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A. Condensed Interim Consolidated Income Statement

		Group	
		6 months ended 30 June 2024	6 months ended 30 June 2023
		\$'000	\$'000
Revenue	<u>Note</u>		
Hotel operations	4	62,224	67,015
Rental income from investment properties	4	5,761	5,872
Total revenue		67,985	72,887
Other income		1,056	812
Total revenue and other income		69,041	73,699
Costs and expenses			
Staff costs		(23,382)	(23,112)
Depreciation and amortisation		(10,188)	(10,276)
Hotel operating expenses		(26,767)	(27,382)
Total costs and expenses		(60,337)	(60,770)
Profit from operating activities	6.1	8,704	12,929
Finance costs		(171)	(2)
Interest income from fixed deposits		5,768	4,299
Foreign exchange loss		(39)	(1,605)
Share of results of associates		(1,368)	(228)
Profit before tax	6.1	12,894	15,393
Income tax expense	7	(5,364)	(4,950)
Profit net of tax attributable to owners of the Company		7,530	10,443

B. Condensed Interim Consolidated Statement of Comprehensive Income

Profit net of tax

Other comprehensive income:

Item that will not be reclassified to profit or loss

Net gain on fair value changes of equity investments
at fair value through other comprehensive income

**Item that may be reclassified subsequently
to profit or loss**

Foreign currency translation

Other comprehensive income, net of tax

Total comprehensive income

Total comprehensive income attributable to:
Owners of the Company

Earnings per ordinary share of the Group
based on net profit attributable to owners of the Company:
(a) based on the weighted average number of shares
(b) on a fully diluted basis

Note

Group	
6 months ended 30 June 2024	6 months ended 30 June 2023
\$'000	\$'000
7,530	10,443
2,168	166
2,168	166
(3,769)	(14,339)
(1,601)	(14,173)
5,929	(3,730)
5,929	(3,730)
5,929	(3,730)

15
15

1.02 cents 1.41 cents
1.02 cents 1.41 cents

C. Condensed Interim Statements of Financial Position

	Note	Group		Company	
		30-Jun-24 S\$'000	31-Dec-23 S\$'000	30-Jun-24 S\$'000	31-Dec-23 S\$'000
Non-current assets					
Property, plant and equipment	11	1,074,196	1,066,705	257,051	257,395
Investment properties	12	143,954	145,942	-	-
Investments in subsidiaries		-	-	356,366	356,366
Investments in associates		4,568	5,969	7,531	7,531
Investment securities		24,167	21,999	24,167	21,999
Goodwill		619	619	-	-
		<u>1,247,504</u>	<u>1,241,234</u>	<u>645,115</u>	<u>643,291</u>
Current assets					
Inventories		810	863	17	13
Trade and other receivables		6,198	7,696	7,373	1,919
Prepaid operating expenses		1,292	3,191	158	173
Fixed deposits		252,996	266,840	104,202	108,904
Cash and bank balances		48,090	35,381	5,450	3,238
		<u>309,386</u>	<u>313,971</u>	<u>117,200</u>	<u>114,247</u>
Current liabilities					
Trade and other payables		13,998	12,775	5,156	5,389
Accrued operating expenses		2,973	5,619	611	1,262
Deferred income		523	446	-	-
Income tax payable		2,336	3,559	503	928
Lease liabilities		94	71	49	11
Loans and borrowings	13	70,006	58,548	-	-
		<u>89,930</u>	<u>81,018</u>	<u>6,319</u>	<u>7,590</u>
Net current assets		219,456	232,953	110,881	106,657
Non-current liabilities					
Lease liabilities		9,130	9,097	201	2
Deferred tax liabilities		141,983	140,383	11,549	11,214
Net assets		1,315,847	1,324,707	744,246	738,732
Equity attributable to owners of the parent					
Share capital	14	515,009	515,009	515,009	515,009
Fair value adjustment reserve		8,120	5,952	8,120	5,952
Asset revaluation reserve		687,416	687,416	199,989	199,989
Foreign currency translation reserve		(176,796)	(173,027)	-	-
Other reserve		1,432	1,432	-	-
Retained earnings		280,666	287,925	21,128	17,782
Total equity		1,315,847	1,324,707	744,246	738,732

D. Condensed Interim Statements of Changes in Equity

Group

	Share Capital \$'000	Fair Value Adjustment Reserve \$'000	Asset Revaluation Reserve \$'000	Foreign Currency Translation Reserve \$'000	Other Reserve \$'000	Retained Earnings \$'000	Total Equity \$'000
Opening balance at 1 January 2024	515,009	5,952	687,416	(173,027)	1,432	287,925	1,324,707
Profit net of tax	-	-	-	-	-	7,530	7,530
<u>Other comprehensive income for the period:</u>							
Net gain on fair value changes of equity investments at fair value through other comprehensive income	-	2,168	-	-	-	-	2,168
Foreign currency translation	-	-	-	(3,769)	-	-	(3,769)
Total comprehensive income for the period	-	2,168	-	(3,769)	-	7,530	5,929
<u>Distributions to owners:</u>							
Cash dividends	-	-	-	-	-	(14,789)	(14,789)
Total distributions to owners	-	-	-	-	-	(14,789)	(14,789)
Closing balance at 30 June 2024	515,009	8,120	687,416	(176,796)	1,432	280,666	1,315,847
Opening balance at 1 January 2023	515,009	4,693	700,590	(162,556)	1,432	290,841	1,350,009
Profit net of tax	-	-	-	-	-	10,443	10,443
<u>Other comprehensive income for the period:</u>							
Net gain on fair value changes of equity instruments at fair value through other comprehensive income	-	166	-	-	-	-	166
Foreign currency translation	-	-	-	(14,339)	-	-	(14,339)
Total comprehensive income for the period	-	166	-	(14,339)	-	10,443	(3,730)
<u>Distributions to owners:</u>							
Cash dividends	-	-	-	-	-	(14,789)	(14,789)
Total distributions to owners	-	-	-	-	-	(14,789)	(14,789)
Closing balance at 30 June 2023	515,009	4,859	700,590	(176,895)	1,432	286,495	1,331,490

Company	Share Capital \$'000	Fair Value Adjustment Reserve \$'000	Asset Revaluation Reserve \$'000	Retained Earnings \$'000	Total Equity \$'000
Opening balance at 1 January 2024	515,009	5,952	199,989	17,782	738,732
Profit net of tax	-	-	-	18,135	18,135
<u>Other comprehensive income for the period:</u>					
Net gain on fair value changes of equity instruments at fair value through other comprehensive income	-	2,168	-	-	2,168
Total comprehensive income for the period	-	2,168	-	18,135	20,303
<u>Distributions to owners:</u>					
Cash dividends	-	-	-	(14,789)	(14,789)
Total distributions to owners	-	-	-	(14,789)	(14,789)
Closing balance at 30 June 2024	515,009	8,120	199,989	21,128	744,246
Opening balance at 1 January 2023	515,009	4,693	199,751	8,077	727,530
Profit net of tax	-	-	-	12,876	12,876
<u>Other comprehensive income for the period:</u>					
Net gain on fair value changes of equity instruments at fair value through other comprehensive income	-	166	-	-	166
Total comprehensive income for the period	-	166	-	12,876	13,042
<u>Distributions to owners:</u>					
Cash dividends	-	-	-	(14,789)	(14,789)
Total distributions to owners	-	-	-	(14,789)	(14,789)
Closing balance at 30 June 2023	515,009	4,859	199,751	6,164	725,783

E. Condensed Interim Consolidated Statement of Cash Flow

	Half Year ended 30 June	
	2024	2023
	S\$'000	S\$'000
Operating activities		
Profit before tax	12,894	15,393
Adjustments for :-		
Depreciation and amortisation	10,188	10,276
Dividend income from investment securities	(682)	(693)
Finance costs	171	2
Interest income from fixed deposits	(5,768)	(4,299)
Foreign exchange loss	39	1,605
Share of results of associates	1,368	228
Operating cash flows before changes in working capital	18,210	22,512
Decrease in inventories	51	66
Decrease in trade and other receivables	1,462	704
Decrease in prepaid operating expenses	1,870	706
(Decrease)/Increase in trade and other payables	(1,252)	933
Cash flows from operations	20,341	24,921
Interest received	5,768	4,299
Finance costs	(6)	-
Income taxes paid	(4,770)	(6,460)
Net cash flows generated from operating activities	21,333	22,760
Investing activities		
Dividend income from investment securities	682	693
Purchase of property, plant and equipment	(20,414)	(25,360)
Additions to investment properties	(246)	(538)
Purchase of investment securities	-	(79)
Net cash flows used in investing activities	(19,978)	(25,284)
Financing activities		
Cash dividends paid on ordinary shares	(14,789)	(14,789)
Proceeds from loans and borrowings	12,354	17,340
Repayment of lease liabilities	29	(31)
Placement of restricted cash - fixed deposits pledged for bank loan	(12,604)	-
Net cash flows (used in)/ generated from financing activities	(15,010)	2,520
Decrease in cash and cash equivalents	(13,655)	(4)
Effect of exchange rate changes on cash and cash equivalents	(84)	(3,201)
Cash and cash equivalents at 1 January	237,761	246,050
Cash and cash equivalents at 30 June	224,022	242,845
Cash and cash equivalents at end of period comprise:		
Fixed deposits	252,996	254,021
Cash and bank balances	48,090	38,837
Cash and cash equivalents per statement of financial position	301,086	292,858
Less: Fixed deposits pledged	(77,064)	(50,013)
Cash and cash equivalents at end of the period	224,022	242,845

F. Notes to the Condensed Interim Consolidated Financial Statements

1. Corporate information

Hotel Grand Central Limited (the "Company") is a limited liability company incorporated and domiciled in Singapore and is listed on the Singapore Exchange. The registered office and principal business of the Company is located at 22 Cavenagh Road, Singapore 229617. These consolidated financial statements as at and for the half year ended 30 June 2024 comprise the Company and its subsidiaries (collectively, the "Group") and the Group's interests in associates.

The principal activities of the Company are those of investment holding and hotel operations. The principal activities of the Group are:

- hotel operations
- commercial property investment
- provision of management, marketing and support services
- investment holding

2. Basis of preparation

The condensed financial statements for the half year ended 30 June 2024 have been prepared in accordance with SFRS (I) 1-34 *Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed financial statements do not include all the information required for a complete of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last annual financial statements for the year ended 31 December 2023.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The condensed consolidated financial statements are presented in Singapore dollar which is the Company's functional currency. All values are rounded to the nearest thousand ("'\$000"), except when otherwise indicated.

2.1 New and amended standards adopted by the Group

A number of amendments to Standards have become applicable for the current reporting year. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

The Group and the Company have adopted the following amendments to SFRS(I), that is effective for the financial periods beginning on 1 January 2024:

<i>Description</i>	<i>Effective for annual periods periods beginning on or after</i>
Amendments to SFRS(I) 1 - 1: <i>Classification of Liabilities as Current or Non-current</i>	1 January 2024
Amendments to SFRS(I) 1 - 1: <i>Non-current Liabilities with Covenants</i>	1 January 2024
Amendments to SFRS(I) 16 : <i>Lease Liability in a Sale and Leaseback</i>	1 January 2024
Amendments to SFRS(I) 1 - 7 and SFRS(I) 7 : <i>Disclosures: Supplier Finance Arrangements</i>	1 January 2024

The adoption of the amendments to SFRS(I) did not have any material financial impact on the financial statements of the Group and the Company for the financial period ended 30 June 2024.

2.2 Use of judgements and estimates

In preparing the condensed consolidated financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements 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 as at and for the year ended 31 December 2023.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities in the financial statements are included in the following notes:

- Note 11 - Property, plant and equipment
- Note 12 - Investment properties

3. Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

4. Segmental and revenue information

For management purposes, the Group is organised into business units based on their geographical locations, and has five reportable operating segments as follows:

- Singapore
- Malaysia
- Australia
- New Zealand
- China

4.1 Reportable segments

	Singapore S\$'000	Malaysia S\$'000	Australia S\$'000	New Zealand S\$'000	China S\$'000	Elimination S\$'000	Group S\$'000
1 January to 30 June 2024							
Revenue	13,555	159	39,635	14,332	304	-	<u>67,985</u>
Segment results	2,273	(108)	4,390	2,533	(384)	-	8,704
Finance costs	(7)	-	(2)	(162)	-	-	(171)
Interest income from fixed deposits	2,624	244	2,792	105	3	-	5,768
Share of results of associates	-	(1,368)	-	-	-	-	(1,368)
Income tax expense	-	-	-	-	-	-	(5,364)
Unallocated foreign exchange loss	-	-	-	-	-	-	(39)
Profit for the period attributable to owners of the Company	-	-	-	-	-	-	<u>7,530</u>
Segment assets	655,042	5,129	262,703	330,120	11,992	(13,750)	1,251,236
Investments in associates	-	4,568	-	-	-	-	4,568
Cash and fixed deposits	135,323	15,348	131,529	16,494	2,392	-	<u>301,086</u>
Total assets	-	-	-	-	-	-	<u>1,556,890</u>
Segment liabilities	(8,826)	(82)	(10,806)	(19,336)	(1,118)	13,450	(26,718)
Loans and borrowings	-	-	-	(70,006)	-	-	(70,006)
Unallocated liabilities	-	-	-	-	-	-	(144,319)
Total liabilities	-	-	-	-	-	-	<u>(241,043)</u>
Capital expenditure	(872)	(22)	(2,840)	(16,679)	(1)	-	(20,414)
Depreciation and amortisation	(5,309)	(78)	(3,157)	(1,243)	(401)	-	(10,188)
1 January to 30 June 2023							
Revenue	15,333	125	41,693	15,329	407	-	<u>72,887</u>
Segment results	4,275	(154)	5,710	3,386	(288)	-	12,929
Finance costs	(1)	-	(1)	-	-	-	(2)
Interest income from fixed deposits	2,029	208	1,935	124	3	-	4,299
Share of results of associates	-	(228)	-	-	-	-	(228)
Income tax expense	-	-	-	-	-	-	(4,950)
Unallocated foreign exchange loss	-	-	-	-	-	-	(1,605)
Profit for the period attributable to owners of the Company	-	-	-	-	-	-	<u>10,443</u>
Segment assets	656,034	5,245	267,929	315,234	12,464	(7,249)	1,249,657
Investments in associates	-	4,445	-	-	-	-	4,445
Cash and fixed deposits	124,147	15,296	136,394	14,684	2,337	-	<u>292,858</u>
Total assets	-	-	-	-	-	-	<u>1,546,960</u>
Segment liabilities	(7,719)	(117)	(11,150)	(16,511)	(1,073)	6,948	(29,622)
Loans and borrowings	-	-	-	(38,395)	-	-	(38,395)
Unallocated liabilities	-	-	-	-	-	-	(147,453)
Total liabilities	-	-	-	-	-	-	<u>(215,470)</u>
Capital expenditure	(83)	-	(5,671)	(19,604)	(2)	-	(25,360)
Depreciation and amortisation	(5,271)	(56)	(3,233)	(1,307)	(409)	-	(10,276)

4.2 Disaggregation of revenue

	Group	
	Half Year ended 30 June	
	2024	2023
	\$'000	\$'000
Revenue from contracts with customers:		
- Hotel operations	62,224	67,015
Rental income from investment properties	5,761	5,872
	<u>67,985</u>	<u>72,887</u>

Disaggregation of revenue from contracts with customers

	Group	
	Half Year ended 30 June	
	2024	2023
	\$'000	\$'000
Primary geographical markets		
Singapore	13,555	15,333
Malaysia	159	125
Australia	39,635	41,693
New Zealand	14,332	15,329
China	304	407
	<u>67,985</u>	<u>72,887</u>

Major product or service line

Room revenue	48,030	49,878
Food and beverage income	12,079	13,754
Others	7,876	9,255
	<u>67,985</u>	<u>72,887</u>

Timing of transfer of goods or services

Over time	55,906	59,133
At a point in time	12,079	13,754
	<u>67,985</u>	<u>72,887</u>

5. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group as at 30 June 2024 and 31 December 2023.

	Group		Company	
	30 June 2024	31 Dec 2023	30 June 2024	31 Dec 2023
	\$'000	\$'000	\$'000	\$'000
Financial assets carried at amortised cost				
Trade and other receivables	6,197	7,696	7,373	1,919
Cash and fixed deposits	301,086	302,221	109,652	112,142
	<u>307,283</u>	<u>309,917</u>	<u>117,025</u>	<u>114,061</u>
Financial assets carried at fair value through other comprehensive income				
Investment securities	24,167	21,999	24,167	21,999
	<u>24,167</u>	<u>21,999</u>	<u>24,167</u>	<u>21,999</u>
Financial liabilities carried at amortised cost				
Trade and other payables	13,998	12,775	5,156	5,389
Accrued operating expenses	2,973	5,619	611	1,262
Lease liabilities	9,224	9,168	250	13
Loans and borrowings	70,006	58,548	-	-
	<u>96,201</u>	<u>86,110</u>	<u>6,017</u>	<u>6,664</u>

6. Profit before taxation

6.1 Significant items

	Group	
	Half Year ended 30 June 2024	Half Year ended 30 June 2023
	\$'000	\$'000
Income		
Dividend income	682	693
Interest income	5,768	4,299
Expenses		
Interest on bank loans and lease liabilities	171	2
Depreciation and amortisation	10,188	10,276
Foreign exchange loss	39	1,605
Share of results of associates	1,368	228

6.2 Related party transactions

There are no material related party transactions.

7. Taxation

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated income statement are:

	Group Half Year ended 30 June	
	2024 \$'000	2023 \$'000
Current income tax expense	3,527	4,700
Deferred income tax expense relating to originating and reversal of temporary differences	1,837	250
	5,364	4,950

8. Dividends

	Group Half Year ended 30 June	
	2024 \$'000	2023 \$'000
Ordinary dividend provided for:		
Final exempt (one-tier) dividend for 2024 - Ordinary: 2.0 cents (2023: 2.0 cents) per share	14,789	14,789

9. Net asset value

	Group		Company	
	30 June 2024 \$'000	31 Dec 2023 \$'000	30 June 2024 \$'000	31 Dec 2023 \$'000
Net asset value per ordinary share based on issued shares at the end of the period (Note 14)	1.78	1.79	1.01	1.00

10. Financial assets at fair value through other comprehensive income

The Group classifies financial assets measured at fair value using a fair value hierarchy which reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- a) Quoted prices (unadjusted) in active markets for identical assets or liabilities (**Level 1**)
- b) Inputs other than quoted prices included within Level 1 which are observable for the asset and or liability, either directly (i.e as prices) or indirectly (i.e derived from prices) (**Level 2**)
- c) Inputs for the assets or liability which are not based on observable market data (unobservable inputs) (**Level 3**) (i.e derived from prices) (**Level 3**)

The following table presented the assets measured at fair value:

Group and Company	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
30 June 2024				
Financial assets				
Investment securities	24,167	-	-	24,167
31 December 2023				
Financial assets				
Investment securities	21,999	-	-	21,999

Fair value measurement disclosure of other assets that are recognised or measured at fair value, can be found in Notes 11 and 12.

11. Property, plant and equipment

During the half year ended 30 June 2024, the Group acquired assets amounting to \$20,414,000 (30 June 2023: \$25,360,000).

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment other than freehold land, leasehold land and hotel buildings and improvements are measured at cost less accumulated depreciation and any accumulated impairment losses. Freehold land, leasehold land, and hotel buildings and improvements are measured at fair value less accumulated depreciation on leasehold land and hotel buildings and improvements and impairment losses recognised after the date of the revaluation. Valuations are performed at least once every three years to ensure that the carrying amount does not differ materially from the fair value of the freehold land, leasehold land and hotel buildings and improvements at the end of the reporting period. In FY2023, the Group engaged external professional valuers to update the fair value of selected hotel assets in view of the changes in the market and economic conditions since the date of the last external valuation.

At the end of every-year, the directors reviews the carrying values of the hotel assets carried at fair value and perform an internal valuation, where no independent valuer is involved. In assessing whether the fair values remained appropriate, management considered whether any movement in market data such as discount rate, capitalisation rates, changes in underlying cash flows or comparable sales would result in a material impact to the fair values of the hotel assets since the end of the previous financial year. The Group will engage external independent qualified valuer whenever carrying amounts of the hotel assets are likely to differ materially from the fair values recognised at the end of the previous financial year. The fair values determined based on the year-end valuations performed remained appropriate as at 30 June 2024 and as such no fair value movements have been recognised for the period ended 30 June 2024.

12. Investment properties

Investment properties comprise commercial properties that are leased to third parties on operating leases.

	Group	
	2024 \$'000	2023 \$'000
At 1 Jan	145,942	157,310
Additions	246	538
Exchange differences	(2,234)	(4,462)
At 30 June	143,954	153,386

Investment properties are stated at fair value which has been determined based on valuation performed at the end of each financial year. The valuations were performed by accredited independent valuers with recognised and relevant professional qualification and with recent experience in the location and category of properties being valued. The valuations are determined based on the capitalisation method and discounted cashflow method.

Details of the valuation techniques and inputs used are disclosed in Note 28(c) of the Group's annual financial statements for the financial year ended 31 December 2023.

At the end of each reporting period, the directors will assess whether fair values of the Group's properties remain appropriate by holding discussions with property managers and corroborating through independent research and market data. In assessing whether the fair values remained appropriate, the directors considered whether any movement in market data such as discount rate, capitalization rates, changes in underlying cash flows or comparable sales would result in a material impact to the fair values of the properties since the end of the previous financial year. The Group will engage external independent qualified valuer whenever carrying amounts of the properties are likely to differ materially from the fair values recognised at the end of the previous financial year. The fair values determined based on the year-end valuations performed remained appropriate as at 30 June 2024 and as such no fair value movements have been recognised for the period ended 30 June 2024.

13. Loans and borrowings

	Group	
	30 June 2024 \$'000	31 Dec 2023 \$'000
Amount repayable within one year or on demand		
Secured	70,006	54,548

The bank borrowings of the Group are secured over certain fixed deposits of the Group.

14. Share capital

	Group and Company			
	30 June 2024		31 Dec 2023	
	No. of shares 000	\$'000	No. of shares 000	\$'000
Issued and fully paid ordinary shares				
At beginning and end of the financial year	739,426	515,009	739,426	515,009

The Company did not hold any treasury shares as at 30 June 2024 (2023: Nil).

15. Earnings per share

	Group	
	Half Year ended 30 June	
	2024	2023
Earnings per ordinary share of the Group based on net profit attributable to owners of the Company:		
(a) based on the weighted average number of shares	1.02 cents	1.41 cents
(b) on a fully diluted basis	1.02 cents	1.41 cents

16. Subsequent events

There are no subsequent events which have led to adjustments to this set of condensed consolidated financial statements.

G. Other Information Required by the Listing Rule Appendix 7.2

17. Review

The condensed consolidated statement of financial position of Hotel Grand Central Limited and its subsidiaries as at 30 June 2024 and the related condensed consolidated income statement and condensed comprehensive income statement and condensed statement of changes in equity and condensed consolidated statement of cashflows for the half year ended 30 June 2024 and certain explanatory notes have not been audited or reviewed.

18. Review of performance of the Group

a) Condensed consolidated income statement

i. Group Revenue Commentary

The Group recorded a decrease in turnover which was due to reduction in the hotels' revenue.

The Group's hotels in Singapore, Australia, New Zealand and China recorded lower revenue during the period. This was due to a reduction in the hotels' room occupancies and room rates. The improved economic conditions in Malaysia contributed to higher sales as there was increased travelling.

Group revenue during 2024 was also affected by lower average exchange rates of the Australia and New Zealand Dollar against the Singapore Dollar.

ii. Group Profit Commentary

General

The decrease in the profit after tax during the period was due to the lower Group's profits from operations offset by:

- a) Lower foreign exchange loss of \$0.04 million compared to a loss of \$1.6 million in 2023
- b) Higher interest income from fixed deposits during the year due to higher interest rates

iii. Interest income from fixed deposits

Interest income from fixed deposits has increased which was due to an increase in the fixed deposit interest rate.

iv. Foreign exchange loss

The foreign exchange loss arose due to weakening of the Australia and New Zealand Dollars against the Singapore Dollars.

v. Share of results of associates

The increase in the share of associates loss was due to a writedown of the assets of the associates during the period.

b) Condensed consolidated statement of comprehensive income

v. Fair value changes of equity investments at fair value

The fair value gain of equity investments was mainly due to higher share prices of investment securities held by the Company.

vi. Foreign exchange translation

The foreign currency translation loss in 2024 was mainly due to the effects of depreciation of the Australian dollar and New Zealand dollar against the Singapore dollar on the Australia and New Zealand subsidiaries' net assets respectively.

c) Condensed statement of financial position

vii. Investment securities

Investment securities has increased which was mainly due to an increase in share prices of the investment securities.

viii. Fixed deposits

Fixed deposits has decreased which was due to the payment of the Company's 2023 dividend and the construction costs of the Auckland project offset by accrued interest income during the period.

ix. Loans and borrowings

Loans and borrowings has increased which was due to additional drawdown of a loan facility in New Zealand for the construction of the Auckland hotel.

x. Foreign currency translation reserve

The foreign currency translation reserve deficit has increased as at 30 June 2024 which was mainly due to the effects of further depreciation of the Australian dollar and New Zealand dollar against the Singapore dollar on the Australia and New Zealand subsidiaries' net assets respectively.

19. Where a forecast or a prospect statement has been previously disclosed to shareholders, any variance between it and the actual results

Nil

20. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next reporting period and the next 12 months

The hotel industry in the principal markets which the hotel operates in are expected to be highly competitive in 2024. In addition, the hotel industry continues to face operational challenges such as increasing operation cost pressures, labour shortages, preparations for climate change and a high interest rates environment.

The relative strength of the Singapore Dollar vis a vis the Australia and New Zealand Dollar in 2024 will continue to impact the Group's performance subjecting it to translation loss as a result of foreign exchange differences.

The Board of Directors will continue to review and monitor the Group's operation costs in the 2nd half of 2024.

21. Dividend information

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on? None

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? None

(c) Date payable

N.A.

(d) Book closure date

N.A.

22. Interested person transaction

The Company does not have a shareholders' mandate for interested person transactions.

23. Confirmation that the issuer has procured undertaking from all the its directors and executive officers (in the format set out Appendix 7.7) under Rule 720 (1)

The Company has received undertaking from all its directors and executive officers in the format as set out in Appendix 7.7 under Rule 720 (1) of the Listing Manual of the SGX- ST.

24. Confirmation By Directors

The Board of Directors of the Company hereby confirm that, to the best of their knowledge, nothing has come to the attention of the Board of Directors which may render the unaudited consolidated financial results for the half year ended 30 June 2024 to be false or misleading in any material aspects.

BY ORDER OF THE BOARD

Yoo Loo Ping
Secretary
14 August 2024