



SINGAPORE LAND GROUP LIMITED
(Incorporated in Singapore. Registration Number 196300181E)
AND ITS SUBSIDIARIES

**CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 30 JUNE 2023**

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SINGAPORE LAND GROUP LIMITED AND ITS SUBSIDIARIES

CONSOLIDATED INCOME STATEMENT

For the half year ended 30 June 2023

	Note	Half Year Ended 30 June		
		2023 S\$'000	2022 S\$'000	Change %
Revenue	5	325,857	264,029	23
Cost of sales		(191,448)	(152,549)	(25)
Gross profit		134,409	111,480	21
Other income				
- Interest income	5	14,921	7,194	107
- Miscellaneous income	5	1,473	5,025	(71)
Expenses				
- Selling and distribution	6	(13,201)	(12,144)	(9)
- Administrative	6	(24,436)	(16,169)	(51)
- Finance	6	(4,720)	(4,821)	2
- Other operating				
- Reversal of impairment loss on financial assets		48	78	(38)
- Others	6	(1,073)	(31)	(3,361)
Share of results of associates	7	13,560	38,539	(65)
Share of results of joint ventures	8	(15,229)	13,124	n.m.
Profit before fair value and other gains/(losses)		105,752	142,275	(26)
Fair value gain on subsidiaries' investment properties		95,495	240,220	(60)
Profit before income tax	6	201,247	382,495	(47)
Income tax expense	9	(22,048)	(15,595)	(41)
Net profit		179,199	366,900	(51)
Attributable to:				
Equity holders of the Company ("PATMI")		168,429	359,805	(53)
Non-controlling interests ("NCI")	10	10,770	7,095	52
		179,199	366,900	(51)

Net profit attributable to equity holders of the Company ("PATMI") can be analysed as follows:

PATMI before fair value and other gains	74,944	120,936	(38)
Fair value gain on subsidiaries' investment properties, net of NCI	93,485	238,869	(61)
PATMI	168,429	359,805	(53)

n.m.: not meaningful

SINGAPORE LAND GROUP LIMITED AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the half year ended 30 June 2023

	Half Year Ended 30 June			
	2023	2022	Change	
Note	S\$'000	S\$'000	%	
Net profit	179,199	366,900	(51)	
Other comprehensive (loss)/income:				
Items that may be reclassified subsequently to income statement:				
- Currency translation differences arising from consolidation of foreign operations	12(a)	(7,513)	(10,404)	28
- Share of other comprehensive gain of a joint venture		1,260	1,034	22
- Cash flow hedges - Fair value gains		69	6,037	(99)
		(6,184)	(3,333)	(86)
Items that will not be reclassified subsequently to income statement:				
- Financial assets at fair value through other comprehensive income ("FVOCI")				
- Fair value gains/(losses) - equity investments	12(b)	1,296	(1,183)	n.m.
- Currency translation differences arising from consolidation of foreign operations	12(a)	(28)	(22)	(27)
		1,268	(1,205)	n.m.
Other comprehensive loss, net of tax		(4,916)	(4,538)	(8)
Total comprehensive income		174,283	362,362	(52)
Total comprehensive income attributable to:				
Equity holders of the Company		163,537	355,293	(54)
Non-controlling interests		10,746	7,069	52
		174,283	362,362	(52)

SINGAPORE LAND GROUP LIMITED AND ITS SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION – GROUP AND COMPANY

As at 30 June 2023

	Note	The Group		The Company	
		30.06.2023 S\$'000	31.12.2022 S\$'000	30.06.2023 S\$'000	31.12.2022 S\$'000
ASSETS					
Non-current assets					
Other receivables	13	519,119	583,564	-	-
Financial assets at fair value through other comprehensive income	14	15,840	14,544	-	-
Investment in associates		636,856	635,837	-	-
Investment in joint ventures		80,636	92,813	-	-
Investment in subsidiaries		-	-	1,226,722	1,226,722
Investment properties	15	6,966,463	6,680,626	-	-
Property, plant and equipment		1,065,952	1,066,756	3,703	1,390
Derivative financial instruments		7,015	6,921	6,990	6,921
Goodwill		46,587	46,587	-	-
Deferred income tax assets		597	597	-	-
		<u>9,339,065</u>	<u>9,128,245</u>	<u>1,237,415</u>	<u>1,235,033</u>
Current assets					
Cash and cash equivalents		224,832	184,697	1,528	884
Properties held for sale	16	39,821	57,383	-	-
Trade and other receivables	17	99,544	79,375	2,084,320	2,084,274
Inventories		910	1,108	-	-
		<u>365,107</u>	<u>322,563</u>	<u>2,085,848</u>	<u>2,085,158</u>
Total assets		<u>9,704,172</u>	<u>9,450,808</u>	<u>3,323,263</u>	<u>3,320,191</u>
LIABILITIES					
Current liabilities					
Trade and other payables		170,773	168,322	913,263	967,998
Derivative financial instruments		15	72	-	-
Current income tax liabilities		44,121	42,476	-	-
Lease liabilities and trade financing		16,085	21,097	-	-
Bank borrowings	18	393,949	3,629	317,546	2,857
		<u>624,943</u>	<u>235,596</u>	<u>1,230,809</u>	<u>970,855</u>
Non-current liabilities					
Trade and other payables		46,928	43,426	-	-
Lease liabilities and trade financing		8,105	11,302	-	-
Bank borrowings	18	145,678	395,850	145,745	342,895
Derivative financial instruments		30	41	-	-
Deferred income tax liabilities		143,542	144,776	-	-
		<u>344,283</u>	<u>595,395</u>	<u>145,745</u>	<u>342,895</u>
Total liabilities		<u>969,226</u>	<u>830,991</u>	<u>1,376,554</u>	<u>1,313,750</u>
NET ASSETS		<u>8,734,946</u>	<u>8,619,817</u>	<u>1,946,709</u>	<u>2,006,441</u>
EQUITY					
Capital & reserves attributable to equity holders of the Company					
Share capital	19	1,565,688	1,565,688	1,565,688	1,565,688
Retained earnings		6,467,692	6,349,406	366,805	426,633
Reserves	20	60,317	65,182	14,216	14,120
		<u>8,093,697</u>	<u>7,980,276</u>	<u>1,946,709</u>	<u>2,006,441</u>
Non-controlling interests		641,249	639,541	-	-
TOTAL EQUITY		<u>8,734,946</u>	<u>8,619,817</u>	<u>1,946,709</u>	<u>2,006,441</u>

SINGAPORE LAND GROUP LIMITED AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the half year ended 30 June 2023

The Group

	Attributable to equity holders of the Company					Non-controlling interests	Total equity
	Share capital	Retained earnings	Asset revaluation reserve	Other reserves	Total		
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
2023							
Balance at 1 January 2023	1,565,688	6,349,406	58,933	6,249	7,980,276	639,541	8,619,817
Net profit	-	168,429	-	-	168,429	10,770	179,199
Other comprehensive loss	-	-	-	(4,892)	(4,892)	(24)	(4,916)
Total comprehensive income/(loss)	-	168,429	-	(4,892)	163,537	10,746	174,283
Employee share option scheme							
- value of employee services	-	-	-	27	27	-	27
Dividends paid in cash	-	(50,143)	-	-	(50,143)	(9,038)	(59,181)
Total transactions with owners, recognised directly in equity	-	(50,143)	-	27	(50,116)	(9,038)	(59,154)
Balance at 30 June 2023	1,565,688	6,467,692	58,933	1,384	8,093,697	641,249	8,734,946
2022							
Balance at 1 January 2022	1,565,688	5,944,429	58,933	31,042	7,600,092	639,451	8,239,543
Net profit	-	359,805	-	-	359,805	7,095	366,900
Other comprehensive loss	-	-	-	(4,512)	(4,512)	(26)	(4,538)
Total comprehensive income/(loss)	-	359,805	-	(4,512)	355,293	7,069	362,362
Employee share option scheme							
- value of employee services	-	-	-	65	65	-	65
Dividends paid in cash	-	(50,143)	-	-	(50,143)	(4,079)	(54,222)
Total transactions with owners, recognised directly in equity	-	(50,143)	-	65	(50,078)	(4,079)	(54,157)
Balance at 30 June 2022	1,565,688	6,254,091	58,933	26,595	7,905,307	642,441	8,547,748

SINGAPORE LAND GROUP LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CHANGES IN EQUITY – COMPANY

For the half year ended 30 June 2023

The Company

	Share capital S\$'000	Retained earnings S\$'000	Share option reserve S\$'000	Hedging reserve S\$'000	Total equity S\$'000
2023					
Balance at 1 January 2023	1,565,688	426,633	7,199	6,921	2,006,441
Net loss	-	(9,685)	-	-	(9,685)
Other comprehensive income	-	-	-	69	69
Total comprehensive income/(loss)	-	(9,685)	-	69	(9,616)
Employee share option scheme - value of employee services	-	-	27	-	27
Dividends paid in cash	-	(50,143)	-	-	(50,143)
Total transactions with owners, recognised directly in equity	-	(50,143)	27	-	(50,116)
Balance at 30 June 2023	1,565,688	366,805	7,226	6,990	1,946,709
2022					
Balance at 1 January 2022	1,565,688	421,010	7,098	(227)	1,993,569
Net loss	-	(3,266)	-	-	(3,266)
Other comprehensive income	-	-	-	6,037	6,037
Total comprehensive income/(loss)	-	(3,266)	-	6,037	2,771
Employee share option scheme - value of employee services	-	-	65	-	65
Dividends paid in cash	-	(50,143)	-	-	(50,143)
Total transactions with owners, recognised directly in equity	-	(50,143)	65	-	(50,078)
Balance at 30 June 2022	1,565,688	367,601	7,163	5,810	1,946,262

SINGAPORE LAND GROUP LIMITED AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF CASH FLOWS

For the half year ended 30 June 2023

	Note	Half Year Ended 30 June	
		2023 S\$'000	2022 S\$'000
Cash flows from operating activities			
Profit before income tax		201,247	382,495
Adjustments for:			
Depreciation of property, plant and equipment		21,819	22,549
Reversal of impairment loss on financial assets		(48)	(78)
Employee share option expense		27	65
Loss on disposal of property, plant and equipment		896	34
Share of results of associates		(13,560)	(38,539)
Share of results of joint ventures		15,229	(13,124)
Fair value gain on investment properties		(95,495)	(240,220)
Fair value gain on derivative financial instruments		(27)	(27)
Interest income		(14,921)	(7,194)
Interest expense		4,720	4,821
Unrealised currency translation difference		(5,949)	6,187
		113,938	116,969
Change in working capital:			
Properties held for sale	23(a)	17,561	9,781
Derivative financial instruments		(66)	(89)
Inventories		198	(403)
Trade and other receivables		(16,161)	(2,742)
Trade and other payables		20,402	3,167
Cash generated from operations		135,872	126,683
Interest paid		(6,384)	(4,034)
Income tax paid	23(b)	(21,603)	(17,104)
Net cash provided by operating activities		107,885	105,545
Cash flows from investing activities			
Purchase of property, plant and equipment	23(c)	(22,977)	(2,738)
Proceeds from disposal of property, plant and equipment		28	29
Asset enhancement of investment properties	23(d)	(201,506)	(17,715)
Repayment of loans by/(Loans to) associates	23(e)	50,362	(61,067)
Repayment of loans by a joint venture	23(f)	23,650	28,100
Investment in an associate		-	(600)
Dividends received from an associate		4,600	6,400
Interest received		3,051	797
Net cash used in investing activities		(142,792)	(46,794)
Cash flows from financing activities			
Proceeds from borrowings	23(g)	142,774	15,196
Principal payment of lease liabilities		(425)	(389)
Repayment of trade financing		(7,768)	(6,192)
Interest paid for lease liabilities and trade financing		(358)	(579)
Dividends paid to equity holders of the Company		(50,143)	(50,143)
Dividends paid to non-controlling interests		(9,038)	(4,079)
Net cash generated from/(used in) financing activities		75,042	(46,186)
Net increase in cash and cash equivalents		40,135	12,565
Cash and cash equivalents at beginning of the financial period		180,197	182,831
Cash and cash equivalents at end of the financial period	23(h)	220,332	195,396

SINGAPORE LAND GROUP LIMITED AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the half year ended 30 June 2023

1. Basis of preparation

The condensed interim financial statements for the six months ended 30 June 2023 have been prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)") 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last annual financial statements for the period ended 31 December 2022.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.

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

2. New or amended Standards and Interpretations adopted by the Group

The Group adopted new or amended Standards and Interpretations to existing standards that are mandatory for application for the financial year beginning 1 January 2023 or from their effective date, if later. The following are the amended Standards and Interpretations that are relevant to the Group:

- SFRS (I) 17 Insurance Contracts
- Amendment to SFRS (I) 1-8 Definition of Accounting Estimates
- Amendments to SFRS(I) 1-12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction
- Amendment to SFRS (I) 1-12 International Tax Reform – Pillar Two Model Rules

The adoption of the above amended Standards and Interpretations did not result in substantial changes to the Group's accounting policies.

3. Key accounting estimates, assumptions and judgements

In preparing the condensed interim financial statements, management has made estimates, assumptions and judgements 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.

Estimates, assumptions and judgements are continually evaluated on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

SINGAPORE LAND GROUP LIMITED AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the half year ended 30 June 2023

3. Key accounting estimates, assumptions and judgements (continued)

The estimates, assumptions and judgements were the same as those applied to the consolidated financial statements for the year ended 31 December 2022, as follows:

- Fair values of investment properties
- Impairment testing of goodwill
- Allowance for foreseeable losses of properties held for sale
- Fair value of unquoted financial assets, at FVOCI

Information about assumptions and estimation uncertainties that have the most significant risk of resulting in material adjustment within the next interim period is as follows:

Fair values of investment properties

The Group carries its investment properties at fair value with corresponding changes being recognised in the income statement. In determining fair values, valuation techniques which involve certain estimates are used by valuers. For completed properties, the key assumptions to determine the fair value of investment properties include adopted valuation per square foot, market-corroborated capitalisation rates, and estimated rental rates. For properties under development, the key assumptions to determine the fair value of investment properties include estimated construction costs and gross development value of the proposed development assuming satisfactory completion.

Management has assessed that the valuation methods and estimates are reflective of current market conditions.

4. Seasonal Operations

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

SINGAPORE LAND GROUP LIMITED AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the half year ended 30 June 2023

5. Revenue, Interest income and Miscellaneous income

	Half Year Ended 30 June		
	2023 S\$'000	2022 S\$'000	Change %
<u>Revenue from contracts with customers under SFRS(I) 15</u>			
Revenue from property trading			
- recognised at a point in time	26,117	15,578	68
Revenue from hotel operations			
- recognised at a point in time	49,197	33,295	48
- recognised over time	70,347	38,914	81
Revenue from technology operations			
- recognised at a point in time	49,835	43,148	15
- recognised over time	7,178	4,004	79
Revenue from marketing and management services			
- recognised over time	1,461	2,053	(29)
	204,135	136,992	49
<u>Other revenue</u>			
Revenue from property investments	121,722	127,037	(4)
Total revenue	325,857	264,029	23
<u>Interest income from financial assets measured at amortised cost</u>			
Deposits with financial institutions	1,803	560	222
Loans to associates	11,664	3,763	210
Loans to joint ventures	1,033	2,312	(55)
Others	421	559	(25)
Total interest income	14,921	7,194	107
<u>Miscellaneous income</u>			
Government grants and assistance #	172	3,565	(95)
Others	1,301	1,460	(11)
Total miscellaneous income	1,473	5,025	(71)

Included in the government grants and assistance are amounts relating to the Singapore Tourism Board PREP-UP Scheme, Rental Support Scheme and Job Support Scheme by the Singapore government.

SINGAPORE LAND GROUP LIMITED AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the half year ended 30 June 2023

6. Expenses and Profit before Income Tax

	Half Year Ended 30 June		
	2023 S\$'000	2022 S\$'000	Change %
<u>Selling and distribution expenses</u>			
Payroll and related expense	6,003	4,985	(20)
Advertising and promotion expense	3,439	2,789	(23)
Sales commission	1,865	1,571	(19)
Showflat expense	25	1,685	99
Others	1,869	1,114	(68)
	13,201	12,144	(9)
<u>Administrative expenses</u>			
Payroll and related expense	12,378	9,780	(27)
Information technology and related	1,974	1,570	(26)
Credit card commission	1,916	1,196	(60)
Legal and professional fees	1,186	338	(251)
Donations	2,660	1	n.m.
Others	4,322	3,284	(32)
	24,436	16,169	(51)
<u>Other operating expenses - Others</u>			
Property, plant and equipment written-off and net loss on disposals	896	34	(2,535)
Currency exchange loss/(gain) - net	177	(3)	n.m.
	1,073	31	(3,361)
<u>Finance expenses</u>			
Bank loans	4,130	4,005	(3)
Lease liabilities	42	56	25
Bank facility fees	250	250	-
Trade financing	298	510	42
	4,720	4,821	2
<u>Profit before income tax</u>			
Profit before income tax is stated after charging:			
- Depreciation	21,819	22,549	3
- Reversal of impairment loss on financial assets	(48)	(78)	(38)
- Employee share option expense	27	65	58

SINGAPORE LAND GROUP LIMITED AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the half year ended 30 June 2023

7. Share of results of associates

	Half Year Ended 30 June		
	2023	2022	Change
	S\$'000	S\$'000	%
Comprise of:			
- Share of operating profit	10,573	33,249	(68)
- Share of fair value gain on investment properties	2,987	5,290	(44)
	13,560	38,539	(65)

8. Share of results of joint ventures

	Half Year Ended 30 June		
	2023	2022	Change
	S\$'000	S\$'000	%
Comprise of:			
- Share of operating profit	830	11,066	(92)
- Share of fair value (loss)/gain on investment properties	(16,059)	2,058	n.m.
	(15,229)	13,124	n.m.

9. Income tax expense

	Half Year Ended 30 June		
	2023	2022	Change
	S\$'000	S\$'000	%
Tax expense attributable to profit/loss is made up of:			
- Profit/Loss for the financial period:			
Current income tax - Singapore	23,266	16,729	(39)
Deferred income tax	(1,218)	329	n.m.
	22,048	17,058	(29)
- Overprovision in prior financial year:			
Current income tax - Singapore	-	(1,463)	(100)
	-	(1,463)	(100)
	22,048	15,595	(41)

SINGAPORE LAND GROUP LIMITED AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the half year ended 30 June 2023

10. Non-controlling interest

	Half Year Ended 30 June		
	2023 S\$'000	2022 S\$'000	Change %
Comprise of:			
- Share of operating profit	8,760	5,744	53
- Share of fair value gain on investment properties	2,010	1,351	49
	10,770	7,095	52

11. Earnings per share

	Half Year Ended 30 June	
	2023	2022
Basic / Diluted earnings per share:		
- excluding fair value gain/(loss) on investment properties	5.2 cents	8.4 cents
- including fair value gain/(loss) on investment properties	11.8 cents	25.1 cents

Earnings per share is calculated by reference to the weighted average number of shares in issue during the financial period.

For the purpose of calculating diluted earnings per share, the weighted average number of shares in issue is adjusted to take into account the dilutive effect arising from the outstanding options granted to employees, where such shares would have been issued at a price lower than the average market price in the current year. As the impact of the dilution is insignificant, diluted earnings per share is the same as basic earnings per share.

12. Other comprehensive income

(a) Currency translation differences

Currency translation differences arose mainly from the translation of the net assets of the Group's foreign operations which are denominated in RMB and GBP.

(b) Fair value gains/(losses) on financial assets

The fair value gains on financial assets at FVOCI in the half year ended 30 June 2023 mainly arose from the upward revision of fair estimates based on adjusted net asset method as the valuation technique to measure the fair value of the financial assets.

13. Other receivables (Non-current)

The decrease was mainly attributed to repayment of shareholder's loans by Avenue South Residence and The Tre Ver residential projects.

SINGAPORE LAND GROUP LIMITED AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the half year ended 30 June 2023

14. Financial assets at fair value through other comprehensive income

The increase was due to fair value gains from the Group's investment in unquoted equity investment in China-Singapore Suzhou Industrial Park Development Group Co, Ltd ("CSSD"), which assessed fair value has risen.

15. Investment properties

Investment properties are stated at valuation as determined by independent professional valuers. The increase in the Group's investment properties was mainly from the increase in valuations for office properties, particularly those with ongoing redevelopment works, namely Clifford Centre and Singapore Land Towers.

16. Properties held for sale

The decrease was mainly due to sales of V on Shenton and Mon Jervis residential units.

17. Trade and other receivables (Current)

The increase was mainly due to tender deposit for Tampines Avenue 11 site.

18. Bank borrowings

(a) The increase in total bank borrowings was mainly due to loans drawn for payment of Clifford Centre's land betterment charge and Singapore Land Tower's asset enhancement works.

(b) Aggregate amount of group's borrowings and debt securities:

	As at 30.06.2023		As at 31.12.2022	
	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
Repayable within one year or less, or on demand	11,937	382,012	772	2,856
Repayable after one year	-	145,678	11,962	383,888
	<u>11,937</u>	<u>527,690</u>	<u>12,734</u>	<u>386,744</u>

(c) Details of any collaterals:

The secured borrowings are collateralised by way of mortgage over a subsidiary's hotel property.

SINGAPORE LAND GROUP LIMITED AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the half year ended 30 June 2023

19. Share capital

	The Company	
	30.06.2023	31.12.2022
(a) Total number of issued shares, excluding treasury shares:	1,432,667,362	1,432,667,362
(b) There is no change in the issued share capital of the Company for the half year ended 30 June 2023.		
(c) As at 30 June 2023, there were 1,818,000 (31 December 2022: 2,014,000) ordinary shares which may be issued upon the exercise of the subscription rights in full by holders of options granted to executives of the Group under the Singapore Land Group Limited Share Option Scheme.		
(d) The Company did not hold any treasury shares and there were no subsidiary holdings as of 30 June 2023 and 30 June 2022. Accordingly, there was no sales, transfers, disposal, cancellation and/or use of treasury shares or subsidiary holdings during the financial period ended 30 June 2023.		

20. Reserves

	The Group		The Company	
	30.06.2023	31.12.2022	30.06.2023	31.12.2022
	S\$'000	S\$'000	S\$'000	S\$'000
Asset revaluation reserve	58,933	58,933	-	-
Fair value reserve	12,671	11,379	-	-
Share option reserve	7,226	7,199	7,226	7,199
Hedging reserve	11,431	10,101	6,990	6,921
Currency translation reserve	(29,944)	(22,430)	-	-
	60,317	65,182	14,216	14,120

21. Dividends paid/payable

	Half Year Ended 30 June	
	2023	2022
	S\$'000	S\$'000
Final one-tier dividend paid in respect of the previous financial year of 3.5 cents (2022: 3.5 cents) per share	50,143	50,143

22. Net asset value

	The Group		The Company	
	30.06.2023	31.12.2022	30.06.2023	31.12.2022
Net asset value per ordinary share	S\$5.65	S\$5.57	S\$1.36	S\$1.40
Net tangible asset backing per ordinary share	S\$5.62	S\$5.54	S\$1.36	S\$1.40

SINGAPORE LAND GROUP LIMITED AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the half year ended 30 June 2023

23. Cash flows

(a) Cash inflow for properties held for sale

Cash inflow for properties held for sale was mainly from the proceeds for new sales of V on Shenton and Mon Jervois residential projects.

(b) Income tax paid

Income tax paid in corresponding period last year was higher due to better operating profits in 2022.

(c) Purchase of property, plant and equipment

Payment for property, plant and equipment was higher due to payments made for the major refurbishments at Pan Pacific hotel.

(d) Asset enhancement of investment properties

Payment for asset enhancement of investment properties mainly relates to expenditure for the Singapore Land Tower's asset enhancement works and Clifford Centre's land betterment charge.

(e) Repayment of loans by/ (Loans to) associates

Partial repayment of loan was received from Avenue South Residence residential project.

(f) Repayment of loans by a joint venture

Partial repayment of loan was received from The Tre Ver residential project.

(g) Net proceeds from borrowings

The net proceeds from borrowings were mainly used to fund payment for Clifford Centre's land betterment charge and Singapore Land Tower's asset enhancement works.

(h) Cash and cash equivalents

For the purposes of the Consolidated Statement of Cash Flows, the cash and cash equivalents comprise the following:

	<u>The Group</u>	
	<u>30.06.2023</u>	<u>30.06.2022</u>
	<u>S\$'000</u>	<u>S\$'000</u>
Fixed deposits with financial institutions	87,316	65,429
Cash at bank and on hand	137,516	132,467
	<u>224,832</u>	<u>197,896</u>
Less: Bank deposits pledged as security	(4,500)	(2,500)
Cash and cash equivalents per Consolidated Statement of Cash Flows	<u>220,332</u>	<u>195,396</u>

SINGAPORE LAND GROUP LIMITED AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the half year ended 30 June 2023

24. Fair value measurements

(a) Fair value hierarchy

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

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: 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); and

Level 3: Inputs for the assets or liability which are not based on observable market data (unobservable inputs).

The following table presented the assets and liabilities measured at fair value:

	<u>Level 1</u> S\$'000	<u>Level 2</u> S\$'000	<u>Level 3</u> S\$'000	<u>Total</u> S\$'000
<u>The Group</u>				
30 June 2023				
<i>Assets</i>				
Financial assets, at FVOCI	-	-	15,840	15,840
Derivative financial instruments	-	7,105	-	7,015
<hr/>				
<i>Liabilities</i>				
Derivative financial instruments	-	45	-	45
<hr/>				
30 June 2022				
<i>Assets</i>				
Financial assets, at FVOCI	-	-	16,975	16,975
Derivative financial instruments	-	5,880	-	5,880
<hr/>				
<u>The Company</u>				
30 June 2023				
<i>Assets</i>				
Derivative financial instruments	-	6,990	-	6,990
<hr/>				
30 June 2022				
<i>Liabilities</i>				
Derivative financial instruments	-	5,810	-	5,810
<hr/>				

SINGAPORE LAND GROUP LIMITED AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the half year ended 30 June 2023

24. Fair value measurements (continued)

(b) Valuation techniques used to determine fair value

Specific valuation techniques used to value financial instruments include:

- For financial instruments traded in an active market (e.g. quoted equity shares) (Level 1) – quoted price (i.e. current bid price);
- For interest rate swaps (Level 2) – present value of the estimated future cash flows;
- For forward foreign exchange contracts (Level 2) – quoted forward currency rates at the statement of financial position date;
- For other financial assets, at FVOCI (e.g. unquoted equity shares) (Level 3) – net assets of the financial assets at FVOCI, adjusted for lack of liquidity and marketability.

(c) Reconciliation of fair value measurements categorised within Level 3

	Half Year Ended 30 June	
	2023	2022
	S\$'000	S\$'000
Financial assets, at FVOCI		
Beginning of the financial period	14,544	18,158
Fair value gains/(losses) recognised in other comprehensive income	1,296	(1,183)
End of the financial period	15,840	16,975

There is no transfer between Level 1, Level 2, and Level 3 of the fair value hierarchy for the half year ended 30 June 2023 and 30 June 2022.

(d) Financial instruments carried at other than fair value

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values.

SINGAPORE LAND GROUP LIMITED AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the half year ended 30 June 2023

25. Related party transactions

In addition to the related party information disclosed elsewhere in the financial statements, there were the following significant transactions between the Group and related parties during the financial period on terms agreed between the parties concerned:

	Half Year Ended 30 June	
	2023	2022
	S\$'000	S\$'000
<u>Transactions with associates</u>		
Sales of goods and services	-	12
Marketing fee income	45	553
Project management fee income	240	240
Asset management fee income	88	-
<u>Transactions with ultimate holding company</u>		
Sales of goods and services	388	189
Fees paid for software license, project implementation and support services	538	360
<u>Transactions with fellow subsidiaries</u>		
Sales of goods and services	1,447	709
Income from hotel and function room facilities	-	32
Fees paid for management of hotels	6,796	3,911
Payment made on behalf and reimbursed by subsidiaries	310	-

26. Events after balance sheet date

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

27. Group segmental information

Management has determined the operating segments based on the reports reviewed by the Board of Directors that are used to make strategic decisions.

For management purposes, the Group is organised into business segments based on their products and services as follows:

- Property investment – leasing of commercial office properties and retail space;
- Property trading – development of properties for sale;
- Hotel operations – operation of owned hotels;
- Technology operations – distribution of computers and related product, provision of systems integration and networking infrastructure services; and
- Others – investment in shares and provision of property management, marketing management and related services.

SINGAPORE LAND GROUP LIMITED AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the half year ended 30 June 2023

27. Group segmental information (continued)

	Property investments S\$'000	Property trading S\$'000	Hotel operations S\$'000	Technology operations S\$'000	Others S\$'000	Total S\$'000
<u>1 January 2023 to 30 June 2023</u>						
Sales						
Total segment sales	122,428	26,117	119,544	57,013	9,275	334,377
Inter-segment sales	(706)	-	-	-	(7,814)	(8,520)
Sales to external parties	121,722	26,117	119,544	57,013	1,461	325,857
Segment results - Company and subsidiaries						
Segment results - Company and subsidiaries	79,485	6,813	33,615	5,761	2,988	128,662
Share of results of associates	7,937	10,259	(4,636)	-	-	13,560
Share of results of joint ventures	(15,331)	102	-	-	-	(15,229)
Unallocated cost						(9,623)
Adjusted EBITDA*						117,370
Depreciation	(235)	-	(21,116)	(362)	(106)	(21,819)
Adjusted EBIT*						95,551
Interest income						14,921
Finance expense						(4,720)
Profit before fair value and other gains/(losses)						105,752
Fair value gain on subsidiaries' investment properties	95,495	-	-	-	-	95,495
Profit before income tax						201,247
<u>1 January 2022 to 30 June 2022</u>						
Sales						
Total segment sales	127,925	15,578	72,209	47,152	9,825	272,689
Inter-segment sales	(887)	-	-	-	(7,773)	(8,660)
Sales to external parties	127,038	15,578	72,209	47,152	2,052	264,029
Segment results - Company and subsidiaries						
Segment results - Company and subsidiaries	84,594	2,899	18,517	5,217	4,172	115,399
Share of results of associates	9,768	27,830	941	-	-	38,539
Share of results of joint ventures	5,741	7,383	-	-	-	13,124
Unallocated cost						(4,611)
Adjusted EBITDA*						162,451
Depreciation	(284)	-	(21,777)	(357)	(131)	(22,549)
Adjusted EBIT*						139,902
Interest income						7,194
Finance expense						(4,821)
Profit before fair value gains						142,275
Fair value gain on subsidiaries' investment properties	240,220	-	-	-	-	240,220
Profit before income tax						382,495

* Earnings before interest, tax, depreciation and amortization (EBITDA) and Earnings before interest and tax (EBIT) adjusted to exclude fair value gains/losses on subsidiaries' investment properties and other gains/losses which are not operational in nature.

SINGAPORE LAND GROUP LIMITED AND ITS SUBSIDIARIES

OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2

For the half year ended 30 June 2023

A. Audit/Review by auditors

The condensed consolidated interim financial statements have neither been audited nor reviewed by the auditors.

B. Review of performance of the Group

GROUP PERFORMANCE

For the half year ended 30 June 2023, the Group recorded a revenue of \$325.9 million, higher than the corresponding period last year by \$61.8 million (23%). This was mainly due to higher revenue from hotel operations by \$47.3 million (66%) as the Singapore hospitality sector was still affected by the COVID-19 restrictions in 1Q2022. Property trading also posted higher revenue by \$10.5 million (68%) as more units were sold for the V on Shenton and Mon Jervois residential projects. Technology operations saw an increase in revenue by \$9.9 million (21%) due to higher software sales. These were partly offset by lower revenue from property investment by \$5.3 million (4%), mainly attributed to the closure of Clifford Centre for redevelopment since January 2023.

Gross profit exceeded the last corresponding period by \$22.9 million (21%) mainly due to higher profits generated by the hotel operations and property trading business units.

Interest income increased by \$7.7 million (107%) due to higher interest earned on shareholder's loan for the development of the various residential projects.

The Group's share of results of associates decreased by \$25.0 million (65%) due to lower contribution from Park Eleven Shanghai project and Singapore residential project, Avenue South Residence.

The Group's share of results of joint ventures decreased by \$28.4 million mainly due to higher share of fair value loss on joint venture's investment property of \$16.1 million (half year ended 30 June 2022: fair value gain of \$2.1 million) and lower contribution from The Tre Ver residential project.

With the aforesaid, the resultant net profit attributable to equity holders ("PATMI") before fair value gains is \$74.9 million, lower than the corresponding period last year by \$46.0 million (38%).

After including fair value gain on subsidiaries' investment properties (net of non-controlling interests) amounting to \$93.5 million (half year ended 30 June 2022: \$238.9 million), the Group recorded a net profit attributable to equity holders of \$168.4 million for the half year ended 30 June 2023, which was lower than the last corresponding period by \$191.4 million.

NET ASSET VALUE ("NAV") AND GEARING

The Group shareholder's fund increased by 1.0% to \$8.1 billion. Accordingly, NAV per ordinary share of the Group increased from \$5.57 as at 31 December 2022 to \$5.65 as at 30 June 2023.

The Group's gearing ratio (net of cash) is 3.6% as at 30 June 2023 (31 December 2022: 2.5%).

As at 30 June 2023, the Group has sufficient liquidity with unutilised credit facilities exceeding \$1.2 billion in aggregate.

SINGAPORE LAND GROUP LIMITED AND ITS SUBSIDIARIES

OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2

For the half year ended 30 June 2023

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

Not applicable.

- D. A commentary at the date of announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

The Ministry of Trade and Industry has projected Singapore's 2023 GDP growth to maintain at 0.5 to 2.5 per cent, but cautioned that the outlook for Singapore's economy would be weaker for the rest of the year due to expected slowdown in the advanced economies, sharp tightening in global financial conditions and geopolitical tensions among major global powers.

The office sector has continued to show modest signs of growth. Although clouded by the continued global macroeconomic uncertainties, rental growth and occupancy levels remain supported by the limited new office supply pipeline, with only 1.1 million square feet of new office space scheduled for completion in 2023. Singapore also remains an attractive and stable destination for businesses regionally and globally, cushioning the impact of the slowdown in office demand.

Prime rents for the retail sector bottomed out in 2022 and are poised for sustained growth despite the upward revision of the Goods and Services Tax (GST), headwinds from global inflationary pressures and manpower shortage. Well located spaces in prime malls have seen strong demand with new retail operators. Demand in the suburban market remains steady even with its new retail supply.

Singapore's hospitality market is expected to continue picking up pace on the back of increasing flight capacity and strong pipeline of large-scale events and conferences for 2023. Visitor arrivals continue to trend steadily upwards with recovery to pre-pandemic levels likely to happen in 2024. Notwithstanding, headwinds in the form of rising operating cost pressure, and economic uncertainties are expected to persist in the near term. For Tianjin, the full recovery of its hospitality market is dependent on the return of the leisure market, while corporate demand is projected to remain stable and forms the base business.

- E. Dividend information**

No dividend has been declared/recommended for the half year ended 30 June 2023 as it is not the usual practice of the Group to declare interim dividends.

- F. Interested person transactions**

The Group has not obtained a general mandate from shareholders for Interested Person Transactions.

SINGAPORE LAND GROUP LIMITED AND ITS SUBSIDIARIES

OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2

For the half year ended 30 June 2023

CONFIRMATION BY DIRECTORS

The Board of Directors of the Company hereby confirm that, to the best of their knowledge, nothing has come to the attention of the Board of Directors which may render the unaudited consolidated financial results for the half year ended 30 June 2023 to be false or misleading.

CONFIRMATION THAT THE ISSUER HAS PROCURED UNDERTAKING FROM ALL ITS DIRECTORS AND EXECUTIVE OFFICERS (IN THE FORMAT SET OUT IN APPENDIX 7.7) UNDER RULE 720(1)

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

BY ORDER OF THE BOARD

Teo Hwee Ping
Company Secretary

8 August 2023