



**Bukit Sembawang Estates Limited  
and its subsidiaries**  
**Registration Number: 196700177M**

Unaudited Condensed Interim Financial Statements  
For the half year ended  
30 September 2023

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**A. Condensed Interim Consolidated Statement of Comprehensive Income  
For the half year ended 30 September 2023 (1H FY2023/24)**

		<b>1H FY2023/24</b>	<b>1H FY2022/23</b>	
		01.04.2023	01.04.2022	
		to	to	Change
		30.09.2023	30.09.2022	
	Note	\$'000	\$'000	%
Revenue	5	264,299	120,675	119
Cost of sales		(232,529)	(100,430)	132
<b>Gross profit</b>		<u>31,770</u>	<u>20,245</u>	57
Other income		21	67	(69)
Administrative expenses		(5,057)	(4,533)	12
Other operating expenses		(818)	(2,172)	(62)
<b>Profit from operations</b>		<u>25,916</u>	<u>13,607</u>	90
Interest income		4,741	2,929	62
Finance costs		(279)	(1,558)	(82)
<b>Net finance income</b>		<u>4,462</u>	<u>1,371</u>	225
<b>Profit before tax</b>	7	30,378	14,978	103
Tax expense	8	(5,156)	(2,397)	115
<b>Profit after tax and total comprehensive income for the period</b>		<u><b>25,222</b></u>	<u><b>12,581</b></u>	100
<b>Earnings per share</b>				
Basic and diluted earnings per share (cents)	15	9.74	4.86	

## B. Condensed Interim Statements of Financial Position

	Note	Group		Company	
		30.09.2023	31.03.2023	30.09.2023	31.03.2023
		\$'000	\$'000	\$'000	\$'000
<b>Non-current assets</b>					
Investment property	11	2,917	2,998	-	-
Property, plant and equipment	12	208,624	212,411	-	-
Investments in subsidiaries		-	-	315,000	315,000
Deferred tax assets		8,573	13,019	-	-
		<u>220,114</u>	<u>228,428</u>	<u>315,000</u>	<u>315,000</u>
<b>Current assets</b>					
Development properties	13	856,485	1,025,183	-	-
Contract costs		19,160	16,152	-	-
Contract assets		48,880	531	-	-
Trade and other receivables		42,667	14,280	1,009,911	1,125,806
Cash and cash equivalents		356,620	294,008	242,031	159,518
		<u>1,323,812</u>	<u>1,350,154</u>	<u>1,251,942</u>	<u>1,285,324</u>
<b>Total assets</b>		<b><u>1,543,926</u></b>	<b><u>1,578,582</u></b>	<b><u>1,566,942</u></b>	<b><u>1,600,324</u></b>
<b>Equity attributable to shareholders of the Company</b>					
Share capital	16	631,801	631,801	631,801	631,801
Reserves		842,490	843,159	48,376	71,524
<b>Total equity</b>		<u>1,474,291</u>	<u>1,474,960</u>	<u>680,177</u>	<u>703,325</u>
<b>Non-current liabilities</b>					
Lease liabilities		288	452	-	-
Provision		146	146	-	-
Deferred tax liabilities		776	99	99	99
		<u>1,210</u>	<u>697</u>	<u>99</u>	<u>99</u>
<b>Current liabilities</b>					
Trade and other payables		49,309	34,695	886,103	895,775
Lease liabilities		398	497	-	-
Contract liabilities		16,992	39,348	-	-
Borrowings	14	-	24,980	-	-
Current tax payable		1,726	3,405	563	1,125
		<u>68,425</u>	<u>102,925</u>	<u>886,666</u>	<u>896,900</u>
<b>Total liabilities</b>		<u>69,635</u>	<u>103,622</u>	<u>886,765</u>	<u>896,999</u>
<b>Total equity and liabilities</b>		<b><u>1,543,926</u></b>	<b><u>1,578,582</u></b>	<b><u>1,566,942</u></b>	<b><u>1,600,324</u></b>

## C. Condensed Interim Statements of Changes In Equity

Group	Note	Share capital \$'000	Accumulated profits \$'000	Total \$'000
At 1 April 2022		631,801	850,184	1,481,985
<b>Total comprehensive income for the period</b>				
Profit for the period		-	12,581	12,581
<b>Transactions with owners, recorded directly in equity</b>				
<i>Contributions by and distributions to equity holders</i>				
Dividends paid	9	-	(41,425)	(41,425)
<b>Total contributions by and distributions to equity holders</b>		-	(41,425)	(41,425)
<b>Total transactions with owners</b>		-	(41,425)	(41,425)
At 30 September 2022		631,801	821,340	1,453,141
At 1 April 2023		631,801	843,159	1,474,960
<b>Total comprehensive income for the period</b>				
Profit for the period		-	25,222	25,222
<b>Transactions with owners, recorded directly in equity</b>				
<i>Contributions by and distributions to equity holders</i>				
Dividends paid	9	-	(25,891)	(25,891)
<b>Total contributions by and distributions to equity holders</b>		-	(25,891)	(25,891)
<b>Total transactions with owners</b>		-	(25,891)	(25,891)
At 30 September 2023		631,801	842,490	1,474,291

### C. Condensed Interim Statements of Changes In Equity (cont'd)

Company	Note	Share capital \$'000	Accumulated profits \$'000	Total \$'000
At 1 April 2022		631,801	57,079	688,880
<b>Total comprehensive income for the period</b>				
Profit for the period		-	1,999	1,999
<b>Transactions with owners, recorded directly in equity</b>				
<i>Contributions by and distributions to equity holders</i>				
Dividends paid	9	-	(41,425)	(41,425)
<b>Total contributions by and distributions to equity holders</b>		-	(41,425)	(41,425)
<b>Total transactions with owners</b>		-	(41,425)	(41,425)
At 30 September 2022		631,801	17,653	649,454
At 1 April 2023		631,801	71,524	703,325
<b>Total comprehensive income for the period</b>				
Profit for the period		-	2,743	2,743
<b>Transactions with owners, recorded directly in equity</b>				
<i>Contributions by and distributions to equity holders</i>				
Dividends paid	9	-	(25,891)	(25,891)
<b>Total contributions by and distributions to equity holders</b>		-	(25,891)	(25,891)
<b>Total transactions with owners</b>		-	(25,891)	(25,891)
At 30 September 2023		631,801	48,376	680,177

## D. Condensed Interim Consolidated Statement of Cash Flows

	Note	Group	
		1H FY2023/24 01.04.2023 to 30.09.2023 \$'000	1H FY2022/23 01.04.2022 to 30.09.2022 \$'000
<b>Cash flows from operating activities</b>			
Profit before tax		30,378	14,978
<b>Adjustments for:</b>			
Depreciation of investment property	7	81	81
Depreciation of property, plant and equipment	7	3,816	2,677
Interest income	7	(4,741)	(2,929)
Finance costs		279	1,558
		<u>29,813</u>	<u>16,365</u>
Changes in:			
Development properties		168,698	74,389
Contract costs		(3,008)	(12,779)
Contract assets		(48,349)	-
Trade and other receivables		(28,473)	(1,285)
Trade and other payables		14,620	6,307
Contract liabilities		<u>(22,356)</u>	<u>34,046</u>
Cash generated from operations		110,945	117,043
Interest received		4,702	2,178
Taxes paid		<u>(1,712)</u>	<u>(7,319)</u>
<b>Net cash generated from operating activities</b>		<u>113,935</u>	<u>111,902</u>
<b>Cash flows from investing activity</b>			
Additions to property, plant and equipment		<u>(29)</u>	<u>(403)</u>
<b>Net cash used in investing activity</b>		<u>(29)</u>	<u>(403)</u>
<b>Cash flows from financing activities</b>			
Dividends paid to owners of the Company	9	(25,891)	(41,425)
Repayment of borrowings		(25,000)	(65,600)
Interest paid		(140)	(1,219)
Payment for lease liabilities		<u>(263)</u>	<u>(251)</u>
<b>Net cash used in financing activities</b>		<u>(51,294)</u>	<u>(108,495)</u>
<b>Net increase in cash and cash equivalents</b>		62,612	3,004
Cash and cash equivalents at beginning of the period		<u>294,008</u>	<u>530,110</u>
<b>Cash and cash equivalents at end of the period</b>		<u>356,620</u>	<u>533,114</u>

Included in cash and cash equivalents of the Group, are cash and cash equivalents of \$95,868,000 (1H FY2022/23: \$110,147,000) which are held under "Project Account Rules – 1997 Ed." and withdrawals from which are restricted to payments for expenditure incurred on the Group's development projects. These amounts held under "Project Account Rules – 1997 Ed." include \$78,000,000 (1H FY2022/23: \$89,000,000) held in fixed deposits placed with financial institutions. The fixed deposits have maturity periods of 9 to 38 days (1H FY2022/23: 76 to 166 days) from the end of financial period.

## **E. Notes to the Condensed Interim Consolidated Financial Statements**

### **1. Corporate information**

Bukit Sembawang Estates Limited (the “Company”) is incorporated in the Republic of Singapore and has its registered office at 2 Bukit Merah Central, #13-01, Singapore 159835. The Company is listed on the Singapore Exchange Securities Limited.

The principal activity of the Company is that relating to investment holding. The principal activities of the subsidiaries are those relating to investment holding, property development and operating of serviced apartments.

These condensed interim consolidated financial statements as at and for the half year ended 30 September 2023 relate to the Company and its subsidiaries (together referred to as the “Group”).

### **2. Basis of Preparation**

The condensed interim financial statements for the half year ended 30 September 2023 have been prepared in accordance with SFRS(I) 1-34 *Interim Financial Reporting* issued by Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last annual financial statements for the year ended 31 March 2023.

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

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

The Group’s latest audited financial statements for the financial year ended 31 March 2023 are not subject to an adverse opinion, qualified opinion or disclaimer of opinion issued by the auditors.

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

The Group adopted all the new and amended standards that are relevant and effective for annual periods beginning on or after 1 April 2023. The adoption of these new and amended accounting standards does not result in changes to the Group’s and the accounting policies and has no material effect on the Group’s condensed interim financial statements.

#### **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 expenses. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 March 2023.



## 2.2. Use of judgements and estimates (cont'd)

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

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next interim period, are described in the following notes:

- |         |   |  |
|---------|---|--|
| Note 8  | – | estimation of provisions for current and deferred taxation |
| Note 12 | – | impairment assessment of property, plant and equipment     |

## 3. Seasonal operations

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

## 4. Segment and revenue information

The Group has three reportable segments, as described below, which are the Group's strategic business units. For each of the strategic business units, the Company's Board of Directors reviews internal management reports at least on a quarterly basis to make decisions about resources to be allocated to the segment and assess its performance. The following summary describes the operations in each of the Group's reportable segments:

- Property development: Development of residential properties for sale.
- Investment holding: Holding and management of office building and investments.
- Hospitality: Owner of serviced apartment units.

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit before tax, as included in the internal management reports that are reviewed by the Group's Board of Directors. Segment profit before tax is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

Segment information by geographical segment is not presented as the Group's operations are in Singapore.

#### 4.1. Reportable segments

	Property development \$'000	Investment holding \$'000	Hospitality \$'000	Consolidated \$'000
<b>Half year ended 30 September 2023</b>				
External revenue*	256,633	308	7,358	264,299
Interest income	1,166	3,575	-	4,741
Finance costs	(274)	-	(5)	(279)
Depreciation	(334)	(81)	(3,482)	(3,897)
Reportable segment profit before tax	26,900	3,342	136	30,378
Tax expense				(5,156)
Profit for the interim period				25,222
Other segment information:				
- Capital expenditure	(24)	-	(5)	(29)

\* There is no inter-segment revenue during the half year ended 30 September 2023.

Segment assets	1,071,383	245,670	218,300	1,535,353
Deferred tax assets				8,573
Total assets as at 30 September 2023				1,543,926
Segment liabilities	62,457	1,001	3,675	67,133
Current tax payable				1,726
Deferred tax liabilities				776
Total liabilities as at 30 September 2023				69,635

#### 4.1. Reportable segments (cont'd)

	Property development	Investment holding	Hospitality	Consolidated
	\$'000	\$'000	\$'000	\$'000
<b>Half year ended 30 September 2022</b>				
External revenue*	114,693	99	5,883	120,675
Interest income	163	2,766	-	2,929
Finance costs	(1,552)	-	(6)	(1,558)
Depreciation	(276)	(81)	(2,401)	(2,758)
Reportable segment profit before tax	12,313	2,330	335	14,978
Tax expense				(2,397)
Profit for the interim period				12,581
Other segment information:				
- Capital expenditure	(2)	-	(401)	(403)
* There is no inter-segment revenue during the half year ended 30 September 2022.				
Segment assets	984,420	397,913	219,525	1,601,858
Deferred tax assets				11,684
Total assets as at 30 September 2022				1,613,542
Segment liabilities	142,567	870	3,256	146,693
Current tax payable				13,672
Deferred tax liabilities				36
Total liabilities as at 30 September 2022				160,401

## 5. Revenue

	<b>Group</b>	
	<b>1H FY2023/24</b>	<b>1H FY2022/23</b>
	\$'000	\$'000
Development properties for which revenue is:		
- recognised over time	256,560	74,553
- recognised at a point in time	-	40,107
Hospitality income	7,358	5,883
Rental and related income	381	132
	<u>264,299</u>	<u>120,675</u>

## 6. Financial assets and financial liabilities

The carrying amounts of financial assets and financial liabilities including their levels in the fair value hierarchy are set out below. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	Note	Carrying amount		Fair value	
		Amortised cost \$'000	Other financial liabilities \$'000	Total \$'000	Level 2 \$'000
<b>Group</b>					
30.09.2023					
Financial assets not measured at fair value					
Trade and other receivables*		42,386	-	42,386	
Cash and cash equivalents		356,620	-	356,620	
		<u>399,006</u>	-	<u>399,006</u>	
Financial liabilities not measured at fair value					
Trade and other payables#		-	(48,716)	(48,716)	
31.03.2023					
Financial assets not measured at fair value					
Trade and other receivables*		13,847	-	13,847	
Cash and cash equivalents		294,008	-	294,008	
		<u>307,855</u>	-	<u>307,855</u>	
Financial liabilities not measured at fair value					
Borrowings	14	-	(24,980)	(24,980)	(24,980)
Trade and other payables#		-	(34,065)	(34,065)	
		-	<u>(59,045)</u>	<u>(59,045)</u>	

\* Excludes prepayments.

# Excludes deferred income.

## 6. Financial assets and financial liabilities (cont'd)

	Carrying amount		Total \$'000
	Amortised cost \$'000	Other financial liabilities \$'000	
<b>Company</b>			
30.09.2023			
Financial assets not measured at fair value			
Trade and other receivables*	1,009,878	-	1,009,878
Cash and cash equivalents	242,031	-	242,031
	<u>1,251,909</u>	<u>-</u>	<u>1,251,909</u>
Financial liabilities not measured at fair value			
Trade and other payables	-	(886,103)	(886,103)
31.03.2023			
Financial assets not measured at fair value			
Trade and other receivables*	1,125,759	-	1,125,759
Cash and cash equivalents	159,518	-	159,518
	<u>1,285,277</u>	<u>-</u>	<u>1,285,277</u>
Financial liabilities not measured at fair value			
Trade and other payables	-	(895,775)	(895,775)

\* Excludes prepayments.

## 7. Profit before tax

### 7.1. Significant items

	Group	
	1H FY2023/24 \$'000	1H FY2022/23 \$'000
Depreciation of investment property	81	81
Depreciation of property, plant and equipment	3,816	2,677
Interest income	(4,741)	(2,929)
Grant income	-	(48)
Interest expense	162	1,303

### 7.2. Related party transactions

During the financial period, revenue recognised from 3 units of properties under development which were sold to persons associated with a key management personnel amounted to \$668,000 (1H FY2022/23: \$Nil).

## 8. Tax expense

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 in the condensed interim consolidated statement of comprehensive income are:

	Group	
	1H FY2023/24 \$'000	1H FY2022/23 \$'000
<b>Current tax expense</b>		
Current period	-	1,677
Under provision in respect of prior years	33	-
	33	1,677
<b>Deferred tax expense</b>		
Origination and reversal of temporary differences	5,123	720
	5,156	2,397

## 9. Dividends

	Company	
	1H FY2023/24 \$'000	1H FY2022/23 \$'000
<b>Ordinary dividends paid:</b>		
Tax-exempt final dividend of \$0.04 per share in respect of financial year ended 31 March 2023	10,356	-
Tax-exempt special dividend of \$0.06 per share in respect of financial year ended 31 March 2023	15,535	-
Tax-exempt final dividend of \$0.04 per share in respect of financial year ended 31 March 2022	-	10,356
Tax-exempt special dividend of \$0.12 per share in respect of financial year ended 31 March 2022	-	31,069
	25,891	41,425

No dividend has been declared or recommended for the half year ended 30 September 2023 and 30 September 2022 as it is not the Company's practice to distribute interim dividend.

## 10. Net asset value

	Group		Company	
	30.09.2023	31.03.2023	30.09.2023	31.03.2023
Net asset value per ordinary share	\$5.69	\$5.70	\$2.63	\$2.72

## 11. Investment property

	Group	
	30.09.2023	31.03.2023
	\$'000	\$'000
<b>Cost</b>		
Beginning of interim period/financial year/end of interim period/financial year	8,189	8,189
	<hr/>	<hr/>
<b>Accumulated depreciation</b>		
Beginning of interim period/financial year	5,191	5,029
Depreciation charge for the interim period/financial year	81	162
End of interim period/financial year	<hr/> 5,272	<hr/> 5,191
	<hr/>	<hr/>
<b>Carrying amounts</b>		
End of interim period/financial year	<hr/> 2,917	<hr/> 2,998
	<hr/>	<hr/>

Investment property comprises office premises that are leased to external customers held either to earn rental income or capital appreciation or both. It is stated at cost less accumulated depreciation and impairment losses.

The Group engaged external, independent professional valuers to assess the fair value of the Group's investment property at the end of each financial year.

The fair value of the investment property is based on a valuation conducted by a firm of independent professional valuers that has appropriate recognised professional qualifications and recent experience in the location and category of the investment property being valued. The fair value is based on market value, being the estimated amount for which a property could be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's length transaction. The valuation is based on the direct comparison method, having regard to the prevailing conditions of the property and recent market transactions for similar properties in the same location.

The fair value measurement for investment property has been categorised as a Level 3 of the fair value hierarchy as described in Note 2 of the Group's annual financial statements for the year ended 31 March 2023 based on the inputs to the valuation technique used.

For the unaudited half year results for the period ended 30 September 2023, the fair value of the Group's investment property was based on the independent valuation as at 31 March 2023 and remained appropriate. An external valuation of the Group's investment property will be performed as at the end of the financial year.

## 12. Property, plant and equipment

During the half year ended 30 September 2023, the Group acquired assets amounting to \$29,000 (1H FY2022/23: \$403,000).

At the end of every half-year, management will assess whether recoverable amount of the Group's properties remain appropriate and engage external, independent and qualified valuer when deemed necessary. The valuation technique and key inputs that were used to determine the recoverable amount which is categorised under Level 3 of the fair value hierarchy are described in Note 5 of the Group's annual financial statements for the year ended 31 March 2023 and remained appropriate as at 30 September 2023.

## 13. Development properties

	<b>Group</b>	
	<b>30.09.2023</b>	<b>31.03.2023</b>
	\$'000	\$'000
Properties under development	856,485	1,025,183

The Group had reviewed the estimated selling prices of its development properties and is of the view that no allowance for foreseeable losses is considered necessary as at 30 September 2023.

## 14. Borrowings

	<b>Group</b>	
	<b>30.09.2023</b>	<b>31.03.2023</b>
	\$'000	\$'000
<b>Current liabilities</b>		
- Unsecured bank loans	-	24,980

### Details of any collaterals

All bank loans were unsecured.



## 15. Earnings per share

Details of the basic and diluted earnings per share are as follows:

	Group	
	30.09.2023	30.09.2022
	\$'000	\$'000
Basic and diluted earnings per share is based on:		
Profit for the period	25,222	12,581
	Number of shares '000	
Weighted average number of ordinary shares	258,911	258,911

Diluted earnings per share is the same as basic earnings per share as there are no dilutive instruments in issue during the interim period.

## 16. Share capital

	Group and Company			
	30.09.2023		31.03.2023	
	Number of shares '000	\$'000	Number of shares '000	\$'000
Issued and fully-paid ordinary shares with no par value				
Beginning/end of interim period/ financial year	258,911	631,801	258,911	631,801

There were no outstanding convertibles that may result in the issuance of shares as at 30 September 2023, 31 March 2023 and 30 September 2022.

The Company had no treasury shares and subsidiary holdings as at 30 September 2023, 31 March 2023 and 30 September 2022.

## 17. Corporate guarantee

The Company had provided corporate guarantee to subsidiaries to secure banking facilities which were unutilised as at 30 September 2023.

## 18. Subsequent events

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

## **F. Other Information Required by Listing Rule Appendix 7.2**

### **1. Review**

The condensed consolidated statement of financial position of Bukit Sembawang Estates Limited and its subsidiaries as at 30 September 2023 and the related condensed consolidated comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the half year period then ended and certain explanatory notes have not been audited and reviewed by our auditors.

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

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

#### Condensed Interim Consolidated Statement of Comprehensive Income

##### 1H FY2023/24 vs 1H FY2022/23

Revenue increased by 119% and cost of sales increased by 132% as compared to 1H FY2022/23.

The Group's gross profit increased by 57% from \$20.2 m to \$31.8 m as compared to 1H FY2022/23 mainly due to higher profit recognised on development projects.

In 1H FY2023/24, profits were recognised for The Atelier, LIV@MB and Fraser Residence Orchard, Singapore.

In 1H FY2022/23, profits were recognised for 8 St Thomas, Luxus Hills (Contemporary Collection), Nim Collection Phase 2, The Atelier, LIV@MB and Fraser Residence Orchard, Singapore.

Other income decreased by \$0.1 m was mainly due to absence of government grant income from relief measures due to the COVID-19 pandemic in 1H FY2023/24.

Administrative expenses increased by \$0.5 m from \$4.5 m to \$5.0 m was mainly due to higher administrative and payroll related expenses.

Other operating expenses decreased by \$1.4 m from \$2.2 m to \$0.8 m for 1H FY2023/24 was mainly due to lower development costs expensed off for development projects pending development.

The higher interest income of \$1.8 m from \$2.9 m to \$4.7 m was due to higher interest rates from fixed deposits placed with banks and the decrease in finance costs of \$1.3 m from \$1.6 m to \$0.3 m was mainly due to repayment of loan.

The increase in tax expense was mainly due to higher deferred tax provision for units sold but under development.

As a result of the above, the Group's net profit after tax increased by \$12.6 m to \$25.2 m, an increase of 100% as compared to \$12.6 m in 1H FY2022/23.

## 2. Review of performance of the Group (cont'd)

### Condensed Interim Statements of Financial Position

#### As at 30.09.2023 vs 31.03.2023

The Group's total assets as at 30 September 2023 decreased by \$34.7 m, a decrease of 2.2%, from \$1,578.6 m to \$1,543.9 m as compared to 31 March 2023. The decrease was mainly due to decrease in deferred tax assets and development properties offset against the increase in contract costs, contract assets, trade and other receivables, and cash and cash equivalents. The decrease in deferred tax assets was mainly due to movement of deductible temporary differences and the decrease in development properties arising from recognition of development costs in cost of sales using the percentage of completion method in respect of units sold during the period. The increase in contract costs was mainly due to higher commission fees incurred to property agents for securing sale contracts for the Group's development properties. Capitalised commission fees are amortised when the related revenue is recognised. The increase in contract assets was mainly due to the timing differences between the agreed payment schedule and the progress of the construction work. The increase in trade and other receivables was mainly due to higher progress billing receivables on the development projects. The increase in cash and cash equivalents was mainly due to collections from LIV@MB and The Atelier offset against full repayment of loan.

The Group's total liabilities as at 30 September 2023 decreased by \$34.0 m, a decrease of 32.8%, from \$103.6 m to \$69.6 m as compared to 31 March 2023. The decrease was mainly due to decrease in borrowings arising from full repayment of loan offset against the increase in deferred tax liabilities and trade and other payables. The increase in deferred tax liabilities was mainly due to higher deferred tax provision for units sold but under development. The increase in trade and other payables was due to higher accruals relating to construction costs of the development projects. The decrease was also due to decrease in contract liabilities arising from timing differences between the agreed payment schedule and the progress of the construction work.

### Condensed Interim Consolidated Statement of Cash Flows

#### 1H FY2023/24 vs 1H FY2022/23

The Group recorded a net cash inflow of \$62.6 m for 1H FY2023/24. During the period ended 30 September 2023, the net cash generated from operating activities amounted to \$113.9 m was mainly due to working capital movements. Net cash used in financing activities amounted to \$51.3 m was mainly due to dividend payment of \$25.9 m and full repayment of borrowings of \$25.0 m. The Group had cash and cash equivalents of \$356.6 m as at 30 September 2023 compared to \$533.1 m as at 30 September 2022.

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

The Group did not make any specific forecast previously.

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

According to URA real estate statistics, the overall private residential property price increased by 0.8% in the 3rd quarter of 2023, compared to 0.2% decrease in the 2nd quarter of 2023. The total number of new residential units sold in the 3rd quarter of 2023 was 1,946 units, compared to 2,127 units sold in the 2nd quarter of 2023.

As a result of the April 2023 cooling measures, the increase in Additional Buyer's Stamp Duty has impacted and will continue to impact the demand for property purchase by foreigners as well as investment purchases by Singaporeans and Permanent Residents which is expected to lead to a slowdown in sales transactions. The market would need to pivot and focus primarily on local residents to support the sales demand. The global economic outlook continues to face pressure from the heightened geo-political tensions due to the on-going Russia/Ukraine conflict and the recent Israel/Hamas war. As a result, the residential property market continues to remain challenging from the high interest and mortgage rates, increasing costs and reduced margins.

The Group has fully sold The Atelier and LIV@MB. Over the next six to twelve months, the Group will be focussing on the sales of Pollen Collection, the preparation for the launch of the new residential development at Bukit Timah Link, and the planning of the development of Luxus Hills Phase 10.

The Group shall continue to monitor the progress of construction of our ongoing projects to ensure timely completion and adopt prudent and measured approaches to calibrate appropriate timing for the launches of residential projects.

**5. Interested person transactions**

The Group does not have a general mandate from shareholders for IPTs.

**6. 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 received 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 of the SGX-ST.

**7. Negative confirmation pursuant to Rule 705(5) on Half Year Financial Results**

The Board of Directors hereby confirms to the best of their knowledge that nothing has come to their attention which may render the half year financial statements ended 30 September 2023 to be false or misleading in any material aspect.

On Behalf of The Board of Directors

Koh Poh Tiong  
Chairman

Fam Lee San  
Director

**BY ORDER OF THE BOARD**

**LOTUS ISABELLA LIM MEI HUA  
COMPANY SECRETARY  
8 NOVEMBER 2023**