



THAKRAL CORPORATION LTD

(Incorporated in the Republic of Singapore on 7 October 1993)
(Company Registration No. 199306606E)

FOR IMMEDIATE RELEASE

Thakral reports 27% increase in profits from operations and associates before tax at S\$46.5 million for FY2023 with growth on all fronts

- Revenue expanded due to Lifestyle Segment which saw growth in its range of lifestyle and beauty products
- Proposed final dividend of 2 cents, total dividend payout ratio will translate to 62.6% for FY2023
- Share of profit of associates and joint ventures increased on stronger performance by Investment Segment primarily contributed by GemLife
- Positive outlook ahead for GemLife with robust development pipeline. Completion of [internal restructuring exercise](#) will increase Thakral's net share of profit going forward with reduction of personnel costs and other overheads.

FINANCIAL SNAPSHOT

S\$'000	FY2023	FY2022	Change (%)
Revenue	212,269	160,422	32.3
Investment Segment	13,565	22,603	(40.0)
Lifestyle Segment	198,704	137,819	44.2
Profit from operations	15,312	7,395	107.1
Share of profit of associates and JV	34,792	30,972	12.3
Investment Segment	34,418	29,208	17.8
Lifestyle Segment	374 ¹	1,764	(78.8) ¹
Profit before restructuring costs	46,535	36,593	27.2
One-off restructuring costs	(20,380)	-	<i>Not meaningful</i>
Profit before tax	26,155	36,593	(28.5)
Profit attributable to equity holders	8,168	18,617	(56.1)

Singapore, 29 February 2024 – SGX Mainboard-listed Thakral Corporation Ltd (“Thakral” or the “Group”) announced its unaudited financial results for the twelve months ended 31 December 2023 (“FY2023”).

¹ [The interest in the CurrentBody joint venture was exchanged for a minority investment in CurrentBody's parent entity in a share swap exercise that came into effect in June 2023.](#)

SEGMENTAL OVERVIEW

Investments

Business activities were mainly derived from its associates and joint ventures (“JV”) which is accounted under the share of profit of associates and JV in the financial statements (instead of under Operations). The share of profit from associates and JV rose 17.8% year-on-year (“yoy”) to S\$34.4 million on strong performance in Australia and Japan.

Thakral’s 31.7%-owned associate [GemLife](#), which operates and develops over-50s lifestyle resorts in Australia, achieved settlement of 361 homes in 2023, representing a 66% increase compared to the 218 houses delivered in 2022. This brings the cumulative occupied homes across 9 resorts to 1,449 as of 31 December 2023. GemLife’s profitability rose due to a higher number of home sales as well as a larger recurring income from the increased number of occupied homes.

In Japan, occupancy rates for the Group’s co-invested office properties were higher with 5 out of its 6 office properties reporting 100% occupancy as of 31 December 2023. The sixth property’s occupancy is at a satisfactory 86%. The Group also divested a hotel property resulting in an after-tax net gain of S\$1.7 million.

During the year, the Group completed an internal restructuring exercise for its Australian business resulting in a one-off charge of S\$20.4 million arising principally from settlement of costs payable to minority shareholders. Excluding this restructuring costs, Thakral recorded a segmental profit growth of 19.6% yoy to S\$44.6 million.

Lifestyle

The Lifestyle business contributed 93.6% of the Group’s revenue for FY2023. The segment recorded a top-line growth of 44.2% yoy on the back of strong demand for its key products. Strong demand for consumer products, the wider applications and fast-growing use of Enterprise and Agriculture solutions in South Asia, supported by additional fragrance points of sale and successful marketing campaigns boosted contributions for the Lifestyle Segment.

In June 2023, Thakral completed a share swap exercise where it exchanged a 50%-stake in the CurrentBody joint venture (“CurrentBody JV”) for a 10%-stake in the parent of CurrentBody.com Limited (“CB”), giving them a global exposure in the at-home beauty device segment. As a result, the Group also recognised a S\$3.1 million profit from the divestment of CurrentBody JV, including the share of profit recognised on the joint venture.

In tandem, segment profit for the period nearly doubled to S\$13.2 million.

DIVIDEND

The Board has proposed a final dividend of 2 Singapore cents per share, subject to shareholders' approval. Adding to the 2 Singapore cents per share distributed earlier, Thakral will have a dividend payout ratio of 62.6% for FY2023. Based on Thakral's share price of S\$0.595 as of 28 February 2024, the dividend yield is approximately 6.7%.

FUTURE OUTLOOK

Investments

GemLife remains the core focus of the Group under the Investment business. With the increasing ageing population in Australia, the demand for over-50s resort homes continues to grow. GemLife plans to realise its target of 6,500 occupied homes within a decade and is actively exploring opportunities to ramp up home developments to fulfil its waiting list of homebuyers.

With the internal restructuring exercise for the Australian sub-group completed, the Group is expected to benefit from a more proportionate share of results with the cancellation of bonus entitlements to key executives under the previous structure.

Commenting on the outlook, **Group CEO and Executive Director, Inderbethal Singh Thakral (“Mr. Bethal”)** said: “FY2023 has been a good year for us both in terms of results and preparation for Thakral's new phase of growth. GemLife continues to be our star performer capitalising on the excess demand for over-50s resort homes in Australia. This favourable market disequilibrium is expected to continue given the ageing population trend of the country. We look forward to steady growth in contributions from GemLife in the coming years.”

In Japan, the rental market is projected to remain healthy in 2024 based on steady demand. Hence, Thakral expects the high occupancy rate for its office buildings to sustain. Given the favourable market condition, the Group is also putting up a hotel and 2 office buildings in Osaka for sale for capital recycling purposes.

Lifestyle

Commenting on the Lifestyle Segment, Mr. Bethal said, “Despite economic softening in China, we remain confident in our beauty business in Greater China as the overall market has seen strong growth in recent years.”

“In South Asia, we are working to expand our drone product range to cover the enterprise and agricultural sectors. The entry into new market segments is expected to increase our revenue level significantly. We have also acquired an entity in India with local infrastructure that can help boost our distribution of Enterprise and Agriculture drone related accessories and components as well as consumer products, including action cameras, in the country. At the same time, we are seeing increasing adoption of drones in the commercial and agricultural sectors in Sri Lanka, Bangladesh and other South Asian markets which we continue to enhance while concurrently growing our beauty and fragrance products business in Greater China. Our partnership with DJI remains strong delivering sales year after year and with more projects being discussed.”

END

About Thakral Corporation Ltd

Thakral Corporation Ltd is listed on the SGX Mainboard since December 1995. The Group’s core business comprises a growing investment portfolio in Australia, Japan and Singapore. Investments in Australia include the development and management of over-50s lifestyle resorts under the GemLife brand. The Japanese investment portfolio consists of landmark commercial buildings in Osaka, the country’s second largest city.

The Group also invests in the management and marketing of leading beauty, fragrance and lifestyle brands in Asia, serving customers directly through retail flagship stores, multi-brand specialty retailers and e-commerce platforms.

Furthermore, the Group makes strategic investments in new economy ventures that complement its existing business relationships and networks, including acting as a cornerstone investor or participating in early funding. These investments aim to harness potential synergies and explore new business opportunities.

For more information, please visit www.thakralcorp.com.

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