Low Keng Huat (Singapore) Limited

(Company Registration No. 196900209G)

CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD AND FINANCIAL YEAR ENDED
31 JANUARY 2024

Table of Contents

Consolidated statement of profit or loss

	Note	Six-month Period Ended 31/01/2024	31/01/2023	Increase / (Decrease)	Financial Year Ended 31/01/2024	31/01/2023	Increase / (Decrease)
		$'000	$'000	%	$'000	$'000	%
Revenue	1	174,890	47,496	268	367,680	97,267	278
Cost of sales	2	(145,316)	(32,636)	345	(307,628)	(72,524)	324
Gross profit	3	29,574	14,860	99	60,052	24,743	143
Other income							
- Finance income	4	975	56	1,641	1,710	464	269
- Miscellaneous income	5	2,425	890	172	3,990	2,762	44
Expenses							
-Distribution costs	6	(7,977)	(1,288)	519	(16,912)	(2,969)	470
-Administrative costs	7	(7,541)	(6,968)	8	(14,326)	(13,566)	6
-Finance costs	8	(13,355)	(12,386)	8	(27,511)	(18,118)	52
-Other operating expenses	9	(1,154)	(370)	212	(2,144)	(1,460)	47
Share of results of associated companies and joint ventures	10	456	(1,601)	n.m.	2,764	(2,200)	n.m.
Profit/(loss) from operating activities		3,403	(6,807)	n.m.	7,623	(10,344)	n.m.
Fair value loss on financial assets at FVPL	11	(5,826)	(1,370)	325	(7,543)	(1,156)	553
Other gains/(losses), net	12	838	584	44	(1,748)	(18,755)	(91)
Loss before taxation		(1,585)	(7,593)	(79)	(1,668)	(30,255)	(94)
Taxation	13	1,983	(408)	n.m.	638	(1,641)	n.m.
Proft/(loss) after taxation		398	(8,001)	n.m.	(1,030)	(31,896)	(97)
Attributable to:							
Owners of the parent	14	328	(8,207)	n.m.	(1,135)	(32,326)	(96)
Non-controlling interests		70	206	(66)	105	430	(76)
		398	(8,001)	n.m.	(1,030)	(31,896)	(97)
Earnings/(loss) per share (cents)							
- basic		0.04	(1.11)	n.m.	(0.15)	(4.38)	(96)
- diluted		0.04	(1.11)	n.m.	(0.15)	(4.38)	(96)

n.m.: Not Meaningful

Consolidated statement of comprehensive income

	Six-month Period Ended 31/01/2024 $'000	Six-month Period Ended 31/01/2023 $'000	Increase / (Decrease) %	Financial Year Ended 31/01/2024 $'000	Financial Year Ended 31/01/2023 $'000	Increase / (Decrease) %
Proft/(loss) after taxation	398	(8,001)	n.m.	(1,030)	(31,896)	(97)
Other comprehensive expense after tax						
Items that will not be reclassified to profit and loss:						
Fair value loss on financial assets at FVOCI (net of tax at Nil%)	(575)	(354)	62	(538)	(86)	526
Exchange differences on translation of the financial statements of foreign entities (net)	(12)	(208)	(94)	(157)	(199)	(21)
Items that may be reclassified subsequently to profit and loss:						
Exchange differences on translation of the financial statements of foreign entities (net)	(2,264)	(1,436)	58	(3,632)	(1,471)	147
Total other comprehensive loss for the period/year, net of tax	(2,851)	(1,998)	43	(4,327)	(1,756)	146
Total comprehensive loss for the period/year	(2,453)	(9,999)	(75)	(5,357)	(33,652)	(84)
Total comprehensive loss attributable to:						
Owners of the parent	(2,511)	(9,988)	(75)	(5,305)	(33,883)	(84)
Non-controlling interests	58	(11)	n.m.	(52)	231	n.m.
Total comprehensive loss for the period/year	(2,453)	(9,999)	(75)	(5,357)	(33,652)	(84)

n.m.: Not Meaningful

1(a)(ii) Notes to the income statement

1. Consolidated revenue increased to $367.7M for the financial year ended 31 January 2024 ("FY2024") from $97.3M for the financial year ended 31 January 2023 ("FY2023"). The increase was mainly due to a higher contribution from the Property Development segment, driven by improved sales at the Klimt Cairnhill project, as well as better performance from the Hotel segment due to improved room rates.

   Revenue from the Property Development segment increased to $297.3M in FY2024 from $28.7M in FY2023. Sales at Klimt Cairnhill saw an increase, with 82 units sold, as compared to only 5 units sold in the prior year. The sale of the final 4 units at Uptown@Farrer (out of 116 units) also contributed to the revenue of the Property Development segment in FY2023.

   Revenue from the Hotel segment increased to $46.6M in FY2024 from $38.8M in FY2023, driven mainly by higher average room incomes at Lyf@Farrer, Citadines Balestier and Duxton Hotel Perth. Although occupancy rates improved at Duxton Hotel Perth, there was a decline in rates at Lyf@Farrer and Citadines Balestier. Overall, Revenue Per Available Room ("REVPAR") improved year-on-year for the two serviced apartments and the hotel.

   Revenue from the Investment segment decreased to $23.8M in FY2024 from $29.8M in FY2023. The decrease was mainly due to the lower construction revenue from the Dalvey Haus project, which obtained Temporary Occupation Permit ("TOP") in July 2023 and Certificate of Statutory Completion ("CSC") in December 2023. However, higher revenue generated at Paya Lebar Square from improved occupancy rates and gross rent (per square foot) partially mitigated this decline.

2. Cost of sales increased to $307.6M in FY2024 from $72.5M in FY2023. The increase in cost of sales was mainly attributed to the increase in number of units sold at Klimt Cairnhill. However, the higher cost of sales was partially offset by a decrease in construction costs at Dalvey Haus, due to the project's completion halfway through the financial year.

3. Gross profit increased to $60.1M in FY2024 from $24.7M in FY2023, mainly driven by the increased sales at Klimt Cairnhill and higher contributions from the Group's hospitality assets.

   However, gross profit margins decreased to 16**%** in FY2024 from 25% in FY2023, due to the higher percentage of total gross profit contributed by the Property Development segment, which generated lower margins as compared to the Hotel and Investment segments.

4. Finance income increased to $1.7M in FY2024 from $0.5M in FY2023, due to the higher fixed deposit base and interest rates in FY2024, as compared to the prior year.

5. Miscellaneous income increased to $4.0M in FY2024 from $2.8M in FY2023. Miscellaneous income mainly consisted of service and secondment fee, dividend income and deposits from customers forfeited. The higher income generated in FY2024 was mainly due to an increase in service and secondment fee charged to a joint venture.

6. Distribution costs increased to $16.9M in FY2024 from $3.0M in FY2023, mainly due to higher sales agents' commission incurred for the improved sales at Klimt Cairnhill.

7. Administrative costs increased to $14.3M in FY2024 from $13.6M in FY2023. The increase was mainly driven by higher salaries and wages, as well as increased management fees incurred (to the serviced apartment operator) for Citadines Balestier and Lyf@Farrer, due to the higher revenue and operating profits generated for these properties. However, the increase was partially offset by lower legal and professional fees incurred during the year. In FY2023, legal and professional fees were incurred for the disposal of stake in PRE 13 Pte Ltd ("PRE13").

8. Finance costs increased to $27.5M in FY2024 from $18.1M in FY2023, due to higher loan interest rates, albeit a decline in borrowings. Effective interest rate for the Group's borrowings was 4.56% in FY2024 as compared to 2.93% in FY2023.

9. Other operating expenses increased to $2.1M in FY2024 from $1.5M in FY2023, mainly due to higher hotel maintenance and utilities expenses.

10. Share of results of associated companies and joint ventures was a profit of $2.8M in FY2024, a turnaround from a loss of $2.2M in FY2023. This was mainly driven by an improved performance from the Group's 40% associate Dalvey Breeze Development Pte. Ltd. ("Dalvey Breeze") in FY2024. Notably, 9 units at Dalvey Haus were sold during FY2024, bringing total sales for the project to 13 units as at 31 January 2024, as compared to 4 units sold as at 31 January 2023.

11. Fair value loss on financial assets at FVPL increased to $7.5M in FY2024, compared to $1.2M in FY2023. The increase was due to lower valuations on the properties held under the Group's 41% investment in HThree City Australian Commercial Fund 3 LP.

12. Other losses (net) decreased to $1.7M in FY2024 from $18.8M in FY2023. In FY2024, other losses mainly consisted of impairment losses on associated companies and joint ventures of $0.4M and net foreign exchange losses of $1.4M. In FY2023, other losses were mainly due to a $23.3M net loss recognised for the disposal of investments in associates, namely PRE13 Pte. Ltd. ("PRE13") and Perennial Shenton Investors Pte Ltd ("PSI"). In conjunction with the sale of its equity interest in PRE13, a gain on early repayment of shareholder's loan, amounting to $4.8M, was recognised. Other losses in FY2023 also included foreign exchange loss of $2.5M, as well as gains from a reversal of impairment on Citadines Balestier of $2.4M.

13. In FY2024, a tax credit of $0.6M was recognised, as compared to a tax expense of $1.6M in prior year, due to the utilisation of group relief of $1.6M.

14. Net loss attributable to shareholders was $1.1M in FY2024, as compared to a net loss of $32.3M in FY2023. The reduction of net loss in FY2024 was mainly driven by the improved property sales and operating performance of the Group's hospitality assets. Despite facing higher interest expenses, the Group managed to achieve a profit from operating activities of $7.6M, which was a turnaround from a loss of $10.3M in the previous year. However, profits generated from its core business were offset by fair value losses on financial assets at FVPL, as well as foreign exchange losses, resulting in a net loss for the year.

    In FY2023, the net loss was mainly due to the $23.3M loss recognised on the disposal of investment in associates, partially mitigated by the $4.8M gain on the early repayment of shareholder's loan owing by PRE13. Excluding these one-off gains and losses, the net loss attributable to shareholders in FY2023 would have been $13.8M.

Consolidated statement of financial position

		Group		Company	
	Note	31/01/2024	31/01/2023	31/01/2024	31/01/2023
		$'000	$'000	$'000	$'000
ASSETS					
Non-current assets					
Investment properties	1	289,954	292,714	-	-
Property, plant and equipment	1	294,457	298,289	4,055	4,212
Subsidiaries		-	-	598,973	700,339
Joint ventures	2	9,359	10,256	9,078	10,450
Associated companies	2	30,318	27,082	-	-
Financial assets at FVOCI	3	4,676	5,214	-	-
Financial asset at FVPL	3	28,068	36,320	-	-
Trade and other receivables	4	710	1,262	6,303	4,943
Deferred tax assets	5	2,208	882	-	-
		659,750	672,019	618,409	719,944
Current assets					
Development properties	6	321,341	543,840	-	-
Inventories		324	339	-	-
Contract assets	7	112,958	8,376	5,586	4,964
Contract costs	7	10,942	1,652	-	-
Amount owing by subsidiaries		-	-	3,072	2,708
Trade and other receivables	4	27,025	32,109	4,833	4,610
Fixed deposits	8	12,441	7,493	-	-
Cash and cash equivalents	8	71,212	42,894	39,289	3,662
		556,243	636,703	52,780	15,944
Total assets		1,215,993	1,308,722	671,189	735,888
EQUITY AND LIABILITIES					
Capital and reserves					
Share capital		161,863	161,863	161,863	161,863
Capital reserves		(30,214)	(30,214)	-	-
Fair value reserves		976	1,514	-	-
Retained profits		484,762	493,285	471,383	525,476
Exchange fluctuation account		(7,666)	(4,034)	-	-
		609,721	622,414	633,246	687,339
Non-controlling interests		10,993	10,942	-	-
Total equity		620,714	633,356	633,246	687,339
LIABILITIES					
Non-current liabilities					
Borrowings	9	541,953	250,724	1,083	2,354
Provisions		26	29	-	-
Deferred tax liabilities	5	3,441	3,022	-	-
		545,420	253,775	1,083	2,354
Current liabilities					
Borrowings	9	5,493	373,595	1,271	18,247
Amount owing to subsidiaries		-	-	11,140	10,012
Amount owing to non-controlling interests	10	361	1,256	-	-
Provision for directors' fee		215	215	215	215
Provision for taxation		4,702	5,274	-	95
Trade and other payables	11	39,088	41,251	24,234	17,626
		49,859	421,591	36,860	46,195
Total liabilities		595,279	675,366	37,943	48,549
Total equity and liabilities		1,215,993	1,308,722	671,189	735,888

Notes to the statement of financial position

1. The net book value of investment properties decreased by $2.7M to $290.0M as at 31 January 2024 from $292.7M as at 31 January 2023. Depreciation expense of $3.7M was partially offset by a reclassification of 2 office units at Parkway Parade from property, plant and equipment to investment properties, as these units were rented out to third parties. These office units had a net book value of $0.9M as at 31 January 2023.

   The net book value of property, plant and equipment decreased by $3.8M to $294.5M as at 31 January 2024 from $298.3M as at 31 January 2023, mainly due to depreciation expense of $7.8M, foreign exchange loss of $1.2M and the reclassification detailed above. The decrease was partially offset by additions of $6.1M, mainly from ongoing refurbishment works at Duxton Hotel Perth and renovations at Carnivore Restaurant's new location.

2. Joint ventures decreased by $0.9M to $9.4M as at 31 January 2024 from $10.3M as at 31 January 2023 mainly due to impairment and exchange losses recognised on the Group's Malaysian joint venture.

   Associated companies increased by $3.2M to $30.3M as at 31 January 2024 from $27.1M as at 31 January 2023, mainly due to the share of $3.1M profit from Dalvey Breeze and shareholders' loans of $2.0M extended to associated companies in FY2024. The increase was offset by impairment and exchange losses recognised on the Group's Malaysian associate.

3. Financial assets at FVOCI decreased by $0.5M to $4.7M as at 31 January 2024 from $5.2M as at 31 January 2023 due to fair value changes to the Group's investment in quoted equity investments.

   Financial assets at FVPL decreased by $8.2M to $28.1M as at 31 January 2024 from $36.3M as at 31 January 2023, due to a $7.5M fair value loss and $1.5M exchange loss recognised in FY2024, partially offset by the capital contributions of $0.8M made during the year. The decrease in fair value primarily stemmed from the challenging macroeconomic conditions and elevated interest rates, which impacted the capitalisation rates for Australian commercial real estate. Consequently, this led to reduced valuations for the properties involved. Exchange loss was driven by the further depreciation of AUD against SGD in FY2024.

4. Trade and other receivables decreased by $5.7M to $27.7M as at 31 January 2024 from $33.4M as at 31 January 2023. The decrease was mainly due to the receipt of progress billings for the final 15% at Uptown@Farrer, which attained CSC in January 2023. This was partially offset by an increase in receivables at Klimt Cairnhill.

5. Deferred tax assets increased by $1.3M to $2.2M as at 31 January 2024 from $0.9M as at 31 January 2023. The increase was mainly due to the recognition of unutilised tax losses for Glopeak Development Pte. Ltd., a wholly owned subsidiary.

   Deferred tax liabilities increased by $0.4M to $3.4M as at 31 January 2024 from $3.0M as at 31 January 2023, mainly due to temporary differences recognised from right-of-use assets relating to property, plant and equipment.

6. Development properties decreased by $222.5M to $321.3M as at 31 January 2024 from $543.8M as at 31 January 2023. The decrease was mainly due to the sale of 82 units at Klimt Cairnhill in FY2024, partially offset by the progress of construction completion, reaching 58% as at 31 January 2024, up from 31% as at 31 January 2023. As at 31 January 2024, 90 total units at Klimt Cairnhill were sold (out of 138 units) as compared to 8 units as at 31 January 2023.

7. Contract assets increased by $104.6M to $113.0M as at 31 January 2024 from $8.4M as at 31 January 2023, mainly due to an increase in unbilled revenue for Klimt Cairnhill, as construction progressed, along with the sale of 82 units during FY2024.

   Contract costs, representing commission fees to agents, increased by $9.2M to $10.9M as at 31 January 2024 from $1.7M as at 31 January 2023. The increase was in line with the higher sale of units at Klimt Cairnhill.

8. Cash and cash equivalents and fixed deposits increased by $33.3M to $83.7M as at 31 January 2024 from $50.4M as at 31 January 2023. The increase was mainly due to improved cashflows from operations and proceeds obtained from the mortgage of Lyf@Farrer. During FY2024, the Group also reduced its borrowings, and placed its cash in short-term fixed deposits.

9. Borrowings decreased by $76.9M to $547.4M as at 31 January 2024 from $624.3M as at 31 January 2023. Loan proceeds from the mortgage of Lyf@Farrer were used to pare down short-term borrowings. In addition, part of the proceeds from the sale of units at Klimt Cairnhill were used to prepay project loans. As a result, net gearing ratio improved to 0.76 as at 31 January 2024 from 0.92 as at 31 January 2023.

10. Amount owing to non-controlling interests decreased by $0.9M to $0.4M as at 31 January 2024 from $1.3M as at 31 January 2023, upon settlement of dividend payable, previously declared by a 63% owned overseas subsidiary.

11. Trade and other payables decreased by $2.2M to $39.1M as at 31 January 2024 from $41.3M as at 31 January 2023, mainly due to the release of retention payable for Dalvey Haus and Uptown/Lyf@Farrer projects. The decrease was partially offset by an increase in payables related to project costs at Klimt Cairnhill.

Consolidated statement of changes in equity

The Company	Share capital $'000	Reserves $'000	Retained profits $'000	Total $'000
Balance at 1 February 2023	161,863	-	525,476	687,339
Total comprehensive loss for the year	-	-	(46,705)	(46,705)
Transaction with owners: -				
Dividends paid in respect of financial year ended 31 January 2023	-	-	(7,388)	(7,388)
Balance at 31 January 2024	161,863	-	471,383	633,246
Balance at 1 February 2022	161,863	516	509,313	671,692
Total comprehensive income for the year	-	30	30,393	30,423
Transfer upon disposal of financial assets at FVOCI	-	(546)	546	-
Transaction with owners: -				
Dividends paid in respect of financial year ended 31 January 2022	-	-	(14,776)	(14,776)
Balance at 31 January 2023	161,863	-	525,476	687,339

The Group	Share capital $'000	Reserves $'000	Retained profits $'000	Exchange fluctuation account $'000	Sub-total $'000	Non-controlling interests $'000	Total $'000
Balance at 1 February 2023	161,863	(28,700)	493,285	(4,034)	622,414	10,942	633,356
Total comprehensive loss for the year	-	(538)	(1,135)	(3,632)	(5,305)	(52)	(5,357)
Transaction with owners: -							
Dividends paid in respect of financial year ended 31 January 2023	-	-	(7,388)	-	(7,388)	103	(7,285)
Balance at 31 January 2024	161,863	(29,238)	484,762	(7,666)	609,721	10,993	620,714
Balance at 1 February 2022	161,863	(28,354)	540,127	(2,563)	671,073	12,536	683,609
Total comprehensive (loss)/income for the year	-	(86)	(32,326)	(1,471)	(33,883)	231	(33,652)
Liquidation of subsidiaries with non-controlling interests	-	-	-	-	-	(1,825)	(1,825)
Transaction with owners: -							
Dividends paid in respect of financial year ended 31 January 2022	-	-	(14,776)	-	(14,776)	-	(14,776)
Transfer upon disposal of financial assets at FVOCI	-	(260)	260	-	-	-	-
Balance at 31 January 2023	161,863	(28,700)	493,285	(4,034)	622,414	10,942	633,356

Note:

Dividends for non-controlling interests of $103,000 in FY2024 pertained to the net impact arising from:

i) a cancellation of FY2022 dividend declared by an overseas subsidiary; and

ii) lower dividends declared by the same subsidiary for FY2023, amounting to $747,000, paid in FY2024.

Consolidated statement of cash flows

	For the Financial Year Ended	
	31/01/2024	**31/01/2023**
	$'000	**$'000**
Cash Flows from Operating Activities		
Loss before taxation	(1,668)	(30,255)
Adjustments for:		
Share of results of associated companies and joint ventures	(2,764)	2,200
Depreciation of investment properties	3,671	3,874
Depreciation of property, plant and equipment	7,815	8,129
(Gain)/loss on disposal of property, plant and equipment	(27)	156
Loss on disposal of associates	-	23,303
Gain on early repayment of shareholder loan owing by associate company	-	(4,783)
Government grant income	(66)	(260)
Impairment loss on property, plant and equipment	-	34
Impairment loss on receivables	22	-
Impairment loss on associated companies and joint ventures	360	-
Write-back of impairment loss on property, plant and equipment	-	(2,418)
Write-back of impairment loss on receivables	-	(358)
Amortisation of contract costs	14,554	542
Property, plant and equipment written off	2	199
Investment properties written off	-	51
Fair value loss on financial assets at FVPL	7,543	1,156
Dividend income from quoted equity investments	(134)	(112)
Long outstanding payables written off	-	(253)
Unrealised foreign exchange losses	1,557	1,857
Finance costs	27,511	18,118
Interest income	(1,710)	(464)
Operating profit before working capital changes	56,666	20,716
Decrease in inventories	15	67
Decrease in development properties	222,499	2,661
(Increase)/decrease in contract assets & contract costs	(128,426)	15,277
Decrease/(increase) in operating receivables	5,772	(21,045)
(Decrease)/increase in operating payables	(1,899)	9,787
Decrease in contract liabilities	-	(1,554)
Cash generated from operations	154,627	25,909
Income tax paid	(867)	(2,749)
Net cash generated from operating activities	153,760	23,160
Balance carried forward	153,760	23,160

Consolidated statement of cash flows (Cont'd)

		For the Financial Year Ended	
		31/01/2024	**31/01/2023**
		$'000	$'000
Balance brought forward		153,760	23,160
Cash Flows from Investing Activities			
Acquisition of property, plant and equipment		(4,844)	(2,200)
Interest received		1,558	151
Dividend received from quoted equity investments		134	112
Advances and loans made to associated companies and joint ventures		(2,175)	(1,061)
Proceeds from disposal of financial assets at FVOCI		-	8,153
Investment in financial assets at FVPL		(848)	(23,625)
Proceeds from disposal of joint ventures and associate companies	Note A	-	1,389
Repayment of loans owing from joint ventures and associate companies	Note A	-	43,761
Proceeds from disposal of property, plant and equipment		36	-
Net cash (used in)/generated from investing activities		(6,139)	26,680
Cash Flows from Financing Activities			
Dividends paid to shareholders of the Company		(7,388)	(14,776)
Dividends paid to non-controlling interests		(747)	-
Bank borrowings:			
- Proceeds		83,434	178,610
- Principal paid		(161,105)	(272,037)
- Interest paid		(27,674)	(17,723)
Government grant received		66	260
Fixed deposits pledged		(4,948)	(20)
Lease liabilities:			
- Principal paid		(411)	(312)
- Interest paid		(95)	(50)
Net cash used in financing activities		(118,868)	(126,048)
Net increase/(decrease) in cash and cash equivalents		28,753	(76,208)
Cash and cash equivalents at beginning of year		42,894	119,929
Exchange differences on translation of cash and cash equivalents at beginning of year		(435)	(827)
Cash and cash equivalents at end of year		71,212	42,894

Consolidated statement of cash flows (Cont'd)

Note A - For the financial year ended 31 January 2023

The Group disposed its entire equity interests in PRE13 and PSI in April 2022 and May 2022, respectively. These transactions have resulted in a loss on disposal as set out below:

	PRE13 $'000	PSI $'000	Total $'000
Cash consideration for disposal of investment in associates	994[1]	395	1,389
Less: Carrying amount of investment at date of disposal	(24,290)[2]	(402)	(24,692)
Loss on disposal of investment	(23,296)	(7)	(23,303)

[1] Consideration for PRE13 is presented net of post-completion adjustments.
[2] Carrying amount of PRE13 includes discount implicit in shareholder loans to associate, amounting to $23,083,000. Huatland's 20% share of PRE13's net assets as at date of disposal, adjusted by Group for equity accounting purposes, is $1,207,000.

Shareholder loan owing by associated company
The disposal resulted in an early repayment of the shareholder loan due from PRE13. This transaction resulted in a gain on early repayment of shareholder loan as set out below:

	Total $'000
Cash consideration for early repayment of shareholder loan	43,761
Less: Carrying amount of shareholder loan at date of repayment	
Principal amount of shareholder loan	(59,761)
Discount implicit in shareholder loan to associate[3]	23,083
Notional interest on shareholder loan	(2,300)
Carrying amount of shareholder loan at date of repayment	(38,978)
Gain on early repayment of shareholder loan	4,783

[3] A discount rate of 5% per annum has been applied to calculate the financial asset to its fair value at initial recognition and notional interest, up till the original repayment date, 31 December 2030. The amount is non-trade, unsecured, interest-free and denominated in Singapore dollar.

Note:- The above transaction follows the Group's earlier disposal of an effective 10% interest in AXA Tower (via PSI's sale of stake in PSH) in June 2020, which resulted in a $50,176,000 gain on disposal. Such gain was included in the share of profit from associates for the financial year ended 31 January 2021 ("FY2021"). Therefore, the Group's net gains for its investment in AXA Tower, aggregating the transactions in FY2021 and FY2023, was $31,655,000.

Notes to Consolidated Statement of Cash Flows

The Group generated net cash from operating activities of $153.8M in FY2024, mainly contributed by sales at Klimt Cairnhill, as well as recurring cashflows from its retail and hospitality portfolio.

The cash generated was partially offset by outflows in investing activities of $6.1M in FY2024, mainly due to shareholders' loans to associated companies and a joint venture, refurbishment works ongoing at Duxton Hotel Perth and renovations for Carnivore Restaurant's new location.

Net cash used in financing activities for FY2024 was $118.9M, mainly due to the net repayment of bank borrowings, interest payments and dividend payments.

The Group had unused bank facilities of $216.6M as at 31 January 2024.

Notes to the condensed interim financial statements

1 Corporate information

Low Keng Huat (Singapore) Limited ("Company") is incorporated and domiciled in Singapore and whose shares are publicly traded on the Mainboard of the Singapore Exchange. These condensed interim financial statements for the six-month period and the financial year ended 31 January 2024 comprise the Company and its subsidiaries (collectively, the "Group"). The principal activities of the Group are property development, ownership and operation of serviced apartments and a hotel, as well as investment holding.

2 Basis of preparation

The condensed interim financial statements for the six-month period and financial year ended 31 January 2024 have been prepared in accordance with the 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 the understanding of the changes in the Group's financial position and performance of the Group since the last annual audited financial statements for the financial year ended 31 January 2023.

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 dollar which is the Company's functional currency. All financial information has been presented in Singapore dollar and rounded to the nearest thousand ($'000), unless otherwise stated.

2.1 New and amended standards adopted by the Group

The Group has adopted all the new and revised standards which are effective as at 1 February 2023. The adoption of these new standards did not have any significant impact on the condensed interim financial statements of the Group.

2.2 Use of judgements and estimates

In preparing the condensed interim 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 expense. Actual results may differ from these estimates.

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

3. Seasonal operations

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

4. Segment and revenue information

The Group is organised into the following main business segments:

(i) Property development
Activities in this segment comprise the development of properties.

(ii) Hotel
Activities in this segment comprise ownership and operation of service apartments, a hotel and a restaurant.

(iii) Investment
Activities in this segment relate mainly to investment in properties, investment in quoted and unquoted equities, as well as construction activities.

These operating segments are reported in a manner consistent with internal reports provided to the Executive Chairman and the Managing Director, who are responsible for the allocation of resources and the assessment of performance for each operating segment.

4. Segment and revenue information

4.1(a) Business Segments

	Six-month Period Ended 31 January 2024				Financial Year Ended 31 January 2024			
The Group	**Property Development $'000**	**Hotel $'000**	**Investment $'000**	**Consolidated $'000**	**Property Development $'000**	**Hotel $'000**	**Investment $'000**	**Consolidated $'000**
Revenue								
Total segment revenue	140,692	25,164	31,071	196,927	297,320	48,795	54,358	400,473
Inter-segment revenue	-	(1,103)	(20,934)	(22,037)	-	(2,215)	(30,578)	(32,793)
External sales	140,692	24,061	10,137	174,890	297,320	46,580	23,780	367,680
Results								
Segment results	10,267	2,714	2,346	15,327	20,587	5,869	4,204	30,660
Interest income	94	-	881	975	173	-	1,537	1,710
Finance costs	(5,532)	(3,610)	(4,213)	(13,355)	(12,360)	(6,694)	(8,457)	(27,511)
Share of results of joint ventures and associate companies	456	-	-	456	2,764	-	-	2,764
Profit/(loss) from operating activities	5,285	(896)	(986)	3,403	11,164	(825)	(2,716)	7,623
Fair value loss on financial assets	-	-	(5,826)	(5,826)	-	-	(7,543)	(7,543)
Other gains/(losses), net	-	-	838	838	-	-	(1,748)	(1,748)
Profit/(loss) before taxation	5,285	(896)	(5,974)	(1,585)	11,164	(825)	(12,007)	(1,668)
Taxation				1,983				638
Profit attributable to non-controlling interests				(70)				(105)
Net profit/(loss) attributable to owners of the parent				328				(1,135)
Segment assets as at 31 January 2024					542,250	299,688	374,055	1,215,993
Segment liabilities as at 31 January 2024					224,659	158,015	212,605	595,279

4. Segment and revenue information

4.1(a) Business Segments (Cont'd)

The Group	Six-month Period Ended 31 January 2023 Property Development $'000	Hotel $'000	Investment $'000	Consolidated $'000	Financial Year Ended 31 January 2023 Property Development $'000	Hotel $'000	Investment $'000	Consolidated $'000
Revenue								
Total segment revenue	9,183	22,957	27,147	59,287	28,687	40,195	47,939	116,821
Inter-segment revenue	-	(693)	(11,098)	(11,791)	-	(1,429)	(18,125)	(19,554)
External sales	9,183	22,264	16,049	47,496	28,687	38,766	29,814	97,267
Results								
Segment results	1,041	2,926	3,157	7,124	3,497	2,673	3,340	9,510
Interest income	20	3	33	56	30	4	430	464
Finance costs	(6,777)	(1,790)	(3,819)	(12,386)	(9,247)	(3,136)	(5,735)	(18,118)
Share of results of joint ventures and associate companies	(1,600)	-	(1)	(1,601)	(1,968)	-	(232)	(2,200)
(Loss)/profit from operating activities	(7,316)	1,139	(630)	(6,807)	(7,688)	(459)	(2,197)	(10,344)
Fair value loss on financial assets	-	-	(1,370)	(1,370)	-	-	(1,156)	(1,156)
Other gains/(losses), net	-	2,519	(1,935)	584	-	2,519	(21,274)	(18,755)
(Loss)/profit before taxation	(7,316)	3,658	(3,935)	(7,593)	(7,688)	2,060	(24,627)	(30,255)
Taxation				(408)				(1,641)
Profit attributable to non-controlling interests				(206)				(430)
Net loss attributable to owners of the parent				(8,207)				(32,326)
Segment assets as at 31 January 2023					611,969	303,626	393,127	1,308,722
Segment liabilities as at 31 January 2023					339,558	113,149	222,659	675,366

4. Segment and revenue information

4.1(b) Geographical Segments

	Revenue				Non-current Assets	
	Six-month Period Ended		Financial Year Ended			
	2024	2023	**2024**	2023	**2024**	2023
The Group	**$'000**	$'000	**$'000**	$'000	**$'000**	$'000
Singapore	**163,561**	36,913	**346,982**	78,954	**528,866**	531,051
Australia	**11,329**	10,583	**20,698**	18,313	**29,915**	28,725
Malaysia	**-**	-	**-**	-	**65,307**	68,565
	174,890	47,496	**367,680**	97,267	**624,088**	628,341

Revenue is based on the location of customers, regardless of where the services are rendered. Non-current assets are based on the location of those assets.

Non-current assets information presented above consists of investments in joint ventures and associated companies, investment properties and property, plant and equipment.

4.2 Disaggregation of Revenue

Revenue of the Group comprises of the sale of development properties, the operation of a hotel, serviced apartments and a restaurant, rental income generated from retail properties and income from construction contracts.

The revenue excludes inter-company transactions and applicable goods and services taxes or value-added taxes. The Group derives revenue from contracts with customers based on transfer of goods and services over time and at a point in time as follows:

	Financial Year Ended 31 January 2024			Financial Year Ended 31 January 2023		
	At a point in time	**Over Time**	**Total**	At a point In time	Over Time	Total
The Group	**$'000**	**$'000**	**$'000**	$'000	$'000	$'000
Revenue from contracts with customers:						
Sales of development properties	**-**	**297,320**	**297,320**	-	28,687	28,687
Hospitality operations	**10,052**	**36,528**	**46,580**	9,598	29,168	38,766
Construction of buildings	**-**	**5,250**	**5,250**	-	11,836	11,836
	10,052	**339,098**	**349,150**	9,598	69,691	79,289
Rental income	**-**	**18,530**	**18,530**	-	17,978	17,978
	10,052	**357,628**	**367,680**	9,598	87,669	97,267

	Six-month Period Ended 31 January 2024			Six-month Period Ended 31 January 2023		
	At a point in time	**Over Time**	**Total**	At a point In time	Over Time	Total
The Group	**$'000**	**$'000**	**$'000**	$'000	$'000	$'000
Revenue from contracts with customers:						
Sales of development properties	**-**	**140,692**	**140,692**	-	9,183	9,183
Hospitality operations	**5,264**	**18,797**	**24,061**	5,527	16,737	22,264
Construction of buildings	**-**	**839**	**839**	-	6,554	6,554
	5,264	**160,328**	**165,592**	5,527	32,474	38,001
Rental income	**-**	**9,298**	**9,298**	-	9,495	9,495
	5,264	**169,626**	**174,890**	5,527	41,969	47,496

5. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group and the Company as at 31 January 2024 and 31 January 2023:

	The Group		The Company	
	2024	2023	**2024**	2023
	$'000	$'000	**$'000**	$'000
Financial Assets				
Financial assets at fair value through other comprehensive income (FVOCI)	**4,676**	5,214	**-**	-
Financial assets at fair value through profit or loss (FVPL)	**28,068**	36,320	**-**	-
Cash and bank balances	**71,212**	42,894	**39,289**	3,662
Fixed deposits	**12,441**	7,493	**-**	-
Amount owing by subsidiaries	**-**	-	**3,072**	2,708
Trade and other receivables (i)	**25,473**	31,975	**8,788**	8,715
Financial assets at amortised cost	**109,126**	82,362	**51,149**	15,085
Financial Liabilities				
Amount owing to subsidiaries	**-**	-	**11,140**	10,012
Amount owing to non-controlling shareholders of subsidiaries	**361**	1,256	**-**	-
Provision for directors' fee	**215**	215	**215**	215
Borrowings	**547,446**	624,319	**2,354**	20,601
Trade and other payables (ii)	**36,204**	30,378	**24,051**	17,626
Financial liabilities at amortised cost	**584,226**	656,168	**37,760**	48,454

(i) This excludes GST receivable and prepayment.
(ii) This excludes GST payable, advanced payments received from customers and deferred income.

6. Profit before taxation

6.1 Significant items

	Six-month Period Ended 31 January		Financial Year Ended 31 January	
	2024	2023	**2024**	2023
The Group	**$'000**	$'000	**$'000**	$'000
Income				
Gain on early redemption of shareholder loan	**-**	-	**-**	4,783
Write-back of impairment on:				
- Property, plant and equipment	**-**	2,418	**-**	2,418
Expenses				
Amortisation of contract costs	**(7,296)**	(289)	**(14,554)**	(542)
Depreciation of investment properties	**(1,835)**	(1,860)	**(3,671)**	(3,874)
Depreciation of property, plant and equipment	**(4,163)**	(3,946)	**(7,815)**	(8,129)
Fair value loss on financial assets at FVPL	**(5,826)**	(1,370)	**(7,543)**	(1,156)
Write-back of/(impairment loss) on:				
- Receivables	**7**	95	**(22)**	358
- Associated companies and joint ventures	**978**	-	**(360)**	-
Interest on borrowings and lease liabilities	**(13,355)**	(12,386)	**(27,511)**	(18,118)
Loss on disposal of associates	**-**	-	**-**	(23,303)
Exchange differences	**(165)**	(1,648)	**(1,413)**	(2,466)

6. Profit before taxation (Cont'd)

6.2 Related party transactions

In addition to the information disclosed elsewhere in the condensed interim financial statements, the following are significant transactions that took place between the Group and related parties at mutually agreed amounts:

	Six-month Period Ended 31 January		Financial Year Ended 31 January	
	2024	2023	**2024**	2023
The Group	**$'000**	$'000	**$'000**	$'000
Security services charged by other related party	**114**	107	**221**	**213**
Shareholders' loans to a joint venture	**87**	79	**196**	**125**
Construction work performed for an associated company	**838**	5,861	**5,250**	**11,836**
Shareholders' loans to associated companies	**646**	498	**1,979**	**936**
Service and secondment fee charged to a joint venture	**960**	837	**1,779**	**1,478**

Other related party refers to a company which is controlled by the Group's key management personnel and his close family members.

7. Taxation

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense comprise the following:

	Six-month Period ended 31 January		Financial Year Ended 31 January	
	2024	2023	**2024**	2023
	$'000	$'000	**$'000**	$'000
Current income tax expense	**542**	-	**1,240**	1,951
Deferred taxation	**(933)**	80	**(948)**	(649)
Utilisation of previously unrecognised tax losses	**(1,623)**	-	**(1,623)**	-
Under provision of current taxation in respect of prior years	**31**	328	**693**	339
	(1,983)	408	**(638)**	1,641

8. Dividends

The Company	**2024 $'000**	2023 $'000
Dividends paid		
- Ordinary dividends:		
First and final dividend of 1.0 (2023 – 2.0) cents per share, tax exempt paid in respect of the previous financial year	**7,388**	14,776

At the forthcoming Annual General Meeting, a first and final tax-exempt (one-tier) ordinary dividend of 1.5 cents (2023 – 1.0 cent) per share amounting to $11,082,000 (2023 - $7,388,000) will be proposed. These financial statements do not reflect these dividends payable, but will be accounted for as a reduction in equity as a distribution of retained profits in the financial year ending 31 January 2025.

9. Net asset value and net tangible assets per ordinary share

	The Group		The Company	
	2024	2023	**2024**	2023
	$'000	$'000	**$'000**	$'000
Net asset value per ordinary share	**83 cents**	84 cents	**86 cents**	93 cents
Net tangible assets per ordinary share	**81 cents**	84 cents	**86 cents**	93 cents

10. Financial assets at fair value

Financial assets at fair value comprise the following:

	The Group	
	2024	2023
	$'000	$'000
Financial assets at FVOCI		
- Quoted equity investments	**4,676**	5,214
Financial assets at FVPL		
- Unquoted equity investments	**28,068**	36,320
Total financial assets at fair value	**32,744**	41,534

10.1 Fair value measurement

The Group classifies financial assets measured at fair value using a fair value hierarchy that is dependent on the valuation inputs used. The different levels have been defined 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).

The following table shows the levels within the hierarchy of financial assets at fair value on a recurring basis at 31 January 2024 and 31 January 2023:

	Level 1	Level 2	Level 3
	$'000	$'000	$'000
The Group			
31 January 2024			
Financial assets at FVPL – Unquoted equity investments	**-**	-	**28,068**
Financial assets at FVOCI – Quoted equity investments	**4,676**	**-**	**-**
31 January 2023			
Financial assets at FVPL – Unquoted equity investments	-	-	36,320
Financial assets at FVOCI – Quoted equity investments	5,214	-	-

11. Property, plant and equipment

	The Group		The Company	
	2024	2023	**2024**	2023
	$'000	$'000	**$'000**	$'000
Cost				
Balance at beginning of year	**357,741**	363,057	**8,415**	8,652
Additions	**6,122**	2,209	**281**	17
Written off	**(285)**	(2,369)	**-**	-
Disposals	**(274)**	(265)	**(274)**	(255)
Transfer to investment properties	**(1,581)**	(2,936)	**-**	-
Exchange translation difference	**(3,020)**	(1,955)	**-**	-
Balance at end of year	**358,703**	357,741	**8,422**	8,414
Accumulated depreciation				
Balance at beginning of year	**57,908**	51,055	**4,202**	3,864
Depreciation for the year	**7,815**	8,129	**430**	438
Written off	**(71)**	(9)	**-**	-
Disposals	**(265)**	(109)	**(265)**	(100)
Transfer to investment properties	**(670)**	(13)	**-**	-
Exchange translation difference	**(1,803)**	(1,145)	**-**	-
Balance at end of year	**62,914**	57,908	**4,367**	4,202
Accumulated impairment				
Balance at beginning of year	**1,544**	3,928	**-**	-
Additions	**-**	34	**-**	-
Impairment no longer required	**(212)**	(2,418)	**-**	-
Balance at end of year	**1,332**	1,544	**-**	-
Net book value	**294,457**	298,289	**4,055**	4,212

During the financial year, the Group acquired property, plant and equipment at an aggregate cost of $6,122,000 (2023 - $2,209,000). All additions were paid to suppliers of property, plant and equipment at the end of the financial year, except for leased assets. Cash payment of $4,844,000 (2023 - $2,200,000) were made to purchase property, plant and equipment.

12. Investment properties

The Group's investment properties consist of commercial properties held for long-term rental yields and/or capital appreciation and are not substantially occupied by the Group. These properties are mainly leased to third parties under operating leases.

	The Group	
	2024	2023
	$'000	$'000
Cost		
Balance at beginning of year	**321,767**	318,885
Written off	**-**	(54)
Transferred from property, plant and equipment	**1,581**	2,936
Balance at end of year	**323,348**	321,767
Accumulated depreciation		
Balance at beginning of year	**27,151**	23,267
Depreciation for the year	**3,671**	3,874
Written off	**-**	(3)
Transferred from property, plant and equipment	**670**	13
Balance at end of year	**31,492**	27,151
Accumulated impairment		
Balance at beginning/end of year	**1,902**	1,902
Net book value	**289,954**	292,714

13. Valuation

The Group engages external, independent and qualified valuers to determine the fair value of the Group's significant property plant and equipment and investment properties at the end of every financial year, based on the properties' highest-and-best use. As at 31 January 2024, the fair values of certain properties were determined by Knight Frank Pte. Ltd. For other properties, management estimated the properties' fair value based on the properties' highest-and-best use, using the current market trend, with reference to indicative market prices for similar properties in the area.

The fair value measurement was categorised as a Level 3 fair value, based on the inputs in the valuation technique used. Level 3 fair values of the properties were derived using Income Capitalisation Method and Direct Comparison Method.

The Income Capitalisation Method capitalises an income stream into a present value using single-year capitalisation rates. In Direct Comparison Method, properties are valued using transacted prices for comparable properties in the vicinity and elsewhere with necessary adjustments made for differences in location, tenure, size, design, layout, age and condition of the buildings, availability of car parking facilities, dates of transactions and the prevailing market conditions. The most significant input to the Direct Comparison Method would be the adopted value per square foot.

13. Valuation (Cont'd)

	As at 31 January 2024			As at 31 January 2023		
	Carrying amount $'000	**Fair value $'000**	**Fair value hierarchy**	Carrying amount $'000	Fair value $'000	Fair value hierarchy
The Group						
Investment properties:						
Retail units	**243,868**	**374,300**	**Level 3**	246,688	373,200	Level 3
Commercial units	**45,192**	**49,870**	**Level 3**	46,026	49,870	Level 3
Office units	**894**	**5,139**	**Level 3**	-	-	-
Property, plant and equipment:						
Hotel	**18,832**	**81,080**	**Level 3**	17,559	85,640	Level 3
Serviced apartments	**256,306**	**414,530**	**Level 3**	261,820	404,630	Level 3
Office units	**4,973**	**20,679**	**Level 3**	5,974	23,306	Level 3
The Company						
Property, plant and equipment:						
Office units	**2,393**	**12,518**	**Level 3**	2,436	11,231	Level 3

14. Borrowings

The Group	**2024 $'000**	2023 $'000
Revolving credit loan – unsecured	**-**	17,000
Temporary bridging loan – unsecured	**2,341**	3,583
Revolving credit loan – secured	**597**	30,200
Term loans – secured	**542,360**	572,186
	545,298	622,969
Lease liabilities	**2,148**	1,350
	547,446	624,319
Amount repayable:		
Not later than one year	**5,493**	373,595
Later than one year and not later than five years	**541,953**	250,724
	547,446	624,319

The Company	**2024 $'000**	2023 $'000
Revolving credit loan – unsecured	**-**	17,000
Temporary bridging loan – unsecured	**2,341**	3,583
	2,341	20,583
Lease liabilities	**13**	18
	2,354	20,601
Amount repayable:		
Not later than one year	**1,271**	18,247
Later than one year and not later than five years	**1,083**	2,354
	2,354	20,601

14. Borrowings (Cont'd)

The bank borrowings and other banking facilities are secured by bank deposits, mortgages on the borrowing subsidiaries' hotel property, serviced apartments, investment properties and development properties, and assignment of all rights and benefits with respect to the properties and corporate guarantees from the Company.

As at 31 January 2024, secured revolving credit loan of $597,000 were included as non-current liabilities as the Group has the discretion to rollover the facilities for at least 12 months after the statement of financial position date.

15. Share capital

The Group and The Company	**2024** No. of ordinary shares	2023 No. of ordinary shares	**2024** **$'000**	2023 $'000
Issued and fully paid with no par value:				
Balance at beginning and end of year	**738,816,000**	738,816,000	**161,863**	161,863

The Company did not hold any treasury shares as at 31 January 2024 and 31 January 2023.

There were no outstanding executives' share options granted as at 31 January 2024 and 31 January 2023.

16. Subsequent events

There is no known subsequent event which has led to adjustments to this set of condensed interim financial statements.

17. Comparative figures

Consolidated statement of profit or loss

The prior financial year's comparative figures have been reclassified. The reclassification separates fair value loss or gains, other non-recurring events and non-operating items, which include impairment of investments, one-off gains or losses on disposals of significant assets and unrealised foreign exchange movements. This presentation provides more financial clarity on the Group's core operating performance.

As a result of the above, certain line items have been restated in the consolidated statement of profit or loss.

Consolidated statement of profit or loss	As previously reported, 31 January 2023 $'000	Restatements $'000	As restated, 31 January 2023 $'000
Other income/Other income-miscellaneous income	10,216	(7,454)	2,762
Other operating expenses	(28,825)	27,365	(1,460)
Fair value loss on financial assets at FVPL	-	(1,156)	(1,156)
Other losses, net	-	(18,755)	(18,755)

17. Comparative figures

Consolidated statement of cash flows

In the previous financial year, unrealised foreign exchange losses from financial assets at FVPL had been classified under movements in operating receivables and payables, instead of as a separate non-cash item.

As a result of the above, certain line items have been restated in the consolidated statement of cash flows.

Consolidated statement of cash flows	As previously reported, 31 January 2023 $'000	Restatements $'000	As restated, 31 January 2023 $'000
Unrealised foreign exchange losses	-	1,857	1,857
Operating profit before working capital changes	18,859	1,857	20,716
Decrease/(increase) in operating receivables	(19,672)	(1,373)	(21,045)
(Decrease)/increase in operating payables	10,271	(484)	9,787
Cash generated from operations	25,909	-	25,909

1. Review

The consolidated statement of financial position of the Company and its subsidiaries as at 31 January 2024 and the related consolidated profit or loss and other comprehensive income, consolidated statements of changes in equity and consolidated statement of cash flows for the financial year then ended and certain explanatory notes have not been audited or reviewed.

2. Review of performance of the Group

Property Development

Property Development revenue increased to $297.3M in FY2024 from $28.7M in FY2023. The increase in revenue was mainly due to improved sales at the Klimt Cairnhill project.

Klimt Cairnhill, is a 36 storey, high-end freehold condominium development located within the Orchard vicinity near to Newton MRT Station, with a total of 138 units. As at 31 January 2024, a total of 90 units of the project was sold, with 82 units sold in FY2024. Only 8 units were sold as at 31 January 2023, with 5 units sold in FY2023. Klimt Cairnhill was at a project completion stage of 58% as at 31 January 2024.

In FY2024, the share of profit from Dalvey Breeze amounted to $3.1M, driven mainly by sales at Dalvey Haus. Dalvey Haus acquired TOP in July 2023 and CSC in December 2023. As at 31 January 2024, 13 units out of 17 units in the development were sold.

The segment saw a net profit before tax and non-controlling interests of $11.2M in FY2024, as compared to a loss of $7.7M in FY2023. This was driven by the improved sales performance at Klimt Cairnhill and Dalvey Haus, partially offset by an increase in finance costs from higher interest rates.

Hotel

Revenue from the Hotel segment increased to $46.6M in FY2024 from $38.8M in FY2023. The increase was mainly due to Lyf@Farrer, Citadines Balestier and Duxton Hotel Perth achieving higher average room income in FY2024. Occupancy rates improved at Duxton Hotel Perth, whilst rates declined at Lyf@Farrer and Citadines Balestier. Overall, REVPAR improved year-on-year across the three properties.

Net loss before tax and non-controlling interests for the Hotel segment was $0.8M in FY2024, compared to a net profit of $2.1M in FY2023. Despite improved operating performance, incremental property income generated was offset by higher finance costs incurred due to heightened interest rates. In FY2023, a reversal of impairment loss on Citadines Balestier amounting to $2.4M was recognised.

Investment

Investment revenue decreased to $23.8M in FY2024 from $29.8M in FY2023, mainly driven by lower construction revenue contribution from the Dalvey Haus project. The project obtained TOP in July 2023. The decrease in construction revenue was partially offset by an increase in revenue from Paya Lebar Square due to higher average occupancy and average gross rent.

The segment generated a net loss before tax and non-controlling interests of $12.0M in FY2024, as compared to a net loss of $24.6M in FY2023. In FY2024, segment performance was impacted by a fair value loss on its financial assets at FVPL, higher finance costs, impairment losses on associated companies and joint ventures, as well as foreign exchange losses. In FY2023, an aggregate net loss in relation to the disposal of PRE13 and PSI, amounting to $18.5M, was recognised.

Net loss attributable to shareholders

Net loss attributable to shareholders was $1.1M in FY2024, as compared to a net loss of $32.3M in FY2023. The lower net loss in FY2024 was mainly driven by the improved property sales and operating performance from the Group's hospitality assets. Despite facing higher interest expense, the Group managed to achieve a profit from operating activities of $7.6M, which was a turnaround from a loss of $10.3M in the previous year. However, profit from the Group's core business were offset by fair value losses on financial assets at FVPL, as well as foreign exchange losses, resulting in a net loss for the year.

In FY2023, the net loss was mainly due to the $23.3M loss recognised on the disposal of investment in associates, partially mitigated by the $4.8M gain on the early repayment of shareholder's loan owing by PRE13. Excluding these one-off gains and losses, net loss attributable to shareholders in FY2023 would have been $13.8M.

Financial position and working capital of the Group

The Group's total assets decreased by $92.7M to $1,216.0M as at 31 January 2024 from $1,308.7M as at 31 January 2023. The decrease was mainly due to the repayment of bank borrowings with cash generated from operating activities, which included proceeds from the sale of units at Klimt Cairnhill and receipts from the final progress billings at Uptown@Farrer.

The Group's total liabilities decreased by $80.1M to $595.3M as at 31 January 2024 from $675.4M as at 31 January 2023. The decrease was mainly due to the net repayment of bank loans. Net gearing ratio improved to 0.76 as at 31 January 2024, compared to 0.92 as at 31 January 2023.

As at 31 January 2024, the Group's working capital (current assets – current liabilities) was $506.4M.

Cash flows

Cash and cash equivalents and fixed deposits increased by $33.3M to $83.7M as at 31 January 2024 from $50.4M as at 31 January 2023. During the financial year, operating cash flows, amounting to $153.8M, were generated mainly from the sale of units at Klimt Cairnhill and recurring cashflows from its retail and hospitality portfolio. In addition, the Group drew down $80M by mortgaging Lyf@Farrer. The cash generated from operating activities and proceeds from the bank loan primarily went towards repaying bank borrowings totalling $161.1M and interest amounting to $27.7M.

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

Not applicable.

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 operating period and the next 12 months

In February 2024, the Ministry of Trade and Industry ("MTI") announced that Singapore's economy expanded by 1.1% y-o-y in 2023, moderating from the 3.8% growth in 2022. MTI also projected Singapore's GDP growth to come in around 1.0 to 3.0% in 2024.

The revival of foreign interest in Singapore's luxury residential property sector, driven by the reopening of Chinese borders in early 2023, improved sales at our development projects, Klimt Cairnhill and Dalvey Haus. However, new cooling measures by the Singapore government in April 2023, with steep Additional Buyer's Stamp Duty ("ABSD") hikes imposed, particularly for foreign residential property buyers, moderated the initial surge in sales activity for the sector.

On a positive note, Klimt Cairnhill successfully sold all its large units, including penthouses and 4-bedroom units, while the Dalvey Haus project obtained its Certificate of Statutory Completion ("CSC") in December 2023.

However, risks associated with global economic uncertainty, elevated interest rates, as well as further property cooling measures implemented by the government could still threaten sales momentum. The Group maintains its commitment to completing and selling its existing residential development projects. As of 21 March 2024, there was a total of 100 units sold for Klimt Cairnhill, and a total of 13 units sold for Dalvey Haus.

Our serviced apartments in Singapore and the hotel in Perth continue to perform well following eased travel restrictions and a revival in global travel. However, growth in demand for serviced apartments is expected to moderate this year due to an anticipated increase in hotel supply and heightened competition from regional destinations, although tourist arrivals are projected to continue its recovery. Meanwhile, an asset enhancement initiative is underway at Duxton Hotel in Perth to ensure its competitiveness. Paya Lebar Square, our retail mall, maintains full occupancy and its performance is expected to remain stable in FY2025.

While challenges persist due to heightened interest rates and cost pressures, expected interest rate cuts in 2024 could alleviate pressure for the Group. Management remains focused on maintaining a healthy balance sheet, reducing leverage, and exercising disciplined capital management. Additionally, a selective and strategic approach to new business acquisitions and investments remains a priority, targeting sustainable returns for shareholders.

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

Not applicable.

6. Dividend

(a) Current Financial Period Reported On

Any dividend declared/recommended for the current financial period reported on? Yes

Name of Dividend: First & Final Dividend
Dividend Type: Cash
Dividend Amount: 1.5 cents per ordinary share
Tax Rate: Tax exempt (One-Tier tax)

(b) Corresponding Period of the Immediately Preceding Financial Year

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

Name of Dividend: First & Final Dividend
Dividend Type: Cash
Dividend Amount: 1.0 cent per ordinary share
Tax Rate: Tax exempt (One-Tier tax)

(c) Date payable

Subject to shareholders' approval at the Annual General meeting to be held on 31 May 2024, the proposed first and final dividend will be paid on 21 June 2024.

(d) Books closure date

The Share Transfer Books and the Register of Members of the Company will be closed on 10 June 2024 after 5.00pm for the purpose of determining shareholders' entitlement to the first and final dividend. Duly completed registrable transfers received by the Company's Share Registrar, KCK CorpServe Pte. Ltd., 1 Raffles Place, #04-63 One Raffles Place, Singapore 048616 up to 5.00pm on 10 June 2024 will be registered to determine shareholders' entitlements to the said proposed first and final dividend. Members whose Securities Accounts with The Central Depository (Pte) Limited are credited with shares at 5.00pm on 10 June 2024 will be entitled to the abovementioned proposed first and final dividend.

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

Not applicable.

8. 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.

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

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.

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

Please refer to paragraph 2 above.

11. Additional Information Required Pursuant to Rule 706A

During the financial year ended 31 January 2024, the Company did not incorporate or acquire any shares which resulted in any company becoming a subsidiary or associated company, or increasing its shareholding percentage in any subsidiary. The company also did not sell any shares which resulted in any company ceasing to be a subsidiary or associated company, or decreasing its shareholding percentage in any subsidiary.

12. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the operating segments

Revenue from the Property Development segment increased to $297.3M in FY2024 from $28.7M in FY2023, driven by higher residential property sales. The revival of foreign interest in Singapore's luxury residential property sector, driven by the reopening of Chinese borders in early 2023, improved sales at Klimt Cairnhill. However, new cooling measures by the Singapore government in April 2023 moderated the initial surge in sales activity for the segment.

Revenue from the Hotel segment increased to $46.6M in FY2024 from $38.8M in FY2023. Average room income improved at Lyf@Farrer, Citadines Balestier and Duxton Hotel Perth. Occupancy rates improved at Duxton Hotel Perth, whilst rates declined at Lyf@Farrer and Citadines Balestier.

Revenue from the Investment segment decreased to $23.8M in FY2024 from $29.8M in FY2023. The decrease was due to lower construction revenue generated from the Dalvey Haus project, which obtained TOP in July 2023 and CSC in December 2023. The lower revenue was partially offset by the higher revenue at Paya Lebar Square.

Despite the improved topline performance in FY2024, with the Property Development segment being the key driver, the heightened interest rate environment, fair value loss on financial assets at FVPL, as well as foreign exchange loss, negated the profits that were generated by the Group's core business.

13. A breakdown of sales

	Financial Year Ended		Increase/
	31/01/2024	31/01/2023	(Decrease)
	$'000	$'000	%
Sales reported for first half year	192,790	49,771	287
Operating loss after tax before deducting non-controlling interests reported for first half year	(1,428)	(23,895)	(94)
Sales reported for second half year	174,890	47,496	268
Operating profit/(loss) after tax before deducting non-controlling interests reported for second half year	398	(8,001)	n.m.

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

	For The Financial Year Ended	
	31/01/2024	31/01/2023
	$'000	$'000
Ordinary one-tier dividend	11,082	7,388

Dividend for the financial year ended 31 January 2024 is proposed by the Board, subject to shareholders' approval.

15. Interested parties transactions

Name of interested person	Nature of relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S$100,000)
Binakawa Sdn. Bhd.	Subsidiary of immediate and ultimate holding company, Consistent Record Sdn. Bhd.	Loan to Binakawa Sdn. Bhd.: S$1,339,192	Nil
Bina Meganmas Sdn. Bhd.	Subsidiary of immediate and ultimate holding company, Consistent Record Sdn. Bhd.	Loan to Bina Meganmas Sdn. Bhd.: S$196,030	Nil
Hawkeye Security Solutions Pte. Ltd.	Owned/managed by daughter and son-in-law of Executive Chairman, Low Keng Boon @ Lau Boon Sen	Security services awarded to Hawkeye Security Solutions Pte. Ltd: S$220,736	Nil

Pursuant to Chapter 9 of the SGX-ST Listing Manual, the above interested person transactions are either below the relevant materiality threshold or exempted from shareholders' approval.

16. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) 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, CEO and/or Substantial Shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
1.	Low Poh Kok	51	Brother of Low Poh Kuan. Nephew of Low Keng Boon @ Lau Boon Sen. Cousin of Dato' Marco Low Peng Kiat.	Director - Business Development with effect from 1st February 2021. Chief Technology Officer with effect from 1st April 2022. Head of Human Resource department with effect from 1st September 2022	Nil
2.	Low Chin Han	42	Son of Low Keng Boon @ Lau Boon Sen. Cousin of Dato' Marco Low Peng Kiat and Low Poh Kuan.	Director of Duxton Hotel Perth with effect from 1st November 2011. Director – Hospitality with effect from 1st March 2014. Chief Sustainability Officer with effect from 13th December 2022.	Nil

BY ORDER OF THE BOARD

Low Keng Boon @ Lau Boon Sen
Executive Chairman

Dato' Marco Low Peng Kiat
Managing Director

27 March 2024