



# **UNI-ASIA GROUP LIMITED**

Company Registration No: 201701284Z  
Incorporated in the Republic of Singapore

**UNI-ASIA GROUP LIMITED AND ITS SUBSIDIARIES**

**UNAUDITED CONDENSED INTERIM  
CONSOLIDATED FINANCIAL STATEMENTS**

**FOR THE SIX MONTHS AND FULL YEAR ENDED  
31 DECEMBER 2022**

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## Condensed Interim Consolidated Statement of Profit or Loss

For The Six Months And Full Year Ended 31 December 2022

	Note	The Group					
		6 months ended 31 December ("2H")			12 months ended 31 December ("FY")		
		2022 US\$'000	2021 US\$'000	% Change	2022 US\$'000	2021 US\$'000	% Change
Charter income		31,243	27,807	12%	65,279	47,805	37%
Fee income	9	2,352	2,806	(16%)	6,596	5,731	15%
Sale of properties under development	9	(564)	4,043	(114%)	8,658	9,134	(5%)
Investment returns	10	3,623	2,926	24%	4,712	5,431	(13%)
Interest income		173	19	N/M	208	89	134%
Other income		449	173	160%	683	1,245	(45%)
<b>Total income</b>		<b>37,276</b>	<b>37,774</b>	<b>(1%)</b>	<b>86,136</b>	<b>69,435</b>	<b>24%</b>
Employee benefits expenses		(5,053)	(5,269)	(4%)	(10,600)	(9,493)	12%
Amortisation and depreciation		(5,091)	(4,966)	3%	(9,891)	(9,484)	4%
Depreciation of right-of-use assets		(717)	(771)	(7%)	(1,470)	(1,572)	(6%)
Vessel operating expenses		(11,906)	(9,176)	30%	(22,579)	(18,550)	22%
Costs of properties under development sold		458	(3,459)	113%	(7,062)	(7,965)	(11%)
Gain on disposal of asset held for sale		–	–	–	–	365	(100%)
Reversal of impairment of loan receivables		–	–	–	–	1,050	(100%)
Impairment of receivables		–	(47)	(100%)	–	(50)	(100%)
Net foreign exchange gain		4	383	(99%)	1,535	1,562	(2%)
Other expenses		(1,603)	(1,370)	17%	(3,541)	(3,051)	16%
<b>Total operating expenses</b>		<b>(23,908)</b>	<b>(24,675)</b>	<b>(3%)</b>	<b>(53,608)</b>	<b>(47,188)</b>	<b>14%</b>
<b>Operating profit</b>		<b>13,368</b>	<b>13,099</b>	<b>2%</b>	<b>32,528</b>	<b>22,247</b>	<b>46%</b>
Finance costs – interest expense		(1,495)	(1,199)	25%	(2,641)	(2,686)	(2%)
Finance costs – lease interest		(33)	(104)	(68%)	(104)	(243)	(57%)
Finance costs – others		(49)	(61)	(20%)	(186)	(140)	33%
Share of results of associates		2	97	(98%)	(23)	108	(121%)
Allocation to Tokumei Kumiai <sup>1</sup> investors		134	(194)	(169%)	(646)	(290)	123%
<b>Profit before tax</b>		<b>11,927</b>	<b>11,638</b>	<b>2%</b>	<b>28,928</b>	<b>18,996</b>	<b>52%</b>
Income tax expense	11	(515)	(626)	(18%)	(1,039)	(951)	9%
<b>Profit for the period/year</b>		<b>11,412</b>	<b>11,012</b>	<b>4%</b>	<b>27,889</b>	<b>18,045</b>	<b>55%</b>
<b>Profit/(loss) for the period/year attributable to:</b>							
Owners of the parent		11,379	11,021	3%	27,783	18,201	53%
Non-controlling interests		33	(9)	N/M	106	(156)	N/M
		<b>11,412</b>	<b>11,012</b>	<b>4%</b>	<b>27,889</b>	<b>18,045</b>	<b>55%</b>

<sup>1</sup> Tokumei Kumiai ("TK") refers to a form of silent partnership structure used in Japan. Allocation to TK investors refers to share of profit and loss attributable to other TK investors of the TK structure.

## Condensed Interim Consolidated Statement of Comprehensive Income

For The Six Months And Full Year Ended 31 December 2022

	Note	The Group					
		6 months ended 31 December ("2H")			12 months ended 31 December ("FY")		
		2022 US\$'000	2021 US\$'000	% Change	2022 US\$'000	2021 US\$'000	% Change
<b>Profit for the period/year</b>		<b>11,412</b>	<b>11,012</b>	<b>4%</b>	<b>27,889</b>	<b>18,045</b>	<b>55%</b>
Other comprehensive income/(expense) for the period/year, net of tax:							
Items that may be reclassified subsequently to profit or loss:							
Exchange differences on translation of foreign operations		592	(919)	(164%)	(3,336)	(2,967)	12%
Net movement on cash flow hedges		114	(262)	(144%)	520	206	152%
Total other comprehensive income/(expense) for the period/year, net of tax		706	(1,181)	(160%)	(2,816)	(2,761)	2%
<b>Total comprehensive income for the period/year</b>		<b>12,118</b>	<b>9,831</b>	<b>23%</b>	<b>25,073</b>	<b>15,284</b>	<b>64%</b>
<b>Total comprehensive income/(expense) for the period/year attributable to:</b>							
Owners of the parent		12,102	9,835	23%	25,008	15,430	62%
Non-controlling interests		16	(4)	N/M	65	(146)	N/M
		<b>12,118</b>	<b>9,831</b>	<b>23%</b>	<b>25,073</b>	<b>15,284</b>	<b>64%</b>

N/M: Not meaningful

## Condensed Interim Statements of Financial Positions

As At 31 December 2022

	Note	The Group 31 December		The Company 31 December	
		2022 US\$'000	2021 US\$'000	2022 US\$'000	2021 US\$'000
<b>ASSETS</b>					
<b>Non-current assets</b>					
Investment properties	5	11,816	13,085	–	–
Investments	16	32,535	31,379	–	–
Investment in subsidiary		–	–	113,022	113,022
Investment in associates		85	124	–	–
Property, plant and equipment	6	130,111	136,357	1	5
Right-of-use assets		1,080	2,286	251	382
Rental deposit		202	398	–	–
Deferred tax assets		260	158	–	–
<b>Total non-current assets</b>		<b>176,089</b>	<b>183,787</b>	<b>113,274</b>	<b>113,409</b>
<b>Current assets</b>					
Investments	16	695	1,543	–	–
Properties under development		6,009	4,206	–	–
Derivative financial instruments		66	–	–	–
Accounts receivable		596	525	–	–
Amount due from subsidiary		–	–	7,060	4,200
Prepayments, deposits and other receivables		6,062	3,780	53	83
Tax recoverable		69	163	–	–
Cash and bank balances		47,069	36,732	129	760
<b>Total current assets</b>		<b>60,566</b>	<b>46,949</b>	<b>7,242</b>	<b>5,043</b>
<b>Total assets</b>		<b>236,655</b>	<b>230,736</b>	<b>120,516</b>	<b>118,452</b>

## Condensed Interim Statements of Financial Positions (cont'd)

As At 31 December 2022

	Note	The Group 31 December		The Company 31 December	
		2022 US\$'000	2021 US\$'000	2022 US\$'000	2021 US\$'000
<b>EQUITY</b>					
<b>Equity attributable to owners of the parent</b>					
Share capital	7	113,174	113,174	113,174	113,174
Retained earnings		42,811	21,525	4,934	3,001
Hedging reserve		42	(478)	–	–
Exchange reserve		(2,528)	767	–	–
Capital reserve		(2,833)	(2,854)	–	–
<b>Total equity attributable to owners of the parent</b>		<b>150,666</b>	<b>132,134</b>	<b>118,108</b>	<b>116,175</b>
Non-controlling interests		505	440	–	–
<b>Total equity</b>		<b>151,171</b>	<b>132,574</b>	<b>118,108</b>	<b>116,175</b>
<b>LIABILITIES</b>					
<b>Non-current liabilities</b>					
Borrowings	8	41,551	61,556	–	–
Lease liabilities		504	840	125	257
Derivative financial instruments		–	97	–	–
Amount due to subsidiary		–	–	1,000	1,000
Deferred tax liabilities		576	550	–	–
Other payables		–	52	–	–
<b>Total non-current liabilities</b>		<b>42,631</b>	<b>63,095</b>	<b>1,125</b>	<b>1,257</b>
<b>Current liabilities</b>					
Borrowings	8	31,161	22,285	–	–
Lease liabilities		599	3,599	134	131
Due to Tokumei Kumiai investors		911	1,230	–	–
Derivative financial instruments		56	422	–	–
Accounts payable		419	236	–	–
Amount due to subsidiary		–	–	19	4
Other payables and accruals		8,949	6,661	703	555
Income tax payable		758	634	427	330
<b>Total current liabilities</b>		<b>42,853</b>	<b>35,067</b>	<b>1,283</b>	<b>1,020</b>
<b>Total liabilities</b>		<b>85,484</b>	<b>98,162</b>	<b>2,408</b>	<b>2,277</b>
<b>Total equity and liabilities</b>		<b>236,655</b>	<b>230,736</b>	<b>120,516</b>	<b>118,452</b>

## Condensed Interim Consolidated Statement of Changes in Equity

For The Full Year Ended 31 December 2022

The Group	Note	Attributable to the owners of the parent						Non-controlling interests US\$'000	Total equity US\$'000
		Share capital (Note 7) US\$'000	Retained earnings US\$'000	Hedging reserve US\$'000	Exchange reserve US\$'000	Capital reserve US\$'000	Total US\$'000		
At 1 January 2021		113,174	5,086	(684)	3,744	(2,856)	118,464	878	119,342
Profit/(loss) for the year		–	18,201	–	–	–	18,201	(156)	18,045
Other comprehensive income/(expense) for the year		–	–	206	(2,977)	–	(2,771)	10	(2,761)
Total comprehensive income/(expense) for the year		–	18,201	206	(2,977)	–	15,430	(146)	15,284
Acquisition of additional interests in a subsidiary		–	–	–	–	–	–	(52)	(52)
Distributions to owners:									
Final dividend in respect of 2020	12	–	(592)	–	–	–	(592)	–	(592)
Interim dividend in respect of 2021	12	–	(1,170)	–	–	–	(1,170)	–	(1,170)
Transfer to capital reserve		–	–	–	–	2	2	(2)	–
Payment to non-controlling interests		–	–	–	–	–	–	(238)	(238)
At 31 December 2021 and at 1 January 2022		113,174	21,525	(478)	767	(2,854)	132,134	440	132,574
Profit for the year		–	27,783	–	–	–	27,783	106	27,889
Other comprehensive income/(expense) for the year		–	–	520	(3,295)	–	(2,775)	(41)	(2,816)
Total comprehensive income/(expense) for the year		–	27,783	520	(3,295)	–	25,008	65	25,073
Distributions to owners:									
Final and special dividends in respect of 2021	12	–	(2,828)	–	–	–	(2,828)	–	(2,828)
Interim dividend in respect of 2022	12	–	(3,648)	–	–	–	(3,648)	–	(3,648)
Transfer to capital reserve		–	(21)	–	–	21	–	–	–
At 31 December 2022		113,174	42,811	42	(2,528)	(2,833)	150,666	505	151,171

## Condensed Interim Statement of Changes in Equity

For The Full Year Ended 31 December 2022

<b>The Company</b>	<b>Note</b>	<b>Share capital (Note 7) US\$'000</b>	<b>Retained earnings US\$'000</b>	<b>Total equity US\$'000</b>
At 1 January 2021		113,174	678	113,852
Profit for the year, representing total comprehensive income for the year		–	4,085	4,085
Distribution to owners:				
Final dividend in respect of 2020	12	–	(592)	(592)
Interim dividend in respect of 2021	12	–	(1,170)	(1,170)
At 31 December 2021 and at 1 January 2022		113,174	3,001	116,175
Profit for the year, representing total comprehensive income for the year		–	8,409	8,409
Distribution to owners:				
Final and special dividends in respect of 2021	12	–	(2,828)	(2,828)
Interim dividend in respect of 2022	12	–	(3,648)	(3,648)
At 31 December 2022		113,174	4,934	118,108



## Condensed Interim Consolidated Statement of Cash Flows

For The Full Year Ended 31 December 2022

	Note	The Group	
		12 months ended 31 December	
		2022 US\$'000	2021 US\$'000
<b>Cash flows from operating activities</b>			
Profit before tax		28,928	18,996
Adjustments for:			
Investment returns	10	(4,712)	(5,431)
Amortisation and depreciation		9,891	9,484
Depreciation of right-of-use assets		1,470	1,572
Write-off of property, plant and equipment		43	6
Gain on disposal of asset held for sale		–	(365)
Reversal of impairment of loan receivables		–	(1,050)
Impairment of receivables		–	50
Net foreign exchange gain		(1,535)	(1,562)
Interest income		(208)	(89)
Finance costs – interest expense		2,641	2,686
Finance costs – lease interest		104	243
Finance costs – others		186	140
Share of results of associates		23	(108)
Allocation to Tokumei Kumiai investors		646	290
<b>Operating cash flows before changes in working capital</b>		<b>37,477</b>	<b>24,862</b>
Changes in working capital:			
Net change in properties under development		(2,331)	1,771
Net change in accounts receivable		(95)	653
Net change in prepayments, deposits and other receivables		(2,072)	(280)
Net change in accounts payable		206	9
Net change in other payables and accruals		2,424	2,087
<b>Cash flows generated from operations</b>		<b>35,609</b>	<b>29,102</b>
Interest received on bank balances		177	24
Tax paid		(862)	(747)
<b>Net cash flows generated from operating activities</b>		<b>34,924</b>	<b>28,379</b>

## Condensed Interim Consolidated Statements of Cash Flow (cont'd)

For The Full Year Ended 31 December 2022

	Note	The Group	
		12 months ended 31 December	
		2022 US\$'000	2021 US\$'000
<b>Cash flows from investing activities</b>			
Purchase of investment properties		(337)	(4,240)
Purchase of investments		(3,161)	(3,703)
Proceeds from redemption/sale of investments		6,458	9,020
Deconsolidation of consolidated entities		(27)	(8)
Deposits paid for small residential projects		(4)	(11)
Purchase of property, plant and equipment		(3,810)	(2,050)
Proceeds from disposal of asset held for sale		–	9,758
Net redemption from Tokumei Kumiai investors		(824)	(857)
Net loans repaid		–	1,050
Interest received from loans and finance lease		13	62
Income proceeds from investments		–	1,124
Settlement of derivative financial instruments		–	(5)
Proceeds from property rental		584	835
<b>Net cash flows (used in)/generated from investing activities</b>		<b>(1,108)</b>	<b>10,975</b>
<b>Cash flows from financing activities</b>			
Proceeds from borrowings		8,275	11,828
Repayment of borrowings		(16,875)	(39,463)
Interests and other finance cost paid on borrowings		(2,729)	(2,881)
Lease principal paid		(3,597)	(3,628)
Lease interest paid		(103)	(243)
Dividends paid	12	(6,476)	(1,762)
Payment to non-controlling interests		–	(238)
<b>Net cash flows used in financing activities</b>		<b>(21,505)</b>	<b>(36,387)</b>
<b>Net increase in cash and cash equivalents</b>		<b>12,311</b>	<b>2,967</b>
Movements in cash and cash equivalents:			
Cash and cash equivalents at beginning of the year		36,732	35,477
Net increase in cash and cash equivalents		12,311	2,967
Effects of foreign exchange rate changes, net		(1,974)	(1,712)
<b>Cash and cash equivalents at end of the year</b>		<b>47,069</b>	<b>36,732</b>

## Notes To The Condensed Interim Consolidated Financial Statements

### 1. Corporate information

Uni-Asia Group Limited (the “Company”) is a limited liability company incorporated in Singapore on 12 January 2017 and its shares are listed and publicly traded on the Mainboard of the Singapore Exchange.

The registered office and principal place of business of the Company is located at 30 Cecil Street #10-06/07, Prudential Tower, Singapore 049712.

The principal activities of Company and its subsidiaries (collectively, the “Group”) are finance arrangement, investment and investment management of alternative assets including shipping and real estates in Japan, Hong Kong and China.

### 2. Basis of preparation

These unaudited condensed interim consolidated financial statements as at and for the six months and the year ended 31 December 2022 have been prepared in accordance with *IAS 34 Interim Financial Reporting* issued by the International Accounting Standards Board (“IASB”) and *SFRS(I) 1-34 Interim Financial Reporting* issued by the Accounting Standards Council Singapore (“ASC”). The condensed interim consolidated 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 2021.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with International Financial Reporting Standards (“IFRSs”) issued by the IASB and Singapore Financial Reporting Standards (International) (“SFRS(I)s”) issued by the ASC (collectively, the “Standards”), except for the adoption of new and amended standards as set out in Note 2.1.

The condensed interim consolidated financial statements are presented in United States dollars (“USD” or “US\$”) which is the Company’s functional currency, and all values are rounded to the nearest thousand (“US\$’000”), except when otherwise indicated.

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

A number of amendments to Standards have become applicable for the current reporting year. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting these standards.

#### 2.2. Use of judgements and estimates

The preparation of the condensed interim consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the assets or liabilities affected in future periods.

The significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2021.

## Notes To The Condensed Interim Consolidated Financial Statements

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

#### 2.2. Use of judgements and estimates (cont'd)

##### *Judgements made in applying accounting policies*

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the condensed interim consolidated financial statements:

##### *Determination of functional currency*

The Group measures foreign currency transactions in the respective functional currencies of the Company and its subsidiaries. In determining the functional currencies of the entities in the Group, judgement is required to determine the currency that mainly influences sales prices for goods and services and of the country whose competitive forces and regulations mainly determines the sales prices of its goods and services. The functional currencies of the entities in the Group are determined based on management's assessment of the economic environment in which the entities operate and the entities' process of determining sales prices.

##### *Estimates and assumptions*

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting year, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are described below:

##### *(a) Impairment of vessels held as property, plant and equipment*

The Group owns vessels held as property, plant and equipment for ship chartering business. Indicators of impairment on the vessels was assessed annually to identify whether the vessels may be impaired. The Group computed the vessels' recoverable amount using value in use and compared with its carrying amounts to identify impairment losses when indicators of impairment existed. The key assumptions used in the value in use computation comprise of daily charter rates, disposal values, operational expenses, and discount rate.

The carrying amount of the vessels held as property, plant and equipment as at 31 December 2022 is US\$129.6 million (31 December 2021: US\$135.8 million).

##### *(b) Fair value of unlisted shares in shipping companies*

The Group invested in unlisted shares of special purpose companies that own and charter ships which were carried at fair value through profit or loss. The Group generally used external valuation reports in the fair valuation of the unlisted shares. The key assumptions used in the valuation are daily charter rates, terminal values, operational expenses, and discount rate.

The carrying amount of the unlisted shares in shipping companies as at 31 December 2022 and 31 December 2021 and significant unobservable inputs used in fair valuation including its sensitivity analysis are disclosed in Note 16.

## Notes To The Condensed Interim Consolidated Financial Statements

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

#### 2.2. Use of judgements and estimates (cont'd)

##### *Estimates and assumptions (cont'd)*

##### *(c) Fair value of investment properties and unlisted shares in commercial office and industrial buildings and small residential property developments*

The Group held commercial office buildings and small residential properties as investment properties measured at fair value. In addition, the Group invested in unlisted shares of special purpose companies that held commercial office and industrial buildings and small residential properties measured at fair value through profit or loss. The Group generally used external valuation reports and performed internal valuations in determining fair value of commercial office buildings held as investment properties and commercial office and industrial buildings held through unlisted shares. For small residential property development held through unlisted shares and held as investment properties, the Group used internal valuation in estimating the fair value of the unlisted shares and investment properties. The key assumptions used in the valuations are gross development value, development cost, rental yield, vacancy rate, gross capitalisation rates, expense ratio and discount rate.

The carrying amount of the investment properties and unlisted shares in commercial office and industrial buildings and small residential property developments as at 31 December 2022 and 31 December 2021 are disclosed in Note 16.

### 3. Seasonal operations

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

### 4. Segment information

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on reportable segment profit before tax from continuing operations.

#### (a) *Operating segments*

At 31 December 2022, the Group is organised on a worldwide basis into six (2021: six) main reportable segments (activities):

- (i) Ship Owning and Chartering is the Group's ship owning and chartering business.
- (ii) Maritime Asset Management ("MAM") comprises of the Group's ship investment activity as a venture capital/asset management as well as finance arrangement business;
- (iii) Maritime Services is the Group's ship commercial/technical management business, as well as ship related brokerage service business;
- (iv) Property Investment (ex-Japan) includes the Group's ex-Japan property investment, venture capital/asset management and related business;
- (v) Property Investment (in-Japan) is the Group's in-Japan property investment/asset management and related business; and
- (vi) Headquarters' ("HQ") expenses

No operating segments have been aggregated to form the above reportable operating segments.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

## Notes To The Condensed Interim Consolidated Financial Statements

### 4. Segment information (cont'd)

#### (a) Operating segments (cont'd)

The segment results for the six months ended 31 December 2022 were as follows:

For the 6 months ended 31 December 2022	Shipping			Property		HQ US\$'000	Eliminations <sup>(1)</sup> US\$'000	Total US\$'000
	Ship owning and chartering US\$'000	MAM US\$'000	Maritime services US\$'000	Property investment (ex-Japan) US\$'000	Property investment (in-Japan) US\$'000			
<b>Total income</b>								
External customers	32,079	2,156	521	1,605	686	56	–	37,103
Interest income	101	5	8	11	–	48	–	173
Inter-segment	–	136	702	–	54	–	(892)	–
	32,180	2,297	1,231	1,616	740	104	(892)	37,276
<b>Results</b>								
Amortisation and depreciation	(5,048)	–	(13)	–	(33)	(3)	6	(5,091)
Depreciation of right-of-use assets	(414)	–	–	–	(73)	(230)	–	(717)
Finance costs – interest expenses	(1,526)	–	–	–	(27)	(3)	61	(1,495)
Finance costs – lease interest	(22)	–	–	–	(3)	(8)	–	(33)
Finance costs – others	(30)	–	–	–	(19)	–	–	(49)
Share of results of associate	–	–	–	–	2	–	–	2
Allocation to Tokumei Kumiai investors	–	–	–	–	134	–	–	134
Profit/(loss) before tax	11,990	1,365	73	792	(271)	(2,019)	(3)	11,927
Other segment items are as follows:								
Capital expenditure	3,623	–	3	–	4,460	–	–	8,086
Investment in associate	–	–	–	–	85	–	–	85

<sup>(1)</sup> Inter-segment transactions are eliminated on consolidation.

## Notes To The Condensed Interim Consolidated Financial Statements

### 4. Segment information (cont'd)

#### (a) Operating segments (cont'd)

The segment results for the six months ended 31 December 2021 were as follows:

For the 6 months ended 31 December 2021	Shipping			Property		HQ US\$'000	Eliminations <sup>(1)</sup> US\$'000	Total US\$'000
	Ship owning and chartering US\$'000	MAM US\$'000	Maritime services US\$'000	Property investment (ex-Japan) US\$'000	Property investment (in-Japan) US\$'000			
<b>Total income</b>								
External customers	28,970	980	521	697	6,520	67	–	37,755
Interest income	2	10	2	4	–	1	–	19
Inter-segment	–	134	645	–	67	–	(846)	–
	28,972	1,124	1,168	701	6,587	68	(846)	37,774
<b>Results</b>								
Amortisation and depreciation	(4,914)	–	(8)	–	(45)	(3)	4	(4,966)
Depreciation of right-of-use assets	(413)	–	–	–	(97)	(261)	–	(771)
Finance costs – interest expenses	(1,152)	21	–	–	(70)	(57)	59	(1,199)
Finance costs – lease interest	(95)	–	–	–	(1)	(8)	–	(104)
Finance costs – others	(30)	–	–	–	(31)	–	–	(61)
Share of results of associate	–	–	–	–	97	–	–	97
Allocation to Tokumei Kumiai investors	–	–	–	–	(194)	–	–	(194)
Profit/(loss) before tax	12,579	252	183	91	1,206	(2,670)	(3)	11,638
Other segment items are as follows:								
Capital expenditure	1,555	–	62	–	2,858	–	–	4,475
Investment in associate	–	–	–	–	124	–	–	124

<sup>(1)</sup> Inter-segment transactions are eliminated on consolidation.

## Notes To The Condensed Interim Consolidated Financial Statements

### 4. Segment information (cont'd)

#### (a) Operating segments (cont'd)

The segment results for the year ended 31 December 2022 were as follows:

2022	Shipping			Property		HQ US\$'000	Eliminations <sup>(1)</sup> US\$'000	Total US\$'000
	Ship owning and chartering US\$'000	MAM US\$'000	Maritime services US\$'000	Property investment (ex-Japan) US\$'000	Property investment (in-Japan) US\$'000			
<b>Total income</b>								
External customers	66,681	3,642	1,017	1,732	12,715	141	–	85,928
Interest income	114	13	11	17	–	53	–	208
Inter-segment	–	269	1,497	–	116	–	(1,882)	–
	66,795	3,924	2,525	1,749	12,831	194	(1,882)	86,136
<b>Results</b>								
Amortisation and depreciation	(9,808)	–	(26)	–	(64)	(5)	12	(9,891)
Depreciation of right-of-use assets	(828)	–	–	–	(181)	(461)	–	(1,470)
Finance costs – interest expenses	(2,659)	–	–	–	(65)	(36)	119	(2,641)
Finance costs – lease interest	(81)	–	–	–	(5)	(18)	–	(104)
Finance costs – others	(60)	–	–	–	(64)	(62)	–	(186)
Share of results of associate	–	–	–	–	(23)	–	–	(23)
Allocation to Tokumei Kumiai investors	–	–	–	–	(646)	–	–	(646)
Profit/(loss) before tax	29,752	2,231	626	426	1,676	(5,776)	(7)	28,928
Other segment items are as follows:								
Capital expenditure	3,631	–	10	–	9,685	2	–	13,328
Investment in associate	–	–	–	–	85	–	–	85

<sup>(1)</sup> Inter-segment transactions are eliminated on consolidation.



## Notes To The Condensed Interim Consolidated Financial Statements

### 4. Segment information (cont'd)

#### (a) Operating segments (cont'd)

The segment results for the year ended 31 December 2021 were as follows:

2021	Shipping			Property		HQ US\$'000	Eliminations <sup>(1)</sup> US\$'000	Total US\$'000
	Ship owning and chartering US\$'000	MAM US\$'000	Maritime services US\$'000	Property investment (ex-Japan) US\$'000	Property investment (in-Japan) US\$'000			
<b>Total income</b>								
External customers	50,852	2,677	1,229	829	13,668	91	–	69,346
Interest income	3	62	5	14	–	5	–	89
Inter-segment	–	321	1,046	–	137	–	(1,504)	–
	50,855	3,060	2,280	843	13,805	96	(1,504)	69,435
<b>Results</b>								
Amortisation and depreciation	(9,394)	–	(11)	–	(84)	(6)	11	(9,484)
Depreciation of right-of-use assets	(827)	–	–	–	(198)	(547)	–	(1,572)
Reversal of impairment of loan receivable	–	1,050	–	–	–	–	–	1,050
Finance costs – interest expenses	(2,603)	–	–	–	(139)	(115)	171	(2,686)
Finance costs – lease interest	(225)	–	–	–	(3)	(15)	–	(243)
Finance costs – others	(81)	–	–	–	(57)	(2)	–	(140)
Share of results of associate	–	–	–	–	108	–	–	108
Allocation to Tokumei Kumiai investors	–	–	–	–	(290)	–	–	(290)
Profit/(loss) before tax	18,910	2,567	582	141	2,199	(5,381)	(22)	18,996
Other segment items are as follows:								
Capital expenditure	1,594	–	64	–	10,348	–	–	12,006
Investment in associate	–	–	–	–	124	–	–	124

<sup>(1)</sup> Inter-segment transactions are eliminated on consolidation.

## Notes To The Condensed Interim Consolidated Financial Statements

### 4. Segment information (cont'd)

#### (a) Operating segments (cont'd)

The segment assets and liabilities were as follows:

	Shipping			Property		HQ	Eliminations <sup>(1)</sup>	Total
	Ship owning and chartering US\$'000	MAM US\$'000	Maritime services US\$'000	Property investment (ex-Japan) US\$'000	Property investment (in-Japan) US\$'000			
<b>2022</b>								
Segment assets:								
Total assets	156,606	1,490	2,368	31,073	34,220	11,037	(139)	236,655
Segment liabilities:								
Total liabilities	66,467	–	262	5,020	14,694	6,681	(7,640)	85,484
<b>2021</b>								
Segment assets:								
Total assets	152,360	2,646	2,218	30,873	36,109	6,952	(422)	230,736
Segment liabilities:								
Total liabilities	85,287	–	271	5,335	12,814	4,944	(10,489)	98,162

<sup>(1)</sup> Inter-segment transactions are eliminated on consolidation.

Segment assets consist primarily of investment properties, properties under development, property, plant and equipment, right-of-use assets, receivables, investments, cash and bank balances and derivative financial instruments.

Segment liabilities consist primarily of borrowings, lease liabilities, payables, accruals and derivative financial instruments.

## Notes To The Condensed Interim Consolidated Financial Statements

### 4. Segment information (cont'd)

#### (b) *Geographical information*

The Group's six (2021: six) operating segments operate in three main geographical areas, even though they are managed on a worldwide basis.

Global - the Global segment represents activities with assets or customers with no fixed location, which include ship finance arrangement, investments and asset management of ships, ship owning and chartering.

Asia (ex-Japan) - the Asia (ex-Japan) segment represents activities with assets or customers located in Asia (ex-Japan), which include ship finance arrangement, investments and asset management of properties.

Japan - the Japan segment represents activities with assets or customers located in Japan, which include ship finance arrangement, investments and asset management of properties.

	The Group			
	2H2022 US\$'000	2H2021 US\$'000	2022 US\$'000	2021 US\$'000
Total income:				
Global	34,927	30,367	71,547	54,091
Asia (ex-Japan)	1,646	886	1,846	1,672
Japan	703	6,521	12,743	13,672
	37,276	37,774	86,136	69,435

During the year, total revenue of US\$29.3 million (2021: US\$22.6 million) were with customers where transactions with each of the customer amounted to ten per cent (10%) or more of the Group's revenue.

	The Group	
	2022 US\$'000	2021 US\$'000
Non-current assets:		
Global	131,111	139,324
Asia (ex-Japan)	30,880	30,062
Japan	14,098	14,401
	176,089	183,787

Income and non-current assets attributable to operating segments are based on the countries in which the customers are located. There is no sale between the geographical segments.

## Notes To The Condensed Interim Consolidated Financial Statements

### 5. Investment properties

	The Group	
	2022 US\$'000	2021 US\$'000
Beginning of year	13,085	9,853
Additions	337	4,254
Currency translation differences	(1,606)	(1,022)
End of year	11,816	13,085

The following amounts are recognised in profit or loss:

	The Group	
	2022 US\$'000	2021 US\$'000
Rental income	518	454
Direct operating expenses arising from:		
- Investment properties that generated rental income	70	100

The Group has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment property or for repairs, maintenance or enhancements.

Further particulars of the Group's investment properties are detailed below:

Location	Use	Tenure	Unexpired lease term
Rooms 712-715, 7/F, China Shine Plaza, 9 Lin He Xi Road, Tianhe District, Guangzhou, PRC <sup>(1)</sup>	Offices	Leasehold	33 years
1-7-12 Shimoochiai, Shinjuku-ku, Tokyo <sup>(2)</sup>	Residential	Freehold	–
1-173-18, Takadanobaba Shinjuku-ku, Tokyo <sup>(3)</sup>	Residential	Freehold	–
2-35-2 Hanegi, Setagaya-ku, Tokyo <sup>(4)</sup>	Residential	Freehold	–

- (1) The Group engages external independent valuer in the fair valuation of the investment property. Market comparable approach is used which makes reference to the estimated or actual market transaction price based on valuer's assumptions.
- (2) The Group uses management's valuation in the fair valuation of the investment property. Discounted cash flow method is used which makes reference to the estimated or actual market rental values and equivalent yields. This investment property amounting to US\$4.4 million (2021: US\$5.0 million) is mortgaged to secure bank borrowing of US\$2.7 million (2021: US\$3.2 million).
- (3) The Group uses management's valuation in the fair valuation of the investment property. Discounted cash flow method is used which makes reference to the estimated or actual market rental values and equivalent yields. This investment property amounting to US\$3.6 million (2021: US\$4.2 million) is mortgaged to secure bank borrowing of US\$2.9 million (2021: US\$2.4 million).
- (4) The Group uses management's valuation in the fair valuation of the investment property. Capitalisation rate method is used which makes reference to the capitalisation rates of similar investment properties in the market. This investment property amounting to US\$2.1 million (2021: US\$2.1 million) is mortgaged to secure bank borrowing of US\$1.5 million (2021: US\$1.5 million).

## Notes To The Condensed Interim Consolidated Financial Statements

### 6. Property, plant and equipment

During the year, the Group acquired assets amounting to US\$3.8 million (2021: acquired assets amounting to US\$1.9 million).

### 7. Share capital

	The Group and the Company			
	2022		2021	
	Number of shares '000	Share capital US\$'000	Number of shares '000	Share capital US\$'000
<b>Issued and fully paid:</b>				
Beginning of year	78,600	113,174	78,600	113,174
End of year	78,600	113,174	78,600	113,174

The Company did not hold any treasury shares nor have any outstanding convertibles as at 31 December 2022 and 31 December 2021.

The Company's subsidiaries do not hold any shares in the Company as at 31 December 2022 and 31 December 2021.

### 8. Borrowings

	The Group		The Company	
	2022 US\$'000	2021 US\$'000	2022 US\$'000	2021 US\$'000
<b>Non-current</b>				
Repayable per terms of loan facilities:				
Secured	41,551	61,556	–	–
Unsecured	–	–	–	–
	41,551	61,556	–	–
<b>Current</b>				
Repayable per terms of loan facilities:				
Secured	31,161	19,285	–	–
Unsecured	–	3,000	–	–
	31,161	22,285	–	–

The Group's borrowings are secured by means of investment properties (Note 5); property, plant and equipment; and properties under development.

## Notes To The Condensed Interim Consolidated Financial Statements

### 9. Revenue

	The Group			
	2H2022 US\$'000	2H2021 US\$'000	2022 US\$'000	2021 US\$'000
Asset management and administration fee	1,585	1,681	3,219	3,262
Arrangement and agency fee	139	594	1,882	1,605
Brokerage commission	402	263	1,172	596
Incentive fee	226	268	323	268
Total fee income	2,352	2,806	6,596	5,731
Add: Non-lease component of charter hire income	11,839	9,085	22,428	18,285
Add: Sale of properties under development	(564)	4,043	8,658	9,134
Total revenue from contract with customers	13,627	15,934	37,682	33,150

### 10. Investment returns

	The Group			
	2H2022 US\$'000	2H2021 US\$'000	2022 US\$'000	2021 US\$'000
Realised gain/(loss) on investments:				
- Shipping	1,963	528	2,066	1,443
- Commercial office/industrial buildings	–	(166)	–	(166)
- Small residential property developments	203	838	784	1,481
- Listed shares	–	–	–	527
Property rental income	279	397	661	725
Fair value adjustment on investments:				
- Shipping	(77)	55	(77)	206
- Commercial office/industrial buildings	1,335	580	1,168	539
- Small residential property developments	(64)	104	85	208
- Others	(16)	(42)	25	(164)
Net adjustments on derivative financial instruments	–	632	–	632
	3,623	2,926	4,712	5,431

## Notes To The Condensed Interim Consolidated Financial Statements

### 11. Income tax

The Group calculates the period income tax expense using tax rates prevailing in the countries in which the Group operates, based on existing legislation, interpretations and practices in respect thereof, that would also be applicable to the expected total annual earnings.

	The Group			
	2H2022 US\$'000	2H2021 US\$'000	2022 US\$'000	2021 US\$'000
Current income taxation	554	793	1,093	1,115
Under/(over)-provision in respect of prior years	19	(192)	(2)	(192)
Deferred income tax expense relating to origination and reversal of temporary differences	(57)	(493)	(51)	(490)
Deferred income tax expense relating to utilisation of previously unrecognised tax losses	(1)	518	(1)	518
Income tax expense recognised in profit or loss	515	626	1,039	951

### 12. Dividends

	The Group and the Company	
	2022 US\$'000	2021 US\$'000
<b>Paid during the year:</b>		
<i>Dividends on ordinary shares:</i>		
- Final and special dividends for 2021: SG cents 5.0 per share (S\$3.9 million) (2020: final dividend of SG cents 1.0 per share (S\$0.79 million))	2,828	592
- Interim dividend for 2022: SG cents 6.5 per share (S\$5.1 million) (2021: SG cents 2.0 per share (S\$1.57 million))	3,648	1,170
	6,476	1,762

	The Group and the Company	
	2022 S\$'000	2021 S\$'000
<b>Proposed but not recognised as a liability as at 31 December:</b>		
<i>Dividends on ordinary shares, subject to shareholders' approval at the AGM:</i>		
- Final dividend for 2022: SG cents 3.00 per share (2021: SG cents 3.00 per share)	2,358	2,358
- Special dividend for 2022: SG cents 5.00 per share (2021: SG cents 2.00 per share)	3,930	1,572
	6,288	3,930

## Notes To The Condensed Interim Consolidated Financial Statements

### 13. Profit per share

Basic and diluted profit per share is calculated by dividing the profit attributable to owners of the parent by the weighted average number of ordinary shares in issue during the year.

The following table reflects the profit and share data used in computation of basic and diluted profit per share for the year:

	The Group			
	2H2022	2H2021	2022	2021
Weighted average number of ordinary shares in issue ('000)	78,600	78,600	78,600	78,600
Profit attributable to owners of the parent (US\$'000)	11,379	11,021	27,783	18,201
Profit per share (US cents per share) – basic and diluted	14.48	14.02	35.35	23.16

### 14. Net asset value

	The Group		The Company	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
Total number of ordinary shares in issue ('000)	78,600	78,600	78,600	78,600
Net asset value per ordinary share (US\$)	1.92	1.69	1.50	1.48

### 15. Deconsolidation of consolidated entities

During the year ended 31 December 2022, the Group dissolved the investments in GK Alero 43, GK Alero 50 and GK Alero 52 (2021: GK Alero 33 and GK Alero 44). The consolidated entities were dormant following the disposal of their investment in small residential properties.

In 2021, wholly owned Florida Containership S.A. was liquidated and deconsolidated following the disposal of its containership investment.

No gain or loss arose from the deconsolidation of consolidated entities for the current financial year and the corresponding financial year in 2021.



## Notes To The Condensed Interim Consolidated Financial Statements

### 16. Assets and liabilities measured at fair value

#### (a) Fair value hierarchy

The Group categorises fair value measurements using a fair value hierarchy that is depended 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 assets or liabilities, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (i.e., unobservable inputs).

Analysis of each class of assets and liabilities measured at fair value by level of fair value hierarchy as at the end of the reporting period was as follows:

The Group	Level 1 US\$'000	Level 2 US\$'000	Level 3 US\$'000	Total US\$'000
<b>As at 31 December 2022</b>				
<b>Recurring fair value measurements</b>				
<i>Financial assets</i>				
<u>Fair value through profit or loss</u>				
Unlisted shares				
- Shipping	–	–	1,581	1,581
- Residential	–	–	59	59
- Commercial office/industrial buildings	–	–	28,274	28,274
- Small residential property developments	–	–	2,387	2,387
- Others	–	–	929	929
<u>Derivatives designated as hedges</u>				
Interest rate swaps	–	66	–	66
	–	66	33,230	33,296
<i>Non-financial assets</i>				
Investment properties	–	–	11,816	11,816
	–	66	45,046	45,112
<i>Financial liabilities</i>				
<u>Derivatives designated as hedges</u>				
Cross currency rate swaps	–	(56)	–	(56)

Investments in unlisted shares of special purpose companies that hold ships, residential projects, commercial office/industrial buildings, small residential property developments and other projects are measured at fair value through profit or loss. The fair values of these investments are assessed with reference to the fair values of the underlying assets.

## Notes To The Condensed Interim Consolidated Financial Statements

### 16. Assets and liabilities measured at fair value (cont'd)

#### (a) Fair value hierarchy (cont'd)

The Group	Level 1 US\$'000	Level 2 US\$'000	Level 3 US\$'000	Total US\$'000
<b>As at 31 December 2021</b>				
<b>Recurring fair value measurements</b>				
<i>Financial assets</i>				
<u>Fair value through profit or loss</u>				
Unlisted shares				
- Shipping	–	–	2,745	2,745
- Residential	–	–	68	68
- Commercial office/industrial buildings	–	4,365	22,523	26,888
- Small residential property developments	–	–	1,635	1,635
- Others	–	–	1,586	1,586
	–	4,365	28,557	32,922
<i>Non-financial assets</i>				
Investment properties	–	–	13,085	13,085
	–	4,365	41,642	46,007
<i>Financial liabilities</i>				
<u>Derivatives designated as hedges</u>				
Interest rate swaps	–	(271)	–	(271)
Cross currency rate swaps	–	(248)	–	(248)
	–	(519)	–	(519)

## Notes To The Condensed Interim Consolidated Financial Statements

### 16. Assets and liabilities measured at fair value (cont'd)

#### (a) Fair value hierarchy (cont'd)

The movements in fair value measurements in Level 3 during the periods were as follows:

The Group	Unlisted shares US\$'000	Investment properties US\$'000	Total US\$'000
At 1 January 2021	18,733	9,853	28,586
Fair value adjustment recognised in profit or loss	814	–	814
Purchases	3,610	4,254	7,864
Disposals	(5,801)	–	(5,801)
Transfers into level 3	11,657	–	11,657
Currency translation differences	(456)	(1,022)	(1,478)
At 31 December 2021 and at 1 January 2022	28,557	13,085	41,642
Fair value adjustment recognised in profit or loss	1,201	–	1,201
Purchases	3,160	337	3,497
Disposals	(5,660)	–	(5,660)
Income proceeds from investments	2,052	–	2,052
Transfers into level 3	4,365	–	4,365
Currency translation differences	(445)	(1,606)	(2,051)
At 31 December 2022	33,230	11,816	45,046

There was no transfer of fair value measurements between Level 1 and Level 2 during the periods.

#### (b) Level 2 fair value measurements

The following is a description of the valuation techniques and inputs used in the fair value measurement for assets and liabilities that are categorised within Level 2 of the fair value hierarchy:

##### *Derivative financial instruments*

Forward currency contracts and interest rate swap contracts are valued using a valuation technique with market observable inputs. The most frequently applied valuation techniques include forward pricing and swap models, using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, interest rate curves and forward rate curves.

## Notes To The Condensed Interim Consolidated Financial Statements

### 16. Assets and liabilities measured at fair value (cont'd)

#### (c) Level 3 fair value measurements

Description of significant unobservable inputs used in Level 3 fair value measurements are as follows:

Descriptions	Note	Fair value at		Valuation techniques	Significant unobservable inputs	Range	
		2022 US\$'000	2021 US\$'000			2022	2021
<b>Commercial office/industrial building:</b>							
- Unlisted shares	(i)	4,798	12,664	Income approach	Gross development value per square foot	HK\$13,000 – HK\$14,000	HK\$14,000 – HK\$16,000
					Discount rate	5.6%	5.0%
					Development cost per square foot	HK\$2,000	HK\$1,400 – HK\$2,100
		23,476	9,859	Market comparable approach	Adjustments on market transaction price based on valuer's assumption <sup>1</sup>	5.0 - 20.0%	5.0 - 20.0%
- Investment properties		1,690	1,843	Market comparable approach	Adjustments on market transaction price based on valuer's assumption <sup>1</sup>	5.0 – 20.0%	5.0 - 20.0%
<b>Shipping:</b>							
- Unlisted shares	(ii)	1,490	2,641	Income approach	Daily charter rate	US\$8,000 - US\$27,000	US\$11,000 - US\$21,000
					Terminal value	US\$14 million	US\$Nil
					Discount rate	9.2% - 10.0%	6.7% - 7.4%
<b>Small residential property developments:</b>							
- Investment properties		10,126	11,242	Income approach	Property completed:		
					Discount rate/Gross capitalisation rate	5%	5%
					Monthly rental per square meter	JPY4,000 – JPY5,000	JPY4,000 – JPY5,000
				Income approach	Property under construction:		
					Gross development value per square meter	JPY1.2 million	–
					Development cost per square meter	JPY0.4 million	–
					Discount rate	5%	–

<sup>1</sup> the adjustments are made taking into account any difference in the nature, location or condition of the specific property

## Notes To The Condensed Interim Consolidated Financial Statements

### 16. Assets and liabilities measured at fair value (cont'd)

#### (c) Level 3 fair value measurements (cont'd)

The following table shows the impact on the Level 3 fair value measurement of assets and liabilities that are sensitive to changes in unobservable inputs that reflect reasonably possible alternative assumptions. The positive and negative effects are approximately the same unless stated otherwise.

Note	Descriptions	Significant unobservable inputs	Percentage change	Impact of percentage change in inputs on profit before tax	
				2022 US\$'000	2021 US\$'000
<b>Commercial office/industrial building:</b>					
(i)	- Unlisted shares	Gross development value per square foot	(15%)	(1,131)	(3,070)
		Discount rate	(2%)	173	136
		Development cost per square foot	(5%)	87	191
		Adjustments on market transaction price based on valuer's assumption	(20%)	(7,528)	(3,190)
<b>Shipping:</b>					
(ii)	- Unlisted shares	Daily charter rate	5%	675	1,408
		Selling price at end of lease term <sup>1</sup>	15%	197	-
		Discount rate	1%	14	(157)

<sup>1</sup> There are no negative effect as the investments with this input are already nil balance.

#### (d) Valuation policies and procedures

Management oversees the Group's financial reporting valuation process and is responsible for setting and documenting the Group's valuation policies and procedures.

For valuation performed by external valuation experts, management reviews the appropriateness of the valuation methodologies and assumptions adopted as well as evaluates the appropriateness and reliability of the inputs (including those developed internally by the Group) used in the valuations.

In selecting the appropriate valuation models and inputs to be adopted for each valuation that uses significant non-observable inputs, external valuation experts are requested to calibrate the valuation models and inputs to actual market transactions (which may include transactions entered into by the Group with third parties as appropriate) that are relevant to the valuation if such information are reasonably available.

Significant changes in fair value measurements from period to period are evaluated by management for reasonableness. Key drivers of the changes are identified and assessed for reasonableness against relevant information from independent sources or internal sources if necessary and appropriate.

Management documents and reports its analysis and results of the external valuations to the Board of Directors on a periodic basis.

## Notes To The Condensed Interim Consolidated Financial Statements

### 16. Assets and liabilities measured at fair value (cont'd)

- (e) ***Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value***

*Accounts receivable, amounts due from subsidiary, other receivables, cash and bank balances, borrowings, due to Tokumei Kumiai investors, accounts payable, amounts due to subsidiary, other payables and accruals.*

The carrying amounts of these financial assets and liabilities other than borrowings at fixed rate are reasonable approximation of fair values due to their short-term nature or that they are floating rate instruments that are re-priced to market interest rates on or near the end of the reporting period.

The carrying amount of borrowings at fixed rate are reasonable approximation of fair values, either due to their short-term nature or that they are fixed rate instruments, which the fixed interest rate are reasonable approximation of market floating rates on or near the end of the reporting period.

### 17. Capital commitments

Capital expenditure contracted for at the end of the reporting period but not recognised in the consolidated financial statements of the Group was as follows:

	<b>The Group</b>	
	<b>2022 US\$'000</b>	<b>2021 US\$'000</b>
Capital commitments in respect of:		
Investment property under construction	492	756
Properties under development	1,767	426

## Notes To The Condensed Interim Consolidated Financial Statements

### 18. Related party transactions

In addition to the information disclosed elsewhere in the consolidated financial statements, the following transactions took place between the Group and related parties in the normal course of business:

	The Group					
	2022			2021		
	Associates US\$'000	Investee companies US\$'000	Other related companies US\$'000	Associates US\$'000	Investee companies US\$'000	Other related companies US\$'000
<b>Consolidated income statement</b>						
Fee income:						
Asset management and administration fee	43	2,438	28	–	2,595	–
Arrangement and agency fee	–	512	1,119	–	1,189	284
Brokerage commission	–	533	–	–	474	2
Incentive fee	–	323	–	–	268	–
Investment returns:						
Realised gain on investments - Shipping	–	2,066	–	–	1,443	–
Property rental income	–	–	75	–	153	77
Miscellaneous Income	–	–	–	–	37	–
Interest income	–	13	–	–	65	–

	The Group					
	2022			2021		
	Associates US\$'000	Investee companies US\$'000	Other related companies US\$'000	Associates US\$'000	Investee companies US\$'000	Other related companies US\$'000
<b>Consolidated balance sheets</b>						
<b>Current</b>						
Accounts receivable	12	251	3	–	241	8
Other payable	–	–	5	–	–	20

Other related companies refer to shareholders of the Group, who fit the definition of related parties and entities invested by an investee company.

### 19. Events occurring after the reporting period

There are no known subsequent events which have led to adjustments to this set of condensed interim consolidated financial statements.

## Other Information Required by Listing Rule Appendix 7.2

### Appendix 7.2 – 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.

### Appendix 7.2 – 3

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

Not applicable.

### Appendix 7.2 – 8

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

#### Review of Consolidated Profit or Loss Statement

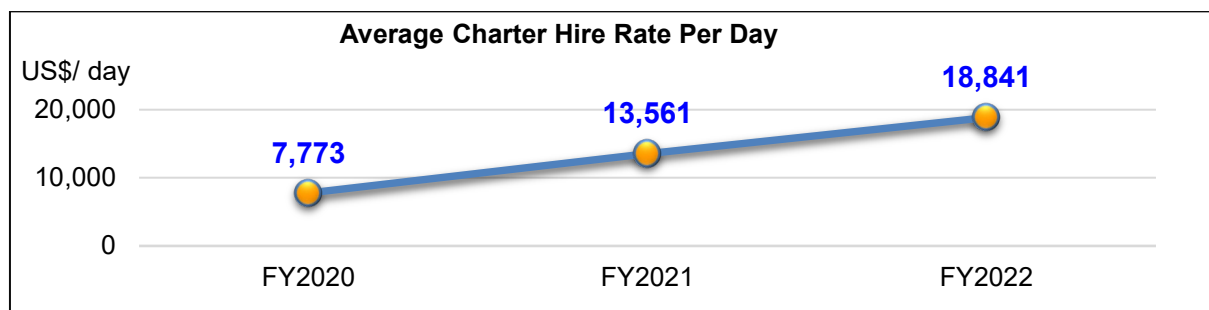
##### Total Income

Total income of the Group was US\$86.1 million for the year ended 31 December 2022 ("FY2022"), a 24% increase from US\$69.4 million for the year ended 31 December 2021 ("FY2021"). Changes in major components of total income, including charter income, fee income, sale of properties under development, investment returns and other income are explained below.

##### (i) Charter Income

Charter income increased by 37% from US\$47.8 million in FY2021 to US\$65.3 million in FY2022.

Dry bulk market was strong in 1H2022 although the market started weakening in 2H2022. Notwithstanding, some of dry bulk carriers in the Group's portfolio were locked in with higher charter rates fixed while the market was strong. The average daily charter rate for the Group's 10 consolidated dry bulk carriers was US\$18,841/day for FY2022 as compared to US\$13,561/day in FY2021, and was 2.4x that in FY2020.



##### (ii) Fee Income

Total fee income was US\$6.6 million in FY2022, an increase of 15% from US\$5.7 million in FY2021. Recurring asset management and administration fee income for FY2022 remained at fairly the same level as that in FY2021. Arrangement and agency fee as well as brokerage commission increased in FY2022 due to more arrangement and brokerage commission deals closed in FY2022. Incentive fees for FY2022 remained at fairly the same level as that in FY2021. Please refer to Note 9 of Notes To The Condensed Interim Consolidated Financial Statements for breakdown of Fee Income for FY2022 and FY2021.



(iii) Sale of properties under development

Properties under development were sold for a total of US\$8.7 million in FY2022 compared to US\$9.1 million in FY2021. The decrease is mainly due to weakening of JPY vis-à-vis USD in FY2022, as the properties under development are projects in Japan.

(iv) Investment Returns

Investment returns for FY2022 was a gain of US\$4.7 million compared to US\$5.4 million for FY2021. Please refer to Note 10 of Notes to The Condensed Interim Consolidated Financial Statements for breakdown of Investment Returns for FY2022 and FY2021.

In FY2022, realised gain from sale of small residential property development projects was US\$0.8 million while realised gain from ship investments was US\$2.1 million.

Property rental income was US\$0.7 million for FY2022, similar to that in FY2021.

Total net fair valuation gain from the Group's shipping, property and other investments were US\$1.2 million for FY2022.

(v) Other Income

In the absence of various one-off miscellaneous receipts in FY2022, other income reduced by 45% from US\$1.2 million in FY2021 to US\$0.7 million in FY2022.

Total Operating Expenses

Employee benefits expenses increased by 12% from US\$9.5 million in FY2021 to US\$10.6 million in FY2022 mainly due to accrual of variable performance bonus component associated with performance of the Group. Amortisation and depreciation remained fairly stable at US\$9.9 million in FY2022 compared to US\$9.5 million in FY2021. Vessel operating expenses increased by 22% from US\$18.6 million in FY2021 to US\$22.6 million in FY2022 mainly as a result of global inflationary trend as well as factors caused by various disruptions due to the COVID-19 pandemic. Costs of properties under development sold were US\$7.1 million for FY2022.

Net foreign exchange gain of US\$1.5 million in FY2022 was mainly due to unrealised translation gain from unhedged portion of Japanese Yen loans arising from weakening of Japanese Yen against US Dollars.

Net operating expenses was US\$53.6 million for FY2022 compared to US\$47.2 million for FY2021, an increase of 14%.

Operating Profit

The Group recorded an operating profit of US\$32.5 million for FY2022 an increase of 46% compared to US\$22.2 million for FY2021.

Finance Costs and Other Costs

Interest on borrowings was US\$2.6 million for FY2022.

The allocation of profit of US\$0.6 million to Tokumei Kumiai investors are similar to the allocation of profit to non-controlling interest, but for Godo Kaisha structure in Japan. The amounts in FY2022 and FY2021 were mainly due to sharing of profit following disposal of joint-investment ALERO projects.

Net Profit After Tax

The Group achieved a net profit after tax of US\$27.9 million for FY2022, the highest net profit achieved in the history of the Group.

## **Review of Statement of Financial Positions**

### **Non-current assets**

The Group's non-current assets decreased by US\$7.7 million from US\$183.8 million on 31 December 2021 to US\$176.1 million on 31 December 2022. Material variances are as follows:

- 1) Decrease in investment properties by US\$1.3 million mainly due to weakened JPY/USD exchange rate resulting in smaller USD amount when translating Japan investment properties (please refer to Note 5 of Notes to The Condensed Interim Consolidated Financial Statements for details);
- 2) Decrease in property, plant and equipment of US\$6.2 million mainly due to depreciation offset by additions (which were due mainly to capitalisation of drydocking-related expenditures); and
- 3) Decrease in right-of-use assets of US\$1.2 million mainly due to depreciation.

### **Current assets**

The Group's current assets increased by US\$13.7 million from US\$46.9 million on 31 December 2021 to US\$60.6 million on 31 December 2022. Material variances are as follows:

- 1) Increase in properties under development of US\$1.8 million from US\$4.2 million on 31 December 2021 to US\$6.0 million on 31 December 2022 due to addition of the Group's ALERO develop-for-sale projects upon development offset by sale of completed development projects;
- 2) Increase in prepayments, deposits and other receivables from US\$3.8 million on 31 December 2021 to US\$6.1 million on 31 December 2022 mainly due to prepayments/other receivables made by ship-owning subsidiaries for ship-related expenditures; and
- 3) Increase in cash and bank balances by US\$10.3 million. Please see the following review of statement of cash flows for further information.

### **Total liabilities**

Total liabilities decreased by US\$12.7 million from US\$98.2 million on 31 December 2021 to US\$85.5 million on 31 December 2022. Material variances are as follows:

- 1) Decrease in total borrowings (including both current and non-current) of the Group by US\$11.1 million mainly due to scheduled repayment of long-term borrowings;
- 2) Decrease in total lease liabilities (including both current and non-current) of the Group by US\$3.3 million due to scheduled lease payments of lease liabilities; and
- 3) Increase in other payables and accruals of US\$2.3 million due to additional payables and accruals relating to year-end, including increased accruals of variable component associated with performance of the Group.

## **Review of Statement of Cash Flows**

The Group's cash and bank balances decreased by US\$10.3 million in FY2022 after the effects of foreign exchange rate changes. Material items are listed below.

[A] US\$34.9 million was generated from operating activities in FY2022, an increase of US\$6.5 million from US\$28.4 million in FY2021. The increase was mainly due to contributions from:

- (i) charter income;
- (ii) sale of properties under development; and
- (iii) fee income from ship finance arrangement deal closed and Japan property-related fee-based services.

[B] Cash flows used in investing activities were US\$1.1 million for FY2022, mainly due to the following:

Main cash inflows from investing activities are from proceeds from redemption/sale of investments of US\$6.5 million, of which US\$3.3 million pertained to small residential property projects (ALERO projects) and US\$3.2 million pertained to proceeds from joint-investment ship investments.

Main cash outflows from investing activities include:

- i) Property related investments of US\$3.2 million; and
- ii) increase in property, plant and equipment of US\$3.8 million mainly due to capitalisation of drydocking-related expenditures.

[C] Cash flows used in financing activities were US\$21.5 million in FY2022.

Main cash outflows from financing activities include:

- i) repayments of borrowings of US\$16.9 million offset by proceeds from borrowings of US\$8.3 million;
- ii) interest and other finance cost paid of US\$2.7 million;
- iii) fixed lease payments classified as lease principal paid (amounting to US\$3.6 million) and lease interest paid (amounting to US\$0.1 million); and
- iv) total dividend of US\$6.5 million (comprising final and special dividend of US\$2.8 million for FY2021, and interim dividend of US\$3.7 million for FY2022) were paid during the year.

#### Appendix 7.2 – 9

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

Not applicable. The Group has not provided a forecast.

#### Appendix 7.2 – 10

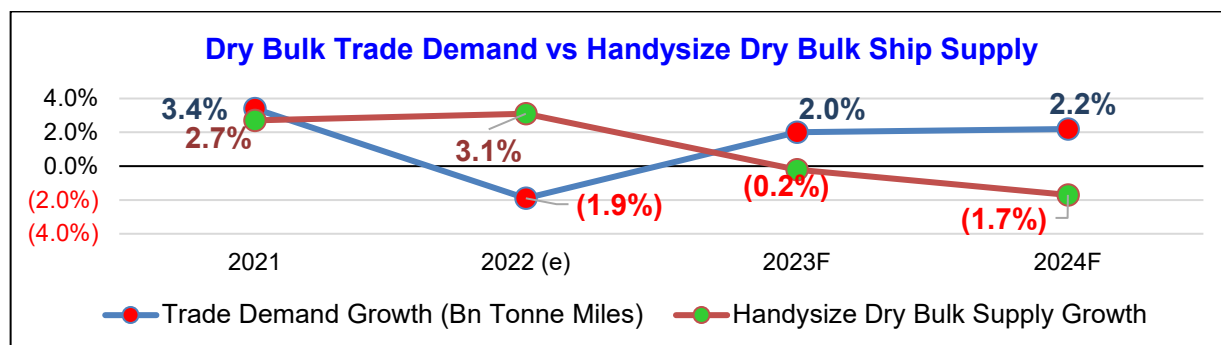
**A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

##### Dry Bulk

The bulkcarrier market started strong in 2022 but weakened in 2H2022 due to softening of seaborne dry bulk trade demand coupled with easing of port congestion. Iron ore trades were on weak trends due to China’s weakening property sector, while the Ukraine war and climate change-induced weather conditions resulted in agricultural trade contractions. Such soft market conditions continued into the start of 2023. While the freight market earnings are expected to be lower on average in 2023 vs 2022, market players are cautiously optimistic that the bulkcarrier market would see some improvements through the year, with a stronger market forecasted in 2024.

According to Clarksons Research Dry Bulk Trade Outlook January 2023 edition, an improvement in the bulkcarrier market from 1Q2023 lows could happen in the latter part of 2023. The range of positive factors supporting this improvement include seasonal factors; opening up of China’s economy; as well as the expectation of an easing of macroeconomic headwinds in the latter part of 2023. These factors could help to boost the demand for seaborne trade and in turn the dry bulk freight market. Dry bulk tonne-miles trade demand is projected to grow by 2.0% and 2.2% in 2023 and 2024 respectively.

On the supply front, the supply for handysize dry bulk ships also appears positive. The handysize dry bulk ship supply is projected to decline by 0.2% in 2023 and 1.7% in 2024. Meanwhile, new emissions regulations could further reduce supply in the market through slower speeds and retrofit time.



Source: Clarksons Research DBTO January 2023

The Group monitors the market closely to work out the most efficient charter profile for the Group’s ship portfolio so as to optimise the potential charter income of the Group based on market expectations.

### Hong Kong Property

The Hong Kong commercial office/industrial property market had been sluggish for the past years due to the COVID-19 pandemic. Notwithstanding, Hong Kong remains a major financial hub in Asia and is home to a large number of multinational corporations. In addition, the city's pro-business environment and highly developed infrastructure are attractive to many businesses and could drive demand for commercial properties in the long term. As Hong Kong gradually recovers from the effects of the pandemic with the city's easing of border controls, Hong Kong commercial office/industrial property market could stabilise in 2023.

### Japan Property

The Tokyo property market has been robust, driven by a combination of factors including a strong economy and low interest rates. Despite the impact of the COVID-19 pandemic, the market has remained resilient. The Group's trademark small residential property projects – "ALERO" series, as well as property asset management and related property businesses continue to anchor the bottomline of the Group's Japan property. Meanwhile, the Group's property arm in Tokyo, Uni-Asia Capital (Japan) Ltd ("UACJ") continually (i) expands its network of investors and counterparties both inside and outside of Japan, and (ii) innovates new Japan property investment ideas for these investors based on feedback, so as to grow the Group's property business in Japan.

## Appendix 7.2 – 11

### Dividend

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

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

Yes.

Name of Dividend (one-tier tax exempt)	Interim	Final	Special	Total
Dividend Type	Cash	Cash	Cash	Cash
Dividend Per Share	6.5 Singapore cents per ordinary share	3 Singapore cents per ordinary share	5 Singapore cents per ordinary share	14.5 Singapore cents per ordinary share
Total Dividend	S\$5,109,000	S\$2,358,000	S\$3,930,000	S\$11,397,000
Payment date	Paid on 30 Sep 2022	31 May 2023	31 May 2023	

#### (b) Corresponding period of the Immediately Preceding Financial Year

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

Name of Dividend (one-tier tax exempt)	Interim	Final	Special	Total
Dividend Type	Cash	Cash	Cash	Cash
Dividend Per Share	2 Singapore cents per ordinary share	3 Singapore cents per ordinary share	2 Singapore cents per ordinary share	7 Singapore cents per ordinary share
Total Dividend	S\$1,572,000	S\$2,358,000	S\$1,572,000	S\$5,502,000
Payment date	Paid on 30 Sep 2021	31 May 2022	31 May 2022	

**(c) The date the dividend is payable.**

31 May 2023

**(d) The date on which Registrable Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividend are determined.**

Up to 5.00 p.m. on 18 May 2023

**Appendix 7.2 – 12**

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

Not applicable.

**Appendix 7.2 – 13**

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

Name of Interested Person	Aggregate value of all interested person transactions conducted under the Shareholders' Mandate (excluding transactions less than S\$100,000) pursuant to Rule 920 US\$'000
Yamasa Co., Ltd (and its associates)	3,703.4

**Appendix 7.2 – 15**

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

The Company confirms that the undertakings under Rule 720(1) of the Listing Manual have been obtained from all its directors and executive officers in the format set out in Appendix 7.7.

**Appendix 7.2 – 16**

**Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.**

Please refer to Note 4 of Notes To The Condensed Interim Consolidated Financial Statements.

**Appendix 7.2 – 17**

**In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.**

Please refer to Note "Appendix 7.2 – 8".

**Appendix 7.2 – 18**
**A breakdown of sales as follows:-**

	<b>2022</b> <b>US\$'000</b>	<b>2021</b> <b>US\$'000</b>	<b>%</b> <b>Change</b>
Total income reported for first half year	48,860	31,661	54%
Profit after tax for first half year	16,477	7,033	134%
Total income reported for second half year	37,276	37,774	(1%)
Profit after tax for second half year	11,412	11,012	4%

**Appendix 7.2 – 19**
**A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year as follows:-**

Please refer to Note "Appendix 7.2 – 11".

**Appendix 7.2 – 20**

**Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13). If there are no such persons, the issuer must make an appropriate negative statement.**

There is no person occupying a managerial position in the Company or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the Company pursuant to Rule 704(13).

**BY THE ORDER OF THE BOARD**

Michio Tanamoto  
 Executive Chairman  
 1 March 2023