

**Olive Tree Estates Limited**  
(Company Registration No: 200713878D)

**OLIVE TREE ESTATES LIMITED**  
**AND ITS SUBSIDIARY CORPORATIONS**  
(Incorporated in the Republic of Singapore)  
(Company Registration No: 200713878D)

**Condensed Financial Statements**  
**For the six months and full year ended 31 December 2023**

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**Olive Tree Estates Limited**  
(Company Registration No: 200713878D)

**Condensed Interim and Full Year Consolidated Statement of Profit or Loss and Other Comprehensive Income**

|   | Note | Group                      |                            |        |                           |                           |        |
|---|------|----------------------------|----------------------------|--------|---------------------------|---------------------------|--------|
|   |      | 6 months ended 31 Dec 2023 | 6 months ended 31 Dec 2022 | Change | Full year ended 31 Dec 23 | Full year ended 31 Dec 22 | Change |
|   |      | Unaudited                  | Unaudited                  |        | Unaudited                 | Audited                   |        |
|   |      | S\$'000                    | S\$'000                    | %      | S\$'000                   | S\$'000                   | %      |
| Revenue   | 4    | 600                        | 600                        | 0      | 1,199                     | 1,155                     | 4      |
| Other income  | 5    | 58                         | 14                         | 314    | 128                       | 30                        | 327    |
| Administrative expenses   | 6    | (1,012)                    | (1,145)                    | 12     | (2,054)                   | (2,211)                   | 7      |
| Finance expenses  | 8    | (89)                       | (115)                      | 23     | (186)                     | (241)                     | 23     |
| Other gains/(losses), net   | 9    | (121)                      | (415)                      | 71     | 28                        | (267)                     | 110    |
| Share of profits (losses) of associated companies   |      | 236                        | 52                         | 354    | 190                       | (23)                      | 926    |
| <b>Loss before income tax</b>   |      | (328)                      | (1,009)                    |        | (695)                     | (1,557)                   |        |
| Income tax expense  | 10   | (59)                       | (78)                       | 24     | (70)                      | (97)                      | 28     |
| <b>Net loss</b>   |      | (387)                      | (1,087)                    |        | (765)                     | (1,654)                   |        |
| <b>Other comprehensive loss</b>   |      |                            |                            |        |                           |                           |        |
| Item may be classified subsequently to profit or loss:<br>- Share of comprehensive losses of associated companies |      | (154)                      | (135)                      | 14     | (109)                     | (123)                     | 11     |
| <b>Total comprehensive loss</b>   |      | (541)                      | (1,222)                    |        | (874)                     | (1,777)                   |        |
| <b>Loss per share attributable to equity holders of the Company</b>   |      |                            |                            |        |                           |                           |        |
| <b>Basic and diluted (cents)</b>  | 11   | (0.33)                     | (1.56)                     |        | (0.66)                    | (2.38)                    |        |

*The accompanying notes form an integral part of condensed financial statements.*

**Condensed Full Year Consolidated Statement of Financial Position**

|   | Note | 31 Dec 2023 | 31 Dec 2022 |
|---|------|-------------|-------------|
|   |      | Unaudited   | Audited     |
|   |      | S\$'000     | S\$'000     |
| <b>ASSETS</b>   |      |             |             |
| <b>Current assets</b>   |      |             |             |
| Cash, bank balances and fixed deposits                          |      | 4,555       | 7,148       |
| Trade and other receivables                                     | 12   | 136         | 147         |
| Financial assets, at fair value through profit or loss ("FVPL") | 16   | 678         | -           |
|   |      | 5,369       | 7,295       |
| <b>Non-current assets</b>                                       |      |             |             |
| Trade and other receivables                                     | 12   | 221         | 306         |
| Investments in associated companies                             | 14   | 4,890       | 4,809       |
| Investment properties   | 15   | 8,547       | 9,150       |
| Financial assets, at fair value through profit or loss ("FVPL") | 16   | 1,747       | 2,366       |
| Property, plant and equipment                                   | 17   | 75          | -           |
|   |      | 15,480      | 16,631      |
| <b>Total assets</b>   |      | 20,849      | 23,926      |
| <b>LIABILITIES</b>  |      |             |             |
| <b>Current liabilities</b>                                      |      |             |             |
| Trade and other payables  | 18   | 552         | 853         |
| Borrowings  | 19   | 2,113       | 2,040       |
| Office lease liabilities  |      | 47          | -           |
| Current income tax liabilities                                  |      | 122         | 150         |
|   |      | 2,834       | 3,043       |
| <b>Non-current liabilities</b>                                  |      |             |             |
| Trade and other payables  | 18   | 850         | 762         |
| Borrowings  | 19   | 6,915       | 9,026       |
| Office lease liabilities  |      | 28          | -           |
| <b>Total Liabilities</b>  |      | 10,627      | 12,831      |
| <b>NET ASSETS</b>   |      | 10,222      | 11,095      |
| <b>EQUITY</b>   |      |             |             |
| Share capital   | 20   | 63,223      | 63,223      |
| Treasury shares   | 20   | (23)        | (23)        |
| Reverse acquisition reserve                                     |      | -           | -           |
| Currency translation reserve                                    |      | (222)       | (114)       |
| Accumulated Losses <sup>(1)</sup>                               |      | (52,756)    | (51,991)    |
| <b>TOTAL EQUITY</b>   |      | 10,222      | 11,095      |
| <b>Net Asset Value Per Share (cents)</b>                        |      | 8.82        | 9.58        |
| Total number of issued shares excluding treasury shares         |      | 115,848     | 115,848     |

<sup>(1)</sup> Please refer to the Condensed Full Year Statements of Changes in Equity

Condensed Full Year Statement of Financial Position

|   | Note | 31 Dec 2023 | 31 Dec 2022 |
|---|------|-------------|-------------|
|   |      | Unaudited   | Audited     |
|   |      | S\$'000     | S\$'000     |
| <b>ASSETS</b>   |      |             |             |
| <b>Current assets</b>   |      |             |             |
| Cash, bank balances and fixed deposits                          |      | 4,118       | 6,195       |
| Trade and other receivables                                     | 12   | 134         | 164         |
| Financial assets, at fair value through profit or loss ("FVPL") | 16   | 678         | -           |
|   |      | 4,930       | 6,359       |
| <b>Non-current assets</b>                                       |      |             |             |
| Trade and other receivables                                     | 12   | 221         | 306         |
| Investments in subsidiary corporations                          | 13   | 2,798       | 2,798       |
| Investments in associated companies                             | 14   | 4,919       | 4,919       |
| Financial assets, at fair value through profit or loss ("FVPL") | 16   | 1,747       | 2,366       |
| Property, plant and equipment                                   | 17   | 75          | -           |
|   |      | 9,760       | 10,389      |
| <b>Total assets</b>   |      | 14,690      | 16,748      |
| <b>LIABILITIES</b>  |      |             |             |
| <b>Current liabilities</b>                                      |      |             |             |
| Trade and other payables  | 18   | 3,302       | 4,366       |
| Office lease liabilities  |      | 47          | -           |
| <b>Non-current liabilities</b>                                  |      |             |             |
| Trade and other payables  | 18   | 850         | 762         |
| Office lease liabilities  |      | 28          | -           |
| Total liabilities   |      | 4,227       | 5,128       |
| <b>NET ASSETS</b>   |      | 10,463      | 11,620      |
| <b>EQUITY</b>   |      |             |             |
| Share capital   | 20   | 63,223      | 63,223      |
| Treasury shares   | 20   | (23)        | (23)        |
| Accumulated losses  | 20   | (52,737)    | (51,580)    |
| <b>TOTAL EQUITY</b>   |      | 10,463      | 11,620      |
| Total number of issued shares excluding treasury shares         |      | 115,848     | 115,848     |
| <b>Net Asset Value Per Share (cents)</b>                        |      | 9.03        | 10.03       |

*The accompanying notes from an integral part of condensed financial statements*

Condensed Full Year Statements of Changes in Equity

Group

|  | Share capital | Reserve acquisition reserve | Treasury shares | Currency translation reserve | (Accumulated losses)/ Retained profits | Total equity |
|--|---------------|-----------------------------|-----------------|------------------------------|--|--------------|
|  | S\$'000       | S\$'000                     | S\$'000         | S\$'000                      | S\$'000                                | S\$'000      |
| <b>2023</b>  |               |                             |                 |                              |  |              |
| <b>Balance at 1 July 2023</b>  | 63,223        | -                           | (23)            | (68)                         | (52,369)                               | 10,763       |
| Total comprehensive loss for the financial period                          | -             | -                           | -               | (154)                        | (387)                                  | (541)        |
| <b>Balance at 31 Dec 2023</b>  | 63,223        | -                           | (23)            | (222)                        | (52,756)                               | 10,222       |
| <b>2022</b>  |               |                             |                 |                              |  |              |
| <b>Balance at 1 July 2022</b>  | 7,946         | (10,597)                    | -               | 21                           | 8,066                                  | 5,436        |
| Total comprehensive loss for the financial period                          | -             | -                           | -               | (135)                        | (1,087)                                | (1,222)      |
| Derecognition pursuant to strike off of a subsidiary corporation (Note 20) | 48,396        | 10,597                      | (23)            | -                            | (58,970)                               | -            |
| Issuance of shares under placement (Note 20)                               | 7,050         | -                           | -               | -                            | -                                      | 7,050        |
| Share issue expenses   | (169)         | -                           | -               | -                            | -                                      | (169)        |
| <b>Balance at 31 Dec 2022</b>  | 63,223        | -                           | (23)            | (114)                        | (51,991)                               | 11,095       |

Company

|   | Share capital | Treasury shares | Accumulated losses | Total equity |
|---|---------------|-----------------|--------------------|--------------|
|   | S\$'000       | S\$ 000         | S\$'000            | S\$'000      |
| <b>2023</b>                                       |               |                 |                    |              |
| <b>Balance at 1 July 2023</b>                     | 63,223        | (23)            | (52,032)           | 11,168       |
| Total comprehensive loss for the financial period | -             | -               | (705)              | (705)        |
| <b>Balance at 31 Dec 2023</b>                     | 63,223        | (23)            | (52,737)           | 10,463       |
| <b>2022</b>                                       |               |                 |                    |              |
| <b>Balance at 1 July 2022</b>                     | 56,342        | (23)            | (50,511)           | 5,808        |
| Total comprehensive loss for the financial period | -             | -               | (1,068)            | (1,068)      |
| Issuance of shares under placement (Note 20)      | 7,050         | -               | -                  | 7,050        |
| Share issue expenses                              | (169)         | -               | -                  | (169)        |
| <b>Balance at 31 Dec 2022</b>                     | 63,223        | (23)            | (51,579)           | 11,621       |

The accompanying notes form an integral part of condensed financial statements

**Olive Tree Estates Limited**  
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|   | Note | 6 months<br>ended 31<br>Dec 2023<br>S\$'000 | 6 months<br>ended 31<br>Dec 2022<br>S\$'000 | Full Year<br>ended 31<br>Dec 2023<br>S\$'000 | Full Year<br>ended 31<br>Dec 2022<br>S\$'000 |
|---|------|---|---|--|--|
| <b>Cash flows from operating activities</b>                   |      |   |   |  |  |
| Net loss  |      | (387)                                       | (1,087)                                     | (765)  | (1,654)                                      |
| Adjustments for:  |      |   |   |  |  |
| Depreciation of investment properties                         | 6    | 302   | 302   | 603  | 603  |
| Depreciation of property, plant and equipment                 | 6    | 19  | -   | 19   | -  |
| Fair value (losses)/gains on financial assets, at FVPL        | 9    | 60  | 380   | (59)   | 239  |
| Share of (profits)/losses of associated companies             | 21   | (237)                                       | (52)  | (190)  | 23   |
| Recognition of right of use – office space                    | 17   | (94)  | -   | (94)   | -  |
| Unrealised currency losses/(gains)                            |      | 5   | 7   | 5  | 1  |
| Finance expenses  | 8    | 89  | 115   | 186  | 241  |
| Income tax expense  | 10   | 59  | 78  | 70   | 97   |
| Amortisation of interest income of loan to associated company | 5    | 5   | (4)   | -  | (9)  |
| Fair value losses on loan to associate companies              | 9    | 29  | -   | 29   | -  |
| Payments recorded in 1H22 disbursed in 2H22                   |      | -   | 48  | -  | -  |
|   |      | (150)                                       | (213)                                       | (196)  | (459)  |
| <b>Changes in working capital</b>                             |      |   |   |  |  |
| Trade and other receivables                                   |      | 120   | 83  | 62   | 113  |
| Trade and other payables                                      |      | (66)  | (42)  | (138)  | (145)  |
| Cash used in operations                                       |      | (96)  | (172)                                       | (272)  | (491)  |
| Income tax paid   |      | (37)  | (15)  | (99)   | (27)   |
| <b>Net cash used in operating activities</b>                  |      | (133)                                       | (187)                                       | (371)  | (518)  |
| <b>Cash flows from investing activities</b>                   |      |   |   |  |  |
| Additions to financial asset, at FVPL                         | 16   | -   | -   | -  | -  |
| <b>Net cash used in investing activities</b>                  |      | -   | -   | -  | -  |
| <b>Cash flows from financing activities</b>                   |      |   |   |  |  |
| Proceeds from issuance of new shares                          | 20   | -   | 7,050                                       | -  | 7,050  |
| Share issue expenses  | 20   | -   | (169)                                       | -  | (169)  |
| Repayment of bank borrowings                                  |      | (1,024)                                     | (1,070)                                     | (2,038)                                      | (1,602)                                      |
| Interest paid   | 8    | (87)  | (115)                                       | (184)  | (241)  |
| <b>Net cash (used in) / provided by financing activities</b>  |      | (1,111)                                     | 5,696                                       | (2,222)                                      | 5,038  |
| <b>Net (decrease)/increase in cash and bank balances</b>      |      | (1,244)                                     | 5,509                                       | (2,593)                                      | 4,520  |
| Beginning of financial period/year                            |      | 5,799                                       | 1,639                                       | 7,148  | 2,628  |
| <b>End of financial period/year</b>                           |      | 4,555                                       | 7,148                                       | 4,555  | 7,148  |

## **Notes to the Condensed Full Year Consolidated Financial Statements**

These notes form an integral part of and should be read in conjunction with the accompanying condensed financial statements.

### **1 General information**

Olive Tree Estates Limited (the "Company") is a limited liability company incorporated and domiciled in Singapore and is listed on the Catalist of the Singapore Exchange Securities Trading Limited (the "SGX-ST") on 29 December 2017.

These condensed consolidated financial statements as at and for the six months ended 31 December 2023 comprise the Company and its subsidiary corporations (collectively "the Group")

The registered office of the Company is at 111 Somerset Road, 08-10A Royal 111 Somerset Road, Singapore 238164.

The principal activity of the Company is that of investment holding. The principal activities of its subsidiary corporations are disclosed in Note 13.

### **2. Significant accounting policies**

#### **Basis of preparation**

The condensed interim financial statements for the six months and financial year ended 31 December 2023 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 Group's financial position and performance of the Group since the last full year financial statements for the financial year ended 31 December 2022.

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

The financial statements are presented in Singapore Dollar ("S\$") which is the Company's functional currency.

The preparation of the condensed interim financial statements in conformity with SFRS(I) requires management to exercise its judgement in the process of applying the Group's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

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

Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective SFRS(I).

The adoption of these new or amended SFRS(I) did not result in substantial changes to the Group's accounting policies and had no material effect on the amounts reported for the current or prior financial years.

### **3 Critical accounting estimates, assumptions and judgements**

Estimates, assumptions 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.

### **3 Critical accounting estimates, assumptions and judgements (continued)**

*(a) Significant influence over associated companies*

Judgement is required to determine when the Company establishes significant influence over an investee. Management reviews the classification of its investments in associated companies upon

acquisition and at least annually or whenever there are any changes to the percentage of shareholding. The Company is presumed to not have significant influence if it holds, directly or indirectly, less than 20% of voting power of the investee unless such influence can be clearly demonstrated. A substantial or majority ownership by another investor does not necessarily preclude an investor from having significant influence.

Pursuant to the sale and purchase agreements, the Company would be able to appoint a representation on the board of the respective associated companies to participate in the relevant activities of each entity through its representative on the board of Management and Supervisory Committee of the respective entity. Based on this, management concluded that the Company has significant influence over JMEI, NHO PM2, NHO BC, NHO TA2 and NHO HB2 and has accounted for its investments in these entities as associated companies.

*(b) Impairment of investments in associated companies*

Investments in associated companies are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired. In determining the recoverable value, an estimate of expected future cash flows from each asset or CGU and an appropriate discount rate is required to be made. An impairment exists when the carrying amount of an asset or CGU exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use.

Management has assessed that there is no objective evidence or indication that the carrying amounts of the Group's investment in associated companies may not be recoverable as at the reporting date and accordingly an impairment assessment is not required.

### **4 Revenue**

|               | <b>6 months<br/>ended 31<br/>Dec 2023<br/>S\$'000</b> | <b>6 months<br/>ended 31<br/>Dec 2022<br/>S\$'000</b> | <b>Group<br/>Full year<br/>ended 31<br/>Dec 2023<br/>S\$'000</b> | <b>Full year<br/>ended 31<br/>Dec 2022<br/>S\$'000</b> |
|---------------|---|---|--|--|
| Rental income | 600   | 600   | 1,199  | 1,155  |

**Olive Tree Estates Limited**  
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**5 Other income**

|   | <b>Group</b>  |   |  |  |
|---|---|---|--|--|
|   | <b>6 months<br/>ended 31<br/>Dec 2023<br/>S\$'000</b> | <b>6 months<br/>ended 31<br/>Dec 2022<br/>S\$'000</b> | <b>Full year<br/>ended 31<br/>Dec 2023<br/>S\$'000</b> | <b>Full year<br/>ended 31<br/>Dec 2022<br/>S\$'000</b> |
| Interest income   | 63  | 1   | 127  | -  |
| Amortisation of interest<br>income of loan to associated<br>company | (5)   | 4   | -  | 9  |
| Grant income  | -   | 9   | 1  | 21   |
|   | <u>58</u>   | <u>14</u>   | <u>128</u>   | <u>30</u>  |

**6 Expenses by nature**

|  | <b>Group</b>  |   |  |  |
|--|---|---|--|--|
|  | <b>6 months<br/>ended 31<br/>Dec 2023<br/>S\$'000</b> | <b>6 months<br/>ended 31<br/>Dec 2022<br/>S\$'000</b> | <b>Full year<br/>ended 31<br/>Dec 2023<br/>S\$'000</b> | <b>Full year<br/>ended 31<br/>Dec 2022<br/>S\$'000</b> |
| Depreciation of investment properties<br>(Note 15) | 302   | 302   | 603  | 603  |
| Depreciation of property, plant and<br>equipment   | 19  | -   | 19   | -  |
| Directors' fee                                     | 73  | 73  | 145  | 145  |
| Director's remuneration                            | 96  | 96  | 192  | 192  |
| Employee compensation (Note 7)                     | 274   | 302   | 569  | 600  |
| Fee on audit services paid /payable to:            |   |   |  |  |
| - Auditor of the Company                           | 38  | 40  | 77   | 76   |
| - Other auditors                                   | 21  | 6   | 34   | 26   |
| Legal and professional fees                        | 7   | 107   | 14   | 197  |
| Maintenance and sinking fund                       | 15  | 14  | 30   | 28   |
| Property tax                                       | 48  | 53  | 101  | 107  |
| Sponsorship fee                                    | 31  | 32  | 61   | 63   |
| Short term office rental                           | 4   | 25  | 29   | 47   |
| SGX charges  | 8   | 8   | 15   | 15   |
| Travelling   | 5   | 4   | 16   | 19   |
| Insurance  | 8   | 8   | 16   | 15   |
| Others   | 63  | 75  | 133  | 78   |
| Total administrative expenses                      | <u>1,012</u>  | <u>1,145</u>  | <u>2,054</u>   | <u>2,211</u>   |

**7 Employee compensation**

|  | <b>Group</b>  |   |  |  |
|--|---|---|--|--|
|  | <b>6 months<br/>ended 31<br/>Dec 2023<br/>S\$'000</b> | <b>6 months<br/>ended 31<br/>Dec 2022<br/>S\$'000</b> | <b>Full year<br/>ended 31<br/>Dec 2023<br/>S\$'000</b> | <b>Full year<br/>ended 31<br/>Dec 2022<br/>S\$'000</b> |
| Salaries   | 258   | 280   | 535  | 556  |
| Employer's contribution to defined contribution plans including Central Provident Fund | 15  | 17  | 32   | 33   |
| Other short-term benefits  | 1   | 5   | 2  | 11   |
|  | <u>274</u>  | <u>302</u>  | <u>569</u>   | <u>600</u>   |

**8 Finance expenses**

|  | <b>Group</b>  |   |  |  |
|--|---|---|--|--|
|  | <b>6 months<br/>ended 31<br/>Dec 2023<br/>S\$'000</b> | <b>6 months<br/>ended 31<br/>Dec 2022<br/>S\$'000</b> | <b>Full year<br/>ended 31<br/>Dec 2023<br/>S\$'000</b> | <b>Full year<br/>ended 31<br/>Dec 2022<br/>S\$'000</b> |
| Interest expense on bank borrowings      | 87  | 108   | 184  | 234  |
| Interest expense on loan from a director | -   | 7   | -  | 7  |
| Interest expense on lease liability      | 2   | -   | 2  | -  |
|  | <u>89</u>   | <u>115</u>  | <u>186</u>   | <u>241</u>   |

**9 Other (losses)/gains, net**

|   | <b>Group</b>  |   |  |  |
|---|---|---|--|--|
|   | <b>6 months<br/>ended 31<br/>Dec 2023<br/>S\$'000</b> | <b>6 months<br/>ended 31<br/>Dec 2022<br/>S\$'000</b> | <b>Full year<br/>ended 31<br/>Dec 2023<br/>S\$'000</b> | <b>Full year<br/>ended 31<br/>Dec 2022<br/>S\$'000</b> |
| Currency exchange losses – net  | (6)   | (10)  | (3)  | (3)  |
| Fair value (losses)/gains on financial assets, at FVPL                | (60)  | (380)   | 59   | (239)  |
| Fair value (losses)/gains on loan to associate companies              | (29)  | -   | (29)   | -  |
| Loss allowance for other receivables (controlling shareholder)        | (27)  | (27)  | -  | (27)   |
| Gain on sale of fixed assets  | 1   | -   | 1  | -  |
| Overprovision of professional fees for strike off of Tree Top Sdn Bhd | -   | 2   | -  | 2  |
|   | <u>(121)</u>  | <u>(415)</u>  | <u>28</u>  | <u>(267)</u>   |

The fair value loss relates to the extension of the maturities of the convertible loans. Other allowance of doubtful debts relates to the current outstanding for shareholder rental support.

**10 Income taxes**

|   | <b>Group</b>  |   |  |  |
|---|---|---|--|--|
|   | <b>6 months<br/>ended 31<br/>Dec 2023<br/>S\$'000</b> | <b>6 months<br/>ended 31<br/>Dec 2022<br/>S\$'000</b> | <b>Full year<br/>ended 31<br/>Dec 2023<br/>S\$'000</b> | <b>Full year<br/>ended 31<br/>Dec 2022<br/>S\$'000</b> |
| Tax expense attributable to loss is made up of: |   |   |  |  |
| Current income tax                              | 67  | 101   | 128  | 111  |
| (Over) provision in prior financial years       |   |   |  |  |
| Current income tax                              | (8)   | (23)  | (58)   | (14)   |
|   | <u>59</u>   | <u>78</u>   | <u>70</u>  | <u>97</u>  |

**11 Loss per share**

Basic loss per share is calculated by dividing the net loss attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the financial period/year.

For the purpose of calculating diluted loss per share, loss attributable to equity holders of the Company and the weighted average number of ordinary shares outstanding are adjusted for the effects of all dilutive potential ordinary shares. There were no potential dilutive ordinary shares for the financial years ended 31 December 2022 and 2021 respectively.

The weighted average number of ordinary shares outstanding during the financial year ended 31 December 2022 included the placement of 47,000,000 shares completed on 23 December 2022.

The following table reflects the loss and share data used in the computation of basic and diluted loss per share for the periods/years ended 31 December 2023 and 2022:

|  | <b>Group</b>                              |   |  |  |
|--|---|---|--|--|
|  | <b>6 months<br/>ended 31<br/>Dec 2023</b> | <b>6 months<br/>ended 31<br/>Dec 2022</b> | <b>Full year<br/>ended 31<br/>Dec 2023</b> | <b>Full year<br/>ended 31<br/>Dec 2022</b> |
| Net loss for the financial period/year attributable to equity holders of the Company (S\$'000)                 | <u>(387)</u>                              | <u>(1,087)</u>                            | <u>(765)</u>                               | <u>(1,654)</u>                             |
| Weighted average number of ordinary shares outstanding for basic and diluted loss per share computation ('000) | <u>115,848</u>                            | <u>69,363</u>                             | <u>115,848</u>                             | <u>69,363</u>                              |
| Basic and diluted loss per share (cents)   | <u>(0.33)</u>                             | <u>(1.56)</u>                             | <u>(0.66)</u>                              | <u>(2.38)</u>                              |

**12 Trade and other receivables**

|  | <b>Group</b>            |                         |
|--|-------------------------|-------------------------|
|  | <b>31 December 2023</b> | <b>31 December 2022</b> |
|  | <b>S\$'000</b>          | <b>S\$'000</b>          |
| <b>Current</b>   |                         |                         |
| Other receivables  |                         |                         |
| - Controlling shareholder  | 107                     | 107                     |
| -Loss allowance for other receivables<br>(controlling shareholder) | (27)                    | (27)                    |
| - Non-related parties  | 30                      | 32                      |
| GST receivables  | -                       | 2                       |
| Grant receivables  | -                       | 5                       |
| Deposits   | 13                      | 13                      |
| Prepayments  | 13                      | 15                      |
|  | 136                     | 147                     |
| <b>Non-current</b>   |                         |                         |
| Other receivables - Controlling shareholder                        | 70                      | 123                     |
| Loan to associated company   | 151                     | 183                     |
|  | 221                     | 306                     |

|  | <b>Company</b>          |                         |
|--|-------------------------|-------------------------|
|  | <b>31 December 2023</b> | <b>31 December 2022</b> |
|  | <b>S\$'000</b>          | <b>S\$'000</b>          |
| Other receivables:   |                         |                         |
| - Non-related parties  | 30                      | 32                      |
| - Controlling shareholder  | 107                     | 107                     |
| -Loss allowance for other receivables<br>(controlling shareholder) | (27)                    | (27)                    |
|  | 110                     | 112                     |
| Goods and Services Tax ("GST")<br>receivables                      | -                       | 20                      |
| Grant receivables  | -                       | 5                       |
| Prepayments  | 11                      | 15                      |
| Deposits   | 13                      | 12                      |
|  | 134                     | 164                     |
| <b>Non-current</b>   |                         |                         |
| Other receivables  |                         |                         |
| - Loan to associated company                                       | 151                     | 183                     |
| - Controlling shareholder  | 70                      | 123                     |
|  | 221                     | 306                     |

**12 Trade and other receivables (continued)**

***Current***

Other receivables from controlling shareholder are non-trade, unsecured, interest-free, receivable on demand and specifically relate to rental support arrangements provided by the controlling shareholder.

***Non-current***

Other receivables from a controlling shareholder is non-trade, unsecured and interest-free. The amounts are not repayable within the next 12 months and will be subject to an annual review on the terms and conditions of the payment plan.

Loan to associated company is non-trade, unsecured and interest free. The loan has been extended for another 5 years term in 2023 upon maturity of the initial loan term of 4 years.

**13 Investments in subsidiary corporations**

|  | <b>Company</b>          |                         |
|--|-------------------------|-------------------------|
|  | <b>31 December 2023</b> | <b>31 December 2022</b> |
|  | <b>S\$'000</b>          | <b>S\$'000</b>          |
| Equity investments, at cost            |                         |                         |
| Beginning of the financial year        | 2,798                   | 20,219                  |
| Strike off                             | -                       | (17,421)                |
| End of the financial year              | <u>2,798</u>            | <u>2,798</u>            |
| Movements in allowance for impairment: |                         |                         |
| Beginning of financial year            | -                       | 16,421                  |
| Strike off                             | -                       | (16,421)                |
| End of financial year                  | <u>-</u>                | <u>-</u>                |

As all the development property units in Chiu Teng 8 Pte Ltd have been sold and there are no plans for new cash generating business to be created, the company has ceased operations in September 2022 and has received first gazette of notification from ACRA on 9 January 2023 and completed its strike off process on 9 March 2023.

Accordingly, an impairment loss of S\$16,421,000 was recognised by the Company in the financial year ended 31 December 2022.

**13 Investments in subsidiary corporations (continued)**

The Company has the following subsidiary corporations as at 31 December 2023 and 2022.

| <u>Name of subsidiary corporations</u> | <u>Principal activities</u>               | <u>Country of business/ incorporation</u> | <u>Proportion of ordinary shares held by the Company</u> |             |
|--|---|---|--|-------------|
|  |   |   | <u>2023</u>  | <u>2022</u> |
|  |   |   | <u>%</u>   | <u>%</u>    |
| <u>Held by the Company</u>             |   |   |  |             |
| Chiu Teng 8 Pte Ltd ("CT8")<br>(b)     | Property development                      | Singapore                                 | -  | 100         |
| WBH Investments Pte Ltd (a)            | Investment properties holdings and rental | Singapore                                 | 100  | 100         |

(a) Audited by CLA Global TS Public Accounting Corporation.

(b) The company has completed its strike off process on 9 March 2023

**14 Investments in associated companies**

|                             | <b>Company</b>                            |   |
|-----------------------------|---|---|
|                             | <b>31 December 2023</b><br><b>S\$'000</b> | <b>31 December 2022</b><br><b>S\$'000</b> |
| Equity investments, at cost | 4,919                                     | 4,919                                     |

The Company has the following associated companies as at 31 December 2023 and 2022:

| <u><b>Name of associated companies</b></u>   | <u><b>Principal activities</b></u> | <u><b>Country of business/ incorporation</b></u> | <b>Proportion of ordinary shares held by the Company</b> |                  |
|--|------------------------------------|--|--|------------------|
|  |                                    |  | <b>2023</b><br>%   | <b>2022</b><br>% |
| JME Investment Pte Ltd<br>("JMEI") <sup>(a)</sup>  | Property development               | Singapore  | 13.33  | 13.33            |
| Bai Chay National Housing Organization Joint Stock Company ("NHO BC") <sup>(b)</sup>     | Property development               | Vietnam  | 8.17   | 8.17             |
| National Housing Organization – Phu My 2 Joint Stock Company ("NHO PM2") <sup>(b)</sup>  | Property development               | Vietnam  | 8.17   | 8.17             |
| Thuan Ann 2 National Housing Organization Joint Stock Company ("NHO TA2") <sup>(b)</sup> | Property development               | Vietnam  | 8.17   | 8.17             |
| Hong Bang 2 National Housing Organization Joint Stock Company ("NHO HB2") <sup>(b)</sup> | Property development               | Vietnam  | 8.14   | 8.14             |

(a) Audited by CLA Global TS Public Accounting Corporation.

(b) Audited by BDO Vietnam.

There are no contingent liabilities relating to the Group's interest in the associated companies.

**15 Investment properties**

|                                     | <b>Group</b>            |                         |
|-------------------------------------|-------------------------|-------------------------|
|                                     | <b>31 December 2023</b> | <b>31 December 2022</b> |
|                                     | <b>S\$'000</b>          | <b>S\$'000</b>          |
| <i>Cost</i>                         |                         |                         |
| Beginning and end of financial year | 12,166                  | 12,166                  |
| <i>Accumulated depreciation</i>     |                         |                         |
| Beginning of financial year         | 3,016                   | 2,413                   |
| Depreciation charge (Note 6)        | 603                     | 603                     |
| End of financial year               | 3,619                   | 3,016                   |
| <b>Net book value</b>               |                         |                         |
| <b>End of financial year</b>        | 8,547                   | 9,150                   |
| <b>Fair value</b>                   |                         |                         |
| <b>End of financial year</b>        | 9,300                   | 10,500                  |

The investment properties are pledged as security for the Group's bank borrowings (Note 19) of S\$6,256,906 as at 31 December 2023 (31 December 2022: S\$7,067,575).

At the reporting date, the details of the Group's investment properties are as follows:

| <u>Location</u>   | <u>Description</u> | <u>Tenure</u>              |
|---|--------------------|----------------------------|
| 1 Commonwealth Lane, Units #01-07 to #01-15 and #01-17 to #01-20, Singapore | Industrial units   | 30 years from 1 March 2008 |

The following amounts are recognised in profit or loss for the periods/years ended 31 December 2023 and 2022 respectively:

|  | <b>Group</b>    |                 |                  |                  |
|--|-----------------|-----------------|------------------|------------------|
|  | <b>6 months</b> | <b>6 months</b> | <b>Full year</b> | <b>Full year</b> |
|  | <b>ended 31</b> | <b>ended 31</b> | <b>ended 31</b>  | <b>ended 31</b>  |
|  | <b>Dec 2023</b> | <b>Dec 2022</b> | <b>Dec 2023</b>  | <b>Dec 2022</b>  |
|  | <b>S\$'000</b>  | <b>S\$'000</b>  | <b>S\$'000</b>   | <b>S\$'000</b>   |
| Rental income (Note 4)   | 600             | 600             | 1,199            | 1,155            |
| Direct operating expenses arising from rental generating investment properties | 64              | 68              | 145              | 136              |

16 Financial assets, at fair value through profit or loss ("FVPL")

|                                    | <b>Group and Company</b> |                         |
|------------------------------------|--------------------------|-------------------------|
|                                    | <b>31 December 2023</b>  | <b>31 December 2022</b> |
|                                    | <b>S\$'000</b>           | <b>S\$'000</b>          |
| Beginning of financial year        | 2,366                    | 2,605                   |
| Fair value gains/(losses) (Note 9) | 59                       | (239)                   |
| End of financial year              | 2,425                    | 2,366                   |
| <b><u>Current</u></b>              |                          |                         |
| Non-listed debt instrument         |                          |                         |
| - Convertible loans                | 678                      | -                       |
| <b><u>Non-current</u></b>          |                          |                         |
| Non-listed debt instrument         |                          |                         |
| - Convertible loans                | 1,747                    | 2,366                   |
|                                    | 2,425                    | 2,366                   |

The convertible loans were designated as financial assets, at FVPL upon initial recognition.

17 Property, plant and equipment

|   | <b><u>Right of use asset -<br/>office building</u></b> | <b><u>Computers</u></b> |
|---|--|-------------------------|
|   | <b>S\$'000</b>   | <b>S\$'000</b>          |
| <b><u>Group and Company</u></b>               |  |                         |
| <b>2023</b>                                   |  |                         |
| <i>Cost</i>                                   |  |                         |
| Beginning of financial year                   | -  | 9                       |
| Addition to recognise right to use for office | 94   | -                       |
| End of financial year                         | 94   | 9                       |
| <i>Accumulated depreciation</i>               |  |                         |
| Beginning of financial year                   | -  | 9                       |
| Depreciation charge (Note 6)                  | 19   | -                       |
| End of financial year                         | 19   | 9                       |
| <b>Net book value</b>                         |  |                         |
| <b>End of financial year</b>                  | 75   | -                       |
|   |  | <b><u>Computers</u></b> |
|   |  | <b>S\$'000</b>          |
| <b><u>Group and Company</u></b>               |  |                         |
| <b>2022</b>                                   |  |                         |
| <i>Cost</i>                                   |  |                         |
| Beginning and end of financial year           |  | 9                       |
| <i>Accumulated depreciation</i>               |  |                         |
| Beginning and end of financial year           |  | 9                       |
| <b>Net book value</b>                         |  |                         |
| <b>End of financial year</b>                  |  | -                       |

**18 Trade and other payables**

|                            | <b>Group</b>            |                         |
|----------------------------|-------------------------|-------------------------|
|                            | <b>31 December 2023</b> | <b>31 December 2022</b> |
|                            | <b>S\$'000</b>          | <b>S\$'000</b>          |
| <b>Current</b>             |                         |                         |
| Accrued operating expenses | 64                      | 130                     |
| Other payables             |                         |                         |
| - Non-related parties      | 340                     | 354                     |
| Unutilised sponsorship     | 142                     | 259                     |
| GST payables               | 6                       | -                       |
| Advance rental received    | -                       | 100                     |
|                            | <u>552</u>              | <u>853</u>              |
| <b>Non-current</b>         |                         |                         |
| Unutilised sponsorship     | 850                     | 762                     |
|                            | <u>850</u>              | <u>762</u>              |
|                            |                         |                         |
|                            | <b>Company</b>          |                         |
|                            | <b>31 December 2023</b> | <b>31 December 2022</b> |
|                            | <b>S\$'000</b>          | <b>S\$'000</b>          |
| <b>Current</b>             |                         |                         |
| Other payables             |                         |                         |
| - Non-related parties      | 31                      | 44                      |
| - Subsidiary corporations  | 3,084                   | 3,944                   |
|                            | <u>3,115</u>            | <u>3,988</u>            |
| Unutilised sponsorship     | 142                     | 269                     |
| Accrued operating expenses | 51                      | 109                     |
| GST payables               | (6)                     | -                       |
|                            | <u>3,302</u>            | <u>4,366</u>            |
| <b>Non-current</b>         |                         |                         |
| Unutilised sponsorship     | 850                     | 762                     |
|                            | <u>850</u>              | <u>762</u>              |

Other payables to subsidiary corporations are non-trade, unsecured, bearing interest at 0.5% per annum over the applicable 3-months SORA and payable on demand.

## 19 Borrowings

|                        | <b>Group</b>            |                         |
|------------------------|-------------------------|-------------------------|
|                        | <b>31 December 2023</b> | <b>31 December 2022</b> |
|                        | <b>S\$'000</b>          | <b>S\$'000</b>          |
| <i>Bank borrowings</i> |                         |                         |
| - Current              | 2,113                   | 2,040                   |
| - Non-current          | 6,915                   | 9,026                   |
| Total borrowings       | 9,028                   | 11,066                  |

The borrowings of the Group are at fixed interest rate terms for 2 years and 5 years respectively. The bank loan of S\$6,257,000 has been refinanced on a floating rate effective from March 2024 upon the maturity of the 2 year fixed interest rate term.

### *Securities granted*

Secured bank borrowings amounting to S\$6,257,000 as at 31 December 2023 (2022: S\$7,068,000) were secured by the followings:

- (i) Corporate guarantee from the Company;
- (ii) A first legal mortgage to be executed over the investment properties (Note 15);
- (iii) Legal assignment of rental proceeds/charge over rental account of all current and future rental income from the investment property; and
- (iv) A legal assignment of all rights, titles and interests resulting from the sale and purchase agreement(s).

## 20 Share capital and treasury shares

|  | <b>No. of ordinary shares</b>       |                            | <b>Amount</b>                       |                            |
|--|-------------------------------------|----------------------------|-------------------------------------|----------------------------|
|  | <b>Issued<br/>share<br/>capital</b> | <b>Treasury<br/>shares</b> | <b>Issued<br/>share<br/>capital</b> | <b>Treasury<br/>shares</b> |
|  | <b>'000</b>                         | <b>'000</b>                | <b>S\$'000</b>                      | <b>S\$'000</b>             |
| <b>Group</b>   |                                     |                            |                                     |                            |
| <b>2023</b>  |                                     |                            |                                     |                            |
| Beginning and end of financial year                                    | 115,848                             | (3)                        | 63,223                              | (23)                       |
| <b>2022</b>  |                                     |                            |                                     |                            |
| Beginning of financial year  | 68,848                              | -                          | 7,946                               | -                          |
| Derecognition pursuant to strike-off of a subsidiary ( Note 13 and 21) | -                                   | (3)                        | 48,396                              | (23)                       |
| Issuance of shares under placement                                     | 47,000                              | -                          | 7,050                               | -                          |
| Share issue expenses   | -                                   | -                          | (169)                               | -                          |
| End of financial year  | 115,848                             | (3)                        | 63,223                              | (23)                       |

**20 Share capital and treasury shares ( continued )**

**Company**

**2023**

|                                     |                |            |               |             |
|-------------------------------------|----------------|------------|---------------|-------------|
| Beginning and end of financial year | <u>115,848</u> | <u>(3)</u> | <u>63,223</u> | <u>(23)</u> |
|-------------------------------------|----------------|------------|---------------|-------------|

**2022**

|                                    |                |            |               |             |
|------------------------------------|----------------|------------|---------------|-------------|
| Beginning of financial year        | <u>68,848</u>  | <u>(3)</u> | <u>56,342</u> | <u>(23)</u> |
| Issuance of shares under placement | <u>47,000</u>  | <u>-</u>   | <u>7,050</u>  | <u>-</u>    |
| Share issue expenses               | <u>-</u>       | <u>-</u>   | <u>(169)</u>  | <u>-</u>    |
| End of financial year              | <u>115,848</u> | <u>(3)</u> | <u>63,223</u> | <u>(23)</u> |

The equity structure (i.e. the number and type of equity instruments issued) reflect the equity structure of the Company, being the legal parent, including the equity instruments issued by the Company to effect the reverse acquisition.

The amount of the Group's share capital differs from that of the Company as a result of reverse acquisition accounting on 11 December 2017. As at 31 December 2022, the Group was in the process of striking off its subsidiary, Chiu Teng 8 Pte. Ltd. ("CT8"). As a result of this, the reverse acquisition effect of CT8 on the share capital of the Group of S\$48,396,000, treasury shares of S\$23,000 and the accumulated losses of the Group of S\$58,970,000 were derecognised. At the same time, reverse acquisition reserve of \$10,597,000 were also derecognised.

On 28 December 2022, the Company allotted and issued 47,000,000 new ordinary shares at S\$0.15 per share to the subscribers pursuant placement exercise for a consideration of S\$7,050,000.

All issued ordinary shares are fully paid. There is no par value for these ordinary shares. The newly issued shares rank pari passu in all respects with the previously issued shares. The professional fee related to the share placement of S\$169,000 has been used to offset against the share placement proceed.

Fully paid ordinary shares carry one vote per share and carry a right to dividends as and when declared by the Company.

The total number of issued shares (excluding treasury shares and subsidiary holdings) as at 31 December 2023 is 115,847,711 (31 December 2022: 115,847,711). There is no change to the Company's issued share capital since 30 June 2023.

**Treasury shares**

The Company acquired 2,500 of its shares in the open market in financial year 2010. The total amount paid to acquire the shares was S\$23,000 and this was presented as a component within shareholders' equity.

The Company held 2,500 treasury shares as at 31 December 2023 (31 December 2022: 2,500), which represents 0.002% (31 December 2022: 0.002%) of the Company's total issued share capital.

The Company did not hold any outstanding convertibles and there are no subsidiary holdings as at 31 December 2023 and 31 December 2022.

There was no purchase, sale, transfer, disposal, cancellation and use of treasury shares and subsidiary holdings during the financial year ended 31 December 2023.

## 21 Segment information

Management has determined the operating segments based on the reports reviewed by the Directors, who are also the chief operating decision maker and uses the reports to make strategic decisions.

Management considers the business from both a geographical and business segment perspective. The Group has 3 reportable operating segments: investment, property development and property rental, which currently operate only in Singapore.

The following summary describes the operations in each of the Group's reportable segments:

- (a) Investment: Investment holding
- (b) Property development: Development and sale of light industrial buildings
- (c) Property rental: Property management

The segment information provided by management for the reportable segments and reconciliation to consolidated statement of comprehensive income are as follows:

| Group                                     | Singapore       |            | Vietnam              | Total   |
|---|-----------------|------------|----------------------|---------|
|   | Property rental | Investment | Property development |         |
|   | S\$'000         | S\$'000    | S\$'000              | S\$'000 |
| <b>Full year ended 31 Dec 2023</b>        |                 |            |                      |         |
| Revenue from external parties             | 1,199           | -          | -                    | 1,199   |
| Gross profit                              | 1,199           | -          | -                    | 1,199   |
| Other income                              | -               | 128        | -                    | 128     |
| Other gains, net                          | -               | 28         | -                    | 28      |
| Administrative expenses                   | (759)           | (1,295)    | -                    | (2,054) |
| Finance expenses                          | (184)           | (2)        | -                    | (186)   |
| Share of profit of associated companies   | -               | -          | 190                  | 190     |
| Profit/(Loss) before income tax           | 256             | (1,141)    | 190                  | (695)   |
| Income tax expense                        | (70)            | -          | -                    | (70)    |
| Net profit /(loss) for the financial year | 186             | (1,141)    | 190                  | (765)   |
| Segment assets                            | 8,985           | 11,864     | -                    | 20,849  |
| Segment liabilities                       | 9,483           | 1,143      | -                    | 10,626  |

**21 Segment information (continued)**

| Group                                     | Singapore       |            | Vietnam              | Total   |
|---|-----------------|------------|----------------------|---------|
|   | Property rental | Investment | Property development |         |
|   | S\$'000         | S\$'000    | S\$'000              | S\$'000 |
| <b>Full year ended 31 Dec 2022</b>        |                 |            |                      |         |
| Revenue from external parties             | 1,155           | -          | -                    | 1,155   |
| Gross profit                              | 1,155           | -          | -                    | 1,155   |
| Other income                              | -               | 30         | -                    | 30      |
| Other losses, net                         | -               | (267)      | -                    | (267)   |
| Administrative expenses                   | (765)           | (1,446)    | -                    | (2,211) |
| Finance expenses                          | (234)           | (7)        | -                    | (241)   |
| Share of losses of associated companies   | -               | -          | (23)                 | (23)    |
| Profit/(Loss) before income tax           | 156             | (1,690)    | (23)                 | (1,557) |
| Income tax expense                        | (90)            | (7)        | -                    | (97)    |
| Net profit /(loss) for the financial year | 66              | (1,697)    | (23)                 | (1,654) |
| Segment assets                            | 10,104          | 13,822     | -                    | 23,926  |
| Segment liabilities                       | 11,665          | 1,166      | -                    | 12,831  |

(a) *Revenue from major products and services*

Revenue from external customers is derived mainly from rental income in Singapore. The breakdown of the Group's revenue is disclosed in Note 4.

**21 Segment information (continued)**

*(b) Geographical information*

The Group's two business segments operate mainly in Singapore and Vietnam.

Singapore – The Company is headquartered. The operations in this area are principally the property rental.

Vietnam – The Company's associated companies have operations in this area. The operations in this area are principally the development and sale of properties.

|                                      | <b>Group</b>            |                         |
|--------------------------------------|-------------------------|-------------------------|
|                                      | <b>31 December 2023</b> | <b>31 December 2022</b> |
|                                      | <b>S\$'000</b>          | <b>S\$'000</b>          |
| <u>Non-current assets</u>            |                         |                         |
| Singapore                            |                         |                         |
| - Investment properties              | 8,547                   | 9,150                   |
| - Trade and other receivables        | 221                     | 306                     |
| - Plant, Property and Equipment      | 75                      | -                       |
| Vietnam                              |                         |                         |
| - Investment in associated companies | 4,890                   | 4,809                   |
| - Financial assets, at FVPL          | 2,425                   | 2,366                   |
|                                      | <b>16,158</b>           | <b>16,631</b>           |

## **Other Information Required by Appendix 7C of the Catalyst Rules**

### **22 Review**

The condensed full year consolidated statement of financial position of Olive Tree Estates Limited (the “Company”) and its subsidiaries (the “Group”) as at 31 December 2023 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 month and full year period then ended and certain explanatory notes have not been audited or reviewed by the Company’s auditors.

#### **22A Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:**

**(a) Updates on the efforts taken to resolve each outstanding audit issue.**

**(b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.**

**This is not required for any audit issue that is a material uncertainty relating to going concern.**

Not applicable.

### **23 Review of the performance of the Group**

#### **Consolidated Statement of Profit or Loss and Other Comprehensive Income**

##### **Revenue**

The Group revenue for the financial year ended 31 December 2023 (“FY2023”) was higher than that of the previous corresponding period (“FY2022”) by S\$0.01 million.

The Group revenue for the second half year ended 31 December 2023 (“2H2023”) was the same as that of the previous corresponding period (“2H2022”).

There was full rental occupancy of the investment property units in both FY2023 and FY2022.

##### **Other income**

Other income for 2H2023 was higher than 2H2022 by S\$0.04 million due to higher interest income from fixed deposits (funds from the share placement completed in Dec 2022) placed with banks and other financial institutions.

##### **Administrative expenses**

Administrative expenses for 2H2023 was lower than 2H2022 by S\$0.13 million due to lower professional fees incurred in 2023.

##### **Finance expenses**

Finance expenses for 2H2023 was lower than 2H2022 by S\$0.03 million due to the reduced interest on outstanding bank loans as the principal loan amounts have been repaid.

**23 Review of the performance of the Group (continued)**

**Other (losses)/gains, net**

Other losses for 2H2023 was lower than 2H2022 by S\$0.29 million mainly due to lower fair value loss on the convertible loans.

**Share of profits from associated companies**

Share of profits from associated companies of S\$0.18 million comprise mainly from profit recognized from the completion of sales of units from Phase 2 of the Dragon Castle project at Ha Long Bay during the year.

**Income tax expense**

Lower income tax expense in 2H2023 compared to 2H2022 was mainly due to offsetting the over provision made in FY2022 and FY2023 during FY2023.

**Net loss**

As a result of the above, the Group's net loss in 2H2023 and FY2023 was S\$0.39 million and S\$0.77 million as compared to the net loss of S\$1.09 million in 2H2022 and FY2022 of S\$1.65 million.

**Consolidated Statement of Financial Position**

**Current assets**

Current assets as at 31 December 2023 consisted mainly of cash and cash equivalents, fixed deposits and trade and other receivables.

The cash and cash equivalents have decreased by S\$2.59 million from S\$7.15 million as at 31 December 2022 to S\$4.56 million as at 31 December 2023 due to the repayment of the bank loans.

**Non-current assets**

Non-current assets consist mainly of other receivables, investment properties, investments in associated companies, financial assets at FVPL and plant, property and equipment.

Other receivables of S\$0.22 million consist of non-current rental support receivable from the Company's controlling shareholder and loan to associated company.

Investment properties decreased by S\$0.60 million to S\$8.55 million as at 31 December 2023 from S\$9.15 million as at 31 December 2022 due to depreciation charged for FY2023.

Investments in associated companies increased by S\$0.08 million from S\$4.81 million as at 31 December 2022 to S\$4.89 million as at 31 December 2023 from increase in share of profit.

Financial assets at FVPL increased by S\$0.06 million from S\$2.37 million as at 31 December 2022 to S\$2.43 million as at 31 December 2023 due to fair value gains for FY2023.

Property, plant and equipment increased by S\$0.08 million during FY2023 due to the recognition of the right of use of the existing office lease.

**23 Review of the performance of the Group (continued)**

**Current and non-current liabilities**

Current liabilities comprised trade and other payables, borrowings, and current income tax liabilities. Non-current liabilities comprised trade and other payables and borrowings.

Trade and other payables decreased by S\$0.14 million from S\$1.62 million as at 31 December 2022 to S\$1.48 million as at 31 December 2023. The decrease was mainly due to utilization of the sponsorship fund.

Borrowings decreased by S\$2.04 million from S\$11.07 million as at 31 December 2022 to S\$9.03 million as at 31 December 2023 due to the repayments of the loans during the year.

**Equity**

Total equity as at 31 December 2023 amounted to S\$10.22 million which comprised mainly of share capital of S\$63.22 million, currency translation loss reserve of S\$0.22 million and accumulated losses of S\$52.76 million.

Share capital has remained the same between 31 December 2022 and December 2023.

Accumulated losses increased by S\$0.76 million from S\$51.99 million as at 31 December 2022 to S\$52.76 million as at 31 December 2023. Please refer to the Condensed Full Year Statement of Changes on Page 6 and Note 20 for further details.

**Consolidated Statements of Cash Flows**

For FY2023, the Group's net cash outflow from operating activities amounted to S\$0.37 million arising mainly from operating payments and income tax payments.

The Group's net cash outflow from financing activities amounted to S\$2.22 million arising from the repayment of bank loan interest of S\$0.18 million and principal repayment of S\$2.04 million.

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

Not applicable.

**25 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**

Economic and geo-political headwinds remain a source of concern. The conflicts in Ukraine and Gaza weigh on sentiment. Excess liquidity amongst other factors have fuelled inflation globally and central banks have moved aggressively to tamp down inflation through repeated interest rate hikes. Consequently, growth and corporate profitability have been adversely affected as a result of stagflationary pressures and a dampening of consumer demand and general business sentiment. Whilst China's pivot from a 'dynamic zero-COVID' policy had initially excited analysts and capital markets, optimism quickly waned in the face of a broad-based deterioration in the real estate sector and business activity. Global inflation may have peaked but remains stubbornly high and a sustained post-COVID-19 recovery in global consumer, business and economic activity appears to be muted.

**25 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 (continued)**

On a positive note, the COVID-19 pandemic appears to be well under control and countries have opened their borders with social engagements and discretionary travel trending to pre-pandemic levels of activity.

Over the long-term, it is still our belief that population growth, rapid urbanisation and steadily growing affluence in regional emerging markets will support demand for residential real estate in general, with strong underlying demand for affordable and quality residential property from both end-user buyers and investors. In this regard and undergirded by a resilient economy and foreign direct investment flows in Vietnam, the Company remains cautiously optimistic about its foray into the affordable housing market in the country. Vietnam posted gross domestic product growth of 5.05% <sup>(1)</sup> in 2023, with the Vietnamese government expecting the country to register year-on-year growth of 6% <sup>(2)</sup> in 2024. Vietnam remains one of the top-performing economies globally and is expected to be one of the fastest growing economies in Asia in 2024.

On 6 February 2020, the Company announced that it had entered into various definitive investment agreements with National Housing Organization Joint Stock Company (“NHO”) and Emerging Markets Affordable Housing Fund Pte Ltd (“EMAHF”) for the purposes of acquiring 1.3 hectares of land in Binh Duong province, Vietnam, to build circa 1,100 affordable housing units. On 2 June 2020, the Company announced that further to the Covenant Partnership Agreement entered into by the Company on 18 March 2019, the Company, a special-purpose investment vehicle of NHO and EMAHF had entered into various definitive investment agreements for the purposes of acquiring 2.2 hectares of land in Hai Phong province, Vietnam to build circa 1,300 affordable housing units (“Hai Phong Project”). The Company has thus far invested a total of US\$5.8 million in the 1.3ha Binh Duong Project, the Hai Phong Project and 3 earlier projects, namely, the Dao Tri Project, the Binh Duong Project and the Ha Long Project.

Underpinned by Vietnam’s positive long-term macro-economic fundamentals and growth profile, a growing middle-class, political stability, extremely low supply of quality affordable housing units and strong underlying demand for the same, the Company expects these investments to make a favourable contribution to the growth of the Company going forward.

The 1.3ha Binh Duong Project, the Hai Phong Project, the Dao Tri Project, the Binh Duong Project and the Ha Long Project are expected to yield approximately 6,100 affordable homes and more than 250 commercial units in purpose-built mixed-developments across Vietnam (“OTENHO Mixed Developments”).

The Phase 1 townhouses and approximately 80% of its apartment units at the Ha Long Project have been sold at increasingly higher average selling prices. The Company launched bookings for its Hai Phong Project in December 2023. With interest rates at elevated levels, we do expect buying demand to remain cautious. Even so, the average selling price of our apartments is meaningfully higher than what we modelled in our feasibility studies at the point of investment.

It is currently anticipated that the OTENHO Mixed Developments will have an estimated aggregate gross development value of approximately US\$500 million and the Parties, the Company, NHO and EMAHF intend for the OTENHO Mixed Developments to showcase and deploy the Company’s integrated social impact solution, comprising quality affordable homes and a suite of accessible and customised community development assets and family support services.

**25 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 (continued)**

Accounting standards stipulate that revenue for development properties is recognized upon completion and handover of the same and as such, there will be a lag effect between when sales of housing units are effected and when the Company is permitted to recognise revenue and by extension the level of profitability for these sales.

The Company will remain nimble and continues to actively assess opportunities originated by our stakeholders and network of business associates to principally offer, in the longer term, social and affordable housing solutions in other emerging markets such as Indonesia, Cambodia and Thailand to transform lives and deliver positive impact to local communities. In Vietnam, the Company continues to work very actively with NHO and other potential stakeholder partners to assess the suitability of land parcels with a view of extending our affordable housing development pipeline.

The Company is also seeking to expand its business, influence and impact by entering into joint ventures and/or strategic alliances with reputable and like-minded local partners and domain specialists (in such areas as early childhood education, healthcare and social services). The Company hopes to leverage on their competencies to enhance its ability to be a positive force for change through the provision of affordable quality housing as the bedrock of its social impact solutions by embedding localised, customized and contextualized community development elements and amenities. In this respect, we are pleased to announce that the Company and its stakeholder partners have established our third family resource centre and successfully launched our second partner kindergarten and early childhood education care point. The Company looks forward to working with our local partners to establish our next family resource centre in the recently completed apartment complex at our Ha Long Project.

With the Company's focus on the provision of mass-market affordable housing in fast-growing emerging markets, the Company will continue to rationalize its remaining real estate portfolio in Singapore. At the moment, with significant support for businesses and jobs from the Singapore government and resilient rental demand, real estate valuations in Singapore have thus far not been adversely affected by the COVID-19 pandemic and interest rate hikes. The Board had performed an impairment assessment on property, plant, equipment and investments in associates at the end of the previous financial year. The Company had engaged professional property valuers as part of the share placement exercise in December 2022. Based on the findings of said valuers, the Board has determined that no such adjustments will be necessary at this point in time.

1. Reuters / Vietnam General Statistics Office
2. Asian Development Bank

**26 Dividend information**

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

No dividend has been declared or recommended for the current financial period.

**(b) Corresponding period of the immediately preceding financial year**

No dividend has been declared or recommended for the corresponding period of the immediately preceding financial year.

**26 Dividend information (continued)**

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

Not applicable.

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

Not applicable.

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

Not applicable.

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

No dividend has been declared or recommended for the financial year ended 31 December 2023 as the Company intends to reserve its cash resources for investments in its target markets.

**28 Interested person transactions**

The Company has not obtained a general mandate from shareholders for Interested Person Transactions ("IPT").

The aggregate value of IPTs entered into by the Group for the financial year ended 31 December 2023 was as follows:

| <b>Name of interested person</b> | <b>Nature of relationship</b>                            | <b>Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)</b> | <b>Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)</b> |
|----------------------------------|--|--|--|
| Affluence Resource Pte Ltd       | Landlord (company invested by a controlling shareholder) | Rental expenses of S\$49,608 (as per the contractual terms applicable during FY2023)   | Not applicable   |

In 2019 and 2020, the Group entered into 4 convertible loan agreements ("CLAs") and 1 loan agreement ("LA") with 5 co-investment joint-venture single-purpose companies ("JVCOs") as part of the investment structure (comprising inter alia, capital contributions, convertible loans, loan and dividend preference stock) for the purposes of participating and effecting investments in our 5 real estate development projects in Vietnam (the "OTE Investments"). These CLAs are registered with the State Bank of Vietnam and the CLAs and LA renew at regular intervals on the same terms. Please refer to the table below for more details of the CLAs and LA. At the point of entry of all the CLAs and LA, none of the Company's directors or controlling shareholders and their respective associates were related to the JVCOs. As part of the JVCO arrangements and pursuant to the OTE Investments, the CLAs, the LA and the dividend preference stock, where applicable, are collectively regarded as equity investments with the corresponding economic interests attached thereon.

**28 Interested person transactions (continued)**

Pursuant to the completion of the subscription of 47,000,000 new ordinary shares in the capital of the Company to Tham Keng Chuen ("Mr Tham") and Kim Kyoo Chul (collectively, the "Investors") which took place on 23 December 2022, the Investors became controlling shareholders of the Company. The Investors are not represented on the board of the Company.

Mr Tham, together with his immediate family, hold a deemed interest of more than 30% in NHO JSC, a local developer of real estate with whom the Company and other co-investors hold the JVCOs. By virtue of Section 7 of the Companies Act 1967, Mr Tham is deemed to have an interest in the shares of the JVCOs held by NHO JSC which ranges up to 51% and the JVCOs are regarded as associates of Mr Tham pursuant to the Catalist Rules. On this basis, the renewal of the CLAs and/or LA entered into with the JVCOs would constitute Interested Party Transactions ("IPTs") in FY2023.

In FY2023, the Company entered into the renewal of the LA and 1 CLA with one of the JVCOs, namely NHOTA2 ("NHOTA2 CLA"). The LA was granted to JMEI JVCO and the loan quantum extended under the LA is less than 3% of the Group's latest audited net tangible assets ("NTA"). The renewal of the NHOTA2 CLA is a matter of routine and on pre-existing terms. The Company's investment quantum extended under the NHOTA2 CLA is more than 5% of the Group's latest audited NTA.

The Group's investment in NHOTA2 JVCO were on terms where (a) the risk and rewards of the underlying real estate project are in proportion to the respective equity interest and investment of each joint venture partner; and (b) Mr Tham did not have an existing equity interest in the NHOTA2 JVCO prior to the Group's participation in said JVCO. For the avoidance of doubt, Mr Tham is neither a director nor a shareholder of the JVCOs and their underlying project companies.

As such and pursuant to Rule 916(2) of the Catalist Rules, the Company's Audit Committee is of the view that the risks and rewards of the NHOTA2 JVCO are in proportion to the equity, investment and economic interest of each joint venture partner and the terms of said joint venture are not prejudicial to the interests of the Company and its minority shareholders.

| Name of interested person/JV COs | Nature of relationship                 | Date of entry of CLA and/or LA | Date of signed document for renewal | Date of initial maturity | Date of renewed maturity | Whether there is any change of key terms in CLA and/or LA upon renewal | Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than \$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 \$100,000) |
|----------------------------------|--|--------------------------------|-------------------------------------|--------------------------|--------------------------|--|--|---|
| NHOTA2                           | Associate of a controlling shareholder | 6 February 2020                | 15 August 2023                      | 5 February 2024          | 5 February 2028          | No   | US\$ 527,463   | Not applicable  |
| JMEI                             | Associate of a controlling shareholder | 14 January 2020                | 2 November 2023                     | 14 January 2024          | 5 February 2028          | No   | US\$ 144,651   | Not applicable  |

\*As the loans under the CLA and LA are zero coupon with no interest payments, the value at risk would only make up the principal value of the loan.

**Olive Tree Estates Limited**

(Company Registration No: 200713878D)

- 29 Disclosure of persons occupying managerial positions 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(10) in the format below. If there are no such persons, the issuer must make an appropriate negative statement**

Pursuant to Rule 704(10) of the Catalist Rules, the Company confirms that there are no persons occupying managerial position in the Company or in any of its principal subsidiaries that are related to a director, CEO or a substantial shareholder of the Company.

- 30 Confirmation that the issuer has procured undertaking from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1)**

The Company has procured undertaking from all its directors and executive officers in the required format.

### 31 Use of Proceeds

The Company raised net proceeds of approximately S\$6,881,000 from the placement of 47,000,000 shares completed on 23 December 2022 (the "Placement"). As at 31 December 2023, the net proceeds have been utilized as follows:

|  | Allocation of net proceeds | Amount utilised | Balance      |
|--|----------------------------|-----------------|--------------|
|  | S\$'000                    | S\$'000         | S\$'000      |
| Debt servicing requirements <sup>(1)</sup> | 4,781                      | 2,226           | 2,555        |
| General working capital                    | 2,100                      | 370             | 1,730        |
| <b>Total</b>                               | <b>6,881</b>               | <b>2,596</b>    | <b>4,285</b> |

Note:

(1) The debt servicing is based on monthly principal amortization of the Company's bank loans as well as the applicable interest expense.

The above utilisation of the net proceeds from the Placement is consistent with the intended use as disclosed in the Company's announcement dated 25 August 2022 and circular dated 7 December 2022 in relation to the Placement.

The Company will continue to make periodic announcements as and when the balance of the net proceeds is materially disbursed or utilized, and will also provide a status report on the use of proceeds in the Company's interim and full year financial statements as well as its annual report.

On behalf of the Board of Directors

Daniel Cuthbert Ee Hock Huat  
Non-Executive Independent Chairman

Daniel Long Chee Tim  
Chief Executive Officer and Executive Director

Singapore  
29 February 2024

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, RHT Capital Pte. Ltd. (the "Sponsor"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("SGX-ST").*

*This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.*

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