

AF Global Limited

Company Registration No.197301118N
(Incorporated in the Republic of Singapore)

**UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE SECOND HALF-YEAR AND FULL YEAR ENDED 31 DECEMBER 2023**

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A. CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	Group			Group		
		01.07.2023	01.07.2022	Change	01.01.2023	01.01.2022	Change
		to 31.12.2023 ("2H2023")	to 31.12.2022 ("2H2022")		to 31.12.2023 ("12M2023")	to 31.12.2022 ("12M2022")	
		S\$'000	S\$'000	%	S\$'000	S\$'000	%
Revenue		14,001	10,298	36	28,376	16,240	75
Cost of sales	(a)	(5,739)	(5,129)	12	(11,725)	(9,465)	24
Gross profit		8,262	5,169	60	16,651	6,775	146
Other operating income		503	199	153	738	371	99
Marketing expenses	(b)	(574)	(418)	37	(1,147)	(777)	48
Administrative expenses	(c)	(3,557)	(2,733)	30	(6,588)	(4,843)	36
Other operating expenses		(2,209)	(2,477)	(11)	(5,093)	(4,514)	13
Operating profit/(loss)		2,425	(260)	NM	4,561	(2,988)	NM
Finance costs	(d)	(554)	(477)	16	(1,112)	(844)	32
Share of results of joint venture companies	(e)	789	1,790	(56)	1,858	3,267	(43)
Profit/(loss) before taxation		2,660	1,053	153	5,307	(565)	NM
Taxation	(f)	1,377	238	479	1,225	(66)	NM
Profit/(loss) for the period		4,037	1,291	213	6,532	(631)	NM
Other comprehensive income:							
<i>Items that may be reclassified subsequently to profit or loss:</i>							
Foreign currency translation	(g)	718	(3,448)	NM	(2,422)	(8,496)	(71)
Fair value gain/(loss) on investment securities	(h)	231	(180)	NM	346	(349)	NM
<i>Items that will not be reclassified to profit or loss:</i>							
Fair value loss on investment securities and investment in Xuzhou entities	(h)	(2,500)	(3,833)	(35)	(4,413)	(5,126)	(14)
Net surplus on revaluation of property, plant and equipment	(i)	94	3,086	(97)	94	3,086	(97)
Other comprehensive income for the period, net of tax		(1,457)	(4,375)	(67)	(6,395)	(10,885)	(41)
Total comprehensive income for the period		2,580	(3,084)	NM	137	(11,516)	NM
Profit/(loss) for the period attributable to:							
Shareholders of the Company		1,696	759	123	2,644	(553)	NM
Non-controlling interests		2,341	532	340	3,888	(78)	NM
		4,037	1,291	213	6,532	(631)	NM
Total comprehensive income for the period attributable to:							
Shareholders of the Company		(69)	(4,036)	(98)	(3,002)	(10,663)	(72)
Non-controlling interests		2,649	952	178	3,139	(853)	NM
		2,580	(3,084)	NM	137	(11,516)	NM
Earnings/(loss) per share (cents)							
- Basic		0.16	0.07		0.25	(0.05)	
- Diluted		0.16	0.07		0.25	(0.05)	

'NM': Not meaningful.

A. CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (CONTINUED)

Other information:

	Group			Group		
	2H2023	2H2022	Change	12M2023	12M2022	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Other operating income:						
Interest income from fixed deposits (*)	503	180	179	608	320	90
Gain on sale of investment securities	-	-	-	-	9	NM
Gain on sale of property, plant and equipment	-	9	NM	-	10	NM
Others	-	10	NM	130	32	306
	<u>503</u>	<u>199</u>	<u>153</u>	<u>738</u>	<u>371</u>	<u>99</u>
Other operating expenses (**):						
Payroll and other indirect overheads	(860)	(685)	26	(1,671)	(1,259)	33
Utilities	(744)	(685)	9	(1,592)	(1,155)	38
Legal and professional fees	(305)	(434)	(30)	(555)	(563)	(1)
Foreign currency losses (#)	(97)	(523)	(81)	(915)	(1,256)	(27)
Others	(203)	(150)	35	(360)	(281)	28
	<u>(2,209)</u>	<u>(2,477)</u>	<u>(11)</u>	<u>(5,093)</u>	<u>(4,514)</u>	<u>13</u>
Profit/(loss) before taxation is stated after crediting/(charging):						
Depreciation of property, plant and equipment	(1,649)	(1,851)	(11)	(3,426)	(3,857)	(11)
Depreciation of right-of-use asset	(29)	(31)	(6)	(59)	(61)	(3)
Amortisation of club memberships	(2)	(2)	-	(3)	(3)	-
Expected credit losses on trade receivables	(22)	-	NM	(23)	-	NM
Writeback of expected credit losses on trade receivables	-	3	NM	-	3	NM
Property, plant and equipment written off	-	(13)	NM	-	(14)	NM

'NM': Not meaningful.

* The higher interest income from fixed deposits was due to higher fixed deposit rates.

** Excluding foreign currency losses, the higher other operating expenses for both 2H2023 and 12M2023 was mainly attributed to costs incurred by Holiday Inn Resort Phuket (hereinafter "HIRP") with increased business activities as Thai border restrictions lifted. The lower legal and professional fees in 2H2023 was mainly due to lower legal fees incurred on the litigation in respect of shareholders dispute for the joint venture company, Xuzhou YinJian LumChang Real Estate Development Co., Ltd in Xuzhou, PRC (hereinafter "XZYJLC").

The lower foreign currency losses in 2H2023 was mainly attributed to an exchange gain on Singapore Dollar ("SGD") denominated inter-company interest payable due to stronger Thai Baht for the period compared to an exchange loss in the corresponding period last year. The lower foreign currency losses in 12M2023 was mainly attributed to lower exchange loss on SGD denominated inter-company interest payable due to lower depreciation of Thai Baht, partially offset by higher realised exchange loss arising from weaker Laotian Kip on higher repayments of United States Dollar denominated inter-company loan.

A. CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (CONTINUED)

NOTES

- (a) Cost of sales comprised mainly direct costs, depreciation and overheads in respect of the Group's hospitality business.
- (b) The higher marketing expenses was mainly due to higher digital marketing expense and hotel marketing fee of HIRP and Somerset Vientiane (hereinafter "SV").
- (c) Administrative expenses comprised mainly payroll, expenses for the administration of the business including hotel management fee and statutory expenses. The higher administrative expenses was mainly attributed to higher hotel management fee and overheads.
- (d) The higher finance costs was due to higher interest rates.
- (e) This constitutes mainly our share of profits from Knight Frank group of companies in Singapore.
- (f) The higher deferred tax credit was mainly attributed to deferred tax asset recognised on the unutilised tax losses of HIRP, partially offset by deferred tax liability recognised on undistributed earnings of HIRP. Current tax expense was higher mainly due to higher taxable profits of SV and Cityview Apartments and Commercial Centre. The current tax expense of HIRP in 2H2023 and 12M2023 was fully offset by unutilised tax losses brought forward.
- (g) Foreign currency translation in other comprehensive income comprised exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency (Singapore Dollar); and the realisation of such exchange differences to profit or loss. The translation gain in 2H2023 was mainly attributed to stronger Thai Baht, partially offset by weaker Vietnamese Dong. The translation losses in 12M2023, 2H2022 and 12M2022 were mainly attributed to weaker Thai Baht, Vietnamese Dong and Laotian Kip.
- (h) These were mainly in respect of the fair value movements of the Group's investment in Xuzhou entities and unquoted equity securities classified under non-current assets as well as quoted debt securities classified under current assets.
- (i) The fair value movement in 2H2022 and 12M2022 was in respect of the Group's land and buildings arising from revaluation exercises carried out.

B. CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION

		Group		Company	
		31.12.2023	31.12.2022	31.12.2023	31.12.2022
Note		S\$'000	S\$'000	S\$'000	S\$'000
Non-current assets					
Property, plant and equipment	(a)	190,842	196,626	-	-
Intangible assets		28	31	-	-
Right-of-use asset		637	709	-	-
Subsidiary companies		-	-	295,615	295,455
Joint venture companies		33,949	34,312	-	-
Investment securities	(b)	1,809	4,033	-	-
Deferred tax assets	(c)	2,079	249	-	-
Investment in Xuzhou entities	(d)	49,710	51,943	-	-
		279,054	287,903	295,615	295,455
Current assets					
Investment securities	(e)	14,010	13,664	-	-
Inventories		134	224	-	-
Trade receivables		607	715	-	-
Other receivables		834	762	368	247
Prepayments		196	150	4	5
Amount due from a subsidiary company	(f)	-	-	901	-
Cash and short-term deposits		22,585	14,878	1,265	277
		38,366	30,393	2,538	529
Current liabilities					
Trade payables		1,808	1,732	-	-
Other payables and accruals		5,737	5,389	625	528
Provision for taxation		296	75	18	13
Lease liabilities		37	33	-	-
Loans and borrowings	(g)	13,617	20,007	10,419	9,400
		21,495	27,236	11,062	9,941
Net current assets/(liabilities)	(h)	16,871	3,157	(8,524)	(9,412)
Non-current liabilities					
Amount due to a subsidiary company		-	-	15,465	15,465
Lease liabilities		773	826	-	-
Loans and borrowings	(g)	9,322	3,432	392	1,160
Deferred tax liabilities		24,361	24,454	-	-
		34,456	28,712	15,857	16,625
Net assets		261,469	262,348	271,234	269,418
Equity attributable to shareholders of the Company					
Share capital		209,518	209,518	209,518	209,518
Reserves		(644)	2,025	61,716	59,900
		208,874	211,543	271,234	269,418
Non-controlling interests		52,595	50,805	-	-
Total equity		261,469	262,348	271,234	269,418

NOTES

- Apart from depreciation, the decrease was mainly attributed to weaker Thai Baht.
- The movement was due to decrease in fair value of the unquoted equity securities.
- The increase was mainly attributed to deferred tax asset recognised on unutilised tax losses of HIRP.
- The decrease in fair value of the Group's investment in Xuzhou entities was mainly due to weaker Renminbi.
- The movement was mainly due to increase in fair value of the quoted debt securities.
- The amount due from a subsidiary company comprised advances, management fee and payments made on behalf.
- The external borrowings of the Group decreased mainly due to instalment repayment of term loans. The increase in external borrowings of the Company was attributed to drawdowns by the Company from a revolving credit facility for working capital.
- The increase in net current assets of the Group was mainly due to higher cash flows from operating activities and the reclassification of a portion of term loans from current to non-current upon extension of repayment by the lender. The decrease in net current liabilities of the Company was mainly attributed to the amount due from a subsidiary company as mentioned in Note (f) above.

C. CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

	Group	
	12M2023	12M2022
	S\$'000	S\$'000
Cash flows from operating activities:		
Profit/(loss) before taxation	5,307	(565)
Adjustments for:		
Depreciation of property, plant and equipment	3,426	3,857
Depreciation of right-of-use asset	59	61
Gain on sale of property, plant and equipment	-	(10)
Property, plant and equipment written off	-	14
Gain on sale of investment securities	-	(9)
Share of results of joint venture companies	(1,858)	(3,267)
Amortisation of club memberships	3	3
Interest income	(1,480)	(1,176)
Finance costs	1,112	844
Expected credit losses on trade receivables	23	-
Unrealised foreign exchange differences	715	1,409
Operating profit before reinvestment in working capital	7,307	1,161
Decrease/(increase) in inventories	86	(114)
Increase in receivables and prepayments	(79)	(748)
Increase in payables	597	1,510
Cash flows from operations	7,911	1,809
Interest received	1,554	1,190
Interest paid	(1,061)	(708)
Income taxes paid	(175)	(207)
Net cash flows from operating activities	8,229	2,084
Cash flows from investing activities:		
Dividend received	2,475	2,200
Proceeds from sale of property, plant and equipment	-	12
Purchase of property, plant and equipment	(548)	(214)
Purchase of investment securities	(3,000)	(2,500)
Proceeds from sale of investment securities	3,000	2,506
Net cash flows from investing activities	1,927	2,004
Cash flows from financing activities:		
Proceeds from bank loans	5,792	2,013
Repayment of bank loans	(6,172)	(3,350)
Repayment of loans from a non-controlling interest	-	(114)
Repayment of lease liabilities	(103)	(103)
Fixed deposit discharged by a bank	54	-
Dividends paid to non-controlling interests	(1,349)	(313)
Net cash flows used in financing activities	(1,778)	(1,867)
Net increase in cash and cash equivalents	8,378	2,221
Effects of exchange rate changes on cash and cash equivalents	(617)	(759)
Cash and cash equivalents at beginning of year	14,824	13,362
Cash and cash equivalents at end of year	22,585	14,824
NOTES		
Cash and cash equivalents comprised the following amounts:		
Fixed deposits	7,967	7,552
Cash and bank balances	14,618	7,326
Cash and short-term deposits per Consolidated Statement of Financial Position	22,585	14,878
Less : Fixed deposit pledged	-	(54)
Cash and cash equivalents per Consolidated Statement of Cash Flows	22,585	14,824

D. CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY

Group	-----Attributable to shareholders of the Company-----						Non-controlling	Total
	Share capital S\$'000	Capital and other reserves S\$'000	Legal reserve S\$'000	Foreign currency translation reserve S\$'000	Asset revaluation reserve S\$'000	Other reserves (#) S\$'000	interests S\$'000	equity S\$'000
12M2023								
As at 1 January 2023	209,518	40,124	30	(8,244)	49,412	(1,074)	2,025	262,348
Profit for the year	-	-	-	-	-	-	2,644	6,532
Other comprehensive income for the year, net of tax	-	(5,646)	-	(1,658)	79	(4,067)	(5,646)	(6,395)
Total comprehensive income for the year	-	(5,646)	-	(1,658)	79	(4,067)	(3,002)	137
<i>Others</i>								
Dividends paid to non-controlling interests	-	-	-	-	-	-	(1,349)	(1,349)
Transfer from asset revaluation reserve and foreign currency translation reserve to accumulated losses (*)	-	(3,998)	-	(501)	(3,497)	-	-	-
Share of reserves of a joint venture company	-	54	-	-	-	54	54	54
Increase in net assets of a joint venture company	-	-	-	-	-	-	279	279
Total others	-	(3,944)	-	(501)	(3,497)	54	333	(1,016)
As at 31 December 2023	209,518	30,534	30	(10,403)	45,994	(5,087)	(644)	261,469
12M2022								
As at 1 January 2022	209,518	46,302	30	(965)	47,742	(505)	12,448	274,051
Loss for the year	-	-	-	-	-	-	(553)	(631)
Other comprehensive income for the year, net of tax	-	(10,110)	-	(6,305)	1,670	(5,475)	(10,110)	(10,885)
Total comprehensive income for the year	-	(10,110)	-	(6,305)	1,670	(5,475)	(853)	(11,516)
<i>Others</i>								
Dividend paid to a non-controlling interest	-	-	-	-	-	-	(313)	(313)
Repayment of loans from a non-controlling interest	-	-	-	-	-	-	(114)	(114)
Transfer from foreign currency translation reserve to fair value adjustment reserve and accumulated losses (^)	-	3,926	-	(974)	-	4,900	-	-
Share of reserves of a joint venture company	-	6	-	-	-	6	(7)	(7)
Increase in net assets of a joint venture company	-	-	-	-	-	-	247	247
Total others	-	3,932	-	(974)	-	4,906	240	(187)
As at 31 December 2022	209,518	40,124	30	(8,244)	49,412	(1,074)	2,025	262,348

#: Other reserves comprise fair value adjustment reserve which is used to record the cumulative net change in fair value of financial assets and share of reserves of a joint venture company.

*: This transfer relates to the utilisation of asset revaluation reserve by a subsidiary company to offset its accumulated losses.

^: This transfer relates to the realisation of foreign currency translation loss and subsequent measurement of the Group's investment in Xuzhou entities at fair value through other comprehensive income in accordance with SFRS(I) 9 *Financial Instruments*.

D. CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY (Continued)

Company	Share capital S\$'000	Revenue reserve S\$'000	Total equity S\$'000
<u>12M2023</u>			
As at 1 January 2023	209,518	59,900	269,418
Profit for the year, representing total comprehensive income for the year	-	1,816	1,816
As at 31 December 2023	209,518	61,716	271,234
<u>12M2022</u>			
As at 1 January 2022	209,518	58,186	267,704
Profit for the year, representing total comprehensive income for the year	-	1,714	1,714
As at 31 December 2022	209,518	59,900	269,418

1. Corporate information

AF Global Limited (the "Company") is a limited liability company incorporated and domiciled in Singapore and listed on Singapore Exchange Securities Trading Limited ("SGX-ST").

These condensed interim consolidated financial statements as at, for the second half-year and full year ended 31 December 2023 comprised the Company and its subsidiaries (collectively, the "Group").

The principal activities of the Company are investment holding and the provision of management services to its subsidiary companies. The subsidiary and joint venture companies invest in properties, develop properties for sale, provide a full suite of real estate consultancy services and own and operate hotels and serviced residences.

2. Basis of preparation

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

The accounting policies and methods of computation adopted are consistent with those of the previous financial year except in the current financial year, the Group has adopted all new and amendments to SFRS(I) relevant to the Group's operations which are effective for annual periods beginning on 1 January 2023. The adoption of these standards did not result in any significant impact on the financial performance or financial position of the Group and the Company.

The condensed interim financial statements are presented in Singapore Dollars ("SGD" or "S\$") and all values are rounded to the nearest thousand (S\$'000) unless otherwise stated.

2.1 New and amendments to SFRS(I) adopted

A number of amendments to SFRS(I) have become applicable for the current financial year. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

2.2 Significant accounting estimates and judgments

In preparing the condensed interim financial statements, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of revenues, expenses, assets and liabilities. Actual results may differ from these estimates.

Except for the valuation assessment of investment in XZYJLC as disclosed in Note 13(i), the significant judgments 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 December 2022.

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

3. Seasonal operations

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

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (Continued)

4. Segment information

For management purposes, the Group is organised into business units based on the nature of products and services provided.

The reportable operating segments are as follows:

The property segment relates to project and property management, real estate consultancy services, investment in properties and development of properties for sale.

The hotel and serviced residence segment relates to ownership and operation of hotels and serviced residences.

The others segment relates mainly to investment holding activities.

	Group			
	Property	Hotel and serviced residence	Others	Consolidated
	S\$'000	S\$'000	S\$'000	S\$'000
2H2023				
Segment revenue				
Total segment sales	-	13,559	3,137	16,696
Inter-segment sales	-	-	(2,695)	(2,695)
Revenue	-	13,559	442	14,001
Segment results	(26)	2,769	(318)	2,425
Finance costs	-	(243)	(311)	(554)
Share of results of joint venture companies	789	-	-	789
Profit/(loss) before taxation	763	2,526	(629)	2,660
Taxation	-	1,397	(20)	1,377
Profit/(loss) for the period	763	3,923	(649)	4,037
Segment assets	162	214,204	1,497	215,863
Investment in joint venture companies	33,949	-	-	33,949
Investment securities	-	-	15,819	15,819
Deferred tax assets	-	2,079	-	2,079
Investment in Xuzhou entities	49,710	-	-	49,710
Total assets	83,821	216,283	17,316	317,420
Segment liabilities	102	7,552	701	8,355
Loans and borrowings	-	12,128	10,811	22,939
Tax liabilities	53	24,522	82	24,657
Total liabilities	155	44,202	11,594	55,951
Other segment information:				
Capital expenditures	-	363	-	363
Depreciation of property, plant and equipment	-	1,649	-	1,649
Depreciation of right-of-use asset	-	29	-	29
Amortisation expenses	-	2	-	2
Interest income	-	503	442	945

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (Continued)
4. Segment information (continued)

	Group			
	Property	Hotel and serviced residence	Others	Consolidated
	S\$'000	S\$'000	S\$'000	S\$'000
2H2022				
Segment revenue				
Total segment sales	-	9,867	3,067	12,934
Inter-segment sales	-	-	(2,636)	(2,636)
Revenue	-	9,867	431	10,298
Segment results	(352)	326	(234)	(260)
Finance costs	-	(227)	(250)	(477)
Share of results of joint venture companies	1,790	-	-	1,790
Profit/(loss) before taxation	1,438	99	(484)	1,053
Taxation	-	226	12	238
Profit/(loss) for the period	1,438	325	(472)	1,291
Segment assets	60	213,579	456	214,095
Investment in joint venture companies	34,312	-	-	34,312
Investment securities	-	-	17,697	17,697
Deferred tax assets	-	229	20	249
Investment in Xuzhou entities	51,943	-	-	51,943
Total assets	86,315	213,808	18,173	318,296
Segment liabilities	667	6,706	607	7,980
Loans and borrowings	-	12,879	10,560	23,439
Tax liabilities	53	24,461	15	24,529
Total liabilities	720	44,046	11,182	55,948
Other segment information:				
Capital expenditures	-	141	-	141
Depreciation of property, plant and equipment	-	1,851	-	1,851
Depreciation of right-of-use asset	-	31	-	31
Amortisation expenses	-	2	-	2
Interest income	-	176	435	611
Property, plant and equipment written off	-	13	-	13

4. Segment information (continued)

	Group			
	Property	Hotel and serviced residence	Others	Consolidated
	S\$'000	S\$'000	S\$'000	S\$'000
12M2023				
Segment revenue				
Total segment sales	-	27,504	3,924	31,428
Inter-segment sales	-	-	(3,052)	(3,052)
Revenue	-	27,504	872	28,376
Segment results	(158)	5,211	(492)	4,561
Finance costs	-	(504)	(608)	(1,112)
Share of results of joint venture companies	1,858	-	-	1,858
Profit/(loss) before taxation	1,700	4,707	(1,100)	5,307
Taxation	-	1,255	(30)	1,225
Profit/(loss) for the year	1,700	5,962	(1,130)	6,532
Segment assets	162	214,204	1,497	215,863
Investment in joint venture companies	33,949	-	-	33,949
Investment securities	-	-	15,819	15,819
Deferred tax assets	-	2,079	-	2,079
Investment in Xuzhou entities	49,710	-	-	49,710
Total assets	83,821	216,283	17,316	317,420
Segment liabilities	102	7,552	701	8,355
Loans and borrowings	-	12,128	10,811	22,939
Tax liabilities	53	24,522	82	24,657
Total liabilities	155	44,202	11,594	55,951
Other segment information:				
Capital expenditures	-	548	-	548
Depreciation of property, plant and equipment	-	3,426	-	3,426
Depreciation of right-of-use asset	-	59	-	59
Amortisation expenses	-	3	-	3
Interest income	-	608	872	1,480

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (Continued)
4. Segment information (continued)

	Group			
	Property	Hotel and serviced residence	Others	Consolidated
	S\$'000	S\$'000	S\$'000	S\$'000
12M2022				
Segment revenue				
Total segment sales	-	15,384	3,771	19,155
Inter-segment sales	-	-	(2,915)	(2,915)
Revenue	-	15,384	856	16,240
Segment results	(450)	(2,114)	(424)	(2,988)
Finance costs	-	(444)	(400)	(844)
Share of results of joint venture companies	3,267	-	-	3,267
Profit/(loss) before taxation	2,817	(2,558)	(824)	(565)
Taxation	-	(53)	(13)	(66)
Profit/(loss) for the year	2,817	(2,611)	(837)	(631)
Segment assets	60	213,579	456	214,095
Investment in joint venture companies	34,312	-	-	34,312
Investment securities	-	-	17,697	17,697
Deferred tax assets	-	229	20	249
Investment in Xuzhou entities	51,943	-	-	51,943
Total assets	86,315	213,808	18,173	318,296
Segment liabilities	667	6,706	607	7,980
Loans and borrowings	-	12,879	10,560	23,439
Tax liabilities	53	24,461	15	24,529
Total liabilities	720	44,046	11,182	55,948
Other segment information:				
Capital expenditures	-	214	-	214
Depreciation of property, plant and equipment	-	3,857	-	3,857
Depreciation of right-of-use asset	-	61	-	61
Amortisation expenses	-	3	-	3
Interest income	-	316	860	1,176
Property, plant and equipment written off	-	14	-	14

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (Continued)

5. Revenue

Segments	Group					
	Hotel and serviced residence		Others		Total	
	2H2023 S\$'000	2H2022 S\$'000	2H2023 S\$'000	2H2022 S\$'000	2H2023 S\$'000	2H2022 S\$'000
Primary geographical markets						
Singapore	-	-	442	431	442	431
Thailand	11,574	8,100	-	-	11,574	8,100
Vietnam	766	798	-	-	766	798
Lao People's Democratic Republic	1,219	969	-	-	1,219	969
	13,559	9,867	442	431	14,001	10,298
Major product or service lines						
Revenue from room, food and beverage and services rendered	13,131	9,456	-	-	13,131	9,456
Rental income	428	411	-	-	428	411
Interest income	-	-	442	431	442	431
	13,559	9,867	442	431	14,001	10,298
Timing of transfer of goods or services						
At a point in time	13,131	9,456	442	431	13,573	9,887
Over time	428	411	-	-	428	411
	13,559	9,867	442	431	14,001	10,298
	12M2023 S\$'000	12M2022 S\$'000	12M2023 S\$'000	12M2022 S\$'000	12M2023 S\$'000	12M2022 S\$'000
Primary geographical markets						
Singapore	-	-	872	856	872	856
Thailand	23,632	12,211	-	-	23,632	12,211
Vietnam	1,576	1,670	-	-	1,576	1,670
Lao People's Democratic Republic	2,296	1,503	-	-	2,296	1,503
	27,504	15,384	872	856	28,376	16,240
Major product or service lines						
Revenue from room, food and beverage and services rendered	26,659	14,530	-	-	26,659	14,530
Rental income	845	854	-	-	845	854
Interest income	-	-	872	856	872	856
	27,504	15,384	872	856	28,376	16,240
Timing of transfer of goods or services						
At a point in time	26,659	14,530	872	856	27,531	15,386
Over time	845	854	-	-	845	854
	27,504	15,384	872	856	28,376	16,240

A breakdown of sales:

	Group		
	12M2023 S\$'000	12M2022 S\$'000	Change %
Sales reported for first half year	14,375	5,942	142
Operating profit/(loss) after taxation before deducting non-controlling interests reported for first half year	2,495	(1,922)	NM
Sales reported for second half year	14,001	10,298	36
Operating profit after taxation before deducting non-controlling interests reported for second half year	4,037	1,291	213

'NM': Not meaningful.

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (Continued)

6. Related party disclosures

	Group			
	2H2023	2H2022	12M2023	12M2022
	S\$'000	S\$'000	S\$'000	S\$'000
Related parties				
<i>Aspial Corporation Limited and its subsidiary companies:</i>				
Interest income received	442	431	872	856
Recharge of staff cost and rental receivable	74	57	74	57
Purchase of investment securities	(3,000)	-	(3,000)	(2,500)
Corporate service fee paid	(226)	(228)	(451)	(456)
Rental and maintenance expenses paid	(86)	(88)	(172)	(182)
<i>Fragrance Group Limited[#] and its subsidiary companies:</i>				
Facilities management fee received by a joint venture company of the Group*	56	66	111	154
Agency commission received by a joint venture company of the Group*	-	-	-	13

a company in which Mr Koh Wee Meng has an interest of 30% or more. Mr Koh Wee Seng, a controlling shareholder of the Company, and Mr Koh Wee Meng are siblings.

* based on the Group's effective interest in the transactions.

7. Taxation

The major components of income tax (credit)/expense were:

	Group			
	2H2023	2H2022	12M2023	12M2022
	S\$'000	S\$'000	S\$'000	S\$'000
Current tax				
- Current year	764	81	1,479	201
- Benefits from previously unrecognised tax losses	(490)	-	(1,063)	-
- Under/(over) provision in respect of prior year	-	2	(1)	2
	274	83	415	203
Deferred tax				
- Origination and reversal of temporary differences	190	(323)	201	(139)
- Benefits from previously unrecognised tax losses	(1,841)	-	(1,841)	-
- Under provision in respect of prior year	-	2	-	2
	(1,651)	(321)	(1,640)	(137)
Income tax (credit)/expense recognised in profit or loss	(1,377)	(238)	(1,225)	66

8. Net asset value

	Group		Company	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022
	S\$	S\$	S\$	S\$
Net asset value per ordinary share attributable to shareholders of the Company	0.20	0.20	0.26	0.26

9. Property, plant and equipment

During the half-year ended 31 December 2023, the Group acquired assets amounting to S\$363,000 (31 December 2022: S\$141,000). In the half-year ended 31 December 2022, the Group disposed of assets with net book value amounting to S\$15,000.

During the year ended 31 December 2023, the Group acquired assets amounting to S\$548,000 (2022: S\$214,000). In the year ended 31 December 2022, the Group disposed of assets with net book value amounting to S\$16,000.

10. Investment securities / Investment in Xuzhou entities

At fair value through other comprehensive income:

	Group	
	31.12.2023	31.12.2022
	S\$'000	S\$'000
Non-current		
Unquoted equity securities	1,809	4,033
Investment in XZYJLC	48,688	50,627
Investment in Xuzhou RE Sales Co., Ltd ("XZRES")	1,022	1,316
Current		
Quoted debt securities	14,010	13,664

At the end of the financial year, the fair value of the unquoted equity securities, investment in XZYJLC and XZRES decreased by S\$2,224,000, S\$1,939,000 and S\$294,000 respectively with the corresponding adjustments to fair value adjustment reserve.

11. Loans and borrowings

	Group		Company	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022
	S\$'000	S\$'000	S\$'000	S\$'000
Repayable within 12 months				
Secured	9,848	16,257	6,650	5,650
Unsecured	3,769	3,750	3,769	3,750
Repayable after 12 months				
Secured	8,930	2,272	-	-
Unsecured	392	1,160	392	1,160
	<u>22,939</u>	<u>23,439</u>	<u>10,811</u>	<u>10,560</u>

Details of the Group's secured borrowings comprised:

- (i) A revolving credit facility of S\$6,650,000 secured by a pledge of shares of a company in the Group.
- (ii) Four term loans aggregating S\$11,354,000 secured by a mortgage on the freehold land and buildings owned by a company in the Group.
- (iii) A term loan of S\$774,000 secured by a corporate guarantee of the Company.

12. Share capital
Ordinary shares of the Company:

	No. of shares		Share capital	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022
	'000	'000	S\$'000	S\$'000
Balance at beginning and end	1,055,639	1,055,639	209,518	209,518

There was no change in the Company's share capital since the end of the previous period reported on up to the end of the current financial year. The Company's issued and fully paid-up shares as at 31 December 2023 comprised 1,055,639,464 (31 December 2022: 1,055,639,464) ordinary shares with voting rights.

The Company has no treasury shares, subsidiary holdings or outstanding convertibles as at 31 December 2023 and 31 December 2022.

13. Fair value of assets and liabilities

The Group categorises fair value measurement using a fair value hierarchy that is dependent on the valuation inputs used as follows:

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

Fair value measurements that use inputs of different hierarchy levels are categorised in their entirety at the same level of the fair value hierarchy as the lowest input that is significant to the entire measurement.

Assets and liabilities measured at fair values

The following table shows an analysis of the Group's assets and liabilities measured at fair value at the end of the reporting period:

	Group			
	Quoted prices in active markets for identical instruments (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
	S\$'000	S\$'000	S\$'000	S\$'000
31.12.2023				
Non-financial asset				
Property, plant and equipment	-	-	184,496	184,496
Financial assets				
Investment securities / Investment in Xuzhou entities				
- Unquoted equity securities	-	-	1,809	1,809
- Investment in XZYJLC	-	-	48,688	48,688
- Investment in XZRES	-	-	1,022	1,022
- Quoted debt securities	14,010	-	-	14,010
31.12.2022				
Non-financial asset				
Property, plant and equipment	-	-	189,039	189,039
Financial assets				
Investment securities / Investment in Xuzhou entities				
- Unquoted equity securities	-	-	4,033	4,033
- Investment in XZYJLC	-	-	50,627	50,627
- Investment in XZRES	-	-	1,316	1,316
- Quoted debt securities	13,664	-	-	13,664

Fair value hierarchy

There were no transfers between Level 1, Level 2 and Level 3 fair value measurements.

13. Fair value of assets and liabilities (continued)**Assets and liabilities measured at fair values (continued)****Level 3 fair value measurements****(i) Information about significant unobservable inputs used in Level 3 fair value measurements**

The following table shows the information about fair value measurements using significant unobservable inputs (Level 3):

Description	Fair value S\$'000	Valuation techniques	Unobservable inputs	Range
Recurring fair value measurements				
31.12.2023				
Property, plant and equipment	126,669	Income approach	Discount rate	9.50% to 15.00% per annum
Property, plant and equipment	57,827	Market comparable approach	Yield adjustments based on management's assumptions*	+15.00% to -42.00% per annum
Unquoted equity securities	1,809	Market comparison technique	Adjusted market multiple	0.70 to 3.10 Price-to-book value ratio
31.12.2022				
Property, plant and equipment	130,567	Income approach	Discount rate	9.50% to 15.00% per annum
Property, plant and equipment	58,472	Market comparable approach	Yield adjustments based on management's assumptions*	+15.00% to -42.00% per annum
Unquoted equity securities	4,033	Market comparison technique	Adjusted market multiple	0.69 to 3.82 Price-to-book value ratio

* The yield adjustments are made for any difference in the nature, location or condition of specific property.

The key assumptions used in fair value measurements are based on the relevant market conditions prevailing at the end of the reporting period.

The carrying amounts of property, plant and equipment does not differ materially from that which would be determined using fair value at the end of the reporting period.

For investment in XZYJLC, management has assessed the risk-adjusted present value of the estimated share of liquidation proceeds expected by the Group upon the compulsory liquidation of the investee to be the best reasonable estimate of the fair value. In assessing the fair value of the investment in XZRES, management had considered the Net Asset Value ("NAV") of the entity based on its latest available financial statements as at 31 December 2022. The NAV is primarily driven by the receivables from XZYJLC.

A significant decrease/(increase) in the discount rate would result in a significantly higher/(lower) fair value of the property, plant and equipment. A 0.5% decrease/increase in the discount rate based on management's assumptions would result in a S\$4,720,000 higher/S\$4,648,000 lower fair value measurement of the property, plant and equipment valued using income approach.

A significant increase/(decrease) in the adjusted market multiple would result in a significantly higher/(lower) fair value of the unquoted equity securities. A 5% increase/decrease in the adjusted price multiple based on management's assumptions would result in a S\$90,000 higher/lower fair value measurement of the unquoted equity securities.

13. Fair value of assets and liabilities (continued)**Assets and liabilities measured at fair values (continued)****Level 3 fair value measurements (continued)****(i) Information about significant unobservable inputs used in Level 3 fair value measurements (continued)**

A significant decrease/(increase) in the discount rate would result in a significantly higher/(lower) fair value of the investment in XZYJLC. A 5% decrease/increase in the discount rate based on management's assumptions would result in a S\$5,031,000 higher/lower fair value measurement of the investment in XZYJLC valued using risk-adjusted present value of the estimated share of liquidation proceeds.

A 1%/2% increase in the time value of money discount rate would result in a S\$939,000 lower/S\$1,853,000 lower fair value measurement of the investment in XZYJLC respectively, valued using risk-adjusted present value of the estimated share of liquidation proceeds.

(ii) Movements in Level 3 assets and liabilities measured at fair value

The following table presents the reconciliation for all assets and liabilities measured at fair value based on significant unobservable inputs (Level 3):

	Group
	Fair value measurements using significant unobservable inputs (Level 3)
	S\$'000
Property, plant and equipment	
Balance at 1 January 2023	189,039
Additions	110
Depreciation	(1,832)
Currency realignment	(2,821)
Balance at 31 December 2023	<u>184,496</u>
Balance at 1 January 2022	197,845
Additions	6
Depreciation	(2,107)
Surplus on revaluation	3,615
Currency realignment	(10,320)
Balance at 31 December 2022	<u>189,039</u>

The Directors oversee the valuation process and are responsible for the Group's valuation policies and procedures.

For all significant valuations using valuation models and significant unobservable inputs, it is the Group's policy to engage independent valuation specialists to perform the valuation. The Directors are responsible for selecting and engaging independent valuation specialists that possess the relevant credentials and knowledge on the subject of valuation, valuation methodologies and SFRS(I) 13 fair value measurement guidance.

For valuations performed by independent valuation specialists, the Directors review the appropriateness of the valuation methodologies and assumptions adopted. The Directors also evaluate the appropriateness and reliability of the inputs (including those developed internally by the Group) used in the valuations.

14. Classification of assets and liabilities

	Group			
	Assets at amortised cost S\$'000	Fair value through other comprehen- sive income S\$'000	Non-financial assets S\$'000	Total S\$'000
31.12.2023				
Assets				
Non-current				
Property, plant and equipment	-	-	190,842	190,842
Intangible assets	-	-	28	28
Right-of-use asset	-	-	637	637
Joint venture companies	-	-	33,949	33,949
Investment securities	-	1,809	-	1,809
Deferred tax assets	-	-	2,079	2,079
Investment in Xuzhou entities	-	49,710	-	49,710
Current				
Investment securities	-	14,010	-	14,010
Inventories	-	-	134	134
Trade and other receivables	1,441	-	-	1,441
Prepayments	-	-	196	196
Cash and short-term deposits	22,585	-	-	22,585
	<u>24,026</u>	<u>65,529</u>	<u>227,865</u>	<u>317,420</u>
		Liabilities at amortised cost S\$'000	Non-financial liabilities S\$'000	Total S\$'000
31.12.2023				
Liabilities				
Current				
Trade and other payables		7,545	-	7,545
Provision for taxation		-	296	296
Lease liabilities		37	-	37
Loans and borrowings		13,617	-	13,617
Non-current				
Lease liabilities		773	-	773
Loans and borrowings		9,322	-	9,322
Deferred tax liabilities		-	24,361	24,361
		<u>31,294</u>	<u>24,657</u>	<u>55,951</u>

14. Classification of assets and liabilities (continued)

	Group			
	Assets at amortised cost S\$'000	Fair value through other comprehen- sive income S\$'000	Non-financial assets S\$'000	Total S\$'000
31.12.2022				
Assets				
Non-current				
Property, plant and equipment	-	-	196,626	196,626
Intangible assets	-	-	31	31
Right-of-use asset	-	-	709	709
Joint venture companies	-	-	34,312	34,312
Investment securities	-	4,033	-	4,033
Deferred tax assets	-	-	249	249
Investment in Xuzhou entities	-	51,943	-	51,943
Current				
Investment securities	-	13,664	-	13,664
Inventories	-	-	224	224
Trade and other receivables	1,477	-	-	1,477
Prepayments	-	-	150	150
Cash and short-term deposits	14,878	-	-	14,878
	<u>16,355</u>	<u>69,640</u>	<u>232,301</u>	<u>318,296</u>
		Liabilities at amortised cost S\$'000	Non-financial liabilities S\$'000	Total S\$'000
31.12.2022				
Liabilities				
Current				
Trade and other payables		7,121	-	7,121
Provision for taxation		-	75	75
Lease liabilities		33	-	33
Loans and borrowings		20,007	-	20,007
Non-current				
Lease liabilities		826	-	826
Loans and borrowings		3,432	-	3,432
Deferred tax liabilities		-	24,454	24,454
		<u>31,419</u>	<u>24,529</u>	<u>55,948</u>

14. Classification of assets and liabilities (continued)

	Company		
	Assets at amortised cost S\$'000	Non-financial assets S\$'000	Total S\$'000
31.12.2023			
Assets			
Non-current			
Subsidiary companies	-	295,615	295,615
Current			
Other receivables	368	-	368
Prepayments	-	4	4
Amount due from a subsidiary company	901	-	901
Cash and short-term deposits	1,265	-	1,265
	<u>2,534</u>	<u>295,619</u>	<u>298,153</u>
	Liabilities at amortised cost S\$'000	Non-financial liability S\$'000	Total S\$'000
31.12.2023			
Liabilities			
Current			
Other payables and accruals	625	-	625
Provision for taxation	-	18	18
Loans and borrowings	10,419	-	10,419
Non-current			
Amount due to a subsidiary company	15,465	-	15,465
Loans and borrowings	392	-	392
	<u>26,901</u>	<u>18</u>	<u>26,919</u>
	Assets at amortised cost S\$'000	Non-financial assets S\$'000	Total S\$'000
31.12.2022			
Assets			
Non-current			
Subsidiary companies	-	295,455	295,455
Current			
Other receivables	247	-	247
Prepayments	-	5	5
Cash and short-term deposits	277	-	277
	<u>524</u>	<u>295,460</u>	<u>295,984</u>
	Liabilities at amortised cost S\$'000	Non-financial liability S\$'000	Total S\$'000
31.12.2022			
Liabilities			
Current			
Other payables and accruals	528	-	528
Provision for taxation	-	13	13
Loans and borrowings	9,400	-	9,400
Non-current			
Amount due to a subsidiary company	15,465	-	15,465
Loans and borrowings	1,160	-	1,160
	<u>26,553</u>	<u>13</u>	<u>26,566</u>

15. Subsequent event

On 10 January 2024, the Group entered into a shares sale and purchase agreement to sell its entire equity stake in a wholly-owned subsidiary company that owns freehold land in Phuket, Thailand. Concurrently, the Group had also entered into an asset sale and purchase agreement to sell its properties, held by another subsidiary company, that are adjacent to the aforementioned freehold land in Phuket, Thailand. The aggregate consideration, subject to adjustments at completion, is approximately Thai Baht 1,600,000,000 (or S\$61,600,000) for the proposed disposals. As at the end of the reporting period, the estimated loss on disposal is approximately S\$5,597,000. The estimated loss on disposal may be subject to changes and fluctuations in exchange rate up to the date of completion.

Para**2 Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.**

The figures in this announcement have not been audited or reviewed by the Company's auditor.

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

Not applicable.

3A 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.

8 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.

Revenue

Revenue of the Group for 2H2023 of S\$14.0 million was S\$3.7 million higher than 2H2022. For 12M2023, the revenue of S\$28.4 million was S\$12.1 million higher than 12M2022.

Hotel and Serviced Residence

Revenue of S\$13.6 million for 2H2023 was S\$3.7 million higher than 2H2022. For 12M2023, the revenue of S\$27.5 million was S\$12.1 million higher than 12M2022.

The higher revenue in both 2H2023 and 12M2023 was mainly attributed to higher occupancies and room rates of Holiday Inn Resort Phuket ("HIRP") and Somerset Vientiane ("SV") with the reopening of borders worldwide.

The revenue of Cityview Apartments and Commercial Centre ("CV") was comparable in both 2H2023 and 12M2023.

Others

The revenues of S\$0.4 million for 2H2023 and S\$0.9 million for 12M2023 were comparable with 2H2022 and 12M2022 respectively.

Property

No revenue was recorded in both 2H2023 and 12M2023 and the corresponding periods last year.

Para**8 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.**

Profit/(Loss) Before Tax

The Group's pre-tax profit for 2H2023 of S\$2.7 million was S\$1.6 million higher than 2H2022. In 12M2023, the Group generated a pre-tax profit of S\$5.3 million compared to a pre-tax loss of S\$0.6 million in 12M2022.

Hotel and Serviced Residence

This sector's pre-tax profit of S\$2.5 million in 2H2023 was S\$2.4 million higher than 2H2022. This was mainly attributed to higher revenues of HIRP and SV, higher fixed deposit interest income, and lower foreign currency loss. Due to stronger Thai Baht in 2H2023, there was an exchange gain arising from SGD denominated inter-company interest payable compared to an exchange loss in 2H2022.

This sector generated a pre-tax profit of S\$4.7 million in 12M23 compared to a pre-tax loss of S\$2.6 million in 12M2022. This was mainly attributed to higher revenues of HIRP and SV, higher fixed deposit interest income, and lower foreign currency loss on SGD denominated inter-company interest payable due to lower depreciation of Thai Baht against Singapore Dollar.

Others

Corporate office's pre-tax losses of S\$0.6 million in 2H2023 and S\$1.1 million in 12M2023 were S\$0.1 million and S\$0.3 million higher than 2H2022 and 12M2022 respectively. The higher pre-tax losses were mainly due to higher interest rates on borrowings and higher headcount.

Property

This sector's pre-tax profits of S\$0.8 million in 2H2023 and S\$1.7 million in 12M2023 were S\$0.7 million and S\$1.1 million lower than 2H2022 and 12M2022 respectively. The lower pre-tax profits were mainly attributed to lower share of profits from Knight Frank group of companies.

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

Not applicable.

10 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.

The Group's hospitality assets demonstrated notable resilience in 2023, exceeding our expectations in key performance indicators including room rates, occupancy, and profitability. Given the current business landscape and market sentiments, we anticipate further improvements in both room rates and occupancy. This outlook is bolstered by tourist arrivals inching closer to pre-pandemic levels. The recent visa-free arrangements for Chinese nationals are expected to further rejuvenate Chinese travel to Thailand. Additionally, the Group is witnessing an influx of tourists from varied geographical regions, diversifying our guest sources, and reducing reliance on our traditionally key markets.

The Group is committed to pursuing selective asset enhancement strategies for our current holdings, while actively exploring new opportunities through strategic acquisitions and divestments in the pursuit of creating value and facilitating capital recycling to enhance yields within our portfolio. On this note, we announced the signing of a Sale & Purchase Agreement on 10 January 2024 for the divestment of our asset in Rawai, Phuket which marks a significant step in our portfolio optimization strategy. This transaction is subject to various terms and conditions, including the fulfilment of certain condition precedents before completion can take place. The Group will provide updates on any significant developments regarding this transaction.

In another significant development, following the relevant Chinese Court's approval of our liquidation application on 25 September 2023, a legal firm has been appointed as a liquidator to oversee the liquidation of the Group's Joint Venture company in China (JVCo). The court appointed liquidator has assumed full control of the JVCo's bank accounts, company seals, stamps and assets. The compulsory liquidation is in process and the Group will provide updates as and when there are any material developments.

Para

11 Dividend.

(a) Current Financial Period Reported On.

Any dividend declared for the current financial period reported on?

None.

(b) Corresponding Period of the Immediately Preceding Financial Year.

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

None.

(c) Date payable.

Not applicable.

(d) Record date.

Not applicable.

12 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 current financial period reported on as the Board of Directors deemed it necessary to preserve cash for working capital.

13 Confirmation pursuant to Rule 920(1)(a)(ii) of the Listing Manual.

The Company does not have a general mandate from shareholders for interested person transactions.

15 Confirmation pursuant to Rule 720(1) of the Listing Manual.

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

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

The factors leading to material changes in contributions to revenue and earnings by the business segments have been explained in paragraph 8 above.

Para

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

	Company	
	Year Ended 31.12.2023	Year Ended 31.12.2022
	S\$'000	S\$'000
Ordinary	-	-
Preference	-	-
Total	-	-

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

The Company confirms that, to the best of its knowledge, belief and information, none of the persons occupying managerial positions in the Company or any of its principal subsidiaries is a relative of a director or the chief executive officer or substantial shareholder of the Company.

BY ORDER OF THE BOARD
Lim Swee Ann
Company Secretary

22 February 2024