

SINGAPURA FINANCE LTD
Co. Reg. No. 196900340N

Half Year Financial Statements Announcement

A. Condensed interim consolidated statement of profit or loss and other comprehensive income

	Note	Group		+/- %
		6 months ended 30 June 2024	6 months ended 30 June 2023	
		\$'000	\$'000	
Interest income and hiring charges		25,940	24,126	7.5
Interest expense		(14,736)	(12,444)	18.4
Net interest income and hiring charges		11,204	11,682	(4.1)
Fee and commission income		269	210	28.1
Other operating income		276	279	(1.1)
Income before operating expenses		11,749	12,171	(3.5)
Staff costs		(4,220)	(4,032)	4.7
Depreciation of property, plant and equipment		(681)	(643)	5.9
Other operating expenses		(2,811)	(2,685)	4.7
Total operating expenses		(7,712)	(7,360)	4.8
Profit from operations before allowances		4,037	4,811	(16.1)
Allowances for impairment losses on loans and advances		(715)	(60)	1,091.7
Profit before tax	7	3,322	4,751	(30.1)
Tax expense	8	(564)	(803)	(29.8)
Profit after tax		2,758	3,948	(30.1)
Other comprehensive income				
<u>Items that may be reclassified subsequently to profit or loss (net of tax):</u>				
Fair value changes of debt investments (net)		(2,510)	337	n.m.
Total comprehensive income for the period		248	4,285	(94.2)
<u>Earnings per share for the profit for the period attributable to the owners of the Company during the year:</u>				
Basic earnings per share (cents)		3.48	4.98	
Diluted earnings per share (cents)		3.48	4.98	

n.m. – not meaningful

The Group's basic earnings per share is calculated based on the weighted average number of ordinary shares in issue of 158,685,890 for the periods ended 30 June 2024 and 2023. There are no potential dilutive ordinary shares for the periods ended 30 June 2024 and 2023.

B. Condensed interim statements of financial position

	Note	Group		Company	
		30 June 2024	31 December 2023	30 June 2024	31 December 2023
		\$'000	\$'000	\$'000	\$'000
Assets					
Cash and balances with banks	5	100,891	99,447	100,864	99,432
Statutory deposit with the Monetary Authority of Singapore("MAS")		25,084	22,019	25,084	22,019
Investments	10.2	190,384	203,911	190,384	203,911
Loans and advances	11	925,815	824,295	925,815	824,295
Others receivables, deposits and prepayments		2,830	2,510	2,830	2,510
Subsidiaries		-	-	125	125
Property, plant and equipment	12	7,129	7,710	7,129	7,710
Deferred tax asset		3,557	3,192	3,557	3,192
Total assets		1,255,690	1,163,084	1,255,788	1,163,194
Equity					
Share capital	13	168,896	168,896	168,896	168,896
Reserves		79,867	84,380	79,506	82,024
Total equity attributable to owners of the Company		248,763	253,276	248,402	250,920
Liabilities					
Deposits and savings accounts of customers	15	985,766	877,710	986,447	880,319
Trade and other payables		18,350	22,416	18,128	22,280
Borrowings from MAS	14	-	6,100	-	6,100
Current tax liabilities		1,956	2,239	1,956	2,232
Staff retirement gratuities		855	1,343	855	1,343
Total liabilities		1,006,927	909,808	1,007,386	912,274
Total equity and liabilities		1,255,690	1,163,084	1,255,788	1,163,194
Net Asset Value					
Net asset value per ordinary share (\$)		1.57	1.60	1.57	1.58

The net asset value per share is calculated based on the number of shares of 158,685,890 ordinary shares in issue at the end of 30 June 2024 and 31 December 2023.

C. Condensed interim consolidated statement of cash flows

	Note	6 months ended 30 Jun 2024 \$'000	6 months ended 30 Jun 2023 \$'000
Cash flows from operating activities			
Profit for the period		2,758	3,948
<u>Adjustments for:-</u>			
Depreciation of property, plant and equipment		681	643
Allowances for impairment losses on loans and advances		715	60
Bad debt written off		(7)	-
Staff retirement gratuity		31	136
Interest on lease liabilities		297	187
Tax expense		564	803
		<u>5,039</u>	<u>5,777</u>
<u>Changes in working capital:</u>			
Statutory deposit with Monetary Authority of Singapore		(3,065)	1,506
Fixed Deposits with original maturity more than 3 months		2,046	-
Loans and advances		(102,228)	85,688
Other receivables, deposits and prepayments		(320)	(371)
Deposits and savings accounts of customers		108,056	(29,673)
Trade and other payables		(3,772)	5,902
		<u>5,756</u>	<u>68,829</u>
Taxes paid		(698)	(893)
Staff retirement gratuity paid		(519)	(162)
		<u>4,539</u>	<u>67,774</u>
Cash flows from investing activities			
Purchase of property, plant and equipment		(98)	(168)
Purchase of investments		(312,721)	(379,290)
Proceeds from sale and maturity of investments		323,224	330,015
		<u>10,405</u>	<u>(49,443)</u>
Cash flows from financing activities			
Payment of lease liabilities		(593)	(471)
Dividends paid	9	(4,761)	(5,157)
Borrowings from MAS	14	(6,100)	(2,400)
		<u>(11,454)</u>	<u>(8,028)</u>
Net increase in cash and cash equivalents			
Cash and cash equivalents at beginning of period		91,401	97,260
Cash and cash equivalents at end of period	5	<u>94,891</u>	<u>107,563</u>

D. Condensed interim statements of changes in equity – Group

	Note	Share Capital	Capital Reserve	Regulatory Loss Allowance Reserve	Statutory Reserve	Fair Value Reserve	General Reserve	Accumulated Profits	Total
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
The Group									
At 1 Jan 2024									
		168,896	1,353	718	86,018	(14,287)	730	9,848	253,276
Total comprehensive income for the period									
Profit for the period		-	-	-	-	-	-	2,758	2,758
Other comprehensive income									
Items that may be reclassified subsequently to profit or loss:									
Net change in fair value of debt investments measured at FVOCI		-	-	-	-	(3,024)	-	-	(3,024)
Tax relating to items that may be reclassified subsequently to profit or loss		-	-	-	-	514	-	-	514
Total other comprehensive income		-	-	-	-	(2,510)	-	-	(2,510)
Total comprehensive income for the period		-	-	-	-	(2,510)	-	2,758	248
Transaction with owners, recorded directly in equity									
Final dividend of 2 cents and Special dividend of 1.0 cents per share paid in respect of year 2023	9	-	-	-	-	-	-	(4,761)	(4,761)
Total transactions with owners		-	-	-	-	-	-	(4,761)	(4,761)
At 30 Jun 2024									
		168,896	1,353	718	86,018	(16,797)	730	7,845	248,763
The Group									
At 1 Jan 2023									
		168,896	1,353	718	84,498	(14,342)	730	10,369	252,222
Total comprehensive income for the period									
Profit for the period		-	-	-	-	-	-	3,948	3,948
Other comprehensive income									
Items that may be reclassified subsequently to profit or loss:									
Net change in fair value of debt investments measured at FVOCI		-	-	-	-	406	-	-	406
Tax on items that may be reclassified subsequently to profit or loss		-	-	-	-	(69)	-	-	(69)
Total other comprehensive income		-	-	-	-	337	-	-	337
Total comprehensive income for the period		-	-	-	-	337	-	3,948	4,285
Transaction with owners, recorded directly in equity									
Final dividend of 2 cents and special dividend of 1.25 cents per share paid in respect of year 2022	9	-	-	-	-	-	-	(5,157)	(5,157)
Total transactions with owners		-	-	-	-	-	-	(5,157)	(5,157)
Transfer from Regulatory Loss Allowance Reserve to accumulated profits		-	-	-	-	-	-	-	-
At 30 Jun 2023									
		168,896	1,353	718	84,498	(14,005)	730	9,160	251,350

FVOCI: Fair Value through Other Comprehensive Income

D. Condensed interim statements of changes in equity – Company

	Note	Share Capital	Capital Reserve	Regulatory Loss Allowance Reserve	Statutory Reserve	Fair Value Reserve	General Reserve	Accumulated Profits	Total
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
The Company									
At 1 Jan 2024		168,896	1,353	718	86,018	(14,287)	730	7,492	250,920
Total comprehensive income for the period									
Profit for the period		-	-	-	-	-	-	4,753	4,753
Other comprehensive income									
Items that may be reclassified subsequently to profit or loss:									
Net change in fair value of debt investments measured at FVOCI		-	-	-	-	(3,024)	-	-	(3,024)
Tax relating to items that may be reclassified subsequently to profit or loss		-	-	-	-	514	-	-	514
Total other comprehensive income		-	-	-	-	(2,510)	-	-	(2,510)
Total comprehensive income for the period		-	-	-	-	(2,510)	-	4,753	2,243
Transaction with owners, recorded directly in equity									
Final dividend of 2 cents and Special dividend of 1.0 cents per share paid in respect of year 2023	9	-	-	-	-	-	-	(4,761)	(4,761)
Total transactions with owners		-	-	-	-	-	-	(4,761)	(4,761)
At 30 Jun 2024		168,896	1,353	718	86,018	(16,797)	730	7,484	248,402
The Company									
At 1 Jan 2023		168,896	1,353	718	84,498	(14,342)	730	8,096	249,949
Total comprehensive income for the period									
Profit for the period		-	-	-	-	-	-	3,904	3,904
Other comprehensive income									
Items that may be reclassified subsequently to profit or loss:									
Net change in fair value of debt investments measured at FVOCI		-	-	-	-	406	-	-	406
Tax on items that may be reclassified subsequently to profit or loss		-	-	-	-	(69)	-	-	(69)
Total other comprehensive income		-	-	-	-	337	-	-	337
Total comprehensive income for the period		-	-	-	-	337	-	3,904	4,241
Transaction with owners, recorded directly in equity									
Final dividend of 2 cents and Special dividend of 1.25 cents per share paid in respect of year 2022	9	-	-	-	-	-	-	(5,157)	(5,157)
Total transactions with owners		-	-	-	-	-	-	(5,157)	(5,157)
At 30 Jun 2023		168,896	1,353	718	84,498	(14,005)	730	6,843	249,033

FVOCI: Fair Value through Other Comprehensive Income

E. Notes to the condensed interim consolidated financial statements

1. Corporate information

Singapura Finance Ltd (the Company) is incorporated and domiciled in Singapore and whose shares are publicly traded on the Mainboard of the Singapore Exchange. These condensed interim consolidated financial statements as at and for the six months ended 30 June 2024 comprise the Company and its subsidiaries (collectively, the Group).

The principal activities of the Company are those relating to finance companies operating under the Finance Companies Act 1967.

2. Basis of Preparation

The condensed interim financial statements for the six months ended 30 June 2024 have been prepared in accordance with SFRS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set 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 interim financial statements are presented in Singapore dollar which is the Company's functional currency.

2.1. New and amended standards adopted by the Group

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

2.2. Use of judgements and estimates

In preparing the condensed interim 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 to reflect the changes in entity specific conditions and general economic environment. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

3. Seasonal operations

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

4. Segment and revenue information

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. The Group operates in only one segment. Its activities relate to financing business. All activities are carried out in the Republic of Singapore. Revenue in respect of these activities is disclosed in the financial statements accordingly.

5. Cash and balances with banks

	----- Group -----		----- Company -----	
	30 June 2024 \$'000	31 December 2023 \$'000	30 June 2024 \$'000	31 December 2023 \$'000
Cash at banks and in hand	15,302	21,901	15,275	21,886
Fixed deposits with banks	85,589	77,546	85,589	77,546
Cash and balances with banks in the balance sheet	100,891	99,447	100,864	99,432
Less: Fixed deposits with original maturity of more than 3 months	(6,000)	(8,046)	(6,000)	(8,046)
Cash and cash equivalents in the cash flow statement	94,891	91,401	94,864	91,386

6. 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 \$'000	31 December 2023 \$'000	30 June 2024 \$'000	31 December 2023 \$'000
Financial Assets				
- At amortised cost				
Cash and balances with banks	100,891	99,447	100,864	99,432
Statutory deposit with Monetary Authority of Singapore("MAS")	25,084	22,019	25,084	22,019
Loans and advances	925,815	824,295	925,815	824,295
Other receivables and deposits (excludes prepayments)	1,658	1,517	1,658	1,517
- At fair value through other comprehensive income (FVOCI)				
Debt instruments	190,384	203,911	190,384	203,911
Unquoted Equity instruments	*	*	*	*
	1,243,832	1,151,189	1,243,805	1,151,174
Financial Liabilities				
Deposits and savings accounts of customers	(985,766)	(877,710)	(986,447)	(880,319)
Trade and other payables	(18,350)	(22,416)	(18,128)	(22,280)
Borrowings from MAS	-	(6,100)	-	(6,100)
	(1,004,116)	(906,226)	(1,004,575)	(908,699)

*Amount less than \$1,000

7. Profit before taxation

7.1. Significant items

	Group	
	6 months ended 30 June 2024	6 months ended 30 June 2023
	\$'000	\$'000
Interest income and hiring charges		
Interest income on:		
- loans and advances	21,535	19,605
- bank deposits	1,517	1,408
- Singapore Government Securities	2,888	3,113
	<u>25,940</u>	<u>24,126</u>
Interest expense		
Interest expense on customer deposits	14,734	12,439
Interest expense on Borrowings	2	5
	<u>14,736</u>	<u>12,444</u>
Other operating income		
Bad debts recovered	85	70
Others	191	209
	<u>276</u>	<u>279</u>
Staff costs		
Salaries and other benefits	3,751	3,628
Contributions to defined contribution plans	469	404
	<u>4,220</u>	<u>4,032</u>

All interest income and hiring charges relates to financial assets that are not fair value through profit or loss.

All interest expense relates to financial liabilities that are not fair value through profit or loss.

	Group	
	6 months ended 30 June 2024	6 months ended 30 June 2023
	\$'000	\$'000
Other operating expenses		
Audit fees:		
- auditors of the Company	86	82
Non-audit fees:		
-auditors of the Company	8	5
Interest expense on lease liabilities		
- related corporations	199	158
- third parties	98	29
Other operating expense paid to:		
- related corporations	30	25
- third parties	2,390	2,386
	<u>2,811</u>	<u>2,685</u>

7.2. Related party transactions

Other transactions with related corporations

Other than transactions with related corporations separately disclosed in the financial statements, the following related party transaction was carried out in the normal course of business on terms agreed between the parties during the financial year:

	Group	
	6 months ended 30 June 2024	6 months ended 30 June 2023
	\$'000	\$'000
Interest on deposits paid to related parties	2,562	3,085
Rental and service charge on office premise paid to related party	531	487

8. 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 statement of profit or loss are:

	Group	
	6 months ended 30 June 2024	6 months ended 30 June 2023
	\$'000	\$'000
Tax expense		
Current year	415	835
Deferred tax debit/(credit)		
Origination and reversal of temporary differences	149	(32)
	<u>564</u>	<u>803</u>

9. Dividend

The following exempt (one-tier) dividends were declared and paid by the Group and Company:

	Group and Company	
	6 months ended 30 June 2024	6 months ended 30 June 2023
	\$'000	\$'000
Paid by the Company to owners of the Company		
First and final		
2.0 cents per qualifying ordinary share (2023: 2.0 cents)	3,174	3,174
Special		
1.0 cent per qualifying ordinary share (2023: 1.25 cents)	1,587	1,983
	<u>4,761</u>	<u>5,157</u>
Dividend per share (net of tax) (cents)	3.0	3.25

10. Fair value of financial instruments

10.1. Fair value measurement

In assessing the fair value of financial instruments, the Group uses a variety of methods and make assumptions that are based on market conditions existing at each reporting date.

Although management have employed their best judgement in the estimation of fair values, there is inevitably a significant element of subjectivity involved in the calculations. Therefore, the fair value estimates presented below are not necessarily indicative of the amounts the Group could have realised in a sales transaction at the reporting date. For financial assets and liabilities not carried at fair value on the financial statements, the Group has determined that their fair values were not materially different from the carrying amounts at the reporting date. The carrying amounts and fair values of financial instruments of the Group are described below.

The methodologies and assumptions used depend on the terms and risk characteristics of the various instruments and include the following:

Financial instruments for which fair value approximates the carrying amount

The carrying values of statutory deposit with the Monetary Authority of Singapore, other receivables and deposits, cash and balances with banks and trade and other payables, approximate their fair values as these balances are short-term in nature or are receivable or payable on demand.

Investment in Singapore Government Securities

The fair values of FVOCI-debt instruments are determined by reference to their quoted closing bid prices at the reporting date.

10.2 Financial assets at fair value through other comprehensive income

The financial assets at fair value through other comprehensive income comprise the following:

Investments	Group and Company	
	30 June 2024	31 December 2023
	\$'000	\$'000
Singapore Government Securities	190,384	203,911
Unquoted equity securities	*	*
	<u>190,384</u>	<u>203,911</u>

*Amount less than \$1,000

10.3 Fair value hierarchy

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:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3: unobservable inputs for the asset or liability.

The following table presented the assets measured at fair value:

Group and Company	Level 1	Level 2	Level 3	Total
Financial assets	\$'000	\$'000	\$'000	\$'000
30 June 2024				
FVOCI investments	<u>190,384</u>	-	*	<u>190,384</u>
31 December 2023				
FVOCI investments	<u>203,911</u>	-	*	<u>203,911</u>

*Amount less than \$1,000

11. Loans and advances

	Group and Company	
	30 Jun 2024	31 Dec 2023
	\$'000	\$'000
Mortgage and other secured loans	709,614	605,503
Unsecured loans	6,024	9,270
Hire purchase receivables	238,963	237,495
	<u>954,601</u>	<u>852,268</u>
Unearned charges and interest	(21,456)	(21,204)
	<u>933,145</u>	<u>831,064</u>
Allowances for loan losses	(7,330)	(6,769)
	<u>925,815</u>	<u>824,295</u>
These comprise balances:		
Due within 12 months	62,760	93,363
Due after 12 months	863,055	730,932
	<u>925,815</u>	<u>824,295</u>

As at 30 June 2024, secured loans to directors (including immediate family members) of the Group and Company amounted to \$203,000 (2023: \$231,000).

The movements in the allowance for loan losses during the year was as follows:

	Group and Company			Total
	12-month ECL	Lifetime ECL- not credit impaired	Lifetime ECL- credit impaired	
	\$'000	\$'000	\$'000	\$'000
Balance as at 1 Jan 2023	3,525	1,127	2,298	6,950
Allowances for/(write-back)	310	(219)	(37)	54
Amounts written off	-	-	(235)	(235)
Balance as at 31 Dec 2023	<u>3,835</u>	<u>908</u>	<u>2,026</u>	<u>6,769</u>
Allowances for/(write-back)	1,243	(660)	132	715
Amounts written off	-	-	(154)	(154)
Balance as at 30 Jun 2024	<u>5,078</u>	<u>248</u>	<u>2,004</u>	<u>7,330</u>

12. Property, plant and equipment

During the six months ended 30 June 2024, the Group acquired fixed assets amounting to \$98,000 (30 June 2023: \$168,000) and right-of-use assets of \$NIL (30 June 2023: \$1,194,000).

13. Share capital

	Group and Company			
	30 June 2024		31 December 2023	
	Number of shares '000	Amount \$'000	Number of shares '000	Amount \$'000
Fully paid ordinary shares, with no par value:				
At the beginning and end of financial period	158,686	168,896	158,686	168,896

The Company did not hold any treasury shares as at 30 June 2024 and 30 June 2023.

The Company's subsidiaries do not hold any shares in the Company as at 30 June 2024 and 30 June 2023.

14. Borrowings from MAS

	Group and Company	
	30 June 2024 \$'000	31 December 2023 \$'000
Due within 12 months	-	6,100
Due after 12 months	-	-
	-	6,100

Borrowings from MAS represents amounts advanced by MAS to the Group in order to partially finance the Enterprise Singapore ("ESG") loan schemes for Small and Medium Enterprises ("SMEs"), administered by Enterprise Singapore. The ESG Loan Schemes comprise the Enhanced Enterprise Financing Scheme – SME Working Capital Loan ("EFS-WCL") and the Temporary Bridging Loan Programme ("TBLP"). Borrowings from MAS SGD Facility is secured by assignment of eligible loan agreements as collaterals amounting to \$NIL (2023: \$7,271,000).

15. Deposits and savings accounts of customers

These include deposits placed by subsidiaries amounting to \$681,000 (2023: \$2,609,000) in the Company and \$137,609,000 (2023: \$167,772,000) placed by related parties of the Group and the Company, accepted in the ordinary course of business.

16. Non-current assets and liabilities

Assets and liabilities other than those disclosed below are current.

	Group		Company	
	30 June 2024 \$'000	31 December 2023 \$'000	30 June 2024 \$'000	31 December 2023 \$'000
Assets				
Fixed Deposit	2,000	–	2,000	–
Investments	71,322	84,487	71,322	84,487
Loans and advances	863,055	730,932	863,055	730,932
Other receivables, deposits and prepayments	369	372	369	372
Subsidiaries	–	–	125	125
Property, plant and equipment	7,129	7,710	7,129	7,710
Deferred tax assets	3,557	3,192	3,557	3,192
	947,432	826,693	947,557	826,818
Liabilities				
Deposits and savings accounts of customers	88,597	119,649	88,597	119,649
Trade and other payables	1,623	1,383	1,623	1,383
Staff retirement gratuities	829	743	829	743
	91,049	121,775	91,049	121,775

Other information required by Listing Rule Appendix 7.2

1. Review

The condensed consolidated statement of financial position of Singapura Finance Ltd and its subsidiaries as at 30 June 2024 and the related condensed consolidated profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed statement of cash flows for the six months period then ended and certain explanatory notes have not been audited or reviewed.

2. Review of performance of the Group

	1H 2024 \$'000	1H 2023 \$'000	Variance +/(-) (%)
SELECTED INCOME STATEMENT ITEMS			
Net interest income	11,204	11,682	-4.1%
Non-interest income	545	489	11.5%
Total income	<u>11,749</u>	<u>12,171</u>	-3.5%
Operating expenses	<u>(7,712)</u>	<u>(7,360)</u>	4.8%
Profit from operations before allowances	4,037	4,811	-16.1%
Allowances on loan losses	(715)	(60)	1091.7%
Profit before tax	<u>3,322</u>	<u>4,751</u>	-30.1%
Profit after tax attributable to shareholders	<u>2,758</u>	<u>3,948</u>	-30.1%

	30 Jun 2024 \$'000	30 Jun 2023 \$'000	
SELECTED BALANCE SHEET ITEMS			
Total equity	248,763	251,350	-1.0%
Total assets	1,255,690	1,146,225	9.6%
Loans and advances (net of allowances)	925,815	758,716	22.0%
Deposits and savings accounts of customers	985,766	864,153	14.1%

KEY FINANCIAL RATIOS (%)

Net interest margin	1.91	2.10
Non-interest income ratio	4.64	4.02
Cost-to-income ratio	65.64	60.47
Loans-to-deposits ratio	93.92	87.80
Non-performing loans ratio		
- Secured by collateral	2.88	5.72
- Unsecured and fully provided for	0.22	0.31
Return on equity ⁽¹⁾	1.11	1.57
Return on total assets ⁽²⁾	0.22	0.34
Capital adequacy ratio	26.10	28.52

PER ORDINARY SHARE DATA

Basic earnings per share (cents) ⁽³⁾	3.48	4.98
Net asset value per share (\$)	1.57	1.58

⁽¹⁾ Return on equity is computed based on ordinary shareholders' equity at balance sheet date.

⁽²⁾ Return on total assets is computed based on total assets as at balance sheet date.

⁽³⁾ The Group's basic earnings per share for period ended 30 Jun 2024 and 30 Jun 2023 are calculated based on profit after tax on weighted average of 158,685,890 shares in issue.

For the half year ended 30 June 2024, the Group recorded a profit after tax of \$2.8million, a decline of 30.1% as compared to the same period last year. The weaker performance was primarily attributed to lower net interest income and higher allowances for impairment losses for loans and advances.

Net interest income decreased by \$0.5 million or 4.1% compared to the previous corresponding period as increase in cost of deposits continues to outpace the rise in interest income amidst the current higher-for-longer sticky inflation and interest rate environment while non-interest income remains stable. Total operating expenses increased by 4.8% or \$0.4 million with the increase coming largely from staff costs and other operating expenses as the Group continued to forge ahead with our digital transformation.

There was a net charge for loan impairment losses amounting to \$0.7 million for the half year ended 30 June 2024 compared to \$0.1 million during the same period last year. This was attributed to higher allowances for estimated credit losses. The Group continues to actively monitor the collection of its loan portfolio and set aside adequate specific and collective allowances in respect of its loan portfolio.

There was an unrealised loss of \$2.5 million to other comprehensive income for the half year ended 30 June 2024 mainly due to decrease in the fair value of the Singapore Government Securities (SGS). The Group purchases SGS for the purposes of maintaining minimum liquid assets as required under the Finance Companies Act.

The Group's total loan, net of allowances increased by 12.3% to \$926 million as at 30 June 2024 compared to \$824 million as at 31 December 2023. In line with the higher loan balance, total customers' deposits increased in tandem by 12.3% to \$986 million as at 30 June 2024 compared to \$878 million as at 31 December 2023.

In the opinion of the Directors, no item, transaction or event of a material and unusual nature has arisen which is likely to affect substantially the results of the operations of the Group and the Company in the interval between the end of the financial period and the date of this report.

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

Not applicable.

4. 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 operating period and the next 12 months

In the first half of 2024, both the local and global economy demonstrated resilience that boosts confidence of an improving market outlook.

According to the Ministry of Trade and Industry ("MTI")'s advance GDP estimates on 12 July 2024, the Singapore economy grew by 2.9% on a year-on-year basis in the second quarter of 2024, extending the 3.0% growth recorded in the previous quarter. On a quarter-on-quarter seasonally-adjusted basis, Singapore economy expanded by 0.4%, slightly faster than the 0.3% expansion in the first quarter of 2024.

Inflation remained at persistently high levels in the first half of 2024 thereby delaying the market's anticipated interest rates cuts. The on-going geopolitical tension and the upcoming United States presidential election adds another layer of distraction which warrants caution on the impact for credit demand and of the economic situation.

Against the backdrop of an uncertain economic environment, the Group stays focus on being proactive in managing our Business in the environment of ambiguous interest rates behaviour, continue to monitor our risk exposure diligently and staying competitive as we journey on to enhance the Group's long-term growth for the benefit of all our stakeholders.

5. **Changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported.**

Nil.

6. **Borrowings and debt securities as at the end of the current financial period and as at the end of the immediately preceding financial year**

The Group and the Company's borrowings are as disclosed under Note 14 to the condensed interim consolidated financial statements. There are no outstanding debt securities issuance as at 30 June 2024 and 31 December 2023 for the Group and the Company.

7. **Dividend Information**

7a. Current Financial Period Reported on

Any dividend recommended for the current financial period reported on?

No dividend has been declared / recommended for the half year ended 30 June 2024. The Group pays dividends on an annual basis, subject to review and approval of the Board and the Shareholders.

7b. Corresponding Period of the Immediate Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

No.

8. **Interested person transactions**

The Group has not obtained a general mandate from shareholders of the Company for Interested Person Transactions.

9. **Confirmation that the issuer has procured undertaking from all its directors and executive officers (in the format set out in 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.

Confirmation by the Board pursuant to Rule 705(5)

On behalf of the Board of Directors of the Company, we, the undersigned, hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the financial statements for the six-month period ended 30 June 2024 to be false or misleading in any material aspect.

On behalf of the Board of Directors

Yu-Foo Yee Shoon
Director

Lucas Tran Phuoc
Director

By Order of the Board
Lee Tiong Hock
Company Secretary

8 August 2024