

**BONVESTS HOLDINGS LIMITED AND ITS SUBSIDIARIES**

Company Registration No. 196900282M

Unaudited Interim Financial Statements for the Period Ended 30 June 2023

Part I INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

1(a) Condensed interim consolidated statement of profit or loss and other comprehensive income

	Group		Increase/ (Decrease) %
	30/06/23 S\$'000	30/06/22 S\$'000	
Revenue (Note 1a (i))	105,372	93,168	13.1
Other income and other gains/(losses)			
- Interest	214	167	28.1
- Other income (Note 1a(ii))	1,074	1,610	(33.3)
- Other (losses)/gains (Note 1a(ii))	(372)	976	Nm
Changes in inventories of finished goods	(326)	762	Nm
Materials and consumables purchased (Note 1a(iii))	(11,078)	(10,134)	9.3
Employee benefit costs (Note 1a(iv))	(35,076)	(31,820)	10.2
Depreciation expenses (Note 1a(v))	(13,590)	(14,855)	(8.5)
Write-back/(Impairment loss) on financial assets	68	(4)	Nm
Other operating expenses (Note 1a(ii))	(35,978)	(29,809)	20.7
Finance costs (Note 1a(vi))	(9,172)	(3,621)	153.3
Profit before income tax	1,136	6,440	(82.4)
Income tax expense (Note 1a(viii))	(2,363)	(1,652)	43.1
(Loss)/Profit after income tax	(1,227)	4,788	Nm
Other comprehensive income/(loss):			
Items that may be reclassified subsequently to profit or loss :			
Currency translation gains/(losses) arising from consolidation (Note 1a(ix))	10,452	(161)	Nm
Exchange loss relating to net investment hedge	(970)	-	Nm
	9,482	(161)	Nm
Items that will not be reclassified subsequently to profit or loss :			
Currency translation gains/(losses) arising from consolidation	2	(6)	Nm
Remeasurement of retirement benefits, net of tax	-	(117)	Nm
Financial assets at fair value through other comprehensive income			
- Fair value gain/(losses) - equity investments	234	(1,493)	Nm
Other comprehensive income/(loss), net of tax	9,718	(1,777)	Nm
Total comprehensive income	8,491	3,011	182.0

	Group		Increase/ (Decrease) %
	Period Ended		
	30/06/23	30/06/22	
	S\$'000	S\$'000	
(Loss)/profit attributable to:			
Equity holders of the Company	(1,063)	4,958	Nm
Non-controlling interests	(164)	(170)	(3.6)
	<u>(1,227)</u>	<u>4,788</u>	Nm
Total comprehensive income attributable to:			
Equity holders of the Company	8,653	3,187	171.5
Non-controlling interests	(162)	(176)	(7.8)
	<u>8,491</u>	<u>3,011</u>	182.0
(Loss)/earnings per share attributable to equity holders of the Company (expressed in cents per share)			
- Basic	(0.265)	1.235	
- Diluted	(0.265)	1.235	

Nm denotes Not meaningful

Explanatory Notes

Note 1a(i) Revenue

	Group	
	Period Ended	
	30/06/23	30/06/22
	S\$'000	S\$'000
Revenue from contracts with customers:		
Hotel operations	77,745	62,899
Waste disposal and contract cleaning services	17,931	20,269
Car parking fees and service charge	1,323	1,287
Food and beverage operations	-	160
	<u>96,999</u>	<u>84,615</u>
Other revenue:		
Rental income	8,373	8,525
Dividend income	-	28
	<u>8,373</u>	<u>8,553</u>
	<u>105,372</u>	<u>93,168</u>
Timing of revenue recognition for revenue from contracts with customers		
At a point in time	34,569	29,543
Over time	62,430	55,072
	<u>96,999</u>	<u>84,615</u>

Note 1a(ii) Included in "Other income", "Other (losses)/gains" and "Other operating expenses" are the following items:

	Group	
	Period Ended	
	30/06/23	30/06/22
	S\$'000	S\$'000
Other income includes:		
Management fee charged to related companies	104	131
Government grants and other rebates	540	1,115
Other (losses)/gains includes:		
Foreign exchange (loss)/gain, net (Note 1a(vii))	(467)	599
Gain on disposal of property, plant and equipment, net	94	377
Other operating expenses includes:		
Property, plant and equipment written off	-	1

Note 1a(iii) Materials and consumables purchased for the period ended 30 June 2023 increased due to higher consumption by the Hotel Division.

Note 1a(iv) Employee benefit costs increased mainly due to increase in wage related costs for the Hotel Division.

Note 1a(v) Depreciation expenses decreased mainly due to certain assets were fully depreciated.

Note 1a(vi) Finance costs increased mainly due to higher bank borrowing and higher interest rate as compared to the corresponding period.

Note 1a(vii) Foreign exchange loss for the period ended 30 June 2023 was due mainly to the strengthening of the Euro against the Singapore Dollar.

Note 1a(viii) The income tax expenses/(credit) can be analysed as follows:

	Group	
	Period Ended	
	30/06/23	30/06/22
	S\$'000	S\$'000
Current income tax	2,320	2,020
Deferred income tax	(75)	(368)
Under provision in prior years	118	-
	<u>2,363</u>	<u>1,652</u>

Note 1a(ix) Currency translation differences arose mainly from the translation of the net assets of the Group's foreign operations which are denominated in Tunisian Dinar ("TND"), Mauritian Rupee, Australian Dollar ("AUD"), United States Dollar ("USD"), Indonesian Rupiah, Moroccan Dirham and Tanzanian Shilling.

Note 1a(x) Related party transactions

In addition to the related party information disclosed elsewhere in the condensed interim financial statements, the following are transactions with related parties:

	Group	
	Period Ended	
	30/06/23	30/06/22
	S\$'000	S\$'000
Sales and purchases of goods and services :		
Cleaning service fee and waste disposal fee income from a company controlled by a director	122	131
Management fee income from:		
- Ultimate holding company	2	11
- Company controlled by a director	102	120
Rental income from a company controlled by a director	12	12
Rental expense paid to a company controlled by a director	5	5
Cleaning service to a director	-	7

1(b)(i) Condensed interim statements of financial position

	Note	Group		Company	
		30/06/23 S\$'000	31/12/22 S\$'000	30/06/23 S\$'000	31/12/22 S\$'000
Non-current assets					
Investment properties	A	595,411	594,553	-	-
Property, plant and equipment	B	625,191	610,229	834	943
Subsidiaries	C	-	-	920,380	910,236
Goodwill		9,750	9,798	-	-
Financial assets, at fair value through other comprehensive income ("FVOCI")	D	2,799	2,565	-	-
Financial assets, at fair value through profit or loss ("FVPL")	D	1,500	1,500	-	-
Club memberships		21	21	21	21
Rental lease receivables		1,584	1,412	-	-
Long-term prepayments and receivables		16	3	-	-
Deferred income tax assets		3,973	4,615	-	-
		1,240,245	1,224,696	921,235	911,200
Current assets					
Inventories		8,750	9,615	-	-
Trade and other receivables	E	27,343	29,890	107	29
Income tax recoverable		2,919	2,857	-	-
Advances to subsidiaries (non-trade)		-	-	4,940	4,895
Cash and bank balances	refer to 1(c)	24,357	31,900	1,415	1,172
	G	63,369	74,262	6,462	6,096
Total assets		1,303,614	1,298,958	927,697	917,296
Equity attributable to equity holders of the Company					
Share capital		254,139	254,139	254,139	254,139
Retained profits	refer to 1(d)(i)	705,215	712,702	107,721	117,929
Other reserves	refer to 1(d)(i)	(117,802)	(124,604)	-	-
		841,552	842,237	361,860	372,068
Non-controlling interests	refer to 1(d)(i)	128	3,569	-	-
Total equity		841,680	845,806	361,860	372,068
Non-current liabilities					
Borrowings		208,646	210,528	205,000	205,000
Long-term liabilities		7,751	6,831	-	-
Lease liabilities		33,953	33,474	-	-
Deferred income tax liabilities		12,541	14,122	-	-
		262,891	264,955	205,000	205,000
Current liabilities					
Trade and other payables	F	39,710	46,559	563	836
Lease liabilities		2,005	1,575	-	-
Current tax payable		6,077	5,616	54	110
Borrowings	H	151,251	134,447	77,973	65,260
Advances from subsidiaries (non-trade)		-	-	282,246	274,022
	G	199,043	188,197	360,836	340,228
Total liabilities		461,934	453,152	565,836	545,228
Total equity and liabilities		1,303,614	1,298,958	927,697	917,296

The material variances noted from the statement of financial position items as at 30 June 2023 as compared with those of 30 June 2022 are explained as follows:

- (A) Investment properties increased by S\$858,000 mainly due to upward currency translation adjustment on the opening balance due to strengthening of AUD and TND against Singapore Dollar.
- (B) Property, plant and equipment increased mainly due to additions partially offset by depreciation charged during the period. During the six months ended 30 June 2023, the Group acquired property, plant and equipment with an aggregate cost of S\$19,180,000 (30 June 2022: S\$7,281,000) and disposed of property, plant and equipment amounting to S\$153,000 (30 June 2022: S\$21,000).
- (C) Subsidiaries increased mainly due to additional investment in subsidiary and amounts owing by subsidiaries on long-term loan account. The amounts owing by subsidiaries on long-term loan account are considered an extension of the Company's net investment in the subsidiaries. These are unsecured, interest-free and are not expected to be repaid within one year.
- (D) Financial assets at FVOCI and FVPL

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:

- i) quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- ii) 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) (Level 2); and
- iii) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

The following table presented the assets measured at fair value:

	Level 1	Level 2	Level 3	Total
	S\$'000	S\$'000	S\$'000	S\$'000
Group - 30 June 2023				
Financial assets, at FVOCI	2,799	-	-	2,799
Financial assets, at FVPL	-	-	1,500	1,500
Group - 31 December 2022				
Financial assets, at FVOCI	2,565	-	-	2,565
Financial assets, at FVPL	-	-	1,500	1,500

The fair value of financial instruments traded in active markets (such as financial assets, at FVOCI) is based on quoted market prices at the end of reporting period. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in Level 1.

There were no transfers between Level 1 and Level 2 during the period.

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each balance sheet date. Quoted market prices or dealer quotes for similar instruments are used to estimate fair value for long-term debt for disclosure purposes. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments. Where a valuation technique for these instruments is based on significant unobservable inputs, such instruments are classified as Level 3.

The following table presents the changes in Level 3 instruments:

	<u>30/06/23</u>	<u>31/12/22</u>
	S\$'000	S\$'000
Beginning and end of financial period/year - Financial assets, at FVPL	1,500	1,500

Valuation techniques and inputs used in Level 3 fair value measurements

Description	Valuation technique	Fair value at 30 June 2023 (S\$'000)	Unobservable inputs ^(a)	Range of unobservable inputs	Relationship of unobservable inputs to fair value
Non-listed convertible bond	Binomial Option Pricing Model	1,500 (2022: 1,500)	Discount rate	3% (2022: 3%)	The higher the discount rate, the lower the fair value

There were no significant inter-relationship between unobservable inputs.

There were no transfers between Levels 2 and 3 during the period.

(E) Trade and other receivables

	Group	
	30/06/23	31/12/22
	S\$'000	S\$'000
Trade receivables:		
Third parties	15,841	18,305
Loss allowance	(1,061)	(1,143)
Net trade receivables	<u>14,780</u>	<u>17,162</u>
Other receivables:		
Deposits	1,251	1,350
Staff loans	33	28
GST/VAT recoverable	4,467	4,327
Prepayments	3,930	4,197
Prepayments made to contractors	1,161	1,459
Accrued rental income	163	188
Others	1,558	1,074
Accrued management fee income from companies controlled by a director of the Company	-	105
	<u>12,563</u>	<u>12,728</u>
	<u>27,343</u>	<u>29,890</u>

Included in trade and other receivables is an amount of Nil (2022: S\$105,000) owing by companies controlled by a director of the Company.

Aging of the Group's trade receivables:

	Amount	Loss	Net
	Owing	Allowance	Net
	S\$'000	S\$'000	S\$'000
Within 30 days	10,845	-	10,845
30 to 60 days	1,088	-	1,088
60 to 90 days	675	-	675
More than 90 days	3,233	(1,061)	2,172
	<u>15,841</u>	<u>(1,061)</u>	<u>14,780</u>

The trade and other receivables are expected to be recovered in the ordinary course of business. In relation to the loss allowance on trade receivables, the Group will continue to follow up and/or take appropriate actions as practicable.

The amounts do not relate to the Group's major customers. The loss allowance relates mainly to sales reported prior to FY2019.

The Board is of the opinion that the methodologies used to determine the value of the impairment of the trade and other receivables is reasonable.

(F) Trade and other payables

	Group	
	30/06/23	31/12/22
	S\$'000	S\$'000
Trade payables	14,087	19,117
Rental deposits	351	1,042
Liabilities incurred for capital expenditure	-	832
Deferred income	455	654
Social security contributions	513	585
Employee benefits	2,228	2,163
GST/VAT payable	5,382	2,900
Other taxes payable	907	863
Retention sum payables	-	199
Contract liabilities	5,701	7,804
Accrued staff costs	2,952	3,791
Accrued operating expenses	7,128	6,603
Amount due to a related company	6	6
	<u>39,710</u>	<u>46,559</u>

The carrying amounts have been assessed to be a reasonable approximation of their fair values due to their short-term nature.

(G) Notwithstanding the Group and the Company having negative working capital as at 30 June 2023, it has sufficient financial resources and liquidity to meet its short-term obligations. The Group has unutilised committed credit facilities available to be drawn upon if required. The management may also further leverage on unencumbered investment properties and hotel properties for new credit facilities to ensure that the Group has adequate amount of credit facilities. Management will continue to strive to preserve cash with cost management measures and deferment of non-essential capital expenditure. The Group expects to fulfil its payment obligations in the next 12 months through (i) its existing cash balance; (ii) external bank facilities; and (iii) cash flows from operations. After reviewing the most recent projections and having considered measures by the Group to conserve cash resources, together with continued support from the financial institutions, the Group is expected to have sufficient cash flows to continue its operations and meet its financial obligations as and when they fall due.

Prior to the date of release of the 1H2023 results, the management has obtained waivers for the compliance with certain loan covenants in relation to its borrowings from two financial institutions. The Group currently complies with all other financial covenants and rolled over all revolving credit facilities as at the date of these interim financial statements.

(H) Short-term borrowings increased mainly due to the higher borrowings resulting from the acquisition of additional investment in its subsidiary, as well as capital expenditures.

(I) Subsequent events
There are no known subsequent events which have led to adjustments to this set of interim financial statements.

1(b)(ii) Aggregate amount of group's borrowings, debt securities and lease liabilities

	Group			
	As At 30/6/2023		As At 31/12/2022	
	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
Amount repayable in one year or less	149,476	1,775	133,070	1,377
Amount repayable after one year	207,919	727	209,776	752

Details of collaterals

The collaterals for the group's secured borrowings as at 30 June 2023 are as follows :

- A foreign subsidiary's freehold land and buildings, equipment and business;
- A local subsidiary's investment property, including rental proceeds, interests in tenancy agreements and insurance policies;
- A local subsidiary's freehold land and buildings, including rental proceeds, interests in tenancy agreements, interests in hotel management agreements and insurance policies;
- A foreign subsidiary's freehold land and building, and equipment, including rental proceeds, interests in tenancy agreements, interests in hotel management agreements and insurance policies; and
- A foreign subsidiary's leasehold land and building, and equipment, including rental proceeds, interests in tenancy agreements, interests in hotel management agreements and insurance policies.

The collateral for the group's secured lease liabilities as at 30 June 2023 is a vehicle of a foreign subsidiary.

1(c) **A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.**

Condensed interim consolidated statement of cash flows

	Group	
	Period Ended	
	30/06/23	30/06/22
	S\$'000	S\$'000
Cash Flows from Operating Activities		
Profit before taxation	1,136	6,440
Adjustments for:		
Depreciation of property, plant and equipment	13,590	14,855
Dividend income from financial assets at FVOCI	-	(28)
Interest income	(214)	(167)
Gain on disposal of property, plant and equipment, net	(94)	(377)
Gain on termination of lease	(1)	(2)
Property, plant and equipment written off	-	1
Interest expense	9,172	3,621
(Write- back)/impairment loss on financial assets - net	(68)	4
Unrealised currency translation loss/(gain)	594	(1,276)
Changes in working capital:	24,115	23,071
Inventories	966	(741)
Trade and other receivables	2,976	(2,131)
Contract assets	-	1,556
Trade and other payables	(5,813)	1,140
Cash generated from operations	22,244	22,895
Income tax paid	(2,412)	(1,486)
Net cash provided by operating activities	19,832	21,409
Cash Flows from Investing Activities		
Acquisition of property, plant and equipment	(19,337)	(7,281)
Payment for long-term prepayments	-	(26)
Additions to investment properties	-	(240)
Proceeds from disposal of property, plant and equipment	247	397
Interest received	214	167
Dividends received	-	28
Net cash used in investing activities	(18,876)	(6,955)
Cash Flows from Financing Activities		
Payment to non-controlling shareholders for purchase of shares in subsidiary	(6,193)	-
Proceeds from bank borrowings	20,651	5,329
Repayment of bank borrowings	(8,323)	(22,813)
Principal payment of lease liabilities	(740)	(845)
Interest paid	(8,333)	(3,510)
Dividends paid to equity holders of the Company	(6,424)	(3,011)
Dividends paid by subsidiary to non-controlling interests	-	(2,154)
Net cash used in financing activities	(9,362)	(27,004)
Net decrease in cash and bank balances	(8,406)	(12,550)
Cash and cash equivalents		
Beginning of the financial period	30,706	35,657
Effect of currency translation of cash and bank balances	472	(145)
Cash and cash equivalent at end of the period (Note A)	22,772	22,962

Note A

Cash and cash equivalents

	Group	
	Period Ended	
	30/06/23	30/06/22
	S\$'000	S\$'000
Cash and cash equivalents comprise:		
Cash and bank balances	18,529	23,495
Fixed deposits	5,828	3,621
Less : Bank overdrafts	(1,585)	(4,154)
	22,772	22,962

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Condensed interim statements of changes in equity

The Group

	Attributable to equity holders of the Company							Non-controlling interests	Total equity
	Share capital	Retained profits	Revaluation surplus reserve	Fair value reserve	Currency translation reserve	Premium paid on acquisition of non-controlling interests	Total		
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1 January 2023	254,139	712,702	15,485	(9,801)	(92,638)	(37,650)	842,237	3,569	845,806
Loss for the period	-	(1,063)	-	-	-	-	(1,063)	(164)	(1,227)
Other comprehensive income for the period	-	-	-	234	9,482	-	9,716	2	9,718
Total comprehensive (loss)/income for the period	-	(1,063)	-	234	9,482	-	8,653	(162)	8,491
2022 final tax-exempt dividend	-	(6,424)	-	-	-	-	(6,424)	-	(6,424)
Change in interest in subsidiary	-	-	-	-	-	(2,914)	(2,914)	(3,279)	(6,193)
Total transactions with owners, recognised directly in equity	-	(6,424)	-	-	-	(2,914)	(9,338)	(3,279)	(12,617)
Balance at 30 June 2023	254,139	705,215	15,485	(9,567)	(83,156)	(40,564)	841,552	128	841,680
Balance at 1 January 2022	254,139	695,130	15,485	(6,742)	(72,748)	(37,650)	847,614	6,280	853,894
Profit/(loss) for the period	-	4,958	-	-	-	-	4,958	(170)	4,788
Other comprehensive loss for the period	-	(117)	-	(1,493)	(161)	-	(1,771)	(6)	(1,777)
Total comprehensive income/(loss) for the period	-	4,841	-	(1,493)	(161)	-	3,187	(176)	3,011
2021 final tax-exempt dividend	-	(3,011)	-	-	-	-	(3,011)	-	(3,011)
Dividend paid by subsidiary to non-controlling interests	-	-	-	-	-	-	-	(2,154)	(2,154)
Total transactions with owners, recognised directly in equity	-	(3,011)	-	-	-	-	(3,011)	(2,154)	(5,165)
Balance at 30 June 2022	254,139	696,960	15,485	(8,235)	(72,909)	(37,650)	847,790	3,950	851,740

The Company

	Share capital S\$'000	Retained profits S\$'000	Total equity S\$'000
Balance at 1 January 2023	254,139	117,929	372,068
Total comprehensive loss for the period	-	(3,784)	(3,784)
2022 final tax-exempt dividend	-	(6,424)	(6,424)
Total transactions with owners, recognised directly in equity	-	(10,208)	(10,208)
Balance at 30 June 2023	254,139	107,721	361,860
Balance at 1 January 2022	254,139	90,545	344,684
Total comprehensive income for the period	-	4,228	4,228
2021 final tax-exempt dividend	-	(3,011)	(3,011)
Total transactions with owners, recognised directly in equity	-	1,217	1,217
Balance at 30 June 2022	254,139	91,762	345,901

- 1(d)(ii) **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 well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, 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.**

There has been no change in the Company's share capital since the end of the previous period reported on.

The Company has no treasury shares and no outstanding options 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.

- 1(d)(iii) **To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

There were no treasury shares as at 30 June 2023 and 31 December 2022. The total number of issued shares as at 30 June 2023 was 401,516,968 (31 December 2022: 401,516,968).

- 1(d)(iv) **A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

Not applicable.

- 1(e) **Corporate information**

The Company is incorporated as limited liability company and domiciled in Singapore whose shares are publicly traded on the Singapore exchange. These condensed interim consolidated financial statements for the six months ended 30 June 2023 comprise the Company and its subsidiaries (collectively, the Group). The principal activities of the Company are those relating to investment holding and provision of management services to its subsidiaries.

The immediate and ultimate holding company is Goldvein Holdings Pte. Ltd., a company incorporated in Singapore.

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

The figures have not been audited or reviewed.

- 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 issues.

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

Not applicable.

- 4 **Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

The condensed interim financial statements for the six months ended 30 June 2023 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 2022.

The condensed interim financial statements are presented in Singapore Dollars which is the Company's functional currency. All financial information presented in Singapore Dollars have been rounded to the nearest thousand, unless otherwise stated.

Except as disclosed in paragraph 5, the financial statements have been prepared using the same accounting policies and methods of computation as presented in the audited financial statements for the financial year ended 31 December 2022.

Critical accounting estimates

The following are the critical accounting estimates used in applying the Group's accounting policies in the financial statements for the half year ended 30 June 2023:

Valuation of Investment properties ("IP") and Impairment of Property, plant and equipment

The Group carries its investment properties at fair value with changes in fair value being recognised in profit and loss account, determined annually by independent, professionally-qualified property valuers.

For the purpose of this condensed consolidated interim financial statements for the half year ended 30 June 2023, the Board of Directors would like to highlight that the carrying amounts of IP as at 30 June 2023 are based on the independent valuations as at 31 December 2022, adjusted for upward currency translation adjustment on opening balance due to strengthening of Australian Dollar and Tunisian Dinar against Singapore Dollar. The management and the Board of Directors are of the view that the valuations of the investment properties as at 30 June 2023 remain substantially the same from those as at 31 December 2022.

Property, plant and equipment ("PPE") are stated at cost, less accumulated depreciation and accumulated impairment losses, if any. Freehold land and asset under construction are not depreciated. Management performed an assessment for indicators of impairment on PPE and a further impairment assessment was performed where impairment indicators were identified. Determining whether the carrying value of PPE is impaired requires an estimation of the recoverable amount of the cash-generating units ("CGUs"). This requires the Group to estimate the fair value of the PPE or value in use by estimating the future cash flows expected from the CGUs and an appropriate discount rate in order to calculate the present value of future cash flows. Based on the assessment, there was no impairment provision required for the six months period ended 30 June 2023.

For illustration purposes, a decline of 5% in the carrying amounts of Group's properties as at 30 June 2023 would have the following estimated impact on the net asset value per ordinary share of the Group. This sensitivity analysis assumes that all other variables remain constant.

	Group		
	30 June 2023	Illustrative impact	Pro forma
Carrying value of Investment properties and Property, plant and equipment (S\$'000)	1,220,602	(61,030)	1,159,572
Number of ordinary shares	401,516,968	-	401,516,968
Net asset value per ordinary share (S\$) of the Group	2.10	(0.15)	1.94

5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

The Group adopted the standards, amendments and interpretations to existing standards that are mandatory for application for the financial period beginning 1 January 2023 or from their effective date, if later. There were no substantial changes to the Group's accounting policies nor any significant impact on the financial statements arising from the adoption.

6 Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

(Loss)/earnings per ordinary share after deducting any provision for preference dividends:	Group	
	First Half Ended 30/6/2023	First Half Ended 30/6/2022
Based on weighted average number of ordinary shares in issue (cents)	(0.265)	1.235
On a fully diluted basis (cents)	(0.265)	1.235
Weighted average number of ordinary shares	401,516,968	401,516,968

As at 30 June 2023, there was no outstanding share options.

(Loss)/earnings per ordinary share on existing issued share capital is computed based on the weighted average number of shares in issue of 401,516,968 for both periods.

7 Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the: (a) current financial period reported on; and (b) immediately preceding financial year.

	Group		Company	
	30/6/2023	31/12/2022	30/6/2023	31/12/2022
Net asset value per ordinary share (S\$)	2.10	2.10	0.90	0.93

Net asset value per share for both periods is computed based on the number of shares (excluding treasury shares) in issue of 401,516,968.

- 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.

Segment Revenue	Group		Increase/ (Decrease) %
	Period Ended		
	30/06/23 S\$'000	30/06/22 S\$'000	
Rental	9,696	9,812	(1.2)
Hotel	77,745	62,899	23.6
Industrial	17,931	20,269	(11.5)
Investment	-	28	(100.0)
Others	-	160	(100.0)
Total	105,372	93,168	13.1
Segment result	Group		Increase/ (Decrease) %
	Period Ended		
	30/06/23 S\$'000	30/06/22 S\$'000	
Rental	5,196	6,318	(17.8)
Hotel	19,729	19,481	1.3
Industrial	3	1,362	(99.8)
Investment	(6)	16	Nm
Development	(3)	(3)	-
Others ⁽²⁾	(1,235)	(2,380)	(48.1)
Earnings before interests, taxes, depreciation and amortisation ("EBITDA") ⁽¹⁾	23,684	24,794	(4.5)
Finance costs	(9,172)	(3,621)	153.3
Depreciation expenses	(13,590)	(14,855)	(8.5)
Re-development related costs ⁽³⁾	-	(26)	Nm
Termination benefits ⁽⁴⁾	-	(19)	Nm
Interest income	214	167	28.4
Profit before taxation	1,136	6,440	(82.4)
Income tax expense	(2,363)	(1,652)	43.1
(Loss)/profit after income tax	(1,227)	4,788	

Nm denotes Not meaningful

¹ EBITDA is defined as profit/(loss) before interest, depreciation expenses, tax and other gain/(loss)

² Others mainly include Corporate expenses and foreign currency translation gain/(loss)

³ Re-development related costs expensed-off for project in Perth, Australia

⁴ Costs pertaining to the restructuring measures undertaken for Hotel Division

HALF YEAR 2023 ANNOUNCEMENT

Overall Performance of the Group

The revenue of the Group for the period ended 30 June 2023 ('1H2023') of S\$105.372 million increased by 13.1% from S\$93.168 million for the period ended 30 June 2022 ('1H2022'). The increase was mainly attributable to better performance by the Group's Hotel Division with most countries re-opening their borders and lifting of travel restrictions.

EBITDA for 1H2023 of S\$23.684 million decreased by 4.5% as compared to 1H2022 EBITDA of S\$24.794 million mainly due to the the lower contributions from Industrial and Rental Divisions partially offset by the higher contribution from Hotel Division.

Finance cost increased from S\$3.621 million in 1H2022 to S\$9.172 million in 1H2023 due to higher interest rates and additional borrowings to fund investments during the period.

The Group's profit before taxation for 1H2023 of S\$1.136 million as compared to S\$6.440 million in 1H2022 mainly due to higher finance cost and lower EBITDA as explained above.

Group net loss after tax for 1H2023 was S\$1.227 million compared to net profit after tax of S\$4.788 million for 1H2022.

Rental Division

Revenue for the Rental Division of \$9.696 million for 1H2023 decreased by 1.2% from S\$9.812 million for 1H2022 mainly due to lower rental rates.

Segment EBITDA of S\$5.196 million for 1H2023 decreased by 17.8% from S\$6.318 million for 1H2022 mainly due to charitable donations of S\$0.530 million, higher utility costs and lower revenue as mentioned above.

Hotel Division

Revenue for the Hotel Division of S\$77.745 million for 1H2023 increased by 23.6% from S\$62.899 million for 1H2022 as majority of the hotels achieved recovery in room and occupancy rates with countries re-opening their borders and lifting of travel restrictions.

Segment EBITDA of S\$19.729 million for 1H2023 increased by 1.3% from S\$19.481 million for 1H2022 mainly due to increase in revenue, offset by higher operating costs.

Industrial Division

Revenue for the Industrial Division of S\$17.931 million for 1H2023 decreased by 11.5% from S\$20.269 million for 1H2022 mainly due to fewer new contracts secured, non-renewal of contracts upon expiry and rollover effects of contracts expired during FY2022 for both the waste disposal and contract cleaning businesses.

Segment EBITDA of S\$0.003 million for 1H2023 decreased by 99.8% from S\$1.362 million for 1H2022 mainly due to decrease in revenue and lower government grants partially offset by lower operating expenses.

Investment Division

Revenue for the Investment Division of Nil in 1H2023, compared to S\$0.028 million in 1H2022 derived from dividends received from quoted equity investments.

Segment EBITDA of S\$0.006 million for 1H2023 decreased by S\$0.022 million from S\$0.016 million in 1H2022.

Property - Development Division

Segment negative EBITDA of S\$0.003 million for 1H2023 and 1H2022 were due to general and administrative expenses incurred.

Statement of Cash Flows

Half Year 2023

Net decrease in cash and cash equivalents of S\$8.406 million was due to net cash used in investing activities of S\$18.876 million and financing activities of S\$9.362 million partially offset by net cash provided by operating activities of S\$19.832 million.

Net cash provided by operating activities was due mainly from business operations.

Net cash used in investing activities was due mainly to purchase of property, plant and equipment partially offset by the proceeds from disposal of property, plant and equipment.

Net cash used in financing activities was due mainly to repayment of bank borrowings, interest, dividends payments and the payment to non-controlling shareholders for purchase of shares in subsidiary and partially offset by proceeds from bank borrowings.

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 Rental Division continues to face challenges due to higher operating costs.

The market conditions for the Hotel Division's countries of operation are expected to remain challenging. Despite most countries opening their borders and lifting of travel restrictions, the increase in the supply of hotels have also resulted in more challenging and competitive market conditions. The construction for the hotels in Douz, Tunisia and Medina of Tunis, Tunisia are ongoing and barring any unforeseen circumstances, both hotels are scheduled for operational completion by end of 2023 and end of 2024 respectively.

The Industrial Division is expected to face challenges in its contract cleaning and waste disposal businesses primarily due to intense market competition, increasing material costs, and higher wage expenses. The implementation of the revised Progressive Wage Model ('PWM') for the contract cleaning business in July 2023 and commencement of PWM for the waste disposal business in July 2023 has further compounded the pressure on wage costs, impacting the Industrial Division's bottom line. Despite these challenges, the division remains committed to managing its cash reserves and optimise its operations and intensify efforts to secure more contracts.

The Investment Division's performance will continue to be influenced by volatility of the various stock markets.

Note 10a The above note contains forward looking statements that involve a fair amount of uncertainties pertaining to future operating conditions. Actual future performance may differ from those views expressed as a result of a number of uncertainties and assumptions such as the general economy and industry conditions, level of market competition and shift in supply or demand patterns. You are cautioned not to place undue reliance on these forward looking statements, which are based on current view of management on future events.

11 **Dividend**

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

Any dividend declared 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.

12 **If no dividend has been declared/recommended, a statement to that effect**

No dividend has been declared or recommended for the period ended 30 June 2023 as it is not the usual practice of the Company to declare interim dividend.

13 **If no IPT mandate has been obtained, a statement to that effect**

The Company has not obtained a general mandate from shareholders.

Part II ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT
(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

14 Segment analysis

The segment information of the Group is organised into the following reportable segments:

- (a) Rental - Operations in this segment comprise the owning and letting of properties.
- (b) Hotel - Activities in this segment include development and operation of hotels and a golf course.
- (c) Industrial - This segment of activities covers waste collection and disposal and contract cleaning.
- (d) Investment - These activities relate to securities trading and investment holding.
- (e) Development - Activities in this segment include the development of properties.
- (f) Others - Operations in this segment include mainly the provision of management services and the operation of restaurants. Unallocated net expenses incurred by the Group are included here.

Except as indicated above, there are no operating segments that have been aggregated to form the above reportable operating segments.

These operating segments are reported in a manner consistent with internal reporting provided to the Group's chief operating decision-maker who is responsible for allocating resources and assessing performance of the operating segments.

	Rental	Rental	Hotel	Hotel	Industrial	Industrial	Investment	Investment	Development	Development	Others	Others	Consolidated	Consolidated
	1H2023	1H2022	1H2023	1H2022	1H2023	1H2022	1H2023	1H2022	1H2023	1H2022	1H2023	1H2022	1H2023	1H2022
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Revenue														
External revenue	9,696	9,812	77,745	62,899	17,931	20,269	-	28	-	-	-	160	105,372	93,168
Inter-segment revenue	-	11	457	318	470	323	-	79	-	-	5,445	8,822	6,372	9,553
Total revenue	9,696	9,823	78,202	63,217	18,401	20,592	-	107	-	-	5,445	8,982	111,744	102,721
Result														
Segment results	5,196	6,318	19,729	19,481	3	1,362	(6)	16	(3)	(3)	(1,235)	(2,380)	23,684	24,794
Termination benefits	-	-	-	(19)	-	-	-	-	-	-	-	-	-	(19)
Redevelopment costs	-	(26)	-	-	-	-	-	-	-	-	-	-	-	(26)
Depreciation of property, plant and equipment	(28)	(43)	(11,665)	(12,818)	(1,788)	(1,946)	-	-	-	-	(109)	(48)	(13,590)	(14,855)
Finance costs													(9,172)	(3,621)
Interest income													214	167
Profit before tax													1,136	6,440
Segment assets	598,033	580,289	663,742	689,159	24,118	27,459	4,379	5,793	-	-	2,396	2,739	1,292,668	1,305,439
Unallocated assets													3,973	5,234
- deferred tax assets													6,973	2,924
- tax recoverable														
Consolidated total assets													1,303,614	1,313,597
Segment liabilities	6,043	6,196	145,273	191,241	8,418	7,453	15	15	7	7	283,560	238,503	443,316	443,415
Unallocated liabilities													12,541	13,765
- deferred tax liabilities													6,077	4,677
- current tax payable														
Consolidated total liabilities													461,934	461,857
OTHER SEGMENT INFORMATION														
Capital expenditure														
- property, plant and equipment	2	15	16,724	6,105	2,455	73	-	-	-	-	-	1,088	19,180	7,281
- investment properties	-	240	-	-	-	-	-	-	-	-	-	-	-	240
Property, plant and equipment written off	-	-	-	-	-	1	-	-	-	-	-	-	-	1

15 Confirmation of procurement of undertakings from all directors and executives officers

The Company confirms that it has procured the 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.

16 Confirmation pursuant to Rule 705(5) of the Listing Manual

To the best of our knowledge, nothing has come to the attention of the Directors which may render the interim financial statements to be false or misleading in any material aspect.

17 Additional information required pursuant to Rule 706A of the Listing Manual

The following transactions occurred during the financial period ended 30 June 2023:

On 20 March 2023, the Company acquired additional 20.32% equity interest in its listed subsidiary in Singapore, Colex Holdings Limited ("Colex") from its non-controlling interests by way of a scheme of arrangement under Section 210 of the Companies Act 1967. The Company paid \$0.23 per Colex share in cash aggregating to S\$6.193 million, pursuant to the terms of the proposed acquisition by the Company of all issued ordinary shares in the capital of Colex, other than the Colex shares held by the Company and its subsidiary, Coop International Pte Ltd. Consequently, Colex became 100% owned by the Group. On 22 March 2023, Colex was delisted from Singapore Exchange Securities Trading Limited ("SGX-ST").

BY ORDER OF THE BOARD
Foo Soon Soo
Company Secretary
14 August 2023