Raffles Interior Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1376)

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2025

The board (the "**Board**") of directors (the "**Directors**") of Raffles Interior Limited (the "**Company**") is pleased to present the unaudited consolidated interim results of the Company and its subsidiaries (hereinafter collectively referred to as the "**Group**") for the six months ended 30 June 2025 together with comparative figures for the corresponding period in 2024 as follows:

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

For the six months ended 30 June 2025

		Six months ended 30 June	
		2025	2024
	Notes	**(Unaudited)**	(Unaudited and restated)
		S$'000	*S$'000*
Continuing operations			
Revenue	4	**39,989**	23,423
Cost of sales		**(32,278)**	(18,148)
Gross profit		**7,711**	5,275
Other income		**52**	31
Other gains and losses		**2,703**	(377)
Impairment losses under expected credit loss model, net		**(179)**	—
Administrative expenses		**(5,310)**	(3,816)
Operating profit		**4,977**	1,113
Finance income		**36**	82
Finance costs		**(989)**	(254)
Finance costs, net		**(953)**	(172)
Profit before income tax		**4,024**	941
Income tax expense	6	**(537)**	(232)
Profit for the period from continuing operations	7	**3,487**	709

	Notes	Six months ended 30 June **2025** **(Unaudited)** ***S$'000***	2024 (Unaudited and restated) *S$'000*
Discontinued operations			
Loss for the period from discontinued operations		**—**	(622)
Profit for the period		**3,487**	87
Other comprehensive expense			
Item that may be reclassified subsequently to profit or loss:			
Exchange differences arising on translation of foreign operations		**—**	(1)
Other comprehensive expense for the period		**—**	(1)
Total comprehensive income for the period		**3,487**	86
Profit/(loss) for the period attributable to owners of the Company			
— from continuing operations		**3,487**	709
— from discontinued operations		**—**	(317)
Profit for the period attributable to owners of the Company		**3,487**	392
Loss for the period attributable to non-controlling interests			
— from continuing operations		**—**	—
— from discontinued operations		**—**	(305)
Loss for the period attributable to non-controlling interests		**—**	(305)
Profit for the period		**3,487**	87
Total comprehensive income/(expense) attributable to:			
Owners of the Company		**3,487**	391
Non-controlling interests		**—**	(305)
Total comprehensive income for the period		**3,487**	86

	Notes	Six months ended 30 June **2025** **(Unaudited)** ***S$'000***	 2024 (Unaudited and restated) *S$'000*
Total comprehensive income/(expense) attributable to owners of the Company:			
— from continuing operations		**3,487**	709
— from discontinued operations		**—**	(318)
Total comprehensive income for the period attributable to owners of the Company		**3,487**	391
Earnings per share (expressed in Singapore cents per share)			
From continuing and discontinued operations	*9*		
Basic		**0.35**	0.04
Diluted		**0.14**	0.04
From continuing operations	*9*		
Basic		**0.35**	0.07
Diluted		**0.14**	0.07

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2025

	Notes	**As at 30 June 2025 (Unaudited)** ***S$'000***	As at 31 December 2024 (Audited) *S$'000*
ASSETS			
Non-current assets			
Property, plant and equipment		**2,262**	2,146
Right-of-use assets		**4,346**	4,687
Deposits	*10*	**152**	148
		6,760	6,981
Current assets			
Current income tax recoverable		**9**	6
Contract assets		**26,083**	9,472
Trade and other receivables, deposits and prepayments	*10*	**7,453**	4,386
Financial asset at fair value through profit or loss ("**FVTPL**")		**—**	—
Pledged fixed deposits		**2,667**	1,988
Cash and cash equivalents		**6,471**	15,803
		42,683	31,655
Total assets		**49,443**	38,636
EQUITY			
Share capital	*11*	**1,829**	1,829
Reserves		**29,730**	29,730
Deficit		**(19,854)**	(23,341)
Total equity		**11,705**	8,218

	Notes	As at 30 June 2025 (Unaudited) S$'000	As at 31 December 2024 (Audited) S$'000
LIABILITIES			
Non-current liabilities			
Lease liabilities		**4,122**	4,354
Provision for reinstatement costs	*13*	**250**	250
Deferred tax liabilities		**—**	39
		4,372	4,643
Current liabilities			
Trade and other payables and accruals	*13*	**27,749**	18,499
Contract liabilities		**—**	179
Borrowings	*12*	**—**	583
Lease liabilities		**524**	170
Current income tax payable		**895**	318
Convertible bonds		**4,198**	6,026
		33,366	25,775
Total liabilities		**37,738**	30,418
Total equity and liabilities		**49,443**	38,636

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

1 GENERAL INFORMATION

The Company was incorporated in the Cayman Islands on 7 January 2019 as an exempted company with limited liability under the Companies Law (Cap. 22, Law 3 of 1961 as consolidated and revised) of the Cayman Islands. The address of the Company's registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The address of the Company's principal place of business is 5 Sungei Kadut Street 2, #01-02/03, Singapore 729227.

The Company is a subsidiary of Ultimate Global Enterprises Limited ("**Ultimate Global**"), incorporated in the British Virgin Islands (the "**BVI**"), which is also the Company's ultimate holding company. Ultimate Global is owned by Mr. Lo Lek Chew, Mr. Chua Boon Par, Mr. Ding Hing Hui, Mr. Leong Wai Kit, Mr. Low Lek Huat, Mr. Low Lek Hee and Mr. Ng Foo Wah (collectively the "**Ultimate Shareholders**").

The Company is an investment holding company and the principal activities of its operating subsidiary are the provision of interior fitting-out services in the Republic of Singapore ("**Singapore**").

The shares of the Company have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") with effect from 7 May 2020 (the "**Listing**").

The interim condensed consolidated financial statements are presented in Singapore Dollars ("**S$**" and "**SGD**"), which is also the functional currency of the Company, and all values are rounded to the nearest thousand ("**S$'000**"), unless otherwise stated.

The presentation of comparative information in respect of the interim condensed consolidated statement of profit or loss and other comprehensive income, interim condensed consolidated statement of cash flows and certain notes to the interim condensed consolidated financial statements for the six months ended 30 June 2024 has been represented and restated in order to disclose the discontinued operations of the sale and distribution of soft drink products in the People's Republic of China (the "**PRC**") separately from continuing operations.

2 BASIS OF PREPARATION

The interim condensed consolidated financial statements have been prepared in accordance with International Accounting Standard ("**IAS**") 34 "Interim Financial Reporting" issued by the International Accounting Standards Board (the "**IASB**") as well as the applicable disclosure requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**").

The Directors have, at the time of approving the interim condensed consolidated financial statements, a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the interim condensed consolidated financial statements.

3 MATERIAL ACCOUNTING POLICY INFORMATION

The interim condensed consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair values.

The accounting policies and methods of computation used in the interim condensed consolidated financial statements for the six months ended 30 June 2025 are the same as those presented in the Group's annual consolidated financial statements for the year ended 31 December 2024.

Application of amendments to an IFRS Accounting Standard

In the current interim period, the Group has applied the following amendments to an IFRS Accounting Standard issued by the IASB, for the first time, which are mandatorily effective for the Group's annual period beginning on 1 January 2025 for the preparation of the Group's interim condensed consolidated financial statements:

Amendments to IAS 21	Lack of Exchangeability

The application of the amendments to an IFRS Accounting Standard in the current interim period has had no material impact on the Group's financial positions and performance for the current and prior periods and/or on the disclosures set out in these interim condensed consolidated financial statements.

4 REVENUE

Continuing operations:

An analysis of the Group's revenue for the six months ended 30 June 2025 and 2024 is as follows:

	For the six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited and restated)
	S$'000	*S$'000*
Contract revenue from the provision of interior fitting-out services	**39,989**	23,423
Timing of revenue recognition:		
Over time	**39,989**	23,423

Transaction price allocated to the remaining performance obligations

The following table shows the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied as at 30 June 2025 and 31 December 2024:

	As at 30 June 2025 (Unaudited)	As at 31 December 2024 (Audited)
	S$'000	*S$'000*
Aggregate amount of the transaction price allocated to contracts that are partially or fully unsatisfied		
— Construction contracts		
— To be recognised within 1 year	**49,124**	22,025

Management of the Group expects that all the transaction price allocated to the unsatisfied performance obligation as of 30 June 2025 and 31 December 2024 may be recognised as revenue during the abovementioned reporting period. The amounts disclosed above do not include variable consideration which is highly probable that a significant reversal will occur.

5 SEGMENT INFORMATION

Continuing operations:

The Group is principally engaged in the provision of interior fitting-out services in Singapore. During the year ended 31 December 2024, the Group had expanded its business to engage in sale and distribution of soft drink products in the PRC, which was considered as a new operating and reportable segment by the chief operating decision-makers (the "**CODMs**"). On 31 December 2024, the Group had completed the disposal of its entire interest in the share of China Soft Drinks Limited. Thus, the operating segment regarding the sale and distribution of soft drink products in the PRC was discontinued during the year ended 31 December 2024. The segment information does not include any amounts for these discontinued operations.

Information reported to the CODMs for the purposes of resource allocation and assessment focuses on revenue analysis by geographical location of customers. No other discrete financial information is provided other than the Group's results and financial position as a whole. Accordingly, only entity-wide disclosures, major customers and geographical information are presented.

(a) Geographical information

The Group's operations are located in Singapore (country of domicile) and Malaysia.

Information about the Group's revenue from external customers is presented based in Singapore. Information about the Group's non-current assets is presented based on the geographical location of the assets.

	Revenue from external customers		Non-current assets *(note)*	
	For the six months ended 30 June 2025	For the six months ended 30 June 2024	**As at 30 June 2025**	As at 31 December 2024
	(Unaudited)	(Unaudited and restated)	**(Unaudited)**	(Audited)
	S$'000	*S$'000*	***S$'000***	*S$'000*
Singapore (country of domicile)	**39,989**	23,423	**6,377**	6,573
Malaysia	**—**	—	**231**	260
	39,989	23,423	**6,608**	6,833

Note: Non-current assets represented property, plant and equipment and right-of-use assets.

(b) Information about major customers

For the six months ended 30 June 2025, revenue generated from major customers which individually contributing over 10% of the total revenue of the Group accounted for approximately 44.3% (six months ended 30 June 2024: 45.6%) of the total revenue of the Group. Other individual customers accounted for less than 10% of the revenue.

	For the six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
	S$'000	*S$'000*
Customer A	**13,168**	N/A*(note i)*
Customer B	**4,566**	N/A*(note i)*
Customer C	**N/A***(note i)*	6,799
Customer D	**N/A***(note i)*	3,879
	17,734	10,678

Note:

i. The corresponding revenue from customer is less than 10% of the total revenue of the Group for the respective financial period.

6 INCOME TAX EXPENSE

Continuing operations:

	For the six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited and restated)
	S$'000	*S$'000*
The tax charge comprises:		
Income tax expenses	**576**	232
Deferred tax credit	**(39)**	—
	537	232

Corporate income tax in Singapore is calculated at 17% of the estimated assessable profit for both periods.

Corporate income tax in Malaysia is calculated at 24% of the estimated assessable profit for both periods.

7 PROFIT FOR THE PERIOD

Continuing operations:

Profit for the period has been arrived at after charging:

	For the six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited and restated)
	S$'000	*S$'000*
Depreciation of property, plant and equipment	**347**	287
Depreciation of right-of-use assets	**452**	99
Directors' remuneration	**414**	405
Other staff costs:		
— Salaries and other benefits	**6,345**	6,207
— Retirement benefit scheme contributions	**296**	286
Total staff costs	**7,055**	6,898
Legal and professional fees	**701**	405
Cost of materials used recognised as cost of services	**4,075**	4,086
Subcontractor charges recognised as cost of services	**22,777**	8,564

8 DIVIDENDS

No dividends were paid, declared or proposed during the six months ended 30 June 2025 (six months ended 30 June 2024: nil).

9 EARNINGS/(LOSS) PER SHARE

From continuing operations

The calculation of the basic and diluted earnings per share from continuing operations attributable to owners of the Company is based on the following data:

Earnings/(loss) figures are calculated as follows:

	For the six months ended 30 June	
	2025	2024
	S$'000	*S$'000*
	(Unaudited)	(Unaudited and restated)
Profit for the period attributable to owners of the Company	**3,487**	392
Add:		
Loss for the period from discontinued operations attributable to owners of the Company	**—**	317
Earnings for the purpose of basic earnings per share from continuing operations	**3,487**	709
Effect of dilutive potential ordinary shares:		
Interest on convertible bonds (net of income tax)	**847**	194
(Gain)/loss arising on changes of fair value on derivative component of the convertible bonds	**(2,248)**	258
Exchange adjustments on debt component and derivative component of convertible bonds	**(427)**	111
Earnings for the purpose of diluted earnings per share from continuing operations	**1,659**	1,272

Number of shares:

	For the six months ended 30 June	
	2025	2024
	'000	*'000*
	(Unaudited)	(Unaudited and restated)
Weighted average number of ordinary shares for the purpose of basic earnings per share	**1,000,000**	1,000,000
Effect of dilutive potential ordinary shares:		
Convertible bonds	**187,500**	182,349
Weighted average number of ordinary shares for the purpose of diluted earnings per share	**1,187,500**	1,182,349

For the six months ended 30 June 2024, the computation of diluted earnings per share did not assume the conversion of the Company's outstanding convertible bonds since their assumed conversion would result in an increase in earnings per share from continuing operations.

From continuing and discontinued operations

The calculation of the basic and diluted earnings per share from continuing and discontinued operations attributable to owners of the Company is based on the following data:

Earnings figures are calculated as follows:

	For the six months ended 30 June	
	2025	2024
	S$'000	*S$'000*
	(Unaudited)	(Unaudited and restated)
Earnings for the purpose of basic earnings per share attributable to owners of the Company	**3,487**	392
Effect of dilutive potential ordinary shares:		
Interest on convertible bonds (net of income tax)	**847**	194
(Gain)/loss arising on changes of fair value on derivative component of convertible bonds	**(2,248)**	258
Exchange adjustments on debt component and derivative component of convertible bonds	**(427)**	111
Earnings for the purpose of diluted earnings per share	**1,659**	955

For the six months ended 30 June 2024, the computation of diluted earnings per share does not assume the conversion of the Company's outstanding convertible bonds since their assumed conversion would result in an increase in earnings per share from continuing and discontinued operations.

From discontinued operations

Basic and diluted loss per share for the discontinued operations is Singapore 0.03 cents per share (six months ended 30 June 2025: N/A), based on the loss for the six months ended 30 June 2024 from the discontinued operations of approximately S$317,000 (six months ended 30 June 2025: N/A) and the denominators detailed above for both basic and diluted loss per share.

For the six months ended 30 June 2024, the computation of diluted loss per share did not assume the conversion of the Company's outstanding convertible bonds since their assumed conversion would result in a decrease in loss per share from discontinued operations.

10 TRADE AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	As at 30 June 2025 (Unaudited) ***S$'000***	As at 31 December 2024 (Audited) *S$'000*
Trade receivables	**6,175**	3,380
Less: provision for ECL	**(121)**	(30)
Trade receivables, net *(note i)*	**6,054**	3,350
Prepayments	**330**	439
Rental, utility and other deposits	**216**	227
Deposits paid for fitting-out	**558**	505
Other receivables	**447**	13
	1,551	1,184
Total	**7,605**	4,534
Less: rental and utility deposits shown under non-current assets	**(152)**	(148)
Amount shown under current assets	**7,453**	4,386

(i) Trade receivables

The Group normally grants credit term to customers of up to 95 days (31 December 2024: 65 days). The ageing analysis of gross amounts of these trade receivables based on the invoice date is as follows:

	As at 30 June 2025 (Unaudited) *S$'000*	As at 31 December 2024 (Audited) *S$'000*
0 to 30 days	**3,998**	2,894
31 to 60 days	**1,406**	165
61 to 90 days	**348**	156
Over 90 days	**423**	165
	6,175	3,380

(b) *Fair values of trade receivables*

Due to the short-term nature of the current receivables, their carrying amount is considered to be the same as their fair value.

(c) *Impairment and risk exposure of trade receivables*

The Group applies the simplified approach permitted by IFRS 9, which requires loss allowance to be measured at an amount equals to lifetime ECL on the trade receivables and contract assets. During the six months ended 30 June 2025, the amounts of provision charged to the interim condensed consolidated statement of profit or loss and other comprehensive income were S$91,000 (six months ended 30 June 2024: nil), mainly due to the increase of the gross carrying amount of the trade receivables, which is a result of increase of revenue for the six months ended 30 June 2025.

The maximum exposure to credit risk at the reporting date is the carrying value of the trade receivables mentioned above.

As at 30 June 2025, included in the Group's trade receivables balance are debtors with aggregate carrying amount of S$2,642,000 (31 December 2024: S$608,000) which are past due as at the reporting date. Out of the past due balances, S$80,000 (31 December 2024: S$165,000) has been past due 90 days or more and is not considered as in default at 30 June 2025 by considering the continuous business relationship and historical repayments from these customers. The Group does not hold any collateral over these balances or charge any interest thereon.

Before accepting any new customer, the Group has assessed the potential customer's credit quality and defined credit limit to each customer on individual basis. Limits attributed to customers are reviewed when necessary. The majority of the Group's trade receivables that are not past due have good credit quality with reference to respective settlement history.

As part of the Group's credit risk management, trade receivables are assessed on a collective basis with internal credit ratings for each group of debtors. The exposure to credit risk for trade receivables and contract assets which are assessed based on provision matrix as at 30 June 2025 and 31 December 2024 within lifetime ECL. The estimated loss rates are estimated based on historical observed default rates over the expected life of the debtors and are adjusted for forward-looking information that is available without undue cost or effort. The grouping is regularly reviewed by management to ensure relevant information about specific debtors is updated. The contract assets have substantially the same risk characteristics as the trade receivables for the same type of contracts. The Group has therefore concluded that the loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

In the opinion of management of the Group, the trade receivables at the end of each reporting period are of good credit quality and considering high creditability of these customers, good track record with the Group and subsequent settlement, management of the Group believes that no impairment allowance is necessary in respect of the remaining unsettled balances.

11 SHARE CAPITAL OF THE COMPANY

	Number of ordinary shares	**Nominal value of ordinary shares** *HK$'000*
Ordinary shares of HK$0.01 each		
Authorised:		
As at 1 January 2024 (audited), 30 June 2024 (unaudited), 31 December 2024 (audited), 1 January 2025 (audited) and 30 June 2025 (unaudited)	10,000,000,000	100,000

	Number of ordinary shares	**Nominal value of ordinary shares** *S$'000*
Issued and fully paid:		
As at 1 January 2024 (audited), 30 June 2024 (unaudited), 31 December 2024 (audited), 1 January 2025 (audited) and 30 June 2025 (unaudited)	1,000,000,000	1,829

12 BORROWING

	As at 30 June 2025 (Unaudited) ***S$'000***	As at 31 December 2024 (Audited) *S$'000*
Bank loan	—	583

	As at 30 June 2025 (Unaudited) *S$'000*	As at 31 December 2024 (Audited) *S$'000*
The carrying amounts of the above borrowings are repayable*:		
Within one year	—	583
Less: amounts due within one year shown under current liabilities	—	(583)
Amounts shown under non-current liabilities	—	—

* The amounts due are based on scheduled repayment dates set out in the loan agreements.

The average effective interest rates per annum at the end of each period ended 30 June 2025 and 31 December 2024 were set out as follows:

	As at 30 June 2025 (Unaudited)	As at 31 December 2024 (Audited)
Fixed interest rate		
— Bank loan	**N/A**	2.25%

The carrying amounts of the Group's borrowings approximated their fair values as at 31 December 2024 were mainly denominated in SGD.

The total banking facilities granted to the Group amounted to S$7,000,000 (31 December 2024: S$12,000,000), of which S$7,000,000 (31 December 2024: S$7,000,000) from the facilities of trade financing and nil (31 December 2024: S$5,000,000) from specific advance facilities and loan facilities as at 30 June 2025.

The undrawn borrowing facilities as at 30 June 2025 and 31 December 2024 were set out as follows:

	As at 30 June 2025 (Unaudited) *S$'000*	As at 31 December 2024 (Audited) *S$'000*
Floating rate		
— Expiring within one year	**7,000**	7,000

The facilities expiring within one year from the date of interim condensed consolidated statement of financial position are facilities subject to annual review. The other facilities are arranged mainly to help finance the Group's proposed expansion.

13 TRADE AND OTHER PAYABLES AND ACCRUALS

Trade and other payables and accruals comprise the following:

	As at 30 June 2025 (Unaudited) *S$'000*	As at 31 December 2024 (Audited) *S$'000*
Trade payables	**7,466**	4,370
Accruals for project cost *(note)*	**17,194**	9,436
Provision for onerous contracts	**209**	209
Provision for reinstatement costs	**250**	250
Other payables and accruals		
— Accrued expenses	**2,721**	3,890
— Good and services tax payables	**—**	520
— Accrued unutilised leave	**128**	36
— Others	**31**	38
Total	**27,999**	18,749
Less: provision for reinstatement costs shown under non-current liabilities	**(250)**	(250)
Amounts shown under current liabilities	**27,749**	18,499

Note: Included in accruals for project cost is retention payable amounting to S$3,714,000 (31 December 2024: S$1,329,000). The retention payables to subcontractors are interest-free and payable after the completion of maintenance period or in accordance with the terms specified in the relevant contracts for a period of generally 12 months after completion of the relevant works.

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

	As at 30 June 2025 (Unaudited) *S$'000*	As at 31 December 2024 (Audited) *S$'000*
0 to 30 days	**4,509**	3,317
31 to 60 days	**2,305**	448
61 to 90 days	**242**	605
Over 90 days	**410**	—
	7,466	4,370

The credit period on purchases from suppliers and subcontractors as at 30 June 2025 is 30 to 90 days (31 December 2024: 30 to 90 days) or payable upon delivery.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW AND OUTLOOK

The Group principally engaged in providing interior fitting-out services.

Our interior fitting-out services include (i) project management and construction management of the interior fitting-out projects; (ii) construction and installation of interior fitting-out works; (iii) customising, manufacturing and supplying of carpentry/joinery and integral fixtures; and (iv) maintenance of the projects that we undertake on an ad-hoc basis.

During the six months ended 30 June 2025, revenue increased by 70.7% to approximately S$40.0 million as compared to approximately S$23.4 million for the six months ended 30 June 2024. Gross profit also increased by 46.2% to approximately S$7.7 million, as compared to approximately S$5.3 million for the six months ended 30 June 2024. Net profit after tax was approximately S$3.5 million, as compared to approximately S$0.7 million for the six months ended 30 June 2024.

The Building and Construction Authority ("**BCA**") in Singapore is projecting construction demand to reach between S$47 billion and S$53 billion in 2025, which is a 6.3% to 19.9% increase from 2024. This is due to a number of large scale projects including Changi Airport Terminal 5 and expansion of the Marina Bay Sands Integrated Resort, alongside public housing development and upgrading works. Other contributors include high-specification industrial buildings, educational developments, healthcare facilities, mechanical and engineering contracts for rail lines and infrastructure works for Woodland Checkpoint extension and Tuas Port.

Over the medium-term, BCA projected the total construction demand to reach between S$39 billion and S$46 billion per year from 2026 to 2029, with the public sector expected to lead the demand.

Gross profit margin had deteriorated as more work are subcontracted out due to the lack of resources for the 6 months ended 30 June 2025.

As at 30 June 2025, we had 18 projects on hand (including contracts in progress) with a notional or estimated contract value of approximately S$82.5 million, of which approximately S$3.0 million had been recognised as revenue in prior periods, approximately S$30.4 million had been recognised as revenue during the six months ended 30 June 2025 and the remaining balance will be recognised as our revenue in accordance with the stage of completion. The remaining revenue of approximately S$9.6 million recognised during the six months ended 30 June 2025 was mainly attributed to projects which have been completed during the reporting period.

FINANCIAL REVIEW

	Six months ended 30 June		
	2025	2024	Change
	(Unaudited)	(Unaudited)	
Revenue *(S$'000)*	**39,989**	23,423	16,566
Gross profit *(S$'000)*	**7,711**	5,275	2,436
Gross profit margin	**19.3%**	22.5%	–3.2 p.p
Net profit *(S$'000)*	**3,487**	709	2,778

Revenue

The Group's principal operating activities from continuing operations are provision of interior fitting-out services for (i) owners or tenants of commercial and light-industrial properties; (ii) construction contractors; and (iii) professional consultants, and our revenue is mainly derived from projects involving fitting-out works for office space.

	For the six months ended 30 June					
	2025			2024		
	Number of projects with revenue contribution	**Revenue** *S$'000*	**Percentage of revenue** *(%)*	Number of projects with revenue contribution	Revenue *S$'000*	Percentage of revenue *(%)*
Owners/tenants	**33**	**35,791**	**89.5**	36	18,365	78.4
Construction contractors	**—**	**—**	**—**	—	—	—
Professional consultants	**19**	**4,198**	**10.5**	15	5,058	21.6
	52	**39,989**	**100.0**	51	23,423	100.0

The Group's overall revenue increased by approximately S$16.6 million or approximately 70.7% from approximately S$23.4 million for the six months ended 30 June 2024 to approximately S$40.0 million for the six months ended 30 June 2025. The increase is mainly due to more order book carried forward from prior year and more contracts secured in the six months ended 30 June 2025 as compared to the 6 months ended 30 June 2024.

Cost of Services

The Group's cost of services increased by approximately S$14.1 million or approximately 77.9% from approximately S$18.1 million for the six months ended 30 June 2024 to approximately S$32.3 million for the six months ended 30 June 2025. Such increased in cost of services is generally in line with the increased in revenue.

Gross Profit and Gross Profit Margin

The gross profit of the Group for the six months ended 30 June 2025 amounted to approximately S$7.7 million, representing a increase of approximately 46.2% as compared with approximately S$5.3 million for the six months ended 30 June 2024, which was driven by a increase in revenue for the same period. The Group's gross profit margin had decreased by approximately 3.2 percentage point from 22.5% for the six months ended 30 June 2024 to 19.3% for the six months ended 30 June 2025. This is mainly due to more subcontractors are used during the six months ended 30 June 2025.

Other Gains and (Losses)

Other gains and losses mainly included (i) foreign change differences; (ii) fair value adjustments on financial assets and derivative financial liabilities and (iii) disposal of property, plant and equipment. During the six months ended 30 June 2025, other gains was approximately S$2.7 million as compared to a loss of approximately S$0.4 million for the six months ended 30 June 2024. This is mainly due to an increase of (i) S$0.6 million in exchange gain and (ii) S$2.5 million in fair value gain on derivative component in relation to the convertible bonds.

Other Income

Other income mainly included income from (i) government grants; and (ii) sundry income. During the six months ended 30 June 2025, other income amounted to approximately S$52,000 compared to approximately S$31,000 for the six months ended 30 June 2024, which was mainly due to more grants given by the Singapore government.

Administrative Expenses

The administrative expenses of the Group had increased from approximately S$3.8 million for the six months ended 30 June 2024 to S$5.3 million for the six months ended 30 June 2025. This is mainly due to the increased in staff cost, depreciation, and legal fee.

Finance Costs

Finance costs for the six months ended 30 June 2025 was approximately S$989,000 (six months ended 30 June 2024: S$254,000) which represents interest on lease liabilities, bank loans and inputted interest on convertible bond. The increase in finance cost is mainly due to new lease taken up and more inputted interest taken up for the six months ended 30 June 2025.

Income Tax Expense

The increase in income tax expenses is in line with the increased in net profit before tax for the six months ended 30 June 2025 as compared to six months ended 30 June 2024.

Net Profit/(Loss)

Profit attributable to owners of the Company for the six months ended 30 June 2025 increased by approximately S$3.1 million from approximately S$0.4 million for the six months ended 30 June 2024 to approximately S$3.5 million for the six months ended 30 June 2025. The increase was mainly due to the increase in revenue leading to an increase in gross profit, fair value gain from remeasurement of the convertible bonds, absence of the loss from discontinued operations in the current interim period; which is offset by an increase in administrative expenses and income tax.

Interim Dividend

The Board did not recommend any interim dividend for the six months ended 30 June 2025 (six months ended 30 June 2024: nil).

Liquidity, Financial Resources and Capital Structure

The Company's shares were successfully listed on the Main Board of the Stock Exchange on 7 May 2020 and there has been no change in the capital structure of the Group since then. The Company's capital comprises ordinary shares and capital reserves. The Group finances its working capital, capital expenditures and other liquidity requirements through a combination of its cash and cash equivalents, cash flows generated from operations and net proceeds from the Share Offer.

The Group adopts a prudent cash and financial management policy. The Group's cash, mainly denominated in SGD and Hong Kong Dollars ("**HKD**"), is generally deposited with certain financial institutions.

As at 30 June 2025, the Group had total cash and bank balances of approximately S$6.4 million as compared to approximately S$15.8 million as at 31 December 2024.

As at 30 June 2025, the Group had a total available committed banking facilities of approximately S$7.0 million, of which approximately S$NIL was utilised.

As at 30 June 2025, the Group also had facilities in relation to performance guarantee of approximately S$11.0 million, of which approximately S$4.5 million was utilized.

All of the Group's borrowings are denominated in SGD.

Pledge of Assets

Other than the building and pledged fixed deposits have been pledged to bank in respect of performance bond guarantee and trade financing provided to the Group, the Group did not pledge any assets to secure any banking facilities or bank loans during the six months ended 30 June 2025 and 30 June 2024.

Treasury Policy

The Group has adopted a prudent financial management approach towards its treasury policy and thus maintained a healthy financial position throughout the year. The Board 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 at all times.

Foreign Exchange Risk

Foreign exchange risk arises from future commercial transactions, recognised assets or liabilities denominated in a currency that is not the entity's functional currency. The Group has no significant foreign exchange risk as the Group mainly operates in Singapore with majority of the transactions settled in SGD, except for the convertible note that is denominated in HKD.

Gearing Ratio

Gearing ratio is calculated by dividing all interest-bearing borrowings and lease liabilities by total equity at the period-end date and expressed as a percentage. The gearing ratio of the Group as at 30 June 2025 was 75.6% (as at 31 December 2024: 135.5%).

Significant Investments, Material Acquisitions and Disposal of Subsidiaries and Associated Companies

There were no significant investment, material acquisitions or disposals of subsidiaries and associated companies or joint ventures by the Group during the six months ended 30 June 2025.

Future Plans for Material Investments or Capital Assets

The Group did not have other future plans for material investments or capital assets as at 30 June 2025.

Employees and Remuneration Policy

As at 30 June 2025, the Group had a total of 441 employees (30 June 2024: 405 employees), including executive Directors. Total staff costs including Directors' emoluments, salaries, wages and other staff benefits, contributions and retirement schemes for the six months ended 30 June 2025 amounted to approximately S$7.1 million (six months ended 30 June 2024: approximately S$6.9 million). In order to attract and retain high quality staff and to enable smooth operation within the Group, the remuneration policy and package of the Group's employees are periodically reviewed. The salary and benefits levels of the Group's employees are competitive (with reference to market conditions and individual qualifications and experience). The Group provides adequate job training to the employees to equip them with practical knowledge and skills. Apart from a central provident fund and job training programs, salaries increment and discretionary bonuses may be awarded to employees according to the assessment of individual performance and market situation. The emoluments of the Directors have been reviewed by the remuneration committee of the Company, having regard to the Company's operating results, market competitiveness, individual performance, experience, responsibility, workload and time devoted to the Company, and approved by the Board.

Contingent Liabilities

As at 30 June 2025, the Group had performance bonds of approximately S$4.5 million (31 December 2024: S$7.7 million) given in favour of the Group's customers as security for the due performance and observance of the Group's obligation under the contracts entered into between the Group and the customers. The performance guarantees will be released upon completion of the contracts.

Capital Expenditures and Capital Commitments

During the six months ended 30 June 2025, the Group acquired items of property, plant and equipment of approximately S$463,000 (30 June 2024: S$19,000).

As at 30 June 2025, the Group had no material capital commitments.

EVENTS AFTER THE REPORTING PERIOD

Mandatory unconditional cash offer

Subsequent to the six months ended 30 June 2025, on 24 July 2025, Han Vision Holdings Limited which is owned by Mr. Zheng Nenghuan (70%) and his spouse Ms. Tang Judi (30%) (the "**Offeror**"), entered into the sale and purchase agreement (the "**Sale and Purchase Agreement**"), pursuant to which Ultimate Global has conditionally agreed to sell and the Offeror has conditionally agreed to acquire the sale shares, being an aggregate of 510,000,000 shares (representing approximately 51% of the issued share capital of the Company), for a total cash consideration of HK$33,600,000, representing HK$0.066 per sale share. Further details of the Sale and Purchase Agreement have been disclosed in the joint announcement of the Offeror and the Company dated 7 August 2025 (the "**Joint Announcement**").

Completion of the Sale and Purchase Agreement took place on 29 July 2025.

Pursuant to Rule 26.1 and Rule 13.1 of the Takeovers Code, the Offeror is required to make mandatory unconditional cash offers to acquire all the issued Shares and the outstanding Convertible Note (other than those already owned and/or agreed to be acquired by the Offeror and/or parties acting in concert with it).

Further announcement(s) will be made by the Company as and when appropriate. Save as above mentioned, the Directors are not aware of any significant event requiring disclosure that has taken place subsequent to 30 June 2025 and up to the date of this interim report.

Setting up a wholly owned subsidiary

Raffles Living Concepts Limited, a wholly owned subsidiary of the Group, was incorporated in the British Virgin Islands on 14 July 2025, to explore new business opportunities in the Greater Bay Area of Mainland China (the "**GBA**") to develop interior design, construction and other property services. The Group's experience and knowhow in serving Fortune 500 companies will empower the new subsidiary with core competencies that would be essential to capture opportunities to serve up and coming businesses in the GBA that have more sophisticated needs for their work space.

There are no significant events affecting the Group which have occurred after 30 June 2025 and up to the date of this interim report except for those mentioned above.

CORPORATE GOVERNANCE

In the opinion of the Directors, the Company complied with the code provisions as set out in Part 2 of the Corporate Governance Code contained in Appendix C1 to the Listing Rules throughout the six months ended 30 June 2025.

CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Code of Ethics and Securities Transactions (the "**Company's Code**") no less exacting than the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules as its code of conduct for dealings in securities of the Company by the Directors. Having made specific enquiry to all Directors, all Directors confirmed that they had complied with the required provisions set out in the Company's Code during the period for the six months ended 30 June 2025 and up to the date of this announcement.

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 during the six months ended 30 June 2025.

AUDIT COMMITTEE AND REVIEW OF UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The audit committee of the Company (the "**Audit Committee**") comprises three independent non-executive Directors, namely Mr. Wong Heung Ming Henry (chairman of the Audit Committee), Mr. Gay Soon Watt and Mr. Tan Chong Huat. The Audit Committee has reviewed the Group's unaudited condensed consolidated interim financial statements and interim results for the six months ended 30 June 2025 and discussed with the management on the accounting principles and practices adopted by the Group with no disagreement by the Audit Committee.

The unaudited condensed consolidated financial statements have been reviewed by Moore CPA Limited, the Company's independent auditor, in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants.

PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT

This interim results announcement is published on the website of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk and the website of the Company at www.rafflesinterior.com.

The 2025 interim report will also be published on the website of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk and the website of the Company at www.rafflesinterior.com and will be despatched to the shareholders of the Company in due course.

APPRECIATION

The Directors would like to take this opportunity to express sincere gratitude to all shareholders for their continued support and to thank all staff members of the Group for their dedication and contribution to the Group.

By Order of the Board
Raffles Interior Limited
Wong Heung Ming Henry
Non-executive Chairman and independent non-executive director

Hong Kong, 29 August 2025

As at the date of this announcement, the executive director of the Company is Mr. Ding Hing Hui; the non-executive director of the Company is Ms. Loke Pui San; and the independent non-executive directors of the Company are Mr. Gay Soon Watt, Mr. Wong Heung Ming Henry and Mr. Tan Chong Huat.