



## **THE PLACE HOLDINGS LIMITED**

Condensed interim financial statements  
For the six months period ended 30 June 2022

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## A. Condensed interim consolidated statement of profit or loss and other comprehensive income

		Group		
		6 month ended		Variance
		30/6/2022	30/6/2021	
Note		\$'000	\$'000	%
	<b>Revenue</b>	<b>596</b>	<b>584</b>	<b>2%</b>
	Cost of sales	(41)	(46)	-11%
	<b>Gross profit</b>	<b>555</b>	<b>538</b>	<b>3%</b>
	Other income	679	4,289	-84%
	Administrative expenses	(1,969)	(1,897)	4%
	Other expenses	-	(328)	NM
	Finance costs	(1)	(33)	-98%
	<b>(Loss) / Profit before taxation</b>	<b>(736)</b>	<b>2,569</b>	<b>NM</b>
	Tax expense	(154)	(141)	9%
	<b>(Loss) / Profit for the financial period net of tax</b>	<b>(890)</b>	<b>2,428</b>	<b>NM</b>
	<b>Other comprehensive income:</b>			
	<i>Items that may be reclassified to profit or loss in subsequent periods (net of tax):</i>			
	Currency translation differences on consolidation of foreign entities (net)	(574)	697	NM
	<b>Total other comprehensive (loss)/income for the period</b>	<b>(574)</b>	<b>697</b>	<b>NM</b>
	<b>Total comprehensive (loss)/income for the period</b>	<b>(1,464)</b>	<b>3,125</b>	<b>NM</b>
	<b>(Loss)/Profit attributable to:</b>			
	Attributable to:			
	Owners of the company	(877)	2,442	NM
	Non-controlling interests	(13)	(14)	-7%
		<b>(890)</b>	<b>2,428</b>	<b>NM</b>
	<b>Total comprehensive (loss)/income attributable to:</b>			
	Owners of the company	(1,457)	3,139	NM
	Non-controlling interests	(7)	(14)	-50%
		<b>(1,464)</b>	<b>3,125</b>	<b>-147%</b>
	<b>Earnings per share for (loss)/profit for the period attributable to the owners of the Company during the period:</b>			
	Basic (SGD in cent)	<b>(0.01)</b>	<b>0.04</b>	
	Diluted (SGD in cent)	<b>(0.01)</b>	<b>0.04</b>	

## B. Condensed interim statements of financial position

	Note	Group		Company	
		As at 30/06/2022	As at 31/12/2021	As at 30/06/2022	As at 31/12/2021
		\$'000	\$'000	\$'000	\$'000
<b>ASSETS</b>					
<b>Current assets</b>					
Cash and cash equivalents	9	17,138	22,193	1,034	5,752
Trade and other receivables	10	6,946	11,237	53,976	51,327
Development properties	11	211,857	206,983	-	-
<b>Total current assets</b>		<b>235,941</b>	<b>240,413</b>	<b>55,010</b>	<b>57,079</b>
<b>Non-current assets</b>					
Plant and equipment		313	354	313	354
Right-of-use assets		176	462	164	427
Investment in subsidiaries		-	-	36,232	35,432
Equity-accounted investment	12	795	795	-	-
Loan to an associate	13	20,481	17,772	-	-
<b>Total non-current assets</b>		<b>21,765</b>	<b>19,383</b>	<b>36,709</b>	<b>36,213</b>
<b>Total assets</b>		<b>257,706</b>	<b>259,796</b>	<b>91,719</b>	<b>93,292</b>
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Trade and other payables	14	8,232	8,537	5,312	4,786
Lease liabilities		191	487	176	448
Current tax liabilities		187	212	-	51
		<b>8,610</b>	<b>9,236</b>	<b>5,488</b>	<b>5,285</b>
<b>Non-current liabilities</b>					
Bank loan	15	108,146	108,146	-	-
Loan from non-controlling interest ("NCI")	16	30,171	30,171	-	-
		<b>138,317</b>	<b>138,317</b>	<b>-</b>	<b>-</b>
<b>Total liabilities</b>		<b>146,927</b>	<b>147,553</b>	<b>5,488</b>	<b>5,285</b>
<b>NET ASSETS</b>		<b>110,779</b>	<b>112,243</b>	<b>86,231</b>	<b>88,007</b>
<b>EQUITY</b>					
<b>Equity attributable to equity holders of the Company</b>					
Share capital	17	149,845	149,845	149,845	149,845
Translation reserve		374	954	-	-
Statutory reserves		698	698	-	-
Accumulated losses		(59,300)	(58,423)	(63,614)	(61,838)
Equity attributable to owners of the Company		91,617	93,074	86,231	88,007
Non-controlling interests (NCI)		19,162	19,169	-	-
<b>Total equity</b>		<b>110,779</b>	<b>112,243</b>	<b>86,231</b>	<b>88,007</b>

## C. Condensed interim statements of changes in equity

	Share capital \$'000	Foreign currency translation reserves/(deficit) \$'000	Statutory reserves \$'000	Accumulated (losses) \$'000	Total equity attributable to owners of the company \$'000	Non-controlling interests \$'000	Total equity \$'000
<b>The Group</b>							
<b>At 1 January 2021</b>	149,845	(941)	616	(55,474)	(94,046)	8,533	102,579
<b>Total comprehensive income for the period:</b>							
Profit for the period	-	-	-	2,442	2,442	(14)	2,428
<b>Other comprehensive income</b>							
Foreign currency translation difference of foreign operations	-	697	-	-	697	-	697
<b>Total comprehensive income for the period</b>	-	697	-	2,442	3,139	(14)	3,125
<b>Changes in ownership interest in subsidiaries</b>							
Increase in share capital by a subsidiary subscribed by non-controlling shareholder	-	-	-	-	-	1,465	1,465
<b>Total transactions with owners, recognised directly in equity</b>	-	-	-	-	-	1,465	1,465
<b>At 30 June 2021</b>	149,845	(244)	616	(53,032)	(97,185)	9,984	107,169
<b>At 1 January 2022</b>	149,845	954	698	(58,423)	93,074	19,169	112,243
<b>Total comprehensive income for the period:</b>							
Loss for the period	-	-	-	(877)	(877)	(13)	(890)
<b>Other comprehensive income</b>							
Foreign currency translation differences of foreign operations	-	(580)	-	-	(580)	6	(574)
<b>Total comprehensive income for the period</b>	-	(580)	-	(877)	(1,457)	(7)	(1,464)
<b>At 30 June 2022</b>	149,845	374	698	(59,300)	91,617	19,162	110,779

### C. Condensed interim statements of changes in equity (cont'd)

	Share capital	Accumulated losses	Total equity
	\$'000	\$'000	\$'000
<b><u>The Company</u></b>			
<b>At 1 January 2021</b>	149,845	(62,374)	87,471
Profit and total comprehensive profit for the period	-	2,095	2,095
<b>At 30 June 2021</b>	<b>149,845</b>	<b>(60,279)</b>	<b>89,566</b>
<b>At 1 January 2022</b>	149,845	(61,838)	88,007
Loss and total comprehensive loss for the period	-	(1,776)	(1,776)
<b>At 30 June 2022</b>	<b>149,845</b>	<b>(63,614)</b>	<b>86,231</b>

## D. Condensed interim consolidated statement of cash flows

	<b>Group</b>	
	<b>6 months ended</b>	
	<b>30/6/2022</b>	<b>30/6/2021</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Cash flows from operating activities:</b>		
(Loss) Profit for the period before tax	(736)	2,569
Adjustments for:		
Depreciation of plant and equipment	54	53
Depreciation of right-of-use assets	324	446
Interest expense	-	32
Interest income	(657)	(204)
Unrealised foreign exchange loss	(6)	303
	(1,022)	3,199
Changes in:		
- Development properties	(5,397)	(140,130)
- Trade and other receivables	4,948	(4,004)
- Trade and other payables	(305)	11,953
Cash generated from (used in) operations	(1,776)	(128,982)
Interest received	-	58
Income tax paid	(179)	(141)
<b>Net cash used in operating activities</b>	<b>(1,954)</b>	<b>(129,065)</b>
<b>Cash flows from investing activity:</b>		
Increase in subsidiary's share capital	-	1,465
Shareholder loan to associate	(2,186)	(18,000)
Purchase of plant and equipment	(13)	(4)
<b>Net cash used in investing activity</b>	<b>(2,199)</b>	<b>(16,539)</b>
<b>Cash flows from financing activity:</b>		
Loan from bank	-	96,200
Principal payment of lease liabilities	(334)	(485)
Interest paid for lease liabilities	(10)	-
<b>Net cash (used in) generated from financing activity</b>	<b>(344)</b>	<b>95,715</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(4,497)</b>	<b>(49,889)</b>
Cash and cash equivalents at beginning of the period	22,193	73,030
Effect of exchange rate fluctuations on cash held	(558)	812
<b>Cash and cash equivalents at end of the period</b>	<b>17,138</b>	<b>23,953</b>

## E. Notes to the condensed interim consolidated financial statements

### 1. Corporate information

The Place Holdings Limited (the “Company”) is incorporated and domiciled in Singapore and whose shares are publicly traded on the Mainboard of the Singapore Exchange. These condensed interim consolidated financial statements as at and for the six months ended 30 June 2022 comprise the Company and its subsidiaries (collectively, the Group). The primary activity of the Company is owning and holding long-term investments.

The Group focuses on integrating traditional businesses with omni-channel strategies and digital solutions (such as “new-retail” solutions, last mile logistics, immersive virtual reality technology, enterprise intelligent connectivity) to harness new growth opportunities in the digital economy.

The Group’s 3 core business pillars are:

- a) Integrated media-related businesses with management & operation rights
- b) Cultural tourism and related “new retail” businesses
- c) Property development and property management activities

### 2. Basis of Preparation

The condensed interim financial statements for the six months ended 30 June 2022 have been prepared in accordance with *SFRS(I) 1-34 Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last financial statements for the financial year ended 31 December 2021.

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

The condensed interim financial statements are presented in Singapore dollar which is the Company’s functional currency.

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

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

#### 2.2. Use of judgements and estimates

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

The preparation of the condensed interim financial statements in conformity with SFRS(I) requires management to exercise its judgements in the process of applying the Group’s accounting policies. It also requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the financial period.

### 3. Seasonal operations

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



#### 4. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group as at 30 June 2022 and 31 December 2021:

	The Group	
	6 months ended 30 June 2022 S\$'000	12 months ended 31 December 2021 S\$'000
<b>Financial Assets</b>		
Financial assets at amortised cost		
- Trade and other receivables*	6,946	4,668
- Cash and cash equivalents	17,138	22,193
- Loan to an associate	20,481	17,772
	<u>44,565</u>	<u>44,633</u>
<b>Financial Liabilities</b>		
Financial liabilities at amortised cost		
- Trade and other payables^	4,014	4,044
- Lease liabilities	191	487
- Bank loan	108,146	108,146
- Loan from NCI	30,171	30,171
	<u>142,522</u>	<u>142,848</u>

\* Excluding input tax recoverable and prepayments

^ Excluding deposit for land sale and other tax payables

#### 5. (Loss)/ Profit before taxation

5.1 This is determined after charging the following:

	The Group	
	6 months ended 30 June 2022 S\$'000	6 months ended 30 June 2021 S\$'000
Depreciation of plant and equipment	53	53
Depreciation of right-of-use assets	324	446
Professional and legal fee	471	230
Expenses relating to leases of low-value assets	1	1
Personnel expenses	32	31
Foreign exchange loss, net	(1)	310

## 5.2 Related party transactions

Some of the arrangement with related parties and the effect of these bases determined between the parties are reflected elsewhere in the report. Transactions between the Company and its subsidiaries, which are related companies of the Company, have been eliminated on consolidation and are not disclosed in this Note. Details of transactions between the Group and other related parties are disclosed below.

<b>The Group</b>		
<b>6 months ended 30 June 2022 S\$'000</b>	<b>6 months ended 30 June 2021 S\$'000</b>	
<u>Companies which certain directors of the Company have controlling interests</u>		
Revenue generated	596	584
Shareholder loan from a non-controlling interest	-	11,942
Expenses paid on behalf by a related party	6	-
	<hr/>	<hr/>
<u>Key management personnel compensation</u>		
Directors of the Company		
- Salary and related cost	297	309
- Contribution to defined contribution plans	10	6
- Directors' fee	105	105
	<hr/>	<hr/>
	418	420
	<hr/>	<hr/>
<u>Associate</u>		
- Loan from an associate	19,958	17,200
- Interest income from an associate	5,23	572
	<hr/>	<hr/>
	20,481	17,772
	<hr/>	<hr/>

The remuneration of directors is determined by the Remuneration Committee having regard to the performance of individuals and market trends.

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the entity. All directors of the Company and certain key employees of the Group are considered key management personnel.

## 6. Tax expense

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated statement of profit or loss are:

<b>The Group</b>		
<b>6 months ended 30 June 2022 S\$'000</b>	<b>6 months ended 30 June 2021 S\$'000</b>	
Tax expense attributable to profit is made up of:		
Current income tax expense	154	141
	<hr/>	<hr/>

## 7. Earnings per Share

	The Group	
	6 months ended 30 June 2022	6 months ended 30 June 2021
Net loss / profit attributable to equity holders of the Company (S\$'000)	(877)	2,442
Weighted average number of ordinary shares outstanding for basic and diluted earnings per share ('000)	5,880,654	5,880,654
Basic and diluted earnings per share (cents)	(0.01)	0.04

## 8. Net asset value

	The Group		The Company	
	30 June 2022	31 December 2021	30 June 2022	31 December 2021
Net assets after adjusting for non-controlling interest per ordinary share (cents)	1.56	1.58	1.47	1.50

## 9. Cash and cash equivalents

	The Group		The Company	
	30 June 2022	31 December 2021	30 June 2022	31 December 2021
	\$'000	\$'000	\$'000	\$'000
Cash and bank balances	17,114	22,169	1,034	5,752
Fixed deposits	24	24	-	-
	17,138	22,193	1,034	5,752

The decrease is due to expenditure on redevelopment of Realty Centre coupled with additional shareholders loan to an associate of \$2.2 million during the period. As at 30 June 2022, we have 3 projects under development, namely Project undertaken by New Vision for redevelopment of Realty Centre, Project Wanrun which is located at Mount Yuntai, Jiaozuo County in Henan and Sceneca Residence which is located beside Tanah Merah MRT (via an associate).

## 10. Trade and other receivables

	The Group		The Company	
	30 June 2022	31 December 2021	30 June 2022	31 December 2021
	\$'000	\$'000	\$'000	\$'000
Trade receivables <sup>(a)</sup>	1,258	637	-	-
Other receivables (non-trade)	490	-	-	-
Amount due from subsidiaries (non-trade)	-	-	49,866	47,287
Loan to a third party <sup>(b)</sup>	3,600	3,600	3,600	3,600
Interest receivables	257	288	360	288
Input tax <sup>(c)</sup>	6	2,851	-	-
Deposits	143	143	143	143
Prepayments <sup>(d)</sup>	1,192	3,718	7	9
	6,946	11,237	53,976	51,327

<sup>(a)</sup> Despite the increase in trade and other receivables, all outstanding trade receivables are within 3 months aging.

<sup>(b)</sup> Loan to a third party is secured by corporate guarantee from a related party, in which certain directors of the Company have controlling interests. The loan bears interest at 4% per annum and is repayable by 20 December 2022.

<sup>(c)</sup> Pertains to GST receivables.

<sup>(d)</sup> Prepayments mainly consists of prepaid property taxes and prepaid construction costs, mainly for Project Wanrun.

## 11. Development Properties

	The Group	
	30 June 2022	31 December 2021
	\$'000	\$'000
At beginning of the financial period	206,983	13,364
Reclassify from other assets	-	34,261
Additions during the period	4,874	159,358
At end of the financial period	211,857	206,983

In the first half financial year of 2022, the Group had completed the demolition of Realty Centre, in progress of developing Sceneca Residence with its sales launch date scheduled in 4th quarter of 2022. Due to poor property market sentiment throughout China, the development of Project Wanrun had been slowed.

For 6 months ended 30 June 2022, the increase in development properties of \$4.9 million comprises of demolition of Realty Centre, the incidental directly attributable costs and the costs incurred for Project Wanrun, as well as fair value adjustment in accordance with SFRS 9 *Financial Instruments* and SFRS 13 *Fair Value Measurement*.

## 12. Equity-accounted investment

	The Group	
	30 June 2022	31 December 2021
	\$'000	\$'000
At beginning of the financial period	795	800
Share of post-acquisition loss	-	(5)
At end of the financial period	795	795

In December 2020, the Group, via a newly incorporated wholly-owned subsidiary, Sky Vision Management Pte. Ltd. ("SVM") and two other third-party companies entered into a shareholders' agreement, pursuant to which a company known as MCC Land (TMK) Pte. Ltd. ("MCC-TMK") was incorporated and jointly owned by SVM, MCC Land (Singapore) Pte. Ltd. ("MCC-SG") and Ekovest Development (S) Pte. Ltd. in the respective proportions of 20%, 51% and 29%. The principal activity of MCC-TMK is to develop Sceneca Residence, a 99-year mixed development located at 26 Tanah Merah Kechil Link.

## 13. Loan to an associate

	The Group	
	30 June 2022	31 December 2021
	\$'000	\$'000
At beginning of the financial period	17,772	-
Additions during the period - Principal	2,186	17,200
Interest accrued	523	572
At end of the financial period	20,481	17,772

The shareholder's loan to associate pertains to the amount lent to MCC-TMK bearing interest at 6% per annum, contributed in the same proportion as per SVM's portion of share capital of MCC-TMK, i.e. 20%.

The amount is expected to be recovered after the repayment of bank loan taken by MCC-TMK, which is beyond the next 12 months.

#### 14. Trade and other payables

	The Group		The Company	
	30 June 2022	31 December 2021	30 June 2022	31 December 2021
	\$'000	\$'000	\$'000	\$'000
Trade payables (third party)	213	1,689	-	-
Other payables (related parties) <sup>(a)</sup>	3,206	46	-	-
Other payables (third parties)	595	55	11	12
Accrued expenses	-	467	168	441
Amounts due to NCI	-	1,787	-	-
Amount due to subsidiaries (non-trade) <sup>(b)</sup>	-	-	5,133	4,333
Contract liabilities <sup>(b)</sup>	4,217	4,417	-	-
Other tax payables	-	76	-	-
	8,231	8,537	5,312	4,786

(a) This represents development costs relating to ancillary facilities paid on behalf by Jingneng Tianjie Yuntaishan Investment Limited for Project Wanrun located at Henan, Zhengzhou China.

(b) The Company entered into agreement with its subsidiary, Tianjie Yuntai Wanrun and a HK entity whereby the Land Interest Transfer has yet to be completed as at reporting date. Consequently, the amount represents Contract liabilities as at 30 June 2022. This amount is presented as part of amount due to subsidiaries on the Company's statement of financial position, representing advance received on behalf of Wanrun.

#### 15. Bank loan

	The Group	
	30 June 2022	31 December 2021
	\$'000	\$'000
<u>Non-current</u>		
Secured term loans	108,146	108,146

On 29 April 2021, the Group entered into a facility agreement with Malayan Banking Berhad, Singapore Branch and China Citic Bank International Limited, Singapore Branch (collectively, "Lenders"). The total facility limit granted by the Lenders is \$171,600,000 in the form term loans and bank guarantee facility of \$152,800,000 and \$18,800,000 respectively.

The bank loan is classified as a non-current liability as it is repayable on the earlier of 6 months after the TOP date and October 2025 (being 54 months after the first drawdown). The loan bears interest at SIBOR plus 1.85 % per annum, payable on the last day of each interest period. The loan has not yet transitioned to new benchmark rates.

The term loan is secured by:

- Debenture creating fixed and floating charge over NVH's assets including real property, book debts and bank accounts;
- Legal mortgage over Realty Centre and adjacent remnant land located at 15 Enggor Street, Singapore;
- Assignment of sales proceeds and insurance from the project; and
- Corporate guarantee provided by the Company and MCC Land (Singapore) Pte. Ltd. ("MCC-SG").

## 16. Loan from non-controlling interest ("NCI")

	The Group	
	30 June 2022	31 December 2021
	\$'000	\$'000
MCC Land (Singapore) Pte Ltd	19,954	19,954
Sun Card Limited	10,217	10,217
	<u>30,171</u>	<u>30,171</u>

On 11 March 2021, a shareholder agreement ("SHA") was entered into between The Place Singapore Investment Pte. Ltd. ("TPSI", the Company's subsidiary), MCC Land (Singapore) Pte. Ltd. ("MCC-SG") and Sun Card Limited, with respect to New Vision which has increased paid up capital to S\$3 million contributed by 3 shareholders in the proportion of 51%: 30%:19% respectively.

Aside from equity participation, the non-controlling shareholders (i.e. MCC-SG and a related party) alongside with TPSI, also provide interest-free shareholders' loans to NVH in their respective equity proportions. In addition, NVH and MCC-SG have provided corporate guarantee in favour of the Lenders for purpose of NVH's project financing bank facilities.

The loans are measured at amortised costs, with fair value adjustments at inception using a market interest rate with comparable terms.

The maturity date of the loans are to be mutually agreed between NVH and its shareholders, and the loans are subordinated to the bank loans due beyond 12 months. Therefore the loans are classified as non-current liabilities.

## 17. Share capital

The Group and The Company				
30 June 2022		31 December 2021		
Number of ordinary shares '000	\$'000	Number of ordinary shares '000	\$'000	
<b>Issued and fully paid</b>				
At the beginning and end of the period	5,880,654	149,845	5,880,654	149,845

The ordinary shares of the Company rank *pari passu*. The holders of the ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions. The ordinary shares have no par value.

## 18. Subsequent events

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

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



## OTHER INFORMATION

### 1. Review

The condensed consolidated statement of financial position of The Place Holdings Limited and its subsidiaries as at 30 June 2022 and the related condensed consolidated profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended and certain explanatory notes have not been audited or reviewed.

### 2. Review of performance of the Group

#### *Condensed interim consolidated statements of profit or loss*

##### Revenue

For first half financial year ended 2022 ("1H22"), the Group's revenue was solely contributed by its integrated media-related business unit, which was affected by the COVID-19 pandemic as there were lesser marketing activities and branding events by customers.

##### Other Income

	The Group	
	6 months ended 30 June 2022 \$'000	6 months ended 30 June 2021 \$'000
Interest income	657	204
Net exchange gain	6	-
Other income	16	4,085
	<u>679</u>	<u>4,289</u>

Interest income for the 6 months ended 30 June 2022 is mainly contributed from loan to associate where an interest of 6% per annum is earned. This interest earned from loan to associate approximates \$523,000 and loan to a third party approximates \$72,000.

##### Administrative expenses

The slight increase in administrative expenses is because of more projects under discussion which resulted in the increase in professional fees, entertainment expenses and staff salaries.

##### Other expenses

Other expenses for the 6 months ended 30 June 2021 pertained to net exchange loss incurred.

##### Tax expense

Tax expense is constant for the 6 months ended 30 June 2021 and 2022 which is in line with revenue consistency.

### **Condensed interim consolidated statements of financial position**

There are 3 on-going development projects, namely Sceneca Residence located at 26 Tanah Merah Kechil, redevelopment of Realty Centre and Project Wanrun located at Henan, Zhengzhou China.

In the first half financial year of 2022, the Group had completed the demolition of Realty Centre, in progress of developing Sceneca Residence with its sales launch date scheduled in 4<sup>th</sup> quarter of 2022. Due to poor property market sentiment throughout China, the development of Project Wanrun will be paced against the recovery of China property market.

For 6 months ended 30 June 2022, the increase in development properties of \$4.9 million comprises of demolition of Realty Centre, the incidental directly attributable costs and the costs incurred for Project Wanrun, as well as fair value adjustment in accordance with *SFRS 9 Financial Instruments* and *SFRS 13 Fair Value Measurement*. There was also an increase in shareholder contribution of \$2.2 million into Sceneca Residence via loan to associate.

Correspondingly, cash and cash equivalents reduced by \$5.1 million mainly due to the same factors explained above. There are no change to bank loan and loan from NCI as compared to prior period.

The decrease in trade and other receivables of \$4.3 million is mainly due to prepaid property tax and other prepayments being expensed off during the 6 months ended 30 June 2022.

Trade and other payables remain constant at the \$8 million range as at 30 June 2022 and 31 December 2021.

### **Condensed interim consolidated statement of cash flows**

In 1H2022, the net cashflow used in operating activities is minimal. Development expenditure incurred in current period were offsetted against prepayments made in 2021.

In 1H2022, the net cashflow used in investing activities is increase in shareholder contribution of \$2.2 million into Sceneca Residence via loan to associate.

In 1H2022, the net cashflow generated from financing activities is mainly due payment of lease liabilities.

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

No forecast or prospect statement was disclosed to shareholders previously.

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

The Group is in view that with the continuing roll out of vaccination, a global economic recovery is in sight, holding prospect of a gradual improvement in economic growth in Singapore. However, with China in maintaining a dynamic zero stance on covid, economic growth in the PRC will be hampered.

#### Update on Current Projects

There are 3 on-going development projects, namely (1) Sceneca Residence located at 26 Tanah Merah Kechil, (2) Redevelopment of Realty Centre and (3) Project Wanrun located at Henan, Zhengzhou China. Sales launch of Sceneca Residence and Project Realty Centre are expected to commence in 4<sup>th</sup> quarter of 2022 and 2<sup>nd</sup> quarter of 2023 respectively. Due to poor property market sentiment throughout China, the development of Project Wanrun will be paced against the recovery of China property market.

## Upcoming Projects

### 1) Proposed Acquisition of Sun Xin Investment Pte Ltd and Sun Oriental Pte Ltd

On 7 March 2022, we announced the acquisition of 51% in Sun Xin Investment Pte Ltd and Sun Oriental Pte Ltd. This acquisition not only provides recurring revenue of more than S\$10 million annually to the Group but also acquires the rights to manage and operate the Beijing Skyscreen which is fundamental to our collaboration agreement with Stellar Lifestyle Pte Ltd. ("Stellar Lifestyle") (a business arm of SMRT).

### 2) Collaboration with Stellar Lifestyle

The collaboration with Stellar Lifestyle is on the following key areas:

- i. Sky Screen Ecosystem Platform
- ii. Co-working Platform
- iii. Digital and Advertising Platform
- iv. Technology Applications Platform
- v. Last-Mile Service Platform

Subsequent to Collaboration Agreement entered on 29<sup>th</sup> June 2022, the Group is in midst of determining the location of Singapore Skyscreen, architectural design for its ecosystem platforms and necessary paperwork.

## 5. Breakdown of sales

	1H 2022	1H 2021	Change %
<u>For first half year</u>			
Revenue reported	596	584	2%
(Loss) / Profit for the period ended before deducting NCI	(890)	2,428	-137%

## 6. Dividend Information

### 6.1 Any dividend declared for the current financial period reported on?

No dividend declared for the current financial period reported on.

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

None

### 6.3 Date payable

Not applicable

### 6.4 Books closure date

Not applicable

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

No dividend has been declared for the 6 months ended 30 June 2022 as the Group will be retaining its cash for expansion purpose.

## 7. Interested party transactions

The Group does not have a general mandate from shareholders for interested person transactions pursuant to Rule 920 of the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST").

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

We confirmed that the Company has procured undertakings from all its directors and executive officers under Rule 720(1).

**9. Confirmation pursuant to Rule 705(5) of the SGX Listing Manual**

The Board of Directors of the Company hereby confirm that, to the best of their knowledge, nothing has come to its attention which may render the unaudited financial results for the financial period ended 30 June 2022 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

JI ZENGHE  
EXECUTIVE CHAIRMAN  
4 August 2022