

**The Straits Trading Company Limited  
and its Subsidiaries**  
(Company Registration No.: 188700008D)

Condensed Interim Financial Statements  
For the six months ended 30 June 2023

## Table of Contents

A. Condensed Interim Consolidated Income Statement.....	1
B. Condensed Interim Consolidated Statement of Comprehensive Income.....	3
C. Condensed Interim Balance Sheets.....	5
D. Condensed Interim Statements of Changes in Equity.....	8
E. Condensed Interim Consolidated Cash Flow Statement.....	12
F. Notes to the Condensed Interim Consolidated Financial Statements .....	15
G. Other information required by Listing Rule Appendix 7.2.....	40

## A. Condensed Interim Consolidated Income Statement

	Note	6 months ended 30 June 2023 \$'000	6 months ended 30 June 2022 \$'000	+ / (-) %	
<b>Revenue</b>					
Tin mining and smelting revenue		202,110	245,472	(17.7)	(i)
Property revenue		33,697	24,685	36.5	(ii)
Total revenue		<b>235,807</b>	270,157	(12.7)	
<b>Other items of income</b>					
Dividend income		6,035	4,256	41.8	
Interest income		9,446	7,109	32.9	(iii)
Net fair value changes in investment properties	9	9,301	4,241	>100	(iv)
Other income	4	19,224	655,206	(97.1)	(v)
		<b>279,813</b>	940,969	(70.3)	
<b>Other items of expense</b>					
Costs of tin mining and smelting		(161,046)	(187,741)	(14.2)	
Employee benefits expense		(21,473)	(18,461)	16.3	
Depreciation expense		(3,367)	(3,132)	7.5	
Amortisation expense		(153)	(221)	(30.8)	
Finance costs		(40,557)	(17,236)	>100	(vi)
Other expenses	5	(15,201)	(20,963)	(27.5)	
Total expenses		<b>(241,797)</b>	(247,754)	(2.4)	
Share of results of associates and joint ventures		(3,366)	15,290	NM	(vii)
<b>Profit before tax</b>		<b>34,650</b>	708,505	(95.1)	
Income tax expense	6	(7,823)	(16,698)	(53.2)	
<b>Profit after tax</b>		<b>26,827</b>	691,807	(96.1)	
<b>Profit attributable to:</b>					
<b>Owners of the Company</b>		<b>14,899</b>	673,021	(97.8)	
<b>Non-controlling interests</b>		<b>11,928</b>	18,786	(36.5)	
		<b>26,827</b>	691,807	(96.1)	
<b>Earnings before interest, tax, depreciation and amortisation ("EBITDA")</b>		<b>78,727</b>	729,094	(89.2)	
<b>Earnings per share (cents per share)</b>					
Basic		3.3	155.5	(97.9)	
Diluted		3.3	155.5	(97.9)	

NM – Not meaningful

## **A. Condensed Interim Consolidated Income Statement (cont'd)**

### **Explanatory Notes to the Condensed Interim Consolidated Income Statement**

- (i) The decrease in tin mining and smelting revenue for 1H2023 was due to lower average tin prices despite higher sales volume.
- (ii) The increase in property revenue for 1H2023 was mainly due to rental income from investment properties in Australia and the United Kingdom acquired in 2022.
- (iii) The increase in interest income for 1H2023 was due to higher interest income from fixed deposits, offset by absence of interest income from the notes issued by a joint venture in Australia in 1H2022.
- (iv) The net increase in fair value gain in investment properties for 1H2023 was due to higher fair value gains in properties in Singapore and logistics property in South Korea. The fair value gains were mitigated by fair value losses of investment properties in Australia and the United Kingdom.
- (v) The decrease in other income for 1H2023 was mainly due to absence of gain on disposal of Asset Management Limited ("ARA") in 1H2022.
- (vi) The increase in finance costs for 1H2023 was mainly due to Exchangeable Bonds issued, borrowings related to investment properties in Australia and the United Kingdom acquired in 2022 and higher interest rate.
- (vii) The decrease in share of results of associates and joint ventures was due to lower fair value gain on investment properties and absence of share of profit from ARA which was disposed of in January 2022.

## B. Condensed Interim Consolidated Statement of Comprehensive Income

	<b>6 months ended 30 June 2023 \$'000</b>	6 months ended 30 June 2022 \$'000
<b>Profit after tax</b>	<b>26,827</b>	691,807
<b>Other comprehensive income:</b>		
<b>Items that will not be reclassified to profit or loss:</b>		
Net fair value changes in equity securities carried at fair value through other comprehensive income ("FVOCI")	<b>(84,367)</b>	(138,386) (i)
Share of net fair value changes in equity securities carried at FVOCI of associates	–	655
Share of net revaluation surplus on property, plant and equipment of associates	<b>167</b>	1,102
	<b>(84,200)</b>	(136,629)
<b>Items that may be reclassified subsequently to profit or loss:</b>		
Net fair value changes in cash flow hedges	<b>6,041</b>	1,195
Currency translation reserve	<b>(24,085)</b>	(24,824)
Share of reserves of associates and joint ventures	<b>(6,699)</b>	(20,256) (ii)
Reclassification of foreign currency translation reserve to profit or loss	<b>34</b>	17,770 (iii)
	<b>(24,709)</b>	(26,115)
<b>Other comprehensive income after tax for the period</b>	<b>(108,909)</b>	(162,744)
<b>Total comprehensive income for the period</b>	<b>(82,082)</b>	529,063
<b>Attributable to:</b>		
<b>Owners of the Company</b>	<b>(88,499)</b>	514,897
<b>Non-controlling interests</b>	<b>6,417</b>	14,166
<b>Total comprehensive income for the period</b>	<b>(82,082)</b>	529,063

## **B. Condensed Interim Consolidated Statement of Comprehensive Income (cont'd)**

### **Explanatory Notes to the Condensed Interim Consolidated Statement of Comprehensive Income**

- (i) Net fair value changes in equity securities were attributable to changes in the market value of quoted equity securities that are not held for trading and measured at FVOCI.
- (ii) The movement in share of reserves of associates and joint ventures was attributable to share of foreign currency translation reserves of associates and joint ventures.
- (iii) The movement was attributable to absence of the reclassification of cumulative exchange differences from other comprehensive income in equity to profit or loss upon disposal of ARA in 1H2022.

### C. Condensed Interim Balance Sheets

	Note	Group		Company	
		30 June	31 December	30 June	31 December
		2023	2022	2023	2022
		\$'000	\$'000	\$'000	\$'000
<b>Assets</b>					
<b>Non-current assets</b>					
Property, plant and equipment	7	59,617	52,529	575	609
Land under development	8	92,661	95,780	26,773	28,127
Investment properties <sup>(i)</sup>	9	1,391,451	1,312,915	5,020	5,274
Goodwill	10(a)	15,736	16,323	–	–
Other intangible assets	10(b)	45,113	47,302	–	–
Subsidiaries		–	–	133,535	123,535
Associates and joint ventures <sup>(ii)</sup>	11	676,191	701,212	144	144
Deferred tax assets	12	14,174	11,848	–	–
Other non-current receivables		–	–	–	30,000
Derivative financial instruments		18,119	13,203	2,572	1,863
Investment securities <sup>(iii)</sup>		527,454	591,040	–	–
<b>Total non-current assets</b>		<b>2,840,516</b>	<b>2,842,152</b>	<b>168,619</b>	<b>189,552</b>
<b>Current assets</b>					
Inventories <sup>(iv)</sup>	13	158,415	173,541	–	–
Income tax recoverable		4,914	5,357	–	24
Other prepayments		2,885	2,102	3	8
Trade related prepayments		13,396	20,222	–	–
Trade and other receivables <sup>(a)</sup>		106,970	107,913	1,780,955	1,695,519
Investment securities		78,120	75,363	–	–
Derivative financial instruments		10,024	23,198	517	2,583
Cash and cash equivalents <sup>(v)(b)</sup>		354,467	251,688	204,682	129,791
<b>Total current assets</b>		<b>729,191</b>	<b>659,384</b>	<b>1,986,157</b>	<b>1,827,925</b>
<b>Total assets</b>		<b>3,569,707</b>	<b>3,501,536</b>	<b>2,154,776</b>	<b>2,017,477</b>

### C. Condensed Interim Balance Sheets (cont'd)

	Note	Group		Company	
		30 June 2023 \$'000	31 December 2022 \$'000	30 June 2023 \$'000	31 December 2022 \$'000
<b>Equity and liabilities</b>					
<b>Equity</b>					
Share capital	14	<b>686,310</b>	686,317	<b>686,310</b>	686,317
Treasury shares	15	<b>(4,492)</b>	(4,085)	<b>(4,492)</b>	(4,085)
Retained earnings		<b>1,369,035</b>	1,396,875	<b>128,137</b>	99,378
Other reserves <sup>(vi)</sup>		<b>(437,621)</b>	(341,664)	<b>(9,776)</b>	(4,467)
<b>Equity attributable to owners of the Company</b>		<b>1,613,232</b>	1,737,443	<b>800,179</b>	777,143
Non-controlling interests		<b>139,637</b>	137,055	–	–
<b>Total equity</b>		<b>1,752,869</b>	1,874,498	<b>800,179</b>	777,143
<b>Non-current liabilities</b>					
Provisions	16	<b>14,289</b>	14,700	–	–
Deferred tax liabilities	12	<b>69,177</b>	70,107	<b>638</b>	670
Borrowings <sup>(vii)(c)</sup>	17	<b>1,420,963</b>	1,054,071	<b>758,647</b>	442,387
Derivative financial instruments <sup>(d)</sup>		<b>33,117</b>	376	<b>33,003</b>	–
Other non-current liabilities		<b>2,840</b>	3,317	–	–
Lease liabilities		<b>6,281</b>	1,258	–	–
<b>Total non-current liabilities</b>		<b>1,546,667</b>	1,143,829	<b>792,288</b>	443,057
<b>Current liabilities</b>					
Provisions	16	<b>4,311</b>	4,347	–	–
Income tax payable		<b>7,018</b>	3,871	<b>787</b>	1,023
Trade and other payables <sup>(e)</sup>		<b>70,176</b>	135,400	<b>560,940</b>	653,052
Borrowings <sup>(vii)(c)</sup>	17	<b>181,267</b>	336,672	–	143,202
Derivative financial instruments <sup>(d)</sup>		<b>4,665</b>	1,696	<b>582</b>	–
Lease liabilities		<b>2,734</b>	1,223	–	–
<b>Total current liabilities</b>		<b>270,171</b>	483,209	<b>562,309</b>	797,277
<b>Total liabilities</b>		<b>1,816,838</b>	1,627,038	<b>1,354,597</b>	1,240,334
<b>Total equity and liabilities</b>		<b>3,569,707</b>	3,501,536	<b>2,154,776</b>	2,017,477



## **C. Condensed Interim Balance Sheets (cont'd)**

### **Explanatory Notes to the Condensed Interim Balance Sheets**

#### **Group**

- (i) The increase in investment properties was mainly due to acquisition of industrial land in Australia, fair value gains of properties in Singapore and capital expenditure on the logistics property in South Korea, partially offset by fair value losses of certain properties in Australia and the United Kingdom.
- (ii) The decrease in associates and joint ventures was mainly due to share of translation losses and capital distributions from associates and joint ventures, partially offset by capital injection into a joint venture.
- (iii) The decrease in investment securities was mainly due to market value changes of the ordinary shares of the ESR Group Limited.
- (iv) The decrease in inventories was contributed by lower tin-in-concentrates and tin-in-process and translation loss from weaker Malaysian Ringgit against Singapore Dollar as at end of 1H2023.
- (v) The increase in cash and cash equivalents was mainly due to Exchangeable Bonds issued, partially used for repayment of borrowings and payment of dividend.
- (vi) The decrease in other reserves was due to the market value changes of investment securities and derivative financial instruments that were used for hedging.
- (vii) The increase in borrowings was mainly due to Exchangeable Bonds issued, partially offset by repayment of existing loans.

#### **Company**

- (a) The increase in trade and other receivables was due to the increase in amounts due from subsidiaries.
- (b) The increase in cash and cash equivalents was mainly due to Exchangeable Bonds issued, partially offset by repayment of borrowings and payment of dividend.
- (c) The increase in borrowings was mainly due to Exchangeable Bonds issued, partially offset by repayment of bank loans.
- (d) Derivative financial instrument of S\$33.0 million is relating to the embedded derivative portion of Exchangeable Bonds issued.
- (e) The decrease in trade and other payables was mainly due to decrease in amount due to a subsidiary.

## D. Condensed Interim Statements of Changes in Equity

### Group

	Total equity \$'000	Equity attributable to owners of the Company \$'000	Share capital \$'000	Treasury shares \$'000	Retained earnings \$'000	FVOCI reserve \$'000	Hedging reserve \$'000	Revaluation reserve \$'000	Foreign currency translation reserve \$'000	Share-based compensation reserve \$'000	Other reserves \$'000	Non-controlling interests \$'000
<b>Opening balance at 1 January 2023</b>	1,874,498	1,737,443	686,317	(4,085)	1,396,875	(280,093)	6,421	42,174	(109,183)	1,554	(2,537)	137,055
Total comprehensive income for the period	(82,082)	(88,499)	–	–	14,899	(85,508)	6,174	167	(24,231)	–	–	6,417
<u>Contributions by and distributions to owners</u>												
Share based payment	902	902	–	–	–	–	–	–	–	902	–	–
Treasury share reissued pursuant to share-based compensation plan	–	–	(7)	211	–	–	–	–	–	(204)	–	–
Dividend on ordinary shares	(35,996)	(35,996)	–	–	(35,996)	–	–	–	–	–	–	–
Contribution of capital by non-controlling interests	456	–	–	–	–	–	–	–	–	–	–	456
Dividend to non-controlling interests	(4,291)	–	–	–	–	–	–	–	–	–	–	(4,291)
Purchase of treasury shares	(618)	(618)	–	(618)	–	–	–	–	–	–	–	–
<b>Total contributions by and distributions to owners</b>	<b>(39,547)</b>	<b>(35,712)</b>	<b>(7)</b>	<b>(407)</b>	<b>(35,996)</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>698</b>	<b>–</b>	<b>(3,835)</b>
<u>Others</u>												
Reclassification of FVOCI reserve	–	–	–	–	(6,743)	6,743	–	–	–	–	–	–
<b>Total others</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(6,743)</b>	<b>6,743</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Closing balance at 30 June 2023</b>	<b>1,752,869</b>	<b>1,613,232</b>	<b>686,310</b>	<b>(4,492)</b>	<b>1,369,035</b>	<b>(358,858)</b>	<b>12,595</b>	<b>42,341</b>	<b>(133,414)</b>	<b>2,252</b>	<b>(2,537)</b>	<b>139,637</b>

## D. Condensed Interim Statements of Changes in Equity (cont'd)

### Group (cont'd)

	Total equity \$'000	Equity attributable to owners of the Company \$'000	Share capital \$'000	Treasury shares \$'000	Retained earnings \$'000	FVOCI reserve \$'000	Hedging reserve \$'000	Revaluation reserve \$'000	Foreign currency translation reserve \$'000	Share-based compensation reserve \$'000	Other reserves \$'000	Non-controlling interests \$'000
<b>Opening balance at 1 January 2022</b>	1,934,850	1,771,382	568,968	(2,682)	1,163,514	9,516	60	39,466	(10,598)	–	3,138	163,468
Total comprehensive income for the period	529,063	514,897	–	–	673,021	(138,272)	3,020	1,102	(23,974)	–	–	14,166
<u>Contributions by and distributions to owners</u>												
Issuance of ordinary shares	80,860	80,860	80,860	–	–	–	–	–	–	–	–	–
Expenses on issuance of ordinary shares	(2,599)	(2,599)	(2,599)	–	–	–	–	–	–	–	–	–
Share based payment	1,165	1,165	–	–	–	–	–	–	–	1,165	–	–
Dividend on ordinary shares	(34,626)	(34,626)	–	–	(34,626)	–	–	–	–	–	–	–
Dividend to non-controlling interests	(5,351)	–	–	–	–	–	–	–	–	–	–	(5,351)
<b>Total contributions by and distributions to owners</b>	<b>39,449</b>	<b>44,800</b>	<b>78,261</b>	<b>–</b>	<b>(34,626)</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>1,165</b>	<b>–</b>	<b>(5,351)</b>
<u>Others</u>												
Share of transfer of statutory reserve of an associate	–	–	–	–	(1,958)	1,958	–	–	–	–	–	–
Share of other changes in equity of an associate	(67,048)	(67,048)	–	–	–	–	–	–	1,507	–	(68,555)	–
Reclassification of FVOCI reserve	–	–	–	–	4,960	(4,960)	–	–	–	–	–	–
Reclassification of reserve upon disposal of an associate	–	–	–	–	(47,128)	(19,915)	(431)	–	(1,494)	–	68,968	–
<b>Total others</b>	<b>(67,048)</b>	<b>(67,048)</b>	<b>–</b>	<b>–</b>	<b>(44,126)</b>	<b>(22,917)</b>	<b>(431)</b>	<b>–</b>	<b>13</b>	<b>–</b>	<b>413</b>	<b>–</b>
<b>Closing balance at 30 June 2022</b>	<b>2,436,314</b>	<b>2,264,031</b>	<b>647,229</b>	<b>(2,682)</b>	<b>1,757,783</b>	<b>(151,673)</b>	<b>2,649</b>	<b>40,568</b>	<b>(34,559)</b>	<b>1,165</b>	<b>3,551</b>	<b>172,283</b>

## D. Condensed Interim Statements of Changes in Equity (cont'd)

### Company

	Total equity \$'000	Equity attributable to owners of the Company \$'000	Share capital \$'000	Treasury shares \$'000	Retained earnings \$'000	Revaluation reserve \$'000	Hedging reserve \$'000	Foreign currency translation reserve \$'000	Share-based compensation reserve \$'000
<b>Opening balance at 1 January 2023</b>	777,143	777,143	686,317	(4,085)	99,378	579	1,548	(8,148)	1,554
Total comprehensive income for the period	58,748	58,748	–	–	64,755	–	(479)	(5,528)	–
<u>Contributions by and distributions to owners</u>									
Share based payment	902	902	–	–	–	–	–	–	902
Treasury share reissued pursuant to share-based compensation plan	–	–	(7)	211	–	–	–	–	(204)
Dividend on ordinary shares	(35,996)	(35,996)	–	–	(35,996)	–	–	–	–
Purchase of treasury shares	(618)	(618)	–	(618)	–	–	–	–	–
<b>Total contributions by and distributions to owners</b>	<b>(35,712)</b>	<b>(35,712)</b>	<b>(7)</b>	<b>(407)</b>	<b>(35,996)</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>698</b>
<b>Total transactions with owners in their capacity as owners</b>	<b>(35,712)</b>	<b>(35,712)</b>	<b>(7)</b>	<b>(407)</b>	<b>(35,996)</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>698</b>
<b>Closing balance at 30 June 2023</b>	<b>800,179</b>	<b>800,179</b>	<b>686,310</b>	<b>(4,492)</b>	<b>128,137</b>	<b>579</b>	<b>1,069</b>	<b>(13,676)</b>	<b>2,252</b>

## D. Condensed Interim Statements of Changes in Equity (cont'd)

### Company (cont'd)

	Total equity \$'000	Equity attributable to owners of the Company \$'000	Share capital \$'000	Treasury shares \$'000	Retained earnings \$'000	Revaluation reserve \$'000	Hedging reserve \$'000	Foreign currency translation reserve \$'000	Share-based compensation reserve \$'000
<b>Opening balance at 1 January 2022</b>	604,445	604,445	568,968	(2,682)	38,107	574	180	(702)	–
Total comprehensive income for the period	134,831	134,831	–	–	136,904	–	1,195	(3,268)	–
<u>Contributions by and distributions to owners</u>									
Issuance of ordinary shares	80,860	80,860	80,860	–	–	–	–	–	–
Expenses on issuance of ordinary shares	(2,599)	(2,599)	(2,599)	–	–	–	–	–	–
Share based payment	1,165	1,165	–	–	–	–	–	–	1,165
Dividend on ordinary shares	(34,626)	(34,626)	–	–	(34,626)	–	–	–	–
<b>Total contributions by and distributions to owners</b>	<b>44,800</b>	<b>44,800</b>	<b>78,261</b>	<b>–</b>	<b>(34,626)</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>1,165</b>
<b>Total transactions with owners in their capacity as owners</b>	<b>44,800</b>	<b>44,800</b>	<b>78,261</b>	<b>–</b>	<b>(34,626)</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Closing balance at 30 June 2022</b>	<b>784,076</b>	<b>784,076</b>	<b>647,229</b>	<b>(2,682)</b>	<b>140,385</b>	<b>574</b>	<b>1,375</b>	<b>(3,970)</b>	<b>1,165</b>

## E. Condensed Interim Consolidated Cash Flow Statement

	<b>6 months ended 30 June 2023 \$'000</b>	6 months ended 30 June 2022 \$'000
<b>Cash flows from operating activities</b>		
Profit before tax	<b>34,650</b>	708,505
<u>Adjustments</u>		
Depreciation of property, plant and equipment	<b>3,367</b>	3,132
Amortisation of other intangible assets	<b>153</b>	221
Dividend income	<b>(6,035)</b>	(4,256)
Interest income	<b>(9,446)</b>	(7,109)
Finance costs	<b>40,557</b>	17,236
Share based payment	<b>902</b>	1,165
Unrealised foreign currency translation	<b>(14,011)</b>	6,182
Fair value changes in investment properties	<b>(9,301)</b>	(4,241)
Fair value changes in financial assets and liabilities	<b>(11,158)</b>	5,921
Net gain on disposal of property, plant and equipment and investment securities	–	1,924
Net gain on disposal of subsidiaries and associate	<b>(596)</b>	(658,611)
Property, plant and equipment written off	–	4
Share of results of associates and joint ventures	<b>3,366</b>	(15,290)
<b>Operating cash flows before changes in working capital</b>	<b>32,448</b>	54,783
Decrease in inventories	<b>15,126</b>	1,563
Increase in short-term investment securities	<b>(1,730)</b>	(4,685)
Decrease/(increase) in trade and other receivables	<b>13,548</b>	(4,209)
Decrease in trade and other payables	<b>(41,354)</b>	(16,637)
<b>Cash flows from operations</b>	<b>18,038</b>	30,815
Income taxes paid	<b>(5,939)</b>	(6,620)
Finance costs paid	<b>(12,865)</b>	(5,885)
Interest received	<b>3,788</b>	1,232
Dividend received from short-term investment securities	<b>491</b>	482
<b>Net cash flows from operating activities <sup>(i)</sup></b>	<b>3,513</b>	20,024

## E. Condensed Interim Consolidated Cash Flow Statement (cont'd)

	6 months ended 30 June 2023 \$'000	6 months ended 30 June 2022 \$'000
<b>Cash flows from investing activities</b>		
Proceeds from disposal of property, plant and equipment	109	19
Proceeds from redemption of debt instrument	–	1,000
Proceeds from disposal of investment securities	29,978	56,136
Proceeds from disposal of an associate	630	142,458
Proceeds from/(payment for) settlement of derivatives	13,319	(716)
Purchase of property, plant and equipment	(5,506)	(1,907)
Cost incurred on investment properties	(82,235)	(205,837)
Cost incurred on land under development	(8,437)	(5,419)
Purchase of investment securities	(57,121)	(31,195)
Investment in associates and joint ventures	(1,557)	(55,810)
Return of capital from associates	6,976	2,040
Cost incurred on deferred mine exploration and evaluation expenditure, mine properties, and other intangible assets	(238)	(56)
Dividend received from investment securities and joint venture	8,577	7,715
Interest received	635	268
Income taxes paid	(296)	(339)
<b>Net cash flows used in investing activities <sup>(ii)</sup></b>	<b>(95,166)</b>	<b>(91,643)</b>
<b>Cash flows from financing activities</b>		
Dividend paid on ordinary shares (Note 18)	(35,996)	(34,626)
Dividend paid to non-controlling shareholders of subsidiaries	(4,291)	(5,351)
Net proceeds from issuance of shares	–	78,261
Purchase of treasury shares (Note 15)	(618)	–
Net proceeds from issuance of shares by subsidiaries to non-controlling shareholders	456	–
Repayment of loan to non-controlling shareholder of a subsidiary	–	(219)
Repayment of short-term borrowings	(123,214)	(32,481)
Proceeds from long-term borrowings	425,011	307,761
Repayment of long-term borrowings	(50,331)	(31,231)
Finance costs paid	(15,581)	(8,737)
Payment of principal portion of lease liabilities	(1,041)	(1,281)
<b>Net cash flows from/(used in) financing activities <sup>(iii)</sup></b>	<b>194,395</b>	<b>(272,096)</b>
<b>Net increase in cash and cash equivalents</b>	<b>102,742</b>	<b>200,477</b>
Effect of exchange rate changes on cash and cash equivalents	37	(718)
Cash and cash equivalents, at beginning of period	251,688	141,615
<b>Cash and cash equivalents, at end of period</b>	<b>354,467</b>	<b>341,374</b>

## **E. Condensed Interim Consolidated Cash Flow Statement (cont'd)**

### **Explanatory Notes to the Condensed Interim Consolidated Cash Flow Statement**

- (i) Net cash generated from operating activities for 1H2023 was mainly attributable to the property-related income and cash receipts from tin sales.
- (ii) Net cash used in investing activities for 1H2023 was mainly due to payments for acquisition and/or development expenditure on investment properties, offset by the proceeds from disposal of investment securities and settlement of derivative financial instruments.
- (iii) Net cash generated from financing activities for 1H2023 was mainly due to proceeds from issuance of S\$370.0 million Exchangeable Bonds and drawdown of loan facilities, partially offset by repayment of borrowings and dividend paid to shareholders.



## **F. Notes to the Condensed Interim Consolidated Financial Statements**

### **1. Corporate information**

The Straits Trading Company Limited (the “Company”) is a limited liability company incorporated and domiciled in Singapore and is listed on Singapore Exchange Securities Trading Limited (“SGX-ST”). The registered office and principal place of business of the Company is located at 1 Wallich Street #15-01, Guoco Tower, Singapore 078881.

The immediate holding company is The Cairns Pte. Ltd. and the ultimate holding company is Tan Chin Tuan Pte. Ltd.. Both companies are incorporated in Singapore.

The principal activity of the Company is investment holding. These condensed interim consolidated financial statements as at and for the six months ended 30 June 2023 comprise the Company and its subsidiaries (referred to as the “Group”) and the Group’s interests in associates and joint ventures.

### **2. Basis of preparation**

The condensed interim financial statements of the Group for the six months ended 30 June 2023 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 period ended 31 December 2022.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with Singapore Financial Reporting Standards (International) (“SFRS(I)”), 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 dollars (“SGD” or “\$”) and all values are rounded to the nearest thousand (\$’000) except when otherwise indicated. The financial statements of the Company include the operations of its Malaysia branch.

#### **2.1 New and amended standards adopted by the Group**

The accounting policies adopted by the Group in the preparation of the condensed interim consolidated financial statements are consistent with those followed in the preparation of the Group’s Annual Report for the financial year ended 31 December 2022, except for the adoption of new and revised standards effective as of 1 January 2023.

The following are the new or amended SFRS(I)s, SFRS(I) Interpretations and amendments to SFRS(I)s, that are relevant to the Group:

- Amendments to SFRS(I) 1-Practice Statement 2: Disclosure of Accounting Policies
- Amendments to SFRS(I) 1-8 Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates
- Amendments to SFRS(I) 1-12 Income taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction
- Amendments to SFRS(I) 17 Insurance Contracts

The adoption of the above new or amended SFRS(I)s, SFRS(I) Interpretations and amendments to SFRS(I)s did not have any significant impact on the condensed consolidated interim financial statements of the Group.

## **F. Notes to the Condensed Interim Consolidated Financial Statements (cont'd)**

### **2. Basis of preparation (cont'd)**

#### **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 2022.

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 critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

- Notes 6 and 12 – Determination of capital allowance, reinvestment allowance, mining allowance, group-wide provision for income taxes and deferred tax provisions
- Note 21 – Impairment of financial assets

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 within the next interim period are included in the following notes:

- Note 7 – Depreciation of property, plant and equipment
- Notes 7, 8 and 9 – Revaluation of properties
- Note 10 – Impairment test of goodwill: key assumptions underlying recoverable amounts
- Note 13 – Inventories: valuation of tin-in-concentrates, tin-in-process and refined tin metal
- Note 16 – Provision for retrenchment compensation and mine restoration costs: compensation and estimates for ore reserve and mineral resource

### **3. Seasonal operations**

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

**F. Notes to the Condensed Interim Consolidated Financial Statements (cont'd)**

**4. Other income**

	<b>Group</b>	
	<b>6 months ended 30 June 2023 \$'000</b>	6 months ended 30 June 2022 \$'000
Net gain on disposal of property, plant and equipment	–	19
Net gain on disposal of subsidiaries, associates and joint ventures	–	658,611
Net loss on disposal of equity securities at fair value through profit and loss (“FVPL”)	–	(1,943)
Net gain from settlement of forward tin contracts	<b>1,466</b>	2,312
Fair value changes in financial instruments:		
- Held-for-trading equity securities at FVPL	<b>(5,587)</b>	(10,727)
- Derivative financial instruments at FVPL	<b>17,034</b>	4,804
- Ineffective portion of derivatives designated as hedging instruments in cash flow hedge	<b>(289)</b>	2
Net foreign exchange gains	<b>3,638</b>	–
Others	<b>2,962</b>	2,128
	<b>19,224</b>	655,206

**5. Other expenses**

	<b>Group</b>	
	<b>6 months ended 30 June 2023 \$'000</b>	6 months ended 30 June 2022 \$'000
Administrative expenses	<b>4,098</b>	4,783
Marketing and distribution expenses	<b>648</b>	825
Property related management fees	<b>1,877</b>	989
Property upkeep and maintenance expenses	<b>5,500</b>	3,898
Property related taxes	<b>2,195</b>	1,571
Operating lease expenses	<b>10</b>	–
Brokerage fees	<b>119</b>	357
Allowance for expected credit losses	<b>24</b>	175
Net foreign exchange losses	–	7,707
Other expenses	<b>730</b>	658
	<b>15,201</b>	20,963

**F. Notes to the Condensed Interim Consolidated Financial Statements (cont'd)**

**6. Income tax expense**

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:

	<b>Group</b>	
	<b>6 months ended 30 June 2023 \$'000</b>	<b>6 months ended 30 June 2022 \$'000</b>
<i>Income tax</i>		
- Current income tax	<b>9,356</b>	15,042
- Under/(over) provision in prior years	<b>1,422</b>	(500)
	<hr/> <b>10,778</b>	<hr/> 14,542
<i>Deferred tax</i>		
- Originating and reversal of temporary differences	<b>(1,770)</b>	2,156
- Over provision in prior years	<b>(1,185)</b>	–
	<hr/> <b>(2,955)</b>	<hr/> 2,156
Income tax expense recognised in profit or loss	<hr/> <b>7,823</b>	<hr/> 16,698

F. Notes to the Condensed Interim Consolidated Financial Statements (cont'd)

7. Property, plant and equipment

Group	Freehold land \$'000	Leasehold land \$'000	Buildings \$'000	Plant, equipment, vehicles and furniture \$'000	Capital work-in- progress \$'000	Right-of-use assets			Total \$'000
						Mine restoration \$'000	Land and buildings \$'000	Motor vehicles \$'000	
	At valuation			At cost					
<b>At cost or valuation</b>									
At 1 January 2023	143	10,065	8,625	49,773	7,687	12,192	12,690	195	101,370
Additions	–	–	16	645	5,021	–	7,404	–	13,086
Disposals	–	–	–	(111)	–	–	–	–	(111)
Write-offs	–	–	–	(94)	–	–	–	–	(94)
Reclassifications	–	–	–	3,511	(3,511)	–	–	–	–
Revaluation surplus	–	–	3	–	–	–	–	–	3
Elimination of accumulated depreciation on revaluation	–	(60)	(166)	–	–	–	–	–	(226)
Adjustment	–	–	–	4,505	–	–	(3,895)	–	610
Exchange differences	(7)	(485)	(415)	(2,494)	(409)	(587)	(97)	–	(4,494)
At 30 June 2023	136	9,520	8,063	55,735	8,788	11,605	16,102	195	110,144
<b>Accumulated depreciation</b>									
At 1 January 2023	–	–	–	33,438	–	5,221	10,100	82	48,841
Depreciation charge for the period	–	62	168	1,590	–	283	1,236	28	3,367
Disposals	–	–	–	(2)	–	–	–	–	(2)
Write-offs	–	–	–	(94)	–	–	–	–	(94)
Elimination of accumulated depreciation on revaluation	–	(60)	(166)	–	–	–	–	–	(226)
Adjustment	–	–	–	4,505	–	–	(3,895)	–	610
Exchange differences	–	(2)	(2)	(1,687)	–	(260)	(18)	–	(1,969)
At 30 June 2023	–	–	–	37,750	–	5,244	7,423	110	50,527
<b>Net carrying amount</b>									
<b>At 30 June 2023</b>	136	9,520	8,063	17,985	8,788	6,361	8,679	85	59,617

**F. Notes to the Condensed Interim Consolidated Financial Statements (cont'd)**

**7. Property, plant and equipment (cont'd)**

Group	Freehold land \$'000	Leasehold land \$'000	Buildings \$'000	Plant, equipment, vehicles and furniture \$'000	Capital work-in- progress \$'000	Right-of-use assets			Total \$'000
						Mine restoration \$'000	Land and buildings \$'000	Motor vehicles \$'000	
	At valuation				At cost				
<b>At cost or valuation</b>									
At 1 January 2022	146	10,730	9,047	50,822	3,418	10,615	12,919	195	97,892
Additions	–	–	–	809	5,726	2,253	138	–	8,926
Disposals	–	–	–	(153)	–	–	–	–	(153)
Write-offs	–	–	–	(111)	–	–	–	–	(111)
Reclassifications	–	48	–	1,358	(1,146)	–	–	–	260
Revaluation surplus	6	79	476	–	–	–	–	–	561
Elimination of accumulated depreciation on revaluation	–	(128)	(337)	–	–	–	–	–	(465)
Exchange differences	(9)	(664)	(561)	(2,952)	(311)	(676)	(367)	–	(5,540)
At 31 December 2022	143	10,065	8,625	49,773	7,687	12,192	12,690	195	101,370
<b>Accumulated depreciation</b>									
At 1 January 2022	–	–	–	32,938	–	5,159	7,881	54	46,032
Depreciation charge for the year	–	130	345	2,697	–	394	2,479	28	6,073
Disposals	–	–	–	(153)	–	–	–	–	(153)
Write-offs	–	–	–	(106)	–	–	–	–	(106)
Elimination of accumulated depreciation on revaluation	–	(128)	(337)	–	–	–	–	–	(465)
Exchange differences	–	(2)	(8)	(1,938)	–	(332)	(260)	–	(2,540)
At 31 December 2022	–	–	–	33,438	–	5,221	10,100	82	48,841
<b>Net carrying amount At 31 December 2022</b>	143	10,065	8,625	16,335	7,687	6,971	2,590	113	52,529

**F. Notes to the Condensed Interim Consolidated Financial Statements (cont'd)**

**7. Property, plant and equipment (cont'd)**

	Freehold land \$'000 At valuation	Buildings \$'000	Plant, equipment, vehicles and furniture \$'000 At cost	Total \$'000
<b>Company</b>				
<b>At cost or valuation</b>				
At 1 January 2023	46	517	97	660
Revaluation surplus	-	3	-	3
Elimination of accumulated depreciation on revaluation	-	(3)	-	(3)
Exchange differences	(3)	(27)	(5)	(35)
At 30 June 2023	43	490	92	625
<b>Accumulated depreciation</b>				
At 1 January 2023	-	-	51	51
Depreciation charge for the period	-	3	2	5
Elimination of accumulated depreciation on revaluation	-	(3)	-	(3)
Exchange differences	-	-	(3)	(3)
At 30 June 2023	-	-	50	50
<b>Net carrying amount</b>				
<b>At 30 June 2023</b>	<b>43</b>	<b>490</b>	<b>42</b>	<b>575</b>
<b>At cost or valuation</b>				
At 1 January 2022	49	551	106	706
Additions	-	-	53	53
Disposals	-	-	(55)	(55)
Revaluation surplus	-	5	-	5
Elimination of accumulated depreciation on revaluation	-	(5)	-	(5)
Exchange differences	(3)	(34)	(7)	(44)
At 31 December 2022	46	517	97	660
<b>Accumulated depreciation</b>				
At 1 January 2022	-	-	106	106
Depreciation charge for the year	-	5	4	9
Disposals	-	-	(54)	(54)
Elimination of accumulated depreciation on revaluation	-	(5)	-	(5)
Exchange differences	-	-	(5)	(5)
At 31 December 2022	-	-	51	51
<b>Net carrying amount</b>				
<b>At 31 December 2022</b>	<b>46</b>	<b>517</b>	<b>46</b>	<b>609</b>

**F. Notes to the Condensed Interim Consolidated Financial Statements (cont'd)**

**8. Land under development**

	<b>Group</b>		<b>Company</b>	
	<b>30 June 2023 \$'000</b>	<b>31 December 2022 \$'000</b>	<b>30 June 2023 \$'000</b>	<b>31 December 2022 \$'000</b>
<b>At cost</b>				
At 1 January	<b>104,918</b>	88,948	<b>28,127</b>	29,982
Additions	<b>1,528</b>	22,270	–	–
Reclassifications	–	(260)	–	–
Exchange differences	<b>(5,087)</b>	(6,040)	<b>(1,354)</b>	(1,855)
	<b>101,359</b>	104,918	<b>26,773</b>	28,127
<b>Accumulated impairment</b>				
At 1 January	<b>9,138</b>	9,740	–	–
Exchange differences	<b>(440)</b>	(602)	–	–
	<b>8,698</b>	9,138	–	–
<b>Net carrying amount</b>	<b>92,661</b>	95,780	<b>26,773</b>	28,127

**9. Investment properties**

	<b>Group</b>		<b>Company</b>	
	<b>30 June 2023 \$'000</b>	<b>31 December 2022 \$'000</b>	<b>30 June 2023 \$'000</b>	<b>31 December 2022 \$'000</b>
<b>Balance sheets</b>				
<b>At fair value</b>				
At 1 January	<b>1,312,915</b>	1,039,646	<b>5,274</b>	5,622
Net fair value changes recognised in profit or loss	<b>9,301</b>	(75,421)	–	–
Additions	<b>59,133</b>	447,678	–	–
Disposals	–	(7,293)	–	–
Exchange differences	<b>10,102</b>	(91,695)	<b>(254)</b>	(348)
	<b>1,391,451</b>	1,312,915	<b>5,020</b>	5,274

Investment properties are stated at fair value. Valuations of investment properties have been determined based on valuations at the end of the reporting period. The Group determines the fair value of investment properties with the assistance of accredited professional valuers with recent experience and takes into consideration prevailing market conditions in respective location and category of the properties being valued.



## F. Notes to the Condensed Interim Consolidated Financial Statements (cont'd)

### 10. Goodwill/Other intangible assets

#### (a) Goodwill arising on consolidation

	<b>Group</b>	
	<b>30 June 2023 \$'000</b>	<b>31 December 2022 \$'000</b>
<b>At cost</b>		
At 1 January	16,323	17,366
Exchange differences	(587)	(1,043)
	<b>15,736</b>	<b>16,323</b>
	<b>15,736</b>	<b>16,323</b>

The carrying amount of goodwill is allocated to resources segment.

For purpose of impairment testing, goodwill acquired in a business combination is from the acquisition date, allocated to the Group's cash-generating units that are expected to benefit from the synergies of the combination.

The cash-generating units to which goodwill have been allocated is tested for impairment annually. Impairment is determined for goodwill by assessing the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates.

No impairment indicators were identified as at 30 June 2023 based on the cash-generating units' business performance. The Group performed its annual impairment test in December 2022. The key assumptions used to determine the recoverable amount for the cash generating units were disclosed in the annual consolidated financial statements for the year ended 31 December 2022.

#### (b) Other intangible assets

	<b>Group</b>	
	<b>30 June 2023 \$'000</b>	<b>31 December 2022 \$'000</b>
(i) Mining rights	41,123	43,062
Corporate club memberships	125	132
	<b>41,248</b>	<b>43,194</b>
(ii) Deferred mine exploration and evaluation expenditure	351	403
Mine properties	3,488	3,705
	<b>3,839</b>	<b>4,108</b>
(iii) Trademark	26	–
	<b>45,113</b>	<b>47,302</b>
	<b>45,113</b>	<b>47,302</b>

**F. Notes to the Condensed Interim Consolidated Financial Statements (cont'd)**

**10. Goodwill/Other intangible assets (cont'd)**

(b) Other intangible assets (cont'd)

(i) Mining rights and corporate club memberships

	Mining rights \$'000	Corporate club memberships \$'000	Total \$'000
<b>Group</b>			
<b>At cost</b>			
At 1 January 2023	45,767	173	45,940
Additions	157	–	157
Exchange differences	(2,206)	(9)	(2,215)
At 30 June 2023	43,718	164	43,882
<b>Accumulated amortisation and impairment</b>			
At 1 January 2023	2,705	41	2,746
Amortisation charge	22	1	23
Exchange differences	(132)	(3)	(135)
At 30 June 2023	2,595	39	2,634
<b>Net carrying amount At 30 June 2023</b>	<b>41,123</b>	<b>125</b>	<b>41,248</b>
<b>At cost</b>			
At 1 January 2022	3,855	186	4,041
Additions	21	–	21
Acquisition of subsidiary	42,489	–	42,489
Exchange differences	(598)	(13)	(611)
At 31 December 2022	45,767	173	45,940
<b>Accumulated amortisation and impairment</b>			
At 1 January 2022	2,833	43	2,876
Amortisation charge	49	3	52
Exchange differences	(177)	(5)	(182)
At 31 December 2022	2,705	41	2,746
<b>Net carrying amount At 31 December 2022</b>	<b>43,062</b>	<b>132</b>	<b>43,194</b>

**F. Notes to the Condensed Interim Consolidated Financial Statements (cont'd)**

**10. Goodwill/Other intangible assets (cont'd)**

(b) Other intangible assets (cont'd)

(ii) Deferred mine exploration and evaluation expenditure and mine properties

	<b>Deferred mine exploration and evaluation expenditure \$'000</b>	<b>Mine properties \$'000</b>	<b>Total \$'000</b>
<b>Group</b>			
<b>At cost</b>			
At 1 January 2023	403	43,021	43,424
Additions	54	–	54
Reclassification	(87)	87	–
Exchange differences	(19)	(2,073)	(2,092)
	<hr/>	<hr/>	<hr/>
At 30 June 2023	351	41,035	41,386
<b>Accumulated amortisation and impairment</b>			
At 1 January 2023	–	39,316	39,316
Amortisation charge	–	130	130
Exchange differences	–	(1,899)	(1,899)
	<hr/>	<hr/>	<hr/>
At 30 June 2023	–	37,547	37,547
<b>Net carrying amount</b>			
<b>At 30 June 2023</b>	<b>351</b>	<b>3,488</b>	<b>3,839</b>
<hr/>			
<b>At cost</b>			
At 1 January 2022	342	45,737	46,079
Additions	51	116	167
Acquisition of subsidiary	33	–	33
Exchange differences	(23)	(2,832)	(2,855)
	<hr/>	<hr/>	<hr/>
At 31 December 2022	403	43,021	43,424
<b>Accumulated amortisation and impairment</b>			
At 1 January 2022	–	41,628	41,628
Amortisation charge	–	276	276
Exchange differences	–	(2,588)	(2,588)
	<hr/>	<hr/>	<hr/>
At 31 December 2022	–	39,316	39,316
<b>Net carrying amount</b>			
<b>At 31 December 2022</b>	<b>403</b>	<b>3,705</b>	<b>4,108</b>
<hr/>			

The deferred mine exploration and evaluation expenditures and mine properties are incurred on several areas of interest. The costs are only carried forward to the extent that they are expected to be recovered through the successful development of the areas or where activities in the areas have yet to reach a stage that permits a reasonable assessment of the existence of the economically recoverable ore resources.

## F. Notes to the Condensed Interim Consolidated Financial Statements (cont'd)

### 11. Associates and joint ventures

In 1H2023, there were capital distributions received from associates in Japan and the United Kingdom, and certain capital injection into a joint venture in China.

### 12. Deferred tax assets and liabilities

	Group		Company	
	30 June 2023 \$'000	31 December 2022 \$'000	30 June 2023 \$'000	31 December 2022 \$'000
Deferred tax assets	14,174	11,848	–	–
Deferred tax liabilities	(69,177)	(70,107)	(638)	(670)
	<b>(55,003)</b>	<b>(58,259)</b>	<b>(638)</b>	<b>(670)</b>

	Group		Company	
	30 June 2023 \$'000	31 December 2022 \$'000	30 June 2023 \$'000	31 December 2022 \$'000
Provisions	3,295	1,693	–	–
Revaluation of property, plant and equipment	(1,802)	(1,893)	(141)	(148)
Differences in depreciation	(3,156)	(2,871)	1	1
Fair value changes on investment properties	(19,410)	(22,110)	(498)	(523)
Unremitted foreign sourced income	(33,434)	(34,051)	–	–
Others	(496)	973	–	–
	<b>(55,003)</b>	<b>(58,259)</b>	<b>(638)</b>	<b>(670)</b>

### 13. Inventories

	Group	
	30 June 2023 \$'000	31 December 2022 \$'000
<b>Balance sheet</b>		
Inventories of:		
– Tin-in-concentrates	7,375	11,614
– Tin-in-process	120,906	136,023
– Refined tin metal	23,761	19,484
Other inventories (stores, spares, fuels, coal and saleable by-products)	6,373	6,420
	<b>158,415</b>	<b>173,541</b>
<b>Consolidated income statement</b>		
Inventories recognised as an expense in cost of sales	<b>161,046</b>	<b>398,651</b>

## F. Notes to the Condensed Interim Consolidated Financial Statements (cont'd)

### 14. Share capital

	Group and Company			
	30 June 2023		31 December 2022	
	Number of shares	\$'000	Number of shares	\$'000
Ordinary shares issued and fully paid (including treasury shares)				
At 1 January	451,782,747	686,317	408,095,772	568,968
Issue for cash <sup>(1)</sup>	–	–	26,000,000	80,860
Share issuance expense <sup>(1)</sup>	–	–	–	(2,599)
Issue for distribution <i>in-specie</i> <sup>(2)</sup>	–	–	17,686,975	39,088
Vesting of shares under share-based compensation plan	–	(7)	–	–
	<b>451,782,747</b>	<b>686,310</b>	<b>451,782,747</b>	<b>686,317</b>

<sup>(1)</sup> In 2022, the Company issued 26,000,000 new ordinary shares for cash at \$3.11 per ordinary share by way of private placement and incurred share issuance expenses of \$2,599,000.

<sup>(2)</sup> The Company also issued 17,686,975 new ordinary shares at \$2.21 per ordinary share pursuant to a special dividend via distribution *in-specie*.

### 15. Treasury shares

	Group and Company			
	30 June 2023		31 December 2022	
	Number of shares	\$'000	Number of shares	\$'000
At 1 January	(1,832,300)	(4,085)	(1,276,200)	(2,682)
Purchase of treasury shares	(299,400)	(618)	(556,100)	(1,403)
Shares reissued pursuant to share-based compensation plan	95,500	211	–	–
	<b>(2,036,200)</b>	<b>(4,492)</b>	<b>(1,832,300)</b>	<b>(4,085)</b>

As at 30 June 2023, the Company held 2,036,200 treasury shares (31 December 2022: 1,832,300) which represents 0.5% (31 December 2022: 0.4%) of the total number of issued shares (excluding treasury shares).

Treasury shares relate to ordinary shares of the Company that are held by the Company.

## F. Notes to the Condensed Interim Consolidated Financial Statements (cont'd)

### 16. Provisions

	Provision for mine restoration \$'000	Provision for retrenchment compensation \$'000	Total \$'000
<b>Group</b>			
At 1 January 2023	15,052	3,995	19,047
Discount adjustment on provision	305	180	485
Exchange differences	(734)	(198)	(932)
<b>At 30 June 2023</b>	<b>14,623</b>	<b>3,977</b>	<b>18,600</b>
<b>Non-current</b>	<b>14,289</b>	<b>–</b>	<b>14,289</b>
<b>Current</b>	<b>334</b>	<b>3,977</b>	<b>4,311</b>
	<b>14,623</b>	<b>3,977</b>	<b>18,600</b>
At 1 January 2022	13,173	3,831	17,004
Provision made during the year	2,254	326	2,580
Discount adjustment on provision	473	80	553
Exchange differences	(848)	(242)	(1,090)
<b>At 31 December 2022</b>	<b>15,052</b>	<b>3,995</b>	<b>19,047</b>
Non-current	14,700	–	14,700
Current	352	3,995	4,347
	15,052	3,995	19,047

### 17. Borrowings

	Group		Company	
	30 June 2023 \$'000	31 December 2022 \$'000	30 June 2023 \$'000	31 December 2022 \$'000
<b>Amount repayable within one year or on demand</b>				
Secured	116,160	148,447	–	33,388
Unsecured	65,107	188,225	–	109,814
<b>Total</b>	<b>181,267</b>	<b>336,672</b>	<b>–</b>	<b>143,202</b>
<b>Amount repayable after one year</b>				
Secured	975,774	609,084	356,855	–
Unsecured	445,189	444,987	401,792	442,387
<b>Total</b>	<b>1,420,963</b>	<b>1,054,071</b>	<b>758,647</b>	<b>442,387</b>

Secured borrowings are generally secured by mortgages on certain properties, other assets and shares held in certain subsidiaries.

On 13 February 2023, the Company issued 3.25% secured Exchangeable Bonds (the "Bonds") denominated in Singapore Dollars with a nominal value of S\$370.0 million. The Bonds are due for repayment five years from the issue date at their nominal value or may be exchangeable into ordinary shares of ESR Group Limited at an initial exchange price of HKD22.00 and initial exchange ratio of a pro rata share of 67,738.6364 shares for each S\$250,000 principal amount of the Bonds.

**F. Notes to the Condensed Interim Consolidated Financial Statements (cont'd)**

**18. Dividends**

	<b>Group and Company</b>	
	<b>6 months ended 30 June 2023 \$'000</b>	<b>6 months ended 30 June 2022 \$'000</b>
<b>Declared and paid during the period</b>		
<i>Dividends on ordinary shares:</i>		
2022 Interim dividend paid in 2023: 8 cents per share tax exempt (one-tier tax)		
(2021 Interim dividend paid in 2022: 8 cents per share tax exempt (one-tier tax))	<b>35,996</b>	34,626

**19. Related party disclosures**

Sale and purchase of goods and services

In addition to related party information disclosed elsewhere in the interim financial statements, significant transactions with related parties on terms agreed between the parties are as follows:

	<b>Group</b>	
	<b>6 months ended 30 June 2023 \$'000</b>	<b>6 months ended 30 June 2022 \$'000</b>
<i>Associates/Joint ventures</i>		
Sale of goods	<b>7,847</b>	388
Interest income	<b>658</b>	2,663
<i>Other related parties</i>		
Rental income	<b>406</b>	408
Accounting and other service fee income	<b>176</b>	176
Accounting and other service fee expense	<b>–</b>	(41)

## F. Notes to the Condensed Interim Consolidated Financial Statements (cont'd)

### 20. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities as at 30 June 2023 and 31 December 2022.

	Fair value through profit and loss \$'000	Fair value through other comprehensive income \$'000	Amortised cost \$'000	Total \$'000
<b>Group</b>				
<b>At 30 June 2023</b>				
<b>Financial assets</b>				
Investment securities	85,115	486,935	33,524	605,574
Trade and other receivables	–	–	106,970	106,970
Derivative financial instruments	20,483	7,660	–	28,143
Cash and cash equivalents	–	–	354,467	354,467
<b>Financial liabilities</b>				
Trade and other payables	–	–	64,775	64,775
Other non-current liabilities	–	–	2,840	2,840
Lease liabilities	–	–	9,015	9,015
Borrowings	–	–	1,602,230	1,602,230
Derivative financial instruments	37,668	114	–	37,782
<b>At 31 December 2022</b>				
<b>Financial assets</b>				
Investment securities	41,712	591,040	33,651	666,403
Trade and other receivables	–	–	107,913	107,913
Derivative financial instruments	33,198	3,203	–	36,401
Cash and cash equivalents	–	–	251,688	251,688
<b>Financial liabilities</b>				
Trade and other payables	–	–	131,723	131,723
Other non-current liabilities	–	–	3,317	3,317
Lease liabilities	–	–	2,481	2,481
Borrowings	–	–	1,390,743	1,390,743
Derivative financial instruments	156	1,916	–	2,072
<b>Company</b>				
<b>At 30 June 2023</b>				
<b>Financial assets</b>				
Trade and other receivables	–	–	1,780,955	1,780,955
Derivative financial instruments	2,020	1,069	–	3,089
Cash and cash equivalents	–	–	204,682	204,682
<b>Financial liabilities</b>				
Trade and other payables	–	–	560,940	560,940
Derivative financial instruments	33,585	–	–	33,585
Borrowings	–	–	758,647	758,647



## F. Notes to the Condensed Interim Consolidated Financial Statements (cont'd)

### 20. Financial assets and financial liabilities (cont'd)

	Fair value through profit and loss \$'000	Fair value through other comprehensive income \$'000	Amortised cost \$'000	Total \$'000
<b>Company</b>				
<b>At 31 December 2022</b>				
<b>Financial assets</b>				
Trade and other receivables	–	–	1,725,519	1,725,519
Derivative financial instruments	2,390	2,056	–	4,446
Cash and cash equivalents	–	–	129,791	129,791
<b>Financial liabilities</b>				
Trade and other payables	–	–	653,044	653,044
Borrowings	–	–	585,589	585,589

### 21. Fair value of assets and liabilities

#### A. Fair value hierarchy

The Group categorises fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

Level 1 - Quoted prices (unadjusted) in active market 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 or indirectly, and

Level 3 - Unobservable inputs for the asset or liability.

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

Transfers between levels of the fair value hierarchy are deemed to have occurred on the date of the event or change in circumstances that caused the transfers.

**F. Notes to the Condensed Interim Consolidated Financial Statements (cont'd)**

**21. Fair value of assets and liabilities (cont'd)**

**B. Assets and liabilities measured at fair value**

The following table shows an analysis of each class of assets and liabilities measured at fair value at the end of the reporting period:

	<b>Group \$'000</b>			
	<b>Fair value measurement at the end of the reporting period using</b>			
	<b>Quoted prices in active markets for identical instruments (Level 1)</b>	<b>Significant observable inputs other than quoted prices (Level 2)</b>	<b>Significant unobservable inputs (Level 3)</b>	<b>Total</b>
<b>Non-financial assets</b>				
Land and buildings (Note 7)	–	–	17,719	17,719
Investment properties (Note 9)	–	–	1,391,451	1,391,451
<b>Non-financial assets as at 30 June 2023</b>	<b>–</b>	<b>–</b>	<b>1,409,170</b>	<b>1,409,170</b>
<b>Financial assets</b>				
<u>Financial assets at FVPL</u>				
Quoted equity securities	69,027	16,088	–	85,115
<u>Financial assets at FVOCI</u>				
Quoted equity securities	457,133	29,802	–	486,935
<u>Derivatives</u>				
Derivative financial instruments	–	28,143	–	28,143
<b>Financial assets as at 30 June 2023</b>	<b>526,160</b>	<b>74,033</b>	<b>–</b>	<b>600,193</b>
<b>Financial liabilities</b>				
<u>Derivatives</u>				
Derivative financial instruments	–	37,782	–	37,782
<b>Financial liabilities as at 30 June 2023</b>	<b>–</b>	<b>37,782</b>	<b>–</b>	<b>37,782</b>

**F. Notes to the Condensed Interim Consolidated Financial Statements (cont'd)**

**21. Fair value of assets and liabilities (cont'd)**

**B. Assets and liabilities measured at fair value (cont'd)**

The following table shows an analysis of each class of assets and liabilities measured at fair value at the end of the reporting period (cont'd):

	Group \$'000			
	Fair value measurement at the end of the reporting period using			
	Quoted prices in active markets for identical instruments (Level 1)	Significant observable inputs other than quoted prices (Level 2)	Significant unobservable inputs (Level 3)	Total
<b>Non-financial assets</b>				
Land and buildings (Note 7)	–	–	18,833	18,833
Investment properties (Note 9)	–	–	1,312,915	1,312,915
<b>Non-financial assets as at 31 December 2022</b>	–	–	1,331,748	1,331,748
<b>Financial assets</b>				
<u>Financial assets at FVPL</u>				
Quoted equity securities	26,335	15,377	–	41,712
<u>Financial assets at FVOCI</u>				
Quoted equity securities	571,840	19,200	–	591,040
<u>Derivatives</u>				
Derivative financial instruments	–	36,401	–	36,401
<b>Financial assets as at 31 December 2022</b>	598,175	70,978	–	669,153
<b>Financial liabilities</b>				
<u>Derivatives</u>				
Derivative financial instruments	–	2,072	–	2,072
<b>Financial liabilities as at 31 December 2022</b>	–	2,072	–	2,072

**F. Notes to the Condensed Interim Consolidated Financial Statements (cont'd)**

**21. Fair value of assets and liabilities (cont'd)**

**B. Assets and liabilities measured at fair value (cont'd)**

The following table shows an analysis of each class of assets and liabilities measured at fair value at the end of the reporting period (cont'd):

	<b>Company \$'000</b>			
	<b>Fair value measurement at the end of the reporting period using</b>			
	<b>Quoted prices in active markets for identical instruments (Level 1)</b>	<b>Significant observable inputs other than quoted prices (Level 2)</b>	<b>Significant unobservable inputs (Level 3)</b>	<b>Total</b>
<b>Non-financial assets</b>				
Land and buildings (Note 7)	–	–	533	533
Investment properties (Note 9)	–	–	5,020	5,020
<b>Non-financial assets as at 30 June 2023</b>	<b>–</b>	<b>–</b>	<b>5,553</b>	<b>5,553</b>
<b>Non-financial assets</b>				
Land and buildings (Note 7)	–	–	563	563
Investment properties (Note 9)	–	–	5,274	5,274
<b>Non-financial assets as at 31 December 2022</b>	<b>–</b>	<b>–</b>	<b>5,837</b>	<b>5,837</b>

## **F. Notes to the Condensed Interim Consolidated Financial Statements (cont'd)**

### **22. Segment and revenue information**

For management purposes, the Group is organised into operating segments based on their products and services which are independently managed by the respective segment chief executives and responsible for the performance of the respective segments under their charge. All operating segments' operating results are reviewed regularly by the Group's Executive Chairman to make decisions about resources to be allocated to the segment and assess its performance, for which discrete financial information is available.

The four reportable operating segments are as follows:

- (a) The Resources segment's principal activities comprise the smelting of tin concentrates and tin bearing materials, the production of various grades of refined tin metal and the sale and delivery of refined tin metal and by-products, as well as investments in other metals and mineral resources.
- (b) The Real Estate segment comprises property investment, sales and leasing, property development, as well as property and real estate fund management. This includes the Group's 22.1% stake in ARA Asset Management Limited (up to 20 January 2022), investment in ESR Group Limited, 100% stake in STC Property Management Sdn. Bhd. and 100% stake in Straits Real Estate Pte. Ltd..
- (c) The Hospitality business comprises hotel ownership and hotel management under Far East Hospitality Holdings Pte. Ltd. ("FEHH"), the Group's 30% associate.
- (d) The segment for Others comprises Group-level corporate and treasury services, and securities and other investments, including the Group's investment in SDAX Financial Pte. Ltd. ("SDAX").

Management monitors the operating results of each business unit separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on net profit, as explained in the following table.

Transactions between operating segments are based on terms agreed between the parties.

## F. Notes to the Condensed Interim Consolidated Financial Statements (cont'd)

### 22. Segment and revenue information (cont'd)

#### Operating segments for 6 months ended 30 June 2023

	Resources \$'000	Real Estate \$'000	Hospitality \$'000	Others \$'000	Elimination \$'000	Consolidated \$'000
<b>Revenue</b>						
Sale of tin, at a point in time	191,910	–	–	–	–	191,910
Smelting revenue, at a point in time	5,717	–	–	–	–	5,717
Sale of by-product, at a point in time	3,639	–	–	–	–	3,639
Other resources revenue, at a point in time	270	–	–	574	–	844
Rental and related income, over time	–	33,697	–	–	–	33,697
Inter-segment revenue	–	5	–	–	(5)	–
<b>Total revenue</b>	<b>201,536</b>	<b>33,702</b>	<b>–</b>	<b>574</b>	<b>(5)</b>	<b>235,807</b>
<b>Segment results</b>						
Operating profit	30,772	17,951	658	19,891	–	69,272
Net fair value changes in investment properties	–	9,301	–	–	–	9,301
Finance costs	(2,715)	(18,728)	–	(19,114)	–	(40,557)
Share of results of associates and joint ventures	104	(1,795)	(993)	(682)	–	(3,366)
<b>Profit/(Loss) before tax</b>	<b>28,161</b>	<b>6,729</b>	<b>(335)</b>	<b>95</b>	<b>–</b>	<b>34,650</b>
Income tax (expense)/credit	(7,365)	138	(112)	(484)	–	(7,823)
<b>Profit/(Loss) after tax</b>	<b>20,796</b>	<b>6,867</b>	<b>(447)</b>	<b>(389)</b>	<b>–</b>	<b>26,827</b>
<b>Profit/(Loss) attributable to:</b>						
Owners of the Company	9,783	5,952	(447)	(389)	–	14,899
Non-controlling interests	11,013	915	–	–	–	11,928
	<b>20,796</b>	<b>6,867</b>	<b>(447)</b>	<b>(389)</b>	<b>–</b>	<b>26,827</b>
<b>Segment Assets</b>	<b>398,490</b>	<b>2,705,905</b>	<b>152,501</b>	<b>312,811</b>	<b>–</b>	<b>3,569,707</b>
<b>Segment Liabilities</b>	<b>143,126</b>	<b>870,561</b>	<b>–</b>	<b>803,151</b>	<b>–</b>	<b>1,816,838</b>
<b>Other information</b>						
Dividend income	342	5,202	–	491	–	6,035
Interest income	666	4,499	658	3,623	–	9,446
Depreciation	1,871	1,495	–	1	–	3,367
Amortisation	153	–	–	–	–	153
Other material non-cash items						
Associates and joint ventures	8,463	571,236	85,949	10,543	–	676,191
Additions to non-current assets <sup>(1)</sup>	3,483	70,307	–	–	–	73,790

<sup>(1)</sup> Additions to non-current assets exclude associates and joint ventures.

## F. Notes to the Condensed Interim Consolidated Financial Statements (cont'd)

### 22. Segment and revenue information (cont'd)

#### Operating segments for 6 months ended 30 June 2022

	Resources \$'000	Real Estate \$'000	Hospitality \$'000	Others \$'000	Elimination \$'000	Consolidated \$'000
<b>Revenue</b>						
Sale of tin, at a point in time	240,538	–	–	–	–	240,538
Smelting revenue, at a point in time	3,717	–	–	–	–	3,717
Sale of by-product, at a point in time	1,051	–	–	–	–	1,051
Other resources revenue, at a point in time	166	–	–	–	–	166
Rental and related income, over time	–	24,685	–	–	–	24,685
Inter-segment revenue	–	6	–	–	(6)	–
<b>Total revenue</b>	<b>245,472</b>	<b>24,691</b>	<b>–</b>	<b>–</b>	<b>(6)</b>	<b>270,157</b>
<b>Segment results</b>						
Operating profit	49,112	668,919	658	(12,479)	–	706,210
Net fair value changes in investment properties	–	4,241	–	–	–	4,241
Finance costs	(2,737)	(6,709)	–	(7,790)	–	(17,236)
Share of results of associates and joint ventures	230	15,416	340	(696)	–	15,290
<b>Profit/(Loss) before tax</b>	<b>46,605</b>	<b>681,867</b>	<b>998</b>	<b>(20,965)</b>	<b>–</b>	<b>708,505</b>
Income tax expense	(13,231)	(2,912)	(112)	(443)	–	(16,698)
<b>Profit/(Loss) after tax</b>	<b>33,374</b>	<b>678,955</b>	<b>886</b>	<b>(21,408)</b>	<b>–</b>	<b>691,807</b>
Profit/(Loss) attributable to:						
Owners of the Company	17,402	676,141	886	(21,408)	–	673,021
Non-controlling interests	15,972	2,814	–	–	–	18,786
	<b>33,374</b>	<b>678,955</b>	<b>886</b>	<b>(21,408)</b>	<b>–</b>	<b>691,807</b>
<b>Segment Assets</b>	<b>454,178</b>	<b>3,056,434</b>	<b>157,643</b>	<b>258,724</b>	<b>–</b>	<b>3,926,979</b>
<b>Segment Liabilities</b>	<b>217,457</b>	<b>691,563</b>	<b>–</b>	<b>581,644</b>	<b>–</b>	<b>1,490,664</b>
<b>Other information</b>						
Dividend income	609	3,165	–	482	–	4,256
Interest income	269	5,951	658	231	–	7,109
Depreciation	1,641	1,489	–	2	–	3,132
Amortisation	221	–	–	–	–	221
Other material non-cash items:						
Associates and joint ventures	9,435	660,162	91,093	12,166	–	772,856
Additions to non-current assets <sup>(1)</sup>	1,676	217,153	–	–	–	218,829

<sup>(1)</sup> Additions to non-current assets exclude associates and joint ventures.

## F. Notes to the Condensed Interim Consolidated Financial Statements (cont'd)

### 22. Segment and revenue information (cont'd)

#### Geographical information

Revenues attributable to geographic areas are based on the location for which the revenue is earned or where the business is transacted.

#### Geographical information for 6 months ended 30 June 2023

	Singapore \$'000	Malaysia \$'000	Australia \$'000	China \$'000	United Kingdom \$'000	Consolidated \$'000
Segment revenue						
Revenue from external parties	1,971	201,624	17,804	4,402	10,006	235,807

#### Geographical information for 6 months ended 30 June 2022

	Singapore \$'000	Malaysia \$'000	Australia \$'000	China \$'000	United Kingdom \$'000	Consolidated \$'000
Segment revenue						
Revenue from external parties	1,224	245,550	14,054	4,864	4,465	270,157

### 23. Net asset value

	Group		Company	
	30 June 2023 \$	31 December 2022 \$	30 June 2023 \$	31 December 2022 \$
Net asset value per ordinary share	3.59	3.86	1.78	1.73

### 24. Performance share plan

On 19 January 2022, the Company granted a total number of 1,830,600 share awards (the "Awards") to certain employees of the Company under the Performance Share Plan (the "PSP") as consideration for services rendered. The Awards will be vested upon achievement of certain performance conditions pursuant to the PSP.

On 30 June 2023, the number of shares comprised in the Awards that has not been released was 1,830,600. The final number of shares to be released will depend on the achievement of predetermined targets over the performance period. The actual number of shares to be released will be decided by the Remuneration Committee ("RC"), depending on RC's satisfaction of the extent of achievement of the Performance Conditions.

On 8 May 2023, the Company granted 429,500 share awards to certain employees of the Company pursuant to the PSP for financial year ended 31 December 2022 (the "FY2022 Plan") and 637,200 for financial year ended 31 December 2023 (the "FY2023 Plan"), which will be vested in equal tranches across four years from FY2022 and FY2023 respectively.

On 30 June 2023, 95,500 ordinary shares of the Company have been vested under the FY2022 Plan.



## F. Notes to the Condensed Interim Consolidated Financial Statements (cont'd)

### 24. Performance share plan (cont'd)

The cost of these equity-settled share-based payment transactions with employees is measured by reference to the fair value at the date on which the share awards are granted which takes into account market conditions. This cost is recognised in profit or loss, with a corresponding increase in the performance share plan reserve, over the vesting period. The cumulative expense recognised at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of share awards that will ultimately vest. The charge or credit to profit or loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

#### Movement of share awards during the financial period

Grant	<u>Number of Share Awards</u>			Balance at 30 June 2023
	Balance at 1 January 2023	Granted	Vested	
<b><u>PSP</u></b>				
Awards	1,830,600	–	–	1,830,600
FY2022 Plan	–	429,500	(95,500)	334,000
FY2023 Plan	–	637,200	–	637,200

### 25. Events after the reporting period

There was no material event after the end of the period.

## **G. Other information required by Listing Rule Appendix 7.2**

### **1. Review**

The condensed consolidated statement of financial position of The Straits Trading Company Limited (the “Company”) and its subsidiaries as at 30 June 2023 and the related condensed consolidated profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended and certain explanatory notes have not been audited or reviewed.

### **2. Review of performance of the Group**

#### **Group**

The Group reported a profit after tax and non-controlling interests (“PATNCI”) of \$14.9 million and \$673.0 million for 1H2023 and 1H2022 respectively. Its resources segment was the main contributor to the Group’s profit.

#### **Resources**

The resources segment reported a lower PATNCI for 1H2023 compared with the previous corresponding period.

The weaker performance was mainly due to lower average tin prices per metric tonne, despite higher sales volume of refined tin in 1H2023.

#### **Real Estate**

The real estate segment reported a lower PATNCI for 1H2023 compared with the previous corresponding period.

The lower profit for 1H2023 was mainly due to the absence of gain on disposal of ARA in 1H2022.

#### **Hospitality**

The hospitality segment reported a loss for 1H2023 compared with the profit in previous corresponding period.

The weaker performance was due to lower share of results from an associate from absence of other income in 1H2022, partially offset by stronger operating performance driven by positive demand from international travels.

#### **Others**

The better result was mainly due to fair value gain from derivative component of Exchangeable Bonds, mark-to-market gains from short term investment securities in 1H2023 against losses in 1H2022, partially offset by higher interest expenses.

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

No prospect statement was disclosed in the full year FY2022 financial results announcement made on 28 February 2023.

**G. Other information required by Listing Rule Appendix 7.2 (cont'd)**

**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**

The outlook for the rest of 2023 remains challenging amid still-elevated inflation, high interest rates, volatile global economic conditions and geopolitical tensions. Despite the difficulties, the Group remains proactive in managing the hedging of interest rate and foreign-sourced income to mitigate the impact of rising borrowing costs and forex volatilities. With the successful issuance of S\$370.0 million in Exchangeable Bonds, the Group has strengthened liquidity to ensure balance sheet resilience and flexibility to operate in this challenging environment.

Straits Real Estate Pte. Ltd. ("SRE"), the Group's wholly-owned real estate investment vehicle, has a well-diversified income-producing portfolio spanning multiple real estate asset classes. The investment portfolio is also geographically diversified across Australia, China, Japan, Korea, Malaysia and the United Kingdom, which helps in mitigating the impact of business disruptions brought by uncertain economic environment. SRE will continue to evaluate opportunities to recycle capital into asset enhancements and investments with higher growth potential amidst a heightened interest rate environment. SRE remains focused on optimising portfolio performance and cost management.

STC Property Management Sdn. Bhd. ("STCPM"), the developer of Straits City, has witnessed encouraging growth in the state following the launch of Penang2030 Vision. These initiatives include efforts to accelerate digital transformation and improve the physical built environment with an aim to bring the city-state on the world stage. As the second highest contributor among all states in Malaysia for manufacturing investments and with the resurgence of Penang's tourism sector and the targeted completion of Phase 1 of Straits City by 1Q 2024, STCPM is well-positioned to benefit from this growth while maintaining prudence in the prevailing economic environment and political situation.

Malaysia Smelting Corporation Berhad ("MSC") will continue to focus on its operational efficiencies and improve output for smelting and mining. Smelting operations at the Pulau Indah ("PI") plant are expected to achieve higher operational efficiency, lower costs while reducing MSC's overall carbon footprint given the sustainable initiatives in place. Recent acquisition of an adjacent mining landbank allows MSC to expand its mining activities and potential tin resource.

Far East Hospitality Holdings Pte. Ltd. ("FEHH") is on the path of recovery towards pre-COVID levels. Nevertheless, FEHH will remain prudent and disciplined in implementing its business strategies. FEHH will concentrate its efforts on optimising the portfolio to diversify revenue streams and future-proof its business to thrive in an ever-changing environment.

**G. Other information required by Listing Rule Appendix 7.2 (cont'd)**

**5. Dividend information**

**(a) Current financial period reported on**

Any dividend recommended for the current financial period reported on?

No dividend has been declared for the six months ended 30 June 2023.

The Company does not have a standing practice of declaring dividend in the first half of the financial year.

**(b) Corresponding period of the immediate preceding financial year**

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

None.

**(c) Date payable**

Not applicable.

**(d) Books closure date**

Not applicable.

**6. Interested person transactions**

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

**7. 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.

**By Order of the Board**

**Ngiam May Ling  
Company Secretary**

**14 August 2023  
Singapore**

This Announcement will be available at the Company's website at <http://www.stc.com.sg/>

## **Confirmation by the Board**

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 2023 to be false or misleading in any material aspect.

On behalf of the Board of Directors

Chew Gek Khim  
Director

Tan Chian Khong  
Director

14 August 2023  
Singapore