

LEGION CONSORTIUM LIMITED

(incorporated in the Cayman Islands with limited liability)

Stock Code: 2129



INTERIM
REPORT **2024**

CONTENTS

| | <i>Page</i> |
|--|-------------|
| Corporate Information | 2 |
| Interim Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income | 4 |
| Interim Condensed Consolidated Statement of Financial Position | 5 |
| Interim Condensed Consolidated Statement of Changes in Equity | 7 |
| Interim Condensed Consolidated Statement of Cash Flows | 8 |
| Notes to the Interim Condensed Consolidated Financial Statements | 9 |
| Management Discussion and Analysis | 20 |
| Other Information | 29 |





CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Mr. Ng Choon Eng

(Chairman and Chief Executive Officer)

Mr. Ng Kong Hock

Independent Non-Executive Directors

Mr. Yeo Teck Chuan

Mr. Ho Wing Sum

Mr. Teo Rainer Jia Kai

AUDIT COMMITTEE

Mr. Yeo Teck Chuan *(Chairman)*

Mr. Ho Wing Sum

Mr. Teo Rainer Jia Kai

REMUNERATION COMMITTEE

Mr. Ho Wing Sum *(Chairman)*

Mr. Yeo Teck Chuan

Mr. Teo Rainer Jia Kai

Mr. Ng Kong Hock

NOMINATION COMMITTEE

Mr. Teo Rainer Jia Kai *(Chairman)*

Mr. Yeo Teck Chuan

Mr. Ho Wing Sum

Mr. Ng Kong Hock

COMPANY SECRETARY

Mr. Man Yun Wah *(ACG, HKACG)*

AUTHORISED REPRESENTATIVES

Mr. Ng Kong Hock

Mr. Man Yun Wah

REGISTERED OFFICE

Windward 3, Regatta Office Park

PO Box 1350

Grand Cayman KY1-1108

Cayman Islands

HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN SINGAPORE

7 Keppel Road, #3-20/21/22/23/24

Tanjong Pagar Complex

Singapore, 089053

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit 1307A, 13/F., Two Harbourfront

22 Tak Fung Street, Hunghom

Kowloon, Hong Kong

CAYMAN ISLANDS PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Ocorian Trust (Cayman) Limited

Windward 3, Regatta Office Park

PO Box 1350

Grand Cayman KY1-1108

Cayman Islands

CORPORATE INFORMATION**HONG KONG BRANCH SHARE REGISTRAR
AND TRANSFER OFFICE**

Tricor Investor Services Limited
17/F, Far East Finance Centre
16 Harcourt Road
Hong Kong

COMPLIANCE ADVISER

Ample Capital Limited
Unit A, 14/F.
Two Chinachem Plaza
135 Des Voeux Road Central
Central
Hong Kong

PRINCIPAL BANKS

Malayan Banking Berhad
United Overseas Bank Limited

AUDITOR

Crowe (HK) CPA Limited
9/F Leighton Centre
77 Leighton Road
Causeway Bay, Hong Kong

COMPANY'S WEBSITE

www.legionconsortium.com

STOCK CODE

2129



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

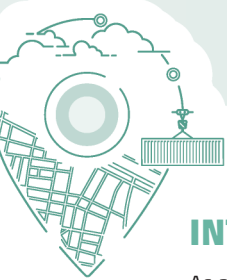
For the six months ended 30 June 2024

| | Notes | 30 June 2024 (unaudited) S\$ | 30 June 2023 (unaudited) S\$ |
|---|-------|---------------------------------------|---------------------------------------|
| Revenue | 4 | 31,443,294 | 31,780,569 |
| Cost of services | | (21,171,137) | (21,078,341) |
| Gross profit | | 10,272,157 | 10,702,228 |
| Other income | 5 | 952,151 | 417,702 |
| Other gains and losses | 6 | 193,209 | 65,969 |
| Selling expense | | (80,909) | (56,258) |
| Administrative expenses | | (7,275,588) | (7,234,711) |
| Finance costs | 7 | (315,614) | (352,701) |
| Profit before tax | 8 | 3,745,406 | 3,542,229 |
| Income tax expense | 9 | (485,458) | (483,000) |
| Profit and other comprehensive income for the period | | 3,259,948 | 3,059,229 |
| Profit and other comprehensive income/(loss) attributable to: | | | |
| Equity shareholders of the Company | | 3,270,180 | 3,050,885 |
| Non-controlling interests | | (10,232) | 8,344 |
| | | 3,259,948 | 3,059,229 |
| Basic and diluted earnings per share (Singapore cents) | 11 | 0.26 | 0.24 |

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2024

| | Notes | As at 30 June 2024 (unaudited) S\$ | As at 31 December 2023 (audited) S\$ |
|---|-------|--|--|
| ASSETS AND LIABILITIES | | | |
| Non-current assets | | | |
| Property, plant and equipment | 12 | 17,204,724 | 21,387,751 |
| Investment properties | | 3,361,801 | 3,456,372 |
| Intangible assets | | 2,340,658 | 2,410,478 |
| Deposits and other receivables | 13 | 665,012 | 2,446,799 |
| | | 23,572,195 | 29,701,400 |
| Current assets | | | |
| Trade receivables | 14 | 14,796,827 | 12,296,087 |
| Other receivables, deposits and prepayments | 13 | 2,069,330 | 2,270,948 |
| Amount due from related parties | | 5,482 | 8,038 |
| Restricted bank deposit | | 100,000 | 350,000 |
| Fixed deposits with maturity of over three months | | — | 4,042,938 |
| Bank balances and cash | | 30,602,988 | 22,794,266 |
| | | 47,574,627 | 41,762,277 |
| Total assets | | 71,146,822 | 71,463,677 |
| Current liabilities | | | |
| Trade and other payables | 15 | 3,201,900 | 3,258,766 |
| Amount due to related parties | | 231,000 | 315,094 |
| Bank borrowings | | 46,235 | 45,311 |
| Lease liabilities | | 7,400,327 | 7,599,394 |
| Income tax payable | | 1,032,286 | 921,082 |
| | | 11,911,748 | 12,139,647 |
| Net current assets | | 35,662,879 | 29,622,630 |



INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2024

| | Notes | As at 30 June 2024 (unaudited) S\$ | As at 31 December 2023 (audited) S\$ |
|---|-------|--|--|
| Non-current liabilities | | | |
| Other payables | 15 | 1,340,263 | 1,104,208 |
| Bank borrowings | | 429,013 | 451,173 |
| Lease liabilities | | 3,874,445 | 7,428,424 |
| Provisions | | 230,706 | 230,706 |
| Deferred tax liabilities | | 506,600 | 515,420 |
| | | 6,381,027 | 9,729,931 |
| Total liabilities | | 18,292,775 | 21,869,578 |
| Net assets | | 52,854,047 | 49,594,099 |
| EQUITY | | | |
| Share capital | 16 | 2,133,905 | 2,133,905 |
| Reserves | | 49,788,130 | 46,517,950 |
| Total equity attributable to shareholders of the Company | | 51,922,035 | 48,651,855 |
| Non-controlling interests | | 932,012 | 942,244 |
| Total equity | | 52,854,047 | 49,594,099 |

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2024

| | Share capital S\$ | Share premium S\$ | Other reserve (Note a) S\$ | Retained earnings S\$ | Total S\$ | Non-controlling interests S\$ | Total Equity S\$ |
|---|----------------------|----------------------|----------------------------------|--------------------------|-------------------|----------------------------------|---------------------|
| Balance at 1 January 2023 (Audited) | 2,133,905 | 10,750,056 | 5,194,165 | 27,146,771 | 45,224,897 | 926,358 | 46,151,255 |
| Profit for the period, representing total comprehensive income for the period | – | – | – | 3,050,885 | 3,050,885 | 8,344 | 3,059,229 |
| Balance at 30 June 2023 (Unaudited) | 2,133,905 | 10,750,056 | 5,194,165 | 30,197,656 | 48,275,782 | 934,702 | 49,210,484 |
| Balance at 1 January 2024 (Audited) | 2,133,905 | 10,750,056 | 5,194,165 | 30,573,729 | 48,651,855 | 942,244 | 49,594,099 |
| Profit/(loss) for the period, representing total comprehensive income/(loss) for the period | – | – | – | 3,270,180 | 3,270,180 | (10,232) | 3,259,948 |
| Balance at 30 June 2024 (Unaudited) | 2,133,905 | 10,750,056 | 5,194,165 | 33,843,909 | 51,922,035 | 932,012 | 52,854,047 |

Note:

a. Other reserves includes:

- i. The balance of S\$3,328,859 represents contribution from Mr. Ng Choon Eng (“**Mr. Ng**”, the “**Controlling Shareholder**”) resulting from acquisition of additional equity interest in Rejoice Container Services (Pte) Ltd (“**Rejoice**”) and Radiant Overseas Pte Ltd (“**Radiant**”) from then non-controlling interest in prior years without recharging back the purchase consideration to the Group.
- ii. The balance of S\$1,865,306 represents difference between the share capital of Rejoice, Radiant, Richwell Global Forwarding Pte. Ltd. (“**Richwell**”), Real Time Forwarding Pte. Ltd. (“**Real Time**”) and Clear Bliss Holdings Limited (“**Clear Bliss**”) at the date on which they were acquired by the Group and the share capital issued by the Company as consideration for the acquisition.



INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2024

| | For the six months ended 30 June | |
|--|----------------------------------|----------------------------|
| | 2024 (Unaudited) S\$ | 2023 (Unaudited) S\$ |
| Operating activities | | |
| Cash generated from operations | 8,586,564 | 13,456,892 |
| Income taxes paid | (383,074) | (605,968) |
| Net cash generated from operating activities | 8,203,490 | 12,850,924 |
| Investing activities | | |
| Proceeds from disposal of property, plant and equipment | 3,000 | 141,600 |
| Purchase of property, plant and equipment | (1,827,296) | (7,580,924) |
| Refundable deposit refunded for potential strategic acquisition | 960,000 | 1,500,000 |
| Purchase of intangible assets | (329) | — |
| Interest received | 293,457 | 185,946 |
| Redemption of fixed deposits with maturity of over 3 months | 4,042,938 | 1,597,120 |
| Redemption of restricted bank deposit | 250,000 | 100,000 |
| Net cash generated from/(used in) investing activities | 3,721,771 | (4,056,258) |
| Financing activities | | |
| Interest paid on bank borrowings | (17,233) | (19,844) |
| Interest paid on lease liabilities | (298,381) | (332,857) |
| Repayments of borrowings | (21,236) | (84,285) |
| Repayment of lease liabilities | (3,779,689) | (3,081,129) |
| Net cash used in financing activities | (4,116,539) | (3,518,115) |
| Net increase in cash and cash equivalents | 7,808,722 | 5,276,551 |
| Cash and cash equivalents at beginning of financial period | 22,794,266 | 10,319,604 |
| Cash and cash equivalents at end of financial period, represented by bank balances and cash | 30,602,988 | 15,596,155 |

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2024

1 GENERAL

Legion Consortium Limited (the "**Company**") was incorporated and registered as an exempted company in the Cayman Islands with limited liability on 20 June 2018. The registered office of the Company is Windward 3, Regatta Office Park, PO Box 1350, Grand Cayman KY1-1108, Cayman Islands. The principal place of business of the Company in Singapore is at 7 Keppel Road, #3-20/21/22/23/24, Tanjong Pagar Complex, Singapore, 089053 and in Hong Kong is at Unit 1307A, 13/F., Two Harbourfront, 22 Tak Fung Street, Hunghom, Kowloon, Hong Kong.

The Company is an investment holding company. The Company's subsidiaries were engaged in the provision of trucking services, freight forwarding services, and value added transport services ("**VATS**").

The shares of the Company were listed on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on 13 January 2021 (the "**Listing**").

Mirana Holdings Limited ("**Mirana Holdings**"), a company incorporated in the British Virgin Islands (the "**BVI**"), is the immediate holding company of the Company and in the opinion of the directors of the Company (the "**Directors**"), which is also the ultimate holding company of the Company.

2 BASIS OF PREPARATION

The unaudited condensed consolidated interim financial statements for the six months ended 30 June 2024 ("**Interim Financial Statements**") have been prepared in accordance with International Accounting Standard 34 ("**IAS 34**") issued by the International Accounting Standards Board (the "**IASB**") and the applicable disclosure requirements of the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**").

The Interim Financial Statements do not include all the information and disclosures required in a full set of financial statements, and should be read in conjunction with the annual financial statements of the Company and its subsidiaries (collectively referred to as the "**Group**") for the year ended 31 December 2023.

The Interim Financial Statements have been prepared in accordance with the same accounting policies applied in the 2023 annual financial statements, except for additional accounting policies resulting from application of amendments to International Financial Reporting Standards ("**IFRSs**") and application of certain accounting policies which became relevant to the Group for the six months ended 30 June 2024 as set out in note 3.



NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2024

2 BASIS OF PREPARATION *(Continued)*

The preparation of the Interim Financial Statements in conformity with IAS 34 requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year-to-date basis. Actual results may differ from these estimates.

In preparing the Interim Financial Statements, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2023.

The Interim Financial Statements contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and financial performance of the Group since the 2023 annual financial statements. The Interim Financial Statements and notes thereon do not include all of the information required for a full set of financial statements prepared in accordance with IFRSs.

The Interim Financial Statements have been prepared on the historical cost basis.

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

3 ADOPTION OF NEW AND REVISED STANDARDS

Other than additional/change in accounting policies resulting from application of new and amendments to IFRS and application of certain accounting policies which became relevant to the Group in the current interim period, the accounting policies and methods of computation used in the Interim Financial Statements for the six months ended 30 June 2024 are the same as those presented in the Group's annual consolidated financial statements for the year ended 31 December 2023.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2024

3 ADOPTION OF NEW AND REVISED STANDARDS *(Continued)*

Application of amendments to IFRSs

In the current interim period, the Group has applied the following new and amendments to IFRSs issued by the IASB, for the first time, which are mandatorily effective for the Group's annual period beginning on 1 January 2024 for the preparation of the Group's Interim Financial Statements:

| | |
|--------------------------------|---|
| Amendments to IFRS 16 | Lease Liability in a Sale and Leaseback |
| Amendments to IAS 1 | Classification of Liabilities as Current or Non-current |
| Amendments to IAS 1 | Non-current Liabilities with Covenants |
| Amendments to IAS 7 and IFRS 7 | Supplier Finance Arrangements |

The application of the amendments to IFRSs 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 the Interim Financial Statements.

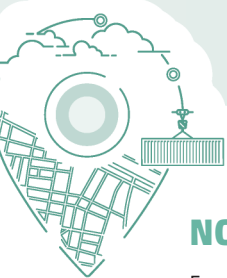
4 REVENUE AND SEGMENT INFORMATION

Revenue represents the fair value of amounts received and receivable from provision of trucking services, freight forwarding services and VATS by the Group to external customers, also represents the revenue from contracts with customers. This is consistent with the revenue information that is disclosed for each operating and reportable segment under IFRS 8. During the six months ended 30 June 2024 and 2023, there is no inter-segment sales.

Information is reported to the Mr. Ng Choon Eng, which is also the Chief Operating Decision Maker (the "CODM") of the Group, for the purposes of resource allocation and performance assessment. The CODM reviews segment revenue and results attributable to each segment, which is measured by reference to respective segments' gross profit. The segment information is defined by nature of services provided:

- Trucking services
- Freight forwarding services
- VATS

No further detailed analysis of the Group's results nor assets and liabilities is regularly provided to the CODM for review.



NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2024

4 REVENUE AND SEGMENT INFORMATION *(Continued)*

An analysis of the Group's revenue and segment result for the financial periods are as follows:

| | 30 June 2024 (unaudited) S\$ | 30 June 2023 (unaudited) S\$ |
|---------------------------------|---------------------------------------|---------------------------------------|
| Revenue from external customers | | |
| – Trucking services | 12,124,000 | 11,043,779 |
| – Freight forwarding services | 13,676,497 | 12,304,874 |
| – VATS | 5,642,797 | 8,431,916 |
| | 31,443,294 | 31,780,569 |
| Segment result | | |
| – Trucking services | 4,565,540 | 2,657,275 |
| – Freight forwarding services | 4,083,920 | 3,453,013 |
| – VATS | 1,622,697 | 4,591,940 |
| | 10,272,157 | 10,702,228 |
| Unallocated: | | |
| – Other income | 952,151 | 417,702 |
| – Other gains, net | 193,209 | 65,969 |
| – Selling expense | (80,909) | (56,258) |
| – Administrative expenses | (7,275,588) | (7,234,711) |
| – Finance costs | (315,614) | (352,701) |
| Profit before tax | 3,745,406 | 3,542,229 |

The Group derives its revenue from provision of trucking services, freight forwarding services and VATS over time. As permitted under IFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

The accounting policies for segment information are the same as Group's accounting policies with segment results represent the profit earned by each segment without allocation of other income, other gains and losses, selling expenses, administrative expenses, impairment gains and losses (including reversals of impairment losses) and finance costs.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2024

5 OTHER INCOME

| | 30 June 2024 (unaudited) S\$ | 30 June 2023 (unaudited) S\$ |
|----------------------------|---------------------------------------|---------------------------------------|
| Government grants (Note 1) | 426,267 | 57,627 |
| Interest income | 293,457 | 185,946 |
| Rental income | 153,100 | 164,200 |
| Yard utilities income | 79,327 | 64,765 |
| Others | – | (54,836) |
| | 952,151 | 417,702 |

Note:

The government grants received mainly comprise Enterprise Development Grant, Wage Credit Scheme ("WCS"), Job Growth Incentive ("JGI"), Special Employment Credit ("SEC") and Job Support Scheme ("JSS"), all of them are compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs.

6 OTHER GAINS AND LOSSES

| | 30 June 2024 (unaudited) S\$ | 30 June 2023 (unaudited) S\$ |
|---|---------------------------------------|---------------------------------------|
| Gain on disposal of property and equipment, net | 1,817 | 559 |
| Net foreign exchange gains | 191,392 | 65,410 |
| | 193,209 | 65,969 |



NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2024

7 FINANCE COSTS

| | 30 June 2024 (unaudited) S\$ | 30 June 2023 (unaudited) S\$ |
|-------------------|---------------------------------------|---------------------------------------|
| Interest on: | | |
| Bank borrowings | 17,233 | 19,844 |
| Lease liabilities | 298,381 | 332,857 |
| | 315,614 | 352,701 |

8 PROFIT BEFORE TAX

Profit before tax has been arrived at after charging (crediting):

| | 30 June 2024 (unaudited) S\$ | 30 June 2023 (unaudited) S\$ |
|--|---------------------------------------|---------------------------------------|
| Depreciation of property, plant and equipment | | |
| – Recognised as cost of services | 4,232,714 | 3,579,299 |
| – Recognised as administrative expenses | 662,340 | 588,449 |
| | 4,895,054 | 4,167,748 |
| Depreciation of investment property | 94,571 | 94,571 |
| Amortisation of intangible assets | 70,419 | 36,186 |
| Directors' remuneration | 886,266 | 640,397 |
| Other staff costs: | | |
| – Salaries and other benefits | 4,294,544 | 4,268,859 |
| – Contributions to Central Provident Fund | 416,369 | 462,852 |
| Total staff costs (including directors' remuneration) (Note i) | 5,597,179 | 5,372,108 |

Note:

- (i) The total staff costs of S\$1,220,220 (30 June 2023: S\$1,337,602) is included in cost of services and S\$4,376,959 (30 June 2023: S\$4,034,506) is included in administrative expenses respectively.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2024

9 INCOME TAX EXPENSE

| | 30 June 2024 (unaudited) S\$ | 30 June 2023 (unaudited) S\$ |
|--|---------------------------------------|---------------------------------------|
| Tax expense comprises: | | |
| Current tax: | | |
| – Singapore corporate income tax ("CIT") | 485,458 | 483,000 |

Singapore CIT is calculated at 17% of the estimated assessable profit and the subsidiaries in Singapore can also enjoy 75% tax exemption on the first S\$10,000 of chargeable income and a further 50% tax exemption on the next S\$190,000 of chargeable income for both the Year of Assessment 2024 and 2025. For Year of Assessment 2024, CIT rebate of maximum \$40,000 given to the Group under Singapore Budget 2024.

10 DIVIDENDS

No dividend has been declared by the Company or any Group entities during the six months ended 30 June 2024 and 2023 or subsequent to the month end.

11 EARNINGS PER SHARE

| | 30 June 2024 (unaudited) | 30 June 2023 (unaudited) |
|---|--------------------------------|--------------------------------|
| Profit for the period attributable to the owners of the Company (S\$) | 3,270,180 | 3,050,885 |
| Weighted average number of ordinary shares in issue | 1,250,000,000 | 1,250,000,000 |

The calculation of basic earnings per share for the six months ended 30 June 2024 and 2023 is based on the profit for the period attributable to owners of the Company and the weighted average number of shares in issue.

Diluted earnings per share is the same as the basic earnings per share because the Group has no dilutive securities that are convertible into shares during the six months ended 30 June 2024 and 2023.



NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2024

12 PROPERTY, PLANT AND EQUIPMENT

Right-of-use assets

During the current interim period, the Group entered into several new lease agreements with lease terms ranged from 1 to 3 years. The Group is required to make fixed monthly payments. On lease commencement, the Group recognised right-of-use assets of S\$893,938 (six months ended 30 June 2023: S\$13,657,028) and lease liabilities of S\$26,643 (six months ended 30 June 2023: S\$14,264,868).

Acquisitions and disposals

During the six months ended 30 June 2024, the Group acquired property, plant and equipment with cost of S\$877,647 (six months ended 30 June 2023: S\$9,622,631).

In addition, during the six months ended 30 June 2024, the Group disposed of assets with cost of approximately S\$657,177 (six months ended 30 June 2023: S\$4,149,922).

13 OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

| | 2024 S\$ | 2023 S\$ |
|--|------------------|-------------|
| Rental and other deposits | 1,706,626 | 2,417,054 |
| Deposits paid for acquisition of property, plant and equipment | 665,012 | 1,769,600 |
| Prepayments | 151,072 | 366,786 |
| Interest receivable | — | 4,170 |
| Staff advances | 99,636 | 89,711 |
| Others | 111,996 | 70,426 |
| | 2,734,342 | 4,717,747 |
| Analysed as: | | |
| – Current | 2,069,330 | 2,270,948 |
| – Non-current | 665,012 | 2,446,799 |
| | 2,734,342 | 4,717,747 |

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS



For the six months ended 30 June 2024

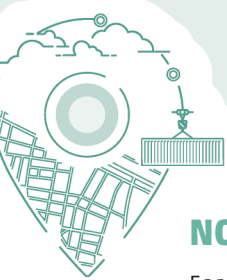
14 TRADE RECEIVABLES

| | As at 30 June 2024 (unaudited) S\$ | As at 31 December 2023 (audited) S\$ |
|-----------------------------------|--|--|
| Trade receivables | 14,852,537 | 12,352,796 |
| Allowance for doubtful receivable | (55,710) | (56,709) |
| | 14,796,827 | 12,296,087 |

The Group provides trucking services to new customers at cash upon delivery and grants credit terms to other customers typically ranging from 30 to 90 days from the invoice date for trade receivables.

The following is an aged analysis of trade receivables, net of allowance for doubtful debts, presented based on the invoice date which approximated the revenue recognition date at the end of each financial period:

| | As at 30 June 2024 (unaudited) S\$ | As at 31 December 2023 (audited) S\$ |
|---------------------|--|--|
| Within 30 days | 6,387,090 | 4,834,341 |
| 31 days to 60 days | 3,448,982 | 2,974,550 |
| 61 days to 90 days | 1,488,385 | 1,448,709 |
| 91 days to 180 days | 602,562 | 695,132 |
| 181 days to 1 year | 874,110 | 828,485 |
| Over 1 year | 2,051,408 | 1,571,579 |
| | 14,852,537 | 12,352,796 |



NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2024

15 TRADE AND OTHER PAYABLES

| | As at 30 June 2024 (unaudited) S\$ | As at 31 December 2023 (audited) S\$ |
|----------------------------|--|--|
| Trade payables | 1,581,480 | 1,316,140 |
| GST payables | 347,730 | 114,491 |
| Customer deposits | 1,340,263 | 1,169,808 |
| Accrued operating expenses | 1,262,031 | 1,662,535 |
| Others | 10,659 | 100,000 |
| | 4,542,163 | 4,362,974 |
| Analysed as: | | |
| - Current | 3,201,900 | 3,258,766 |
| - Non-current (Note a) | 1,340,263 | 1,104,208 |
| | 4,542,163 | 4,362,974 |

Note:

(a) Non-current trade and other payables arise from customer deposit rental for yard and investment properties rental.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2024

15 TRADE AND OTHER PAYABLES *(Continued)*

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 (unaudited) S\$ | As at 31 December 2023 (audited) S\$ |
|----------------|--|--|
| Within 30 days | 1,103,983 | 925,470 |
| 31 to 60 days | 340,892 | 296,720 |
| 61 to 90 days | 58,890 | 40,176 |
| Over 90 days | 77,715 | 53,774 |
| | 1,581,480 | 1,316,140 |

The credit period on purchases from suppliers is between 0 to 30 days or payable upon delivery.

16 SHARE CAPITAL

| | Number of ordinary shares | Par Value HK\$ | Share capital HK\$ |
|--|------------------------------|----------------------|-----------------------|
| Authorised share capital of the Company: | | | |
| At the beginning/end of the reporting period | <u>2,000,000,000</u> | 0.01 | <u>20,000,000</u> |
| | | | |
| | Number of ordinary shares | Share capital S\$ | |
| Issued and fully paid of the Company | | | |
| At the beginning/end of the reporting period | <u>1,250,000,000</u> | <u>2,133,905</u> | |



MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW AND PROSPECTS

The Group is a Singapore-based logistics service provider with offering a complete array of logistics solutions. We offer multiple services that facilitate the movement, which include trucking, freight forwarding, transportation and value added transportation services (“VATS”) to our customers.

The Group not only built a well-established infrastructure, a good market reputation and a strong portfolio of prestigious clients but also expanded our corporate footprint across the Singapore region. Singapore’s strategic location makes it primed to be a regional distribution centre. Such strong foundations have supported us in maintaining our position amidst the upheaval of the current industry situation.

The Group has developed a reputation as an integrated logistics solution provider equipped with a vehicle fleet, logistics yards, and experienced management team. We navigate the complexities of sea, air, and road logistics to move cargo more efficiently.

As at 30 June 2024, the Group had a vehicle fleet comprising 59 prime movers, 464 trailers and 19 flat vans, and machineries comprising three reach stackers and three forklifts. Furthermore, we are operating 3 yards and 3 warehouse of approximately 48,980 sq. m. and 32,343 sq. m., respectively, for the provision of our open-yard storage and warehousing services as part of our VATS.

The Group expects enhanced visibility of the logistics business and improved access to capital will allow us to achieve our expansion plans and further strengthen our position in the market.

PROSPECTS

The Group remains focused on our long-term goals of increasing the scale of our operations by growing our transportation fleet, expanding and enhancing our value-added transportation services and expanding our operations into warehousing, which will help to create a conducive environment for further business growth.

Building premises and increasing warehousing capacities serve as part of our efforts to position the Group for future sustainable growth. We will be able to help our customers consolidate their supply chain operations under one roof and reaffirm our role as a leading provider of total integrated logistics solutions.

Moving forward, the Group is determined to stay abreast of times and maintain its leading position in the industry. We are also mindful of the business impact of external factors, such as fluctuations in diesel prices and interest rates, tightening of the labour market and pressure on wage costs. As such, we will strive to persist in our prudent cost management, while seeking synergistic collaborative partners to enhance our competitive edge.

Undeterred by these challenges, we remain focused on delivering on our strategy with restrained optimism. We embark on our financial year 2024 journey in a strong financial position and have numerous viable options for growth and value creation.

MANAGEMENT DISCUSSION AND ANALYSIS



FINANCIAL REVIEW

Revenue

Revenue was approximately S\$31.8 million and S\$31.4 million for the six months ended 30 June 2023 and 30 June 2024 respectively. Overall revenue remained stable during the six months ended 30 June 2024 with a slight decrease by 1.0% as compared with six months ended 30 June 2023.

Trucking services

Our Group's trucking services revenue was approximately S\$11.0 million and S\$12.1 million for the six months ended 30 June 2023 and 2024 respectively. Trucking revenue consists of revenue from transportation fees in relation to the transportation of cargo. The increase of approximately S\$1.1 million or 9.8% was mainly due to the Company continues growth in customer demand for trucking services.

Freight forwarding services

Our Group's revenue from freight forwarding services was approximately S\$12.3 million and S\$13.7 million for the six months ended 30 June 2023 and 2024, respectively. Revenue from freight forwarding services consists of fees from import and export freight forwarding arrangement (by either air or sea), local trucking and haulage to and from airport/seaport and customers/warehouses, as well as other related services such as cargo permit declaration and crating. Such revenue is mainly driven by the volume of goods, type of services provided, type of cargoes, among other factors. The increase of approximately S\$1.4 million or 11.4% was due to high demand in import and export freight during year 2024.

VATS

Our Group's revenue from VATS was approximately S\$8.4 million and S\$5.6 million for the six months ended 30 June 2023 and 2024 respectively. Revenue from VATS consists of open-yard storage fees, stuffing and unstuffing fees and transportation fees for the container haulage between our logistics yard and our customers' designated pick up and/or delivery points. Such revenue is primarily driven by land area that the containers are stored for. The decrease of approximately S\$2.8 million or 33.1% was mainly due to no ad-hoc services provided to our customers by plug-in diesel to produce electricity for customers' containers.



MANAGEMENT DISCUSSION AND ANALYSIS

Gross Profit and Gross Profit Margin

For the six months ended 30 June 2023 and 2024, we recorded a gross profit of approximately S\$10.7 million and S\$10.3 million, respectively. The Group's gross profit remained stable during the six months ended 30 June 2023 and 2024. Trucking services accounted for approximately 24.8% and 44.7% of our total gross profit for the six months ended 30 June 2023 and 2024 respectively. Freight forwarding services accounted for approximately 32.7% and 39.8% of our total gross profit for the six months ended 30 June 2023 and 2024 respectively. VATS accounted for approximately 42.9% and 15.5% of our total gross profit for the six months ended 30 June 2023 and 2024 respectively.

For the six months ended 30 June 2023 and 2024, we recorded a gross profit margin of approximately 33.6% and 32.8% respectively. Gross profit margin for trucking services were approximately 24.1% and 38.0% for the six months ended 30 June 2023 and 2024 respectively. The increase in gross profit margin of trucking services was due to increase in pricing and high demands from customers. Gross profit margin for freight forwarding services increased from approximately 28.5% to 29.9% for the six months ended 30 June 2023 and 2024, respectively, due to the effective cost control of freight service related costs during the year. Gross profit margin for VATS decreased from approximately 54.5% to 28.6% for the six months ended 30 June 2023 and 2024, respectively. The decrease in the gross profit margin of VATS was mainly due to the additional ad-hoc services provided for the six months ended 30 June 2023 which have contributed to a better gross profit.

Other income

Our Group reported other income of approximately S\$0.4 million and S\$1.0 million for the six months ended 30 June 2023 and 2024 respectively. Other income mainly relates to government grants which mainly comprise of the Enterprise Development Grant, WCS, JGI, SEC and JSS, interest income and rental income from investment properties. The increase in other income was mainly due to new additional grant received which is Enterprise Development Grant and increase in fixed deposit interest income.

Other gains and losses

Our Group reported other gains of approximately S\$0.1 million and S\$0.2 million for the six months ended 30 June 2023 and 2024 respectively. Other gains and losses relate to (loss)/gain on disposal of property and equipment, net impairment gains or losses and net foreign exchange gains.

MANAGEMENT DISCUSSION AND ANALYSIS



Administrative expenses

Our Group reported administrative expenses of approximately S\$7.2 million and S\$7.3 million for the six months ended 30 June 2023 and 2024 respectively. Administrative expenses for our Group primarily consist of Directors' remuneration cost, staff cost, depreciation and amortisation expenses and other miscellaneous expenses. Directors' remuneration cost includes Directors' remuneration. Staff cost includes office staff salary, CPF contribution and bonuses. Depreciation and amortisation expenses include property depreciation, office equipment depreciation and software amortisation. Miscellaneous expenses include office expenses such as utility expenses, insurance expenses and office rental expenses as well as professional expenses such as audit and secretarial fees and other expenses. Administrative expenses remained consistent during six months ended 30 June 2023 and 2024.

Income tax expense

As our operations are based in Singapore, the Group is liable to pay corporate income tax in accordance with the tax regulations of Singapore. Income tax expense of the Group amounted to approximately S\$0.5 million and S\$0.5 million for the six months ended 30 June 2023 and 2024 respectively.

Profit for the period

As a result of the foregoing, profit of the Group increased by approximately S\$0.2 million from approximately S\$3.1 million for the six months ended 30 June 2023 to approximately S\$3.3 million for the six months ended 30 June 2024. The increase in net profit was mainly due to additional grant received and increase in fixed deposits interest income. Net profit margin increased from approximately 9.7% for the six months ended 30 June 2023 to approximately 10.5% for the six months ended 30 June 2024.

Interim dividend

The board of Directors (the "**Board**") did not recommend a payment of an interim dividend for the six months ended 30 June 2024 (2023: Nil).

Liquidity and capital assets

The shares of the Company were successfully listed on the Main Board of the Stock Exchange on 13 January 2021 (the "**Listing Date**") and there has been no change in capital structure of the Group since then. The capital structure of the Group consists of debt, which includes amount due to related parties, trade and other payables, bank borrowings and lease liabilities and net of bank balances and cash and equity attributable to owners of the Group, comprising share capital and reserves.



MANAGEMENT DISCUSSION AND ANALYSIS

Our primary uses of cash are to satisfy our working capital needs. Our working capital needs have been financed through a combination of funds generated from operations and bank borrowings. As at 30 June 2023 and 2024, we had bank balances and cash of approximately S\$22.8 million and S\$30.6 million respectively. Going forward, we expect to fund our working capital and other capital requirements with a combination of various sources, including but not limited to cash generated from our operations and short-term or long-term indebtedness.

The bank balances and cash of the Group, mainly denominated in Singapore dollars (“SGD” or “S\$”), Hong Kong dollars (“HKD”) and United States dollars (“USD”), are generally deposited with authorised financial institutions. As at 30 June 2024, approximately 84.3% (31 December 2023: 82.5%) of the Group’s bank balances and cash was denominated in SGD, approximately 0.4% (31 December 2023: 4.4%) was denominated in HKD and approximately 15.3% (31 December 2023: 14.1%) denominated in USD.

As at 30 June 2024, the Group had banking facilities with credit limit amounting to approximately S\$0.1 million (31 December 2023: S\$0.1 million). There was no unutilised credit facilities at the end of the period.

As at 30 June 2024, the gearing ratio of the Group, based on total interest-bearing liabilities (including bank borrowings and lease liabilities) to total equity (including all capital and reserves) of the Company was approximately 22.2% (31 December 2023: 32.4%). The decrease in gearing ratio was mainly attributable to the decrease in bank borrowings and lease liabilities.

Foreign currency exposure

The Group transacts mainly in SGD, which is the functional currency of all the Group’s operating subsidiaries. The Group currently does not have a foreign currency hedging policy but maintains a conservative approach to foreign currency management to ensure its exposure to fluctuations in foreign exchange rates is minimised.

Pledge of assets

The deposit of S\$0.3 million (31 December 2023: S\$0.2 million) is pledged as security with a financial institution to obtain letter of credit facilities with original maturity of 1 year.

Significant investment held, material acquisitions and disposal of subsidiaries, associated companies or joint ventures

There were no significant investments held, material acquisitions or disposals of subsidiaries, associated companies or joint ventures by the Group during the six months ended 30 June 2024.

Future plans for material investments or capital assets

Save as disclosed in the the prospectus of the Company dated 30 December 2020 (the “Prospectus”), the Group did not have other future plans for material investments or capital assets as at 30 June 2024.

MANAGEMENT DISCUSSION AND ANALYSIS



Employees and remuneration policy

As at 30 June 2024, the Group had a total of 228 employees (31 December 2023: 221 employees), including executive Directors. Total staff costs including Directors' emoluments, salaries, wages and other staff benefits, contributions and retirement schemes in the six months ended 30 June 2024 amounted to approximately S\$5.6 million (30 June 2023: approximately S\$5.4 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 benefit levels of the employees of the Group 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 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 and achievement, and approved by the Board.

Capital commitments and contingent liabilities

As at 30 June 2024, the Group had no capital commitment and contingent liabilities.

Use of proceeds from the Listing

The Shares were listed on the Main Board of the Stock Exchange on the Listing Date for which the Company issued 312,500,000 Shares at the offer price of HK\$0.4 per Share. After deducting share issuance expense and professional fee relating to the Share Offer, the net proceeds (the "**Net Proceeds**") amounted to approximately HK\$41.5 million (equivalent to approximately S\$7.2 million).

Reference is made to the announcement of the Company dated 30 August 2023. In order to i) improve the efficiency of the use of the Net Proceeds; ii) avoid continuous and massive rental and other related expenses in relation to storage of the prime movers and containers of the Group; and iii) utilise the unoccupied portion of logistics yard for generating other income, rather than continuously holding onto the unutilised Net Proceeds for the planned strategic acquisition and earning minimal bank interest income by depositing in banks, the Board has resolved to change the use of the unutilised Net Proceeds.



MANAGEMENT DISCUSSION AND ANALYSIS

The below table sets out the proposed applications of the Net Proceeds:

| | Original allocation of the Net Proceeds HK\$ million (approximately) | Utilised Net Proceeds up to the date of this report HK\$ million (approximately) | Unutilised Net Proceeds up to the date of this report HK\$ million (approximately) | Revised allocation of the unutilised Net Proceeds HK\$ million (approximately) | Expected timeline for utilising the remaining proceeds |
|---|--|--|--|--|--|
| Strategic Acquisition | 17.7 | – | – | – | – |
| Expansion of our fleet in relation to our trucking services segment | 16.5 | (11.6) | 4.9 | – | Before 31 December 2024 |
| Increase and strengthen our freight forwarding services segment | 2.5 | (2.5) | – | – | – |
| Purchase of a pallet racking system | 4.6 | (4.6) | – | – | – |
| Working capital and other general corporate purposes | 0.2 | (0.2) | – | – | – |
| Acquisition of the Property | – | – | 7.2 | 10.5 | Before 31 December 2024 |
| | 41.5 | 18.9 | 12.1 | 10.5 | |

Events after the reporting period

Save as disclosed in elsewhere in this report, there is no significant events affecting the Group which have occurred after the six month ended 30 June 2024 and up to the date of this report.

Compliance with the model code for securities transactions by directors of listed issuers

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 to the Listing Rules as rules governing dealings by the Directors in the listed securities of the Company on 13 January 2021. Based on specific enquiry with the Directors, all the Directors have complied with the required standards as set out in the code of conduct and the Model Code since the Listing Date and up to the date of this report.

MANAGEMENT DISCUSSION AND ANALYSIS



Corporate governance

During the six months ended 30 June 2024, the Company complied with the code provisions as set out in the Corporate Governance Code (the “CG Code”) contained in Appendix C1 to the Listing Rules except for the following deviation:

CG Code C.2.1

The Company is aware of the requirement under paragraph C.2.1 of the CG Code that the roles of chairman and chief executive should be separated and should not be performed by the same individual. The Company does not separately have any officer with the title of “chief executive”. Mr. Ng Choon Eng, the chairman of the Board, executive Director and chief executive officer of the Company, is also responsible for the leadership and effective running of the Board, ensuring that all material issues are decided by the Board in a conducive manner. The Board will meet regularly to consider major matters affecting the operations of the Group. The Board considers that this structure will not impair the balance of power and authority between the Board and the management of the Company. The roles of the respective executive Directors and senior management, who are in charge of different functions complement the role of the chairman and chief executive. The Board is of the view that this structure provides the Group with strong and consistent leadership, facilitates effective and efficient planning and implementation of business decisions and strategies, and ensures the generation of shareholders’ benefits.

The Board shall nevertheless review the structure from time to time to ensure appropriate measures would be taken should suitable circumstance arise.

Purchase, sale or redemption of the Company’s listed securities

During the six months ended 30 June 2024 and up to the date of this report, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities of the Company.

Sufficiency of Public Float

Based on the information that is publicly available to the Company and within the knowledge of the Directors, the Directors confirmed that the Company had maintained a sufficient amount of public float for its shares as required under the Listing Rules during the six months ended 30 June 2024 and up to the date of this report.



MANAGEMENT DISCUSSION AND ANALYSIS

Audit committee

The Company has established the audit committee (the "**Audit Committee**") in accordance with the requirements of the Listing Rules for the purpose of, among others, reviewing and providing supervision over the Group's financial reporting process, risk management and internal controls systems.

The Audit Committee has reviewed the Group's unaudited consolidated financial statements for the six months ended 30 June 2024 and discussed with the management of the Company on the accounting principles and practices adopted by the Group with no disagreement by the Audit Committee.

The interim financial results of the Group for the six months ended 30 June 2024 are unaudited but have been reviewed and approved by the Audit Committee, which was of the opinion that the preparation of such results complied with the applicable accounting standards and requirements as well as the Listing Rules and that adequate disclosures have been made.

OTHER INFORMATION



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

As at 30 June 2024, the interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) ("SFO")) which were 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 are 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 to be notified to the Company and the Stock Exchange pursuant to the Model Code to the Listing Rules were as follows:

(a) Long positions in the ordinary shares of HK\$0.01 each of the Company

| Name of Director | Nature of interest | Number of shares held | Percentage of issued share capital |
|------------------|------------------------------------|-----------------------|------------------------------------|
| Mr. Ng (Note) | Interest in controlled corporation | 937,500,000 | 75% |

Note: Mirana Holdings is legally and beneficially owned as to 100 % by Mr. Ng. Mr. Ng is deemed to be interested in the 937,500,000 Shares held by Mirana Holdings pursuant to the SFO.

(b) Long positions in the shares of associated corporations

| Name of Director | Name of associated corporation | Nature of interest | Number of shares held | Percentage of interest in associated corporation |
|------------------|--------------------------------|--------------------|-----------------------|--|
| Mr. Ng (Note) | Mirana Holdings | Beneficial owner | 1 | 100% |

Note: Mirana Holdings is the direct shareholder of the Company and is an associated corporation within the meaning of Part XV of the SFO.

Save as disclosed above, as at 30 June 2024, none of the Directors or chief executive of the Company had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are 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 register referred to therein, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.



OTHER INFORMATION

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

As at 30 June 2024, the following persons (not being the Director or chief executive) had interests or short positions in the shares and underlying shares of the Company which were notified to the Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO and entered in the register maintained by the Company pursuant to Section 336 of the SFO were as follows:

Long positions in the Shares

| Name of shareholder | Nature of interest | Number of shares held | Percentage of issued share capital |
|--------------------------|--------------------|-----------------------|------------------------------------|
| Mirana Holdings (Note 1) | Beneficial owner | 937,500,000 | 75% |
| Ms. Liyani (Note 2) | Interest of spouse | 937,500,000 | 75% |

Notes:

1. Mirana Holdings is the direct shareholder of the Company and is legally and beneficially owned as to 100% by Mr. Ng.
2. Ms. Liyani is the spouse of Mr. Ng. Accordingly, Ms. Liyani is deemed to be interested in the shares in which Mr. Ng is interested in under the SFO.

Save as disclosed above, as at 30 June 2024, the Company had not been notified by any persons who had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register maintained by the Company pursuant to Section 336 of the SFO.

SHARE OPTION SCHEME

The Group has no share option scheme pursuant to Chapter 17 of the Listing Rules as at the date of this report.

SHARE AWARD SCHEME

The share award scheme (the "**Share Award Scheme**") was adopted on 18 December 2020, the principal terms of which are summarised in the Prospectus. The Share Award Scheme is not subject to the provisions of Chapter 17 of the Listing Rules as the Share Award Scheme does not involve the grant of options by the Company for subscription for new Shares.

As of 30 June 2024 and up to the date of this report, no share award had been granted or agreed to be granted by our Company pursuant to the Share Award Scheme.

By Order of the Board

Legion Consortium Limited

Ng Choon Eng

Chairman, Chief Executive Officer and Executive Director

Hong Kong, 30 August 2024

