforce in 2018 to support business expansion |
| <ul style="list-style-type: none"> - Purchase of machineries for new fabrication facility | <ul style="list-style-type: none"> - The Group has utilised approximately HK\$9.6 million for the purchase of machineries for the leased property located at 12 Sungei Kadut Loop, Singapore 729456 (the "Leased Property"). The remaining amount of approximately HK\$5.1 million is expected to be utilised by 31 December 2024 which is delayed due to machinery purchase plan adjustment. |

USE OF PROCEEDS

The net proceeds from the Listing, after deducting listing related expenses, were approximately HK\$35.9 million (equivalent to approximately S\$6.19 million).

As at 30 June 2024, the net proceeds from the Listing have been utilised in the following manner:

| | Use of proceeds as allocated in accordance with the Prospectus (Note (1)) HK\$ million | Use of proceeds up to 31 December 2023 HK\$ million | Use of proceeds for the six months ended 30 June 2024 HK\$ million | Use of proceeds from the Listing up to 30 June 2024 HK\$ million | Unutilised proceeds as at 30 June 2024 HK\$ million |
|--|---|--|---|---|--|
| Purchase price of new fabrication facility | 20.4 | 20.4 | – | 20.4 ⁽²⁾ | – |
| Purchase of machineries for new fabrication facility | 14.7 | 9.6 | – | 9.6 | 5.1 ⁽³⁾ |
| Expansion of workforce to support business expansion | 0.8 | 0.8 | – | 0.8 | – |

Notes:

- (1) The actual amounts allocated have been adjusted to reflect the percentage of the net proceeds actually received pursuant to the Listing.
- (2) As stated in the Prospectus, the Group intended to utilise the proceeds from the Listing to purchase a new fabrication facility by 30 June 2018. However, the Group only identified the Leased Property in the first quarter of 2019 after searching for suitable properties within the vicinity and engaging in negotiations with potential sellers. As at 30 June 2024, the Group has utilised the net proceeds raised as deposits and payment of remaining purchase consideration after the execution of the share purchase agreement for the acquisition of the entire issued shares in Kay Huat Trading Company Private Limited in relation to the Leased Property.
- (3) Such amount was utilised as down payment for the purchase of machineries for the Leased Property. The remaining amount of approximately HK\$5.1 million unutilised net proceeds is expected to be utilised by 31 December 2024.

The unutilised net proceeds have been placed as interest bearing deposits with licensed banks in Hong Kong and Singapore.

As at the date of this report, the Directors do not anticipate any change to the plan as to the use of proceeds.

BUSINESS REVIEW

Revenue comprised of revenue from the provision of construction services, installation and auxiliary services provided by the Group to external customers, which amounted to approximately S\$12,151,000 and S\$7,222,000 for the six months ended 30 June 2024 and 2023, respectively.

The profit after taxation for the six months ended 30 June 2024 was approximately S\$244,000 (2023: loss after taxation approximately S\$1,598,000). The turnaround from loss to profit was mainly attributed from (1) increase of revenue, (2) increase of gross profit, (3) increase of other income and (4) reduce of administrative expenses.

The Group's strategies are to expand and strengthen its market position in the structural steel work industry in Singapore through the expansion of its projection capacity and workforce.

Singapore's construction sector is being driven by a large number of infrastructure projects which will continue into the latter part of the next decade. These infrastructure projects feed into the government's overall strategy for growth which includes bringing in new companies, investing in new industry sectors and increasing the population level. Structural steel is a critical component in many of these projects.

The implementation of these major projects will lead to a rise in the need for design and consultancy expertise among steel fabricators. This, in turn, will boost their skills and efficiency, rendering them more advantageous for upcoming undertakings. Consequently, the Company's management is proactively pursuing projects from different clients to mitigate the risk of relying too heavily on a single customer. Simultaneously, the Company's management is also expanding the Group's current capacity to effectively address heightened demands.

The Board is ultimately responsible for ensuring that the risk management practices of the Group are sufficient to mitigate the risks present in our businesses and operations as efficiently and effectively as possible. The Board delegates some of these responsibilities to various operational departments. The Group's financial position, operations, business and prospects may be affected by various risks and uncertainties such as the non-recurring nature of the Group's contracts, potential delays in projects and risks involved in engaging subcontractors. The Group adopts risk management policies, measures and monitoring systems to pre-empt and contain exposures associated with the identified risks.

Going forward, the Group will continue to manage its expenditures, review the business strategy constantly and look for opportunities in a cautious and prudent manner.

BUSINESS REVIEW (continued)

Prospect

Economic outlook for 2024

Total construction demand in 2024 is projected to be between S\$32 billion and S\$38 billion, with the public sector contributing about 55 percent of the total demand. Enhancement of Public Procurement Framework to support consultants in Built Environment sector and encourage more sustainable business practices. Enhanced Public Procurement Framework to adjust allocation of risks as well as maintain fair and timely remuneration for consultants.

The Building and Construction Authority (BCA) projects the total construction demand, i.e. the value of construction contracts to be awarded, to range between S\$32 billion and S\$38 billion in nominal terms in 2024. The public sector is expected to drive total construction demand in 2024, reaching between S\$18 billion and S\$21 billion, mainly from public housing and infrastructure projects. Some of the major upcoming public sector projects scheduled to be awarded in 2024 include the Housing and Development Board's (HDB) new Built-To-Order (BTO) developments, additional Cross Island MRT Line contracts (Phase 2), infrastructure works for the future Changi Airport Terminal 5 (T5) and Tuas Port developments and other major road enhancement and drainage improvement works. Private sector construction demand is projected to be between S\$14 billion and S\$17 billion in 2024. BCA anticipates that private sector construction demand in 2024 will come mainly from residential developments under the Government Land Sales, expansion of the two Integrated Resorts, redevelopment of commercial premises, as well as development of mixed-used properties and industrial facilities.

Going forward, the Group will continue to expand and strengthen its market position in the structural steelwork industry in Singapore through the expansion of its production capacity and workforce.

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

As at 30 June 2024, none of the Directors and chief executive of the Company had or was deemed to have any interests or short positions in any shares, debentures or underlying shares of the Company and its associated corporations (within the meaning of Part XV of 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 and short positions which they were taken or deemed to have under such provisions of the SFO) or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein or which were required, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by the Directors, to be notified to the Company and the Stock Exchange.

After the six months ended 30 June 2024 and as at the date of this report, (1) Houyin (International) Group Company Limited, which is owned by Mr. Wei Guangjun (an executive Director and chairman of the Company) as to 90% and Mr. Chen Dongping as to 10%, has become a substantial shareholder of the Company which holds 101,150,000 shares of the Company (approximately 21.07% of the total issued capital of the Company) as a beneficial owner, and (2) Mr. Wei Guangjun (an executive Director and chairman of the Company) has become a substantial shareholder of the Company who holds 104,652,500 shares of the Company (approximately 21.80% of the total issued capital of the Company). Among 104,652,500 shares of the Company, Mr. Wei Guangjun is holding (i) 101,150,000 shares of the Company in the capacity of the interest of corporation controlled by him and (ii) 3,502,500 shares of the Company in the capacity of a beneficial owner.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARES, DEBENTURES AND UNDERLYING SHARES OF THE COMPANY

As at 30 June 2024, the register of substantial shareholders required to be kept under section 336 of Part XV of the SFO shows that as at 30 June 2024, the Company had been notified of the following substantial shareholder's interest and short positions being 5% or more of the issued share capital of the Company.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARES, DEBENTURES AND UNDERLYING SHARES OF THE COMPANY (continued)

Aggregate long positions in the shares and underlying shares of the Company

| Name of substantial shareholder | Nature of interest | Number of shares held | Approximate percentage of the issued share capital |
|--|---|-----------------------|--|
| Million Treasure International Holdings Limited ⁽¹⁾ | Beneficial owner | 289,920,000 | 60.40% |
| Mr. Zhang Zhang | Interest of the controlled corporation ⁽¹⁾ | 289,920,000 | 60.40% |

Notes:

- (1) Million Treasure International Holdings Limited is owned by Mr. Zhang Zhang as to 80%, Ms. Li Heliang as to 10% and Mr. Wang Jiandong as to 10%. Under the SFO, Mr. Zhang Zhang is deemed to be interested in all the shares of the Company held by Million Treasure International Holdings Limited.

Save as disclosed above, the Directors and the chief executive of the Company were not aware of any person (other than the Directors or chief executive of the Company the interests of which were disclosed above) who had an interest or short position in the securities of the Company that were required to be entered in the register of the Company pursuant to section 336 of the SFO as at 30 June 2024.

After the six months ended 30 June 2024 and as at the date of this report, (1) Houyin (International) Group Company Limited, which is owned by Mr. Wei Guangjun (an executive Director and chairman of the Company) as to 90% and Mr. Chen Dongping as to 10%, has become a substantial shareholder of the Company which holds 101,150,000 shares of the Company (approximately 21.07% of the total issued capital of the Company) as a beneficial owner, and (2) Mr. Wei Guangjun (an executive Director and chairman of the Company) has become a substantial shareholder of the Company who holds 104,652,500 shares of the Company (approximately 21.80% of the total issued capital of the Company). Among 104,652,500 shares of the Company, Mr. Wei Guangjun is holding (i) 101,150,000 shares of the Company in the capacity of the interest of corporation controlled by him and (ii) 3,502,500 shares of the Company in the capacity of a beneficial owner.

DIRECTORS' INTEREST IN COMPETING BUSINESS

During the period under review, none of the Directors or the controlling shareholders or their respective associates (as defined in the GEM Listing Rules) of the Group had any interests in any business which competed with or might compete with the business of the Group.

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

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities during the six months ended 30 June 2024.

CODE OF CONDUCT REGARDING SECURITIES TRANSACTIONS BY THE DIRECTORS

During the six months ended 30 June 2024, the Company has adopted a code of conduct regarding securities transactions by directors on terms no less than the required standard of dealings as set out in Rules 5.48 to 5.67 of the GEM Listing Rules. The Company has also made specific enquiry of all Directors and the Company was not aware of any non-compliance with the required standard of dealings and its code of conduct regarding securities transactions by the Directors.

CORPORATE GOVERNANCE PRACTICES

The Board considers good corporate governance a key element in managing the business and affairs of the Group. The management of the Group periodically reviews and proposes amendments to its corporate governance practices for compliance with the code provisions of the Corporate Governance Code (the "CG Code") as set out in Part 2 of Appendix C1 to the GEM Listing Rules. The Company had complied during the six months ended 30 June 2024 with all the code provisions as set out in the CG Code except with the following deviation:-

Rules 5.05(1), 5.05A and 5.28 of GEM Listing Rules

Following the resignation of Mr. Tong Kai Tak as an independent non-executive Director on 31 January 2024, the Company failed to meet the requirements under (i) having at least three independent non-executive Directors on the Board under Rule 5.05(1) of the GEM Listing Rules; (ii) the number of independent non-executive directors shall represent at least one-third of the Board under Rule 5.05A; (iii) having a minimum of three non-executive Directors in the Audit Committee under Rule 5.28 of the GEM Listing Rules; and (iv) the terms of reference of the Remuneration Committee requires the Remuneration Committee must comprise not less than three members.

Following the appointment of Mr. Ji Gaofeng as an independent non-executive Director, a member of the Audit Committee, a member of the Nomination Committee and a member of the Remuneration Committee on 8 May 2024, the Company has re-complied with the requirements under Rules 5.05(1), 5.05A and 5.28 of the GEM Listing Rules and the terms of reference of the Remuneration Committee.

CORPORATE GOVERNANCE PRACTICES (continued)

Code provision C.2.1 of the CG Code states that the roles of chairperson and chief executive officer should be separate and should not be performed by the same individual. Ms. Chen Xiaoyu was the chairperson of the Board until her resignation on 1 August 2024 and Mr. Wei Guangjun has been the chairman of the Board since 1 August 2024. The position of chief executive officer of the Company remains vacant. The responsibilities of the chief executive officer are taken up by the executive Directors. The Board believes that this arrangement enables the Company to make and implement decisions promptly, and thus achieve the Company's objectives efficiently and effectively. The Board also believes that the Company already has a strong corporate governance structure in place to ensure effective oversight of management.

SHARE OPTION SCHEME

The Company has adopted the share option scheme (the "Scheme") on 2 November 2017. The purpose of the Scheme is to advance the interests of the Company and the Shareholders by enabling the Company to grant options to attract, retain and reward the eligible persons and to provide the eligible persons an incentive or reward for their contribution to the Group and by enabling such persons' contribution to further advance the interests of the Group. The principal terms of the Scheme are summarised in the section headed "Share Option Scheme" in Appendix V to the Prospectus.

As at 1 January 2024 and 30 June 2024, no share option was outstanding under the Scheme. No share option has been granted, exercised, cancelled or lapsed under the Scheme since its adoption, and 48,000,000 Shares were available for grant under the Scheme, which represent 10% of the issued share capital of the Company as at the date of this report.

DIVIDEND

The Board does not recommend the payment of dividend for the six months ended 30 June 2024 (2023: Nil).

SIGNIFICANT INVESTMENT HELD

The Group did not hold any significant investment for the six months ended 30 June 2024.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

On 27 July 2023, the Company's wholly-owned subsidiary Legend Return Limited as the purchaser, an independent third party Mr. Jiang Zhikai as the vendor and Plateau Treasure (HK) Limited as the target company, entered into a memorandum of understanding concerning the possible acquisition of a controlling stake of the target company. For detailed information please refer to the Company's announcement dated 27 July 2023. Subsequently, on 26 January 2024, the parties reached a consensus to extend the exclusive period to 26 July 2024. As of the date of this report, the exclusive period has expired, the memorandum of understanding has been terminated, and no formal agreement has been executed.

Save as disclosed above, the Group had no specific future plan for material investments or capital assets as at 30 June 2024.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

The Group had no material acquisitions or disposals of subsidiaries, associates and joint ventures during the six months ended 30 June 2024.

EVENTS AFTER THE FINANCIAL PERIOD

Save as disclosed in this report, no other significant events have taken place after the six months ended 30 June 2024 to the date of this report.

AUDIT COMMITTEE

The Company established an audit committee (the "Audit Committee") on 21 June 2017 with written terms of reference in compliance with Rule 5.28 of the GEM Listing Rules and paragraph D.3 of the CG Code as set out in Appendix C1 to the GEM Listing Rules. The Audit Committee consists of three independent non-executive Directors, namely Mr. Wong Carson Ka Chun, Ms. Chen Li and Mr. Ji Gaofeng. Mr. Wong Carson Ka Chun, a Director with the appropriate professional qualifications, serves as the chairman of the Audit Committee. Among other things, the primary duties of the Audit Committee are to assist the Board in providing an independent view of the effectiveness of the Group's financial reporting process, internal control and risk management system, to oversee the audit process and to perform other duties and responsibilities as assigned by the Board.

AUDIT COMMITTEE (continued)

The Audit Committee has reviewed the unaudited results for the six months ended 30 June 2024 and has provided advice and comments thereon.

By order of the Board
Plateau Treasures Limited
Wei Guangjun
Chairman and Executive Director

Singapore, 27 August 2024

As at the date of this report, the Board comprises three executive Directors, namely, Mr. Wei Guangjun (Chairman), Ms. Chen Xiaoyu and Mr. Ong Cheng Yew; two non-executive Directors, namely, Ms. Lin Xiaoqin and Ms. Yang Pu; and three independent non-executive Directors, namely, Mr. Wong Carson Ka Chun, Mr. Ji Gaofeng and Ms. Chen Li.

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