FIRST SPONSOR GROUP LIMITED
AND SUBSIDIARY COMPANIES

SGX APPENDIX 7.2 ANNOUNCEMENT
FOR THE SECOND HALF YEAR AND FINANCIAL YEAR ENDED
31 DECEMBER 2023

Contents	**Page**

FIRST SPONSOR GROUP LIMITED AND SUBSIDIARY COMPANIES

CONDENSED INTERIM CONSOLIDATED INCOME STATEMENT

For the second half year and financial year ended 31 December 2023

	Note	Group Half year ended 31 December 2023 S$'000 (Unaudited)	Group Half year ended 31 December 2022 S$'000 (Unaudited)	Group Full year ended 31 December 2023 S$'000 (Unaudited)	Group Full year ended 31 December 2022 S$'000 (Audited)
Revenue	4	147,039	312,239	282,928	427,493
Cost of sales		(80,589)	(172,376)	(151,056)	(221,402)
Gross profit		66,450	139,863	131,872	206,091
Administrative expenses		(21,764)	(27,652)	(47,708)	(45,667)
Selling expenses		(8,546)	(8,252)	(17,312)	(14,519)
Other (expenses)/income (net)		(9,136)	(7,516)	(12,306)	6,235
Other gains/(losses) (net)	5	3,878	(133)	3,873	15,091
Results from operating activities		30,882	96,310	58,419	167,231
Finance income		30,586	22,107	53,254	36,859
Finance costs		(47,053)	(26,958)	(81,347)	(48,431)
Net finance costs		(16,467)	(4,851)	(28,093)	(11,572)
Share of after-tax profit/(loss) of associates and joint ventures		734	19,372	(2,630)	40,057
Profit before tax	6	15,149	110,831	27,696	195,716
Tax expense	7	(9,886)	(43,713)	(14,617)	(57,843)
Profit for the period/year		5,263	67,118	13,079	137,873
Attributable to:					
Equity holders of the Company		1,917	59,925	12,522	131,256
Non-controlling interests		3,346	7,193	557	6,617
Profit for the period/year		5,263	67,118	13,079	137,873
Earnings per share (cents)					
- Basic		0.19	6.49	1.29	14.21
- Diluted		0.16	4.52	1.08	9.90

FIRST SPONSOR GROUP LIMITED AND SUBSIDIARY COMPANIES

CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the second half year and financial year ended 31 December 2023

	Group Half year ended 31 December		Group Full year ended 31 December	
	2023 S$'000 (Unaudited)	**2022 S$'000 (Unaudited)**	**2023 S$'000 (Unaudited)**	**2022 S$'000 (Audited)**
Profit for the period/year	5,263	67,118	13,079	137,873
Other comprehensive income				
Items that are or may be reclassified subsequently to profit or loss:				
Translation difference realised on disposal of a subsidiary	(93)	-	(93)	-
Share of translation differences on financial statements of foreign associates and joint ventures, net of tax	(5,113)	(87,007)	(42,396)	(103,926)
Translation differences on financial statements of foreign subsidiaries, net of tax	(3,508)	(38,386)	(11,053)	(65,959)
Other comprehensive income for the period/ year, net of tax	(8,714)	(125,393)	(53,542)	(169,885)
Total comprehensive income for the period/ year	(3,451)	(58,275)	(40,463)	(32,012)
Total comprehensive income attributable to:				
Equity holders of the Company	(7,105)	(54,621)	(36,685)	(24,518)
Non-controlling interests	3,654	(3,654)	(3,778)	(7,494)
Total comprehensive income for the period/ year	(3,451)	(58,275)	(40,463)	(32,012)

CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION
As at 31 December 2023

		Group		Company	
	Note	As at 31 December 2023 S$'000 (Unaudited)	As at 31 December 2022 S$'000 (Audited)	As at 31 December 2023 S$'000 (Unaudited)	As at 31 December 2022 S$'000 (Audited)
Non-current assets					
Property, plant and equipment		603,837	573,132	1,126	789
Investment properties		169,858	175,334	-	-
Goodwill		23,315	22,874	-	-
Subsidiaries		-	-	1,759,602	1,636,191
Interests in associates and joint ventures		1,256,002	1,120,067	9,680	9,680
Derivative assets		57,016	113,440	57,016	113,440
Other investments		27,115	135,294	-	-
Deferred tax assets		30,336	40,414	-	-
Trade and other receivables		366,957	370,017	-	-
		2,534,436	2,550,572	1,827,424	1,760,100
Current assets					
Development properties		1,168,686	932,949	-	-
Inventories		1,550	1,345	-	-
Trade and other receivables		650,197	527,043	1,202,602	989,190
Derivative assets		70,090	55,942	70,090	55,942
Other investments		39,963	-	-	-
Cash and cash equivalents		177,799	270,263	45,976	15,305
		2,108,285	1,787,542	1,318,668	1,060,437
Total assets		4,642,721	4,338,114	3,146,092	2,820,537
Equity					
Share capital		144,176	118,802	144,176	118,802
Share premium		506,058	296,772	506,270	296,984
Reserves		1,322,899	1,394,691	1,056,994	1,106,711
Equity attributable to owners of the Company		1,973,133	1,810,265	1,707,440	1,522,497
Non-controlling interests		115,356	115,722	-	-
Total equity		2,088,489	1,925,987	1,707,440	1,522,497
Non-current liabilities					
Loans and borrowings	10	999,848	906,755	870,049	928,755
Derivative liabilities		2,870	354	2,870	354
Other payables		21,212	17,219	-	-
Lease liabilities		97,228	87,940	69	217
Deferred tax liabilities		58,108	59,250	-	-
		1,179,266	1,071,518	872,988	929,326

CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION (CONT'D)
As at 31 December 2023

	Note	Group		Company	
		As at 31 December 2023 S$'000 (Unaudited)	As at 31 December 2022 S$'000 (Audited)	As at 31 December 2023 S$'000 (Unaudited)	As at 31 December 2022 S$'000 (Audited)
Current liabilities					
Loans and borrowings	10	250,705	101,631	250,705	101,631
Current tax payable		19,329	65,633	4,085	3,450
Trade and other payables		1,032,807	1,150,928	304,393	263,408
Contract liabilities		61,357	16,334	-	-
Receipts in advance		1,306	3,407	-	-
Lease liabilities		3,128	2,596	147	145
Derivative liabilities		6,334	80	6,334	80
		1,374,966	1,340,609	565,664	368,714
Total liabilities		2,554,232	2,412,127	1,438,652	1,298,040
Total equity and liabilities		4,642,721	4,338,114	3,146,092	2,820,537

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS
For the full year ended 31 December 2023

	Note	Group Full year ended 31 December 2023 S$'000 (Unaudited)	2022 S$'000 (Audited)
Cash flows from operating activities			
Profit for the year		13,079	137,873
Adjustments for:			
Depreciation of property, plant and equipment	6	20,343	18,710
Fair value loss/(gain) on:			
- derivative assets/liabilities (net)	6	51,046	(146,364)
- investment properties	6	(2,512)	(1,271)
- other investments (net)	6	3,127	1,290
Finance income		(53,254)	(36,859)
Finance costs		81,347	48,431
(Gain)/loss on disposal of:			
- a joint venture	5	(4,364)	-
- assets and liabilities held-for-sale	5	-	(15,158)
- investment properties	5	-	(80)
- property, plant and equipment (net)	5	(53)	1
- a subsidiary	5	508	-
Loss on dilution of interest in a subsidiary	5	-	3
Impairment loss on:			
- financial assets – third party trade receivables (net)	6	-	26,557
- property, plant and equipment	6	-	27,390
- goodwill	6	-	15,763
Reversal of impairment loss on financial assets – loan receivable from a joint venture	6	(6,098)	-
Reversal of impairment loss on financial assets – third parties (net)	6	(33)	-
Goodwill written off on acquisition of a subsidiary	5,12	-	114
Write-down of development properties	6	25,326	16,441
Property, plant and equipment written off	5	36	29
Share of after-tax loss/(profit) of associates and joint ventures		2,630	(40,057)
Tax expense	7	14,617	57,843
		145,745	110,656
Changes in:			
Contract liabilities		46,359	(150,822)
Development properties		(372,440)	(168,519)
Inventories		(182)	(79)
Loans and borrowings		(18,809)	(60,598)
Other investments		80,819	65,424
Trade and other receivables		(185,978)	507,310
Trade and other payables		(27,016)	78,611
Cash (used in)/generated from operations		(331,502)	381,983
Interest received		5,612	3,746
Interest paid		(11,051)	(14,408)
Tax paid		(55,293)	(85,904)
Net cash (used in)/generated from operating activities		(392,234)	285,417

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS (CONT'D)
For the full year ended 31 December 2023

	Note	Group Full year ended 31 December 2023 S$'000 (Unaudited)	2022 S$'000 (Audited)
Cash flows from investing activities			
Acquisition of subsidiaries, net of cash acquired		-	6,800
Advances to associates (net)		-*	(16,781)
Repayment from/(advances to) joint ventures (net)		744	(412,187)
Interest received		49,522	31,810
Payment for acquisition of other investments		(15,653)	(17)
Payment for additions to property, plant and equipment		(34,084)	(12,184)
Payment for additions to investment properties		(69)	(59,421)
Payment for investments in associates and joint ventures (net)		(135,695)	(50,023)
Proceeds from disposal of:			
- a joint venture		25,117	-
- assets and liabilities held-for-sale		-	23,900
- property, plant and equipment		779	3
- investment properties		-	528
- a subsidiary, net cash received	11	4,129	-
Net cash used in investing activities		(105,210)	(487,572)
Cash flows from financing activities			
Advances from associates (net)		5,546	212,426
Advances from joint ventures (net)		39,646	14,015
(Repayment to)/advances from non-controlling interests of subsidiaries (net)		(11,974)	3,887
Capital contribution by non-controlling interests		3,412	2,439
Dividends paid to the owners of the Company		(35,107)	(31,871)
Interest paid		(77,017)	(35,108)
Issuance of ordinary shares		234,660	3,574
Payment of lease liabilities		(6,411)	(9,767)
Payment of transaction costs related to borrowings		(2,816)	(4,050)
Proceeds from bank borrowings		2,058,313	1,367,480
Repayment of bank borrowings		(1,798,381)	(1,372,893)
Net cash from financing activities		409,871	150,132
Net decrease in cash and cash equivalents		(87,573)	(52,023)
Cash and cash equivalents at beginning of the year		270,263	343,967
Effect of exchange rate changes on balances held in foreign currencies		(4,891)	(21,681)
Cash and cash equivalents at end of the year	10	177,799	270,263

* Amount less than S$1,000

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS (CONT'D)
For the full year ended 31 December 2023

Significant non-cash transactions

During the financial year ended 31 December 2023, the loans and interest receivable thereon due from a joint venture amounting to S$54,757,000 (€37,714,0000) were capitalised as additional equity investment in the joint venture. Advances to a joint venture amounting to S$10,756,000 (RMB56,731,000) were also capitalised as additional equity into the joint venture.

During the financial year ended 31 December 2022,

(i) advances to joint ventures amounting to S$131,151,000 in aggregate were capitalised as additional equity investment in the respective joint ventures;

(ii) advances to an associate amounting to S$15,413,000 (A$15,960,000) were capitalised as additional investment in the associate;

(iii) in relation to the acquisition of 95% equity interest in Queens Bilderberg (Nederland) B.V. ("QBN") by the Group from FSMC NL Property Group B.V. ("FSMC"), an indirect 33%-owned associate of the Company on 2 May 2022, S$243,823,000 (€162,322,000) of the total purchase consideration amounting to S$244,019,000 (€162,451,000) was settled by the Group via a set off against loans and interest receivable owing by FSMC to the Group of an equivalent amount; and

(iv) the purchase consideration for a 70% beneficial interest in Chengdu Fuqing Commercial Operation Management Co., Ltd. ("CDFQ") amounting to S$144,000 (RMB700,000) on 1 August 2022, was set off against a receivable due from the third-party seller of the same amount.

CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY
For the financial year ended 31 December 2023

	Share capital S$'000	Share premium S$'000	Statutory reserve S$'000	Capital reserve S$'000	Distributable reserve S$'000	Foreign currency translation reserve S$'000	Retained earnings S$'000	Total attributable to equity holders of the Company S$'000	Non-controlling interests S$'000	Total equity S$'000
Group (Unaudited)										
At 1 January 2023	118,802	296,772	59,204	245	655,029	(64,103)	744,316	1,810,265	115,722	1,925,987
Total comprehensive income for the year										
Profit for the year	-	-	-	-	-	-	12,522	12,522	557	13,079
Other comprehensive income										
Translation differences realised on disposal of a subsidiary	-	-	-	-	-	(84)	-	(84)	(9)	(93)
Share of translation differences on financial statements of foreign associates and joint ventures, net of tax	-	-	-	-	-	(42,396)	-	(42,396)	-	(42,396)
Translation differences on financial statements of foreign subsidiaries, net of tax	-	-	-	-	-	(6,727)	-	(6,727)	(4,326)	(11,053)
Total other comprehensive income	-	-	-	-	-	(49,207)	-	(49,207)	(4,335)	(53,542)
Total comprehensive income for the year	-	-	-	-	-	(49,207)	12,522	(36,685)	(3,778)	(40,463)

CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY (CONT'D)
For the financial year ended 31 December 2023

	Note	Share capital S$'000	Share premium S$'000	Statutory reserve S$'000	Capital reserve S$'000	Distributable reserve S$'000	Foreign currency translation reserve S$'000	Retained earnings S$'000	Total attributable to equity holders of the Company S$'000	Non-controlling interests S$'000	Total equity S$'000
Transactions with owners, recognised directly in equity											
Contributions by and distributions to owners											
Dividends paid to the owners of the Company	8	-	-	-	-	-	-	(35,107)	(35,107)	-	(35,107)
Issuance of new shares pursuant to exercise of warrants		25,374	209,286	-	-	-	-	-	234,660	-	234,660
Transfer to statutory reserve		-	-	752	-	-	-	(752)	-	-	-
Total contributions by and distributions to owners		25,374	209,286	752	-	-	-	(35,859)	199,553	-	199,553
Changes in ownership interests in subsidiaries											
Capital contribution by non-controlling interests		-	-	-	-	-	-	-	-	3,412	3,412
Total changes in ownership interests in subsidiaries		-	-	-	-	-	-	-	-	3,412	3,412
Total transactions with owners of the Company		25,374	209,286	752	-	-	-	(35,859)	199,553	3,412	202,965
At 31 December 2023		144,176	506,058	59,956	245	655,029	(113,310)	720,979	1,973,133	115,356	2,088,489

CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY (CONT'D)
For the financial year ended 31 December 2023

	Share capital S$'000	Share premium S$'000	Statutory reserve S$'000	Capital reserve S$'000	Distributable reserve S$'000	Foreign currency translation reserve S$'000	Retained earnings S$'000	Total attributable to equity holders of the Company S$'000	Non-controlling interests S$'000	Total equity S$'000
Group (Audited)										
At 1 January 2022	118,357	293,645	57,276	245	655,029	91,671	646,859	1,863,082	115,772	1,978,854
Total comprehensive income for the year										
Profit for the year	-	-	-	-	-	-	131,256	131,256	6,617	137,873
Other comprehensive income										
Share of translation differences on financial statements of foreign associates and joint ventures, net of tax	-	-	-	-	-	(103,926)	-	(103,926)	-	(103,926)
Translation differences on financial statements of foreign subsidiaries, net of tax	-	-	-	-	-	(51,848)	-	(51,848)	(14,111)	(65,959)
Total other comprehensive income	-	-	-	-	-	(155,774)	-	(155,774)	(14,111)	(169,885)
Total comprehensive income for the year	-	-	-	-	-	(155,774)	131,256	(24,518)	(7,494)	(32,012)

CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY (CONT'D)
For the financial year ended 31 December 2023

	Note	Share capital S$'000	Share premium S$'000	Statutory reserve S$'000	Capital reserve S$'000	Distributable reserve S$'000	Foreign currency translation reserve S$'000	Retained earnings S$'000	Total attributable to equity holders of the Company S$'000	Non-controlling interests S$'000	Total equity S$'000
Transactions with owners, recognised directly in equity											
Contributions by and distributions to owners											
Dividends paid to the owners of the Company	8	-	-	-	-	-	-	(31,871)	(31,871)	-	(31,871)
Issuance of new shares pursuant to exercise of warrants		445	3,127	-	-	-	-	-	3,572	-	3,572
Transfer to statutory reserve		-	-	1,928	-	-	-	(1,928)	-	-	-
Total contributions by and distributions to owners		445	3,127	1,928	-	-	-	(33,799)	(28,299)	-	(28,299)
Changes in ownership interests in subsidiaries											
Acquisition of subsidiaries with non-controlling interests		-	-	-	-	-	-	-	-	5,006	5,006
Capital contribution by non-controlling interests		-	-	-	-	-	-	-	-	2,438	2,438
Total changes in ownership interests in subsidiaries		-	-	-	-	-	-	-	-	7,444	7,444
Total transactions with owners of the Company		445	3,127	1,928	-	-	-	(33,799)	(28,299)	7,444	(20,855)
At 31 December 2022		**118,802**	**296,772**	**59,204**	**245**	**655,029**	**(64,103)**	**744,316**	**1,810,265**	**115,722**	**1,925,987**

CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY (CONT'D)
For the financial year ended 31 December 2023

	Share capital S$'000	Share premium S$'000	Capital reserve S$'000	Distributable reserve S$'000	Retained earnings S$'000	Total equity S$'000
Company (Unaudited)						
At 1 January 2023	118,802	296,984	(5,988)	655,029	457,670	1,522,497
Total comprehensive loss for the year						
Loss for the year	-	-	-	-	(14,599)	(14,599)
Total comprehensive loss for the year	-	-	-	-	(14,599)	(14,599)
Transactions with owners, recognised directly in equity						
Contribution by and distributions to owners						
Dividends paid to the owners of the Company	-	-	-	-	(35,118)	(35,118)
Issuance of new shares pursuant to exercise of warrants	25,374	209,286	-	-	-	234,660
Total contributions by and distributions to owners	25,374	209,286	-	-	(35,118)	199,542
Total transactions with owners of the Company	25,374	209,286	-	-	(35,118)	199,542
At 31 December 2023	**144,176**	**506,270**	**(5,988)**	**655,029**	**407,953**	**1,707,440**

CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY (CONT'D)
For the financial year ended 31 December 2023

	Share capital S$'000	Share premium S$'000	Capital reserve S$'000	Distributable reserve S$'000	Retained earnings S$'000	Total equity S$'000
Company (Audited)						
At 1 January 2022	118,357	293,857	(5,988)	655,029	351,977	1,413,232
Total comprehensive income for the year						
Profit for the year	-	-	-	-	137,576	137,576
Total comprehensive income for the year	-	-	-	-	137,576	137,576
Transactions with owners, recognised directly in equity						
Contribution by and distributions to owners						
Dividends paid to the owners of the Company	-	-	-	-	(31,883)	(31,883)
Issuance of new shares pursuant to exercise of warrants	445	3,127	-	-	-	3,572
Total contributions by and distributions to owners	445	3,127	-	-	(31,883)	(28,311)
Total transactions with owners of the Company	445	3,127	-	-	(31,883)	(28,311)
At 31 December 2022	**118,802**	**296,984**	**(5,988)**	**655,029**	**457,670**	**1,522,497**

SELECTED NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
For the second half year and full financial year ended 31 December 2023

1. Corporate and group information

First Sponsor Group Limited (“the “Company”) is incorporated in the Cayman Islands and has its registered office at P.O. Box 31119, Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1-1205, Cayman Islands.

The principal activities of the Company are those relating to investment holding. The principal activities of the subsidiaries are those relating to investment holding, property development and sales, property investment, hotel ownership and operations and provision of property financing services.

These condensed interim consolidated financial statements as at and for the second half year ended 31 December 2023 comprise the Company and its subsidiaries (together referred to as the “Group” and individually as “Group entities”), and the Group’s interests in equity-accounted investees.

2. Basis of preparation

The condensed interim consolidated financial statements for the second half year ended 31 December 2023 have been prepared in accordance with IAS 34 *Interim Financial Reporting*. The condensed interim consolidated 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 consolidated financial statements for the six months ended 30 June 2023.

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

The condensed interim consolidated financial statements are presented in Singapore dollar (S$) which is the Company’s functional currency and all values are rounded to the nearest thousand (S$’000), except when otherwise indicated.

2.1 New and amended standards adopted by the Group

The Group has adopted various new and revised accounting standards which are effective for the first time for the current financial reporting year ended 31 December 2023. The application of these standards did not have a material effect on the condensed interim consolidated financial statements.

2.2 Use of judgements and estimates

In preparing the condensed interim consolidated 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. Given the rising interest rate, inflationary cost pressures and geopolitical tension have caused and will likely to cause significant disruptions to economic activities, the uncertainties associated with accounting estimates and assumptions may also be increased accordingly. The significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2022.

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

2.3. Fair value measurement for investment properties

The Group engaged independent real estate valuation experts to assess the fair value of the Group's investment properties as at the end of each financial year. Such fair values are determined by the real estate valuation experts using recognised valuation techniques.

The valuation of the investment properties is generally derived based on the discounted cash flow, income capitalisation and market comparable methods. The discounted cash flow method takes into consideration the estimated net rent (using the current and projected average rental rates and occupancy) and a discount rate applicable to the nature, location and type of asset in question. The income capitalisation approach takes into consideration the estimated net rent and a yield rate applicable to the nature, location and type of asset in question. The market comparable method takes into consideration the sales of similar properties that have been transacted in the open market adjusted for location, age, size and other factors, if applicable.

For valuations performed by external valuation experts, the appropriateness of the valuation methodologies and assumptions adopted are reviewed along with the appropriateness and reliability of the inputs (including those developed internally by the Group) used in the valuations.

In selecting the appropriate valuation models and inputs to be adopted for each valuation that uses significant non-observable inputs, external valuation experts are requested to calibrate the valuation models and inputs to actual market transactions that are relevant to the valuation if such information is reasonably available.

Significant changes in fair value measurements from period to period are evaluated for reasonableness. Key drivers of the changes are identified and assessed for reasonableness against relevant information from independent sources, or internal sources if necessary and appropriate.

For the unaudited results in the second half year ended 31 December 2023 and 31 December 2022, the fair values of the Group's investment properties were based on the independent valuations as at 31 December 2023 and 31 December 2022 respectively, taking into account capitalised expenditure, leasing costs and straight-line rent incentives recognised during the respective periods.

The continuing interest rate hikes and rising energy costs in the European Union plus uncertainties over the Ukraine war, have increased the volatility to property markets in the Netherlands, resulting in increased uncertainty of the assumptions adopted in the valuation process. Consequently, these ongoing developments may cause unexpected volatility in the future fair value of investment properties subsequent to 31 December 2023.

3. Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period, except for its hotel operations which are subject to domestic and international economic conditions and seasonality factors. In addition, the adverse impact of the outbreak of a pandemic like Covid-19 on the travel and tourism industries in the countries in which the Group operates its hotel operations and the pace of post pandemic recovery could materially affect the Group's hotel operations, financial conditions and results of operations.

4. Segment and revenue information

The Group is organised into the following main business segments:

- Property development – development and/or purchase of properties for sale
- Property investment – development and/or purchase of investment properties (including hotels) for rental income
- Property financing – provision of interest-bearing loans to associates, joint ventures and third parties, subscription of debt securities, and vendor financing arrangements
- Hotel operations – hotels and hotspring owner

These operating segments are reported in a manner consistent with internal reporting provided to the Group CEO and Group CFO who are responsible for allocating resources and assessing the performance of the operating segments.

4.1 Reportable segments

	Property development S$'000	Property investment S$'000	Property financing S$'000	Hotel operations S$'000	Total reportable segments S$'000	Unallocated S$'000	Consolidated S$'000
1 July 2023 to 31 December 2023							
Segment revenue	17,567	16,002	32,799	91,221	157,589	5,082	162,671
Elimination of inter-segment revenue	697	(9,252)	(5,653)	2,390	(11,818)	(3,814)	(15,632)
External revenue	18,264	6,750	27,146	93,611	145,771	1,268	147,039
Profit/(loss) from operating activities	1,049	(2,500)	13,921	19,571	32,041	(1,159)	30,882
Finance income	22,594	-	349	7,061	30,004	582	30,586
Finance costs	(33,407)	-	(3)	(10,339)	(43,749)	(3,304)	(47,053)
Share of after-tax profit/(loss) of associates and joint ventures	21,723	(20,988)	-	-	735	(1)	734
Segment profit/(loss) before tax	11,959	(23,488)	14,267	16,293	19,031	(3,882)	15,149
Other material non-cash items (debit)/credit:							
Depreciation	(680)	(369)	(39)	(9,321)	(10,409)	(243)	(10,652)
Fair value gain/(loss) on:							
- other investments (net)	-	-	-	-	-	(1,379)	(1,379)
- investment properties (net)	-	2,512	-	-	2,512	-	2,512
- derivatives (net)	3,559	1,829	(16,644)	(184)	(11,440)	-	(11,440)
(Impairment loss)/reversal of impairment loss on:							
- financial assets – third party trade receivables (net)	-	-	-	(3)	(3)	-	(3)
- financial assets – loan receivable from a joint venture	-	-	6,098	-	6,098	-	6,098
Property, plant and equipment written off	-	-	-	(31)	(31)	-	(31)
Write-down of development properties	(25,326)	-	-	-	(25,326)	-	(25,326)
Other segment information:							
Capital expenditure*	70	579	(8)	19,747	20,388	2,056	22,444

* Includes property, plant and equipment and investment properties.

4.1 Reportable segments (cont'd)

	Property development S$'000	Property investment S$'000	Property financing S$'000	Hotel operations S$'000	Total reportable segments S$'000	Unallocated S$'000	Consolidated S$'000
1 July 2022 to 31 December 2022							
Segment revenue	185,901	6,322	39,013	89,858	321,094	9,436	330,530
Elimination of inter-segment revenue	(1,122)	(804)	(4,956)	(3,123)	(10,005)	(8,286)	(18,291)
External revenue	184,779	5,518	34,057	86,735	311,089	1,150	312,239
Profit/(loss) from operating activities	85,014	(4,503)	33,139	(14,797)	98,853	(2,543)	96,310
Finance income	15,429	29	-	6,387	21,845	262	22,107
Finance costs	(22,214)	(770)	(9)	(3,534)	(26,527)	(431)	(26,958)
Share of after-tax profit/(loss) of associates and joint ventures	39,508	(19,919)	-	(208)	19,381	(9)	19,372
Segment profit/(loss) before tax	117,737	(25,163)	33,130	(12,152)	113,552	(2,721)	110,831
Other material non-cash items (debit)/credit:							
Depreciation	(718)	48	(46)	(9,296)	(10,012)	(498)	(10,510)
Fair value gain/(loss) on:							
- other investments	-	-	-	-	-	(1,069)	(1,069)
- investment properties	-	1,271	-	-	1,271	-	1,271
- derivatives (net)	27,833	(10,791)	23,328	30,470	70,840	-	70,840
Impairment loss on:							
- financial assets – third party trade receivables	-	-	(26,550)	(7)	(26,557)	-	(26,557)
- property, plant and equipment	-	-	-	(27,390)	(27,390)	-	(27,390)
- goodwill	-	-	-	(15,763)	(15,763)	-	(15,763)
Property, plant and equipment written off	(3)	-	-	-	(3)	(11)	(14)
Write-down of development properties	(16,441)	-	-	-	(16,441)	-	(16,441)
Other segment information:							
Capital expenditure*	118	(1,684)	258	12,502	11,194	678	11,872

* Includes property, plant and equipment and investment properties.

4.1 Reportable segments (cont'd)

	Property development S$'000	Property investment S$'000	Property financing S$'000	Hotel operations S$'000	Total reportable segments S$'000	Unallocated S$'000	Total S$'000
1 January 2023 to 31 December 2023							
Segment revenue	37,244	23,703	63,106	178,949	303,002	10,588	313,590
Elimination of inter-segment revenue	(270)	(9,252)	(10,728)	(2,012)	(22,262)	(8,400)	(30,662)
External revenue	36,974	14,451	52,378	176,937	280,740	2,188	282,928
Profit/(loss) from operating activities	13,130	3,017	26,059	22,465	64,671	(6,252)	58,419
Finance income	40,908	23	1,207	10,437	52,575	679	53,254
Finance costs	(55,190)	(769)	(8)	(18,123)	(74,090)	(7,257)	(81,347)
Share of after-tax profit/(loss) of associates and joint ventures	18,044	(20,670)	-	-	(2,626)	(4)	(2,630)
Segment profit/(loss) before tax	16,892	(18,399)	27,258	14,779	40,530	(12,854)	27,696
Other material non-cash items (debit)/credit:							
Depreciation	(1,336)	(435)	(41)	(18,029)	(19,841)	(502)	(20,343)
Fair value gain/(loss) on:							
- other investments (net)	-	-	-	-	-	(3,127)	(3,127)
- investment properties (net)	-	2,512	-	-	2,512	-	2,512
- derivatives (net)	916	(662)	(36,534)	(14,766)	(51,046)	-	(51,046)
Reversal of impairment loss on:							
- financial assets – third party trade receivables (net)	-	-	-	33	33	-	33
Reversal of impairment loss on financial assets – loan receivable from a joint venture	-	-	6,098	-	6,098	-	6,098
Property, plant and equipment written off	-	-	-	(36)	(36)	-	(36)
Write-down of development properties	(25,326)	-	-	-	(25,326)	-	(25,326)

4.1 Reportable segments (cont'd)

	Property development $'000	Property investment $'000	Property financing $'000	Hotel operations $'000	Total reportable segments $'000	Unallocated $'000	Total $'000
As at 31 December 2023							
Assets							
Segment assets	1,691,418	197,706	663,424	722,957	3,275,505	111,214	3,386,719
Interests in associates and joint ventures	1,182,685	64,223	-	2	1,246,910	9,092	1,256,002
	2,874,103	261,929	663,424	722,959	4,522,415	120,306	4,642,721
Liabilities							
Segment liabilities	(1,785,345)	(21,321)	(366,081)	(355,381)	(2,528,128)	(26,104)	(2,554,232)
Other segment information:							
Capital expenditure*	164	594	1	45,660	46,419	2,104	48,523

* Includes property, plant and equipment and investment properties.

4.1 Reportable segments (cont'd)

	Property development S$'000	Property investment S$'000	Property financing S$'000	Hotel operations S$'000	Total reportable segments S$'000	Unallocated S$'000	Total S$'000
1 January 2022 to 31 December 2022							
Segment revenue	207,020	15,300	82,354	139,022	443,696	15,250	458,946
Elimination of inter-segment revenue	(1,122)	(4,419)	(9,058)	(3,707)	(18,306)	(13,147)	(31,453)
External revenue	205,898	10,881	73,296	135,315	425,390	2,103	427,493
Profit/(loss) from operating activities	102,984	18,738	66,128	(10,698)	177,152	(9,921)	167,231
Finance income	26,491	116	-	7,791	34,398	2,461	36,859
Finance costs	(35,152)	(1,470)	(51)	(7,447)	(44,120)	(4,311)	(48,431)
Share of after-tax profit/(loss) of associates and joint ventures	39,233	(19,537)	-	20,369	40,065	(8)	40,057
Segment profit/(loss) before tax	133,556	(2,153)	66,077	10,015	207,495	(11,779)	195,716
Other material non-cash items (debit)/credit:							
Depreciation	(1,419)	(219)	(90)	(16,171)	(17,899)	(811)	(18,710)
Fair value gain/(loss) on:							
- other investments	-	-	-	-	-	(1,290)	(1,290)
- investment properties	-	1,271	-	-	1,271	-	1,271
- derivatives (net)	47,251	10,462	45,895	42,756	146,364	-	146,364
(Impairment loss)/reversal of impairment loss on:							
- financial assets – third party trade receivables	-	-	(26,550)	(7)	(26,557)	-	(26,557)
- property, plant and equipment	-	-	-	(27,390)	(27,390)	-	(27,390)
- goodwill	-	-	-	(15,763)	(15,763)	-	(15,763)
Property, plant and equipment written off	(15)	-	-	-	(15)	(14)	(29)
Write-down of development properties	(16,441)	-	-	-	(16,441)	-	(16,441)

4.1 Reportable segments (cont'd)

	Property development S$'000	Property investment S$'000	Property financing S$'000	Hotel operations S$'000	Total reportable segments S$'000	Unallocated S$'000	Total S$'000
As at 31 December 2022							
Assets							
Segment assets	1,626,768	202,956	666,317	667,811	3,163,852	54,194	3,218,046
Interests in associates and joint ventures	1,085,893	24,995	-	1	1,110,889	9,179	1,120,068
	2,712,661	227,951	666,317	667,812	4,274,741	63,373	4,338,114
Liabilities							
Segment liabilities	(1,393,068)	(55,054)	(475,206)	(390,899)	(2,314,227)	(97,900)	(2,412,127)
Other segment information:							
Capital expenditure*	318	56,677	258	13,102	70,355	1,042	71,397

* Includes property, plant and equipment and investment properties.

4.2 Disaggregation of revenue

In the following table, revenue from contracts with customers is disaggregated by primary geographical markets and timing of revenue recognition. The table also includes a reconciliation of the disaggregated revenue with the Group's reportable segments.

	Property development Half year ended 31 December		Property financing Half year ended 31 December		Hotel operations Half year ended 31 December		Total* Half year ended 31 December	
	2023 S$'000	**2022 S$'000**	**2023 S$'000**	**2022 S$'000**	**2023 S$'000**	**2022 S$'000**	**2023 S$'000**	**2022 S$'000**
Primary geographical markets								
PRC	15,248	182,331	16,085	24,064	10,566	7,747	41,899	214,142
Europe	3,013	2,445	8,627	8,696	83,045	78,988	94,685	90,129
Others	3	3	2,434	1,297	-	-	2,437	1,300
Total revenue	18,264	184,779	27,146	34,057	93,611	86,735	139,021	305,571
Timing of revenue recognition								
Products transferred at a point in time	18,264	184,779	-	-	93,611	86,735	111,875	271,514
Products transferred over time	-	-	27,146	34,057	-	-	27,146	34,057
	18,264	184,779	27,146	34,057	93,611	86,735	139,021	305,571

Revenue contribution from a single region is disclosed separately when it exceeds 10% of the Group's revenue respectively.

* This excludes rental income from investment properties and unallocated revenue.

4.2 Disaggregation of revenue (cont'd)

	Property development Full year ended 31 December		Property financing Full year ended 31 December		Hotel operations Full year ended 31 December		Total* Full year ended 31 December	
	2023 S$'000	2022 S$'000	2023 S$'000	2022 S$'000	2023 S$'000	2022 S$'000	2023 S$'000	2022 S$'000
Primary geographical markets								
PRC	30,971	201,072	29,123	48,758	20,387	15,796	80,481	265,626
Europe	5,997	4,820	19,181	22,340	156,550	119,519	181,728	146,679
Others	6	6	4,074	2,198	-	-	4,080	2,204
Total revenue	36,974	205,898	52,378	73,296	176,937	135,315	266,289	414,509
Timing of revenue recognition								
Products transferred at a point in time	36,974	205,898	-	-	176,937	135,315	213,911	341,213
Products transferred over time	-	-	52,378	73,296	-	-	52,378	73,296
	36,974	205,898	52,378	73,296	176,937	135,315	266,289	414,509

Revenue contribution from a single region is disclosed separately when it exceeds 10% of the Group's revenue respectively.

* This excludes rental income from investment properties and unallocated revenue.

5. Other gains/(losses) (net)

Other gain/(losses) (net) comprise:

	Group Half year ended 31 December		Group Full year ended 31 December	
	2023	**2022**	**2023**	**2022**
	S$'000	**S$'000**	**S$'000**	**S$'000**
Gain/(loss) on disposal of:				
- assets and liabilities held-for-sale	-	-	-	15,158
- a subsidiary	(508)	-	(508)	-
- a joint venture	4,364	-	4,364	-
- property, plant and equipment (net)	53	-	53	(1)
- investment properties	-	(2)	-	80
Loss on dilution of interest in a subsidiary	-	(3)	-	(3)
Property, plant and equipment written off	(31)	(14)	(36)	(29)
Goodwill written off on acquisition of a subsidiary	-	(114)	-	(114)
	3,878	(133)	3,873	15,091

6. Profit before tax

Profit before tax is after (debiting)/crediting the following:

	Group Half year ended 31 December		Group Full year ended 31 December	
	2023 S$'000	2022 S$'000	2023 S$'000	2022 S$'000
Depreciation of property, plant and equipment	(10,652)	(10,510)	(20,343)	(18,710)
Exchange gain/(loss) (net)	21,019	6,588	63,183	(51,777)
Fair value (loss)/gain on:				
- derivative assets/liabilities (net)	(11,440)	70,840	(51,046)	146,364
- other investments (net)	(1,379)	(1,069)	(3,127)	(1,290)
- investment properties	2,512	1,271	2,512	1,271
Impairment loss on:				
- property, plant and equipment	-	(27,390)	-	(27,390)
- financial assets – third party trade receivables (net)	(3)	(26,557)	-	(26,557)
- goodwill	-	(15,763)	-	(15,763)
Reversal of impairment loss on financial assets – loan receivable from a joint venture	6,098	-	6,098	-
Reversal of impairment loss on financial assets – third parties (net)	-	-	33	-
Write-down of development properties	(25,326)	(16,441)	(25,326)	(16,441)
Interest expense on lease liabilities	(1,904)	(1,887)	(3,816)	(4,434)
Government grants – wage-related*	(120)	252	(65)	956
Government grants – non wage-related	421	992	148	1,880

* These relate to various Covid-19 wage support schemes available to the Group entities. The credit balances have been deducted from the payroll costs recorded in the profit or loss account. The debit balances in the current period/ year have arisen as the previously estimated government grants were higher than the final audited amounts. These amounts have been added back to the payroll costs recorded in the profit or loss account in the current period/year.

7. Taxation

The Group calculates the income tax expense for the periods 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 income statement are:

	Group Half year ended 31 December		Group Full year ended 31 December	
	2023	**2022**	**2023**	**2022**
	S$'000	**S$'000**	**S$'000**	**S$'000**
Current tax expense	7,333	17,137	3,677	23,592
Deferred tax (credit)/charge:				
- relating to origination and reversal of temporary differences	(290)	(4,925)	7,303	(5,425)
Land appreciation tax expense	1,279	31,489	2,046	39,660
Withholding tax	1,564	12	1,591	16
	9,886	43,713	14,617	57,843

The Company is established under the laws of the Cayman Islands and is not subject to income tax in that jurisdiction. The Company is a Singapore tax resident from the Year of Assessment 2015 onwards. The Group's operations are mainly in the PRC and the Netherlands. The statutory tax rate applicable to the Group's subsidiaries in the PRC for the second half year and full year ended 31 December 2023 is 25.0% (2022: 25.0%). The statutory tax rates applicable to the Group's subsidiaries in the Netherlands for the second half year and full year ended 31 December 2023 are 19.0% for the first taxable income bracket up to €200,000 and 25.8% for the taxable income beyond that amount (2022: 15.0% for the first taxable income bracket up to €395,000 and 25.8% for the taxable income beyond that amount).

Withholding tax arising from the distribution of dividends

Pursuant to the Dutch Corporate Income Tax Law, a 15% withholding tax is in principle levied on dividends declared to foreign investors from the foreign investment enterprises established in the Netherlands.

Pursuant to the PRC Income Tax Law, a 10% withholding tax is levied on dividends declared to foreign investors by the foreign investment enterprises in the PRC. A lower withholding tax rate may be applied if there is a tax treaty between the PRC and the jurisdiction of the foreign investors, The Group's determination as to whether to accrue for withholding taxes arising from the distribution of dividends by certain subsidiaries is subject to judgement on the timing of the payment of the dividends. The Group considered the applicable withholding tax rate to be 5% to 10% (31 December 2022: 5% to 10%).

PRC Land Appreciation Tax ("LAT")

LAT is levied on properties developed by the Group for sale in the PRC, at prevailing progressive rates ranging from 30% to 60% on the appreciation of land value, which under the applicable regulations is calculated based on the proceeds of the sale of properties less deductible expenditures including lease charges of land use rights, borrowing costs and relevant development expenditures. However, the implementation and settlement of LAT varies amongst different tax jurisdictions in the various cities of the PRC, and certain projects of the Group have not finalised their LAT calculations and payments with the local tax authorities. The final outcome could be different from the amounts that were initially recorded, and any differences will impact the LAT expenses and the related provision in the period in which the differences arise.

Accordingly, judgement is required in determining the amount of land appreciation and the related LAT provision.

8. Dividends

The condensed interim consolidated financial statements for the second half year and full year ended 31 December 2023 have not recognised as a liability the final tax exempt (one-tier) ordinary dividend in respect of the financial year ended 31 December 2023, declared after the end of the reporting period. This proposed dividend of 3.10 cents per share amounting to approximately S$34.4 million in aggregate will be accounted for in the shareholders' equity as an appropriation of 'Retained earnings' in the next financial year ending 31 December 2024. Refer to Paragraph 11 of the Other Information Required by Listing Rule Appendix 7.2 section for more details.

A final tax exempt (one-tier) ordinary dividend of 2.70 cents per share amounting to S$24.9 million in total was paid in May 2023 in respect of the financial year ended 31 December 2022. In addition, an interim tax-exempt (one-tier) ordinary dividend of 1.10 cents per share amounting to S$10.2 million in total was paid in October 2023 in respect of the current financial year ended 31 December 2023.

A second interim tax exempt (one-tier) ordinary dividend of 2.35 cents per share totaling S$21.7 million was paid in April 2022 in respect of the financial year ended 31 December 2021. In addition, an interim tax-exempt (one-tier) ordinary dividend of 1.10 cents per share amounting to S$10.2 million in total was paid in September 2022 in respect of the financial year ended 31 December 2022.

9. Fair value measurement

The Group classifies financial assets and liabilities 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:

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

	Level 1 S$'000	**Level 2 S$'000**	**Level 3 S$'000**	**Total S$'000**
As at 31 December 2023				
Financial assets measured at fair value through profit or loss				
Derivative assets	-	127,106	-	127,106
Other investments				
- Equity securities	27,115	-	-	27,115
- Debt securities	-	-	39,963	39,963
	27,115	127,106	39,963	194,184
Financial liabilities measured at fair value through profit or loss				
Derivative liabilities	-	(9,204)	-	(9,204)

9. Fair value measurement (cont'd)

	Level 1 S$'000	Level 2 S$'000	Level 3 S$'000	Total S$'000
As at 31 December 2022				
Financial assets measured at fair value through profit or loss				
Derivative assets	-	169,382	-	169,382
Other investments				
- Equity securities	14,512	-	-	14,512
- Debt securities	-	-	120,782	120,782
	14,512	169,382	120,782	304,676
Financial liabilities measured at fair value through profit or loss				
Derivative liabilities	-	(434)	-	(434)

The carrying amounts of the Group's financial instruments measured at cost or amortised cost are not materially different from their fair values as at 31 December 2023 and 31 December 2022.

10. Loans and borrowings

The Group's net borrowings refer to aggregate borrowings from banks and financial institutions and fixed rate medium term notes ("notes") issued by the Company, after deducting cash and cash equivalents and structured deposits, if any. The unamortised balance of transaction costs has not been deducted from the gross borrowings.

	The Group	
	As at 31 December 2023 S$'000	As at 31 December 2022 S$'000
Secured bank loans		
- repayable after one year	151,799	-
	151,799	-
Unsecured bank loans		
- repayable within one year	250,705	101,631
- repayable after one year	770,091	828,834
	1,020,796	930,465
Total	1,172,595	930,465
Unsecured notes		
- repayable after one year	77,958	77,921
Total	77,958	77,921
Total Borrowings	**1,250,553**	**1,008,386**
Gross borrowings	1,258,226	1,018,726
Less: Cash and cash equivalents	(177,799)	(270,263)
Net borrowings	1,080,427	748,463

11. Disposal of a subsidiary

Disposal of Dongguan East Sun No. 2 Property Management Co., Ltd. ("East Sun No. 2")

On 26 September 2023, First Sponsor (Guangdong) Group Limited ("FSGD") and a non-controlling equity holder disposed of their respective 90% and 10% equity stake in Dongguan East Sun No. 2 Property Management Co., Ltd. ("East Sun No. 2"), to a third party. The Group's 90% attributable share of the cash consideration amounted to S$4.4 million (RMB23.0 million). The consideration was arrived at on a willing-buyer willing-seller basis, taking into account, amongst other things, the assets and liabilities of East Sun No. 2. Based on the unaudited management accounts of East Sun No. 2 as at 26 September 2023, the net asset value attributable to the Group amounted to approximately S$4.9 million (RMB25.7 million).

The net assets and cash flows of the subsidiary disposed of are provided below:

	Half year and full year ended 31 December 2023
	S$'000
Property, plant and equipment	854
Investment property	6,226
Prepayments	2
Cash and cash equivalents	253
Deferred tax liabilities	(1,753)
Other payables	(122)
Contract liabilities	(7)
Accruals	(11)
Current tax payable	(9)
Non-controlling interest	(543)
Identified net assets disposed	4,890
Total consideration	4,382
Less: Cash and cash equivalents disposed	(253)
Net cash inflow	4,129
Total consideration	4,382
Less: Net identified assets on disposal	(4,890)
Loss on disposal	(508)

The Group has recognised a loss on disposal of the subsidiary of S$508,000 under "Other gains/(losses) (net)" in the consolidated statement of profit or loss for the second half year and financial year ended 31 December 2023.

12. Subsequent events

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

OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2

1(a) Details of any changes in the company's share capital arising from rights issue, bonus issue, subdivision, consolidation, 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 the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings 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. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed 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.

	Half year ended 31 December 2023		Full year ended 31 December 2023	
	Number of Shares	Share Capital (S$'000)	Number of Shares	Share Capital (S$'000)
Balance at beginning of period/year	924,183,837	118,806	924,156,757	118,802
Issuance of new shares from exercise of warrants	185,338,745	25,370	185,365,825	25,374
Balance at end of period/year	1,109,522,582	144,176	1,109,522,582	144,176

The total number of issued ordinary shares of US$0.10 each, excluding treasury shares as at 31 December 2023 and 31 December 2022 was 1,109,522,582 and 924,156,757 respectively.

As at 31 December 2023 and 31 December 2022, a subsidiary of the Company held 307,682 ordinary shares, representing 0.03% of the Company's total number of issued ordinary shares on the two dates respectively.

As at 31 December 2023, the unexercised warrants are as follows:

	Number	Exercise Period	Exercise Price
Warrants (2019)	28,294,374 (31 December 2022: 184,953,696)	31 May 2019 to 30 May 2024	S$1.30
Warrants (2020)	188,348,081 (31 December 2023: 217,054,584)	24 March 2021 to 21 March 2029	S$1.08

As at 31 December 2023, the maximum number of ordinary shares that may be issued upon the exercise of all the Warrants (2019) and Warrants (2020) was 216,642,455 (31 December 2022: 402,008,280), which would increase the total number of issued ordinary shares to 1,326,165,037 (31 December 2022: 1,326,165,037).

As at 31 December 2023, a subsidiary of the Company held 30,768 Warrants (2019) (31 December 2022: 30,768) and 76,920 Warrants (2020) (31 December 2022: 76,920).

The Company did not hold any treasury shares as at 31 December 2023 and 31 December 2022.

1(b) 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.

The total number of issued ordinary shares excluding treasury shares as at 31 December 2023 and 31 December 2022 was 1,109,522,582 and 924,156,757 respectively.

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

There were no sales, transfers, cancellation and/or use of treasury shares during the half year ended 31 December 2023.

1(d) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

There were no sales, transfers, cancellation and/or use of subsidiary holdings during the half year ended 31 December 2023.

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

The figures have neither been audited nor reviewed by our auditors.

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

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 Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period as that of the audited financial statements for the financial year ended 31 December 2022.

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 various new standards, amendments to standards and interpretations that are effective for the financial period beginning on 1 January 2023.

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.

	Half year ended 31 December		Full year ended 31 December	
	2023	**2022**	**2023**	**2022**
Earnings per share (cents)				
- basic	0.19	6.49	1.29	14.21
- diluted	0.16	4.52	1.08	9.90
Profit attributable to ordinary shareholders (S$'000)	1,917	59,925	12,522	131,256
Weighted average number of ordinary shares in issue:				
- basic	1,015,538,252 [1]	923,848,595 [1]	970,077,835 [1]	923,385,850 [1]
- diluted	1,203,886,333 [1]	1,325,857,355 [1]	1,158,425,916[1]	1,325,857,355 [1]

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

	Group		Company	
	As at 31 December 2023	**As at 31 December 2022**	**As at 31 December 2023**	**As at 31 December 2022**
Net asset value per ordinary share (cents)	177.89	195.95	153.89	165.00
Number of issued ordinary shares (excluding treasury shares)	1,109,214,900 [1]	923,849,075 [1]	1,109,522,582 [1]	924,156,757 [1]

[1] Excludes 307,682 shares in the Company held by a subsidiary which are accounted for as treasury shares in the consolidated financial statements of the Group in accordance with IAS 32 *Financial Instruments: Presentation*.

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

<u>Group performance</u>

Revenue and cost of sales

The breakdown of our revenue (net of value added tax) for the period under review is as follows:

	Half year ended 31 December		Full year ended 31 December	
	2023	2022	2023	2022
	S$'000	S$'000	S$'000	S$'000
Revenue from sale of properties*	18,264	184,779	36,974	205,898
Rental income from investment properties*	8,018	6,668	16,639	12,984
Revenue from hotel operations	93,611	86,735	176,937	135,315
Revenue from property financing	27,146	34,057	52,378	73,296
Total	147,039	312,239	282,928	427,493

* *includes service fee earned from the Group's European associates and joint ventures*

<u>2H2023 vs 2H2022</u>

Revenue of the Group decreased by S$165.2 million or 52.9%, from S$312.2 million in 2H2022 to S$147.0 million in 2H2023. This decrease was due mainly to the decrease in revenue from sale of properties and property financing of S$166.1 million and S$6.9 million respectively. The decrease was partially offset by the increase in revenue from hotel operations and rental of investment properties of S$6.5 million and S$1.3 million respectively.

Revenue from sale of properties decreased by S$166.5 million or 90.1% to S$18.2 million in 2H2023. The decline was primarily driven by the absence of significant handover of inventory in 2H2023 from The Pinnacle project in Dongguan as the project is mostly sold and completed. 2 SOHO units and 3 retail units of the project were handed over in 2H2023, compared to 168 residential units, 45 SOHO units, 2 retail units and 111 carpark lots in 2H2022. The reduction is partially mitigated by revenue from the sale of 40 SOHO units of the Chengdu Cityspring project in Chengdu.

Rental income from investment properties increased by S$1.3 million or 20.2% to S$8.0 million in 2H2023. S$1.2 million of the increase was due mainly to the rental contribution from FS Han Mai Mall acquired by the Group via a foreclosure auction in April 2022 as part of the Group's enforcement action on a defaulted loan.

Revenue from hotel operations increased by S$6.9 million or 7.9% to S$93.6 million in 2H2023. The European hotels recorded an increase in their aggregate revenue by S$4.1 million or 5% over the revenue recorded in 2H2022 which was underpinned by strong post Covid-19 travel demand. In the PRC, the two Wenjiang hotels' revenue also increased by S$3.5 million or 68% over the revenue recorded in 2H2022. This is partially offset by the decrease in revenue from the adjoining hotspring operations in Chengdu by S$0.8 million or 30%.

Revenue from property financing decreased by S$6.9 million or 20.3% to S$27.1 million in 2H2023. The lower property financing revenue was mainly attributable to the absence of S$9.7 million interest income recognised in 2H2022 in respect of the defaulted loan secured on the FS Han Mai Mall, partially offset by higher revenue from A$ denominated property financing loans amounting to S$1.1 million.

Cost of sales mainly comprises land costs, development expenditure and cost adjustments (if any), borrowing costs, depreciation charge and other related expenditure. Cost of sales decreased by S$91.8 million or 53.2%, from S$172.4 million in 2H2022 to S$80.6 million in 2H2023. The decrease is in tandem with the decrease in revenue recognized from sale of properties.

The Group's gross profit decreased by S$73.4 million or 52.5% from S$139.9 million in 2H2022 to S$66.5 million in 2H2023. The decrease was due mainly to the lower gross profit from sale of properties and property financing of S$73.8 million and S$2.0 million respectively. This was partially offset by higher gross profit generated from hotel operations and investment properties of S$1.2 million and S$1.2 million respectively.

The Group's overall gross margin remain fairly consistent at 45.2% for 2H2023 as compared to 44.8% for 2H2022.

Administrative expenses

Administrative expenses mainly comprise staff costs, depreciation charge in relation to non-hotel assets, professional fees, and other expenses such as office, telecommunications and travelling expenses, stamp duties and other indirect PRC taxes.

The administrative expenses decreased by S$5.9 million or 21.3%, from S$27.7 million in 2H2022 to S$21.8 million in 2H2023. The decrease was due mainly to lower staff costs incurred in 2H2023.

Other (expenses)/income (net)

In 2H2023, the Group recorded other expenses (net) of S$9.1 million which comprised mainly write-down of Primus Bay Panyu development properties of S$24.6 million, net fair value loss on financial derivatives of S$11.4 million and fair value loss on equity securities of S$1.4 million, partially offset by net foreign exchange gain of S$21.0 million, reversal of impairment loss on loan receivable from a joint venture of S$6.1 million and fair value gain on investment properties of S$2.5 million.

In 2H2022, the Group recorded other expenses (net) of S$7.5 million which comprised mainly impairment loss on property, plant and equipment of S$27.4 million, due mainly to the impairment of some of the QBN hotels, Bilderberg Bellevue Hotel Dresden, the two Utrecht hotels, and the bare shell hotel in Milan, impairment loss on goodwill arising from the acquisition of QBN amounting to S$15.8 million (€10.8 million), write-down of development properties of S$16.4 million (RMB80.2 million) relating to Plot E1 car park lots of the Millennium Waterfront project in Chengdu and SOHO units of The Pinnacle in Dongguan, and an impairment charge of S$26.6 million (RMB129.6 million) relating to the Group's outstanding exposure to a defaulted property financing loan to a third party. These expenses were partially offset by the net fair value gain on financial derivatives of S$70.8 million, net foreign exchange gain of S$6.6 million, and net fair value gain on the Group's investment properties of S$1.3 million.

Other gains/(losses) (net)

Other gains (net) of S$3.9 million recorded in 2H2023 relates to the gain on disposal of a joint venture that owns the Dalingshan industrial property in Wan Li amounting to S$4.4 million, partially offset by a loss of disposal of a subsidiary of S$0.5 million as mentioned in Note 11.

Other losses of S$0.1 million recorded in 2H2022 comprised mainly the write off of goodwill arising from the Group's acquisition of a beneficial 70% interest in CDFQ.

Net finance costs

Net finance costs increased by S$11.6 million or 239.5% from S$4.9 million in 2H2022 to S$16.5 million in 2H2023. This was due to the effect of rising interest rates and higher average borrowings obtained to fund the Group's operations. The net finance costs include S$1.9 million (2H2022: S$1.9 million) of interest expense on lease liabilities recorded under IFRS 16.

Share of after-tax profit of associates and joint ventures

Share of after-tax profit of associates and joint ventures decreased by S$18.7 million or 96.2% from S$19.4 million in 2H2022 to S$0.7 million in 2H2023.

This was mainly attributable to the lower share of profit of S$24.3 million contributed by the 27%-held Skyline Garden project in Dongguan from S$39.6 million in 2H2022 to S$15.3 million in 2H2023, as there was only 1 residential block handed over in 2H2023 as compared to 4 residential blocks in 2H2022. The Group also recognised a share of loss amounting to S$4.5 million from the 18%-held joint venture that will redevelop a plot of land in Fenggang, Dongguan. This includes S$2.1 million of previously deferred share of loss, now recognized by the Group upon the capitalisation of advances into equity in the joint venture amounting to S$10.8 million in 2H2023. The decrease was partially offset by a higher share of profit of S$12.0 million contributed by the 17.3%-held Time Zone project in Dongguan, mainly resulting from the first-time handover of 2 substantially sold residential blocks in December 2023.

FY2023 vs FY2022

Revenue of the Group decreased by S$144.6 million or 33.8%, from S$427.5 million in FY2022 to S$282.9 million in FY2023. This decrease was due mainly to the decrease in revenue from sale of properties and property financing of S$168.9 million and S$20.9 million respectively. The decrease was partially offset by the increase in revenue from hotel operations and rental of investment properties of S$41.6 million and S$3.6 million respectively.

Revenue from sale of properties decreased by S$168.9 million or 82.0%, from S$205.9 million in FY2022 to S$37.0 million in FY2023. This was due mainly to the absence of significant handover activities in FY2023 compared to FY2022.

Rental income from investment properties increased by S$3.6 million or 28.2%, from S$13.0 million in FY2022 to S$16.6 million in FY2023.The increase was due mainly to the higher rental contribution from FS Han Mai Mall which was acquired by the Group via a foreclosure auction in April 2022 as part of Group's enforcement action on a defaulted loan.

Revenue from hotel operations increased by S$41.6 million or 30.8%, from S$135.3 million in FY2022 to S$176.9 million in FY2023. The eleven Bilderberg hotels owned by QBN, which was consolidated by the Group since 2 May 2022, contributed S$88.6 million revenue in FY2023 as compared to S$65.4 million in FY2022. The rest of the European hotels also recorded an increase in their aggregate revenue by S$13.7 million over that recorded in FY2022, on the back of higher occupancy rates and average daily rates achieved from the strong post Covid-19 demand. The two Wenjiang hotels and adjoining hotspring in Chengdu also contributed an overall increase in revenue by S$4.6 million to S$20.4 million in FY2023.

Revenue from property financing decreased by S$20.9 million or 28.5%, from S$73.3 million in FY2022 to S$52.4 million in FY2023. This is due mainly to lower average property financing loan book for the year.

The Group's gross profit decreased by S$74.2 million or 36.0%, from S$206.1 million in FY2022 to S$131.9 million in FY2023, of which S$73.1 million and S$17.5 million were contributed by the lower sale of properties and property financing activities respectively. This was partially offset by higher gross profit generated from hotel operations and rental income from investment properties of S$12.5 million and S$3.9 million respectively.

The Group's gross margin decreased marginally from 48.2% in FY2022 to 46.6% in FY2023.

Administrative expenses

Administrative expenses increased by S$2.0 million or 4.5%, from S$45.7 million in FY2022 to S$47.7 million in FY2023. S$4.1 million of the increase was attributable to the effect of consolidation of QBN from 2 May 2022. This was partially offset by lower non-QBN staff costs of S$1.2 million.

Selling expenses

Selling expenses increased by S$2.8 million or 19.2% from S$14.5 million in FY2022 to S$17.3 million in FY2023. S$1.5 million of the increase was attributable to the effect of consolidation of QBN from 2 May 2022. In addition, The Brilliance in Dongguan which launched its first two residential blocks for pre-sale in April 2023 incurred higher advertising and promotional expenses of S$0.9 million in FY2023.

Other (expenses)/income (net)

In FY2023, the Group recorded other expenses (net) of S$12.3 million which comprised mainly write-down of Primus Bay Panyu development properties amounting to S$24.6 million, net fair value loss on financial derivatives of S$51.0 million, fair value loss on equity securities of S$3.1 million and hotel management fees of S$6.1 million. This was partially offset by net foreign exchange gain of S$63.2 million and reversal of impairment loss on loan receivable from a joint venture of S$6.1 million and fair value gain on investment properties of S$2.5 million.

In FY2022, the Group recorded other income (net) of S$6.2 million which comprised mainly fair value gain on financial derivatives net of foreign exchange loss of S$94.6 million and net fair value gain on investment properties of S$1.3 million. This was partially offset by impairment loss on goodwill, property, plant and equipment, and the Group's exposure to the defaulted property financing loan amounting to S$15.8 million, S$27.4 million and S$26.6 million respectively, write-down of development properties of S$16.4 million relating to the SOHO units of The Pinnacle and Plot E1 carpark lots of the Millennium Waterfront project, and fair value loss on equity securities of S$1.3 million.

Other gains (net)

In FY2023, the Group recorded other gains (net) of S$3.9 million which comprised mainly the gain on disposal of a joint venture of S$4.4 million, partially offset by a loss of disposal of a subsidiary of S$0.5 million as mentioned in Note 11.

In FY2022, the Group recorded other gains (net) of S$15.1 million which comprised mainly the gain on disposal of assets and liabilities held-for-sale of East Sun No. 3 amounting to S$15.2 million arising from the Group's divestment of its entire 90% equity interest in East Sun No. 3 in April 2022.

Net finance costs

Net finance costs increased by S$16.5 million or 142.8% from S$11.6 million in FY2022 to S$28.1 million in FY2023, due mainly to the higher interest rate environment and higher average borrowings obtained to fund the Group's operations. The net finance costs for FY2023 comprised S$3.8 million (FY2022: S$4.4 million) of interest expense on lease liabilities recorded under IFRS 16.

Share of after-tax profit/(loss) of associates and joint ventures

The Group recorded a share of after-tax loss of associates and joint ventures of S$2.6 million in FY2023 as compared to a share of after-tax profit of S$40.1 million in FY2022.

In particular, the contribution by the PRC associates and joint ventures decreased from a profit of S$39.4 million in FY2022 to a profit of S$17.1 million in FY2023, whilst the contribution from the European associates and joint ventures changed from a profit of S$0.9 million in FY2022 to a loss of S$19.8 million in FY2023.

The S$22.3 million decrease in profit contribution from the PRC investees was due mainly to a lower of share of profit by S$23.8 million from S$38.7 million to S$14.9 million contributed by the 27%-held Skyline Garden project in Dongguan due to lesser handover activity in FY2023, higher share of losses of S$4.3 million in aggregate from the various joint venture projects in Dongguan which are still undergoing development and have yet to commence handover activity, share of losses of S$4.5 million from the Fenggang joint venture including recognition of previously deferred share of losses of S$2.1 million upon capitalisation of advances to equity during FY2023. The above factors were partially offset by increase in share of profit of S$10.2 million from the 17.3%-owned Time Zone project in Dongguan, due to the first-time handover of two substantially sold residential blocks in December 2023.

The weaker share of results from the European investees was mainly attributable to the impact of impairment of investment properties held by the 33%-owned FSMC in FY2023, and the one-off gain on disposal recognized by FSMC in FY2022 arising from the disposal of its 95% equity interest in QBN to the Group. This was partially offset by share of profit from mid-September 2023 contributed by the newly acquired 33%-owned associate that owns the Allianz Tower.

(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Non-current assets

Property, plant and equipment increased by S$30.7 million or 5.4%, from S$573.1 million as at 31 December 2022 to S$603.8 million as at 31 December 2023. The increase was due mainly to capital expenditure of S$38.3 million incurred and the effect of the appreciation of € against S$ during the current financial year during the year. Significant additions include S$26.8 million (€18.5 million) spent on the Dutch Bilderberg hotels including S$20.7 million (€14.2 million) for the refurbishment of the Bilderberg Keizerskroon Hotel and Bilderberg Europa Scheveningen Hotel which completed during the year, S$9.3 million (€6.4 million) incurred by the Bilderberg Bellevue Hotel Dresden including the construction of a new parking garage and installation of solar panels amongst other projects. In addition, an additional right-of-use asset of S$9.4 million (€6.5 million) was recognized due to the effect of rent indexation on the lease of the Hilton Rotterdam from the Group's 33%-owned associate. The increase was partially offset by the depreciation charge for the year amounting to S$20.3 million and the effect of the depreciation of RMB against S$ during the financial year.

Interests in associates and joint ventures increased by S$135.9 million or 12.1%, from S$1,120.1 million as at 31 December 2022 to S$1,256.0 million as at 31 December 2023. The increase was mainly attributable to the equity injection of S$96.4 million (RMB508.6 million) into the 46.6%-held Exquisite Bay project company to fund its development cost, equity injection of S$28.9 million (A$32.4 million) into the 39.9%-held developer trust to fund the CTC project in Sydney, and the acquisition of a 33% equity stake in NL Coolsingel Property 21 B.V. ("NLCP21") (formerly known as Rotali B.V.) which owns the Allianz Tower in Rotterdam for S$7.6 million (€5.3 million). The increase was partially offset by the disposal of a 44.1%-held joint venture that owns the Dalingshan industrial property and capital reduction of NLCP21, as well as the effect of the depreciation of RMB against S$ during the financial year.

Non-current derivative assets decreased by S$56.4 million or 49.7% from S$113.4 million as at 31 December 2022 to S$57.0 million as at 31 December 2023. This consists of a S$48.3 million reduction attributable to the reclassification of derivative contracts becoming due within the next twelve months to current assets and net fair value loss on non-current derivative contracts amounting to S$8.1 million. The RMB-denominated derivatives have appreciated in value due to the depreciation of RMB against S$ whilst the the fair value of €-denominated derivatives have declined due to the appreciation of € against S$.

Non-current other investments decreased by S$108.2 million or 80.0%, from S$135.3 million as at 31 December 2022 to S$27.1 million as at 31 December 2023. This was due mainly to the early redemption and partial disposal of secured junior convertible bonds, amounting to S$80.8 million in aggregate and the reclassification of the junior convertible bonds due in April 2024 amounting to S$40.0 million to current assets. This is partially offset by the increase in investment in equity securities amounting to S$12.5 million for the year, which is due mainly to new shares acquired for S$15.6 million during the year, partially offset by net fair value loss on the shares held at year end amounting to S$3.1 million.

Current assets

Development properties increased by S$235.8 million or 25.3%, from S$932.9 million as at 31 December 2022 to S$1,168.7 million as at 31 December 2023. The increase was due mainly to the ongoing development projects in the PRC comprising The Brilliance in Dongguan, Primus Bay in Panyu district of Guangzhou and Plot E1 of the Millennium Waterfront in Chengdu. In addition, the Group also acquired 93 residential units of the Oasis Mansion in Dongguan from its 48.2%-owned associate, which are expected to be completed in 3Q2024. In the Netherlands, construction of the Dreeftoren project in Amsterdam continued throughout the financial year. The increase was partially offset by the revenue recognition from the sale of Plot F SOHO loft units and carpark lots of the Millennium Waterfront Project and the sale of commercial units and carpark lots of The Pinnacle in Dongguan, as well as the write-down of Primus Bay development properties amounting to S$24.6 million.

Current trade and other receivables increased by S$123.2 million or 23.4%, from S$527.0 million as at 31 December 2022 to S$650.2 million as at 31 December 2023. The increase was due mainly to the following:

(i) disbursement of new property financing loans to third parties amounting to S$147.9 million in aggregate;

(ii) additional advances to the 46.6%-held Exquisite Bay joint venture and 48.2%-held Humen Oasis Mansion associate amounting to S$33.9 million (RMB178.7 million) in aggregate;

(iii) prepayment for the bulk purchase of 2 low rise SOHO blocks, 25 retail units and 53 carpark lots from the 27%-held Skyline Garden project company, amounting to S$19.1 million (RMB100.8 million) in aggregate;

(iv) increase in net value-added tax recoverable of S$17.5 million (RMB92.5 million) mainly attributable to the FS Han Mai Mall in Shanghai, Primus Bay Panyu and The Brilliance in Dongguan;

(v) reclassification of loans receivable from 33.0%-owned FSMC from non-current to current amounting to S$12.9 million (€8.9 million);

(vi) advances to the 18.0%-held Fenggang joint venture amounting to S$7.8 million (RMB41.2 million);

(vii) advances to a non-controlling interest of a subsidiary amounting to S$11.5 million (RMB60.5 million); and

(viii) increase in prepaid taxes of S$3.0 million (RMB15.9 million) mainly attributable to Millennium Waterfront in Chengdu, Primus Bay Panyu and The Brilliance in Dongguan.

The above mentioned increase was partially offset by the (a) capitalisation of S$36.3 million (€25.0 million) loan receivable from the 50%-held Le Méridien Frankfurt joint venture into equity, (b) partial repayment of receivables owing to the Group by the 50%-held Kingsman Residence joint venture amounting to S$25.6 million (RMB135.0 million), (c) full settlement of balance owing to the Group by the 27.0%-held Egret Bay joint venture amounting to S$6.2 million (RMB32.6 million), (d) capitalisation of S$10.8 million (RMB56.7 million) advances to the 18.0%-held Fenggang joint venture into equity, (e) partial repayment of loan of by the Fenggang joint venture amounting to S$9.5 million (RMB50.0 million), (f) reduction of advances to construction suppliers of Primus Bay Panyu amounting to S$12.1 million (RMB64.0 million) due to set off against invoices received, (g) receipt of interest receivables amounting to S$10.1 million in respect of the convertible bonds issued in respect the 48.2%-held Oasis Mansion project, (h) settlement of balances amounting to S$7.5 million (RMB39.7 million) by the acquirer of the De Hua site upon meeting all the conditions precedent, and (i) partial repayment of balances owing to the Group by a non-controlling interest of a subsidiary and an affiliate of a non-controlling interest of a subsidiary of S$9.5 million (RMB50.0 million) in aggregate.

Current derivative assets amounted to S$70.1 million as at 31 December 2023 and comprises S$48.3 million of derivative contracts becoming due within the next twelve months reclassified to current assets from non-current assets as mentioned above. These contracts have further appreciated in value by a net amount of S$7.5 million to S$55.8 million as at 31 December 2023. In addition, the year-end balance also includes S$14.3 million of derivative assets in respect of new short-term derivative contracts entered during the current financial year.

Current other investments relate solely to the reclassification of junior convertible bonds issued in respect of the Oasis Mansion project due in April 2024 as mentioned above.

Non-current liabilities

Non-current liabilities excluding loans and borrowings increased by S$14.6 million or 8.9%, from S$164.8 million as at 31 December 2022 to S$179.4 million as at 31 December 2023. This was due mainly to the increase in lease liabilities of S$9.3 million, mainly arising from the effect of rent indexation on the Hilton Rotterdam lease and the increase in deferred wage taxes payable of S$3.9 million relating to the Dutch Bilderberg hotel portfolio.

Current liabilities

Trade and other payables decreased by S$118.1 million or 10.3% from S$1,150.9 million as at 31 December 2022 to S$1,032.8 million as at 31 December 2023. The decrease was due mainly to the following:

(i) full settlement of the accrued land cost and stamp duty of The Brilliance, Dongguan project site amounting to S$99.6 million (RMB525.5 million);

(ii) net reduction in advances from the non-controlling interests of subsidiaries amounting to S$11.1 million (RMB58.4 million) in aggregate;

(iii) repayment of balances owing to the 48.2%-held Oasis Mansion joint venture, amounting to S$44.2 million (RMB233.1 million); and

(iv) repayment of advances owing to a 44.1%-held joint venture amounting to S$15.3 million (RMB80.6 million).

The above-mentioned decrease was partially offset by advances made by the 36.0%-held Central Mansion joint venture, 44.1%-held Wan Li joint venture, 18.0%-held Fenggang joint venture and 27.0%-held Egret Bay joint venture to the Group during the year amounting to S$58.3 million (RMB307.4 million) in aggregate, and the effect of depreciation of RMB against S$ during the financial year.

Contract liabilities increased by S$45.1 million or 275.6%, from S$16.3 million as at 31 December 2022 to S$61.4 million as at 31 December 2023. This was due mainly to net cash receipts from the presale of villas and residential units of Primus Bay Panyu amounting to S$30.6 million (RMB161.1 million), the first two residential blocks of The Brilliance in Dongguan amounting to S$14.7 million (RMB77.5 million), and the sales of Plot F SOHO loft units of Millennium Waterfront amounting to S$1.9 million (RMB10.1 million). The increase was partially offset by the derecognition of contract liabilities amounting to S$1.6 million (RMB8.4 million) upon revenue recognition of retail units and carpark lots of The Pinnacle in Dongguan and the effect of depreciation of RMB against S$ during the financial year.

Loans and borrowings

Total borrowings increased by S$242.2 million or 24.0%, from S$1,008.4 million as at 31 December 2022 to S$1,250.6 million as at 31 December 2023.

This was due mainly to the additional loans drawn to fund the various development projects in the PRC, Amsterdam and Sydney, as well as the refurbishment of the 2 Bilderberg hotels. The increase was partially offset by loan repayment using the proceeds from partial early redemption of the Oasis Mansion convertible bonds.

The Group maintained a net gearing ratio of 0.52 as at 31 December 2023 (2022: 0.39).

Foreign currency risk management

The Group is exposed to volatility of the RMB in connection with its operations in the PRC. Any depreciation in RMB against S$ will adversely affect the Group's earnings, net assets, value of any dividend it pays to its shareholders in S$ or will require the Group to use more RMB funds to service the same amount of any S$ debt. Fluctuations in RMB exchange rates are affected by, amongst others, changes in political and economic conditions and the PRC's foreign exchange regime and policy.

The Group has partially managed its currency exposure to RMB, via RMB/CNH-denominated borrowings and/or financial derivatives whereby the end result is to achieve a corresponding RMB liability. As at 31 December 2023, the Group has hedged approximately 80.9% of its RMB-denominated net assets.

Since the Group's entry to the Dutch and German property markets in February 2015 and January 2018 respectively, the Group has managed its currency exposure to € by financing all its Dutch and German acquisitions with a combination of €-denominated borrowings and/or financial derivatives whereby the end result is to achieve a corresponding € liability.

Since January 2020, the Group subscribed for units in a 39.9%-owned project development trust to redevelop the City Tattersalls Club in Sydney. The Group has managed its currency exposure to Australian dollar ("A$") by financing its Australian investment with a combination of A$-denominated borrowings and/or financial derivatives whereby the end result is to achieve a corresponding A$ liability.

The Group has sufficiently hedged its € and Australian dollar cost base, whereas it will continue to monitor and manage its RMB foreign exchange exposure, taking into account the associated costs of RMB/CNH-denominated borrowings and/or financial derivatives, and take appropriate actions when necessary. However, with respect to all its foreign currency exposure, there is no assurance as to the effectiveness and success of such foreign currency risk exposure management actions that the Group might or might not take.

As at 31 December 2023, the Group had financial derivative contracts outstanding with an aggregate notional amount of €875.6 million, RMB7,721.1 million, US$72.7 million and A$139.1 million, with remaining tenures of between approximately less than one month to 39 months. The Group does not practise hedge accounting. These financial derivatives are measured at fair value based on valuations provided by the respective counterparty banks, with changes in fair value recognised in the income statement. The fair values of the financial derivatives are dependent on various factors such as the forward foreign exchange rates, discount rates and yield curves. As such, the Group's income statement would fluctuate from time to time as adjustments are made to the fair value of the financial derivatives. A significant loss in the fair value of the financial derivatives would reduce the profit of the Group. In addition, should there be any material adverse change in the fair value of the financial derivatives when the foreign currency appreciates against S$ in the case of financial derivatives with the end result of achieving a corresponding foreign currency liability, the Company is subject to the risk that the counterparty banks for such trades will require it to provide additional financial security, earmark credit facilities for settlement of the financial derivatives, and/or close out or liquidate the financial derivatives at prevailing prices, resulting in a net financial liability owing by the Company to the banks. Conversely, under such a scenario, the Group should expect to record a foreign exchange gain in its income statement on the translation of its foreign currency denominated loan assets which would have appreciated in value in S$ terms. This would partially mitigate the negative impact of fair value loss on the financial derivatives. To the extent that the Group's internal funding structure is not done via foreign currency denominated loan assets, but with equity, the appreciation of the foreign currency against S$ would be recorded as a translation gain which is part of reserves in its shareholders' equity.

As at 31 December 2023, the outstanding financial derivatives were valued by the counterparty banks at S$117.9 million in aggregate, comprising S$127.1 million of derivative assets net of

S$9.2 million of derivative liabilities. Compared to the net derivative assets amounting to S$168.9 million as at 31 December 2022, this has resulted in a net fair value loss on the financial derivatives recorded in the income statement for the full year ended 31 December 2023 amounting to S$51.0 million. In addition, the Group recorded a net foreign exchange gain amounting to S$63.2 million in the income statement for the full year ended 31 December 2023. This is due mainly to the impact of the stronger € against S$ and weaker CNH against S$, from 31 December 2022 to 31 December 2023.

As at 31 December 2023, the Group recorded a cumulative net translation loss of S$113.3 million as part of reserves in its shareholders' equity. This arose mainly from the translation of the net assets and income and expenses of the Group's foreign operations in the PRC to S$ at the exchange rates prevailing at the end of the reporting period.

Statement of cash flows of the Group

Net cash used in operating activities amounted to S$392.2 million in FY2023 due mainly to the (i) disbursement of a PRC property financing loan amounting to S$109.9 million (RMB580.0 million), (ii) acquisition of 93 residential units in the 48.2%-held Humen Oasis Mansion project which are expected to be completed in 3Q2024, amounting to S$39.2 million (RMB210.8 million) in aggregate, (iii) payment of development costs of the various PRC projects, comprising The Brilliance in Dongguan, Primus Bay in Panyu district of Guangzhou and Plot E1 of the Millennium Waterfront in Chengdu, amounting to S$233.4 million (RMB1.23 billion) in aggregate, (iv) payment of development costs of the Dreeftoren project in Amsterdam, amounting to S$26.0 million (€17.9 million), (vi) prepayment for the bulk purchase of two low rise SOHO blocks, 25 retail units and 53 carpark lots in the 27%-held Skyline Garden project, amounting to S$19.1 million (RMB100.8 million) and (v) payment of interest and income tax amounting to S$66.3 million in aggregate. These were partially offset by (vii) interest received from financial institutions of S$5.6 million and (viii) receipt from the early redemption and partial disposal of secured junior convertible bonds, amounting to S$80.8 million in aggregate in respect of the 48.2%-held Humen Oasis Mansion project.

Net cash used in investing activities amounted to S$105.2 million in FY2023. This mainly comprises the additional equity injections made to associates and joint ventures during the year amounting to S$135.7 million in aggregate, mainly to fund the 46.6%-held Exquisite Bay project, 39.9%-held City Tattersalls Club project and to acquire a 33% equity stake in the entity that owns the Allianz Tower in Rotterdam. In addition, the Group also spent S$34.1 million on capital expenditure, including the refurbishment project of the Bilderberg Europa Hotel and Bilderberg Keizerskroon Hotel, and made additional investment in quoted shares amounting to S$15.7 million. These outflows were partially offset by interest received of S$49.5 million and sales proceeds received from the disposal of East Sun No.2 and a joint venture that owns the Dalingshan industrial property amounting to S$4.1 million and S$25.1 million respectively.

Net cash from financing activities amounted to S$409.9 million in FY2023. This was due mainly to the (i) net advances from associates and joint ventures of S$45.2 million in aggregate, (ii) capital contribution by non-controlling interests amounting to S$3.4 million in aggregate, mainly to fund the refurbishment of the two Bilderberg hotels, and the Exquisite Bay and Primus Bay Panyu projects, (iii) net proceeds from bank borrowings of S$259.9 million and (iv) proceeds from the issuance of ordinary shares mainly to the two substantial shareholders arising from their exercise of Warrants (2019) and Warrants (2020) amounting to S$234.7 million in aggregate. These inflows were partially offset by the (v) payment of dividends to the shareholders of the Company amounting to S$35.1 million in aggregate, (vi) interest and transaction costs relating to borrowings amounting to S$79.8 million in aggregate, (viii) payment of lease liabilities of S$6.4 million and (ix) net repayment of advances granted by the non-controlling interests of subsidiaries amounting to S$12.0 million in aggregate.

Note:

The figures stated in our statement of financial position have been translated based on the exchange rates at the end of each reporting period; and the figures in our income statement, statement of comprehensive income and statement of cash flows have been translated based on the average exchange rate for the relevant period and exchange rate at the date of the transaction, where applicable.

9. 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 for the current financial period has been previously disclosed to the shareholders.

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.

Industry Outlook

People's Republic of China (PRC)

According to the National Bureau of Statistics (NBS), the PRC's 4Q2023 GDP and overall 2023 GDP grew 5.2% from 4Q2022 and 2022 respectively. Even though the PRC has been experiencing a property crisis, weak spending and high youth unemployment, the world's second largest economy met its official GDP growth target of 5% in 2023. However, in November 2023, the International Monetary Fund (IMF) forecasted that the GDP growth could slow to 4.6% in 2024. Furthermore, the IMF also expects growth to gradually slow to 3.5% by 2028 due to weaker productivity and an ageing population. During the annual Central Economic Work Conference held on 11 to 12 December 2023, there were some discussions that the PRC's GDP growth target for 2024 should be set at the range of 4.5% to 5.5%, with a high likelihood of the target growth being 5% in 2024, the same as 2023. While the PRC's central bank (PBoC) left the medium-term policy rate unchanged at 2.5% on 15 January 2024, it was announced on 24 January 2024 that the reserve ratio requirements for banks will be cut by 50 basis points from 5 February 2024, a move which will free up RMB1 trillion in long term capital to the market. This is the first reduction in reserve requirements in 2024 after two cuts last year.

According to the NBS figures shown in January 2024, new home prices in 70 cities, excluding state-subsidised housing, recorded the steepest monthly decrease since February 2015, with a 0.4% drop in December 2023 from the month before. Second-hand home prices have also dropped 0.79% in December 2023, same as the previous month. Preliminary data from China Real Estate Information Corporation also showed that the total value of new home sales among the 100 top developers in December 2023 dropped 34.6% from a year earlier to RMB451.3 billion, compared to the 29.6% fall in November 2023. Furthermore, full-year sales of major developers in 2023 were 16.5% lower than 2022, which was worse than the institution's estimate of a 15% drop. The China Index Academy stated that total sales by the top 100 developers fell 17.3% in 2023 compared to a year earlier, as companies focused less on expansion and more on stable development and cost control instead. A survey on 2 January 2024 showed that the average daily home sales, based on floor area, across the three-day New Year holiday in 40 cities, fell 26% compared to the same period in 2023, with smaller cities most affected as sales saw a 50% drop. In December 2023, the PRC's central bank extended RMB350 billion in loans to policy banks through its pledged supplementary lending facility. This was the first monthly increase in over a year when the government boosted the Chinese economy during the COVID-19 pandemic. Authorities also relaxed homebuying curbs in two of the country's largest housing markets, Beijing and Shanghai, as part of its latest moves to revive demand. Despite the support measures, Fitch still expects the operating environment to remain challenging for developers, and estimated that property sales will decline up to 5% in 2024.

The Netherlands

According to the first quarterly estimate from Statistics Netherlands (CBS), GDP for 4Q2023 increased by 0.3% relative to 3Q2023, mainly due to household consumption. For the whole of 2023, GDP grew by 0.1% compared to 2022, as a result of increased public consumption and investments in fixed assets. According to CBS, the CPI inflation rate was 1.2% in December 2023, slightly lower than the 1.6% in November 2023. As a result, inflation rate for the full year 2023 was 3.8%, down from 10.0% in 2022. At the European Central Bank (ECB) meeting in December 2023, the Governing Council decided to hold all three key ECB interest rates unchanged from September 2023, after 10 consecutive rate hikes since July 2022. This decision came after inflation in the Eurozone declined to 2.4% in November 2023, down from more than 10% in 2022. With inflation decreasing faster than expected, investors expect the ECB to cut rates in 2024, with money markets currently pricing in rate cuts of almost 150 basis points in 2024. The ECB expects headline inflation to average 5.4% in 2023, 2.7% in 2024, 2.1% in 2025 and 1.9% in 2026, below the bank's 2% target.

According to CBS, prices of owner-occupied dwellings, excluding new constructions, were on average 0.9% lower in November 2023 as compared to the same month in 2022. Compared to October 2023, prices rose by 0.5% in November 2023 despite the heavier financing burden caused by the rising interest rates. According to The Netherlands' Cadastre, the total number of housing transactions recorded in November 2023 was 15,248, 1% more than the same month last year, and the average transaction price for owner occupied dwellings was EUR421,284. Total transactions in 2023 up till November 2023 stood at 162,838, 5% less than the same period in 2022. As one of Europe's most densely populated countries with a population of 17.8 million and almost 20% of the country standing on reclaimed land, space is a premium and according to The Business Times, the Netherlands is lacking approximately 390,000 homes. As a result, finding an affordable place to stay is difficult, as a report on the Dutch housing market stated that an annual income of more than EUR80,000 – twice the annual median income – was required to buy an average house. While cheaper social housing is available, the average waiting list is more than 13 years according to The Straits Times. Housing projects have become more complicated to execute in recent years, resulting in more work and longer durations. There are also other constraints such as fewer building permits being issued. In October 2023, only 5,658 building permits were issued for new homes, 15% less than the same month in 2022. The peak number of permits issued in a year was in 2021 with 75,800 permits and this dropped to 64,500 in 2022. For FY2023, a further drop is expected with total permits estimated to be around 56,000, as the supply side continues to be the main bottleneck.

Australia

According to the Australian Bureau of Statistics (ABS), GDP rose by 0.2% in 3Q2023 relative to 2Q2023, short of the forecasted 0.4% growth. The slight growth was due to an increase in government consumption and capital investments, while household spending had been flat quarter on quarter and had barely increased for four quarters in a row, suggesting that rate hikes have been working to restrain demand. The slowdown in the growth of the economy is seen as necessary for Australia's inflation to be brought back to the target rate of 2% to 3% as the inflation rate in October 2023 was 4.9%. In November 2023, the Reserve Bank of Australia (RBA) hiked rates by 0.25% to 4.35%, a 12-year high and the central bank's 13th rate rise since May 2022. At their meeting on 5 December 2023, the RBA left the cash rate target unchanged at 4.35%.

For 3Q2023, vacancies in the Australian residential market experienced an all-time low while rental rates were up 30% over the last three years. Rents remained one of Australia's biggest drivers of inflation which was at 5.4% in 3Q2023, above the central bank's target of 2% to 3%. According to RBA Governor Michele Bullock, rental growth is expected to peak in the next few quarters at an annual rate of 10% before slowing down. Overall, rental rates in 2023 have increased by 8.3% across Australia, a slight drop compared to the 9.5% rise in 2022. Rents in January 2024 rose 0.8%, the biggest monthly rise since April 2023 recorded by the national rental index. According to The Guardian, property prices in Australia rose by 8.1% nationally in 2023 as the overall housing shortage pushed prices upwards and this growth continued in January 2024, with home prices rising by 0.4%. Commonwealth Bank's head of Australian Economics, Gareth Aird, expects prices across the capital cities to expand by an average of 5% in 2024, with price increases of 5% in Melbourne and Perth, and 4% in Sydney. On the other hand, property industry analyst and economic forecaster, Oxford Economics Australia, estimated that median home prices in Australia hit a record of AUD939,000 in December 2023, recouping the losses of 2022. While prices are still expected to grow in Sydney, a slower growth is expected due to the latest interest rate lift as well as an increase in total listings, a trend which is expected to continue in the coming quarters. As a result, Oxford Economics Australia forecasts that the pace of growth in 2024 will moderate, with house prices in Sydney to grow 3.3% and apartment unit prices to grow 5.2%.

Company Outlook

Property Development

The PRC property market sentiments worsened in 2H2023 with even weaker buying confidence, thereby adversely affecting pre-sales for the property development projects of the Group. Despite slow pre-sales, the Group does not intend to significantly compromise on the selling prices of these projects, but will instead adopt a longer-term view as appropriate, continuing to sell them with an operating profit margin. A substantial number of these projects will be able to commence handover for at least a part of their respective developments during FY2024. Therefore, should there be a positive turnaround of buying confidence, the Group may be able to account for such additional sales within FY2024.

Moving to the Netherlands, the Dreeftoren redevelopment project in Amsterdam is expected to be delayed by six months due to the bankruptcy of the façade contractor in late September 2023. The targeted completion dates have been revised to 2Q2025 and 2Q2026 for the office and residential tower respectively. Upon completion, the project will comprise mainly a refurbished and enlarged 20-storey office tower (GFA: 20,231 sqm) and a new 130-metre residential tower (312 units).

The Group has been engaging in ongoing discussions with the municipality regarding the residential composition of the redevelopment of the freehold Meerparc Amsterdam property. The redevelopment of Meerparc, from a 19,143 sqm (GFA) office cum industrial property, into a 50,000 sqm (GFA) mixed residential (60%) and office (40%) property, may be re-assessed if the eventual residential composition imposed by the municipality is not financially feasible for the Group. Likewise, discussions are continuing with the municipality for the Prins Hendrikkade property in Amsterdam, which entails the renovation into a predominantly office property with five residential units. The Group aims to commence the redevelopment work in FY2024, with estimated completion in FY2025.

Down under in Australia, construction of the 39.9%-owned CTC project in Sydney is progressing well and completion of the refurbished City Tattersalls Club, 241 residential units and a 110-room hotel is expected in FY2027. The Group will continue to monitor the residential market conditions in Sydney CBD and the construction progress before determining the optimal time for pre-sale launch. Additionally, the Group has increased its equity stake in the 110-room hotel component from 70.5% to 90.5%, thereby further enhancing its property holding portfolio and presence in Australia.

Property Holding

Although the property holding business segment recognised a net attributable fair value loss in FY2023, the operating performance of the property holding portfolio of the Group has remained strong in the second half of 2023. The European property portfolio recorded a total operating income of €25.9 million, an improvement of 2.3% from €25.3 million in 2H2022, and this brought FY2023's total operating income to €46.7 million, a 9.5% increase as compared to FY2022. The improved performance is due mainly to the 3.5 months of income contribution from the newly acquired Allianz Tower in Rotterdam and rent indexation from the Dutch office portfolio, while the improved trading results of the Group's hotel portfolio was partially offset by the two Dutch Bilderberg hotels which were not operating for certain periods in FY2023 due to major renovations.

In the office segment, the expected completion of the ongoing Dreeftoren office and residential development will further enhance the recurring income of the European property portfolio in due course. The 33%-owned FSMC NL Property Group B.V. has also been working on asset enhancement initiatives to upgrade and modernize the entrance area of the Mondriaan office tower (24,880 sqm) so as to enhance the leasing potential of the property. Renovation work commenced in June 2023 and was completed in December 2023. The toilets on most of the floors will be the next to be upgraded.

On the hospitality front, both the Bilderberg Europa Hotel Scheveningen and Bilderberg Keizerskroon Hotel will contribute positively with full-year operating income from FY2024 onwards as renovations for these hotels were completed during FY2023. Furthermore, the wholly-owned bare-shell Puccini Milan hotel is set to be transformed into a 4-star 59-room Tapestry by Hilton hotel. Construction works are expected to commence in 2Q2024. Similarly, the Group’s 50%-owned Le Méridien Frankfurt will undergo major renovation involving the complete refurbishment of all 80 rooms in the Palais wing and the addition of 29 new rooms to the current 300-room inventory of the hotel. Both the upcoming redevelopment of the Puccini Milan hotel and Le Méridien Frankfurt will also contribute positively to the recurring income of the portfolio upon their expected completion in FY2025.

Hospitality performance in the PRC continued to be encouraging as well, with the Chengdu Wenjiang hotels achieving improved earnings before interest, tax, depreciation and amortisation (“EBITDA”) of RMB10.3 million for 2H2023 (2H2022: RMB8.3 million). This brought the EBITDA for FY2023 to RMB21.2 million, setting a record EBITDA for the two hotels since the commencement of operations in 2016 and achieving significant improvement of close to 80% compared to FY2022’s EBITDA of RMB11.9 million.

Property Financing

The challenging business environment in the PRC has led to the Group being more cautious in the PRC property financing segment. As a result, property financing revenue shrunk significantly from S$64.6 million in FY2022 after taking into account certain pro forma adjustments, to S$52.4 million in FY2023, a drop of 18.9%, due mainly to a lower average PRC loan book.

The PRC property financing loan book stood at approximately RMB1.2 billion as at 31 December 2023. The PRC loan book is expected to further decrease in FY2024 as the Group will be cautious in disbursing new loans in view of the dismal PRC property market and certain existing loans will become due during the year.

Outlook

The Group's balance sheet has been significantly strengthened by the infusion of new equity funds of S$234.6 million raised in October 2023 through the exercise of warrants by the Company's two key shareholders. The two key shareholders still hold additional warrants expiring on 21 March 2029 which can potentially raise an additional S$169.3 million. Coupled with the substantial unutilised committed credit facilities, the Group is well-positioned not only to manage any economic challenges arising from difficult market conditions but to also capitalise on any favourable business opportunities that may arise.

11. Dividend information

If a decision regarding dividend has been made:—

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

Yes.

The Company had paid the following tax exempt (one-tier) interim ordinary dividend to ordinary shareholders.

Name of dividend	Interim tax-exempt (one-tier) dividend
Date of Payment	2 October 2023
Dividend Type	Cash
Dividend Amount	1.10 Singapore cents per ordinary share

The Directors are pleased to recommend a final tax-exempt (one-tier) dividend in respect of the financial year ended 31 December 2023 of 3.10 Singapore cents per ordinary share for approval by the ordinary shareholders at the forthcoming Annual General Meeting of the Company.

Name of dividend	Final tax-exempt (one-tier) ordinary dividend
Date of Payment	27 May 2024
Dividend Type	Cash
Dividend Amount	3.10 Singapore cents per ordinary share

(b) Corresponding Period of the Immediately Preceding Financial Year
Any dividend declared for the corresponding period of the immediately preceding financial year?

Yes.

The Company had paid the following tax exempt (one-tier) interim ordinary dividend to ordinary shareholders.

Name of dividend	Interim tax-exempt (one-tier) dividend
Date of Payment	21 September 2022
Dividend Type	Cash
Dividend Amount	1.10 Singapore cents per ordinary share

Name of dividend	Final tax-exempt (one-tier) ordinary dividend
Date of Payment	19 May 2023
Dividend Type	Cash
Dividend Amount	2.70 Singapore cents per ordinary share

(c) Date payable

Subject to the ordinary shareholders' approval at the Annual General Meeting to be held on 25 April 2024, the proposed final tax-exempt (one-tier) ordinary dividends for the financial year ended 31 December 2023 will be payable on 27 May 2024.

(d) Record date

5:00 pm on 8 May 2024.

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

Not applicable.

13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

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

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

Property development

Revenue from sale of properties decreased by S$168.9 million or 82.0% from S$205.9 million in FY2022 to S$37.0 million in FY2023. This was due mainly to the lower volume of handover activity in the current financial year. The Group recorded a write-down of Primus Bay Panyu development properties amounting to S$24.6 million in the current financial year. The decrease in segment results for FY2023 was partially mitigated by the initial handover of the two substantially sold residential blocks of the 17.3%-owned Time Zone project in Dongguan which contributed an attributable profit of S$10.2 million to the Group in FY2023. In addition, the segment recorded a S$4.4 million gain on disposal of a joint venture that owns the Dalingshan industrial property in Dongguan. Pre-tax profit for the segment decreased by S$116.7 million or 87.4%, from S$133.6 million in FY2022 to S$16.9 million in FY2023.

Property investment

Rental income from investment properties increased by S$3.6 million or 32.8% from S$10.9 million in FY2022 to S$14.5 million in FY2023. The increase was boosted by the full year contribution from FS Han Mai Mall acquired by the Group in April 2022 as well as the effect of rent indexation. Despite the increase in revenue, the segment reported a higher pre-tax loss of S$18.4 million compared to the loss of S$2.2 million in FY2022. This was due mainly to the disposal gain amounting to S$15.2 million recorded in FY2022 arising from the Group's divestment of its entire 90% equity interest in East Sun No. 3.

Property financing

Revenue from property financing decreased by S$20.9 million or 28.5%, from S$73.3 million in FY2022 to S$52.4 million in FY2023. This was due mainly to the lower average PRC property financing loan portfolio for the year. Pre-tax profit for the segment decreased by S$38.8 million or 58.7%, from S$66.1 million in FY2022 to S$27.3 million in FY2023. The segment's profit was negatively impacted by the higher fair value loss on derivatives net of foreign exchange gain for FY2023 compared to FY2022, which was partially offset by the reversal of impairment loss on a loan receivable from a joint venture of S$6.1 million upon capitalisation of the loan to equity in the current year.

Hotel operations

Revenue from hotel operations increased by S$41.6 million or 30.8%, from S$135.3 million in FY2022 to S$176.9 million in FY2023. This was due mainly to the full-year contribution by the Dutch Bilderberg hotels which were consolidated by the Group with effect from 2 May 2022, as well as the pick-up in performance of the other hotels underpinned by strong post Covid-19 recovery. Despite the improvement in hotel trading, the segment's performance was adversely affected by higher net financing costs incurred to fund the hotel portfolios as well as lower fair value gain on derivatives net of foreign exchange loss. Pre-tax profit for the segment increased by S$4.8 million or 47.6%, from S$10.0 million in FY2022 to S$14.8 million in FY2023.

15. A breakdown of revenue as follows:–

Group	2023	2022	Increase/ (Decrease)
	S$'000	S$'000	%
(a) Revenue reported for first half year	135,889	115,254	17.9
(b) Operating profit after tax before deducting non-controlling interests reported for first half year	7,816	70,755	(89.0)
(c) Revenue reported for second half year	147,039	312,239	(52.9)
(d) Operating profit after tax before deducting non-controlling interests reported for second half year	5,263	67,118	(92.2)

16. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year as follows:–

	Full year ended 31 December 2023 (S$'000)	Full year ended 31 December 2022 (S$'000)
Interim	10,166	10,166
Final	34,395	24,952
Total	44,561	35,118

The amount of final tax-exempt (one-tier) ordinary dividend for the year ended 31 December 2023 disclosed above is based on 3.10 Singapore cents declared and the number of issued ordinary shares as at 31 December 2023. The declared final tax-exempt dividend is subject to the approval of ordinary shareholders at the forthcoming Annual General Meeting. The actual amount of final dividend payable would be based on the actual number of issued ordinary shares as at the record date which has been set on 8 May 2024. The total amount for FY2023 may hence be subject to adjustments.

17. 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 there is no person occupying a managerial position in the Company who is related to a director, chief executive officer or substantial shareholder of the Company

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

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

BY ORDER OF THE BOARD
FIRST SPONSOR GROUP LIMITED

Neo Teck Pheng
Group Chief Executive Officer and Executive Director
20 February 2024

CONFIRMATION BY THE BOARD

The Directors of the Company hereby confirm, to the best of their knowledge that, nothing has come to the attention of the Board of Directors which may render the Group's unaudited financial results for the second half year and the full year ended 31 December 2023 to be false or misleading in any material respect.

On behalf of the Board of Directors

Ho Han Leong Calvin
Non-Executive Chairman

Neo Teck Pheng
Group Chief Executive Officer
and Executive Director

20 February 2024