



AF Global Limited

Company Registration No.197301118N
(Incorporated in the Republic of Singapore)

Profit Guidance For The Half Year Ended 30 June 2024

The Board of Directors (the “**Board**”) of AF Global Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) wishes to issue a profit guidance for the half year ended 30 June 2024.

On 11 July 2024, the Company have announced the completion of the disposal of our land and building at Rawai Thailand (the “**Thai Disposal**”).

In the course of preparing our unaudited financial results for the first half year ended 30 June 2024 (“**1H2024**”), we wish to make certain clarification on the accounting treatment for the Thai Disposal as follows:

- (a)(i) the expected loss on the Thai Disposal was initially estimated on 10 January 2024 to be S\$6,001,000 (mainly after estimated transaction expenses, carrying costs and translation losses);
 - (ii) but as it transpired, the estimated loss on the Thai Disposal as completed on 10 July 2024 (mainly after estimated transaction expenses, carrying costs and translation losses as the Thai Baht had declined from 10 January 2024) was S\$6,911,000;
- and,
- (b)(i) in the due course of accounting treatment, the actual sale proceeds in Singapore dollars and the estimated loss of S\$6,911,000 arising from the Thai Disposal as completed on 10 July 2024 will be recognised within the full year of 2024;
 - (ii) but as it transpired, an impairment loss, arising from the estimated transaction expenses on the Thai Disposal, to write-down the asset to its fair value less costs to sell will be recognised within 1H2024, whereas the realisation of translation losses will be recognised only upon completion of the Thai Disposal, i.e. in 2H2024.

We hereby wish to clarify, that as a result of the above accounting treatment in paragraph (b)(ii), the results of the first half of 2024 would be adversely impacted to the extent of the recognition of the impairment loss on the Thai Disposal.

Conversely, instead of being adversely impacted by an estimated full loss of \$6,911,000, the 2H2024 results would in fact be impacted by an estimated lesser loss - of \$6,911,000 less the extent of the impairment loss as recognised in 1H2024.

Shareholders are advised to trade their shares with caution, and to await if they are able to do so, for the detailed first half of 2024 results to be announced on or around 5 August 2024.

BY ORDER OF THE BOARD

Lim Swee Ann
Company Secretary

30 July 2024
Singapore