



**AF Global Limited**

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

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**UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE HALF-YEAR ENDED 30 JUNE 2024**

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## A. CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	<b>Group</b>		
	<b>01.01.2024</b>	<b>01.01.2023</b>	<b>Change</b>
	<b>to</b>	<b>to</b>	
	<b>30.06.2024</b>	<b>30.06.2023</b>	
	<b>("1H2024")</b>	<b>("1H2023")</b>	
Note	S\$'000	S\$'000	%
<b>Revenue</b>	16,028	14,375	11
Cost of sales	(6,041)	(5,986)	1
<b>Gross profit</b>	9,987	8,389	19
Other operating income	246	235	5
Marketing expenses	(675)	(573)	18
Administrative expenses	(3,493)	(3,031)	15
Other operating expenses	(6,046)	(2,884)	110
<b>Operating profit</b>	19	2,136	(99)
Finance costs	(510)	(558)	(9)
Share of results of joint venture companies	763	1,069	(29)
<b>Profit before taxation</b>	272	2,647	(90)
Taxation	(1,059)	(152)	597
<b>(Loss)/profit for the period</b>	(787)	2,495	NM
<b>Other comprehensive income:</b>			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Foreign currency translation	(5,564)	(3,140)	77
Fair value gain on investment securities	68	115	(41)
<i>Items that will not be reclassified to profit or loss:</i>			
Fair value gain/(loss) on investment securities and investment in Xuzhou entities	73	(1,913)	NM
Deficit on revaluation of property, plant and equipment	(85)	-	NM
<b>Other comprehensive income for the period, net of tax</b>	(5,508)	(4,938)	12
<b>Total comprehensive income for the period</b>	(6,295)	(2,443)	158
<b>(Loss)/profit for the period attributable to:</b>			
Shareholders of the Company	(2,599)	948	NM
Non-controlling interests	1,812	1,547	17
	(787)	2,495	NM
<b>Total comprehensive income for the period attributable to:</b>			
Shareholders of the Company	(6,014)	(2,933)	105
Non-controlling interests	(281)	490	NM
	(6,295)	(2,443)	158
<b>(Loss)/earnings per share (cents)</b>			
- Basic	(0.25)	0.09	
- Diluted	(0.25)	0.09	

'NM': Not meaningful.

## A. CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (CONTINUED)

Other information:

	Group		
	1H2024 S\$'000	1H2023 S\$'000	Change %
Other operating income:			
Interest income from fixed deposits	224	105	113
Gain on sale of investment securities	12	-	NM
Gain on sale of property, plant and equipment	2	-	NM
Others	8	130	(94)
	<u>246</u>	<u>235</u>	5
Other operating expenses (**):			
Payroll and other indirect overheads	(805)	(811)	(1)
Utilities	(767)	(848)	(10)
Legal and professional fees	(53)	(250)	(79)
Foreign currency losses (#)	(1,271)	(818)	55
Impairment loss on disposal group classified as held for sale (^)	(2,977)	-	NM
Others	(173)	(157)	10
	<u>(6,046)</u>	<u>(2,884)</u>	110
Profit before taxation is stated after crediting/(charging):			
Depreciation of property, plant and equipment	(1,510)	(1,777)	(15)
Depreciation of right-of-use asset	(30)	(30)	-
Amortisation of club memberships	(1)	(1)	-
Expected credit losses on trade receivables	-	(1)	NM
Writeback of expected credit losses on trade receivables	3	-	NM
Impairment loss on disposal group classified as held for sale	(2,977)	-	NM

'NM': Not meaningful.

\*\* Excluding foreign currency losses, the higher other operating expenses in 1H2024 was mainly attributed to impairment loss on disposal group classified as held for sale. Legal and professional fees decreased mainly due to lower legal fees incurred by Holiday Inn Resort Phuket (hereinafter "HIRP") and on the litigation in respect of shareholders dispute for the joint venture company, Xuzhou YinJian LumChang Real Estate Development Co., Ltd in Xuzhou, PRC (hereinafter "XZYJLC").

# The higher foreign currency losses in 1H2024 was mainly attributed to higher exchange loss on Singapore Dollar denominated inter-company interest payable due to higher depreciation of Thai Baht, and higher realised exchange loss arising from weaker Laotian Kip on higher repayments of United States Dollar denominated inter-company loan.

^ As announced on 10 January 2024, the Group had entered into a shares sale and purchase agreement to sell its entire equity stake in a wholly-owned subsidiary company that owns freehold land in Phuket, Thailand. Concurrently, the Group had also entered into an asset sale and purchase agreement to sell its properties, held by another subsidiary company, that are adjacent to the aforementioned freehold land in Phuket, Thailand. The shares sale, together with the asset sale (hereinafter "Rawai Disposal") is recognised by the Group as a disposal group. Hence, in accordance with SFRS(I) 5 *Non-current Assets Held for Sale and Discontinued Operations*, the disposal group was measured at fair value less costs to sell and an impairment loss of S\$2,977,000 was recognised in 1H2024. Subsequently, upon completion of the sale on 10 July 2024, the foreign currency translation reserve of the disposal group amounting to S\$3,934,000 will be realised in the second half of this financial year, and the total estimated loss on disposal will be approximately S\$6,911,000 for the financial year ending 31 December 2024. The estimated loss on disposal may be subject to changes and fluctuations in exchange rate.

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**A. CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (CONTINUED)**

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**NOTES**

- (a) Cost of sales comprised mainly direct costs, depreciation and overheads in respect of the Group's hospitality business.
- (b) Administrative expenses comprised mainly payroll, expenses for the administration of the business including hotel management fee and statutory expenses. The higher administrative expenses was mainly attributed to higher hotel management fee and overheads.
- (c) Finance costs were incurred in respect of bank loans and lease liabilities.
- (d) This constitutes our share of profits from Knight Frank group of companies in Singapore.
- (e) The tax expense of HIRP in 1H2023 was fully offset by unutilised tax losses brought forward, which was not recognised as a deferred tax asset. The higher tax expense in 1H2024 was mainly due to the higher taxable profits of HIRP and Somerset Vientiane.
- (f) Foreign currency translation in other comprehensive income comprised exchange differences arising from the translation of the financial statements of foreign operations (including those of the disposal group held for sale) whose functional currencies are different from that of the Group's presentation currency (Singapore Dollar); and the realisation of such exchange differences to profit or loss. The translation losses in both 1H2024 and 1H2023 were mainly attributed to weaker Thai Baht.
- (g) These were mainly in respect of the fair value movements of the Group's quoted debt securities classified under current assets as well as the Group's investment in Xuzhou entities, which had mainly arose from foreign exchange movements in Renminbi.
- (h) The fair value movement in 1H2024 arose from the revaluation of the Group's land and buildings relating to the Rawai Disposal, prior to their reclassification to assets of disposal group classified as held for sale.

**B. CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION**

	Note	Group		Company	
		30.06.2024	31.12.2023	30.06.2024	31.12.2023
		S\$'000	S\$'000	S\$'000	S\$'000
<b>Non-current assets</b>					
Property, plant and equipment	(a)	122,648	190,842	-	-
Intangible assets		26	28	-	-
Right-of-use asset		626	637	-	-
Subsidiary companies		-	-	294,357	295,615
Joint venture companies		34,571	33,949	-	-
Investment securities		1,809	1,809	-	-
Deferred tax assets	(b)	1,189	2,079	-	-
Investment in Xuzhou entities	(c)	49,924	49,710	-	-
		<u>210,793</u>	<u>279,054</u>	<u>294,357</u>	<u>295,615</u>
<b>Current assets</b>					
Investment securities	(d)	13,965	14,010	-	-
Inventories		107	134	-	-
Trade receivables		295	607	-	-
Other receivables		347	834	572	368
Prepayments		246	196	3	4
Amount due from a subsidiary company	(e)	-	-	1,675	901
Cash and short-term deposits		21,523	22,585	341	1,265
		<u>36,483</u>	<u>38,366</u>	<u>2,591</u>	<u>2,538</u>
Assets of disposal group classified as held for sale	(f)	59,565	-	-	-
		<u>96,048</u>	<u>38,366</u>	<u>2,591</u>	<u>2,538</u>
<b>Current liabilities</b>					
Trade payables		1,569	1,808	-	-
Other payables and accruals	(g)	6,641	5,737	306	625
Provision for taxation		244	296	13	18
Lease liability		42	37	-	-
Loans and borrowings	(h)	12,973	13,617	10,379	10,419
		<u>21,469</u>	<u>21,495</u>	<u>10,698</u>	<u>11,062</u>
Liabilities directly associated with disposal group classified as held for sale	(f)	2	-	-	-
		<u>21,471</u>	<u>21,495</u>	<u>10,698</u>	<u>11,062</u>
<b>Net current assets/(liabilities)</b>	(i)	74,577	16,871	(8,107)	(8,524)
<b>Non-current liabilities</b>					
Amount due to a subsidiary company		-	-	15,465	15,465
Lease liability		774	773	-	-
Loans and borrowings	(h)	8,745	9,322	-	392
Deferred tax liabilities		23,503	24,361	-	-
		<u>33,022</u>	<u>34,456</u>	<u>15,465</u>	<u>15,857</u>
<b>Net assets</b>		<u>252,348</u>	<u>261,469</u>	<u>270,785</u>	<u>271,234</u>
<b>Equity attributable to shareholders of the Company</b>					
Share capital		209,518	209,518	209,518	209,518
Reserves		(15,296)	(644)	61,267	61,716
Reserves of disposal group classified as held for sale	(f)	8,638	-	-	-
		<u>202,860</u>	<u>208,874</u>	<u>270,785</u>	<u>271,234</u>
Non-controlling interests		49,488	52,595	-	-
<b>Total equity</b>		<u>252,348</u>	<u>261,469</u>	<u>270,785</u>	<u>271,234</u>

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**B. CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION (CONTINUED)**

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**NOTES**

- (a) The decrease was mainly due to reclassification of the Group's land and buildings relating to the Rawai Disposal to assets of disposal group classified as held for sale and weaker Thai Baht.
- (b) The decrease was mainly attributed to the utilisation of tax losses of HIRP.
- (c) The increase in fair value of the Group's investment in Xuzhou entities was mainly due to stronger Renminbi.
- (d) The decrease was mainly due to the receipt of interest accrued as at the end of the last financial year partially offset by increase in fair value of the quoted debt securities.
- (e) The increase was due to additional advances and payments made on behalf.
- (f) In accordance with SFRS(I) 5 *Non-current Assets Held for Sale and Discontinued Operations*, the assets, liabilities and reserves of the Rawai Disposal have been presented separately as follows:

	<b>30.06.2024</b>
	S\$'000
<b>Assets of disposal group classified as held for sale</b>	
Property, plant and equipment	59,405
Other receivables	1
Prepayments	30
Cash and short-term deposits	129
	<u>59,565</u>
<b>Liabilities directly associated with disposal group classified as held for sale</b>	
Other payables and accruals	2
	<u>2</u>
<b>Reserves of disposal group classified as held for sale</b>	
Foreign currency translation reserve	(3,934)
Asset revaluation reserve	12,572
	<u>8,638</u>

- (g) The increase in other payables and accruals of the Group was mainly attributed to transaction costs and taxes relating to the Rawai Disposal estimated to be incurred.
- (h) The external borrowings of the Group and the Company decreased mainly due to instalment repayments of term loans.
- (i) The increase in net current assets of the Group was mainly due to the reclassification mentioned in Note (a) above. The decrease in net current liabilities of the Company was mainly attributed to payment of expenses accrued as at the end of the last financial year.

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

	<b>Group</b>	
	<b>1H2024</b>	<b>1H2023</b>
	S\$'000	S\$'000
<b>Cash flows from operating activities:</b>		
Profit before taxation	272	2,647
Adjustments for:		
Depreciation of property, plant and equipment	1,510	1,777
Depreciation of right-of-use asset	30	30
Gain on sale of property, plant and equipment	(2)	-
Gain on sale of investment securities	(12)	-
Share of results of joint venture companies	(763)	(1,069)
Amortisation of club memberships	1	1
Interest income	(665)	(535)
Finance costs	510	558
Writeback of expected credit losses on trade receivables	(3)	-
Impairment loss on disposal group classified as held for sale	2,977	-
Unrealised foreign exchange differences	1,177	804
<b>Operating profit before reinvestment in working capital</b>	<b>5,032</b>	<b>4,213</b>
Decrease in inventories	22	100
Decrease in receivables and prepayments	162	24
(Decrease)/increase in payables	(1,249)	99
<b>Cash flows from operations</b>	<b>3,967</b>	<b>4,436</b>
Interest received	823	556
Interest paid	(494)	(577)
Income taxes paid	(313)	(67)
<b>Net cash flows from operating activities</b>	<b>3,983</b>	<b>4,348</b>
<b>Cash flows from investing activities:</b>		
Proceeds from sale of property, plant and equipment	2	-
Purchase of property, plant and equipment	(579)	(185)
Purchase of investment securities	(8,000)	-
Proceeds from sale of investment securities	8,000	-
<b>Net cash flows used in investing activities</b>	<b>(577)</b>	<b>(185)</b>
<b>Cash flows from financing activities:</b>		
Proceeds from bank loans	2,401	1,150
Repayment of bank loans	(3,150)	(2,508)
Repayment of loans from a non-controlling interest	(132)	-
Repayment of lease liability	(107)	(103)
Dividends paid to non-controlling interests	(2,694)	-
<b>Net cash flows used in financing activities</b>	<b>(3,682)</b>	<b>(1,461)</b>
Net (decrease)/increase in cash and cash equivalents	(276)	2,702
Effects of exchange rate changes on cash and cash equivalents	(657)	(208)
Cash and cash equivalents at beginning of period	22,585	14,824
<b>Cash and cash equivalents at end of period</b>	<b>21,652</b>	<b>17,318</b>
<b>NOTES</b>		
Cash and cash equivalents comprised the following amounts:		
Fixed deposits	7,291	8,054
Cash and bank balances	14,232	9,318
Cash and short-term deposits per Consolidated Statement of Financial Position	21,523	17,372
Cash and short-term deposits of disposal group classified as held for sale	129	-
Less : Fixed deposit pledged	-	(54)
<b>Cash and cash equivalents per Consolidated Statement of Cash Flows</b>	<b>21,652</b>	<b>17,318</b>

## D. CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY

Group	-----Attributable to shareholders of the Company-----						Non-controlling interests		Total equity		
	Share capital S\$'000	Capital and other reserves S\$'000	Legal reserve S\$'000	Foreign currency translation reserve S\$'000	Asset revaluation reserve S\$'000	Other reserves (#) S\$'000	Accumulated losses S\$'000	Reserves of disposal group classified as held for sale S\$'000	Total reserves S\$'000	S\$'000	S\$'000
<b>1H2024</b>											
<b>As at 1 January 2024</b>	<b>209,518</b>	<b>30,534</b>	<b>30</b>	<b>(10,403)</b>	<b>45,994</b>	<b>(5,087)</b>	<b>(31,178)</b>	<b>-</b>	<b>(644)</b>	<b>52,595</b>	<b>261,469</b>
Loss for the period	-	-	-	-	-	-	(2,599)	-	(2,599)	1,812	(787)
Other comprehensive income for the period, net of tax	-	(3,415)	-	(3,471)	(85)	141	-	-	(3,415)	(2,093)	(5,508)
Total comprehensive income for the period	-	(3,415)	-	(3,471)	(85)	141	(2,599)	-	(6,014)	(281)	(6,295)
<i>Others</i>											
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	(2,694)	(2,694)
Repayment of loans from a non-controlling interest	-	-	-	-	-	-	-	-	-	(132)	(132)
Reserves of disposal group classified as held for sale	-	(8,638)	-	3,934	(12,572)	-	-	8,638	-	-	-
Total others	-	(8,638)	-	3,934	(12,572)	-	-	8,638	-	(2,826)	(2,826)
<b>As at 30 June 2024</b>	<b>209,518</b>	<b>18,481</b>	<b>30</b>	<b>(9,940)</b>	<b>33,337</b>	<b>(4,946)</b>	<b>(33,777)</b>	<b>8,638</b>	<b>(6,658)</b>	<b>49,488</b>	<b>252,348</b>
<b>1H2023</b>											
<b>As at 1 January 2023</b>	<b>209,518</b>	<b>40,124</b>	<b>30</b>	<b>(8,244)</b>	<b>49,412</b>	<b>(1,074)</b>	<b>(38,099)</b>	<b>-</b>	<b>2,025</b>	<b>50,805</b>	<b>262,348</b>
Profit for the period	-	-	-	-	-	-	948	-	948	1,547	2,495
Other comprehensive income for the period, net of tax	-	(3,881)	-	(2,083)	-	(1,798)	-	-	(3,881)	(1,057)	(4,938)
Total comprehensive income for the period	-	(3,881)	-	(2,083)	-	(1,798)	948	-	(2,933)	490	(2,443)
<b>As at 30 June 2023</b>	<b>209,518</b>	<b>36,243</b>	<b>30</b>	<b>(10,327)</b>	<b>49,412</b>	<b>(2,872)</b>	<b>(37,151)</b>	<b>-</b>	<b>(908)</b>	<b>51,295</b>	<b>259,905</b>

#: Other reserves comprise fair value adjustment reserve which is used to record the cumulative net change in fair value of financial assets and share of reserves of a joint venture company.



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**D. CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY (CONTINUED)**

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<b>Company</b>	Share capital S\$'000	Revenue reserve S\$'000	Total equity S\$'000
<b><u>1H2024</u></b>			
<b>As at 1 January 2024</b>	<b>209,518</b>	<b>61,716</b>	<b>271,234</b>
Loss for the period, representing total comprehensive income for the period	-	(449)	(449)
<b>As at 30 June 2024</b>	<b>209,518</b>	<b>61,267</b>	<b>270,785</b>
<b><u>1H2023</u></b>			
<b>As at 1 January 2023</b>	<b>209,518</b>	<b>59,900</b>	<b>269,418</b>
Loss for the period, representing total comprehensive income for the period	-	(166)	(166)
<b>As at 30 June 2023</b>	<b>209,518</b>	<b>59,734</b>	<b>269,252</b>

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**E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

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**1. Corporate information**

AF Global Limited (the "Company") is a limited liability company incorporated and domiciled in Singapore and listed on Singapore Exchange Securities Trading Limited ("SGX-ST").

These condensed interim consolidated financial statements as at and for the half-year ended 30 June 2024 comprised the Company and its subsidiaries (collectively, the "Group").

The principal activities of the Company are investment holding and the provision of management services to its subsidiary companies. The subsidiary and joint venture companies invest in properties, develop properties for sale, provide a full suite of real estate consultancy services and own and operate hotels and serviced residences.

**2. Basis of preparation**

The condensed interim financial statements for the half-year ended 30 June 2024 have been prepared in accordance with Singapore Financial Reporting Standards (International) ("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 and methods of computation adopted are consistent with those of the previous financial year except in the current financial period, the Group has adopted all new and amendments to SFRS(I) relevant to the Group's operations which are effective for annual periods beginning on 1 January 2024. The adoption of these standards did not result in any significant impact on the financial performance or financial position of the Group and the Company.

The condensed interim financial statements are presented in Singapore Dollars ("SGD" or "\$") and all values are rounded to the nearest thousand (S\$'000) unless otherwise stated.

**2.1 New and amendments to SFRS(I) adopted**

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

**2.2 Significant accounting estimates and judgments**

In preparing the condensed interim financial statements, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of revenues, expenses, assets and liabilities. Actual results may differ from these estimates.

The significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2023.

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

**3. Seasonal operations**

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

## E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 4. Segment information

For management purposes, the Group is organised into business units based on the nature of products and services provided.

The reportable operating segments are as follows:

The property segment relates to project and property management, real estate consultancy services, investment in properties and development of properties for sale.

The hotel and serviced residence segment relates to ownership and operation of hotels and serviced residences.

The others segment relates mainly to investment holding activities.

	<b>Group</b>					<b>Consolidated</b>
	<b>Property</b>	<b>Hotel and serviced residence</b>	<b>Others</b>	<b>Subtotal</b>	<b>Disposal group held for sale - Hotel and serviced residence</b>	
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>1H2024</b>						
<b>Segment revenue</b>						
Total segment sales	-	15,587	729	16,316	-	16,316
Inter-segment sales	-	-	(288)	(288)	-	(288)
Revenue	-	15,587	441	16,028	-	16,028
Segment results	(176)	3,513	(341)	2,996	(2,977)	19
Finance costs	-	(230)	(280)	(510)	-	(510)
Share of results of joint venture companies	763	-	-	763	-	763
Profit/(loss) before taxation	587	3,283	(621)	3,249	(2,977)	272
Taxation	-	(1,046)	(13)	(1,059)	-	(1,059)
Profit/(loss) for the period	587	2,237	(634)	2,190	(2,977)	(787)
Segment assets	175	145,114	529	145,818	59,565	205,383
Investment in joint venture companies	34,571	-	-	34,571	-	34,571
Investment securities	-	-	15,774	15,774	-	15,774
Deferred tax assets	-	1,189	-	1,189	-	1,189
Investment in Xuzhou entities	49,924	-	-	49,924	-	49,924
Total assets	84,670	146,303	16,303	247,276	59,565	306,841
Segment liabilities	142	8,494	390	9,026	2	9,028
Loans and borrowings	-	11,339	10,379	21,718	-	21,718
Tax liabilities	53	23,600	94	23,747	-	23,747
Total liabilities	195	43,433	10,863	54,491	2	54,493
Other segment information:						
Capital expenditures	-	579	-	579	-	579
Depreciation of property, plant and equipment	-	1,510	-	1,510	-	1,510
Depreciation of right-of-use asset	-	30	-	30	-	30
Amortisation expenses	-	1	-	1	-	1
Interest income	-	224	441	665	-	665
Impairment loss on disposal group classified as held for sale	-	-	-	-	2,977	2,977

**E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**
**4. Segment information (continued)**

	<b>Group</b>			
	<b>Property</b>	<b>Hotel and serviced residence</b>	<b>Others</b>	<b>Consolidated</b>
	S\$'000	S\$'000	S\$'000	S\$'000
<b>1H2023</b>				
<b>Segment revenue</b>				
Total segment sales	-	13,945	787	14,732
Inter-segment sales	-	-	(357)	(357)
Revenue	-	13,945	430	14,375
Segment results	(132)	2,442	(174)	2,136
Finance costs	-	(261)	(297)	(558)
Share of results of joint venture companies	1,069	-	-	1,069
Profit/(loss) before taxation	937	2,181	(471)	2,647
Taxation	-	(142)	(10)	(152)
Profit/(loss) for the period	937	2,039	(481)	2,495
Segment assets	70	209,829	409	210,308
Investment in joint venture companies	35,406	-	-	35,406
Investment securities	-	-	17,839	17,839
Deferred tax assets	-	213	-	213
Investment in Xuzhou entities	50,004	-	-	50,004
Total assets	85,480	210,042	18,248	313,770
Segment liabilities	763	6,629	506	7,898
Loans and borrowings	-	10,518	11,338	21,856
Tax liabilities	53	24,038	20	24,111
Total liabilities	816	41,185	11,864	53,865
Other segment information:				
Capital expenditures	-	185	-	185
Depreciation of property, plant and equipment	-	1,777	-	1,777
Depreciation of right-of-use asset	-	30	-	30
Amortisation expenses	-	1	-	1
Interest income	-	105	430	535

**E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**
**5. Revenue**

Segments	Group					
	Hotel and serviced residence		Others		Total	
	1H2024 S\$'000	1H2023 S\$'000	1H2024 S\$'000	1H2023 S\$'000	1H2024 S\$'000	1H2023 S\$'000
<b>Primary geographical markets</b>						
Singapore	-	-	441	430	441	430
Thailand	13,443	12,058	-	-	13,443	12,058
Vietnam	779	810	-	-	779	810
Lao People's Democratic Republic	1,365	1,077	-	-	1,365	1,077
	<u>15,587</u>	<u>13,945</u>	<u>441</u>	<u>430</u>	<u>16,028</u>	<u>14,375</u>
<b>Major product or service lines</b>						
Revenue from room, food and beverage and services rendered	15,161	13,528	-	-	15,161	13,528
Rental income	426	417	-	-	426	417
Interest income	-	-	441	430	441	430
	<u>15,587</u>	<u>13,945</u>	<u>441</u>	<u>430</u>	<u>16,028</u>	<u>14,375</u>
<b>Timing of transfer of goods or services</b>						
At a point in time	15,161	13,528	441	430	15,602	13,958
Over time	426	417	-	-	426	417
	<u>15,587</u>	<u>13,945</u>	<u>441</u>	<u>430</u>	<u>16,028</u>	<u>14,375</u>

**6. Related party disclosures**

	Group	
	1H2024 S\$'000	1H2023 S\$'000
<b>Related parties</b>		
<i>Aspial Corporation Limited and its subsidiary companies:</i>		
Interest income received	441	430
Purchase of investment securities	(8,000)	-
Proceeds from sale of investment securities	8,000	-
Corporate service fee paid	(252)	(225)
Rental and maintenance expenses paid	(79)	(86)
	<u>(79)</u>	<u>(86)</u>
<i>Fragrance Group Limited<sup>#</sup> and its subsidiary companies:</i>		
Facilities management fee received by a joint venture company of the Group*	46	55
	<u>46</u>	<u>55</u>

# a company in which Mr Koh Wee Meng has an interest of 30% or more. Mr Koh Wee Seng, a controlling shareholder of the Company, and Mr Koh Wee Meng are siblings.

\* based on the Group's effective interest in the transactions.

## E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 7. Taxation

The major components of income tax expense were:

	<b>Group</b>	
	<b>1H2024</b> S\$'000	<b>1H2023</b> S\$'000
Current tax		
- Current year	1,086	715
- Benefits from previously unrecognised tax losses	-	(573)
- Over provision in respect of prior year	-	(1)
	1,086	141
Deferred tax		
- Origination and reversal of temporary differences	(27)	11
	(27)	11
Income tax expense recognised in profit or loss	1,059	152

### 8. Net asset value

	<b>Group</b>		<b>Company</b>	
	<b>30.06.2024</b>	<b>31.12.2023</b>	<b>30.06.2024</b>	<b>31.12.2023</b>
	S\$	S\$	S\$	S\$
Net asset value per ordinary share attributable to shareholders of the Company	0.19	0.20	0.26	0.26

### 9. Property, plant and equipment

During the half-year ended 30 June 2024, the Group acquired assets amounting to S\$579,000 (30 June 2023: S\$185,000) and disposed of assets with S\$0 (30 June 2023: S\$0) net book value.

### 10. Investment securities / Investment in Xuzhou entities

At fair value through other comprehensive income:

	<b>Group</b>	
	<b>30.06.2024</b> S\$'000	<b>31.12.2023</b> S\$'000
<b>Non-current</b>		
Unquoted equity securities	1,809	1,809
Investment in XZYJLC	48,950	48,688
Investment in Xuzhou RE Sales Co., Ltd ("XZRES")	974	1,022
	13,965	14,010
<b>Current</b>		
Quoted debt securities	13,965	14,010
	13,965	14,010

At the end of the current financial period, the fair value of the investment in XZYJLC and XZRES increased by S\$262,000 and decreased by S\$48,000 respectively with the corresponding adjustments to fair value adjustment reserve.

## E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 11. Loans and borrowings

	Group		Company	
	30.06.2024 S\$'000	31.12.2023 S\$'000	30.06.2024 S\$'000	31.12.2023 S\$'000
<b>Repayable within 12 months</b>				
Secured	9,194	9,848	6,600	6,650
Unsecured	3,779	3,769	3,779	3,769
<b>Repayable after 12 months</b>				
Secured	8,745	8,930	-	-
Unsecured	-	392	-	392
	<u>21,718</u>	<u>22,939</u>	<u>10,379</u>	<u>10,811</u>

Details of the Group's secured borrowings comprised:

- (i) A revolving credit facility of S\$6,600,000 secured by a pledge of shares of a company in the Group.
- (ii) Four term loans aggregating S\$10,820,000 secured by a mortgage on the freehold land and buildings owned by a company in the Group.
- (iii) A term loan of S\$519,000 secured by a corporate guarantee of the Company.

### 12. Share capital

#### *Ordinary shares of the Company:*

	No. of shares		Share capital	
	30.06.2024 '000	31.12.2023 '000	30.06.2024 S\$'000	31.12.2023 S\$'000
Balance at beginning and end	1,055,639	1,055,639	209,518	209,518

There was no change in the Company's share capital since the end of the previous financial year up to the end of the current financial period. The Company's issued and fully paid-up shares as at 30 June 2024 comprised 1,055,639,464 (31 December 2023 and 30 June 2023: 1,055,639,464) ordinary shares with voting rights.

The Company has no treasury shares, subsidiary holdings or outstanding convertibles as at 30 June 2024, 31 December 2023 and 30 June 2023.

### 13. Fair value of assets and liabilities

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

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

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

**E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

**13. Fair value of assets and liabilities (continued)**

**Assets and liabilities measured at fair values**

The following table shows an analysis of the Group's assets and liabilities measured at fair value at the end of the reporting period:

	<b>Group</b>			
	<b>Quoted prices in active markets for identical instruments (Level 1)</b>	<b>Significant other observable inputs (Level 2)</b>	<b>Significant unobservable inputs (Level 3)</b>	<b>Total</b>
	S\$'000	S\$'000	S\$'000	S\$'000
<b>30.06.2024</b>				
<b>Non-financial asset</b>				
Property, plant and equipment	-	-	120,843	120,843
<b>Financial assets</b>				
Investment securities /				
Investment in Xuzhou entities				
- Unquoted equity securities	-	-	1,809	1,809
- Investment in XZYJLC	-	-	48,950	48,950
- Investment in XZRES	-	-	974	974
- Quoted debt securities	13,965	-	-	13,965
<b>31.12.2023</b>				
<b>Non-financial asset</b>				
Property, plant and equipment	-	-	184,496	184,496
<b>Financial assets</b>				
Investment securities /				
Investment in Xuzhou entities				
- Unquoted equity securities	-	-	1,809	1,809
- Investment in XZYJLC	-	-	48,688	48,688
- Investment in XZRES	-	-	1,022	1,022
- Quoted debt securities	14,010	-	-	14,010

***Fair value hierarchy***

There were no transfers between Level 1, Level 2 and Level 3 fair value measurements.

***Level 3 fair value measurements***

The key assumptions used in fair value measurements are based on the relevant market conditions prevailing at the end of the reporting period.

Property, plant and equipment measured at fair values were appraised as at 31 December 2022 or 31 December 2021 by engaging independent valuation specialists to perform the valuation. The Directors are responsible for selecting and engaging independent valuation specialists that possess the relevant credentials and knowledge on the subject of valuation, valuation methodologies and SFRS(I) 13 fair value measurement guidance.

The Group did not engage independent valuation specialists to determine the fair values of the property, plant and equipment as at 30 June 2024. In assessing the fair values as at the reporting date, the Directors consider those underlying factors that would have an impact on the fair values of the property, plant and equipment. The Directors determine that the carrying amounts of property, plant and equipment does not differ materially from that which would be determined using fair value at the end of the reporting period. There were no revaluation movements in property, plant and equipment during the current financial period, except for the revaluation of the Group's land and buildings relating to the Rawai Disposal, prior to their reclassification to assets of disposal group classified as held for sale.

There was no change in the valuation technique and types of inputs used in deriving the fair value of unquoted equity securities and investment in Xuzhou entities. Except for the fair value movement of the investment in Xuzhou entities which was disclosed in Note 10, there was no movement in the fair value of unquoted equity securities during the current financial period.



**E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

**14. Classification of assets and liabilities**

	<b>Group</b>			
	<b>Assets at amortised cost</b>	<b>Fair value through other comprehen- sive income</b>	<b>Non-financial assets</b>	<b>Total</b>
	S\$'000	S\$'000	S\$'000	S\$'000
<b>30.06.2024</b>				
<b>Assets</b>				
<b>Non-current</b>				
Property, plant and equipment	-	-	122,648	122,648
Intangible assets	-	-	26	26
Right-of-use asset	-	-	626	626
Investment securities	-	1,809	-	1,809
Deferred tax assets	-	-	1,189	1,189
Investment in Xuzhou entities	-	49,924	-	49,924
<b>Current</b>				
Investment securities	-	13,965	-	13,965
Inventories	-	-	107	107
Trade and other receivables	642	-	-	642
Prepayments	-	-	246	246
Cash and short-term deposits	21,523	-	-	21,523
Assets of disposal group classified as held for sale	-	-	59,565	59,565
	<b>22,165</b>	<b>65,698</b>	<b>184,407</b>	<b>272,270</b>

	<b>Liabilities at amortised cost</b>	<b>Non-financial liabilities</b>	<b>Total</b>
	S\$'000	S\$'000	S\$'000
<b>30.06.2024</b>			
<b>Liabilities</b>			
<b>Current</b>			
Trade and other payables	8,210	-	8,210
Provision for taxation	-	244	244
Lease liability	42	-	42
Loans and borrowings	12,973	-	12,973
Liabilities directly associated with disposal group classified as held for sale	-	2	2
<b>Non-current</b>			
Lease liability	774	-	774
Loans and borrowings	8,745	-	8,745
Deferred tax liabilities	-	23,503	23,503
	<b>30,744</b>	<b>23,749</b>	<b>54,493</b>



**E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

**14. Classification of assets and liabilities (continued)**

<b>Company</b>			
	<b>Assets at amortised cost S\$'000</b>	<b>Non-financial asset S\$'000</b>	<b>Total S\$'000</b>
<b>30.06.2024</b>			
<b>Assets</b>			
<b>Current</b>			
Other receivables	572	-	572
Prepayments	-	3	3
Amount due from a subsidiary company	1,675	-	1,675
Cash and short-term deposits	341	-	341
	<u>2,588</u>	<u>3</u>	<u>2,591</u>
<b>Liabilities at amortised cost S\$'000</b>			
<b>Non-financial liability S\$'000</b>			
<b>Total S\$'000</b>			
<b>30.06.2024</b>			
<b>Liabilities</b>			
<b>Current</b>			
Other payables and accruals	306	-	306
Provision for taxation	-	13	13
Loans and borrowings	10,379	-	10,379
<b>Non-current</b>			
Amount due to a subsidiary company	15,465	-	15,465
	<u>26,150</u>	<u>13</u>	<u>26,163</u>
<b>31.12.2023</b>			
<b>Assets</b>			
<b>Current</b>			
Other receivables	368	-	368
Prepayments	-	4	4
Amount due from a subsidiary company	901	-	901
Cash and short-term deposits	1,265	-	1,265
	<u>2,534</u>	<u>4</u>	<u>2,538</u>
<b>Liabilities at amortised cost S\$'000</b>			
<b>Non-financial liability S\$'000</b>			
<b>Total S\$'000</b>			
<b>31.12.2023</b>			
<b>Liabilities</b>			
<b>Current</b>			
Other payables and accruals	625	-	625
Provision for taxation	-	18	18
Loans and borrowings	10,419	-	10,419
<b>Non-current</b>			
Amount due to a subsidiary company	15,465	-	15,465
Loans and borrowings	392	-	392
	<u>26,901</u>	<u>18</u>	<u>26,919</u>

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**F. OTHER INFORMATION REQUIRED BY APPENDIX 7.2 OF THE LISTING MANUAL OF SGX-ST**

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**Para****2 Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.**

The figures in this announcement have not been audited or reviewed by the Company's auditor.

**3 Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not applicable.

**3A Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:**

**(a) Updates on the efforts taken to resolve each outstanding audit issue.**

**(b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.**

**This is not required for any audit issue that is a material uncertainty relating to going concern.**

Not applicable.

**8 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.**

**Revenue**

Revenue of the Group for 1H2024 of S\$16.0 million was S\$1.6 million higher than 1H2023.

**Hotel and Serviced Residence**

Revenue of S\$15.6 million was S\$1.6 million higher than 1H2023.

The higher revenue was mainly attributed to higher occupancies and room rates of Holiday Inn Resort Phuket ("HIRP") and Somerset Vientiane ("SV"). The improvement in HIRP's revenue was mainly due to increased tourist arrivals from new and existing key source markets to Phuket, Thailand. Revenue for SV has improved due to more short to medium term stays and several Asean forums held in Vientiane, Laos.

The revenue of Cityview Apartments and Commercial Centre ("CV") was comparable with 1H2023.

**Others**

Revenue of S\$0.4 million was comparable with 1H2023.

**Property**

No revenue was recorded for both 1H2024 and 1H2023.

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**F. OTHER INFORMATION REQUIRED BY APPENDIX 7.2 OF THE LISTING MANUAL OF SGX-ST (Continued)**

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Para

**8 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 Before Tax**

The Group's pre-tax profit for 1H2024 of S\$0.3 million was S\$2.4 million lower than 1H2023.

Hotel and Serviced Residence

This sector's pre-tax profit of S\$0.3 million in 1H2024 was S\$1.9 million lower than 1H2023. This was mainly attributed to a one-off impairment loss on Rawai Disposal.

Excluding the above impairment loss, this sector's pre-tax profit of S\$3.3 million in 1H2024 was S\$1.1 million higher than 1H2023. The higher profits of HIRP and SV attributed to higher revenues were partially offset by higher management fees in line with higher revenue, and higher exchange loss on Singapore Dollar denominated inter-company interest payable due to higher depreciation of Thai Baht.

The performance of CV was comparable but its pre-tax profit was marginally higher than 1H2023 because of higher fixed deposit interest income on cash reserves in CV.

Others

Corporate office's pre-tax loss of S\$0.6 million in 1H2024 was S\$0.1 million higher than 1H2023 mainly due to higher staff costs.

Property

This sector's pre-tax profit of S\$0.6 million in 1H2024 was S\$0.4 million lower than 1H2023 mainly because of higher overheads of the Knight Frank group of companies.

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

Not applicable.

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

The Group's hospitality assets have performed within expectations in the first half of this year, achieving good rates, occupancy and profitability. The momentum, particularly in Thailand, is expected to continue in the second half of the year driven by various government regulations to boost tourism business and travel around the region. Through better operational efficiency, we hope to improve top-line performance, manage operational costs, and increase efficiency for our other hospitality assets.

In Singapore, our Knight Frank business is expected to remain slow and stable given the challenging market environment.

The Xuzhou liquidation is in progress and we will provide updates as and when there are any material developments.

We seek to create value for our shareholders by, *inter alia*, returning excess capital to our shareholders as per Paragraph 11 below and the attached "The Proposed Capital Reduction And The Cash Distribution" announcement released today.

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**F. OTHER INFORMATION REQUIRED BY APPENDIX 7.2 OF THE LISTING MANUAL OF SGX-ST (Continued)**

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**Para****11 Dividend.****(a) Current Financial Period Reported On.**

Any dividend declared for the current financial period reported on?

Name of Dividend	:	Special Interim
Dividend Type	:	Cash
Dividend per share	:	S\$0.015 per ordinary share
Tax Rate	:	Tax exempt (one-tier)

**(b) Corresponding Period of the Immediately Preceding Financial Year.**

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

None.

**(c) Date payable.**

27 August 2024

**(d) Record date.**

16 August 2024

**12 If no dividend has been declared (recommended), a statement to that effect and the reason(s) for the decision.**

Not applicable.

**13 Confirmation pursuant to Rule 920(1)(a)(ii) of the Listing Manual.**

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

**14 Confirmation by the Board pursuant to Rule 705(5) of the Listing Manual.**

The Directors of the Company hereby confirm to the best of their knowledge that nothing has come to the attention of the Board of Directors which may render the Unaudited Condensed Interim Financial Statements for the Half-Year ended 30 June 2024 to be false or misleading in any material respect.

On behalf of the Board of Directors

Koh Wee Seng  
Chairman

Chay Yue Kai  
Director

**15 Confirmation pursuant to Rule 720(1) of the Listing Manual.**

The Company has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1) of the Listing Manual.

**BY ORDER OF THE BOARD**  
**Lim Swee Ann**  
**Company Secretary**

7 August 2024