



**LUMINOR FINANCIAL HOLDINGS LIMITED**

Company No. 201131382E

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**INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AND DIVIDEND  
ANNOUNCEMENT FOR THE SIX-MONTHS FINANCIAL PERIOD ENDED 30/06/2024**

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*This announcement has been reviewed by the Company's sponsor, UOB Kay Hian Private Limited ("Sponsor"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited ("SGX-ST") and the SGX-ST 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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**INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE SIX-MONTH FINANCIAL PERIOD ENDED 30 JUNE 2024**

	Note	6 Months ended 30 June 2024	6 Months ended 30 June 2023	Change +/-
		MYR'000	MYR'000	%
<b>Revenue</b>	4	19,681	16,486	19.4
<b>Other income</b>				
Interest income	4	525	551	(4.7)
Other income	4	601	514	16.9
<b>Total Income</b>		<b>20,807</b>	<b>17,551</b>	<b>18.6</b>
Cost of sales		(529)	(320)	65.3
Depreciation and amortisation		(1,055)	(750)	40.7
Commission expense		(1,505)	(517)	NM
Foreign exchange losses		(773)	(3,062)	(74.8)
Interest expense		(3,332)	(2,169)	53.6
Impairment losses on trade and other receivables		(2,332)	(759)	NM
Operating expenses		(2,306)	(2,274)	1.4
Professional fees		(2,432)	(1,582)	53.7
Staff costs		(5,407)	(3,695)	46.3
Other expenses		(352)	(281)	25.3
<b>Profit before shares of associate and income tax</b>		<b>784</b>	<b>2,142</b>	<b>(63.4)</b>
Shares of associate		22	379	(94.2)
<b>Profit before income tax</b>		<b>806</b>	<b>2,521</b>	<b>(68.0)</b>
Income tax expense	7	(1,959)	(499)	NM
<b>(Loss)/Profit after tax for the financial period</b>		<b>(1,153)</b>	<b>2,022</b>	<b>NM</b>
Other comprehensive income, net of tax:				
Items that may be reclassified subsequently to profit or loss				
Foreign currency translation differences		(1)	1,577	NM
<b>Total comprehensive income for the financial period</b>		<b>(1,154)</b>	<b>3,599</b>	<b>NM</b>
<b>(Loss)/Profit attributable to</b>				
Owners of the Company		(1,346)	1,152	NM
Non-controlling interests		193	870	(77.8)
		<b>(1,153)</b>	<b>2,022</b>	<b>NM</b>
<b>Total comprehensive (loss)/income attributable to</b>				
Owners of the Company		(1,353)	2,729	NM
Non-controlling interests		199	870	(77.1)
		<b>(1,154)</b>	<b>3,599</b>	<b>NM</b>
<b>Basic &amp; Diluted earnings per share (MYR cents)</b>	<b>8</b>	<b>(0.80)</b>	<b>0.69</b>	<b>NM</b>

NM = Not Meaningful (applies to % changes >100%)

**INTERIM CONDENSED BALANCE SHEETS AS AT 30 JUNE 2024 AND 31 DECEMBER 2023**

	Note	Group		Company	
		As at		As at	
		30/06/24	31/12/23	30/06/24	31/12/23
		MYR'000	MYR'000	MYR'000	MYR'000
<b>Current assets</b>					
Trade and other receivables	13	173,400	96,797	125,898	124,322
Cash and cash equivalents		64,908	80,865	4,047	7,376
Properties held for sale	12	14,862	15,329	-	-
Net investment in sub-leases		267	262	267	262
Income tax receivable		160	149	-	-
<b>Total current assets</b>		<b>253,597</b>	<b>193,402</b>	<b>130,212</b>	<b>131,960</b>
<b>Non-current assets</b>					
Financial assets at fair value through profit or loss		7,846	7,847	-	-
Property, plant and equipment	10	4,042	4,789	2,506	2,836
Net investment in sub-leases		833	968	833	968
Goodwill	11	2,077	2,077	-	-
Intangible assets		7,776	5,148	-	-
Investment in subsidiaries	19	-*	-	11,885	7,563
Investment in associate		-	667	-	-
Deferred tax assets		364	364	-	-
<b>Total non-current assets</b>		<b>22,938</b>	<b>21,860</b>	<b>15,224</b>	<b>11,367</b>
<b>Total assets</b>		<b>276,535</b>	<b>215,262</b>	<b>145,436</b>	<b>143,327</b>
<b>Current liabilities</b>					
Lease liabilities	16	990	1,177	802	785
Trade and other payables	14	72,090	73,127	79,579	79,724
Contract liabilities	14	1,374	1,002	-	-
Bank borrowings	15	32,480	30,411	30,746	29,906
Income tax payable		23,085	23,036	-	-
<b>Total current liabilities</b>		<b>130,019</b>	<b>128,753</b>	<b>111,127</b>	<b>110,415</b>
<b>Net current assets</b>		<b>123,578</b>	<b>64,649</b>	<b>19,085</b>	<b>21,545</b>
<b>Non-current liabilities</b>					
Lease liabilities	16	2,892	3,390	2,496	2,902
Redeemable preference shares	14	70,450	8,800	-	-
Financial guarantee	14	-	-	4,270	564
Deferred tax liabilities		2,803	2,794	-	-
Provision for restoration		323	323	-	-
<b>Total non-current liabilities</b>		<b>76,468</b>	<b>15,307</b>	<b>6,766</b>	<b>3,466</b>
<b>Total liabilities</b>		<b>206,487</b>	<b>144,060</b>	<b>117,893</b>	<b>113,881</b>
<b>Net assets</b>		<b>70,048</b>	<b>71,202</b>	<b>27,543</b>	<b>29,446</b>
<b>Capital and reserves</b>					
Share capital	17	20,629	20,629	20,629	20,629
Other reserves		19,526	19,533	6,329	6,567
Retained earnings		27,709	29,055	585	2,250
<b>Equity attributable to owners of the Company</b>		<b>67,864</b>	<b>69,217</b>	<b>27,543</b>	<b>29,446</b>
Non-controlling interest		2,184	1,985	-	-
<b>Total equity</b>		<b>70,048</b>	<b>71,202</b>	<b>27,543</b>	<b>29,446</b>

\*Denotes amount less than MYR 1,000

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2024 AND 30 JUNE 2023**

		Group	
		6 months ended	
	Note	30/06/24	30/06/23
		MYR'000	MYR'000
<b>Operating activities</b>			
Profit before income tax		806	2,521
<b>Adjustments for:</b>			
Depreciation of property, plant and equipment	5	370	368
Depreciation of right-of-use assets	5	496	374
Amortisation of intangible asset		189	8
Interest income		(525)	(551)
Interest expense		3,332	2,169
Impairment loss on trade and other receivables - net	5	2,332	759
Bad factoring receivables written off		203	-
Reversal of impairment loss on investment in associates		(500)	-
Share of result of associates		(22)	(379)
Unrealised foreign exchange differences		(171)	1,567
<b>Operating cash flows before movements in working capital</b>		<b>6,510</b>	<b>6,836</b>
Decrease in properties held for sale		527	327
Increase in trade and other receivables		(74,149)	(36,754)
Increase/(decrease) in trade and other payables		(1,390)	2,330
(Decrease)/Increase in contract liabilities		369	(170)
Currency translation adjustment		854	126
<b>Operating cash flows before changes in working capital</b>		<b>(67,279)</b>	<b>(27,305)</b>
Interest received		525	551
Interest paid on lease and other liabilities		(3,662)	(100)
Income tax paid		(2,041)	(3,001)
<b>Cash flows used in operating activities</b>		<b>(72,457)</b>	<b>(29,855)</b>
<b>Investing activities</b>			
Purchase of property, plant and equipment	10	(119)	(316)
Purchase of intangible assets		(2,643)	-
Acquisition of remaining share in associate		1,189	-
Lease payment received		178	96
<b>Net cash flows used in investing activities</b>		<b>(1,395)</b>	<b>(220)</b>
<b>Financing activities</b>			
Increase in cash deposit restricted in use (pledged)		-	(32,175)
Increase in fixed deposit restricted in use (pledged)		(1,596)	-
Acquisition of non-controlling interests		(4,873)	-
Repayment to former ultimate holding company		-	(339)
Loan from third party		688	10,375
Interest-bearing bank loan		1,235	30,451
Proceeds from redeemable preference shares		61,150	-
Repayment of lease liabilities		(315)	(186)
<b>Net cash generated from financing activities</b>		<b>56,289</b>	<b>8,126</b>
Net (decrease)/increase in cash and cash equivalents		(17,563)	(21,949)
Effect of foreign exchange rate changes		(104)	1,268
Cash and cash equivalents at beginning of financial period		47,515	67,382
<b>Cash and cash equivalents at end of financial period</b>		<b>29,848</b>	<b>46,701</b>

**INTERIM CONDENSED STATEMENTS OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2024**

Group	Share capital	Capital reserve	Merger reserve	Statutory reserve	Other reserve	Translation reserve	Retained earnings	Attributable to owners of the company	Non-controlling interest	Total
	MYR'000	MYR'000	MYR'000	MYR'000	MYR'000	MYR'000	MYR'000	MYR'000	MYR'000	MYR'000
<b>6 months ended 30 June 2023</b>										
Balance at 1 January 2023, as previously reported	18,348	25,890	313	5,313	(20,761)	7,231	29,143	65,477	728	66,205
Less: Prior year adjustments	-	-	-	-	-	-	(383)	(383)	-	(383)
Balance at 1 January 2023, as restated	18,348	25,890	313	5,313	(20,761)	7,231	28,760	65,094	728	65,822
Acquisition of a subsidiary by way of issue of shares	2,281	-	-	-	-	-	-	2,281	613	2,894
Acquisition of non-controlling interests without a change in control	-	-	-	-	(5,332)	-	-	(5,332)	504	(4,828)
Total comprehensive income for the financial period	-	-	-	-	-	1,577	1,152	2,729	870	3,599
<b>Balance as at 30 June 2023</b>	<b>20,629</b>	<b>25,890</b>	<b>313</b>	<b>5,313</b>	<b>(26,093)</b>	<b>8,808</b>	<b>29,912</b>	<b>64,772</b>	<b>2,715</b>	<b>67,487</b>
<b>6 months ended 30 June 2024</b>										
Balance at 1 January 2024	20,629	25,890	313	5,313	(25,971)	13,988	29,055	69,217	1,985	71,202
Total comprehensive income for the financial period	-	-	-	-	-	(7)	(1,346)	(1,353)	199	(1,154)
<b>Balance as at 30 June 2024</b>	<b>20,629</b>	<b>25,890</b>	<b>313</b>	<b>5,313</b>	<b>(25,971)</b>	<b>13,981</b>	<b>27,709</b>	<b>67,864</b>	<b>2,184</b>	<b>70,048</b>

Company	Share capital	Merger reserve	Translation reserve	Retained earnings	Total
	MYR'000	MYR'000	MYR'000	MYR'000	MYR'000
<b>6 months ended 30 June 2023</b>					
Balance at 1 January 2023	18,348	313	4,693	(1,066)	22,288
Acquisition of a subsidiary by way of issue of shares	2,281	-	-	-	2,281
Total comprehensive loss for the financial period	-	-	1,133	(3,188)	(2,055)
<b>Balance as at 30 June 2023</b>	<b>20,629</b>	<b>313</b>	<b>5,826</b>	<b>(4,254)</b>	<b>22,514</b>
<b>6 months ended 30 June 2024</b>					
Balance at 1 January 2024	20,629	313	6,254	2,250	29,446
Total comprehensive loss for the financial period	-	-	(238)	(1,665)	(1,903)
<b>Balance as at 30 June 2024</b>	<b>20,629</b>	<b>313</b>	<b>6,016</b>	<b>585</b>	<b>27,543</b>

## SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS

### 1. Corporate information

Luminor Financial Holdings Limited (the “**Company**”) is a limited liability company incorporated and domiciled in the Republic of Singapore with its registered office at 30 Cecil Street #10-01/02, Prudential Tower, Singapore 049712 and principal place of business at 9 Raffles Place #29-01, Republic Plaza, Singapore 048619. The Company is listed on Catalist, the sponsor-supervised board of the Singapore Exchange Securities Trading Limited.

The principal activity of the Company is that of an investment holding company. The principal activities of the subsidiaries comprise:

- Financial solutions business; and
- Property development business.

Please refer to Note 4 for information on the Group’s business segments.

### 2. Basis of preparation

The interim condensed financial statements for the six-month financial period ended 30 June 2024 have been prepared in accordance with Singapore Financial Reporting Standards (International) (“**SFRS(I)**”) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The interim condensed 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 financial year ended 31 December 2023.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I), except for the adoption of new and amended standards as set out in Note 2.1.

The interim condensed financial statements are presented in Malaysian Ringgit (“**MYR**”), and all values are rounded to the nearest thousand (“**MYR’000**”) except when otherwise indicated.

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

In the current financial period, the Group has adopted all the new and revised SFRS(I) and SFRS(I) Interpretations (“**SFRS(I) INT**”) that are relevant to its operations and effective for the current financial year. Changes to the Group’s accounting policies have been made as required, in accordance with the transitional provisions in the respective SFRS(I) and SFRS(I) INT.

The adoption of these new and revised SFRS(I) and SFRS(I) INT did not have any material effect on the financial results or position of the Group and the Company.

## **2.2. Use of judgements and estimates**

In preparing the interim condensed financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. 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 that applied to the consolidated financial statements as at and for the financial year ended 31 December 2023.

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

Information about critical judgement in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are included in the following notes:

- Note 2.3 - Determination of functional currency

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next interim period are included in the following notes:

- Note 7 - Income tax expense
- Note 11 - Impairment of goodwill
- Note 12 - Estimation of net realisable value of properties held for sale
- Note 13 - Calculation of loss allowance

## **2.3. Determination of functional currency**

SFRS(I) 1–21 *The Effects of Changes in Foreign Exchange Rates* requires the Company and each of the entities in the Group to determine its functional currency in preparing the financial statements. When determining its functional currency, the Company and the entities in the Group consider the primary economic environment in which each of them operates i.e. the one in which it primarily generates and expends cash. The Company and the entities in the Group may also consider where the funds from financing activities are generated. Management applied its judgement and determined that the functional currency of the Company is Singapore Dollars on the basis that its funding is denominated in Singapore Dollars and its transactions are mainly in Singapore Dollars.

## **3. Seasonal operations**

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

#### 4. Segment and revenue information

##### 4.1. Revenue

	Group	
	1HY2024 MYR'000	1HY2023 MYR'000
Income from sale of properties	564	395
Rental income	226	324
Interest income and fee income from financial solutions	18,891	15,767
	<b>19,681</b>	<b>16,486</b>

##### 4.2. Reportable segments

The Group's reportable operating segments comprise property segment and financial solutions.

Accordingly, the above are the Group's reportable segments under SFRS(I) 8 *Operating Segments*. Information regarding the Group's reportable segments is presented below.

Operating segments are aggregated into a single reportable operating segment if they have similar economic characteristics and are similar in respect of nature of services and processes and/or their reported revenue.

##### Segment Principal activities

- (a) Property segment      Development of residential, commercial and other properties and leasing of properties held for sale to generate rental income
- (b) Financial solutions      Interest income and fees from financial solutions business

Information regarding the Group's reportable segments is presented in the tables below.



#### 4.2. Reportable segments (continued)

Below are the Group's reportable segments as required under SFRS(I) 8 *Operating Segments*

	Property		Financial solutions		Group	
	1HY2024 MYR'000	1HY2023 MYR'000	1HY2024 MYR'000	1HY2023 MYR'000	1HY2024 MYR'000	1HY2023 MYR'000
<b>Revenue</b>						
External sales	790	719	18,891	15,767	19,681	16,486
<b>Result</b>						
Segment gross contribution	262	399	15,657	13,721	15,919	14,120
Other income/(expenses)	(11)	761	612	(247)	601	514
Interest income	75	328	450	223	525	551
Direct expenses	(850)	(746)	(9,872)	(6,983)	(10,722)	(7,729)
Impairment losses on trade and other receivables	–	–	(2,332)	(759)	(2,332)	(759)
Share of result of associate	–	–	22	379	22	379
<b>Segment net contribution/(loss)</b>	<b>(524)</b>	<b>742</b>	<b>4,537</b>	<b>6,334</b>	<b>4,013</b>	<b>7,076</b>
Corporate expenses					(3,207)	(4,555)
Profit before income tax					806	2,521
Income tax expenses					(1,959)	(499)
<b>(Loss)/ Profit for the period</b>					<b>(1,153)</b>	<b>2,022</b>
Depreciation and amortisation	–	–	(1,055)	(750)	(1,055)	(750)
Share of result of associate	–	–	22	379	22	379

#### 4.2. Reportable segments (continued)

Below are the Group's reportable segments as required under SFRS(I) 8 *Operating Segments* (continued)

	Property		Financial Solutions		Group	
	30/6/24 MYR'000	31/12/23 MYR'000	30/6/24 MYR'000	31/12/23 MYR'000	30/6/24 MYR'000	31/12/23 MYR'000
Segment assets	65,357	65,931	190,120	137,473	255,477	203,404
Unallocated assets					21,058	11,858
<b>Total assets</b>					<b>276,535</b>	<b>215,262</b>
Segment liabilities	26,732	26,899	105,003	42,700	131,735	69,599
Unallocated liabilities					74,752	74,461
<b>Total liabilities</b>					<b>206,487</b>	<b>144,060</b>

#### 4.2. Segment information (continued)

Below are the Group's reportable segments by geography.

Segment revenue: Segment revenue is analysed based on the location of customers.

Segment assets: Segment assets (non-current assets) are analysed based on the location of these assets.

	Revenue	
	1HY2024 MYR'000	1HY2023 MYR'000
People's Republic of China	790	719
Malaysia	18,649	15,514
Singapore	242	253
<b>Total</b>	<b>19,681</b>	<b>16,486</b>

  

	Non-current assets*	
	30/06/2024 MYR'000	31/12/2023 MYR'000
Singapore	11,220	9,459
People's Republic of China	10	10
Malaysia	2,665	3,212
<b>Total</b>	<b>13,895</b>	<b>12,681</b>

\* Non-current assets information presented above are non-current assets as presented in the consolidated balance sheet excluding financial instruments and deferred tax assets.

#### 5. Significant expenses

Significant expenses include:

	Group	
	1HY2024 MYR'000	1HY2023 MYR'000
Depreciation of property, plant and equipment	370	368
Depreciation of right-of-use assets	496	374
Impairment losses on trade and other receivables - net	2,332	759
Net foreign exchange loss	773	3,062
Cost of properties held for sale recognised as expenses	529	320
Management fee charged by former ultimate holding company	-	580
Staff costs and directors' remuneration	5,617	3,895

## 6. Related party transactions

In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions between the Group and related parties took place at terms agreed between the parties during the financial period:

	Group	
	1HY2024	1HY2023
	MYR'000	MYR'000
Rental income received from a fellow subsidiary	-	83
Management fee expenses paid to the former ultimate holding company	-	580
Interest expense on amount due to director *	907	850
Interest expense on amount due to related third party **	340	332

\* Amount due to director is unsecured, bearing fixed interest at 6.5% per annum and payable within the next 12 months.

\*\* Amount due to related third party is unsecured, bearing fixed interest at 6.5% per annum and payable within the next 12 months.

## 7. Income tax expense

	Group	
	1HY2024	1HY2023
	MYR'000	MYR'000
Current tax:		
PRC enterprise income tax	12	13
PRC land appreciation tax	(33)	8
Singapore corporate income tax	-	(165)
Malaysia corporate income tax	1,980	643
	<hr/>	<hr/>
	1,959	499
Deferred tax:		
Origination of temporary differences	-	-
	<hr/>	<hr/>
Total income tax expense	1,959	499

## 8. Earnings per share

The calculation of the basic and diluted earnings per share attributable to the ordinary equity holders of the Company is based on the following data:

	Group	
	1HY2024	1HY2023
Net (loss)/profit attributable to owners of the Company (MYR'000)	(1,346)	1,152
Weighted average number of ordinary shares outstanding('000)	167,437	166,084
Basic and diluted (loss)/earnings per share (MYR cents)	(0.80)	0.69

The basic and diluted loss/earnings per share for the respective financial period under review were the same as the Company did not have potentially dilutive ordinary shares as at 30 June 2024 and as at 30 June 2023 respectively.

The basic and diluted loss/earnings per share were calculated based on the net (loss)/profit attributable to the owners of the Company for the respective financial period under review.

## 9. Net asset value

Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the:

- (a) Current financial period reported on; and
- (b) Immediately preceding financial year.

	<b>Group</b>	
	<b>30/06/2024</b>	<b>31/12/2023</b>
Net Asset Value Per Ordinary Share		
- Based on issued share capital at the end of financial period (MYR)	0.42	0.43
- Number of ordinary shares at the end of financial period ('000)	167,437	167,437

  

	<b>Company</b>	
	<b>30/06/2024</b>	<b>31/12/2023</b>
Net Asset Value Per Ordinary Share		
- Based on issued share capital at the end of financial period (MYR)	0.16	0.18
- Number of ordinary shares at the end of financial period ('000)	167,437	167,437

## 10. Property, plant and equipment

During the six months ended 30 June 2024, the Group acquired assets amounting to MYR0.1 million (31 December 2023: MYR 0.8 million) and there were no disposals (31 December 2023: MYR0.4 million).

## 11. Goodwill

	<b>Group</b>	
	<b>30/06/2024</b>	<b>31/12/2023</b>
	MYR'000	MYR'000
<b>Cost</b>		
At beginning of financial period/year	3,348	1,871
Goodwill on acquisition of Funded Here Pte. Ltd. ("FHPL")	-	1,385
Translation difference	-	92
<b>At end of financial period</b>	<b>3,348</b>	<b>3,348</b>
<b>Accumulated impairment</b>		
At beginning and end of financial period	(1,271)	(1,271)
<b>Net carrying value at end of financial period</b>	<b>2,077</b>	<b>2,077</b>

## 11. Goodwill (continued)

### *Impairment test for goodwill*

Goodwill acquired in a business combination is allocated to the cash generating units (“CGUs”) that are expected to benefit from that business combination. Before recognition of impairment losses, the carrying amount of goodwill had been allocated as follows:

	<b>30/06/2024</b>	<b>31/12/2023</b>
	MYR'000	MYR'000
Luminor Malaysia and its subsidiaries (excluding SA Puncak Management Sdn. Bhd.)	1,271	1,271
SA Puncak Management Sdn. Bhd. (“SAPM”)	600	600
FHPL	1,477	1,477

At the end of the reporting period ended 31 December 2020, management fully impaired the goodwill arising from the acquisition of Luminor Malaysia and its subsidiaries (excluding SAPM).

Goodwill is assessed at each reporting date regardless of any indication of impairment by comparing the carrying amount with the recoverable amount of each CGUs.

### Key assumptions used in value in use calculation of SAPM and FHPL

The recoverable amount is determined from value in use calculations derived from the most recent financial budgets approved by management covering a five-year period for SAPM and FHPL respectively (2023: five-year period for SAPM and FHPL respectively). Forecast revenue for the five years was projected taking into account the increased efforts that will be channelled into the financial solutions business and the market demand for financial solutions for the five years.

Cash flows beyond the five-year period were extrapolated using an estimated terminal growth rate of 4.0% for SAPM and 3.6% for FHPL. The pre-tax rate used to discount the forecast cash flows is 6.9% for SAPM and 13.3% for FHPL.

### Sensitivity to changes in assumptions

With regards to the assessment of value in use, management believes that the change in the estimated recoverable amount from any reasonably possible changes in any of the above key assumptions would not cause the recoverable amount to be materially lower than the carrying value of goodwill allocated to SAPM and FHPL.

## 12. Properties held for sale

	<b>Group</b>	
	<b>30/6/24</b>	<b>31/12/23</b>
	MYR'000	MYR'000
At cost or net realisable value	14,862	15,329

Properties held for sale as at 30 June 2024 and 31 December 2023 are as follows:

<b>Location</b>	<b>Description</b>	<b>30/6/24</b>		<b>31/12/23</b>	
		<b>Gross floor area (sq. meters)</b>	<b>Group's effective interest</b>	<b>Gross floor area (sq. meters)</b>	<b>Group's effective interest</b>
89 Julong Avenue, Lidu, Fuling District, Chongqing, PRC	Commercial units and carpark units	4,396	100%	4,446	100%
8 Wubao Road, Fuling District, Chongqing, PRC	Residential units, commercial units and carpark units	4,077	100%	4,263	100%

## 13. Trade and other receivables

	<b>Group</b>		<b>Company</b>	
	<b>30/06/24</b>	<b>31/12/23</b>	<b>30/06/24</b>	<b>31/12/23</b>
	MYR'000	MYR'000	MYR'000	MYR'000
<u>Current</u>				
Trade receivables	18,772	9,691	-	-
Loan advances	3,274	3,385	-	-
Factoring receivables	163,418	93,851	-	-
Other receivables from third parties	1,207	1,453	67	35
Other receivables from subsidiaries	-	-	125,531	124,015
Deposits	781	832	177	175
Interest receivable from fixed deposit	-	8	-	-
Prepayments	1,542	492	60	97
Advance to a third party	-	547	-	-
GST receivable	63	-	63	-
	189,057	110,259	125,898	124,322
Less: allowance for impairment losses				
- Trade receivables	(834)	(834)	-	-
- Factoring receivables	(12,793)	(10,598)	-	-
- Loan advances	(2,030)	(2,030)	-	-
	(15,657)	(13,462)	-	-
Total trade and other receivables	173,400	96,797	125,898	124,322

### Trade receivables and factoring receivables from the Group's financial solutions business

Trade receivables are unsecured, interest-free and are generally due within 3 months from date of invoice. Factoring receivables are interest bearing at 1% to 12% per transaction (31 December 2023: 1% to 12% per transaction) and are generally due within 3-6 months (31 December 2023: 3 months) from disbursement date.

### Loan advances

Loan advances are interest bearing at 12% (31 December 2023: 12%) per annum and are generally on 1-3 months (31 December 2023: 1 month) term.

### Other receivables from third parties and subsidiaries

Other receivables are non-trade, unsecured, interest-free, repayable on demand and are to be settled in cash.

### Advance to a third party

The advance was acquired by the Group during the acquisition of Luminor Capital (Malaysia) Sdn Bhd ("**LCM**") as part of the assets of LCM. The advance was made by LCM to finance a third party's factoring business. The amount is interest bearing at 14% (31 December 2023: 14% to 18%) per annum. Management has recovered the amount in full as at 30 June 2024.

### Allowance for impairment losses of factoring receivables

The impairment losses recorded relate to factoring receivables that are past 90 days overdue and have been assessed by management in accordance with their estimated credit loss policy. The overall recoverability of the receivables will be reviewed monthly and amounts in excess will be released back to the profit and loss statement before the upcoming year end.

## 14. Trade and other payables

### Contract liabilities

	Group		Company	
	30/06/24	31/12/23	30/06/24	31/12/23
	MYR'000	MYR'000	MYR'000	MYR'000
<u>Current</u>				
Trade payables	30	29	-	-
Deposit from contractors	49	49	-	-
Deposit from tenants	209	209	-	-
Accrued expenses	2,447	3,907	1,206	1,436
Other payables due to subsidiaries	-	-	38,895	38,849
Other payables due to former ultimate holding company	158	158	158	158
Payables to former non-controlling interests	19,560	18,872	-	-
Consideration payable to acquisition of SAPM	-	60	-	-
Other payables due to third parties	10,243	10,304	376	193
Other tax payables	450	451	-	-
Loan from a shareholder	28,300	28,312	28,300	28,312
Loan from a related party	10,613	10,617	10,613	10,617
GST payable	31	159	31	159
	<u>72,090</u>	<u>73,127</u>	<u>79,579</u>	<u>79,724</u>
Contract liabilities	1,374	1,002	-	-



**14. Trade and other payables**  
**Contract liabilities (continued)**

	Group		Company	
	30/06/24	31/12/23	30/06/24	31/12/23
	MYR'000	MYR'000	MYR'000	MYR'000
<u>Non-current</u>				
Redeemable preference shares	70,450	8,800	-	-
Financial guarantee to a subsidiary	-	-	4,270	564
	<u>70,450</u>	<u>8,800</u>	<u>4,270</u>	<u>564</u>

Other payables due to subsidiaries and former ultimate holding company are non-trade, unsecured, interest-free, repayable on demand and are to be settled in cash.

Payables to former non-controlling interests are unsecured, interest bearing at 6.5% and 8% (2023: 6.5% and 8%) per annum and repayment is within the next 12 months.

Loan from shareholder and related party

The Company entered into an S\$8 million shareholder loan agreement on 2 March 2022 with a shareholder. The amount is interest bearing at 6.5% per annum, with interest payable on a quarterly basis within 15 working days at the end of each quarter. The loan facility has an initial term of 12 months from the drawdown date of the loan. The loan has been extended for a further 6 months until 5 November 2024. The loan from shareholder is unsecured but is made with full recourse against the Company and its successors.

The Company had on 30 August 2022 entered into a S\$3 million loan agreement with Van Der Horst Holdings Pte Ltd. The loan is interest-bearing at 6.5% per annum with interest payable on a quarterly basis within 15 working days at the end of each quarter. The loan facility shall have an initial term of 6 months, from the date of the agreement or longer period as may be requested by the Company. The loan facility has been extended for a further 12 months until 28 February 2025. The loan is unsecured with full recourse against the Company and its successors.

Redeemable preference shares

The Group has established a redeemable preference shares (“RPS”) programme of up to MYR500,000,000 in nominal value. As at 30 June 2024, redeemable preference shares totalling MYR70,450,000 at MYR1.00 per RPS have been issued. The RPS are interest bearing at 5% plus overnight policy rate published by Bank Negara Malaysia on the respective RPS issued date, and the interest rate is at 8% as at 30 June 2024. The RPS is mandatorily redeemable at MYR1.00 per RPS with tenure of two years from the following issuance dates.

RPS allotment dates	Amount of RPS (ordinary shares)	Amount MYR'000
7 November 2023	5,850,000	5,850,000
24 November 2023	2,100,000	2,100,000
29 December 2023	850,000	850,000
29 January 2024	6,300,000	6,300,000
26 February 2024	10,200,000	10,200,000
15 March 2024	12,700,000	12,700,000
9 April 2024	18,650,000	18,650,000
29 May 2024	8,200,000	8,200,000
27 June 2024	5,600,000	5,600,000
<b>Total</b>	<b>70,450,000</b>	<b>70,450,000</b>

#### 14. Trade and other payables (continued)

##### Redeemable preference shares (continued)

The RPS are secured by a put option agreement between RPS Holders with the Company where the RPS Holders have rights to require the Company to redeem the RPS in one tranche at any time during the tenure of two years at the price of MYR1.00 per RPS. The fair value of the non-current RPS at the 30 June 2024 approximate their carrying values as at the end of the reporting period.

##### Financial guarantee to a subsidiary

Financial guarantee contracts are initially recognised at their fair values. Subsequent to initial measurement, the financial guarantees are measured at the higher of the amount initially recognised less cumulative amount of income recognised in accordance with the principles of SFRS(I) 15 and the amount of expected loss computed using the impairment methodology under SFRS(I) 9. Financial guarantee liability pertains to the fair value of the put option amounting to MYR4,918,000 on initial recognition provided by the Company on behalf of the subsidiary to obtain financing through the RPS programme, less amortisation. Correspondingly, the Company recorded the financial guarantee liability as additions to the investment in subsidiaries amounting to MYR4,918,000.

##### Contract liabilities

Contract liabilities pertain to advances from customers for the sale of its properties which are recognised as revenue when control of the property has been transferred to the customer and final instalment received in advance from customer.

#### 15. Bank borrowings

	Group		Company	
	30/06/24	31/12/23	30/06/24	31/12/23
	MYR'000	MYR'000	MYR'000	MYR'000
<b><u>Current liabilities</u></b>				
- Revolving loan	30,746	29,906	30,746	29,906
- Bank guarantees	1,734	505	-	-
	<u>32,480</u>	<u>30,411</u>	<u>30,746</u>	<u>29,906</u>

##### *Revolving loan*

As at 30 June 2024, the Group and the Company has a revolving loan from a licensed bank of US\$6.5 million (equivalent to MYR30.7 million), which is fully backed by a Standby Letter of Credit (“**SBLC**”), to which the Company has pledged a cash deposit of RMB50 million (equivalent to MYR32.5 million). Interest rate for the short-term loan is at a floating rate ranging from 6.07% to 6.36% (2023: 6.07% to 6.36%) per annum. The maturity date of the short-term loan is one year from the first drawdown date or one month prior to the maturity date stated in facility letter, whichever is earlier.

##### *Bank guarantees*

As at 30 June 2024, the Group has a bank guarantee facility from a licensed bank for MYR 1,734,000. Interest rate for the bank guarantees is at a fixed commission rate and service fee of 1.2% and 1% (2023: 1.2% and 1%) per annum respectively. The maturity date of the bank guarantees are 28 months or one year from the drawdown dates. The bank guarantees are secured by placement of fixed deposit amounting to MYR 2,603,000.

## 16. Lease liabilities

Lease liabilities of the Group amounting to MYR 3.9 million as at 30 June 2024 (31 December 2023: MYR 4.6 million) is secured by the right to the leased offices in Malaysia and Singapore.

	Group	
	30/06/24 MYR'000	31/12/23 MYR'000
<b>Amount repayable within one year</b>		
Secured	990	1,177
Unsecured	–	–
	<hr/> 990	<hr/> 1,177
<b>Amount repayable after one year</b>		
Secured	2,892	3,390
Unsecured	–	–
	<hr/> 2,892	<hr/> 3,390
	<hr/> 3,882	<hr/> 4,567

## 17. Share capital

	Group and Company			
	30/06/2024		31/12/2023	
	No. of shares '000	MYR'000	No. of shares '000	MYR'000
<b>Issued and fully paid ordinary shares</b>				
At the end of financial period	167,437	20,629	167,437	20,629

The holder of ordinary shares is entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions. The ordinary shares have no par value.

## 18. Financial instruments

	Group		Company	
	30/06/24 MYR'000	31/12/23 MYR'000	30/06/24 MYR'000	31/12/23 MYR'000
<b>Financial assets</b>				
Financial assets carried at amortised cost	237,803	178,400	130,922	132,831
Financial assets at fair value through profit or loss	7,846	7,847	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	245,649	186,247	130,922	132,831
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Financial liabilities carried at amortised cost</b>	178,902	116,295	113,623	113,158
	<hr/>	<hr/>	<hr/>	<hr/>

## 19. Investment in subsidiaries

(a) Conversion of Irredeemable Convertible Preference Shares (“ICPS”) to Ordinary shares in FHPL

On 29 February 2024, SAPL converted 58,410 ICPS into 58,410 ordinary shares in FHPL (“**ICPS Conversion**”). The ICPS were issued at S\$1 per ICPS and have a tenure of one year. No dividend was paid during the tenure of the ICPS. Following the ICPS Conversion, SAPL increased its shareholding interest from 88.28% to 88.31%.

(b) Increase in ownership in FHPL

On 29 January 2024, 29 April 2024 and 28 June 2024, SAPL subscribed for 5,434,782, 4,515,000 and 5,163,044 ordinary shares of FHPL at S\$0.092 per ordinary share for a total consideration of S\$1.39 million (approximately MYR 4,875,000) (“**FH Capital Calls**”). The Group paid for the consideration in cash. Following the FHPL Capital Calls, SAPL increased its shareholding interest in FHPL to 91.39% as at 30 June 2024.

## 20. Subsequent events

On 27 July 2024, SAPL subscribed for 4,326,087 ordinary shares of FHPL at S\$0.092 per ordinary share for a total consideration of S\$398,000 (approximately MYR 1,368,000) (the “**Subscription**”). The Group paid for the consideration in cash. Following the Subscription, SAPL increased its shareholding interest in FHPL to 91.86%.

**Other information required by Appendix 7C of the Catalyst Rules**

- 1(i) Details of any changes in the company's share capital arising from rights issue, bonus issue, subdivision, consolidation, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

There has been no change in the Company's share capital since 31 December 2023.

The Company did not have any outstanding convertibles as at 30 June 2024 and 30 June 2023.

The Company did not have any treasury shares and subsidiary holdings as at 30 June 2024 and 30 June 2023.

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

	<b>Company</b>	
	30 June 2024	31 December 2023
Total number of issued shares	167,437,355	167,437,355

The Company did not have any treasury shares as at 30 June 2024 and 31 December 2023.

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

Not applicable.

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

Not applicable.

- 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 by the Company's auditors.

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

Not applicable.

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

- (a) Updates on the efforts taken to resolve each outstanding audit issue.  
 (b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed

Not applicable.

4. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-

- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and  
 (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

#### INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Six months ended 30 June 2024 ("1HY2024") vs. Six months ended 30 June 2023 ("1HY2023")

#### OVERVIEW

1HY2024 saw continued steady growth in the financial solutions business, with Group revenue rising 19.4% from MYR16.5 million in 1HY2023 to MYR19.7 million in 1HY2024. In FY2023, the Group acquired FHPL, in which the Group has a shareholding interest of 91.39% as at 30 June 2024. The financial solutions business (excluding FHPL), recorded a gross profit of MYR15.7 million in 1HY2024 as compared to MYR13.7 million in 1HY2023. Since Luminor Malaysia broke even for the first time in 2023 (since commencing operations in 2020), Luminor Malaysia continues to be profitable. The Group's overall profitability was impacted by FHPL being in start-up stage with the building up of the FHPL team as well as the development of the FHPL platform.

The table below shows the profit and loss breakdown of the financial solutions segment:

	Financial Solutions (excluding FHPL)		FHPL		Financial Solutions	
	1HY2024 MYR'000	1HY2023 MYR'000	1HY2024 MYR'000	1HY2023 MYR'000	1HY2024 MYR'000	1HY2023 MYR'000
<b>Revenue</b>						
External sales	18,891	15,767	-	-	18,891	15,767
Less: Interest Expense	(3,234)	(2,046)	-	-	(3,234)	(2,046)
<b>Gross profit</b>	<b>15,657</b>	<b>13,721</b>	<b>-</b>	<b>-</b>	<b>15,657</b>	<b>13,721</b>
Other income/(expense)	612	(247)	-	-	612	(247)
Interest income	428	223	22	-	450	223
<b>Expenses</b>						
Direct expenses	(7,892)	(6,024)	(1,980)	(959)	(9,872)	(6,983)
Impairment loss on trade and other receivables – net	(2,332)	(759)	-	-	(2,332)	(759)
Share of results of associate	22	379	-	-	22	379
<b>Segment Net (loss)/ contribution</b>	<b>6,495</b>	<b>7,293</b>	<b>(1,958)</b>	<b>(959)</b>	<b>4,537</b>	<b>6,334</b>

## **Revenue**

Our revenue is derived from the sale of properties, rental income from leasing of our properties in the People's Republic of China ("PRC"), interest income and fees from loans and invoice factoring services provided in Malaysia by Luminor Capital (Malaysia) Sdn Bhd and its subsidiaries ("Luminor Malaysia").

The following table shows the breakdown of the revenue:

	1HY2024		1HY2023	
	MYR'000	% of revenue	MYR'000	% of revenue
Income from sale of properties	564	2.9%	395	2.4%
Rental income	226	1.1%	324	2.0%
Interest income and fee income from financial solutions	18,891	96.0%	15,767	95.6%
	<b>19,681</b>	<b>100%</b>	<b>16,486</b>	<b>100%</b>

### **Composition of Revenue**

The property business contributed 4.0% (1HY2023: 4.4%) and the financial solutions business contributed 96.0% (1HY2023: 95.6%) of total revenue in 1HY2024.

### **Income from sales of properties**

The Group sold 1 residential unit and 1 carpark space for the Singapore Garden project during 1HY2024 as compared to the Group's sales of 1 residential unit for the Singapore Garden project in 1HY2023. For the University Town project, the Group sold 1 carpark space in 1HY2024 as compared to no sales in 1HY2023.

The sales of properties in 1HY2024 in the PRC as compared to 1HY2023 remained relatively flat due to the continued weak China property market. In addition, the Company has also reached the tail end of the projects with only 2 commercial units and 27 carpark spaces left for the University Town project and 7 residential units, 23 commercial units and 12 carpark spaces left for the Singapore Garden project as at 30 June 2024.

The revenue from the sale of properties was MYR 0.6 million and accounted for 2.9% of the Group's total revenue for 1HY2024 as compared to MYR 0.4 million which accounted for 2.4% of the Group's total revenue in 1HY2023.

### **Rental income**

Rental income for 1HY2024 was MYR 0.2 million and accounted for 1.1% of the Group's total revenue for 1HY2024, as compared to MYR 0.3 million for 1HY2023 which accounted for 2.0% of the Group's total revenue for 1HY2023. The Group's rental income is derived from the leasing of the Group's commercial units at both the University Town and Singapore Garden projects in PRC.

The rental income has decreased marginally by MYR 0.1 million in 1HY2024 as compared to 1HY2023 due to the slight rental reduction negotiated by the tenants during the period under review as well as one less commercial unit rented out. The Group leased out 7 commercial units of the Singapore Garden project and 1 commercial unit of the University Town project as at 30 June 2024 as compared to 8 commercial units of the Singapore Garden project and 1 commercial unit of the University Town project 30 June 2023.

### **Interest income and fee income from financial solutions**

The revenue from the financial solutions business was MYR 18.9 million and accounted for 96.0% of the Group's total revenue for 1HY2024 as compared to MYR 15.8 million and accounted for 95.6% of the Group's total revenue for 1HY2023. This is due to the increase in the number of new clients and repeat business in Luminor Malaysia's factoring business in 1HY2024 as compared to 1HY2023.

### **Interest Expense**

Interest expense includes mainly the borrowing cost of shareholder loan and bank loans. The interest expense has increased by MYR 1.2 million. This is in line with the increase in the interest income derived from the financial services business recorded in 1HY2024 as compared to 1HY2023.

### **Gross profit and gross profit margin**

The following table shows the revenue, gross profit and profit margin by operating segments.

	<b>Property</b>		<b>Financial solutions</b>		<b>Group</b>	
	<b>1HY2024</b>	<b>1HY2023</b>	<b>1HY2024</b>	<b>1HY2023</b>	<b>1HY2024</b>	<b>1HY2023</b>
	<b>MYR'000</b>	<b>MYR'000</b>	<b>MYR'000</b>	<b>MYR'000</b>	<b>MYR'000</b>	<b>MYR'000</b>
Revenue	790	719	18,891	15,767	19,681	16,486
Gross profit	262	399	15,657	13,721	15,919	14,120
Gross Profit Margin	33.2%	55.5%	82.9%	87.0%	80.9%	85.6%

The Group's gross profit increased from MYR 14.1 million in 1HY2023 to MYR 15.9 million in 1HY2024. Gross profit margin was 80.9% in 1HY2024 as compared to 85.6% in 1HY2023.

Gross profit margin for the financial solutions business was 82.9% for 1HY2024 compared to 87.0% for 1HY2023. The decrease in gross profit margin is due to an increase in borrowing costs for capital required to expand the business.

Gross profit margin for the property business was 33.2% for 1HY2024 compared to 55.5% for 1HY2023. The cost of sales from the sale of properties has increase in 1HY2024 as compared to 1HY2023, which is in line with the increase in sale of properties. However, the gross profit margin has decreased due to the decrease in rental income in 1HY2024 as compared to 1HY2023.

### **Interest income**

Interest income comprises interest received from fixed deposits, investments, current accounts with banks and lease interest. Interest income has remained relatively constant in 1HY2024 as compared with 1HY2023.

### **Other income**

Other income has increased marginally in 1HY2024 as compared to 1HY2023. Other income in 1HY2024 mainly comprise the reversal of impairment loss on investment in associate of MYR 0.5 million.

### **Cost of sales**

Cost of sales comprises costs incurred directly for our property development activities. It is determined by apportionment of the total land costs and development costs during the development period with such apportionment based on the Gross Floor Area ("**GFA**") of the properties which have been successfully delivered to the customers. The cost of sales has increased due to the increase in sale of properties in 1HY2024.

### **Depreciation and amortisation**

The increase in depreciation and amortisation of MYR 0.3 million is due to the increase in depreciable assets as well as the commencement of amortisation on the intangible assets held by our local subsidiary, as the platform has become operational from May 2024.

### **Commission expenses**

Commission expenses increased by MYR 1.0 million in 1HY2024 compared to 1HY2023. This increase is due to higher commission expenses paid to sales staff for achieving higher sales volume. This is also in line with the increase in revenue from the financial services business in 1HY2024 as compared to 1HY2023.



### **Foreign exchange losses**

Foreign exchange losses relate to the unrealised and realised foreign exchange gains and losses arising from the loan facilities undertaken by Luminor Malaysia to expand the financial solutions business as the borrowings are mainly in Singapore Dollar (“SGD”) and the United States Dollar (“USD”), which has significantly strengthened against the Malaysian Ringgit since the facilities were undertaken. The unrealised and realised foreign exchange gains and losses against the SGD and the USD are recorded every month. The decline in the foreign exchange losses is in line with the lower foreign exchange fluctuation of the SGD and the USD against the MYR for the period 1HY2024 as compared to 1HY2023.

### **Impairment losses on trade and other receivables - net**

The impairment losses of MYR 2.3 million relates to factoring receivables that are past 90 days overdue and have been assessed by management to have low recoverability.

### **Operating expenses**

Operating expenses include general operating expenses such as administrative fees, management fees, director fees, office rental, entertainment, travelling, share registry fees, licence fees, stamp duty, bank charges, etc. Operating expenses amounted to approximately MYR2.3 million in both 1HY2024 and 1HY2023.

### **Professional fees**

Professional fees comprise audit fees, secretarial fees, tax fee, legal fees, valuation fees, sponsor fees and consultancy fees. Professional fees increased by MYR 0.9 million in 1HY2024 mainly due to additional spending incurred in engaging professionals to advise on corporate structures, legal fees incurred in securing banking facilities in Malaysia and legal action against debtors.

### **Staff costs**

Staff costs comprise staff salaries, staff bonus as well as all other staff related costs. The increase in staff costs is mainly due to the increase in headcount in the Group from 57 in 1HY2023 to 62 in 1HY2024 which is in line with the business expansion activities locally and regionally.

### **Other expenses**

Other expenses comprise other tax expenses, fines and write-off of trade payables. There is a write-off of trade receivables in 1HY2024 of MYR 0.2 million.

### **Income tax expenses**

Income tax expenses related to enterprise income tax, land appreciation tax in the PRC as well as corporate income tax incurred by all the entities in the Group. The large increase in income tax expense of MYR 1.5 million is mainly due to the increase in profit from the financial solutions business in Malaysia in 1HY2024 as compared to 1HY2023.

## **INTERIM CONDENSED BALANCE SHEET**

### ***Current assets***

As at 30 June 2024, current assets of MYR 253.6 million mainly consist of cash and bank balances, trade and other receivables, properties held for sale, net investment in sub-leases and income tax receivable.

Trade and other receivables consist of trade receivables, loan advances, factoring receivables, other receivables from third parties, deposits, prepayments and GST receivable. The amount increased by MYR 76.6 million to MYR 173.4 million as at 30 June 2024. This is mainly due to higher factoring receivables and trade receivables which is in line with the increase in revenue in 1HY2024 as compared to 1HY2023.

Properties held for sale comprised the completed but unsold units of Singapore Garden project and University Town project in PRC, which amounted to MYR 9.6 million and MYR 5.3 million respectively as at 30 June 2024.

The net investment in sub-leases as well as the income tax receivable balance at 30 June 2024 has remained relatively consistent compared with 31 December 2023.

### ***Non-current assets***

As at 30 June 2024, non-current assets of MYR 22.9 million consist of financial assets at fair value through profit or loss, property, plant and equipment, net investment in sub-leases, goodwill, intangible assets and deferred tax assets.

(i) Financial assets at fair value through profit or loss

The financial assets at fair value through profit or loss balance has remained relatively consistent.

(ii) Property, plant and equipment

The MYR 0.7 million decrease in property, plant and equipment is due to depreciation partially offset by the addition of property, plant and equipment of MYR 0.1 million during 1HY2024.

(iii) Net investment in sub-leases

The decrease in net investment in sub-leases of MYR 0.1 million is due to the amortisation of the lease assets during 1HY2024.

(iv) Investment in associate

The decrease in investment in associate is due to the acquisition of the remaining interest in Luminor Capital Markets Sdn Bhd ("**LCM2**"). LCM2 is in the business of providing corporate advisory services and is now a wholly-owned subsidiary of the Group.

(v) Goodwill

Goodwill is in relation to the Group's acquisition of SA Puncak Management Sdn Bhd and Funded Here Pte Ltd ("**FHPL**").

(vi) Intangible assets

The MYR 2.6 million increase in intangible assets is due to the current development of the platform undertaken by FHPL.

### ***Current liabilities***

As at 30 June 2024, current liabilities of MYR 130.0 million consist of lease liabilities, trade and other payables, contract liabilities, bank borrowings and income tax payable.

Trade and other payables mainly comprise of trade payables, deposits from contractors, tenants and customers, accrued expenses, amount due to former ultimate holding company and non-controlling interest, other payables to third parties, other tax payables, loan from a shareholder and a related party and GST payable.

The decrease in the trade and other payables of MYR 1.0 million is mainly due to decrease in accrued expenses from 31 December 2023 of approximately MYR 1.5 million and decrease in GST payable of MYR 0.1 million, offset by an increase in amount due to former non-controlling interest of approximately MYR 0.7 million. The increase in amount due to former non-controlling interest is due to the interest accrued on the outstanding balance for the period 1HY2024.

Income tax payable has remained relatively consistent with the balance at 31 December 2023.

### ***Non-current liabilities***

As at 30 June 2024, non-current liabilities of MYR 76.5 million consist of lease liabilities, redeemable preference shares, deferred tax liabilities and provision for restoration. Provision for restoration of MYR 0.3 million has been recorded by Luminor Malaysia for reinstatement of the office premises when the lease ends. The decrease in lease liabilities is due to the amortisation over the period. Deferred tax liabilities has remained relatively consistent with the balance at 31 December 2023. Redeemable preference shares (“**RPS**”) relate to the funds raised from the RPS programme established by the Group. Please refer to Note 14 for more details.

### ***Shareholders' equity***

Shareholders' equity consists of issued share capital, other reserves, retained earnings and non-controlling interest. As at 30 June 2024, shareholders' equity amounted to MYR 70.0 million.

## **INTERIM CONDENSED CONSOLIDATED CASH FLOW STATEMENT**

For 1HY2024, net cash used in operating activities of MYR 72.5 million was mainly due the increase in trade and other receivables balance from 31 December 2023.

Net cash flow used in investing activities amounted to MYR 1.4 million in 1HY2024 was mainly due to the purchase of intangible assets.

Net cash flow generated from financing activities amounted to MYR 56.3 million in 1HY2024, which was mainly due to the proceeds from redeemable preference shares of MYR 61.2 million, offset by acquisition of non-controlling interest MYR 4.9 million and increase in fixed deposit restricted in use of MYR 1.6 million.

As at 30 June 2024, cash and cash equivalents amounted to MYR 29.8 million.

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

The Group's financial results for 1HY2024 is consistent with the profit guidance announcement released by the Company on 30 July 2024.

**6. 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.**

Since achieving profitability in FY2023 for the first time since the business commenced in 2020, the Group's financial solutions business in Malaysia is expected to continue to further acquire market share.

Since the Group acquired a stake in FHPL in 2023, FHPL has developed a technology platform for its debt offering that has been launched in the second quarter of 2024. The Group plans to use FHPL as an avenue to further expand the financial solutions business in Singapore in conjunction with their expansion strategy in the financial solutions business in Malaysia and other Southeast Asian countries. Following the launch of the platform, the FHPL team has been actively pursuing leads to grow the business.

**7. Dividend**

**If a decision regarding dividend has been made:-**

**(a) Whether an interim (final) dividend has been declared (recommended); and**

No dividend has been declared for 1HY2024.

**(b) Amount per share (cents) and previous corresponding period (cents).**

No dividend has been declared for 1HY2023.

**(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).**

Not applicable.

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

Not applicable.

**(e) The date on which Registrable Transfer receive by the Company (up to 5.00pm) will be registered before entitlements to the dividend are determined.**

Not applicable.

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

No dividend has been declared for 1HY2024.

The Company does not have a formal dividend policy. In view of the Company's continued expansion of its financial solutions business within the Singapore and the South-East Asian countries, the Company will preserve its cash balances to facilitate these expansion activities.

**9. Confirmation pursuant to Rule 720(1) of the Catalist Rules**

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

**10. If the Group has obtained a general mandate from shareholders for interested persons transactions (“IPT”) 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 during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders’ mandate pursuant to Rule 920	Aggregated value of all interested person transactions conducted under shareholders’ mandate pursuant to Rule 920 (excluding transactions less than \$100,000
<u>Kwan Chee Seng</u> <sup>(1)</sup> Interest expense on shareholder loan granted by Mr. Kwan to the Company as extended to 5 November 2024	SGD 260,000	-
<u>Van Der Horst Holdings Pte Ltd (“VDH”)</u> <sup>(2)</sup> Interest payable on Loan granted by VDH as extended to 28 February 2025	SGD 195,000	-
Total	SGD 455,000	

**Note:**

- (1) Mr. Kwan Chee Seng is the Non-Executive Director of the Company.
- (2) Van Der Horst Holdings Pte Ltd is an associate of Mr. Kwan as Mr. Kwan holds 99.99% of the total number of issued shares in Van Der Horst Holdings Pte Ltd as at the date of this announcement.

The Group does not have a general mandate for IPT.

**11. Changes in the composition of the Group**

The Group has increased its stake in Funded Here Pte Ltd from 85.33% as at 31 December 2023 to 91.39% on 30 June 2024. Please refer to Note 19 for further details.

Subsequently on 27 July 2024, the Group further increased its stake in Funded Here Pte Ltd to 91.86%. Please refer to Note 20 for further details.

**12. Confirmation pursuant to Rule 705(5) of the Catalyst Rules**

The Board of Directors of the Company confirms that, to the best of their knowledge, nothing has come to the attention of the Board of Directors that may render the unaudited financial statements for the six months ended 30 June 2024 to be false or misleading in any material aspect.

**BY ORDER OF THE BOARD**

**Kwan Yu Wen**  
**Executive Director**  
**13 August 2024**