



## **GSH CORPORATION LIMITED**

# **CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2024**

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**A. CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

		<b>The Group</b>		
		<b>1st Half Ended</b>		
	Note	<b>30.06.2024</b>	<b>30.06.2023</b>	<b>+/-</b>
		<b>Unaudited</b>	<b>Unaudited</b>	<b>%</b>
		<b>S\$'000</b>	<b>S\$'000</b>	<b>%</b>
Revenue	4	65,583	46,255	42%
Cost of Sales		(38,543)	(31,027)	24%
<b>Gross profit</b>		27,040	15,228	78%
Other net income		973	1,208	(19%)
Selling and marketing expenses		(1,593)	(1,735)	(8%)
Administrative expenses		(16,971)	(12,234)	39%
Net impairment losses on financial assets		189	(432)	Nm
<b>Results from operating activities</b>		9,638	2,035	>100%
Finance income		535	477	12%
Finance expenses		(15,970)	(15,130)	6%
<b>Net finance costs</b>	8	(15,435)	(14,653)	5%
<b>Loss before tax</b>	6	(5,797)	(12,618)	(54%)
Tax expenses	7	(2,489)	(371)	>100%
<b>Loss for the period</b>		(8,286)	(12,989)	(36%)
<b>Loss attributable to:</b>				
Owners of the Company		(6,952)	(11,879)	(41%)
Non-controlling interests		(1,334)	(1,110)	20%
<b>Loss for the period</b>		(8,286)	(12,989)	(36%)
<b>Other comprehensive income/(loss), net of tax:</b>				
<i>Items that are or may be reclassified subsequently to profit or loss:</i>				
Exchange differences on monetary items forming part of net investments in foreign subsidiaries		115	(4,405)	Nm
Foreign currency translation differences arising from consolidation		300	(5,150)	Nm
		415	(9,555)	Nm
<i>Items that will not be reclassified to profit or loss:</i>				
Foreign currency translation differences arising from consolidation		(64)	(2,160)	(97%)
<b>Other comprehensive income/(loss), net of tax</b>		351	(11,715)	Nm
<b>Total comprehensive loss for the period</b>		(7,935)	(24,704)	(68%)
<b>Attributable to:</b>				
Owners of the Company		(6,537)	(21,434)	(70%)
Non-controlling interests		(1,398)	(3,270)	(57%)
		(7,935)	(24,704)	(68%)

<b>B. CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION</b>					
		<b>Group</b>		<b>Company</b>	
	<b>Note</b>	<b>30.06.2024</b>	<b>31.12.2023</b>	<b>30.06.2024</b>	<b>31.12.2023</b>
		<b>Unaudited</b>	<b>Audited</b>	<b>Unaudited</b>	<b>Audited</b>
		<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
<b>ASSETS</b>					
Property, plant and equipment	9	559,856	565,541	36,648	37,022
Investment property	10	5,074	4,939	-	-
Subsidiaries		-	-	40,171	40,171
Deferred tax assets		540	540	540	540
<b>Non-current assets</b>		<b>565,470</b>	<b>571,020</b>	<b>77,359</b>	<b>77,733</b>
Development properties	11	543,631	533,795	-	-
Contract costs		756	1,591	-	-
Contract assets		14,366	16,791	-	-
Inventories	12	873	2,436	-	-
Trade and other receivables	13	35,582	37,414	350	760
Amounts due from related parties		596	595	607,311	589,162
Tax recoverables		106	1,527	-	-
Time deposits		1,387	1,493	-	-
Cash and cash equivalents		28,319	51,905	3,100	2,881
Derivative financial assets		442	918	442	668
<b>Current assets</b>		<b>626,058</b>	<b>648,465</b>	<b>611,203</b>	<b>593,471</b>
<b>Total assets</b>		<b>1,191,528</b>	<b>1,219,485</b>	<b>688,562</b>	<b>671,204</b>
<b>EQUITY</b>					
Share capital	14	345,244	345,244	345,244	345,244
Treasury shares		(5,580)	(5,580)	(5,580)	(5,580)
Reserves		(19,991)	(20,406)	9,408	9,408
Accumulated profits/(losses)		8,820	15,772	(73,562)	(60,611)
<b>Equity attributable to owners of the Company</b>		<b>328,493</b>	<b>335,030</b>	<b>275,510</b>	<b>288,461</b>
Non-controlling interests		141,208	142,606	-	-
<b>Total equity</b>		<b>469,701</b>	<b>477,636</b>	<b>275,510</b>	<b>288,461</b>
<b>LIABILITIES</b>					
Provisions		338	407	-	-
Contract liabilities		1,561	1,560	-	-
Loans and borrowings	16	208,991	213,148	106,220	120,271
Deferred tax liabilities		61,237	65,033	1,682	1,746
<b>Non-current liabilities</b>		<b>272,127</b>	<b>280,148</b>	<b>107,902</b>	<b>122,017</b>
Trade and other liabilities	15	114,912	113,485	4,420	2,977
Contract liabilities		11,974	12,047	-	-
Amounts due to related parties		33,057	33,037	27,435	15,951
Derivative financial liabilities		130	-	-	-
Loans and borrowings	16	288,212	300,810	273,295	241,798
Current tax liabilities		1,415	2,322	-	-
<b>Current liabilities</b>		<b>449,700</b>	<b>461,701</b>	<b>305,150</b>	<b>260,726</b>
<b>Total liabilities</b>		<b>721,827</b>	<b>741,849</b>	<b>413,052</b>	<b>382,743</b>
<b>Total equity and liabilities</b>		<b>1,191,528</b>	<b>1,219,485</b>	<b>688,562</b>	<b>671,204</b>

## C. CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY

Group	Attributable to owners of Company							Non-controlling interests	Total Equity
	Share capital	Treasury shares	Asset		Capital reserve	Accumulated profits	Total		
			revaluation reserve	Translation reserve					
S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	
<b>As at 1 January 2024</b>	<b>345,244</b>	<b>(5,580)</b>	<b>76,341</b>	<b>(97,637)</b>	<b>890</b>	<b>15,772</b>	<b>335,030</b>	<b>142,606</b>	<b>477,636</b>
<b>Total comprehensive income/(loss) for the period</b>									
Loss for the period	-	-	-	-	-	(6,952)	(6,952)	(1,334)	(8,286)
<b>Other comprehensive income/(loss):</b>									
Foreign currency translation differences arising from consolidation	-	-	-	300	-	-	300	(64)	236
Exchange differences on monetary items forming part of net investment in foreign subsidiaries	-	-	-	115	-	-	115	-	115
Total other comprehensive income/(loss), net of tax	-	-	-	415	-	-	415	(64)	351
<b>Total comprehensive income/(loss) for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>415</b>	<b>-</b>	<b>(6,952)</b>	<b>(6,537)</b>	<b>(1,398)</b>	<b>(7,935)</b>
<b>As at 30 June 2024</b>	<b>345,244</b>	<b>(5,580)</b>	<b>76,341</b>	<b>(97,222)</b>	<b>890</b>	<b>8,820</b>	<b>328,493</b>	<b>141,208</b>	<b>469,701</b>
Group	Attributable to owners of Company							Non-controlling interests	Total Equity
	Share capital	Treasury shares	Asset		Capital reserve	Accumulated profits	Total		
			revaluation reserve	Translation reserve					
S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	
<b>As at 1 January 2023</b>	<b>343,458</b>	<b>(5,580)</b>	<b>4,132</b>	<b>(71,470)</b>	<b>908</b>	<b>26,958</b>	<b>298,406</b>	<b>125,221</b>	<b>423,627</b>
<b>Total comprehensive loss for the period</b>									
Loss for the period	-	-	-	-	-	(11,879)	(11,879)	(1,110)	(12,989)
<b>Other comprehensive loss:</b>									
Foreign currency translation differences relating to foreign operations	-	-	-	(5,150)	-	-	(5,150)	(2,160)	(7,310)
Exchange differences on monetary items forming part of net investment in foreign operations	-	-	-	(4,405)	-	-	(4,405)	-	(4,405)
Total other comprehensive loss, net of tax	-	-	-	(9,555)	-	-	(9,555)	(2,160)	(11,715)
<b>Total comprehensive loss for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(9,555)</b>	<b>-</b>	<b>(11,879)</b>	<b>(21,434)</b>	<b>(3,270)</b>	<b>(24,704)</b>
<b>Transactions with owners, recognised directly in equity</b>									
<b>Contributions by and distributions to owners</b>									
Issuance of new shares	705	-	-	-	-	-	705	-	705
<b>As at 30 June 2023</b>	<b>344,163</b>	<b>(5,580)</b>	<b>4,132</b>	<b>(81,025)</b>	<b>908</b>	<b>15,079</b>	<b>277,677</b>	<b>121,951</b>	<b>399,628</b>

<b>C. CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY</b>						
<b>Company</b>	<b>Share capital S\$'000</b>	<b>Treasury share S\$'000</b>	<b>Capital reserve S\$'000</b>	<b>Asset revaluation reserve S\$'000</b>	<b>Accumulated losses S\$'000</b>	<b>Total S\$'000</b>
<b>As at 1 January 2024</b>	345,244	(5,580)	890	8,518	(60,611)	288,461
<b>Total comprehensive loss for the period</b>						
Loss for the period	-	-	-	-	(12,951)	(12,951)
<b>Total comprehensive loss for the period</b>	-	-	-	-	(12,951)	(12,951)
<b>As at 30 June 2024</b>	<b>345,244</b>	<b>(5,580)</b>	<b>890</b>	<b>8,518</b>	<b>(73,562)</b>	<b>275,510</b>
	<b>Share capital S\$'000</b>	<b>Treasury share S\$'000</b>	<b>Capital reserve S\$'000</b>	<b>Asset revaluation reserve S\$'000</b>	<b>Accumulated losses S\$'000</b>	<b>Total S\$'000</b>
<b>As at 1 January 2023</b>	343,458	(5,580)	908	-	(40,183)	298,603
<b>Total comprehensive loss for the period</b>						
Loss for the period	-	-	-	-	(11,505)	(11,505)
<b>Total comprehensive loss for the period</b>	-	-	-	-	(11,505)	(11,505)
<b>Transactions with owners, recognised directly in equity</b>						
<b>Contributions by and distribution to owners</b>						
Issuance of new shares	705	-	-	-	-	705
<b>As at 30 June 2023</b>	<b>344,163</b>	<b>(5,580)</b>	<b>908</b>	<b>-</b>	<b>(51,688)</b>	<b>287,803</b>

**D. CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS**

		<b>The Group</b>	
		<b>1st Half ended 30 June</b>	
		<b>2024</b>	<b>2023</b>
<b>Note</b>		<b>Unaudited</b>	<b>Unaudited</b>
		<b>S\$'000</b>	<b>S\$'000</b>
<b>Cash flows from operating activities</b>			
	Loss for the period	(8,286)	(12,989)
	Adjustment for:		
	Depreciation of property, plant & equipment	7,519	5,305
	Interest expense	15,919	12,669
	Interest income	(535)	(477)
	Reversal of allowance for inventories	(391)	(1)
	Net loss/(gain) on disposal of property, plant & equipment	18	(53)
	(Reversal of)/ Allowance for trade receivables	(189)	461
	Net change in fair value of financial derivatives	606	271
	Tax expense	2,489	371
	Operating cashflows before working capital changes	17,150	5,557
	Changes in:		
	Development properties	(14,690)	(33,073)
	Contract costs	835	106
	Contracts assets/liabilities, net	2,353	6,387
	Inventories	1,954	(140)
	Trade and other receivables	2,230	449
	Trade and other liabilities	(560)	10,627
	<b>Cash from operations</b>	<b>9,272</b>	<b>(10,087)</b>
	Tax paid, net	(487)	174
	<b>Net cash from/(used in) operating activities</b>	<b>8,785</b>	<b>(9,913)</b>
<b>Cash flows from investing activities</b>			
	Acquisition of property, plant and equipment	(1,392)	(23,073)
	Amount due from related parties	-	(2,301)
	Interest received	511	446
	Proceeds from disposal of property, plant and equipment	3	79
	<b>Net cash used in investing activities</b>	<b>(878)</b>	<b>(24,849)</b>
<b>Cash flows from financing activities</b>			
	Changes in deposits pledged	28,666	(1,208)
	Changes in time deposits	106	(1,206)
	Payment of upfront fees on borrowings	(185)	-
	Interest paid	(13,083)	(12,495)
	Payment of lease liabilities	(343)	(345)
	Proceeds from loans and borrowings	139,428	90,662
	Repayment of loans and borrowings	(157,384)	(70,583)
	<b>Net cash (used in)/from financing activities</b>	<b>(2,795)</b>	<b>4,825</b>
	<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>5,112</b>	<b>(29,937)</b>
	Effect of exchange rate fluctuations	(32)	(801)
	<b>Cash and cash equivalents at beginning of the period</b>	<b>19,263</b>	<b>56,975</b>
	<b>Cash and cash equivalents at end of the period (Note A)</b>	<b>24,343</b>	<b>26,237</b>
<b>Note A: Cash and cash equivalents comprise:</b>			
	Cash and cash equivalents in the statement of financial position	28,319	61,639
	Less: fixed deposits and cash balances pledged	(3,976)	(35,402)
	Cash and cash equivalents in the consolidated statement of cash flows	24,343	26,237
	Time deposits with maturities of more than three months	1,387	3,725
	Cash and cash equivalents and time deposits	25,730	29,962

## **E Notes to the condensed interim consolidated financial statements**

### **1. Corporate information**

GSH Corporation Limited (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 primary activities of the Company are investment holding and provision of management services to its subsidiaries.

The principal activities of the Group are:

- a) Property development business
- b) Hospitality business
- c) Frozen food trading business

### **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.

The financial statements are presented in Singapore dollars (S\$), which is the Company's functional currency.

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

In the current financial period, the Group had adopted all the new and revised SFRS(I) and SFRS(I) Interpretation ("SFRS(I) INT") that are relevant to its operations and effective for the current financial period. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective SFRS(I) and SFRS(I) INT. The adoption of these new/revised SFRS(I) and SFRS(I) INT did not have any material effect on the financial results or position of the Group and the Company.

#### **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.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized 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 note:

Note 4 – Revenue recognition

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next interim period are included in the following notes:

Note 7 – Estimation of current and deferred tax liabilities/(assets)

Note 9 – Determination of fair value of property, plant and equipment using significant unobservable inputs

Note 11 – Determination of net realisable values of development properties

### **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

### 4.1 Reportable segment

	1st Half Ended 30 June 2024					1st Half Ended 30 June 2023				
	<u>Hospitality</u>	<u>Property</u>	<u>Trading</u>	<u>Others*</u>	<u>Total</u>	<u>Hospitality</u>	<u>Property</u>	<u>Trading</u>	<u>Others*</u>	<u>Total</u>
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Segment revenue	30,826	33,262	1,495	1,764	67,347	23,042	20,379	2,834	1,596	47,851
Elimination of inter-segment revenue	-	-	-	(1,764)	(1,764)	-	-	-	(1,596)	(1,596)
External revenue	30,826	33,262	1,495	-	65,583	23,042	20,379	2,834	-	46,255
Interest income	138	353	39	5	535	38	416	20	3	477
Interest expense	(2,718)	(977)	-	(12,224)	(15,919)	(2,567)	(467)	-	(9,635)	(12,669)
<u>Other material non-cash items:</u>										
- Depreciation	(6,451)	(693)	(2)	(373)	(7,519)	(4,253)	(834)	(2)	(216)	(5,305)
- Net change in fair value of financial derivatives	-	(380)	-	(226)	(606)	-	(271)	-	-	(271)
Reportable segment profit/(loss) before tax	906	8,275	(119)	(14,859)	(5,797)	(208)	1,734	(993)	(13,151)	(12,618)
Tax (expense)/credit	(474)	(2,072)	-	57	(2,489)	(74)	(294)	-	(3)	(371)
Reportable segment profit/(loss) after tax	432	6,203	(119)	(14,802)	(8,286)	(282)	1,440	(993)	(13,154)	(12,989)
Reportable segment assets	416,399	733,919	2,897	38,313	1,191,528	332,788	775,179	7,780	29,044	1,144,791
Reportable segment liabilities	(180,858)	(127,663)	(250)	(413,056)	(721,827)	(166,410)	(223,342)	(264)	(355,147)	(745,163)
Capital expenditure	1,195	197	-	-	1,392	369	22,693	-	11	23,073

\* Including general corporate activities

### Geographical Information

	Revenue		Non-current assets **	
	1st Half Ended 30 June		As at 30 June	
	2024	2023	2024	2023
	S\$'000	S\$'000	S\$'000	S\$'000
Malaysia	53,692	34,469	401,624	326,200
China	11,891	11,786	123,929	80,672
Singapore	-	-	34,131	24,455
United Arab Emirates	-	-	5,246	4,790
Total	65,583	46,255	564,930	436,117

\*\*Non-current assets relate to the carrying amounts of investment property and property, plant and equipment



## 4.2 Disaggregation of Revenue

	1st Half Ended 30 June 2024				1st Half Ended 30 June 2023			
	<u>Hospitality</u>	<u>Property</u>	<u>Trading</u>	<u>Total</u>	<u>Hospitality</u>	<u>Property</u>	<u>Trading</u>	<u>Total</u>
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>Types of goods or service:</b>								
Hotel income	16,759	-	-	16,759	10,425	-	-	10,425
Golf club related income	3,805	-	-	3,805	3,857	-	-	3,857
Sales of goods	10,262	-	-	10,262	8,760	-	-	8,760
Sales of development properties	-	33,262	-	33,262	-	20,379	-	20,379
Trading	-	-	1,495	1,495	-	-	2,834	2,834
	30,826	33,262	1,495	65,583	23,042	20,379	2,834	46,255
<b>Timing of revenue recognition:</b>								
Products transferred at a point in time	10,262	9,067	1,495	20,824	8,760	8,952	2,834	20,546
Products and services transferred over time	20,564	24,195	-	44,759	14,282	11,427	-	25,709
	30,826	33,262	1,495	65,583	23,042	20,379	2,834	46,255

## 5. Financial assets and financial liabilities (accounting classifications and fair value measurement)

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:

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

The carrying amounts of other financial assets and liabilities (excluding advance payments to supplier, prepayment, advance payments from customers, deferred income and lease liabilities) of the Group are reasonable approximation of their fair values due to relatively short-term maturity of these financial instruments.

The fair value of the borrowings approximate their carrying amounts.

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:

**Financial instruments****Accounting classifications & fair values****Carrying amounts**

	<b>Amortised cost</b>	<b>Other financial liabilities</b>	<b>Total</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
<b>Group</b>			
<b>30 June 2024</b>			
<b>Financial assets not measured at fair value</b>			
Trade and other receivables *	34,265	-	34,265
Amount due from related parties	596	-	596
Time deposits	1,387	-	1,387
Cash and cash equivalents	28,319	-	28,319
	<u>64,567</u>	<u>-</u>	<u>64,567</u>
<b>Financial liabilities not measured at fair value</b>			
Trade and other liabilities **	-	(112,999)	(112,999)
Loans and borrowings @	-	(495,586)	(495,586)
Amounts due to related parties	-	(33,057)	(33,057)
	<u>-</u>	<u>(641,642)</u>	<u>(641,642)</u>
<b>31 December 2023</b>			
<b>Financial assets not measured at fair value</b>			
Trade and other receivables *	34,294	-	34,294
Amount due from related parties	595	-	595
Time deposits	1,493	-	1,493
Cash and cash equivalents	51,905	-	51,905
	<u>88,287</u>	<u>-</u>	<u>88,287</u>
<b>Financial liabilities not measured at fair value</b>			
Trade and other liabilities **	-	(111,182)	(111,182)
Loans and borrowings @	-	(512,359)	(512,359)
Amounts due to related parties	-	(33,037)	(33,037)
	<u>-</u>	<u>(656,578)</u>	<u>(656,578)</u>

	Carrying amounts		
	Amortised cost	Other financial liabilities	Total
	S\$'000	S\$'000	S\$'000
<b>Company</b>			
<b>30 June 2024</b>			
<b>Financial assets not measured at fair value</b>			
Trade and other receivables *	275	-	275
Amounts due from related parties	607,311	-	607,311
Cash and cash equivalents	3,100	-	3,100
	<u>610,686</u>	<u>-</u>	<u>610,686</u>
<b>Financial liabilities not measured at fair value</b>			
Trade and other liabilities**	-	(2,962)	(2,962)
Loans and borrowings @	-	(379,515)	(379,515)
Amounts due to related parties	-	(27,435)	(27,435)
	<u>-</u>	<u>(409,912)</u>	<u>(409,912)</u>
<b>31 December 2023</b>			
<b>Financial assets not measured at fair value</b>			
Trade and other receivables *	270	-	270
Amounts due from related parties	589,162	-	589,162
Cash and cash equivalents	2,881	-	2,881
	<u>592,313</u>	<u>-</u>	<u>592,313</u>
<b>Financial liabilities not measured at fair value</b>			
Trade and other liabilities**	-	(2,977)	(2,977)
Loans and borrowings @	-	(362,069)	(362,069)
Amounts due to related parties	-	(15,951)	(15,951)
	<u>-</u>	<u>(380,997)</u>	<u>(380,997)</u>
* Excludes advance payments to suppliers and prepayments			
** Excludes advance payments from customers and deferred income			
@ Excludes lease liabilities			

## 6. Loss for the period

### 6.1 Significant items

	1st Half Year Ended		
	30.06.2024	30.06.2023	+/-
	Unaudited S\$'000	Unaudited S\$'000	%
<b>Income</b>			
Rental income	(806)	(822)	(2%)
<b>Expenses</b>			
Personnel expenses inclusive of executive directors' remuneration	12,039	10,012	20%
Depreciation of property, plant and equipment	7,519	5,305	42%
Foreign currency exchange (gain)/loss, net	(554)	2,190	Nm
Reversal of allowance for inventories	(391)	(1)	>100%
(Reversal of)/allowance for trade receivables	(189)	461	Nm
Adjustment for over provision of tax in respective of prior years	(522)	(6)	>100%
Net change in fair value of financial derivatives	606	271	>100%
Net loss/(gain) on disposal of property, plant and equipment	18	(53)	Nm
Nm - Not meaningful			

### 6.2 Related party transactions

The following significant transactions took place between the Group and related parties during the 6 months period ended 30 June 2024 ("1H 2024"):

Two directors subscribed for series 1, 6, 7 and 8 of the Company's commercial papers (3, 6 and 12 months tenor) during 1H 2024 amounting to \$78,000,000 (30 June 2023: \$26,000,000)

Interest expense incurred on loans and borrowings related to the directors amounted to \$7,146,431 (30 June 2023: \$4,894,452).

The controlling shareholder (Dr. Sam Goi) had provided an irrevocable undertaking to the Company to subscribe for (i) his pro rata entitlement of Convertible Bonds under a Rights Issue, and (ii) Convertible Bonds in excess of Dr. Sam Goi's provisional allotments (subject to availability) under the Rights Issue, the aggregate of such subscriptions capped at S\$80,000,000 (see announcement dated 28 June 2024).

The Company entered into a short-term loan agreement with a controlling shareholder (Dr. Sam Goi) for a loan which amounted to \$11,300,000\* during 1H 2024.

The Company also entered into supplemental loan agreements with the same controlling shareholder to extend the maturity date of the loans which amounted to \$30,000,000\*.

\*The overall financing costs for these loans are at 6.75% per annum. The tenure for this loan or extended loans is one year. The proceeds from the loans were used to fund the Group's working capital.

Key management personnel remuneration			
Key management personnel remuneration is as follows:			
	1st Half Year Ended		
	30.6.2024	30.6.2023	+/-
	Unaudited S\$'000	Unaudited S\$'000	%
Short term employee benefits	1,052	1,049	0%
Post-employment benefits (including Central Provident Fund)	49	47	4%
	1,101	1,096	0%

## 7. Taxation

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

	1st Half Ended		
	30.06.2024 Unaudited S\$'000	30.06.2023 Unaudited S\$'000	+/ %
Corporate income tax expense	(1,831)	(34)	>100%
Deferred income tax expense relating to origination and reversal of temporary differences	(120)	251	Nm
Withholding tax	(538)	(588)	(9%)
	<u>(2,489)</u>	<u>(371)</u>	<u>&gt;100%</u>

Nm - Not meaningful

## 8. Net finance costs

	1st Half Ended		
	30.06.2024 Unaudited S\$'000	30.06.2023 Unaudited S\$'000	+/ %
Interest income	535	477	12%
Finance income	535	477	12%
Interest expense from:			
- bank and other loans	(9,252)	(6,682)	38%
- convertible notes	(1,983)	(2,018)	(2%)
- shareholder loan	(2,902)	(2,330)	25%
- lease liabilities	(49)	(645)	(92%)
- finance liabilities	(528)	(466)	13%
- others	(109)	(152)	(28%)
Amortisation of transaction costs previously capitalised	(1,096)	(376)	>100%
	<u>(15,919)</u>	<u>(12,669)</u>	<u>26%</u>
Net change in fair value of financial derivatives	(606)	(271)	>100%
Net foreign exchange gain/(loss)	555	(2,190)	Nm
Finance expenses	<u>(15,970)</u>	<u>(15,130)</u>	<u>6%</u>
Net finance costs recognised in profit or loss	<u>(15,435)</u>	<u>(14,653)</u>	<u>5%</u>

Nm - Not meaningful

## 9. Property, plant and equipment

During the six months ended 30 June 2024, the Group acquired assets amounting to S\$1,392,000 (30 June 2023: S\$23,073,000) and disposed off assets amounting to S\$20,000 (30 June 2023: S\$26,000).

The fair value of the property, plant and equipment at 31 December 2023 has been determined on the basis of valuation carried out at the year-end date by independent valuers having an appropriate recognised professional qualification based on discounted cash flow and comparison methods that reflects prevailing property market conditions as at this date. The Group has assessed that the key inputs and assumptions used by the valuer for valuation date 31 December 2023, remain applicable and reasonable as at 30 June 2024.

## 10. Investment Property

	Group	
	30.06.2024 Unaudited S\$'000	31.12.2023 Audited S\$'000
At 1 January	4,939	4,531
Change in fair value	-	490
Effect of movements in exchange rates	135	(82)
At 31 December	5,074	4,939

Investment property comprises leasehold commercial property leased to external customers, held for capital appreciation and rental income. The leasehold property is situated in Jebel Ali Free Zone Area, Dubai, with an initial non-cancellable lease period of 15 years and an option to renew.

The fair value of the investment properties at 31 December 2023 has been determined on the basis of valuation carried out at the year-end date by independent valuers having an appropriate recognised professional qualification based on direct income capitalisation approach that reflects prevailing property market conditions as at this date. The Group has assessed that the key inputs and assumptions used by the valuer for valuation date 31 December 2023, remain applicable and reasonable as at 30 June 2024.

## 11. Development properties

	Group	
	30.06.2024 Unaudited S\$'000	31.12.2023 Audited S\$'000
<b>Development properties for sale</b>		
Development costs	157,657	167,077
Government grant utilised	(7,688)	(7,691)
	149,969	159,386
<b>Properties under development</b>		
Land and land related costs	228,919	231,630
Development costs	165,130	143,166
Government grant utilised	(387)	(387)
	393,662	374,409
	543,631	533,795

## 11. Development properties (cont'd)

### *Determination of net realisable values of development properties*

The Group estimates the net realisable values of the development properties by using the selling prices of recently sold units, selling prices of comparable properties within the vicinity and market valuations by independent external valuers. The determination of the net realisable values of these development properties are dependent on the management's expectation of future selling price of these properties and the estimated contract cost to completion. At the reporting date, the Group compares the carrying amounts of the development properties to the estimated net realisable values to determine whether a write-down is required for the development properties.

## 12. Inventories

	Group	
	30.06.2024 Unaudited S\$'000	31.12.2023 Audited S\$'000
Food and beverage	277	343
Spare parts and consumables	391	380
Merchandise	29	24
Trading goods	176	1,689
	873	2,436

## 13. Trade and other receivables

	Group		Company	
	30.06.2024 Unaudited S\$'000	31.12.2023 Audited S\$'000	30.06.2024 Unaudited S\$'000	31.12.2023 Audited S\$'000
Trade receivables	16,370	15,965	19	14
Less: Allowance for doubtful receivables	(582)	(779)	-	-
	15,788	15,186	19	14
Deposits	1,228	1,309	6	6
Interest receivables	335	298	-	-
Other receivables	16,914	17,501	250	250
	34,265	34,294	275	270
Advances to suppliers	401	1,940	-	1
Prepayments	916	1,180	75	489
	35,582	37,414	350	760
Current	35,582	37,414	350	760

### *Expected credit loss assessment for trade receivables*

The Group uses an allowance matrix to measure the Expected Credit Loss (ECL) of trade receivables from individual customers, which comprise a very large number of small balances.

Loss rates are based on actual credit loss experience over the past 3 years. These rates are adjusted to reflect differences between economic conditions during the period over which the historic data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

## 14. Share capital

	Group and Company			
	30.06.2024		31.12.2023	
	Unaudited		Audited	
	Number of shares	S\$'000	Number of shares	S\$'000
<b>Issued and fully paid ordinary shares</b>				
At 1 January	1,987,541,973	345,244	1,977,036,050	343,458
Issuance of new shares	-	-	10,505,923	1,786
	1,987,541,973	345,244	1,987,541,973	345,244
Treasury shares	(20,102,500)	(5,580)	(20,102,500)	(5,580)
At 30 June/ 31 December	1,967,439,473	339,664	1,967,439,473	339,664

The Group monitors capital using a net debt equity ratio, which is adjusted net debt divided by total equity. For this purpose, adjusted net debt is defined as total loans and borrowings less cash and cash equivalents. Total equity includes equity attributable to equity holders of the Company and reserves.

In the previous financial period ended 30 June 2023, there were 4,144,161 new shares being issued from conversion of \$705,000 of Convertible Bonds.

	Group	
	30.06.2024	31.12.2023
	Unaudited S\$'000	Audited S\$'000
<b>Total loans and borrowings</b>	497,203	513,958
Attributable to owners of the Company	470,546	482,873
Attributable to non-controlling interests	26,657	31,085
<b>Less: Cash and cash equivalents and time deposit</b>	(29,706)	(53,398)
Attributable to owners of the Company	(22,941)	(47,216)
Attributable to non-controlling interests	(6,765)	(6,182)
<b>Net borrowings</b>	467,497	460,560
Attributable to owners of the Company	447,605	435,657
Attributable to non-controlling interests	19,892	24,903
<b>Total equity</b>	469,701	477,636
Attributable to owners of the Company	328,493	335,030
Attributable to non-controlling interests	141,208	142,606
Net debt equity ratio	1.00	0.96
Net debt equity ratio (excluding non-controlling interests)	1.36	1.30

There was no treasury shares movement from 1 January 2024 to 30 June 2024.

The Company's subsidiaries do not hold any shares in the Company as at 30 June 2024 and 31 December 2023.

There were no sales, transfers, disposal, cancellation and/or use of subsidiary holdings as at 30 June 2024.



## 15. Trade and other liabilities

	Group		Company	
	30.06.2024 Unaudited S\$'000	31.12.2023 Audited S\$'000	30.06.2024 Unaudited S\$'000	31.12.2023 Audited S\$'000
Trade payables	45,314	37,348	-	-
Accruals				
- operating expenses	10,546	10,026	2,956	2,977
- accrued liabilities	46,480	54,946	-	-
Rental and other deposits	1,220	2,495	5	-
Other payables	9,439	6,367	1	-
	<u>112,999</u>	<u>111,182</u>	<u>2,962</u>	<u>2,977</u>
Advance payments from customers	1,349	1,738	-	-
Deferred income	564	565	1,458	-
	<u>114,912</u>	<u>113,485</u>	<u>4,420</u>	<u>2,977</u>
Current	<u>114,912</u>	<u>113,485</u>	<u>4,420</u>	<u>2,977</u>

## 16. Loans and borrowings

	Group		Company	
	30.06.2024 Unaudited S\$'000	31.12.2023 Audited S\$'000	30.06.2024 Unaudited S\$'000	31.12.2023 Audited S\$'000
<b>Amount repayable within one year or on demand</b>				
<b>Secured</b>				
Bank loans	51,066	96,882	36,616	38,639
<b>Unsecured</b>				
Shareholder loan	60,940	100,240	60,940	100,240
Bank loans	1,283	1,268	1,282	1,268
Convertible notes	76,409	76,233	76,409	76,233
Lease liabilities	466	769	-	-
Commercial papers	98,048	25,418	98,048	25,418
	<u>237,146</u>	<u>203,928</u>	<u>236,679</u>	<u>203,159</u>
	<u>288,212</u>	<u>300,810</u>	<u>273,295</u>	<u>241,798</u>
<b>Amount repayable after one year</b>				
<b>Secured</b>				
Bank loans	207,032	210,865	105,786	119,192
<b>Unsecured</b>				
Bank loans	434	1,079	434	1,079
Lease liabilities	1,151	830	-	-
Redeemable preference shares	374	374	-	-
	<u>1,959</u>	<u>2,283</u>	<u>434</u>	<u>1,079</u>
	<u>208,991</u>	<u>213,148</u>	<u>106,220</u>	<u>120,271</u>
<b>Total loans and borrowings</b>	<u>497,203</u>	<u>513,958</u>	<u>379,515</u>	<u>362,069</u>

### Details of any collateral

As at 30 June 2024, part of the Group's borrowings was secured by legal charges on the Group's development properties of S\$295.2 million (31 December 2023: S\$280.1 million), property, plant and equipment of S\$238.7 million (31 December 2023: S\$338.8 million), time deposits of S\$4.0 million (31 December 2023: S\$2.6 million) and cash and cash equivalents of S\$1.7 million (31 December 2023: S\$31.7 million).

## 17. Loss per ordinary share

	1st Half Ended		
	31.06.2024	30.06.2023	+/- %
Loss per ordinary share of the Group based on net loss attributable to shareholders:-			
i) Based on weighted average number of shares (cents)	(0.35)	(0.61)	42%
-Weighted average number of shares ('000)	1,967,439	1,957,258	
ii) On a fully diluted basis (cents)	(0.35)	(0.61)	42%
-Adjusted weighted average number of shares ('000)	1,967,439	1,957,258	

The financial impact of the Convertible Bonds was excluded from the calculation of the loss attributable to ordinary shareholders (diluted) for the period ended 30 June 2024 as their effect would have been anti-dilutive.

The weighted average number of ordinary shares detailed above is used for both the basic and diluted earnings per share as there are no dilutive potential ordinary shares outstanding.

## 18. Net asset value

	Group			Company		
	30.06.2024 (S\$ cents)	31.12.2023 (S\$ cents)	+/- %	30.06.2024 (S\$ cents)	31.12.2023 (S\$ cents)	+/- %
Net asset value per ordinary share	16.70	17.03	-2.0%	14.00	14.66	-4.5%

## 19. Contingent liabilities

### Pending arbitration involving Investasia Sdn. Bhd.

A claim of RM132,440,349 (approximately S\$40,340,000) was lodged by a supplier NTSJ Construction (M) Sdn. Bhd ("NTSJ") in 2022 against the Company's subsidiary, Investasia Sdn. Bhd. The subsidiary is vigorously contesting the claim, which in the Group's opinion, lacks merit.

Separately, NTSJ has been ordered to wind up on 5 March 2024 arising from creditors' action. We understand that NTSJ is appealing the winding up order.

Thus, as the arbitration is on-going and the outcome is uncertain, the Group is unable to reasonably estimate the financial impact of the outcome of the arbitration. Therefore, no provision for any liability has been made in these financial statements.

## 20. Subsequent events

- i. On 4 July 2024, the Group entered into a conditional sale and purchase agreement to divest its entire shareholding of interest of 51.3% of the issued and paid-up share capital of Qingdao Timi Supply Chain Co., Ltd to the minority shareholder, 青岛政通投资管理有限公司, for a purchase consideration of CNY20,984,610 ("Proposed Disposal"). The Group is expected to realise total estimated net gains of about CNY2.6million upon the completion of the Proposed Disposal.
- ii. On 26 July 2024, the Company had allotted and issued 3,580,000 Conversion Shares to Bondholders at the Conversion Price, following conversion of the Convertible Bonds with an aggregate principal amount of S\$608,600, in accordance with the Terms and Conditions of the Offer Information Statement dated 16 September 2021 ("OIS") issued by the Company. All capitalised terms used shall have the same meanings ascribed to them in the OIS.

**F Other information required by Listing Rule Appendix 7.2****1. Review**

The condensed consolidated statements of financial position of GSH Corporation Limited 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 consolidated statement of cash flows for the six-month period then ended and certain explanatory notes have not been audited or reviewed.

**2. Details of any 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 on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

As at 30 June 2024, up to 449,949,029 (31 December 2023: up to 449,949,029) new shares of the Company may be issued upon conversion of the Convertible Bonds that were issued by the Company on 12 October 2021.

**3. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.****Profit and Loss**

Group revenue for 1H2024 increased by 42% to S\$65.6 million, generating an operating profit of S\$9.6 million (1H2023: S\$2.0 million), and a net loss after tax of S\$8.3 million (1H2023: S\$13.0 million).

On a segmental basis, the Group's hospitality business continued to recover and posted a 34% increase in revenue to S\$30.8 million in 1H2024.

The Group's property business posted a 63% increase in revenue to S\$33.3 million, with the Group's property businesses in Malaysia registering the increase.

Administrative expenses in 1H2024 rose by S\$4.7 million to S\$17.0 million, due mainly to higher personnel expenses and depreciation costs from the Group's hospitality segment.

### **Statement of Financial Position**

The increase in development properties from S\$533.8 million as at 31 December 2023, to S\$543.6 million as at 30 June 2024, was due mainly to capitalisation of construction costs incurred for the Group's property development projects in Malaysia.

The decline in inventories, from S\$2.4 million as at 31 December 2023 to S\$0.9 million as at 30 June 2024, was due mainly to reduction in frozen pork inventories.

The increase in trade and other liabilities, from S\$113.5 million as at 31 December 2023 to S\$114.9 million as at 30 June 2024, due mainly to the higher trade payables for the Group's Coral Bay project as construction pace had picked up.

The decrease in loans and borrowings, from S\$514.0 million as at 31 December 2023 to S\$497.2 million as at 30 June 2024, was the result of loan repayments made in 1H2024.

### **Cash Flow Analysis**

For the 6 months ended 30 June 2024, the Group's operating cash flow before working capital changes was S\$17.2 million. After adjusting for working capital changes, it recorded a net cash inflow from operating activities of S\$8.8 million.

The Group registered a net cash outflow from investing activities of S\$0.9 million, following the addition of property, plant and equipment of S\$1.4 million.

The Group recorded a net cash outflow from financing activities of S\$2.8 million, which was due mainly to the net repayment from borrowings of S\$18.0 million, interest paid of S\$13.1 million, and offset by the changes in deposit pledged of S\$28.7 million.

Taking into consideration the Group's current assets which amounted to S\$626.1 million, and the Group's forecast of its cash flows, the Group has adequate financial resources to meet its current payment obligations as and when they fall due. These payment obligations will be financed from a combination of collections, new revenues, available undrawn loan facilities and proven fund raising through debt and equity markets (such as commercial papers and rights issue (see announcement dated 28 June 2024)). The current liabilities included shareholder loans of S\$60.94 million. These shareholder loans may be extended when they mature.

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

Not applicable.

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

Based on market trends, there is a potential for an easing of monetary policy both internationally and in Singapore. This will provide a favourable environment for the Group's operations.

**Hospitality Business Segment**

Tourist arrivals in Malaysia, particularly from China, have continued their strong recovery, boosted by the visa waiver programme between the two countries. Our hospitality businesses in Malaysia continued to grow, driven by robust domestic tourism and a strong return of international travellers.

In China, domestic tourism, especially during festive periods, is expected to grow. However, international visitors to China have not yet rebounded to pre-pandemic levels. Our hospitality business in China remains focused on enhancing its service offerings to attract local tourism, aiming to capitalize on the growing domestic tourism market.

**Property Business Segment**

The Group's property segment in Malaysia continues to show positive momentum, spurred by interest from foreign investors, particularly from China. Sabah recently announced more relaxed requirements for its Malaysia My Second Home (MM2H) programme, which is expected to increase demand for our properties in Sabah.

Conversely, the real estate market in China continues to face significant headwinds.

**6. Dividend**

**(a) Current Financial Period Reported On**

**Any dividend recommended for the current financial period reported on?**

No

**(b) Corresponding Period of the Immediately Preceding Financial Year. Any dividend declared for the corresponding period of the immediately preceding financial year?**

No

**(c) Date payable**

Not Applicable

**(d) Books closure date**

Not Applicable

**(e) If no dividend have been declared/recommended, a statement to that effect.**

No dividend has been declared as the Group is conserving its funds for working capital.

**7. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

The Company does not have a general mandate for IPTs.

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

The Company confirms it has procured the undertakings.

**9. Negative Assurance Confirmation Under Rule 705(5) of the Listing Manual**

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

**On behalf of the BOD**

**Gilbert Ee Guan Hui**  
**Chief Executive Officer**

**Goi Kok Ming (Wei Guoming)**  
**Chief Operating Officer**

**BY ORDER OF THE BOARD**

**Lee Tiong Hock**  
**Company Secretary**  
**5 August 2024**