



Sim Leisure Group Ltd.
(Incorporated in the Republic of Singapore)
(Company Registration No: 201808096D)

SIM LEISURE GROUP LTD. AND ITS SUBSIDIARIES

CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS AND FULL YEAR ENDED 31 DECEMBER 2023

This announcement has been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd (the "Sponsor"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "Exchange"), and the Exchange assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

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CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS AND FULL YEAR ENDED 31 DECEMBER 2023**

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A. CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Notes	6 months ended 31 Dec		Group			
		2023	2022	Change	12 months ended 31 Dec		
		RM'000 (Unaudited)	RM'000 (Audited)		%	2023 RM'000 (Unaudited)	2022 RM'000 (Audited)
Revenue	6.1	79,891	41,026	94.7	135,485	67,597	> 100
Cost of sales		(42,330)	(14,810)	> 100	(78,127)	(23,381)	> 100
Gross profit		37,561	26,216	43.3	57,358	44,216	29.7
Other income		1,329	2,986	-55.5	8,502	3,415	> 100
Administrative expenses		(15,759)	(5,933)	> 100	(27,192)	(11,007)	> 100
(Impairment loss)/write back of impairment loss on trade and other receivables		(330)	35	> 100	(330)	35	> 100
Finance costs		(2,059)	(1,303)	58.0	(3,215)	(2,414)	33.1
Profit before income tax	7	20,742	22,001	-5.7	35,123	34,245	2.6
Income tax expense	8	(3,742)	(6,178)	-39.4	(6,055)	(8,314)	-27.2
Profit for the financial period/year, net of tax		17,000	15,823	7.4	29,068	25,931	12.1
Items that may be reclassified subsequently to profit or loss:							
Currency translation differences arising from consolidation		(265)	172	> 100	634	294	> 100
Total other comprehensive (loss)/income for the financial year/ period, net of tax		(265)	172	>100	634	294	>100
Total comprehensive income for the financial year/period		16,735	15,995	4.6	29,702	26,225	13.3
Profit attributable to:							
- Owners of the parent		13,042	13,777	-5.3	21,877	22,161	-1.3
- Non-controlling interests		3,958	2,047	93.4	7,191	3,770	90.7
		17,000	15,824	7.4	29,068	25,931	12.1
Total Comprehensive income attributable to:							
- Owners of the parent		12,853	13,880	-7.4	22,227	22,337	-0.5
- Non-controlling interests		3,882	2,115	83.5	7,475	3,888	92.2
		16,735	15,995	4.6	29,702	26,225	13.3
Profit per share⁽¹⁾ attributable to owners of the parent for the financial year/period (cents per share)							
Basic and Diluted ⁽²⁾		7.89	8.33		13.23	13.40	

n.m.: Not meaningful

(1) Computed based on profit attributable to owners of the parent for the respective financial period/year divided by the weighted average number of ordinary shares in issue during the respective financial period/year. The weighted average number of ordinary shares for the six months ended 31 December 2023 and the six months ended 31 December 2022 is 165,365,200 shares, respectively. The weighted average number of ordinary shares for the financial year ended 31 December 2023 ("FY2023") and the financial year ended 31 December 2022 ("FY2022") is 165,365,200 and 165,365,200 shares, respectively.

(2) The Company did not have any dilutive instruments. Hence, the basic and fully diluted earnings/(loss) per share are the same for the respective financial period/year.



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B. CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION

	Notes	Group		Company	
		As at	As at	As at	As at
		31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022
		RM'000 (Unaudited)	RM'000 (Audited)	RM'000 (Unaudited)	RM'000 (Audited)
ASSETS					
Non-current assets					
Property, plant and equipment	11	84,235	80,600	-	-
Right-of-use assets		41,910	25,350	-	-
Intangible assets	12	4,422	1,122	-	-
Deferred tax asset		283	-	-	-
Trade receivables		1,942	-	-	-
Investment in subsidiaries		-	-	52,465	52,132
Total non-current assets		132,792	107,072	52,465	52,132
Current assets					
Cash and bank balances		43,322	36,694	7,833	5,147
Trade and other receivables		39,444	13,112	13,628	18,449
Contract assets		8,110	26	-	-
Inventories		472	307	-	-
Prepayments		1,850	763	8	5
Income tax recoverable		1,362	208	-	-
Total current assets		94,560	51,110	21,469	23,601
Total assets		227,352	158,182	73,934	75,733
EQUITY AND LIABILITIES					
Equity					
Share capital	15	66,575	66,575	66,575	66,575
Capital reserve		76	69	1,329	1,329
Merger reserve		(12,700)	(12,700)	-	-
Foreign currency translation reserve		527	177	-	-
Retained earnings		44,676	31,074	2,597	5,956
Equity attributable to owners of the parent		99,154	85,195	70,501	73,860
Non-controlling interests		10,771	6,030	-	-
Total equity		109,925	91,225	70,501	73,860
Non-current liabilities					
Borrowings	13	10,740	5,322	-	-
Amount due to directors	13	2,845	3,887	-	-
Provisions		3,905	4,714	-	-
Lease liabilities		42,366	20,802	-	-
Deferred tax liabilities		7,859	8,442	-	-
Contract liabilities	14	623	232	-	-
Total non-current liabilities		68,338	43,399	-	-



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B. CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION (CONT'D)

	Notes	Group		Company	
		As at 31 Dec 2023 RM'000 (Unaudited)	As at 31 Dec 2022 RM'000 (Audited)	As at 31 Dec 2023 RM'000 (Unaudited)	As at 31 Dec 2022 RM'000 (Audited)
Current liabilities					
Trade and other payables		26,844	10,020	3,433	1,868
Borrowings	13	3,494	3,458	-	-
Amount due to directors	13	6,445	898	-	-
Lease liabilities		3,627	2,776	-	-
Contract liabilities	14	2,336	1,694	-	-
Income tax payable		6,343	4,712	-	5
Total current liabilities		49,089	23,558	3,433	1,873
Total liabilities		117,427	66,957	3,433	1,873
Total equity and liabilities		227,352	158,182	73,934	75,733



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C. CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY

	Share capital	Capital reserve	Merger reserve	Currency translation reserve	Retained earnings	Equity attributable to owner of the parents	Non-controlling interest	Total equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Group FY2023								
Balance as at 1 January 2023 (audited)	66,575	69	(12,700)	177	31,074	85,195	6,030	91,225
Profit for the financial period	-	-	-	-	21,877	21,877	7,191	29,068
Other Comprehensive Income:								
Currency translation differences arising from consolidation	-	-	-	350	-	350	284	634
Total Comprehensive Income for the financial period	-	-	-	350	21,877	22,227	7,475	29,702
Transaction with owners of the parent								
Dividend paid	-	-	-	-	(8,268)	(8,268)	-	(8,268)
Transactions with non-controlling interests								
Capital contribution by a shareholder of non-controlling interests	-	-	-	-	-	-	133	133
Dividends paid/payable to non-controlling interests of subsidiary	-	-	-	-	-	-	(2,867)	(2,867)
Transfer to statutory reserve	-	7	-	-	(7)	-	-	-
Balance as at 31 December 2023 (unaudited)	66,575	76	(12,700)	527	44,676	99,154	10,771	109,925
Group FY2022								
Balance as at 1 January 2022 (audited)	66,575	117	(12,700)	-	8,913	62,905	3,718	66,623
Profit for the financial period	-	-	-	-	22,161	22,161	3,770	25,931
Other Comprehensive Income:								
Currency translation differences arising from consolidation	-	-	-	177	-	177	117	294
Total Comprehensive Income for the financial period	-	-	-	177	22,161	22,338	3,887	26,225
Transactions with non-controlling interest								
Capital contribution by a shareholder of non-controlling interest	-	-	-	-	-	-	2	2
Changes in ownership interest in subsidiary with no changes in control								
Acquisition of shares from non-controlling interests	0	(18)	0	0	0	(18)	18	0
Effect of dilution of interest in a subsidiary	0	(30)	0	0	0	(30)	30	0
Total changes in ownership in subsidiaries	0	(48)	0	0	0	(48)	48	0
Dividends paid to non-controlling interests of subsidiary	-	-	-	-	-	-	(1,625)	(1,625)
Balance as at 31 December 2022 (audited)	66,575	69	(12,700)	177	31,074	85,195	6,030	91,225



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C. CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY (CONT'D)

	Share capital	Capital reserve	Retained earnings	Total equity
Company FY2023	RM'000	RM'000	RM'000	RM'000
Balance as at 1 January 2023 (audited)	66,575	1,329	5,956	73,860
Profit for the financial year, representing total comprehensive income for the financial year	-	-	4,909	4,909
Dividend paid, representing total distribution to owners of the parent	-	-	(8,268)	(8,268)
Balance as at 31 December 2023 (unaudited)	66,575	1,329	2,597	70,501

	Share capital	Capital reserve	Retained earnings/(accumulated losses)	Total equity
Company FY2022	RM'000	RM'000	RM'000	RM'000
Balance as at 1 January 2022 (audited)	66,575	1,329	(4,177)	63,727
Profit for the financial year, representing total comprehensive income for the financial year	-	-	10,133	10,133
Balance as at 31 December 2022 (audited)	66,575	1,329	5,956	73,860



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D. CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

	Group	
	12 months ended 31 Dec	
	2023	2022
	RM'000	RM'000
	(Unaudited)	(Audited)
Operating activities		
Profit before income tax	35,123	34,245
Adjustments for:		
Depreciation of property, plant and equipment	4,531	4,867
Depreciation of right-of-use assets	2,840	1,703
Accretion for restoration cost	309	275
Amortisation of intangible asset	122	122
Recognition/(write back) of expected credit loss on trade and other receivables	330	(35)
Write-back of provision for slow moving inventories	-	(147)
Gain on bargain purchase	(6,730)	-
Gain on disposal of property, plant and equipment	(10)	(171)
Gain on modification of lease term	-	(8)
Provision for retirement benefits	558	-
Interest expense	3,824	2,414
Interest income	(578)	(149)
Unrealised foreign exchange loss/(gain)	699	(41)
Operating cash flows before working capital changes	41,018	43,075
Working capital changes:		
Inventories	(165)	197
Trade and other receivables	(7,228)	(6,573)
Trade and other payables	1,729	283
Contract liabilities	1,527	(1,003)
Cash generated from operations	36,881	35,979
Income tax paid	(6,582)	(3,928)
Income tax refund	-	310
Retirement benefit payment	(214)	-
Net cash from operating activities	30,085	32,361
Investing activities		
Payments made for an asset at inception of lease	(186)	-
Purchase of property, plant and equipment	(7,790)	(5,322)
Purchase of intangible assets	(3,422)	-
Proceeds from disposal of property, plant and equipment	29	192
Balance payment of asset purchased net of lease financing obtained	-	(14)
Effect on acquisition of subsidiary, net of cash acquired	1,598	-
Net cash used in investing activities	(9,771)	(5,144)
Financing activities		
Proceeds from issuance of shares to non-controlling interests	133	2
Repayment of loan from a director	(4,044)	(1,221)
Proceed from drawdown/(Repayment) of borrowings	3,462	(3,835)
Interest paid	(1,720)	(635)
Repayment of obligations under leases	(2,390)	(2,304)
Dividend paid to equity holders of the Company	(8,268)	-
Dividend paid to non-controlling interests of a subsidiary	(1,967)	(1,625)



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D. CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS (CONT'D)

	Group	
	12 months ended 31 Dec	
	2023	2022
	RM'000	RM'000
Financing activities (cont'd)		
Interest received	569	86
Changes in pledged fixed deposits	(5,196)	(12)
Net cash used in financing activities	(19,421)	(9,544)
Net increase in cash and cash equivalents	893	17,673
Effect of foreign exchange translation	540	350
Cash and cash equivalents at beginning of financial year	35,618	17,595
Cash and cash equivalents at end of financial year	37,051	35,618
Cash and cash equivalents comprise the following:-		
Cash and bank balances (as per Condensed Interim Statements of Financial Position)	43,322	36,694
Less: Fixed deposits pledged for banking facilities	(6,271)	(1,076)
Cash and cash equivalents (as per Condensed Interim Statement of Cash Flows)	37,051	35,618



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E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

1. Corporate information

Sim Leisure Group Ltd. (the “**Company**”) is a public limited company domiciled in Singapore and incorporated on 8 March 2018. The Company was listed on the official list of the Catalist Board of the Singapore Exchange Securities Trading Limited on 1 March 2019. This condensed interim consolidated financial statements as at and for the six months ended 31 December 2023 (“**FY2023**”) comprise the financial information of the Company and its subsidiaries (collectively, the “**Group**”).

The primary activities of the Company is that of investment holding.

The principal activities of the Group are:

- (a) Investment holding;
- (b) Development and operation of theme parks;
- (c) Business in relation to sports, recreation and teambuilding;
- (d) Business in design, project management and installation of adventure parks;
- (e) Business in leasing of non-financial intangible assets and provision of management consultancy services;
- (f) Business in design and construction of theme attractions and nature-inspired parks of the ESCAPE Brand; and
- (g) Owns and operates Kidzania educational and entertainment facility.

2. Basis of Preparation

The condensed interim consolidated financial statements for FY2023 have been prepared in accordance with SFRS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. 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 consolidated financial statements for the year ended 31 December 2022.

The accounting policies and methods of computations adopted are consistent with those adopted by the Company in its most recently audited consolidated financial statements for the year ended 31 December 2022, which were prepared in accordance with SFRS(I)s, except for the adoption of new and revised standards as set out in Note 2.1 of the condensed interim consolidated financial statements.

The condensed interim consolidated financial statements are presented in Malaysia Ringgit (“**RM**”) which is the Company’s functional currency.



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E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

2.1 New and amended standards adopted by the Group

A number of amendments to Singapore Financial Reporting Standards (International) have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

The adoption of these standards did not have any material effect on the financial performance or position of the Group and the Company.

2.2 Use of estimates and judgements

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

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 described in the annual audited consolidated financial statements as at and for the year ended 31 December 2022.

3. Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the six months and full year ended 31 December 2023.

4. Segment and revenue information

Management monitors the operating results of the segment separately for the purposes of making decisions about resources to be allocated and of assessing performance. Segment performance is evaluated based on operating profit or loss which is similar to the accounting profit or loss.

The Group has two primary business segments, which is that of theme park operations and events and themed attraction construction (FY2022: theme park operations and royalty income derived from relevant cooperation agreements entered with the Group's customers). Revenue from theme park operations and events is derived from ticketing, food and beverages, merchandising sales and other services rendered from operating theme parks in Malaysia. Revenue from theme attractions construction is derived from the business of design and construction of theme attractions in theme parks as well as theme features mainly for restaurants and hotels to related companies as well as third parties. Revenue from royalty income as disclosed in FY2022 was derived through the licensing of the "Sim Leisure" brand name to the Group's customers.



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**E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(CONT'D)**

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit/(loss) before income tax, as included in the internal management reports that are reviewed by the Chief Executive Officer of the Company. Segment profit/(loss) is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

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E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

4.1 Business segments

FY2023	Theme Attractions					Total
	Theme Park	Construction	Royalties	Others	Eliminations	
Revenue	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Sales to external parties	60,082	75,403	-	-	-	135,485
Inter-segment sales	1,310	5,004	-	181	(6,495)	-
Total	61,392	80,407	-	181	(6,495)	135,485
Results						
Segment results	24,274	11,682	-	1,804	-	37,760
Finance income	501	-	-	77	-	578
Finance cost	(2,277)	(242)	-	(696)	-	(3,215)
Profit before tax	22,498	11,440	-	1,185	-	35,123
Tax expense	(4,468)	(1,837)	-	250	-	(6,055)
Profit for the year	18,030	9,603	-	1,435	-	29,068
Significant non-cash items						
Accretion of restoration cost	309	-	-	-	-	309
Depreciation and amortization	6,344	131	-	1,018	-	7,493
Unrealised foreign exchange loss/(gain)	300	560	-	(160)	-	699
As at 31 December 2023						
Assets						
Segment assets	125,728	59,682	-	40,297	-	225,707
Deferred tax assets	-	-	-	283	-	283
Tax recoverable	1,362	-	-	-	-	1,362
Total assets	127,090	60,180	-	40,580	-	227,352
Liabilities						
Segment liabilities	50,874	37,705	-	14,646	-	103,225
Deferred tax liabilities	7,850	-	-	9	-	7,859
Current tax payable	3,178	1,704	-	1,461	-	6,343
Total liabilities	61,902	39,409	-	16,116	-	117,427



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E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

4.1 Business segments (cont'd)

FY2022	Theme Park	Theme Attractions Construction	Royalties	Others⁽¹⁾	Eliminations	Total
Revenue	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Sales to external parties	58,176	-	8,035	1,386	-	67,597
Inter-segment sales	3,958	-	-	574	(4,532)	-
Total	62,134	-	8,035	1,960	(4,532)	67,597
Results						
Segment results	25,981	-	7,792	(2,091)	-	31,682
Finance income	133	-	-	16	-	149
Finance cost	2,414	-	-	-	-	2,414
Profit before tax	28,528	-	7,792	(2,075)	-	34,245
Tax expense	(7,007)	-	(1,302)	(5)	-	(8,314)
Profit for the year	21,521	-	6,490	(2,080)	-	25,931
Significant non-cash items						
Accretion of restoration cost	276	-	-	-	-	276
Depreciation and amortization	6,689	-	-	3	-	6,692
Unrealised foreign exchange gain	(256)	-	-	-	-	(256)
As at 31 Dec 2022						
Assets						
Segment assets	141,532	-	11,779	4,663	-	157,974
Tax recoverable	208	-	-	-	-	208
Total assets	141,740	-	11,779	4,663	-	158,182
Liabilities						
Segment liabilities	74,185	-	2,579	(22,961)	-	53,803
Deferred tax liabilities	7,080	-	1,362	-	-	8,442
Current tax payable	3,991	-	716	5	-	4,712
Total liabilities	85,256	-	4,657	(22,956)	-	66,957

Note ⁽¹⁾ – Results for SL Makers in FY22 was reported in Others instead of theme attractions construction segment in view of it not being significant in FY2022, as it only commenced operations in October 22.



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E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

4.2 Geographical segments

Revenue and non-current assets information based on the geographical location of customers and assets respectively are as follows:

	Revenue from external customers RM'000 FY2023	Non-Current assets RM'000 31 December 2023	Total assets RM'000
Malaysia	78,614	128,116	169,972
Singapore	-	2,292	7,196
United Arab Emirates	32,121	831	30,387
Kingdom of Saudi Arabia	24,750	1,553	19,797
	135,485	132,792	227,352

	Revenue from external customers RM'000 FY2022	Non-Current assets RM'000 31 December 2022	Total assets RM'000
Malaysia	59,280	107,072	146,404
United Arab Emirates	8,035	-	11,778
Others	282	-	-
	67,597	107,072	158,182

5. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group as at 31 December 2023 and 31 December 2022:

	Group		Company	
	31 Dec 2023 RM'000 (Unaudited)	31 Dec 2022 RM'000 (Audited)	31 Dec 2023 RM'000 (Unaudited)	31 Dec 2022 RM'000 (Audited)
Financial Assets				
Trade and other receivables	49,496	13,138	13,628	18,449
Cash and bank balances	43,322	36,694	7,833	5,147
Total	92,818	49,832	21,461	23,596
Financial Liabilities				
Trade and other payables	33,708	16,660	3,433	1,868
Bank Borrowings	14,234	8,780	-	-
Lease liabilities	45,993	23,578	-	-
Amount due to directors	9,290	4,785	-	-
Total	103,225	53,803	3,433	1,868



E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

6 Revenue

6.1 Disaggregation of the Group's revenue is as follows:

	Group	
	FY2023 RM'000 (Unaudited)	FY2022 RM'000 (Audited)
Type of good or services		
Admission fees to theme parks	48,160	47,986
Sale of food, beverages, merchandise and others	6,941	5,879
Services rendered	1,974	2,608
Royalties	-	8,035
Sponsorship income	3,007	2,186
Theme attractions construction income	75,403	903
Total	135,485	67,597
Timing of transfer of goods or services		
At a point in time	57,075	56,473
Over time	78,410	11,124
	135,485	67,597

7. Profit before income tax

7.1 Significant items

	Group		
	FY2023 RM'000 (Unaudited)	FY2022 RM'000 (Audited)	Change %
Other Income			
Write off of payables	-	1,772	n.m
Discount received from lessor	-	645	n.m
Finance income from bank deposit	578	149	>100
One off sponsorship income	20	241	>100
Gain on disposal of property, plant and equipment	10	171	>100
Subsidy and other income received	42	389	>100
Gain on bargain purchase	6,730	-	n.m
Realised foreign exchange gain	357	5	>100
Unrealised foreign exchange (loss)/gain	(699)	41	>100
Reduction in consideration payable to former owner of a subsidiary	600	-	n.m
Expenses			
Depreciation of property, plant and equipment	(4,531)	(4,867)	(6.9)
Depreciation of right-of-use assets	(2,840)	(1,703)	66.8
Finance costs (exclude lease expenses)	(1,484)	(1,050)	41.3
Repair and parks maintenance expenses	(1,983)	(1,630)	21.7
Utilities expense	(1,620)	(769)	>100
Legal and professional fees	(2,859)	(733)	>100



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E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

	Group		Change %
	FY2023 RM'000 (Unaudited)	FY2022 RM'000 (Audited)	
Expenses (cont'd)			
Lease expenses	(1,140)	(1,835)	(37.9)
Staff costs	(17,130)	(8,086)	>100

7.2 Related party transactions

There are no material related party transactions apart from those disclosed elsewhere in the condensed interim consolidated financial statements.

8. Taxation

	Group	
	FY2023 RM'000 (Unaudited)	FY2022 RM'000 (Audited)
Current income tax		
Charged/(credited) to profit or loss		
- current financial year	6,922	4,143
- over provision in prior year	-	(696)
	6,922	3,447
Deferred income tax		
(Credited)/charged to profit or loss		
- current financial year	(867)	4,860
- under provision in prior year	-	7
	(867)	4,867
Total income tax expense recognised in profit or loss	6,055	8,314

9. Dividends

	Group	
	FY2023 RM'000 (Unaudited)	FY2022 RM'000 (Audited)
Ordinary dividends paid:		
Final tax exempt dividend of RM0.05 cents per share in respect of financial year ended 31 December 2022 (FY2022 : Nil)	8,268	-
Dividend per share (net of tax)	0.05	-



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**E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(CONT'D)**

10. Net Asset Value

	Group		Company	
	31 Dec 2023 (Unaudited)	31 Dec 2022 (Audited)	31 Dec 2023 (Unaudited)	31 Dec 2022 (Audited)
Net asset value per ordinary share	59.96	51.52	42.63	44.66

The net asset value per ordinary share of the Group and the Company as at 31 December 2023 and 31 December 2022 are calculated based on the total number of issued ordinary shares (excluding treasury shares) of 165,365,200.

11. Property, plant and equipment

During the financial year ended 31 December 2023, the Group acquired assets amounting to RM7.79mil (FY2022: RM5.32mil) and disposed of assets amounting to RM0.02mil (FY2022: Nil).

12. Intangible assets

	Group			Total
	License Fees	Accounting Software	Content Development Cost	
Cost	RM'000	RM'000	RM'000	RM'000
At 1 January 2022/31 December 2022	2,446	890	-	3,336
Additions	2,116	-	1,306	3,422
At 31 December 2023	4,562	890	1,306	6,758
Accumulated amortisation				
At 1 January 2022	1,202	890	-	2,092
Amortisation charges	122	-	-	122
At 31 December 2022	1,324	890	-	2,214
Amortisation charges	122	-	-	122
At 31 December 2023	1,446	890	-	2,336
Carrying amount				
At 31 December 2022 (Audited)	1,122	-	-	1,122
At 31 December 2023 (Unaudited)	3,116	-	1,306	4,422

The license fees are amortised over a period of 20 years from the commercial public opening of the Kidzania facility located in multiple locations.



**E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(CONT'D)**

The content development cost incurred in 2023 relates to production fees paid to develop virtual reality content produced by HavenXR for use via HavenXR's Virtual Reality/Augmented Reality platform. This cost will be amortised when the virtual reality content is available for use and upon commercial roll-out of HavenXR Location Based Virtual Reality Centres retailing of immersive entertainment experiences.

13. Borrowings

	Group	
	31 Dec 2023	31 Dec 2022
	RM'000	RM'000
	(Unaudited)	(Audited)
Amount repayable in one year or less, or on demand		
Secured	5,437	4,356
Unsecured	4,502	-
Amount repayable after one year		
Secured	13,585	9,209
Unsecured	-	-

As at 31 December 2023 and 31 December 2022, the Group's borrowings comprised bank overdrafts, term loans, and amount due to Directors of the Company and a subsidiary.

The term loans and bank overdrafts are secured by a general debenture, corporate guarantees from the Company and its subsidiaries, as well as personal guarantee from a Director of the Company.

The amount due to Directors of the Group comprise of:-

	Group	
	31 Dec 2023	31 Dec 2022
	RM'000	RM'000
	(Unaudited)	(Audited)
Amount due to a Director of the Company		
Unsecured		
Repayable in one year or less, or on demand	4,502	-
Amount due to a Director of a subsidiary		
Secured		
Repayable in one year or less, or on demand	1,943	898
Repayable after one year	2,845	3,887



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**E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(CONT'D)**

The amount due to a Director of a subsidiary is secured by a charge over the issued and paid-up capital of Rakan Riang Sdn Bhd (“RRSB”) and the assignment of 5% of the total revenue of RRSB as agreed between the Director of the Company and Sim Leisure Escape Sdn Bhd.

14. Contract Liabilities

	Group	
	FY2023 RM'000 (Unaudited)	FY2022 RM'000 (Audited)
Current	2,336	1,694
Non-current	623	232
Total	2,959	1,926

Contract liabilities consist of :-

- 1) Unsatisfied performance obligations in relation to customers purchase tickets to theme parks from the Group in advance and sponsorship income; and
- 2) Income received in advance from long term projects with customers.

The transaction price allocated to the unsatisfied performance obligations as at 31 December 2023 is RM2.96mil (31 December 2022: RM 1.93mil) and is expected to be recognised over the years as follows:

	Group	
	FY2023 RM'000 (Unaudited)	FY2022 RM'000 (Audited)
Within one year	2,336	1,694
More than 1 year and less than 2 years	623	232
Total	2,959	1,926

15. Share capital

	Group and Company	
	Number of shares ('000)	Share Capital (RM'000)
Fully paid ordinary shares with no par value (excluding treasury shares) As at 31 December 2023 and 2022	165,365	66,575

There was no issuance of ordinary shares during the financial year to 31 December 2023.



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E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

16. Acquisition of a subsidiary

On 31 January 2023, the Company through its 60% owned subsidiary, Sim Leisure Creative Pte. Ltd., completed the acquisition of 100% of the issued share capital in Sim Leisure Gulf Contracting L.L.C, a themed attractions contractor, for a total cash consideration of RM2,100,000 (the “**Acquisition**”). The Acquisition is expected to complement the existing business of the Group to progress closer towards achieving the Group’s long-term strategy to become a fully integrated theme park contractor, owner and operator. Please refer to the Company’s SGXNET announcements dated 30 November 2022, 13 January 2023 and 31 January 2023 for further details of the Acquisition.

The Group incurred acquisition related costs of RM50,000 relating to external legal fees and due diligences and these have been classified as ‘administrative expenses’ in the condensed statement of profit or loss.

Identifiable assets acquired and liabilities assumed

	Fair value RM'000
Property and equipment	154
Contract receivables	7,809
Contract assets	1,862
Retention receivable	12,033
Advances, deposits and other receivable	6,822
Due from related party	777
Cash and bank balances	3,698
Contract liabilities	(497)
Contract and other payables	(13,694)
Employees’ end of service benefits	(2,306)
Due to related party	(6,086)
Bank borrowings	(1,742)
Net identifiable assets acquired	<u>8,830</u>
Less : Gain on bargain purchase	<u>(6,730)</u>
Purchase consideration	<u>2,100</u>

The effect of the acquisition of subsidiary on the cash flows is as follows:

Consideration for equity interest acquired	2,100
Less : Cash and cash equivalents of the subsidiary acquired	<u>(3,698)</u>
Net cash inflow arising from acquisition of subsidiary	<u>(1,598)</u>

17. Subsequent events

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



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F. OTHER INFORMATION REQUIRED PURSUANT TO APPENDIX 7C OF THE CATALIST RULES

1. Review

The condensed interim consolidated statement of financial position of Sim Leisure Group Ltd. and its subsidiaries as at 31 December 2023 and the related condensed consolidated profit or loss and other comprehensive income, condensed interim consolidated statement of changes in equity and condensed interim consolidated statement of cash flows for FY2023 and the explanatory notes have not been audited or reviewed by the Company's auditors.

2. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:-

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

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

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

Not applicable. The Group's latest audited financial statements for the financial year ended 31 December 2022 are not subject to an adverse opinion, qualified opinion or disclaimer of opinion issued by the Company's auditors.

3. Review of the Group's Performance

(a) Review of Financial Performance of the Group

Revenue

The increase in revenue for FY2023 was mainly driven by: (i) increase in theme attractions construction segment from RM0.9mil in FY2022 to RM75.4mil in FY2023 as a result of inclusion of new theme attractions construction segment, Sim Leisure Gulf Contracting L.L.C ("**SL Gulf**"), Sim Leisure Arabia ("**SL Arabia**") and Sim Leisure Makers Sdn. Bhd. ("**SL Makers**") in the financial year (ii) Increase in revenue in theme park business performance from RM58mil in FY2022 to RM60mil in FY2023, mainly contributed by the company's subsidiary Rakan Riang Sdn. Bhd. ("**RRSB**"), which has achieved a remarkable 18% increase in visitor's volume, resulting in higher revenue from ticketing as well as in park services. Moreover, the growth in sponsorship income implies successful partnership and marketing collaborations, contributing to enhanced brand reputation and additional revenue streams. The increase in revenue is offset by the reduction in royalties revenue of RM8mil as a result of cessation of cooperation fee payment by SL Gulf following the completion of SL Gulf acquisition in FY2023.

Cost of sales

Cost of sales increased from RM23.38mil in FY2022 to RM78.12mil in FY2023 which was mainly contributed by: (i) increase in construction & project costs incurred by the theme attractions construction segment which carries a higher cost base due to its nature of business, as



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F. OTHER INFORMATION REQUIRED PURSUANT TO APPENDIX 7C OF THE CATALIST RULES (CONT'D)

compared to the theme park segment; and (ii) increase in the costs from the theme park segment as a results of increase in usage and higher cost component compared to FY2022 mainly on staff costs and other operational and park maintenance expenses as well as cost of inventories expenses.

Gross profit

The Group's gross profit increased by 29.7 percentage points from RM44.22mil in FY2022 to RM57.36mil in FY2023. However, the Group's gross profit margin experienced a decline from 65.41% in FY2022 to 42.33% in FY2023, mainly contributed by: (i) inclusion of theme attractions construction segment which yields a lower margin due to its nature of business, ranging between 16% to 33%, as compared to 47% to 60% for the theme park segment. (ii) higher cost arising from the theme park segment primarily due to increased employee benefit expenses.

Other income

Other Income increased significantly from RM3.42mil in FY2022 to RM8.5mil in FY2023, the variance was mainly contributed by: (i) the recognition of a gain on bargain purchase of RM6.73mil arising from the acquisition of SL Gulf during the financial year; (ii) increase in interest earned from fixed deposit placement from RM0.15mil in FY2022 to RM0.58mil in FY2023; (iii) one off other income recorded as a reduction in consideration payable to former owner of a subsidiary of RM0.6mil; and (iv) increase in realised foreign exchange gain of RM0.36mil. This was offset by the absence of government relief provided for Covid and the absence of write off of trade and other payables amounting to RM0.43mil and RM1.77mil respectively. Please refer to Note E7.1 for further details.

Administrative expenses

Administrative expenses increased significantly from RM11.01mil in FY2022 to RM27.19mil in FY2023. This increase was mainly attributed to: (i) pre-operating and administrative cost incurred by the newly incorporated subsidiaries during the financial year of RM1.5mil; (ii) increase in administrative expenses in theme park and other business segment mainly on travelling and vehicle expenses and directors remuneration of RM2.08mil; and (iii) inclusion of administrative expenses for themed attraction and construction which is a new segment to the Group of RM12.6mil in FY2023.

Finance costs

Finance costs increased by approximately 33 percent from RM2.41mil in FY2022 to RM3.21mil in FY2023, principally due to inclusion of term loan and lease liabilities interest for new subsidiary in this financial year, RM0.69mil and RM0.25mil from Kids Edutainment Pte. Ltd. ("KEPL") and Sim Leisure Gulf Contracting L.L.C. ("SL Gulf").



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F. OTHER INFORMATION REQUIRED PURSUANT TO APPENDIX 7C OF THE CATALIST RULES (CONT'D)

Profit after income tax

As a result of the above, the Group recorded a net profit after tax of RM29.07mil for FY2023 as compared to a net profit after tax of RM25.93mil for FY2022, which is a 12.1% increase.

(b) Review of Financial Position of the Group

Non-current assets

The Group recorded increases in the non-current assets amounting to RM25.72mil as at 31 December 2023 due to the significant increase in (i) Right-of-use assets of RM16.56mil, mainly driven by the inclusion of the Group's new subsidiary, Kids Edutainment Pte. Ltd. ("KEPL"); (ii) Additionally, there was a RM3.31mil increase in Intangible assets, with The Future Is Here Pte. Ltd. Group ("TFIH") accounting for RM1.31mil of this increase and licensing fee paid to operate Kidzania Singapore under KEPL of RM2mil; (iii) inclusion of trade receivables of RM1.74mil from SL Gulf; (iv) increase in Property, plant and equipment of RM3.64mil as a result of increase in assets as part of expansion plan of RM8.17mil offset with depreciation charge for the year for the group of RM4.53mil ; and (v) inclusion of RM0.28mil deferred tax asset from KEPL.

Current assets

Current assets increase as at 31 December 2023 due to (i) the inclusion of current assets from SL Gulf, SL Makers, SL Arabia and KEPL of RM42.19mil; (ii) additional increase of RM1.14mil of income tax recoverable from theme park business for previous years overpayment to tax authority ; and (iii) increase in inventories of RM0.17mil inline with the increase in theme park business activity.

Non-current liabilities

The Group recorded an increase in non-current liabilities as (i) RM21.56mil increase in lease liabilities and RM5.42mil increase in borrowings, primarily due to the inclusion of the Group's new subsidiary, KEPL, which carries RM26.39mil of lease liabilities and RM6.76mil of borrowings offset with a RM5mil decrease in lease liabilities in RRSB as a results of re-assessment of lease period and quantum following the tenancy renewal with the landlord, and (ii) RM0.39mil increase in contract liabilities, and (iii) RM1.04mil decrease in amount due to director, and (iv) RM0.81mil and RM0.58mil decrease in provisions and deferred tax liabilities respectively.



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F. OTHER INFORMATION REQUIRED PURSUANT TO APPENDIX 7C OF THE CATALIST RULES (CONT'D)

Current liabilities

Current liabilities increased as at 31 December 2023 mainly due to the inclusion of current liabilities from SL Gulf, SL Makers and SL Arabia of RM29.02mil, comprising borrowings from Director of the Company, trade and other payables, contract liabilities and bank borrowings. This is offset by the net decrease in current liabilities for theme park segments of RM3.39mil. Increase in amount due to a director from RM0.89mil to RM6.45mil is due to the consolidation of the existing liabilities of SL Gulf.

Working Capital Position

The Group recorded a positive working capital position of RM45.47mil as at 31 December 2023, which is a significant improvement when compared to the working capital position of RM27.55mil as at 31 December 2022.

(c) Review of Statement of Cash Flow of the Group

During FY2023, the net cash generated from operations amounted to approximately RM30.09 mil. This comprises positive operating cash flows before changes in working capital of RM41.02 mil, adjusted by net working capital outflow of RM4.14mil and taxes paid of RM6.58mil.

Net cash used in investing activities of RM9.8mil was primarily due to purchase of property, plant and equipment amounting to RM11.2mil off-set by the acquisition of SL Gulf of RM1.6mil.

The Group's net cash used in financing activities for FY2023 amounted to approximately RM19.42mil, mainly due to repayment of finance lease obligations, lease liabilities, loans and borrowings, interest and dividend paid as well as cash used in pledged fixed deposits for bankers guarantee for contract entered by SL Arabia for the Six flag project in Kingdom of Saudi Arabia.

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

Not applicable. No forecast or prospect statement has been previously disclosed to shareholders.



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F. OTHER INFORMATION REQUIRED PURSUANT TO APPENDIX 7C OF THE CATALIST RULES (CONT'D)

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

The Group is continuing with its aggressive plans to expand its business in both domestically (in Malaysia) and internationally. This year we have continued to receive numerous enquiries to develop and operate ESCAPE Parks from both landowners and mall operators principally in Malaysia, who are looking at ways of enhancing their developments through placemaking and offering unique customer lifestyle experiences.

The construction of the ESCAPE Ipoh Park has been duly completed and the park scheduled for a soft launch on 24 February 2024 whereas the ESCAPE Cameron Highlands agreement has lapsed due to delays from the landowner in securing land titles and relevant authorities approval as disclosed in our half yearly results announcement for the financial period ended 30 June 2023, announced on 11 August 2023. As announced by the Company on 1 November 2023, the Group through its wholly owned subsidiary Sim Leisure Escape Sdn. Bhd., had recently signed an agreement with Bandar Malaysia Sdn Bhd for a long-term lease to develop a seventy five (75) acres adventure park in KL Base, Bandar Malaysia in Sungai Besi, where construction is underway, with the adventure park of ESCAPE @KL Base (Phase 1) planned to open by second quarter of 2025 followed by subsequent progress/gradual opening of additional facilities and activities of ESCAPE @KL Base during the lease term.

In addition to the above development on our outdoor park, the Group expects to commence the construction and installation of two indoor ESCAPE challenge parks in Putrajaya and Johor Bahru, Malaysia with a planned launch of both parks in fourth quarter of 2024. These indoor ESCAPE challenge parks will have some of our popular ESCAPE brand outdoor adventure activities and games and are conceptually similar to our indoor ESCAPE challenge park located at Petaling Jaya, Malaysia.

The Group continues to invest in its existing ESCAPE Penang Park after having launched Malaysia's first Pet Friendly destination, with the expansion of the Base Camp camping area (enabling visitors to stay at ESCAPE with their pets) and the addition of a new dry tube slide ride to the Outdoor Ski Slope in 2023. An outdoor obstacle course and swing park are currently under construction and are targeted to launch in second quarter of 2024. These additions are expected to drive corporate team building and the family markets and increase the length of visit.

In line with increasing mall operators' realisation of our call for an overdue need of a complete mall's transformation and repurposing and taking cognisance of our need to mitigate impact of climate change risk on our outdoor theme park business, the Group has recently designed and developed an entertainment hub concept of diverse attraction experiences known as 'Play Mall' that is set to revolutionize the mall experience and to transform shopping centres into play malls. This Sim Leisure entertainment hub comprise leading attraction brands including ESCAPE Challenge Adventure Park, FUNDAY Adventure Playground (a brand extension of the ESCAPE Adventure Park concept targeting kids of four (4) to twelve (12) years



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F. OTHER INFORMATION REQUIRED PURSUANT TO APPENDIX 7C OF THE CATALIST RULES (CONT'D)

old through an adventure playground concept), the world's first HavenXR Centre (elaborated further below), SimCoaster Ride (the world's first dedicated virtual reality immersive rollercoaster centre) and CARNIVAL (bringing the travelling Funfair to life in the mall complete with an exciting array of rides and amazing skill-games to designed to appeal to young families, teenagers, young adults and the young at heart) all under the one roof.

The Group is currently in active negotiations with a number of leading mall owners and operators to provide the capital expenditure ("Capex") funding and leasing space for Sim Leisure to develop and operate the Play Mall concept in Malaysia. The Group is actively sponsoring and participating in leading shopping mall conferences with the aim of securing and transforming new mall sites across South East Asia.

On the international front, the Group is in active exploratory discussions and/or negotiations to design, develop and operate new ESCAPE Adventure Parks across the Asia Pacific (including Vietnam, China and Australia), and Southeastern Europe. Plans for the ESCAPE Ceylon project in Sri Lanka continue to be put on hold due to the continuing high level of economic risk and financial crisis and associated uncertainty with Sri Lanka for the foreseeable future.

Refurbishment works of KidZania Singapore have been underway since August 2023, and the new look facility is expected to be launched by early 2024. To date, the Company has secured corporate sponsorship from around 30 leading Singapore and regional brands for KidZania Singapore, which is an integral part of the KidZania business model.

After successfully executing an exclusive license agreement for South East Asia and China in 2023 with leading Australian entertainment company Haven XR Holdings Pty. Ltd., for the revolutionary cinematic immersive adventure virtual reality attraction, development is underway to launch the first Haven XR Centre in Malaysia by second quarter of 2024. This exciting new form of entertainment utilises virtual reality to transport visitors to an immersive reality where they become part of the movie.

In a further new development, the Company is collaborating with its technology partner HavenXR Holdings Pty. Ltd. to explore the creation of the world's first virtual reality immersive rollercoaster to be known as the SimCoaster with plans to launch the first of these attractions in Malaysia in third quarter of 2024.

In respect of the Group's newly acquired theming design and contracting business in the Gulf Cooperation Council region, the Group's 60%-owned indirect subsidiary company, Sim Leisure Arabia Contracting L.L.C was awarded the subcontract theming works for the Six Flags Qiddiya project located in the Kingdom of Saudi Arabia ("KSA") for a combined contract sum of approximately USD23.6 million. The Group has commenced construction work, and the contract is expected to contribute positively to the performance of the Group for the financial year ending 31 December 2024 ("FY2024"). The Company will update the shareholders via SGXNet as and when there are any material development in relation to the contracting business in FY2024.



F. OTHER INFORMATION REQUIRED PURSUANT TO APPENDIX 7C OF THE CATALIST RULES (CONT'D)

6. Dividend information

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

In view of the Group's performance for FY2023, the directors are pleased to propose a final (one-tier) tax exempt cash dividend of RM0.03 per ordinary share in the capital of the Company in respect of the full year ended 31 December 2023, subject to the approval of the shareholders of the Company at the forthcoming annual general meeting to be convened in due course.

(b) Corresponding Period of the Immediately Preceding Financial Year

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

The Company had paid the following final tax exempt (one-tier) dividend to shareholders in the corresponding period of the immediately preceding financial year.

Name of Dividend	Final tax-exempt (one tier) dividend
Date of Payment	19 May 2023
Dividend Type	Cash
Dividend Amount	RM0.05 per ordinary share
Total Amount Paid	RM8,268,260

(c) Date payable

To be announced at a later date.

(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

The books closure date will be announced at a later date.

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

Not applicable



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F. OTHER INFORMATION REQUIRED PURSUANT TO APPENDIX 7C OF THE CATALIST RULES (CONT'D)

7. Interested person transactions

The Group has not obtained a general mandate from shareholders of the Company for interested person transactions.

Details of the interested person transactions for FY2023 are as follows:

Name of interested Person / Description of transactions	Nature of Relationship	Aggregate value of all interested person transaction during the financial period under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions during the financial period under review which are conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)
		RM'000	RM'000
Tan Boon Seng / Interest charged on loan granted to a wholly-owned subsidiary of the Company ⁽¹⁾	Non-Independent Non-Executive Director of the Company	350	-
Dato Sim Choo Kheng / disposal of shares to a 60% owned subsidiary of the Company ⁽²⁾	Executive Chairman and Executive Director of the Company	2,100	-
Total		2,450	

Notes:

- (1) Pursuant to the loan agreement entered into between the Company's wholly-owned subsidiary, Sim Leisure Escape Sdn Bhd, and Mr Tan Boon Seng on 20 November 2020 (as supplemented from time to time), which has been announced by the Company on 24 November 2020. Please refer to the Company's announcements dated 24 November 2020, 30 November 2020, 17 February 2021 and 30 December 2021, for more information on the loan agreement. Mr Tan Boon Seng has resigned on 6 January 2024, please refer to the Company's announcement dated on 6 January 2024 and 11 January 2024 for more information.



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F. OTHER INFORMATION REQUIRED PURSUANT TO APPENDIX 7C OF THE CATALIST RULES (CONT'D)

- (2) The Company's 60% owned subsidiary, SL Creative has on 30 November 2022 entered into a conditional sales and purchase agreement ("**Agreement**") with Dato Sim Choo Kheng to acquire 300 shares of AED1,000 each in SL Gulf representing the entire issued and paid-up share capital of SL Gulf for a cash consideration of RM2,100,000, upon the terms and subject to the conditions in the Agreement ("**Proposed Acquisition**") as announced on 30 November via SGXNet. The Proposed Acquisition was completed on 31 January 2023. Detailed information is available in the Company's announcements dated 30 November 2022 and 31 January 2023.

Save as disclosed above, the Company and its subsidiary corporations have not entered into any IPT exceeding S\$100,000 during the FY2023.

8. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1) of the Catalist Rules

The Company confirms that it has procured and received all the required undertakings from all its directors and executive officers in the format as set out in Appendix 7H under Rule 720(1) of the Catalist Rules.

9. Acquisition or realisation of shares in subsidiaries and/or associated companies under Rule 706(A) of the Catalist Rules

Completion of acquisition of SL Gulf Contracting L.L.C

On 31 January 2023, the Company through its 60% owned subsidiary, Sim Leisure Creative Pte. Ltd. completed the acquisition of 100% of the issued share capital in Sim Leisure Gulf Contracting L.L.C, a themed attractions contractor, for a total cash consideration of RM2,100,000. The acquisition is expected to complement the existing business of the Group to progress closer towards achieving the Group's long-term strategy to become a fully integrated theme park contractor, owner and operator. For further details, please refer to the Company's SGXNET announcements dated 30 November 2022 and 31 January 2023.

Incorporation of a wholly owned subsidiary

The Company had on 16 February 2023 incorporated a wholly owned subsidiary, Kids Edutainment Pte Ltd ("**KIDS**") in Singapore for the purpose of undertaking the purchase of all non-movable assets, fittings and fixtures of the discontinued Edutainment Centre KidZania Singapore at the premises situated at 31 Beach View #01-01/02 Singapore 098008 ("**KidZania Singapore Facility**") for a cash purchase consideration of SGD110,000. The issued and paid-up share capital of KIDS is SGD1.00 represented by one (1) ordinary share in KIDS allotted at an issue price of SGD1.00. The intended principal activity of KIDS is to own and operate the KidZania educational and entertainment facility and undertake leisure business. For further details, please refer to the Company's SGXNet announcements dated 12 June 2023 and 10 July 2023.



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F. OTHER INFORMATION REQUIRED PURSUANT TO APPENDIX 7C OF THE CATALIST RULES (CONT'D)

Incorporation of an indirect wholly owned subsidiary

The Company has on 8 March 2023 completed the setting-up and activating exercise of the business entity, a wholly-owned limited liability company, Sim Leisure Arabia Contracting L.L.C. ("**SL Arabia**") in the Kingdom of Saudi Arabia ("**KSA**") which is intended for the purpose of undertaking the business of design and construction of theme attractions in theme parks as well as theme features under the "SIM LEISURE" brand name and authorised products within the territory of the KSA ("**KSA Business**") to be held subsequently through its 60%-owned subsidiary Sim Leisure Creative Pte Ltd. ("**SL Creative**"). This effective formation of SL Arabia was announced on the SGXNet on 31 March 2023.

SL Arabia has completed the registration of the change in ownership on 1 August 2023 which has been reflected accordingly in the relevant commercial license and documentation. This allows SL Arabia to undertake the KSA Business under the SL Creative group which focuses on the business of design, sales and construction of decorative structures and architectural theme parks in the United Arab Emirates and countries of the Gulf Cooperation Council ("**GCC**"). SL Arabia has an issued and fully paid-up share capital of SAR 20,000 comprising twenty (20) issued and fully paid-up shares of SAR1,000 each.

Incorporation of a wholly owned subsidiary

The Company had on 21 July 2023 incorporated a wholly owned subsidiary, The Future is Here Pte Ltd ("**TFIH**") in Singapore. TFIH has an issued and fully paid-up share capital of SGD1.00 represented by one (1) issued and fully paid-up shares. Its principal activity is to own and operate the location-based virtual reality ("**VR**") centres ("**LBVR**") and mobile LBVR concept of HavenXR ("**HavenXR Centres**") and to exploit the VR content using the HavenXR Technology platform for the purposes of retailing immersive entertainment experiences at the HavenXR Centres, and to undertake the digital reality immersive entertainment experiences and leisure business of the Group. For further details, please refer to the Company's SGXNet announcement dated 28 July 2023.

Incorporation of an indirect wholly owned subsidiary

The Group had on 14 September 2023 via its wholly owned subsidiary The Future is Here Pte Ltd incorporated a 100% owned subsidiary, The Future is Here Sdn Bhd ("**TFIHSB**"), in Malaysia. TFIHSB has an issued and fully paid-up share capital of RM100.00 comprising one (100) issued and fully paid-up shares. Its principal activity is to operate the location-based virtual reality ("**VR**") centres ("**LBVR**") and mobile LBVR concept of HavenXR ("**HavenXR Centres**") and to exploit the VR content using the HavenXR Technology platform for the purposes of retailing immersive entertainment experiences at the HavenXR Centres, and to undertake the digital reality immersive entertainment experiences and leisure business in Malaysia.

Save for the above, the Group does not have any other acquisitions (including incorporations) and realisations of shares in subsidiaries and/or associated companies during the current financial period up to the date of this announcement.



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F. OTHER INFORMATION REQUIRED PURSUANT TO APPENDIX 7C OF THE CATALIST RULES (CONT'D)

10 Use of Proceeds

The Company refers to its announcements dated 1 September 2021, 8 October 2021, 15 October 2021 and 19 October 2021 as well as the Company's circular to shareholders dated 23 September 2021 (the "**Circular**") in relation to the proposed issue of 17,717,700 new ordinary shares at an issue price of S\$0.205 per new ordinary share in the capital of the Company ("**Subscription**").

Pursuant to the Subscription, the Company raised net proceeds amounting to approximately S\$3,592,000, after deducting expenses incurred in connection with the Subscription as set out in the Company's announcement dated 1 September 2021 and the Circular (the "**Net Proceeds**"). The Company net proceeds has been fully utilised during FY2023.

11 Confirmation by the Board pursuant to Rule 705(5) of the Catalist Rules

The Board of Directors of the Company confirms that, to the best of its knowledge, nothing has come to its attention which may render the condensed interim consolidated financial statements for FY2023 to be false or misleading in any material aspect.

G. ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

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

See Section E Note 4.1 of the "Notes to the condensed interim consolidated financial statements" above.

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

See Section F Note 3(a) of the "Other information required pursuant to Appendix 7C of the Catalist Rules" above.



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G. ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT (CONT'D)

14. A breakdown of sales

	Group		
	12 months ended 31 Dec 2023 RM'000 (Unaudited)	12 months ended 31 Dec 2022 RM'000 (Audited)	Increase/ (Decrease) %
(a) Sales reported for first half year	55,593	26,571	109.2
(b) Operating profit after tax before deducting non-controlling interests reported for first half year	12,066	10,108	19.4
(c) Sales reported for second half year	79,892	41,026	94.7
(d) Operating profit after tax before deducting non-controlling interests reported for second half year	17,002	15,823	7.45

15. A breakdown of the total annual dividend for the Company's latest full year and its previous full year.

	FY2023 RM'000	FY2022 RM'000
Ordinary – paid	8,268	-
Ordinary - proposed	4,961	8,268
Preference	-	-
Total	13,229	8,268



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G. ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT (CONT'D)

16. Disclosure of 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) in the format below. If there are no such persons, the Company must make an appropriate negative statement.

Name	Age	Family relationship with any director, CEO and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Mr Sim Yang Yang	29	Son of Executive Director Dato' Sim Choo Kheng and Executive Director Datin Silviya Georgieva Georgieva	Marketing Manager, 2022	Nil
Mr Sim Ming Ming	26	Son of Executive Director Dato' Sim Choo Kheng and Executive Director Datin Silviya Georgieva Georgieva	Operations Manager, 2022	Nil

BY ORDER OF THE BOARD

Dato' Sim Choo Kheng
Executive Director and Executive Chairman

Datin Silviya Georgieva Georgieva
Executive Director

23 February 2024