



GLOBAL INVESTMENTS LIMITED

Condensed Interim Financial Statements For The Six Months Ended 30 June 2024

Investments in Global Investments Limited (GIL) are not deposits with or other liabilities of Singapore Consortium Investment Management Limited (SICIM), or any of SICIM's related corporations and are subject to investment risk, including possible loss of income and capital invested. Neither SICIM (manager of GIL), nor SICIM's related corporations guarantee the performance of GIL or the payment of a particular rate of return on the shares of GIL.

This financial report is not an offer or invitation for subscription or purchase or recommendation of GIL shares. It does not take into account the investment objectives, financial situation and particular needs of an investor. Before making an investment in GIL, an investor or prospective investor should consider whether such an investment is appropriate to their particular investment needs, objectives and financial circumstances and consult an investment adviser if necessary.

SICIM, as manager of GIL is entitled to fees for so acting. SICIM and its related corporations, together with their respective officers and directors, may hold shares in GIL from time to time.

This financial report has been prepared to enable the directors to comply with their obligations under the Listing Manual of the Singapore Exchange Securities Trading Limited (Listing Manual) and where relevant, to satisfy the requirements of the Singapore Financial Reporting Standards (International). The responsibility for the preparation of the financial report and any financial information contained in this financial report rests solely with the directors of GIL.

CONTENT

CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	3
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION	4
CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY	5
CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS	6
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS	7
OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2	17

CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	Company	
		6 months ended 30 Jun 24 S\$'000	6 months ended 30 Jun 23 S\$'000
Income			
Dividend income		1,051	1,134
Interest income		5,440	5,300
Net foreign exchange gain		309	-
Net gain/(loss) on financial assets at fair value through profit or loss	7	8,381	(1,664)
Total income		15,181	4,770
Expenses			
Management fees	8	(959)	(984)
Incentive fees		-	-
Net foreign exchange loss		-	(1,065)
Other operating expenses		(1,003)	(956)
Total expenses		(1,962)	(3,005)
Profit before tax		13,219	1,765
Income tax expense	9	(77)	(91)
Profit after tax		13,142	1,674
Total comprehensive income for the period attributable to shareholders		13,142	1,674
Basic earnings per share (cents per share)	12	0.81	0.11
Diluted earnings per share (cents per share)	12	0.81	0.11

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

	Note	Company	
		As at 30 Jun 24 S\$'000	As at 31 Dec 23 S\$'000
ASSETS			
Non-current assets			
Financial assets at fair value through profit or loss	7	154,150	158,756
Right-of-use asset		11	46
		<u>154,161</u>	<u>158,802</u>
Current assets			
Cash and cash equivalents		76,310	53,249
Financial assets at fair value through profit or loss	7	46,119	41,825
Other assets		3,038	6,127
		<u>125,467</u>	<u>101,201</u>
Total Assets		<u>279,628</u>	<u>260,003</u>
LIABILITIES			
Current liabilities			
Lease liabilities		12	51
Other liabilities		13,887	1,512
		<u>13,899</u>	<u>1,563</u>
Non-current liabilities			
Lease liabilities		-	-
		<u>-</u>	<u>-</u>
Total Liabilities		<u>13,899</u>	<u>1,563</u>
Net assets attributable to shareholders		<u>265,729</u>	<u>258,440</u>
EQUITY			
Share capital	14	270,837	270,837
Treasury shares		(10,311)	(12,137)
Capital reserve		(12,282)	(11,042)
Retained earnings		17,485	10,782
Total Equity		<u>265,729</u>	<u>258,440</u>
Net asset value per share (S\$ per share)		<u>0.1625</u>	<u>0.1586</u>

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

Company Changes in shareholders' equity for the six months ended 30 June 2024	Share capital S\$'000	Treasury shares S\$'000	Capital reserve S\$'000	Retained earnings S\$'000	Total S\$'000
Total equity at 1 January 2024	270,837	(12,137)	(11,042)	10,782	258,440
Profit for the period	-	-	-	13,142	13,142
Transactions with equity holders in their capacity as equity holders:					
Purchase of treasury shares	-	(3,329)	-	-	(3,329)
Transfer of treasury shares ¹	-	5,189	(1,274)	-	3,915
Transfer of treasury shares for Bonus Issue (Adjustment) ²	-	(34)	34	-	-
Dividend for the period	-	-	-	(6,439)	(6,439)
Total equity at 30 June 2024	270,837	(10,311)	(12,282)	17,485	265,729

Company Changes in shareholders' equity for the six months ended 30 June 2023	Share capital S\$'000	Treasury shares S\$'000	Capital reserve S\$'000	Retained earnings S\$'000	Total S\$'000
Total equity at 1 January 2023	270,837	(25,477)	1,054	14,659	261,073
Profit for the period	-	-	-	1,674	1,674
Transactions with equity holders in their capacity as equity holders:					
Purchase of treasury shares	-	(1,847)	-	-	(1,847)
Transfer of treasury shares ¹	-	8,731	(2,155)	-	6,575
Dividend for the period	-	-	-	(12,482)	(12,482)
Total equity at 30 June 2023	270,837	(18,593)	(1,101)	3,851	254,993

¹ This relates to the transfer of treasury shares for the purpose of allotment of shares pursuant to the Scrip Dividend Scheme. Any realised gain or loss will be recognised in the capital reserve.

² On 25 April 2024, the Company informed Shareholders that the number of treasury shares transferred for FY2023 Bonus Issue were 63,336,221 shares instead of 63,553,952 shares and the value of the treasury shares transferred was \$9,906,415.85 instead of \$9,940,627.56. As such, adjustment for the transfer of treasury shares for Bonus Issue was 217,731 shares and value of the treasury shares transferred was \$34,211.71.

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

	Company	
	6 months ended 30 Jun 24 S\$'000	6 months ended 30 Jun 23 S\$'000
Cash flows from operating activities		
Operating costs paid	(2,681)	(2,016)
Interest income received	5,440	5,043
Dividend income received	752	702
Income tax paid	(77)	(91)
Net cash inflow from operating activities	3,434	3,638
Cash flows from investing activities		
Purchase of financial assets	(23,542)	(14,000)
Redemption/maturity of financial assets	46,993	11,659
Net proceeds from disposal of financial assets	1,749	5,041
Net cash generated from investing activities	25,200	2,700
Cash flows used in financing activities		
Dividends paid	(2,524)	(5,907)
Purchase of treasury shares	(3,366)	(1,774)
Net cash outflow used in financing activities	(5,890)	(7,681)
Net increase in cash and cash equivalents	22,744	(1,343)
Cash and cash equivalents at beginning of period	53,249	51,065
Effects of exchange rate changes on cash and cash equivalents	317	(1,063)
Cash and cash equivalents at end of period	76,310	48,659

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

1 Corporate Information

Global Investments Limited (GIL or the Company) was incorporated in Bermuda on 24 April 2006 as a mutual fund company limited by shares.

The Company is publicly traded on the main board of the Singapore Exchange Securities Trading Limited (the SGX-ST) on 20 December 2006. On 7 January 2019, the Company transferred its domicile from Bermuda to Singapore and it is now registered in Singapore. The address of its registered office is 250 Tanjong Pagar Road #09-01 St Andrew's Centre Singapore 088541.

These condensed interim financial statements as at and for the six months ended 30 June 2024 and as at 31 December 2023 comprise the Company's while the condensed consolidated interim financial statements as at and for the six months ended 30 June 2024 comprised the Company and its subsidiaries.

The principal activities of the Company consist of investing in a portfolio of assets in different sectors.

2 Basis of Preparation

The condensed interim financial statements for the six months ended 30 June 2024 have been prepared in accordance with 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 Company's financial position and performance of the Company since the last annual financial statements for the year ended 31 December 2023.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s.

The condensed interim financial statements are presented in Singapore dollar which is the Company's functional currency and rounded to the nearest thousand.

The figures in the statement of financial position, consolidated statement of comprehensive income, statement of changes in shareholders' equity and consolidated statement of cash flows and explanatory notes have not been audited or reviewed.

3 New and amended standards adopted by the Company

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

4 Use of judgements and estimates

In preparing the condensed interim financial statements, the Company makes judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, assets, and liabilities. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future period.

The significant judgements made in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at 30 June 2024 and for the year ended 31 December 2023.

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

Fair value of securities not quoted in an active market

The fair value of securities not quoted in an active market is usually determined by the Company using broker or dealer quotes, which may be indicative and not executable or binding, or valuation techniques based on inputs which are not quoted in active markets. These financial assets were categorised within Level 3 in the fair value hierarchy.

4 Use of judgements and estimates (Cont'd)

The Company exercises judgement in its assessment of the appropriateness of the quotes obtained, which may consider factors such as the performance of the underlying loan portfolio based on reports obtained from third party managers, assessment of expected future cash flows, recent transactions in the same or similar instrument and the volatility of and spread between broker quotes obtained. When the valuation techniques are used, the Company relies on information such as collateral performance and cash flows of underlying portfolio and applied judgement at best estimates when determining fair value.

5 Seasonal operations

The Company seeks to create a portfolio with diversity across asset class, geography, industry, currency and duration. As a result, the Company was not materially affected by seasonal or cyclical factors during the financial period.

CONDENSED INTERIM FINANCIAL STATEMENTS
For The Six Months Ended 30 June 2024

6 Segment and revenue information

The Company's investments are organised into the following main asset classes:

- Other Bonds & CLOs
- Additional Tier 1 & Tier 2
- Listed equities
- Cash and cash equivalents

	Other Bonds & CLOs				Additional Tier 1 & Tier 2			Listed Equities			Cash and cash equivalents	Total
	Europe S\$'000	Asia S\$'000	North America S\$'000	Others S\$'000	Europe S\$'000	North America S\$'000	Others S\$'000	Europe S\$'000	Asia S\$'000	North America S\$'000	S\$'000	S\$'000
2024												
For the six months ended 30 June 2024												
Total segment income/(loss)	367	(10)	451	479	4,763	110	495	380	6,637	42	1,159	14,872
Segment profit/(loss) before tax	381	(10)	477	482	4,781	110	494	380	6,642	42	1,402	15,181
Included segment items												
Dividend income	-	-	-	-	-	-	-	57	987	7	-	1,051
Interest income	355	-	267	248	3,114	52	245	-	-	-	1,159	5,440
Net gain/(loss) on financial assets at fair value through profit or loss	12	(10)	184	231	1,648	58	250	323	5,651	34	-	8,381
Net foreign exchange gain/(loss)	15	-	26	3	18	-	(1)	-	5	-	243	309
As at 30 June 2024												
Total segment assets	19,090	1	30,613	6,669	87,021	1,350	11,700	1,752	43,582	785	76,619	279,182
Total segment liabilities	-	-	-	-	-	-	-	-	-	-	-	-

CONDENSED INTERIM FINANCIAL STATEMENTS
For The Six Months Ended 30 June 2024

6 Segment and revenue information (Cont'd)

	Other Bonds & CLOs				Additional Tier 1 & Tier 2			Listed Equities			Cash and cash equivalents	Total
	Europe S\$'000	Asia S\$'000	North America S\$'000	Others S\$'000	Europe S\$'000	North America S\$'000	Others S\$'000	Europe S\$'000	Asia S\$'000	North America S\$'000	S\$'000	S\$'000
2023												
For the six months ended 30 June 2023												
Total segment income/(loss)	(15)	885	305	400	(1,718)	21	20	(1)	4,111	182	(485)	3,705
Segment profit/(loss) before tax	(15)	885	305	400	(1,718)	21	20	(1)	4,111	182	(485)	3,705
Included segment items												
Dividend income	-	-	-	-	-	-	-	47	1,080	7	-	1,134
Interest income	27	-	435	246	3,533	51	425	-	-	-	583	5,300
Net gain/(loss) on financial assets at fair value through profit or loss	(42)	885	(129)	151	(5,257)	(30)	(404)	(48)	3,035	175	-	(1,664)
Net foreign exchange gain/(loss)	-	-	(1)	3	6	-	(1)	-	(4)	-	(1,068)	(1,065)
As at 30 June 2023												
Total segment assets	9,424	6,957	12,072	6,407	111,054	1,243	15,252	1,322	42,874	778	48,785	256,168
Total segment liabilities	-	-	-	-	-	-	-	-	-	-	-	-

6 Segment and revenue information (Cont'd)

Reconciliations of reportable segment profit or loss, assets and liabilities

	Company	
	6 months ended 30 June 2024 S\$'000	6 months ended 30 June 2023 S\$'000
Segment profits		
Reported profit for reportable segments	15,181	3,705
Management fees	(959)	(984)
Incentive fees	-	-
Other operating expenses	(1,003)	(956)
Profit/(loss) before income tax	13,219	1,765
Segment assets		
Reported assets for reportable segments	279,182	256,168
Other assets (excluding interest and dividend receivables)	435	114
Right-of-use asset	11	81
Total assets	279,628	256,363
Segment liabilities		
Reported liabilities for reportable segments	-	-
Management fee payable	(647)	(666)
Lease liabilities (current and non-current)	(12)	(88)
Other payables	(13,240)	(616)
Total liabilities	(13,899)	(1,370)

7 Financial assets at fair value through profit or loss

Set out below is an overview of the financial assets of the Company as at 30 June 2024 and 31 December 2023:

Company	30 June 2024 S\$'000	31 December 2023 S\$'000
Non-current		
Other Bonds & CLOs	55,786	35,774
Additional Tier 1 & Tier 2	98,364	122,982
	154,150	158,756
Current		
Other Bonds & CLOs	-	-
Listed equities	46,119	41,825
	46,119	41,825
Total financial assets at fair value through profit or loss	200,269	200,581

7 Financial assets at fair value through profit or loss (Cont'd)

Net gain/(loss) on financial assets at fair value through profit or loss breakdown:

	6 months ended 30 June 2024 S\$'000	Company	6 months ended 30 June 2023 S\$'000
Realised	322		(3,916)
Unrealised	8,059		2,253
Total gain/(loss)	8,381		(1,664)

8 Related party transactions

The following transactions were carried out with SICIM (The Manager):

	Company	
	6 months ended 30 June 2024 S\$'000	6 months ended 30 June 2023 S\$'000
Base management fees	959	984
Fixed management fees	323	322
Other fees and reimbursement of expenses	226	209
Acquisition fees	178	45
Divestment fees	731	241
Total	2,417	1,801

9 Taxation

The Company is a tax resident in Singapore and has been approved by the Monetary Authority of Singapore for the Enhanced-Tier-Fund Tax Incentive Scheme under Section 13U of the Singapore Income Tax Act. The tax exemption status will allow the Company to enjoy tax exemption on specified income in respect of any designated investment.

	Company	
	6 months ended 30 June 2024 S\$'000	6 months ended 30 June 2023 S\$'000
Income tax expense		
Withholding tax	77	91
Total	77	91

Income tax expense arose mainly from withholding tax relating to dividend income from listed equities.

10 Dividends

For the financial year ended 31 December 2023, the payment of a final dividend of 0.40 Singapore cents per share was approved by shareholders at the Annual General Meeting held on 26 April 2024. On 27 June 2024, S\$2.52 million was paid in cash and S\$3.92 million was paid in the form of shares issued pursuant to the Scrip Dividend Scheme.

For the financial year ended 31 December 2023, the Company has obtained the Inland Revenue Authority of Singapore's confirmation that it is a tax resident of Singapore.

The Company has also received confirmation from Inland Revenue Authority of Singapore that it is a tax resident of Singapore for the financial year 2024.

Dividends paid in 2024 are exempt from tax (one-tier) when received in the hands of Shareholders.

	Company	
	2024	2023
<u>Interim dividend</u>		
Dividend per Share (cents)	0.40	-
Dividend amount (S\$'000)	6,542 ²	- ¹
<u>Final dividend</u>		
Dividend per Share (cents)	-	0.40
Dividend amount (S\$'000)	-	6,439
	-	6,439

¹ Instead of paying a FY2023 Interim Dividend, the Company has distributed Treasury shares to shareholders via Bonus Issue. The Company issued bonus shares to eligible shareholders on the basis of 1 bonus share for every 25 existing shares in the share capital of the Company. The Company transferred 63,336,221 treasury shares for the allotment of bonus shares. The value of the treasury shares transferred was S\$9,906,415.85.

² FY2024 Interim Dividend is calculated based on the number of outstanding shares as at 30 June 2024.

11 Net Asset Value

	Company	
	30 June 2024	31 December 2023
Net asset value per ordinary shares (S\$'000)	265,729	258,440
Total of ordinary shares in issue used in calculation of net assets value per share ('000)	1,635,398	1,629,059
Net asset value per ordinary share (S\$ per share)	0.1625	0.1586

12 Earnings per share

	Company 6 months ended 30 June 2024 S\$'000	Company 6 months ended 30 June 2023 S\$'000
<u>Basic earnings per share</u>		
Earnings used in calculation of basic earnings per share (S\$'000)	13,142	1,674
Weighted average number of ordinary shares in issue used in calculation of basic earnings per share ('000)	1,616,606	1,557,958
Basic earnings per share (cents per share)	0.81	0.11
<u>Diluted earnings per share</u>		
Earnings used in calculation of diluted earnings per share (S\$'000)	13,142	1,674
Weighted average number of ordinary shares in issue used in calculation of diluted earnings per share ('000)	1,616,606	1,557,958
Diluted earnings per share (cents per share)	0.81	0.11

13 Fair value measurement

The Company classifies financial assets measured at fair value using a fair value hierarchy which reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- 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 2);
- Inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

The following table presented the assets measured at fair value:

Company As at 30 June 2024	Level 1 S\$'000	Level 2 S\$'000	Level 3 S\$'000	Total S\$'000
Financial assets at fair value through profit or loss				
- Other Bonds & CLOs	25,075	-	30,711	55,786
- Additional Tier 1 & Tier 2	97,361	1,003	-	98,364
- Listed equities	46,119	-	-	46,119
	168,555	1,003	30,711	200,269

Company As at 31 December 2023	Level 1 S\$'000	Level 2 S\$'000	Level 3 S\$'000	Total S\$'000
Financial assets at fair value through profit or loss				
- Other Bonds & CLOs	26,897	-	8,877	35,774
- Additional Tier 1 & Tier 2	121,658	1,324	-	122,982
- Listed equities	41,825	-	-	41,825
	190,380	1,324	8,877	200,581

There were no transfer of financial assets between levels during the period from 31 December 2023 to 30 June 2024.

The fair value of financial instruments quoted in active markets is based on quoted market prices at the statement of financial position date. The quoted market price used for financial assets held by the Company is the current bid price. These instruments are included in Level 1 and comprise listed equity securities, Additional Tier 1 & Tier 2 and other bonds.

13. Fair value measurement (Cont'd)

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on estimates. If all significant inputs required to fair value the financial assets are observable, the financial assets are included in Level 2.

Investments classified within Level 3 have significant unobservable inputs, as they trade infrequently. Level 3 instruments include the following investments:

(i) Listed Equities

There are 2 delisted equities with no observable price and a nil carrying value.

(ii) Other Bonds & CLOs

As there is currently no active market and observable prices are not available for some investments, the Company has used broker or dealer quotes, which may be indicative and not executable or binding, to estimate their fair value.

Level 3 valuations are reported on a quarterly basis to the Board. The Board considers a number of factors when assessing the appropriateness of the valuation basis and the valuation result, which may include: the performance of the underlying loan portfolio or underlying assets if available, assessment of expected future cash flows, recent transactions in the same or similar instrument and the volatility of and spread between broker quotes obtained.

As a result of the assessment above, these investments were valued at the lower of broker quotes or internal valuations calculated at S\$30.7 million (31 December 2023: S\$8.9 million).

The following table presents the changes in Level 3 instruments for the six months ended 30 June 2024 and 31 December 2023.

Company	Level 3 S\$'000
At 1 January 2024	8,877
Investment	21,763
Disposal/redemption	-
Net gain on financial assets at fair value through profit or loss	71
At 30 June 2024	<u>30,711</u>
Total gain for the period included in profit or loss for assets held at the end of the period	<u>71</u>
Company	
At 1 January 2023	3,484
Investment	9,084
Disposal/redemption	(3,903)
Net gain on financial assets at fair value through profit or loss	212
At 31 December 2023	<u>8,877</u>
Total loss for the period included in profit or loss for assets held at the end of the year	<u>(207)</u>

In estimating significance, the Company performed sensitivity analysis based on methodologies applied for fair value adjustment. These adjustments reflect the values which the Company estimates to be appropriate to reflect uncertainties in the inputs used (e.g. based on stress testing methodologies on the unobservable input). The methodologies used can be statistical or based on other relevant approved techniques.

As at 30 June 2024, S\$30.7 million (31 December 2023: S\$8.9 million) of these investments were valued based on broker quotes. Assuming a 5% increase (decrease) in broker quotes for investments valued based on broker quotes, the fair value will increase (decrease) by S\$1.5 million (31 December 2023: S\$0.4 million).

CONDENSED INTERIM FINANCIAL STATEMENTS
For The Six Months Ended 30 June 2024

14. Share capital

Company	30 June 2024		31 December 2023	
	Number of shares '000	Amount S\$'000	Number of shares '000	Amount S\$'000
Issued ordinary shares				
At beginning and end of financial period	1,723,842	270,837	1,723,842	270,837
Treasury shares				
At beginning of financial year	(94,783)	(12,137)	(171,524)	(25,477)
Purchase of treasury shares	(29,035)	(3,329)	(46,407)	(5,331)
Transfer of treasury shares for Scrip Dividend ¹	35,592 ³	5,189	59,594 ¹	8,731
Transfer of treasury shares for Bonus Issue (Adjustment) ²	(218) ²	(34)	63,554	9,940
At end of financial period	(88,444)	(10,311)	(94,783)	(12,137)
Issued ordinary shares net treasury shares	1,635,398	260,526	1,629,059	258,700

¹ On 18 April 2023, 21,202,951 treasury shares were transferred for the purpose of allotment of shares pursuant to the Scrip Dividend Scheme for the FY2022 Interim Dividend. On 23 June 2023, 38,391,137 treasury shares were transferred for the purpose of allotment of shares pursuant to the Scrip Dividend Scheme for the FY2022 Final Dividend.

² On 25 April 2024, The Company informed Shareholders that the number of treasury shares transferred for FY2023 Bonus Issue were 63,336,221 shares instead of 63,553,952 shares and the value of the treasury shares transferred was \$9,906,415.85 instead of \$9,940,627.56. As such, adjustment for the transfer of treasury shares for Bonus Issue was 217,731 shares and value of the treasury shares transferred was \$34,211.71.

³ On 27 June 2024, 35,592,016 treasury shares were transferred for the purpose of allotment of shares pursuant to the Scrip Dividend Scheme for the FY2023 Final Dividend.

15. 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

1. Review

The condensed statement of financial position of Global Investments Limited as at 30 June 2024 and the related condensed consolidated profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six months period then ended and explanatory notes have not been audited or reviewed.

2. Review of the performance of the Company

Financial performance for six months ended 30 June 2024

For the six months ended 30 June 2024, the Company reported a net profit after tax of S\$13.1 million as compared to a net profit after tax of S\$1.7 million recorded for the six months ended 30 June 2023. The increase was primarily due to a fair value gain on financial assets at fair value through profit or loss (FVTPL) of S\$8.4 million as compared to a fair value loss of S\$1.7 million in the comparative period.

Income

The Company reported an income of S\$15.2 million as compared to an income of S\$4.8 million recorded in the same period last year. In term of income segment, dividend income decreased from S\$1.13 million to S\$1.05 million while interest income increased from S\$5.3 million to S\$5.4 million. The main difference in the income level was due to a fair value gain on financial assets at fair value through profit or loss (FVTPL) of S\$8.4 million as compared to a S\$1.7 million fair value loss in the comparative period.

Expenses

Expenses for the six months ended 30 June 2024 decreased from S\$3 million to S\$1.96 million. The main difference in the expenses level was due to a net foreign exchange gain of S\$0.3 million (reported under income segment) as compared to a net foreign exchange loss of S\$1.07 million recorded in the comparative period.

Statement of financial position

Financial assets at fair value through profit or loss

The financial assets at FVTPL as at 30 June 2024 of S\$200.3 million was relatively unchanged from the carrying value of S\$200.6 million as at 31 December 2023.

Cash and cash equivalents

Cash and cash equivalents increased 43% to S\$76.3 million as at 30 June 2024 from S\$53.2 million as at 31 December 2023. This was mainly due to income and the net redemption/maturity of investments offset by the purchase of treasury shares and payment of FY2023 final dividend.

Other assets

As at 30 June 2024, other assets of S\$3.04 million comprised interest and dividend receivables.

Other liabilities

As at 30 June 2024, other liabilities of S\$13.9 million comprised primarily of unsettled investments and fees payable to the Manager.

Net asset value per share

The net asset value per share of the Company as at 30 June 2024 was 16.25 Singapore cents after the payment of FY2023 final dividend of 0.40 Singapore cents per share. If the dividend and share buyback were not undertaken, the net asset value per share as at 30 June 2024 would have been 16.67 cents instead of 16.25 cents per share, and the increase in net asset value per share for the six months ended 30 June 2024 would be 5.1%.

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 Company operates and any known factors or events that may affect the Company in the next reporting period and the next twelve months.

Additional Tier 1 (AT1) and Tier 2 Bonds

The European Central Bank (“ECB”) announced a 25bps rate cut in its June monetary policy meeting. Starting in July 2024, ECB commenced the shrinking of its Pandemic Emergency Purchase Programme (PEPP) portfolio by not reinvesting €7.5 billion of the proceeds of maturing securities per month until the end of the year. It also intends to discontinue reinvestments under the PEPP thereafter.

The net interest margin (NIM) for most European banks remained firm given the current high interest rate environment. While the Euro area inflation rate managed to fall below 3.0%, its economic growth had been sluggish. This prompted the ECB to cut interest rates by 25bps in June, paving the way for further rate cuts in 2H 2024. Although net interest income (NII) is likely to be impacted, structural hedges using bond investment and interest-rate swaps will likely soften the blow.

After the initial spike in AT1 spreads following the Credit Suisse event in March 2023, there has been a gradual normalisation of spreads, with new AT1 issuance coming back and some banks redeeming their AT1s at call date. AT1 spreads tightened by 66bps and 155bps over the past 6 and 12 months respectively. The Bloomberg Global CoCo Tier 1 total return rose 5.3% and 14.4% over the past 6 and 12 months respectively, in SGD terms.

The bank fundamentals of most European Banks remained stable given their stronger capitalisation over the years. However, Tier 2 supply may be limited to refinancing deals in 2H 2024, given generally healthy Tier 2 buffers and little RWA growth. Tier 2 spreads tightened by 31bps and 34bps over the past 6 and 12 months respectively. The Bloomberg Global CoCo Tier 2 total return rose 5.6% and 10.7% over the past 6 and 12 months respectively, in SGD terms.

Bonds & Collateralised Loan Obligations

The Fed’s restrictive monetary policy continued to exert its intended impact as inflation continued to moderate. This allowed the Fed to hold rates steady in all FOMC meetings in 1H 2024.

In 1H 2024, US 10-year Treasury yields rose 48bps to 4.36% while 2-year yields rose 48bps to 4.71%. With easing inflationary pressure and the gradual cooling of the US labour market, the inverted US Treasury yield curve resumed its reversal in July. With core inflation closing in on the inflation target of 2%, a pivot in monetary policy is widely expected moving into 2H 2024. However, should unemployment rate and consumer spending show further signs of weakness, the Fed may be forced to increase the pace of rate cuts to avoid slipping into recession.

The Singapore sovereign yield curve remained slightly inverted, as 10-year yields rose 50bps to 3.21% while 2-year yields also rose 8bps to 3.34% in 1H 2024.

The Bloomberg Barclays Global High Yield Total Return Index rose 6.0% and 12.1% over the past 6 and 12 months respectively, in SGD terms. Investment grade bonds underperformed high yield bonds as the equivalent investment grade index fell 0.5% and rose 1.2% over the same period respectively. Specifically, corporate investment grade bonds rose 1.8% and 5.2% over the past 6 and 12 months respectively, in SGD terms.

Listed Equities

In the World Economic Outlook report published in April 2024, the International Monetary Fund (“IMF”) projected global GDP growth at 3.2% for 2024, same as 2023. This was attributed to restrictive monetary policies and withdrawal of fiscal policies support, as well as low underlying productivity growth. Concerns surrounding China economic condition presented a significant headwind while emerging geopolitical risks threaten to weigh down on the global economy.

The IMF expected inflation to fall from 6.8% in 2023 to 5.9% in 2024 due to decline in energy prices, easing supply-chain friction, decline in Chinese export prices and reduced labour market pressures. As inflation converges toward target levels, central banks pivot toward policy easing in many economies. A tightening of fiscal policies aimed at curbing high government debts, with higher taxes and lower government spending, is expected to weigh on growth.

During the 1H 2024, emerging markets underperformed developed markets with SGD total returns of MCSI Emerging Markets Index at 10.63% compared to MSCI World Index which grew 15.16%.

The MSCI All Country World Index (ACWI), rose 14.69% and 20.34% in SGD terms over the past 6 and 12 months respectively.

5. Dividend information

(a) Whether an interim / final dividend has been declared / recommended and amount per share

For the six months ended 30 June 2024, the Directors have declared the payment of an interim dividend of 0.40 Singapore cents per share.

(b) Previous corresponding period

	Company	
	2024	2023
<u>Interim dividend</u>		
Dividend per Share (cents)	0.40	-
Dividend amount (S\$'000)	6,542 ²	- ¹
<u>Final dividend</u>		
Dividend per Share (cents)	-	0.40
Dividend amount (S\$'000)	-	6,439
	<u>-</u>	<u>6,439</u>

¹ Instead of paying a FY2023 Interim Dividend, the Company has distributed Treasury shares to shareholders via Bonus Issue. The Company issued bonus shares to eligible shareholders on the basis of 1 bonus share for every 25 existing shares in the share capital of the Company. The Company transferred 63,336,221 treasury shares for the allotment of bonus shares. The value of the treasury shares transferred was S\$9,906,415.85.

²FY2024 Interim Dividend is calculated based on the number of outstanding shares as at 30 June 2024.

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived.

Dividends paid in 2024 are exempt from tax (one-tier) when received in the hands of Shareholders.

(d) The date the dividend is payable

10 October 2024.

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

28 August 2024.

6. Interested person transactions

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

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

The Company has no employees or executive officers and has appointed the Manager to manage. The Company confirms that it has procured the undertakings from all its Directors in the format set out in Appendix 7.7 pursuant to Rule 720(1) of the Listing Manual.

8. Negative confirmation pursuant to Rule 705(5)

On behalf of the Board of Directors of Global Investments Limited, we, the undersigned hereby confirm to the best of our knowledge that nothing has come to their attention which may render the financial statements for the half year ended 30 June 2024 to be false or misleading in any material respect

On behalf of the Board of Directors

Boon Swan Foo
Chairman
13 August 2024

Lay Charlie Nhuc Hiang
Chairman of Audit and Risk Management Committee
13 August 2024