

**IFS Capital Limited
and its subsidiaries
Registration Number: 198700827C**

**Condensed Interim Financial Statements
For the six months and full year ended 31 December 2024**

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A. Condensed interim consolidated statement of profit or loss and other comprehensive income

	Note	6 months ended 31 December			12 months ended 31 December		
		2H	2H	+ / (-)	12M	12M	+ / (-)
		FY2024 S\$'000	FY2023 S\$'000	%	FY2024 S\$'000	FY2023 S\$'000	%
Interest income		17,134	16,938	1.2	34,237	30,232	13.2
Interest expense		(4,192)	(4,796)	(12.6)	(9,008)	(8,145)	10.6
Net interest income		12,942	12,142	6.6	25,229	22,087	14.2
Insurance revenue		8,367	3,506	138.6	14,290	8,051	77.5
Insurance service expenses		(11,611)	(7,527)	54.3	(23,634)	(10,628)	122.4
Insurance service results before reinsurance contracts held		(3,244)	(4,021)	(19.3)	(9,344)	(2,577)	NM
Allocation of reinsurance premiums		(3,167)	(57)	NM	(5,987)	(2,182)	174.4
RI acquisition income		1,317	1,457	(9.6)	2,401	1,457	64.8
Amount recoverable from reinsurers from incurred claims		2,372	475	NM	7,656	1,469	NM
Net expense from reinsurance contract held		522	1,875	(72.2)	4,070	744	NM
Insurance service results		(2,722)	(2,146)	26.8	(5,274)	(1,833)	187.7
Fee and commission income		4,145	3,314	25.1	7,412	6,482	14.3
Net investment income		1,026	900	14.0	1,719	1,979	(13.1)
Other income		495	395	25.3	875	1,426	(38.6)
Non-interest income		5,666	4,609	22.9	10,006	9,887	1.2
Income before operating expenses		15,886	14,605	8.8	29,961	30,141	(0.6)
Business development expenses		(689)	(583)	18.2	(1,183)	(890)	32.9
Staff costs		(8,126)	(6,603)	23.1	(15,133)	(14,167)	6.8
General and administrative expenses		(3,574)	(2,506)	42.6	(6,731)	(6,229)	8.1
Operating expenses		(12,389)	(9,692)	27.8	(23,047)	(21,286)	8.3
Operating profit before allowances		3,497	4,913	(28.8)	6,914	8,855	(21.9)
Share of loss on share of Joint Venture		(20)	-	NM	(20)	-	NM
Recognition of allowances for loan losses and impairment of other assets		(129)	(781)	(83.5)	(719)	(1,717)	(58.1)
Profit before tax	6	3,348	4,132	(19.0)	6,175	7,138	(13.5)
Tax expense	7	(465)	(732)	(36.5)	(1,598)	(1,816)	(12.0)
Profit for the year		2,883	3,400	(15.2)	4,577	5,322	(14.0)
Profit attributable to:							
Owners of the Company		1,851	2,380	(22.2)	2,757	3,439	(19.8)
Non-controlling interests		1,032	1,020	1.2	1,820	1,883	(3.3)
		2,883	3,400	(15.2)	4,577	5,322	(14.0)
Earnings per share							
Basic earnings per share (cents)		0.49	0.63	(22.2)	0.73	0.91	(19.8)
Diluted earnings per share (cents)		0.49	0.63	(22.2)	0.73	0.91	(19.8)

NM – not meaningful / more than +/- 200%

A. Condensed interim consolidated statement of profit or loss and other comprehensive income (continued)

	6 months ended 31 December			12 months ended 31 December		
	2H	2H	+ / (-)	12M	12M	+ / (-)
	FY2024	FY2023	%	FY2024	FY2023	%
Note	S\$'000	S\$'000		S\$'000	S\$'000	
Profit for the year	2,883	3,400	(15.2)	4,577	5,322	(14.0)
Other comprehensive income						
<i>Items that will not be reclassified to profit or loss</i>						
Defined benefit plan remeasurements	78	30	160	78	(18)	NM
Tax on other comprehensive income	-	(3)	NM	-	8	NM
<i>Items that are or may be reclassified subsequently to profit or loss</i>						
Foreign currency translation differences of foreign operations	6,088	(81)	NM	2,822	(1,004)	NM
Other comprehensive income/(loss) for the year, net of tax	6,166	(54)	NM	2,900	(1,014)	NM
Total comprehensive income for the year	<u>9,049</u>	<u>3,346</u>	170.4	<u>7,477</u>	<u>4,308</u>	73.5
Total comprehensive income attributable to:						
Owners of the Company	6,560	2,142	NM	4,961	2,558	93.9
Non-controlling interests	2,489	1,204	106.7	2,516	1,750	43.8
	<u>9,049</u>	<u>3,346</u>	170.4	<u>7,477</u>	<u>4,308</u>	73.5

NM – not meaningful/more than +/- 200%

	6 months ended 31 December		12 months ended 31 December	
	2H FY2024	2H FY2023	12M FY2024	12M FY2023
Earnings per ordinary share				
(i) On weighted average number of ordinary shares in issue (cents)	0.49	0.63	0.73	0.91
(ii) On fully diluted basis (cents)	<u>0.49</u>	<u>0.63</u>	<u>0.73</u>	<u>0.91</u>
Net profit attributable to shareholders	<u>1,851,000</u>	<u>2,380,000</u>	<u>2,757,000</u>	<u>3,439,000</u>
Number of shares in issue				
(i) On weighted average number of ordinary shares in issue	375,969,665	375,969,665	375,969,665	375,969,665
(ii) On fully diluted basis	<u>375,969,665</u>	<u>375,969,665</u>	<u>375,969,665</u>	<u>375,969,665</u>

Notes:

- (i) Foreign currency translation differences of foreign operations arose mainly from the translation of financial statements of foreign operations whose functional currencies are Thai Baht ("THB"), Malaysian Ringgit ("MYR") and Indonesian Rupiah ("IDR").

The foreign currency translation differences of foreign operations in 2H FY2024 and 12M FY2024 were mainly due to the strengthening of THB and MYR against Singapore dollars ("SGD") in 2024.

Exchange rates for the respective reporting period were as follows:

	31/12/2024	30/06/2024	31/12/2023	30/06/2023
THB against SGD	25.332	27.420	26.266	26.528
MYR against SGD	3.2792	3.4704	3.4837	3.4536
IDR against SGD	11,919	12,096	11,711	11,102

B. Condensed interim statements of financial position

	Note	31.12.2024	Group	Company	
		S\$'000	31.12.2023	31.12.2024	31.12.2023
		S\$'000	S\$'000	S\$'000	S\$'000
Equity					
Share capital	15	137,302	137,302	137,302	137,302
Other reserves		(4,014)	(6,140)	—	—
Accumulated profits		46,094	45,139	25,364	43,334
Equity attributable to owners of the Company		179,382	176,301	162,666	180,636
Non-controlling interests		27,757	23,811	—	—
Total equity		207,139	200,112	162,666	180,636
Liabilities					
Trade and other payables	14	12,354	7,751	4,319	4,286
Interest-bearing borrowings		277,799	263,335	191,247	189,729
Insurance contract liabilities		22,422	14,567	—	—
Lease liabilities		2,480	3,076	2,187	2,700
Current tax payable		1,031	1,060	—	—
Employee benefits		1,673	1,427	—	—
Deferred tax liabilities		63	—	—	—
Total liabilities		317,822	291,216	197,753	196,715
Total equity and liabilities		524,961	491,328	360,419	377,351
Assets					
Cash and cash equivalents	10	40,982	43,292	4,356	13,688
Other investments		22,894	24,562	19,000	19,000
Property held for sale		83	85	—	—
Loans and advances		283,063	267,867	181,154	136,350
Hire purchase and leasing receivables		16,926	15,561	—	—
Accounts receivable purchase		142,964	126,213	14,072	9,116
Other receivables		1,651	1,781	60,148	100,198
Reinsurance contract assets		5,943	2,854	—	—
Property, plant and equipment	11	877	1,059	150	159
Intangible assets	12	147	198	66	110
Investment properties	13	1,740	1,856	—	—
Investment in subsidiaries		—	—	79,433	96,133
Investment in associate		1,914	—	—	—
Deferred tax assets		3,463	3,025	—	—
Right-of-use assets		2,314	2,975	2,040	2,597
Total assets		524,961	491,328	360,419	377,351

C. Condensed interim statements of changes in equity

Group	Note	Share capital S\$'000	Attributable to owners of the Company Capital reserve S\$'000	Translation reserve S\$'000	Accumulated profits S\$'000	Total S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
At 1 January 2024		137,302	108	(6,248)	45,139	176,301	23,811	200,112
Total comprehensive income for the year								
Profit for the year		–	–	–	2,757	2,757	1,820	4,577
<i>Other comprehensive income</i>								
Foreign currency translation differences		–	–	2,126	–	2,126	696	2822
Defined benefit plan remeasurements		–	–	–	78	78	–	78
Tax on other comprehensive income		–	–	–	–	–	–	–
Total other comprehensive income		–	–	2,126	78	2,204	696	2,900
Total comprehensive income for the year		–	–	2,126	2,835	4,961	2,516	7,477
Transactions with owners, recognised directly in equity								
<i>Contributions by and distributions to owners</i>								
Dividends paid to owners of the Company	8	–	–	–	(1,880)	(1,880)	–	(1,880)
Total contributions by and distributions to owners		–	–	–	(1,880)	(1,880)	–	(1,880)
<i>Changes in ownership interests in subsidiaries</i>								
Non-controlling interest arising from investment in subsidiary		–	–	–	–	–	2,413	2,413
Dividends paid by a subsidiary company to non-controlling interests		–	–	–	–	–	(983)	(983)
Total changes in ownership interests in subsidiaries		–	–	–	–	–	1,430	1,430
Total transactions with owners		–	–	–	(1,880)	(1,880)	1,430	(450)
At 31 December 2024		137,302	108	(4,122)	46,094	179,382	27,757	207,139

C. Condensed interim statements of changes in equity (continued)

Group	Note	Share capital S\$'000	Attributable to owners of the Company Capital reserve S\$'000	Translation reserve S\$'000	Accumulated profits S\$'000	Total S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
At 1 January 2023		137,302	108	(5,369)	43,394	175,435	23,143	198,578
Total comprehensive income for the year								
Profit for the year		–	–	–	3,439	3,439	1,883	5,322
<i>Other comprehensive income</i>								
Foreign currency translation differences		–	–	(879)	–	(879)	(125)	(1,004)
Defined benefit plan remeasurements		–	–	–	(8)	(8)	(10)	(18)
Tax on other comprehensive income		–	–	–	6	6	2	8
Total other comprehensive income		–	–	(879)	(2)	(881)	(133)	(1,014)
Total comprehensive income for the year		–	–	(879)	3,437	2,558	1,750	4,308
Transactions with owners, recognised directly in equity								
<i>Contributions by and distributions to owners</i>								
Dividends paid to owners of the Company	8	–	–	–	(1,692)	(1,692)	–	(1,692)
Total contributions by and distributions to owners		–	–	–	(1,692)	(1,692)	–	(1,692)
<i>Changes in ownership interests in subsidiaries</i>								
Non-controlling interest arising from investment in subsidiary		–	–	–	–	–	150	150
Dividends paid by a subsidiary company to non-controlling interests		–	–	–	–	–	(1,232)	(1,232)
Total changes in ownership interests in subsidiaries		–	–	–	–	–	(1,082)	(1,082)
Total transactions with owners		–	–	–	(1,692)	(1,692)	(1,082)	(2,774)
At 31 December 2023		137,302	108	(6,248)	45,139	176,301	23,811	200,112

C. Condensed interim statements of changes in equity (continued)

		Share capital	Accumulated profits	Total equity
	Note	S\$'000	S\$'000	S\$'000
Company				
At 1 January 2024		137,302	43,334	180,636
Total comprehensive loss for the year				
Loss for the year		–	(16,090)	(16,090)
Total comprehensive loss for the year		–	(16,090)	(16,090)
Transactions with owners, recognised directly in equity				
<i>Contributions by and distributions to owners</i>				
Dividends paid to owners of the Company	8	–	(1,880)	(1,880)
Total contributions by and distributions to owners		–	(1,880)	(1,880)
At 31 December 2024		137,302	25,364	162,666
At 1 January 2023		137,302	45,907	183,209
Total comprehensive loss for the year				
Loss for the year		–	(881)	(881)
Total comprehensive loss for the year		–	(881)	(881)
Transactions with owners, recognised directly in equity				
<i>Contributions by and distributions to owners</i>				
Dividends paid to owners of the Company	8	–	(1,692)	(1,692)
Total contributions by and distributions to owners		–	(1,692)	(1,692)
At 31 December 2023		137,302	43,334	180,636

D. Condensed interim consolidated statement of cash flows

	Note	FY2024 S\$'000	FY2023 S\$'000
Cash flows from operating activities			
Profit before tax		6,175	7,138
Adjustments for:			
Share of after-tax results of associates		20	—
Amortisation of debt securities at amortised cost	6	(51)	(25)
Amortisation of intangible assets	6	127	200
Depreciation of property, plant and equipment	6	276	322
Depreciation of investment properties	6	175	177
Depreciation of right-of-use assets	6	764	819
Gain on disposal of equity and debt securities	6	(64)	(40)
Loss/(Gain) on disposal of property, plant and equipment		13	(37)
Net change in fair value of financial assets at fair value through profit or loss	6	(358)	(276)
Property, plant and equipment written-off		21	—
(Reversal)/allowance of allowance for impairment of investments at amortised cost	6	(15)	8
Recognition of allowance for loan losses and impairment of other assets		1,027	1,679
Interest income		(34,237)	(16,938)
Interest income from investments and fixed deposits		(951)	(668)
Dividend income from investments		(244)	(679)
Interest expense on borrowings		9,008	4,796
Interest expense on lease liabilities		140	196
Operating cash flows before changes in working capital		(18,174)	(3,328)
Changes in working capital:			
Accounts receivable purchase		(11,608)	(18,983)
Accounts receivable purchase due to clients		(805)	8,981
Loans and advances		(15,339)	(97,293)
Hire purchase and leasing receivables		(774)	(489)
Insurance and other receivables		(3,027)	(1,885)
Trade, other and insurance payables		12,419	(993)
Cash used in operations		(37,308)	(113,990)
Interest received		35,188	17,606
Interest paid		(9,008)	(4,796)
Taxes paid, net		(1,617)	(1,554)
Net cash used in operating activities		(12,745)	(102,734)
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		13	40
Purchase of property, plant and equipment		(107)	(176)
Purchase of intangible assets		(117)	(66)
Purchase of investments		(23,753)	(15,935)
Proceeds from disposal of investments		24,057	17,096
Proceeds from disposal of property held for sale		—	—
Dividends received from investments		244	679
Net cash generated from investing activities		337	1,638
Cash flows from financing activities			
Dividends paid			
- by the Company		(1,880)	(1,692)
- by a subsidiary company to non-controlling interests		(983)	(1,232)
Repayment of interest-bearing borrowings		(941,113)	(345,067)
Proceeds from drawdown of interest-bearing borrowings		952,399	439,559
Proceeds from non-controlling interest's investments to subsidiary		2,413	150
Repayment of lease liabilities		(840)	(1,001)
Net cash generated from financing activities		9,996	90,717

D. Condensed interim consolidated statement of cash flows (continued)

	Note	FY2024 S\$'000	FY2023 S\$'000
Net decrease in cash and cash equivalents		(2,412)	(10,379)
Cash and cash equivalents at beginning of the year		43,292	54,582
Effect of exchange rate fluctuations on cash held		102	(911)
Cash and cash equivalents at end of the year		40,982	43,292
Analysis of cash and cash equivalents			
Cash at banks and in hand		37,507	36,226
Fixed deposits		1,876	6,245
Fixed deposits held on behalf of policyholders		1,599	821
Cash and cash equivalents at end of the year		40,982	43,292

E. Notes to the condensed interim consolidated financial statements

1. Corporate information

IFS Capital Limited (the “Company”) is a company incorporated in Singapore and has its registered office at 10 Eunos Road 8, #09-04 Singapore Post Centre, Singapore 408600.

The condensed interim consolidated financial statements for the six months and twelve months ended 31 December 2024 comprise the Company and its subsidiaries (together referred to as the “Group” and individually as “Group entities”).

The immediate and ultimate holding company is Phillip Assets Pt. Ltd., incorporated in Singapore.

The principal activities of the Company are those relating to the provision of commercial, alternative and structured finance businesses such as accounts receivable purchase services, working capital, asset-based financing and the provision of alternative and structured financial solutions offered to clients to address either equity or debt capital requirements.

2. Basis of preparation

The condensed interim financial statements for the six and twelve months ended 31 December 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 condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last interim financial statements for the period ended 30 June 2024.

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

These financial statements are presented in Singapore dollars, which is the Company’s functional currency. All financial information presented in Singapore dollars has been rounded to the nearest thousand unless otherwise stated.

2.1 New and amended standards adopted by the Group

The following new/revised financial reporting standards and interpretations were applied with effect from 1 January 2024:

SFRS(I)	Title
SFRS(I) 1 (Amendments)	Presentation of Financial Statements: Classification of Liabilities as Current or Non-current
SFRS(I) 16 (Amendments)	Lease liability in a Sale and Leaseback
SFRS(I) 1 (Amendments)	Presentation of Financial Statements: Non-current Liabilities with Covenants
SFRS(I) 1-7 (Amendments)	Statements of Cash Flows and SFRS(I) 7 Financial Instruments. Disclosures: Supplier Finance Arrangements

The accounting policies applied by the Group in the unaudited condensed interim financial statements are the same as those applied by the Group in its financial statements as at and for the year ended 31 December 2023, except for the new/revised financial reporting standards and interpretations as set out above. The initial application of the above standards (including their consequential amendments) and interpretations did not have any material impact on the Group’s condensed interim financial statements.

2.2 Use of judgements and estimates

The preparation of the condensed interim financial statements in conformity with SFRS(I)s requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

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.

2.3 Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Group has an established control framework for the measurement of fair values. The Finance Department led by the Group Chief Financial Officer has overall responsibility for all significant fair value measurements, including Level 3 fair values, where applicable. Reviewing significant unobservable inputs and valuation adjustments every quarter.

Significant valuation issues are reported to the Group Audit Risk Committee.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement (with Level 3 being the lowest).

The Group recognises transfers between levels of fair value hierarchy as of the end of the reporting period during which the change has occurred.

2.4 Insurance Contracts

2.4.1 Classification of Insurance contracts and reinsurance contracts

The Group issues insurance contracts in the normal course of business, under which it accepts significant insurance risk from its policyholders. As a general guideline, the Group determines whether it has significant insurance risk, by comparing benefits payable after an insured event with benefits payable if the insured event did not occur. Insurance contracts can also transfer financial risk. The Group issues non-life insurance to individuals and businesses. Non-life insurance products offered include motor vehicles, property, bond and guarantee, maid, hospital and surgical, foreign workers medical insurance and others. These products offer protection of policyholder's assets and indemnification of other parties that have suffered damage because of a policyholder's accident. The Group also issues reinsurance contracts in the normal course of business to compensate other entities for claims arising from one or more insurance contracts issued by those entities.

2.4.2 Premium Allocation Approach (“PAA”) model

The PAA simplifies the measurement of insurance contracts in comparison with the General Measurement Approach (“GMA”) model in SFRS(I) 17. Under SFRS(I) 17, the Group’s reinsurance contracts issued and reinsurance contracts held are eligible for the application of the PAA as 1) the coverage period of each contract within the group of insurance contracts is one year or less, or 2) the measurement of the liability for remaining coverage for the group of insurance contracts would not differ materially from the measurement that would be produced by applying the requirements for the general model.

2.4.3 Presentation

The Group has presented separately, in the statement of financial position, the carrying amount of portfolios of insurance contracts issued that are assets, portfolios of insurance contracts issued that are liabilities, portfolios of reinsurance contracts held that are assets and portfolios of reinsurance contracts held that are liabilities. Any assets for insurance acquisition cash flows recognised before the corresponding insurance contracts are included in the carrying amount of the related groups of insurance contracts are allocated to the carrying amount of the portfolios of insurance contracts that they relate to. The Group disaggregates the total amount recognised in the statement of comprehensive income into an insurance service result, comprising insurance revenue and insurance service expense, and insurance finance income or expenses, if any. The Group does not disaggregate the change in risk adjustment for non-financial risk between a financial and non-financial portion and includes the entire change as part of the insurance service result. The Group separately presents income or expenses from reinsurance.

3. Seasonal operations

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

4. Segment and revenue information

The Group has four reportable segments which relate to the Group’s strategic business units. The strategic business units offer different products and services and are managed separately. The reportable segment presentation is prepared based on the Group’s management and internal reporting structure. As some of the activities of the Group are integrated, internal cost allocation has been made in preparing the segment information such as the Group’s centralised support costs and funding costs. Inter-segment pricing where appropriate, is determined on an arm’s length basis. The Group’s CEO and Group CFO review the internal management reports every month. The following summary describes the operations in each of the Group’s reportable segments.

4. Segment and revenue information (cont’d)

Credit financing:

Credit financing encompasses commercial finance businesses and focuses on providing services to corporate clients, mainly small and medium-sized enterprises. The commercial services provided include accounts receivable financing, trade financing, asset-based loans, working capital, leasing, hire purchase as well as participation in the Enterprise Financing Scheme administered by Enterprise Singapore. Credit financing also includes consumer loan services.

Insurance: The issue of performance bonds and guarantees, domestic maid insurance, property and casualty insurance, motor insurance, and engineering insurance. The segment includes the holding of equity securities and bonds under the regulated insurance fund.

Private equity and other investments: The provision of development capital in the form of convertible debt instruments.

Fund Management: The provision of fund management service.

Total operating income comprises interest income, insurance service results, fee and commission income, and investment income. Performance is measured based on segment profit before tax.

	Credit financing	Insurance	Private equity and other investments	Fund management	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
31 December 2024					
Operating results					
Total operating income	32,673	(3,911)	357	–	29,119
Reportable segment profit before tax	10,129	(3,796)	357	(515)	6,175
Net interest income	25,229	–	–	–	25,229
Insurance service results	–	(5,274)	–	–	(5,274)
Non-interest income	8,082	1,567	357	–	10,006
Other material non-cash items:					
- Provisions for loan losses and impairment of other assets	(734)	15	–	–	(719)
- Depreciation and amortisation	(1,304)	(27)	–	–	(1,331)
Assets and liabilities					
Reportable segment assets	484,075	34,509	2,552	818	521,954
Capital expenditure	167	57	–	–	224
Reportable segment liabilities	294,151	22,412	97	121	316,781

4. Segment and revenue information (cont'd)

	Credit financing	Insurance	Private equity and other investments	Fund management	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
31 December 2023					
Operating results					
Total operating income	28,661	(1,008)	1,155	–	28,808
Reportable segment profit before tax	6,877	(380)	1,155	(514)	7,138
Net interest income	22,087	–	–	–	22,087
Insurance service results	–	(1,833)	–	–	(1,833)
Non-interest income	7,141	1,561	1,155	–	9,857
Other material non-cash items:					
- Provisions for loan losses and impairment of other assets	(1,709)	(8)	–	–	(1,717)
- Depreciation and amortisation	(1,489)	–	–	–	(1,489)
Assets and liabilities					
Reportable segment assets	454,125	32,228	698	611	487,662
Capital expenditure	219	23	–	–	242
Reportable segment liabilities	275,130	14,878	68	74	290,150

	31.12.2024 S\$'000	31.12.2023 S\$'000
Assets		
Total assets for reportable segments	521,954	487,662
Other unallocated amounts	3,007	3,666
Consolidated assets	524,961	491,328
Liabilities		
Total liabilities for reportable segments	316,781	290,150
Other unallocated amounts	1,041	1,066
Consolidated liabilities	317,822	291,216

Given the Group's continuing efforts to develop its businesses across the region, resources are now allocated mainly to four principal geographical areas.

Geographical segments are analysed by four principal geographical areas. *Singapore, Thailand, Malaysia, and Indonesia*. These are the major markets for credit financing and insurance activities.

In presenting information based on geographical segments, segment operating income is based on the geographical location of the clients. Segment assets are based on the geographical location of the assets.

4. Segment and revenue information (cont'd)

	Operating income S\$'000	Total assets S\$'000
31 December 2024		
Singapore	13,099	334,367
Thailand	14,202	161,825
Malaysia	1,209	15,935
Indonesia	609	12,834
	29,119	524,961
31 December 2023		
Singapore	12,881	323,105
Thailand	14,245	146,833
Malaysia	1,185	8,669
Indonesia	497	12,721
	28,808	491,328

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 2024 and 31 December 2023:

	Group		Company	
	31.12.2024 S\$'000	31.12.2023 S\$'000	31.12.2024 S\$'000	31.12.2023 S\$'000
Financial assets				
Other investment	22,894	24,562	19,000	19,000
Loans and advances	283,063	267,867	181,154	136,350
Hire purchase and leasing receivables	16,926	15,561	–	–
Accounts receivable purchase	142,964	126,213	14,072	9,116
Other receivables (exclude prepayment)	796	1,154	59,886	99,910
Cash and cash equivalents	40,982	43,292	4,356	13,688
	507,625	478,649	278,468	278,064
Financial liabilities				
Trade and other payables	12,354	7,751	4,319	4,286
Interest-bearing borrowings	277,799	263,335	191,247	189,729
	290,153	271,086	195,566	194,015

6. Profit before taxation

	6 months ended 31 December			12 months ended 31 December		
	2H FY2024 S\$'000	2H FY2023 S\$'000	+ / (-) %	12M FY2024 S\$'000	12M FY2023 S\$'000	+ / (-) %
Investment income						
- Dividend, fee and interest income	548	595	(7.9)	1,195	1,712	(30.2)
- Gain on disposal of equity and debt securities	11	21	(47.6)	64	40	60.0
- Net change in fair value of financial assets at fair value through profit or loss	484	345	40.3	358	276	29.7
- Amortisation of debt securities at amortised cost	27	16	68.8	51	25	104.0
- Exchange gain	(44)	(77)	(42.9)	51	(74)	NM
	<u>1,026</u>	<u>900</u>	<u>14.0</u>	<u>1,719</u>	<u>1,979</u>	<u>(13.1)</u>
Amortisation of intangible assets	(32)	(90)	(64.4)	(127)	(200)	(36.5)
Depreciation of property, plant and equipment	(149)	(125)	19.2	(276)	(293)	(9.5)
Depreciation of investment properties	(90)	(88)	(2.3)	(175)	(177)	(1.1)
Depreciation of right-of-use assets	(382)	(411)	(7.1)	(764)	(819)	(6.7)
Foreign currency differences						
- Exchange gain/(loss) arising from revaluation	1	168	(99.4)	24	(103)	NM
	<u>(652)</u>	<u>(546)</u>	<u>19.4</u>	<u>(1,318)</u>	<u>(1,592)</u>	<u>(17.2)</u>
(Allowance)/reversal for loan losses and impairment of other assets						
- Stage 1 provision	(238)	(132)	80.3	(279)	131	NM
- Stage 2 provision	212	376	(43.6)	330	(374)	NM
- Stage 3 provision	(81)	(1,027)	(92.1)	(701)	(1,381)	(49.2)
- Insurance and other receivables	(1)	(5)	(80.0)	(83)	(54)	53.7
- Debts written off	(1)	(1)	-	(1)	(31)	(96.8)
- Investments at amortisation costs	(20)	8	NM	15	(8)	NM
	<u>(129)</u>	<u>(781)</u>	<u>(83.5)</u>	<u>(719)</u>	<u>(1,717)</u>	<u>(58.1)</u>

7. Taxation

The Group calculates the period income tax expenses using the tax rate that would apply to the expected total annual earnings. The major components of income tax expenses in the condensed interim consolidated statement of profit or loss are:

	6 months ended 31 December			12 months ended 31 December		
	2H FY2024	2H FY2023	+ / (-)	12M FY2024	12M FY2023	+ / (-)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Tax expenses						
- Current	(480)	(871)	(44.9)	(1,878)	(1,795)	4.6
- Deferred	(25)	56	NM	241	79	NM
- Over/(Under) provision of prior years' tax	40	83	(51.8)	39	(100)	NM
	<u>(465)</u>	<u>(732)</u>	<u>(36.5)</u>	<u>(1,598)</u>	<u>(1,816)</u>	<u>(12.0)</u>

8. Dividend

The following dividends were declared and paid by the Company:

	Group	
	31.12.2024 S\$'000	31.12.2023 S\$'000
<u>Dividends paid</u>		
A first and final one-tier tax-exempt dividend of 0.50 cents per ordinary share (2023: 0.45 cents per ordinary share) paid in respect of the previous financial year	1,880	1,692

9. Net asset value

	Group		Company	
	31.12.2024 S\$'000	31.12.2023 S\$'000	31.12.2024 S\$'000	31.12.2023 S\$'000
Net asset value (NAV) per ordinary share (cents)	47.7	46.9	43.3	48.0
NAV computed based on number of ordinary shares issued	375,969,665	375,969,665	375,969,665	375,969,665

10. Financial assets

	Carrying amount S\$'000	Level 1 S\$'000	Level 2 S\$'000	Level 3 S\$'000	Total S\$'000
Group					
31 December 2024					
Financial assets measured at fair value					
FVTPL financial assets					
- Equity securities	7,215	5,962	–	1,253	7,215
- Debt securities	3,152	3,152	–	–	3,152
- Convertible loans	–	–	–	–	–
	<u>10,367</u>	<u>9,114</u>	<u>–</u>	<u>1,253</u>	<u>10,367</u>
Financial assets not measured at fair value					
Debt securities at amortised cost	<u>12,527</u>	<u>12,527</u>	<u>–</u>	<u>–</u>	<u>12,527</u>
31 December 2023					
Financial assets measured at fair value					
FVTPL financial assets					
- Equity securities	5,305	5,166	–	139	5,305
- Debt securities	3,580	3,580	–	–	3,580
- Convertible loans	1	–	–	1	1
	<u>8,886</u>	<u>8,746</u>	<u>–</u>	<u>140</u>	<u>8,886</u>
Financial assets not measured at fair value					
Debt securities at amortised cost	<u>15,676</u>	<u>15,676</u>	<u>–</u>	<u>–</u>	<u>15,676</u>
Company					
31 December 2024					
Financial assets measured at fair value					
FVTPL financial assets					
- Private credit fund	19,000	–	–	19,000	19,000
	<u>19,000</u>	<u>–</u>	<u>–</u>	<u>19,000</u>	<u>19,000</u>
31 December 2023					
Financial assets measured at fair value					
FVTPL financial assets					
- Private credit fund	19,000	–	–	19,000	19,000
	<u>19,000</u>	<u>–</u>	<u>–</u>	<u>19,000</u>	<u>19,000</u>

11. Property, plant, and equipment

During the twelve months ended 31 December 2024, the Group acquired assets amounting to \$107,000 (31 December 2023: \$176,000).

12. Intangible assets

As at 31 December 2024, intangible assets consist of computer software \$141,000 (31 December 2023: \$192,000) and membership rights \$6,000 (31 December 2023: \$6,000).

13. Investment properties

		Group	
		31.12.2024	31.12.2023
		S\$'000	S\$'000
Cost			
At at 1 January		3,365	3,397
Effects of movements in exchange rate		124	(32)
At at 31 December		3,489	3,365
Accumulated depreciation			
At as 1 January		1,509	1,345
Depreciation for the year		175	177
Effects of movements in exchange rate		65	(13)
At as 31 December		1,749	1,509
Net book value			
As at 31 December		1,740	1,856
Fair value			
As at 31 December		5,000	4,823

The fair value measurement for the investment properties has been categorised as Level 3 fair value based on the inputs to the valuation technique used by an independent valuer.

14. Borrowings

	Group		Company	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
	S\$'000	S\$'000	S\$'000	S\$'000
Amount repayable in one year or less, or on demand	269,538	251,841	186,497	179,185
Amount repayable after one year	8,261	11,494	4,750	10,544
	277,799	263,335	191,247	189,729

Details of any collateral

Nil

15. Share capital

		Group and Company	
		Number of ordinary shares (excluding treasury shares)	
		31.12.2024	31.12.2023
Balance at the beginning and end of the year		375,969,665	375,969,665

The Company does not hold any treasury shares as at 31 December 2024.

The Company's subsidiaries do not hold any shares in the Company as at 31 December 2024 and 31 December 2023.

16. Subsequent events

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

Other Information Required by Listing Rule

Appendix 7.2

Other information

1. Review

The condensed interim consolidated statement of financial position of IFS Capital Limited and its subsidiaries as at 31 December 2024 and the related condensed interim consolidated profit or loss and other comprehensive income, condensed consolidated statements of changes in equity and condensed consolidated statement of cash flows for the six and twelve months then ended and certain explanatory notes have not been audited or reviewed.

2. Review of performance of the Group

i) Net Interest income

	6 months ended 31 December			12 months ended 31 December		
	2H FY2024	2H FY2023	+ / (-)	12M FY2024	12M FY2023	+ / (-)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Accounts Receivable Purchase (ARP)	6,275	5,806	8.1	11,879	11,405	4.2
Loans, advances, hire purchase and leasing	10,859	11,132	(2.5)	22,358	18,827	18.8
Interest income	17,134	16,938	1.2	34,237	30,232	13.2
Interest expense	(4,192)	(4,796)	(12.6)	(9,008)	(8,145)	10.6
Net interest income	12,942	12,142	6.6	25,229	22,087	14.2

The Group's ARP business had a pick up towards 4th quarter due to stronger new client acquisition. Coupled with THB strengthening gradually towards the second half of FY2024 resulted to an additional \$0.5 million over last year. The Asset Based Loan book ("ABL") for Singapore also increased \$14 million over FY2024.

The increase in interest expenses is due to increased borrowings from the banks to support the larger loan books in FY2024, as compared to FY2023.

ii) Insurance service results

	6 months ended 31 December 2H FY2024 S\$'000			12 months ended 31 December 12M FY2024 S\$'000		
	FY2023 S\$'000		+ / (-) %	FY2023 S\$'000		+ / (-) %
Insurance revenue	8,367	3,506	138.6	14,290	8,051	77.5
Insurance service expenses						
- Claims	(7,099)	(2,912)	143.8	(15,684)	(4,816)	NM
- Acquisition expenses	(2,522)	(1,638)	54.0	(4,417)	(2,835)	55.8
- Maintenance expenses	(1,990)	(2,977)	(33.2)	(3,533)	(2,977)	25.4
	(11,611)	(7,527)	54.3	(23,634)	(10,628)	124.3
Insurance service results before reinsurance contracts held	(3,244)	(4,021)	(19.3)	(9,344)	(2,577)	NM
Net income from reinsurance contract held	522	1,875	(72.2)	4,070	744	NM
Insurance service results	(2,722)	(2,146)	26.8	(5,274)	(1,833)	175.4

Higher insurance revenue achieved in FY2024 was a result of stronger collaboration with new and existing distribution partners. The Insurance business had success onboarding new clients in partnership with Borneo Motors. The Tesla fractional shares campaign in partnership with Phillip Securities had also help ECICS differentiate itself the electric vehicles market. The effectiveness of these efforts is evidenced by the 77% increase in Insurance Revenue to \$14 million in FY2024.

Provisions made for a legacy bond and higher motor claims impacted the bottom line of ECICS in FY2024. Recovery action for the legacy bond is ongoing and motor portfolio adjustments had been effected in the 4th quarter of FY2024 to improve the claims ratio.

The higher acquisition expense was consistent with the increased business volume. These expenses are recognised immediately instead of amortised throughout insurance coverage since the Group does not adopt a Deferred Acquisitions Cost ("DAC") approach.

iii) Non-interest income

	6 months ended 31 December 2H FY2024 S\$'000			12 months ended 31 December 12M FY2024 S\$'000		
	FY2023 S\$'000		+ / (-) %	FY2023 S\$'000		+ / (-) %
Fee and commission income	4,145	3,314	25.1	7,412	6,482	14.3
Net investment income	1,026	900	14.0	1,719	1,979	(13.1)
Other income	495	395	25.3	875	1,426	(38.6)
Non-interest income	5,666	4,609	22.9	10,006	9,887	1.2

Non-interest income remained relatively stable compared to FY2023. Fee and commission income saw an increase of \$0.9 million, driven primarily by a \$0.5 million

contribution from ARP service fees and \$0.3 million from referral fees related to Lendingpot. However, this growth was partly offset by a decline in net investment income, which decreased by \$0.3 million due to lower dividend income received in FY2024, as well as a \$0.6 million reduction in the write-back of reinsurance payables.

iv) Operating expenses

Operating expenses increased by \$1.7 million or 8.3% from \$21.3 million in FY2023 to \$23.0 million in FY2024. The increase was due mainly to the following:

- (i) Higher advertising expenses to promote our technology service businesses.
- (ii) Technology investment expenses on our Supply Chain Financing platform.
- (iii) Increased staff costs due to cost-of-living adjustments and new talent acquisition.

v) Allowances and impairment – recognition

	6 months ended 31 December		+ / (-)	12 months ended 31 December		+ / (-)
	2H FY2024 S\$'000	2H FY2023 S\$'000		12M FY2024 S\$'000	12M FY2023 S\$'000	
Stage 1	238	132	80.3	279	(131)	NM
Stage 2	(212)	(376)	(43.6)	(330)	374	NM
Stage 3	81	1,027	(92.1)	701	1,381	(49.2)
Others	22	(2)	NM	69	93	(25.8)
Allowances and impairments	129	781	(83.5)	719	1,717	(58.1)

The total allowance was lower due to a restructured account in our Indonesia subsidiary's legacy loan portfolio.

vi) Profit before Tax

The Profit before Tax decreased by \$1.0 million mainly due to the insurance service loss of \$5.2 million incurred during the year.

Consequently, the profit attributable to shareholders in FY2024 also decrease to \$2.8 million from the \$3.4 million in FY2023.

vii) Financial position as at 31 December 2024

Interest-bearing borrowings increased by \$14.5 million or 5.5% from \$263.3 million as of 31 December 2023 to \$277.8 million as of 31 December 2024. The increase was driven by the drawdown of bank facilities to support the Group's business growth.

Lending assets including ARP outstanding were \$442.9 million in FY2024. This is an increase of 8.1% compared to the base of S\$409.6 million as of FY2023.

Insurance contract liabilities increased by \$7.9 million due to higher gross written premiums and accordingly, higher claims liabilities. Meanwhile, reinsurance contract assets increased by \$3.1 million due to the full-year effect of a Motor Reinsurance Quota Share arrangement.

viii) Cash flow

The Group recorded a net cash used in operating activities of \$12.7 million for FY2024 compared to a net cash used in operating activities of \$102.7 million for FY2023, even though FY2024 has higher disbursements compared to FY2023. In FY2024, repayments were larger, resulting to a smaller net cash used in operating activities.

Net cash generated from investing activities for FY2024 of \$0.3 million was mainly due to the sale proceeds from the disposal of investments.

Net cash generated from financing activities for FY2024 was mostly contributed by proceeds from the drawdown of interest-bearing borrowings.

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

The current announced results are in line with the prospect statement as disclosed in the Group's first half year's results announcement released on 8 August 2024.

4. 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.

In FY2024, global interest rates declined gradually throughout much of the year which benefited non-bank lenders in general. However, the intensifying economic rivalries between large nations could potentially result in inflationary pressures and interrupt the pace of rate cuts. Despite the growing uncertainties, we believe ASEAN will remain resilient and a net beneficiary of the ongoing supply chain realignment.

In FY2025, the Group will continue to scale our lending business across all products, with a focus on ARP, and grow IFS Asset Management (IFSAM). IFSAM had more than S\$28 million under management and achieved annualised returns of 5.58% (net of fees) in our conservative private credit fund since inception in Dec 2021, with zero write-offs. We expect to launch new funds in FY2025, leveraging our on-the-ground origination, underwriting, and collection capabilities, targeting new investor segments.

Despite the larger loss experienced by the insurance business in FY2024, we believe that excluding the one-off legacy bond provisions, the business is growing in the right direction. We will continue to calibrate the motor portfolio to improve the loss ratio and at the same time leverage the growing customer base to cross-sell non-motor lines such as maid and home insurance. The diversification will help to improve the profitability of the overall portfolio as we grow.

5. Dividend information

(a) Current Financial Period

Name of Dividend	First and Final
Dividend Type	Cash (Ordinary)
Dividend Rate	0.50 Singapore cents per share
Tax Rate	One-tier tax exempt

(b) Corresponding Period of the Immediately Preceding Financial Year

Name of Dividend	First and Final
Dividend Type	Cash (Ordinary)
Dividend Rate	0.50 Singapore cents per share
Tax Rate	One-tier tax exempt

(c) Date payable

19 May 2025, subject to the approval of the shareholders for the proposed first and final dividend at the forthcoming Annual General Meeting.

(d) Books closure date

Subject to the approval of the Shareholders for the proposed first and final dividend at the forthcoming Annual General Meeting, the Share Transfer Books and the Register of Members of the Company will be closed on 8 May 2025, to determine shareholders' entitlements to the proposed first and final one-tier tax exempt ordinary cash dividend for the year ended 31 December 2024.

Duly completed and registrable transfers of Shares together with all relevant documents of or evidencing title received by the Company's Share Registrar, Tricor Bar binder Share Registration Services (a division of Tricor Singapore Pte Ltd) at 9 Raffles Place #26-01 Republic Plaza Singapore 048619 up to 5.00 p.m. on 7 May 2025 will be registered to determine shareholders' entitlements to the proposed first and final dividend. Shareholders whose Securities Accounts with The Central Depository (Pte) Limited are credited with shares in the Company as of 5.00 p.m. on 7 May 2025 will be entitled to the proposed first and final dividend.

6. If no dividend has been declared (recommended), a statement to that effect.

Not applicable.

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

The Group has not obtained a general mandate from shareholders of the Company for Interested Person Transactions.

8. Confirmation that the issuer has procured undertakings from all its directors and executive officers.

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

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

Please refer to item 2.

10. A breakdown of sales as follows:

	FY2024 S\$'000	FY2023 S\$'000	+ / (-) %
<u>First half</u>			
Revenue	14,075	15,536	(9.4)
Operating profit after tax before deducting non-controlling interests	1,694	1,922	(11.9)
<u>Second half</u>			
Revenue	15,886	14,605	8.8
Operating profit after tax before deducting non-controlling interests	2,883	3,400	(15.2)

11. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous year.

	FY2024 S\$'000	FY2023 S\$'000	+ / (-) %
Ordinary			
First and final	1,880	1,692	11.1
Proposed first and final	—	—	—
Total	1,880	1,692	11.1

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

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Lim Wah Tong	68	Brother of Mr Lim Hua Min, a director and deemed substantial shareholder of the Company.	Non-Executive Director of ECICS Limited (a wholly owned subsidiary of the Company) since 2003.	Nil

By Order of the Board

Chionh Yi Chian / Angeline Ng
Company Secretary / Assistant Company Secretary

21 February 2025



IFS Capital Limited

(Registration no: 198700827C)

Confirmation By The Board Pursuant to Rule 705(5) of the Listing Manual

On behalf of the Board of Directors of IFS Capital Limited (“the Company”), we hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the unaudited financial statements for the full year ended 31 December 2024 to be false or misleading in any material aspect.

On behalf of the Board of Directors

Lim Hua Min
Chairman

Randy Sim
Group Chief Executive Officer/Director

Henry Toh
Group Chief Financial Officer

Singapore
21 February 2025