

**BONVESTS HOLDINGS LIMITED AND ITS SUBSIDIARIES**

Company Registration No. 196900282M

Unaudited Interim Financial Statements for the Period Ended 30 June 2022

Part I INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

1(a) Condensed interim consolidated statement of profit or loss and other comprehensive income

	Group		Increase/ (Decrease)
	Period Ended		
	30/06/22	30/06/21	
	S\$'000	S\$'000	%
Revenue (Note 1a(i))	93,168	59,943	55.4
Other income and other gains/(losses)			
- Interest	167	124	34.7
- Other income (Note 1a(ii))	1,610	5,888	(72.7)
- Other gains/(losses) (Note 1a(ii))	976	(75)	Nm
Changes in inventories of finished goods	762	(326)	Nm
Materials and consumables purchased (Note 1a(iii))	(10,134)	(4,023)	151.9
Employee benefit costs (Note 1a(iv))	(31,820)	(28,201)	12.8
Depreciation expenses (Note 1a(v))	(14,855)	(15,818)	(6.1)
(Impairment loss)/write-back on financial assets	(4)	6	Nm
Other operating expenses (Note 1a(ii))	(29,809)	(21,351)	39.6
Finance costs (Note 1a(vi))	(3,621)	(3,104)	16.7
Profit/(loss) before income tax	<u>6,440</u>	<u>(6,937)</u>	Nm
Income tax expense (Note 1a(viii))	(1,652)	(350)	371.9
Total profit/(loss)	<u><u>4,788</u></u>	<u><u>(7,287)</u></u>	Nm
Other comprehensive income/(loss):			
Items that may be reclassified subsequently to profit or loss :			
Currency translation (losses)/gains arising from consolidation (Note 1a(ix))	(161)	2,440	Nm
Items that will not be reclassified subsequently to profit or loss :			
Currency translation (losses)/gains arising from consolidation	(6)	(3)	87.0
Remeasurement of retirement benefits, net of tax	(117)	-	Nm
Financial assets at fair value through other comprehensive income			
- Fair value losses - equity investments	(1,493)	(114)	1,210.1
Other comprehensive (loss)/income, net of tax	<u>(1,777)</u>	<u>2,323</u>	Nm
Total comprehensive income/(loss)	<u><u>3,011</u></u>	<u><u>(4,964)</u></u>	Nm
Profit/(loss) attributable to:			
Equity holders of the Company	4,958	(7,338)	Nm
Non-controlling interests	(170)	51	Nm
	<u>4,788</u>	<u>(7,287)</u>	Nm
Total comprehensive income/(loss) attributable to:			
Equity holders of the Company	3,187	(5,012)	Nm
Non-controlling interests	(176)	48	Nm
	<u>3,011</u>	<u>(4,964)</u>	Nm
Earnings/(loss) per share attributable to equity holders of the Company (expressed in cents per share)			
- Basic	1.235	(1.828)	
- Diluted	1.235	(1.828)	

Nm denotes Not meaningful

Explanatory Notes

Note 1a(i) Revenue

	Group	
	Period Ended	
	30/06/22	30/06/21
	S\$'000	S\$'000
Revenue from contracts with customers:		
Hotel operations	62,899	28,225
Waste disposal and contract cleaning services	20,269	20,733
Car parking fees and service charge	1,287	1,280
Food and beverage operations	160	1,119
	<u>84,615</u>	<u>51,357</u>
Other revenue:		
Rental income	8,525	8,558
Dividend income	28	28
	<u>8,553</u>	<u>8,586</u>
	<u>93,168</u>	<u>59,943</u>
Timing of revenue recognition for revenue from contracts with customers		
At a point in time	29,543	17,704
Over time	55,072	33,653
	<u>84,615</u>	<u>51,357</u>

Note 1a(ii) Included in "Other income", "Other (losses)/gains" and "Other operating expenses" are the following items:

	Group	
	Period Ended	
	30/06/22	30/06/21
	S\$'000	S\$'000
Other income includes:		
Management fee charged to related companies	131	126
Government grants and other rebates	1,115	5,449
Other gains/(losses) includes:		
Foreign exchange gain/(loss), net (Note 1a(vii))	599	(83)
Gain on disposal of property, plant and equipment, net	377	8
Other operating expenses includes:		
Property, plant and equipment written off	1	47

Note 1a(iii) Materials and consumables purchased for the period ended 30 June 2022 increased due to higher consumption by the Hotel Division.

Note 1a(iv) Employee benefit costs increased mainly due to increase in wage related costs for the Hotel Division.

Note 1a(v) Depreciation expenses decreased mainly due to assets fully depreciated and exchange rate fluctuation.

Note 1a(vi) Finance costs increased mainly due to higher interest rate as compared to the corresponding period.

Note 1a(vii) Foreign exchange gain for the period ended 30 June 2022 was due mainly to the weakening of the AUD and Euro against the Singapore Dollar partially offset by the strengthening of the USD against the Singapore Dollar.

Note 1a(viii) The income tax credit can be analysed as follows:

	Group	
	Period Ended	
	30/06/22	30/06/21
	S\$'000	S\$'000
Current taxation charge	2,020	1,250
Deferred taxation credit recognised	(368)	(911)
Under provision in prior years	-	11
	<u>1,652</u>	<u>350</u>

Note 1a(ix) Currency translation differences arose mainly from the translation of the net assets of the Group's foreign operations which are denominated in Tunisian Dinar ("TND"), Mauritian Rupee, Australian Dollar ("AUD"), United States Dollar ("USD"), Indonesian Rupiah, Moroccan Dirham and Tanzanian Shilling.

Note 1a(x) Related party transactions
In addition to the related party information disclosed elsewhere in the condensed financial statements, the following are transactions with related parties:

	<u>Group</u>	
	<u>Period Ended</u>	
	<u>30/06/22</u>	<u>30/06/21</u>
	<u>S\$'000</u>	<u>S\$'000</u>
Sales and purchases of goods and services :		
Cleaning service fee and waste disposal fee income from a company controlled by a director	131	127
Management fee income from:		
- Ultimate holding company	11	5
- Company controlled by a director	120	121
Rental income from a company controlled by a director	12	11
Rental expense paid to a company controlled by a director	5	5
Cleaning service to a director	7	7

1(b)(i) Condensed interim statements of financial position

	<u>Note</u>	<u>Group</u>		<u>Company</u>	
		<u>30/06/22</u>	<u>31/12/21</u>	<u>30/06/22</u>	<u>31/12/21</u>
		<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>
Non-current assets					
Investment properties	A	588,678	590,880	-	-
Property, plant and equipment	B	636,970	641,086	1,052	-
Subsidiaries	C	-	-	862,247	850,499
Goodwill		10,344	10,600	-	-
Financial assets, at fair value through other comprehensive income ("FVOCI")	D	4,130	5,624	-	-
Financial assets, at fair value through profit or loss ("FVPL")	D	1,500	1,500	-	-
Club memberships		21	21	21	21
Rental lease receivables		794	338	-	-
Long-term prepayments and receivables		30	3	-	-
Deferred income tax assets		5,234	5,181	-	-
		<u>1,247,701</u>	<u>1,255,233</u>	<u>863,320</u>	<u>850,520</u>
Current assets					
Inventories		9,222	8,313	-	-
Trade and other receivables	E	26,634	24,863	110	21
Contract assets	F	-	1,556	-	-
Income tax recoverable		2,924	3,102	-	-
Advances to subsidiaries (non-trade)		-	-	5,099	3,919
Cash and bank balances	refer to 1(c)	27,116	37,354	1,189	601
	H	<u>65,896</u>	<u>75,188</u>	<u>6,398</u>	<u>4,541</u>
Total assets		<u>1,313,597</u>	<u>1,330,421</u>	<u>869,718</u>	<u>855,061</u>
Equity attributable to equity holders of the Company					
Share capital		254,139	254,139	254,139	254,139
Retained profits	refer to 1(d)(i)	696,960	695,130	91,762	90,545
Other reserves	refer to 1(d)(i)	(103,309)	(101,655)	-	-
		<u>847,790</u>	<u>847,614</u>	<u>345,901</u>	<u>344,684</u>
Non-controlling interests	refer to 1(d)(i)	3,950	6,280	-	-
Total equity		<u>851,740</u>	<u>853,894</u>	<u>345,901</u>	<u>344,684</u>

	<u>Note</u>	<u>Group</u>		<u>Company</u>	
		<u>30/06/22</u>	<u>31/12/21</u>	<u>30/06/22</u>	<u>31/12/21</u>
		<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>
Non-current liabilities					
Borrowings		42,716	43,798	-	-
Long-term liabilities		6,793	6,020	-	-
Lease liabilities		34,412	33,684	-	-
Deferred income tax liabilities		13,765	14,410	-	-
		<u>97,686</u>	<u>97,912</u>	<u>-</u>	<u>-</u>
Current liabilities					
Trade and other payables	G	37,932	37,384	462	587
Lease liabilities		1,332	1,355	-	-
Current tax payable		4,677	3,831	40	81
Borrowings	I	320,230	336,045	237,979	238,308
Advances from subsidiaries (non-trade)		-	-	285,336	271,401
	H	<u>364,171</u>	<u>378,615</u>	<u>523,817</u>	<u>510,377</u>
Total equity and liabilities		<u>1,313,597</u>	<u>1,330,421</u>	<u>869,718</u>	<u>855,061</u>

The material variances noted from the statement of financial position items as at 30 June 2022 as compared with those of 31 December 2021 are explained as follows:

- (A) Investment properties decreased by S\$2,202,000 mainly due to downward currency translation adjustment on opening balance due to weakening of AUD and TND against Singapore Dollar.
- (B) Property, plant and equipment decreased mainly due to depreciation charged during the period partially offset by additions. During the six months ended 30 June 2022, the Group acquired property, plant and equipment with an aggregate cost of S\$7,281,000 (30 June 2021: S\$15,324,000) and disposed of property, plant and equipment amounting to S\$21,000 (30 June 2021: S\$54,000). For the period ended 30 June 2022, capital expenditure contracted for purchase of property, plant and equipment amounted to S\$8,850,000 (30 June 2021: S\$10,169,000).
- (C) Subsidiaries increased mainly due to amounts owing by subsidiaries on long-term loan account. The amounts owing by subsidiaries on long-term loan account are considered an extension of the Company's net investment in the subsidiaries. These are unsecured, interest-free and are not expected to be repaid within one year.

- (D) Financial assets at FVOCI and FVPL

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

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

The following table presented the assets measured at fair value:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>
Group - 30 June 2022				
Financial assets, at FVOCI	4,130	-	-	4,130
Financial assets, at FVPL	-	-	1,500	1,500
Group - 31 December 2021				
Financial assets, at FVOCI	5,624	-	-	5,624
Financial assets, at FVPL	-	-	1,500	1,500

The fair value of financial instruments traded in active markets (such as financial assets, at FVOCI) is based on quoted market prices at the end of reporting period. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in Level 1.

There were no transfers between Level 1 and Level 2 during the period.

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each balance sheet date. Quoted market prices or dealer quotes for similar instruments are used to estimate fair value for long-term debt for disclosure purposes. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments. Where a valuation technique for these instruments is based on significant unobservable inputs, such instruments are classified as Level 3.

The following table presents the changes in Level 3 instruments:

	<u>30/06/22</u> S\$'000	<u>31/12/21</u> S\$'000
Beginning and end of financial period/year - Financial assets, at FVPL	1,500	1,500

Valuation techniques and inputs used in Level 3 fair value measurements

Description	Valuation technique	Fair value at 30 June 2022 (S\$'000)	Unobservable inputs ^(a)	Range of unobservable inputs	Relationship of unobservable inputs to fair value
Non-listed convertible bond	Binomial Option Pricing Model	1,500	Discount rate	3%	The higher the discount rate, the lower the fair value
		(2021: 1,500)		(2021: 3%)	

(a) There were no significant inter-relationship between unobservable inputs. There were no transfers between Levels 2 and 3 during the period.

(E) Trade and other receivables

	<u>Group</u>	
	<u>30/06/22</u> S\$'000	<u>31/12/21</u> S\$'000
Trade receivables:		
- third parties	15,586	13,350
- related company	123	128
- ultimate holding company	11	4
	15,720	13,482
Loss allowance	(1,040)	(1,088)
Net trade receivables	14,680	12,394
Other receivables:		
Deposits	546	875
Staff loans	757	917
GST/VAT recoverable	3,511	4,299
Prepayments	3,618	2,955
Government grant receivable	-	38
Prepayments made to contractors	2,119	2,081
Rental lease receivables due within 1 year	233	310
Others	1,170	994
	11,954	12,469
	26,634	24,863

Included in trade and other receivables is an amount of \$135,000 (2021: \$132,000) owing by companies controlled by a director of the Company. Subsequent to the period ended 30 June 2022, this amount has been fully paid.

Aging of the Group's trade receivables:

	Amount Owing S\$'000	Loss Allowance S\$'000	Net S\$'000
Within 30 days	9,451	-	9,451
30 to 60 days	1,913	-	1,913
60 to 90 days	783	(6)	776
More than 90 days	3,574	(1,034)	2,540
	15,720	(1,040)	14,680

The trade and other receivables are expected to be recovered in the ordinary course of business. In relation to the loss allowance on trade receivables, the Group will continue to follow up and/or take appropriate actions as practicable. The amounts do not relate to the Group's major customers. The loss allowance relates mainly to sales reported prior to FY2019.

The Board is of the opinion that the methodologies used to determine the value of the impairment of the trade and other receivables is reasonable.

The Board is of the view that there is no indication the remaining trade and other receivables are unrecoverable. The Group continues to closely monitor and follow up on the remaining trade and other receivables.

(F) Contract assets in 2021 relate to the Group's rights to consideration for services rendered but not yet billed on the provision of hotel accommodation, food and beverage operations and other services. Contract assets are transferred to trade receivables when the rights become unconditional. This usually occurs when the Group invoices the customer. As of 30 June 2022, this amount had been invoiced and collected from the customer.

(G) Trade and other payables

	<u>Group</u>	
	<u>30/06/22</u>	<u>31/12/21</u>
	<u>S\$'000</u>	<u>S\$'000</u>
Trade payables	16,800	15,295
Rental deposits	1,734	1,260
Liabilities incurred for capital expenditure	-	1,758
Deferred income	609	390
Social security contributions	718	1,064
Employee benefits	1,682	1,640
GST/VAT payable	1,087	839
Other taxes payable	360	693
Contract liabilities	6,052	6,106
Accrued staff costs	2,175	1,955
Accrued operating expenses	6,715	6,384
	<u>37,932</u>	<u>37,384</u>

The carrying amounts have been assessed to be a reasonable approximation of their fair values due to their short-term nature.

(H) Notwithstanding the Group and the Company having negative working capital as at 30 June 2022, it has sufficient financial resources and liquidity to meet its short-term obligations. The Group has unutilised committed credit facilities available to be drawn upon if required. The management may also further leverage on unencumbered investment properties and hotel properties for new credit facilities to ensure that the Group has adequate amount of credit facilities. Management will continue to strive to preserve cash with cost management measures and deferment of non-essential capital expenditure. The Group expects to fulfil its payment obligations in the next 12 months through (i) its existing cash balance; (ii) external bank facilities; and (iii) cash flows from operations. After reviewing the most recent projections and having considered measures by the Group to conserve cash resources, together with continued support from the financial institutions, the Group is expected to have sufficient cash flows to continue its operations and meet its financial obligations as and when they fall due. The Board is confident that bank facilities which are due to expire in 2H2022 will be refinanced and the Group will be able to continue as a going concern.

The Group currently complies with all financial covenants and rolled over all revolving credit facilities as at the date of these financial statements.

(I) Short-term borrowings decreased mainly due to repayment of borrowings partially offset by the drawdown of bank borrowings during the period.

(J) Subsequent events

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

1(b)(ii) Aggregate amount of group's borrowings, debt securities and lease liabilities

	<u>Group</u>			
	<u>As At 30/6/2022</u>		<u>As At 31/12/2021</u>	
	<u>Secured</u>	<u>Unsecured</u>	<u>Secured</u>	<u>Unsecured</u>
	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>
Amount repayable in one year or less	<u>320,050</u>	<u>180</u>	<u>335,935</u>	<u>110</u>
Amount repayable after one year	<u>41,773</u>	<u>943</u>	<u>42,670</u>	<u>1,128</u>

Details of collaterals

The collaterals for the group's secured borrowings as at 30 June 2022 are as follows :

- A foreign subsidiary's freehold land and buildings, equipment and business;
- A local subsidiary's investment property, including rental proceeds, interests in tenancy agreements and insurance policies;
- A local subsidiary's freehold land and buildings, including rental proceeds, interests in tenancy agreements, interests in hotel management agreements and insurance policies;
- A foreign subsidiary's freehold land and building, and equipment, including rental proceeds, interests in tenancy agreements, interests in hotel management agreements and insurance policies; and
- A foreign subsidiary's leasehold land and building, and equipment, including rental proceeds, interests in tenancy agreements, interests in hotel management agreements and insurance policies.

The collateral for the group's secured lease liabilities as at 30 June 2022 is a vehicle of a foreign subsidiary.

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

Condensed interim consolidated statement of cash flows

	Group	
	Period Ended	
	30/06/22	30/06/21
	S\$'000	S\$'000
Cash Flows from Operating Activities		
Profit/(loss) before taxation	6,440	(6,937)
Adjustments for:		
Depreciation of property, plant and equipment	14,855	15,818
Dividend income from financial assets at FVOCI	(28)	(28)
Interest income	(167)	(124)
Gain on disposal of property, plant and equipment, net	(377)	(8)
Gain on termination of lease	(2)	-
Property, plant and equipment written off	1	47
Interest expense	3,621	3,104
Impairment loss/(written back) on financial assets - net	4	(6)
Unrealised currency translation (gain)/loss	(1,276)	221
Changes in working capital:	23,071	12,087
Inventories	(741)	(25)
Trade and other receivables	(2,131)	1,296
Contract assets	1,556	-
Trade and other payables	1,140	(7,803)
Cash generated from operations	22,895	5,555
Income tax paid	(1,486)	(2,564)
Net cash provided by operating activities	21,409	2,991
Cash Flows from Investing Activities		
Acquisition of property, plant and equipment	(7,281)	(15,978)
Payment for long-term prepayments	(26)	(337)
Additions to investment properties	(240)	(7)
Government grants received for investment properties	-	654
Proceeds from disposal of property, plant and equipment	397	16
Interest received	167	124
Dividends received	28	28
Net cash used in investing activities	(6,955)	(15,500)
Cash Flows from Financing Activities		
Proceeds from bank borrowings	5,329	17,537
Repayment of bank borrowings	(22,813)	(9,476)
Principal payment of lease liabilities	(845)	(345)
Interest paid	(3,510)	(1,759)
Dividends paid to equity holders of the Company	(3,011)	(1,205)
Dividends paid by subsidiary to non-controlling interests	(2,154)	-
Net cash (used in)/provided by financing activities	(27,004)	4,752
Net decrease in cash and bank balances	(12,550)	(7,757)
Cash and cash equivalents		
Beginning of the financial period	35,657	36,656
Effect of currency translation of cash and bank balances	(145)	116
Cash and cash equivalent at end of the period (Note A)	22,962	29,015

Note A

Cash and cash equivalents

	Group	
	Period Ended	
	30/06/22	30/06/21
	S\$'000	S\$'000
Cash and cash equivalents comprise:		
Cash and bank balances	23,494	19,001
Fixed deposits	3,622	13,839
Less:		
Bank overdrafts	(4,154)	(3,825)
	22,962	29,015

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Condensed interim statements of changes in equity

The Group

	Attributable to equity holders of the Company							Non-controlling interests	Total equity
	Share capital	Retained profits	Revaluation surplus reserve	Fair value reserve	Currency translation reserve	Premium paid on acquisition of non-controlling interests	Total		
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1 January 2022	254,139	695,130	15,485	(6,742)	(72,748)	(37,650)	847,614	6,280	853,894
Profit/(loss) for the period	-	4,958	-	-	-	-	4,958	(170)	4,788
Other comprehensive loss for the period	-	(117)	-	(1,493)	(161)	-	(1,771)	(6)	(1,777)
Total comprehensive income/(loss) for the period	-	4,841	-	(1,493)	(161)	-	3,187	(176)	3,011
2021 final tax-exempt dividend	-	(3,011)	-	-	-	-	(3,011)	-	(3,011)
Dividend paid by subsidiary to non-controlling interests	-	-	-	-	-	-	-	(2,154)	(2,154)
Total transactions with owners, recognised directly in equity	-	(3,011)	-	-	-	-	(3,011)	(2,154)	(5,165)
Balance at 30 June 2022	254,139	696,960	15,485	(8,235)	(72,909)	(37,650)	847,790	3,950	851,740
Balance at 1 January 2021	254,139	684,085	11,921	(5,048)	(72,800)	(37,670)	834,627	6,653	841,280
Profit/(loss) for the year	-	12,250	-	-	-	-	12,250	(139)	12,111
Other comprehensive income/(loss) for the year	-	-	3,564	(1,694)	52	-	1,922	(6)	1,916
Total comprehensive income/(loss) for the year	-	12,250	3,564	(1,694)	52	-	14,172	(145)	14,027
2020 final tax-exempt dividend	-	(1,205)	-	-	-	-	(1,205)	-	(1,205)
Change in interest in subsidiary	-	-	-	-	-	20	20	(228)	(208)
Total transactions with owners, recognised directly in equity	-	(1,205)	-	-	-	20	(1,185)	(228)	(1,413)
Balance at 31 December 2021	254,139	695,130	15,485	(6,742)	(72,748)	(37,650)	847,614	6,280	853,894

The Company

	Share capital S\$'000	Retained profits S\$'000	Total equity S\$'000
Balance at 1 January 2022	254,139	90,545	344,684
Total comprehensive income for the period	-	4,228	4,228
2021 final tax-exempt dividend	-	(3,011)	(3,011)
Total transactions with owners, recognised directly in equity	-	1,217	1,217
Balance at 30 June 2022	254,139	91,762	345,901
Balance at 1 January 2021	254,139	91,814	345,953
Total comprehensive loss for the year	-	(64)	(64)
2020 final tax-exempt dividend	-	(1,205)	(1,205)
Total transactions with owners, recognised directly in equity	-	(1,269)	(1,269)
Balance at 31 December 2021	254,139	90,545	344,684

1(d)(ii) **Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

There has been no change in the Company's share capital since the end of the previous period reported on.

The Company has no treasury shares and no outstanding options as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

1(d)(iii) **To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

There were no treasury shares as at 30 June 2022 and 31 December 2021. The total number of issued shares as at 30 June 2022 was 401,516,968 (31 December 2021: 401,516,968).

1(d)(iv) **A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

Not applicable.

1(e) **Corporate information**

The Company is incorporated as limited liability company and domiciled in Singapore whose shares are publicly traded on the Singapore exchange. These condensed interim consolidated financial statements for the six months ended 30 June 2022 comprise the Company and its subsidiaries (collectively, the Group). The principal activities of the Company are those relating to investment holding and provision of management services to its subsidiaries.

The immediate and ultimate holding company is Goldvein Holdings Pte. Ltd., a company incorporated in Singapore.

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

The figures have not been audited or reviewed.

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 issues.

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

Not applicable.

4 **Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

The condensed interim financial statements for the six months ended 30 June 2022 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 annual financial statements for the year ended 31 December 2021.

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

Except as disclosed in paragraph 5, the financial statements have been prepared using the same accounting policies and methods of computation as presented in the audited financial statements for the financial year ended 31 December 2021.

Critical accounting estimates

The following are the critical accounting estimates used in applying the Group's accounting policies in the financial statements for the half year ended 30 June 2022:

Valuation of Investment properties ("IP") and Impairment of Property, plant and equipment ("PPE")

The Group carries its investment properties at fair value with changes in fair value being recognised in profit and loss account, determined annually by independent, professionally-qualified property valuers.

For the purpose of this condensed consolidated interim financial statements for the half year ended 30 June 2022, the Board of Directors would like to highlight that the carrying amounts of IP as at 30 June 2022 are based on the independent valuations as at 31 December 2021, adjusted for downward currency translation adjustment on opening balance due to weakening of Australian Dollar and Tunisian Dinar against Singapore Dollar. The management and the Board of Directors are of the view that the valuations of the investment properties as at 30 June 2022 remain substantially the same from those as at 31 December 2021.

Property, plant and equipment ("PPE") are stated at cost, less accumulated depreciation and accumulated impairment losses, if any. Freehold land and asset under construction are not depreciated. Management performed an assessment for indicators of impairment on PPE and a further impairment assessment was performed where impairment indicators were identified. Determining whether the carrying value of PPE is impaired requires an estimation of the recoverable amount of the cash-generating units ("CGUs"). This requires the Group to estimate the fair value of the PPE or value in use by estimating the future cash flows expected from the CGUs and an appropriate discount rate in order to calculate the present value of future cash flows. Based on the assessment, there was no impairment provision required for the six months period ended 30 June 2022.

For illustration purposes, a decline of 5% in the carrying amounts of Group's properties as at 30 June 2022 would have the following estimated impact on the net asset value per ordinary share of the Group. This sensitivity analysis assumes that all other variables remain constant.

	30 June 2022	Group Illustrative impact	Pro forma
Carrying value of Investment properties and Property, plant and equipment (S\$'000)	1,225,648	(61,282)	1,164,366
Number of ordinary shares	401,516,968	-	401,516,968
Net asset value per ordinary share (S\$) of the Group	2.11	(0.15)	1.96

5 **If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

The Group adopted the standards, amendments and interpretations to existing standards that are mandatory for application for the financial period beginning 1 January 2022 or from their effective date, if later. There were no substantial changes to the Group's accounting policies nor any significant impact on the financial statements arising from the adoption.

6 **Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

Earnings/(loss) per ordinary share after deducting any provision for preference dividends:	Group	
	First Half Ended 30/6/2022	First Half Ended 30/6/2021
Based on weighted average number of ordinary shares in issue (cents)	1.235	(1.828)
On a fully diluted basis (cents)	1.235	(1.828)
Weighted average number of ordinary shares	401,516,968	401,516,968

As at 30 June 2022, there was no outstanding share options.

Earnings/(loss) per ordinary share on existing issued share capital is computed based on the weighted average number of shares in issue of 401,516,968 for both periods.

7 **Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the: (a) current financial period reported on; and (b) immediately preceding financial year.**

	Group		Company	
	30/6/2022	31/12/2021	30/6/2022	31/12/2021
Net asset value per ordinary share (S\$)	2.11	2.11	0.86	0.86

Net asset value per share for both periods is computed based on the number of shares (excluding treasury shares) in issue of 401,516,968.

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.**

Segment Revenue	Group		Increase/ (Decrease) %
	Period Ended		
	30/06/22 S\$'000	30/06/21 S\$'000	
Rental	9,812	9,838	(0.3)
Hotel	62,899	28,225	122.8
Industrial	20,269	20,733	(2.2)
Investment	28	28	-
Others	160	1,119	(85.7)
Total	93,168	59,943	55.4

Segment result	Group		
	Period Ended		Increase/ (Decrease) %
	30/06/22 S\$'000	30/06/21 S\$'000	
Rental	6,318	6,880	(8.2)
Hotel	19,481	3,912	398.0
Industrial	1,362	2,551	(46.6)
Investment	16	23	(30.4)
Development	(3)	(3)	-
Others ⁽²⁾	(2,380)	(1,362)	74.8
Earnings before interests, taxes, depreciation and amortisation ("EBITDA") ⁽¹⁾	24,794	12,001	106.6
Finance costs	(3,621)	(3,104)	16.7
Depreciation expenses	(14,855)	(15,818)	(6.1)
Re-development related costs ⁽³⁾	(26)	-	Nm
Termination benefits ⁽⁴⁾	(19)	(140)	(86.4)
Interest income	167	124	34.5
Profit/(Loss) before taxation	6,440	(6,937)	Nm

Nm denotes Not meaningful

¹ EBITDA is defined as profit/(loss) before interest, depreciation expenses, tax and other gain/(loss)

² Others mainly include Corporate expenses and foreign currency translation gain/(loss)

³ Re-development related costs expensed-off for project in Perth, Australia

⁴ Costs pertaining to the restructuring measures undertaken for Hotel Division

HALF YEAR 2022 ANNOUNCEMENT

Overall Performance of the Group

The revenue of the Group for the period ended 30 June 2022 ('1H2022') of S\$93.168 million increased by 55.4% from S\$59.943 million for the period ended 30 June 2021 ('1H2021').

The Hotel Division's revenue increased by 122.8% over the same period last year as countries relax their border controls and travel restrictions. The Group's Property - Rental Division's revenue decreased marginally by 0.3% over the same period last year. The Group's Industrial Division registered lower revenue mainly due to fewer new contracts secured, non-renewal of contracts upon expiry and rollover effects of contracts expired during FY2021 for both the waste disposal and contract cleaning businesses.

EBITDA for 1H2022 of S\$24.794 million increased by 106.6% or S\$12.793 million as compared to 1H2021 EBITDA of S\$12.001 million mainly due to the higher contribution from Hotel Division partially offset by the lower contributions from Industrial, Property - Rental and Investment Divisions.

Accordingly, the Group's profit before taxation for 1H2022 of S\$6.440 million as compared to 1H2021 loss before taxation of S\$6.937 million mainly due to higher EBITDA as explained above.

Property - Rental Division

Revenue for the Property - Rental Division of S\$9.812 million for 1H2022 decreased marginally by 0.3% from S\$9.838 million for 1H2021 mainly due to lower rental rates.

Segment EBITDA of S\$6.318 million for 1H2022 decreased by 8.2% from S\$6.880 million for 1H2021 mainly due to the lower rental rates and higher utilities.

Hotel Division

Revenue for the Hotel Division of S\$62.899 million for 1H2022 increased by 122.8% from S\$28.225 million for 1H2021 as countries relax their border controls and travel restrictions.

Segment EBITDA of S\$19.481 million for 1H2022 increased by 398.0% from S\$3.912 million for 1H2021 mainly due to higher revenue partially offset by higher materials and consumables purchased as well as employee benefit costs.

Industrial Division

Revenue for the Industrial Division of S\$20.269 million for 1H2022 decreased by 2.2% from S\$20.733 million for 1H2021 mainly due to fewer new contracts secured, non-renewal of contracts upon expiry and rollover effects of contracts expired during FY2021 for both the waste disposal and contract cleaning businesses.

Segment EBITDA of S\$1.362 million for 1H2022 decreased by 46.6% from S\$2.551 million for 1H2021 mainly due to decrease in revenue and government grants partially offset by lower employee benefit costs and operating expenses.

Investment Division

Revenue for the Investment Division of S\$0.028 million for 1H2022 was the same as 1H2021. These were dividends received from investments in quoted equity investments.

Segment EBITDA of S\$0.016 million for 1H2022 decreased by S\$0.007 from S\$0.023 million for 1H2021.

Property - Development Division

Segment negative EBITDA of S\$0.003 million for 1H2022 and 1H2021 were due to general and administrative expenses incurred.

Statement of Cash Flows

Half Year 2022

Net decrease in cash and cash equivalents of S\$12.550 million was due to net cash used in investing activities of S\$6.955 million and financing activities of S\$27.004 million partially offset by net cash provided by operations activities of S\$21.409 million.

Net cash provided by operating activities was due mainly from business operations.

Net cash used in investing activities was due mainly to purchase of property, plant and equipment partially offset by the proceeds from disposal of property, plant and equipment.

Net cash used in financing activities was due mainly to repayment of bank borrowings, interest and dividends payments partially offset by proceeds from bank borrowings.

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.**

Income from the Property-Rental Division is expected to improve gradually as Singapore's COVID situation stabilises.

The market conditions in the countries in which the Hotel Division operates are expected to remain challenging. Even with the vaccines, new variants of COVID-19 continue to adversely impact the demand for corporate and leisure travellers. The Group will continue to monitor the situation closely. Construction for the hotels in Douz, Tunisia and Medina of Tunis, Tunisia are ongoing and barring any unforeseen circumstances, both hotels are scheduled for operational completion in the first half of 2023 and 2024 respectively.

For the Industrial Division's, challenges are expected to remain in the contract cleaning and waste disposal businesses, mainly due to stiff market competition, rising material costs and higher wage costs. The implementation of the revised Progressive Wage Model ("PWM") for the contract cleaning business as well as the implementation of the PWM for the waste disposal business due to take effect in July 2023 will add to further pressures on wage costs and continue to impact the Industrial Division's bottom line. The Industrial Division will continue to manage its cash reserves, streamline and optimise its operations and intensify efforts to secure more contracts.

The Investment Division's performance will continue to be affected by volatility of the various stock markets.

Note 10a The above note contains forward looking statements that involve a fair amount of uncertainties pertaining to future operating conditions. Actual future performance may differ from those views expressed as a result of a number of uncertainties and assumptions such as the general economy and industry conditions, level of market competition and shift in supply or demand patterns. You are cautioned not to place undue reliance on these forward looking statements, which are based on current view of management on future events.

11 **Dividend**

(a) **Current Financial Period Reported On**

Any dividend declared for the current financial period reported on? No

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

Any dividend declared for the corresponding period of the immediately preceding financial year? No

(c) **Date payable**

Not applicable

12 **If no dividend has been declared/recommended, a statement to that effect**

No dividend has been declared or recommended for the period ended 30 June 2022 as it is not the usual practice of the Company to declare interim dividend.

13 **If no IPT mandate has been obtained, a statement to that effect**

The Company has not obtained a general mandate from shareholders.

14 **Segment analysis**

The segment information of the Group is organised into the following reportable segments:

(a) Rental - Operations in this segment comprise the owning and letting of properties.

(b) Hotel - Activities in this segment include development and operation of hotels and a golf course.

(c) Industrial - This segment of activities covers waste collection and disposal and contract cleaning.

(d) Investment - These activities relate to securities trading and investment holding.

(e) Development - Activities in this segment include the development of properties.

(f) Others - Operations in this segment include mainly the provision of management services and the operation of restaurants. Unallocated net expenses incurred by the Group are included here.

Except as indicated above, there are no operating segments that have been aggregated to form the above reportable operating segments.

These operating segments are reported in a manner consistent with internal reporting provided to the Group's chief operating decision-maker who is responsible for allocating resources and assessing performance of the operating segments.

	Rental	Rental	Hotel	Hotel	Industrial	Industrial	Investment	Investment	Development	Development	Others	Others	Consolidated	Consolidated
	1H2022	1H2021	1H2022	1H2021	1H2022	1H2021	1H2022	1H2021	1H2022	1H2021	1H2022	1H2021	1H2022	1H2021
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Revenue														
External revenue	9,812	9,838	62,899	28,225	20,269	20,733	28	28	-	-	160	1,119	93,168	59,943
Inter-segment revenue	11	60	318	176	323	342	79	-	-	-	8,822	469	9,553	1,047
Total revenue	<u>9,823</u>	<u>9,898</u>	<u>63,217</u>	<u>28,401</u>	<u>20,592</u>	<u>21,075</u>	<u>107</u>	<u>28</u>	<u>-</u>	<u>-</u>	<u>8,982</u>	<u>1,588</u>	<u>102,721</u>	<u>60,990</u>
Result														
Segment results	6,318	6,880	19,481	3,912	1,362	2,551	16	23	(3)	(3)	(2,380)	(1,362)	24,794	12,001
Termination benefits	-	-	(19)	(140)	-	-	-	-	-	-	-	-	(19)	(140)
Redevelopment costs	(26)	-	-	-	-	-	-	-	-	-	-	-	(26)	-
Depreciation of property, plant and equipment	(43)	(54)	(12,818)	(13,639)	(1,946)	(1,994)	-	-	-	-	(48)	(131)	(14,855)	(15,818)
Finance costs													(3,621)	(3,104)
Interest income													167	124
Profit/(loss) before tax													<u>6,440</u>	<u>(6,937)</u>
Segment assets	580,289	563,730	689,159	688,423	27,459	40,990	5,793	10,306	-	-	2,739	1,755	1,305,439	1,305,204
Unallocated assets														
- deferred tax assets													5,234	4,288
- tax recoverable													2,924	3,323
Consolidated total assets													<u>1,313,597</u>	<u>1,312,815</u>
Segment liabilities	6,196	5,336	191,241	194,219	7,453	8,108	15	15	7	7	238,503	248,036	443,415	455,721
Unallocated liabilities														
- deferred tax liabilities													13,765	17,338
- current tax payable													4,677	4,645
Consolidated total liabilities													<u>461,857</u>	<u>477,704</u>
OTHER SEGMENT INFORMATION														
Capital expenditure														
- property, plant and equipment	15	11	6,105	14,859	73	445	-	-	-	-	1,088	9	7,281	15,324
- investment properties	240	7	-	-	-	-	-	-	-	-	-	-	240	7
Property, plant and equipment written off	-	-	-	-	1	46	-	-	-	-	-	1	1	47

15 **Confirmation of procurement of undertakings from all directors and executives officers**

The Company confirms that it has procured the 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.

16 **Confirmation pursuant to Rule 705(5) of the Listing Manual**

To the best of our knowledge, nothing has come to the attention of the Directors which may render the interim financial statements to be false or misleading in any material aspect.

17 **Additional information required pursuant to Rule 706A of the Listing Manual**

The following transactions occurred during the financial period ended 30 June 2022:-

(i) Incorporation of a subsidiary

The Group, through its subsidiary, Singapore Tunisian Investment Company, has incorporated a new company, Singapore Tunisian Investment Company Voyages ("STICV") in Tunisia.

The issued and paid-up capital of STICV is Tunisian Dinar ("TND")150,000 divided into 15,000 shares at TND10 per share. The principal activities include travel agency and any other complementary activity directly or indirectly related to the tourist and/or hotel activities.

(ii) Increase in issued and paid-up share capital of subsidiary

The Group's subsidiary Singapore Tunisian Investment Company ("STIC") has increased its investment and shareholding in its subsidiary, Singapore Tunisian Investment Company Djerba ("STICD"). The issued and paid up capital of STICD has been increased from Tunisian Dinar ("TND")150,000 to TND23,900,000 through an allotment of 2,375,000 shares at TND10 per share subscribed by STIC through the capitalisation of the amount owing by STICD to STIC. The purpose of the capitalisation is to strengthen the share capital base of STICD.

The above transactions are not expected to have any material impact on the net tangible assets and earnings per share of the Group for the financial year ending 31 December 2022. None of the Directors has any interest, direct or indirect, in the above transactions. The Directors are not aware of any substantial shareholder having any interest, direct or indirect, in the above transactions and have not received any notification of any interest in the above transactions from any substantial shareholder.

BY ORDER OF THE BOARD
Foo Soon Soo
Company Secretary
8 August 2022