



**Financial statements  
and related announcement  
Six months ended 30 June 2020**

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## REVIEW OF PERFORMANCE OF THE GROUP

For the first half of 2020, Group revenues fell by 3% to S\$54.5 million (1H19: S\$56.4 million), while the net loss attributable to shareholders amounted to S\$5.4 million (1H19: profit of S\$3.1 million). Total comprehensive income was negative S\$3.6 million (1H19: loss of S\$4.8 million). The Group's net loss per share amounted to 1.7 cents (1H19: profit of 1.0 cent), reducing net asset value per share to S\$1.245 (December 2019: S\$1.276).

The ongoing Covid-19 pandemic has caused extreme swings in financial markets. On 3 April, we issued a first quarter financial performance update to report an estimated pre-tax operating loss of S\$7.5 million, of which S\$4.7 million was from portfolio investment losses. We also reported that the Total Comprehensive Income line showed a much higher loss of S\$24.2 million, largely because of the weakness in the Australian dollar in the first quarter, and a fall in the valuation of our long-term investment in Eastern & Oriental Bhd.

The turnaround in stock markets since March has allowed us to recover most of the first quarter's portfolio investment losses, while the Australian dollar recovered all of the 7% it lost relative to the Singapore dollar in the first quarter and ended the first half 2% higher than its December valuation. The Group has also received Covid-related government support of approximately S\$1.7 million for its Singapore operations. These factors, along with steady numbers in aggregate from our operating businesses and associates, helped us to recover most of the first quarter's estimated losses.

### Operating Businesses and Associates

**Boardroom Ltd ("Boardroom")** continued to benefit from the business restructuring that had been progressively rolled out in recent years, particularly in relation to the use of technology and the development of business lines such as payroll and employee share plans. All offices have adapted well to the new work-from-home arrangements. Operationally, Boardroom's Australian businesses did especially well, while in Singapore, increased revenues in accounting services and payroll helped to offset weaker revenues in corporate secretarial and share registry work. Malaysia was comparatively weak, reflecting weak capital markets activity. Overall, Boardroom's revenues grew by 3%, while EBITDA amounted to S\$12.3 million (1H19: S\$9.4 million). Net profits were S\$4.2 million (1H19: S\$2.8 million).

**Allium Healthcare ("Allium")** took in the first residents for the Allium Care Suites nursing home in November 2019. However, we have only opened a third of the 129-bed capacity to date. In common with other nursing homes in Singapore, Allium was unable to allow visitors for most of the second quarter, and marketing has only resumed since June. While necessary, the restrictions on visitors have deterred admissions and will likely remain to some degree while Covid-19 remains a threat. Occupancy at present is approximately 63%, or 27 beds out of 43 available. We expect to open additional capacity in a month's time.

Allium's first half loss amounted to S\$3.3 million. Of this, S\$2.0 million related to depreciation and amortisation which started to accrue for Allium Care Suites from November 2019.

**Opal Aged Care Group ("Opal")** was challenged by back-to-back crises since the start of the year. A number of its homes were threatened by January's terrible bush fires, but thankfully there was neither loss of property nor lives. One month later, the coronavirus pandemic erupted, and some residents and staff in one of Opal's New South Wales homes were infected, with three deaths. The second wave of Covid-19 infections poses renewed risks, particularly in Victoria where Opal has 15 care homes. One of these, Opal South Valley, in Geelong is currently managing an outbreak with 18 out of its 78 residents having tested positive, along with six team members.

Year-on-year earnings comparisons are complicated by the different levels of additional government support in the first half of each year. Excluding the impact of such support in both 2019 (a one-time payment to all operators pending the finalisation of the Royal Commission report) and 2020 (for Covid-19 relief), Opal's normalised earnings before tax were roughly flat, with revenues up around 5%. Occupancy levels were stable despite the challenging conditions.

No new homes were opened in the first half, leaving capacity over 7,300 beds (3% up on the total in June 2019). The Royal Commission's final report has been delayed by the Covid-19 crisis, and is now expected only in February 2021.

## **REVIEW OF PERFORMANCE OF THE GROUP (CONT'D)**

Opal contributed S\$5.6 million to Group earnings (1H19: S\$4.5 million). The increase was almost entirely due to a deferment of tax liability under the new lease accounting standards on the right-of-use assets in 1H20.

Our smaller associates in aggregate reported a profit of S\$0.5 million (1H19: loss of S\$1.3 million).

### **Investment Income and Forex Translation**

Investment losses amounted to S\$0.9 million in the first half (1H19: profit of S\$5.1 million). This is captured in the revenue line, while a S\$1.7 million write-down on the net fair value of financial assets reflects mostly the decline in the value of Eastern and Oriental Bhd and other long-term private equity and venture capital investments totalling S\$8.1 million, offset by gains in euNetworks Holdings LP ("EUN") under Other Comprehensive Income.

During the second quarter, we sold approximately half of our holding in EUN at a 36% premium to our holding cost, and have revalued the remaining holding to S\$10.6 million. This sale was in conjunction with a capital injection by new shareholders in EUN. The resultant profits and fair value gain amounted to S\$6.4 million.

The Group has substantial exposure to the Australian dollar through its investments in Opal and Habitat Assets and indirectly through Boardroom. To reduce the extent of our currency risk, we borrow against these investments in Australian dollars. As at the end of June, these borrowings cover roughly 50% of the book value of our investments. The effect of this is that a stronger Australian dollar will result in a loss at the operating profit line (reflecting the change in value of our loans), but a forex translation gain under Other Comprehensive Income; this is reversed when the Australian dollar is weak.

In the first half, we suffered a forex loss of S\$4.0 million at the operating profit line, but we booked a forex translation gain of S\$4.3 million under Other Comprehensive Income. Most but not all of these numbers relate to our Australian exposure; our assets and borrowings in other currencies also have an impact.

### **Balance Sheet**

The Group's gearing remains moderate at 30%. In 2019, the Group had refinanced most of its debts over a three year term with amortisation repayments starting in 2020. These repayments of approximately S\$14.6 million, due within one year, were classified under current liabilities. As a result, the balance sheet showed net current liabilities of S\$9.4 million at the end of June (Dec 2019: S\$5.1 million).

## **VARIANCE BETWEEN PREVIOUS PROSPECT STATEMENT AND ACTUAL RESULTS**

None

## **COMMENTARY ON PROSPECTS**

We expect steady contributions from Boardroom and Opal in the second half of this year, barring unforeseen circumstances. The second-wave of Covid-19 infections currently affecting Victoria state creates some uncertainty for Opal, which will also see a net increase of four new homes with just over 400 new bed places in the second half.

Allium will remain loss-making into 2021. We expect occupancy to improve, but the pace of this will depend on how quickly the authorities are able to relax restrictions related to the coronavirus crisis.

Returns from our investment portfolio are especially uncertain in this period of exceptional political and macroeconomic risk. We remain conservatively positioned in public markets, and we are closely monitoring our portfolio of venture and private equity investments; provisions have already been made where we have concerns on business or financial sustainability, particularly in the aftermath of Covid-19. Movements in the Australian dollar may also have a significant impact on our results for reasons detailed earlier.

# Financial Statements

## STATEMENT OF COMPREHENSIVE INCOME

(Amounts in Singapore dollars)

(These figures have not been audited)

	Note	Group		+ / (-) %
		6 months ended		
		30 Jun 2020 \$'000	30 Jun 2019 \$'000	
<b>Revenue</b>				
Corporate services revenue		51,836	50,466	3
Investment (loss) / income		(887)	5,114	NM
Other income		3,544	778	356
<b>Total revenue</b>		<b>54,493</b>	<b>56,358</b>	(3)
<b>Cost and expenses</b>				
Employees' compensation and related costs		(33,913)	(31,921)	6
Office and equipment rental costs		(14)	(1,652)	(99)
Depreciation and amortisation		(8,672)	(5,792)	50
Technology and information services costs		(1,400)	(1,095)	28
Loss on foreign currency exchange		(3,984)	(198)	1,912
Provision for doubtful debts		(581)	(263)	121
Other operating expenses		(12,094)	(11,432)	6
<b>Total cost and expenses</b>		<b>(60,658)</b>	<b>(52,353)</b>	16
<b>(Loss) / profit from operating activities</b>		<b>(6,165)</b>	<b>4,005</b>	NM
Finance costs		(2,884)	(2,760)	4
Share of profit of associates		6,079	3,205	90
<b>(Loss) / profit before tax</b>	B	<b>(2,970)</b>	<b>4,450</b>	NM
Taxation	C	(2,136)	(1,115)	92
<b>(Loss) / profit for the period</b>		<b>(5,106)</b>	<b>3,335</b>	NM
<b>Other comprehensive income / (loss)</b>				
<b>Items that will not be reclassified to profit or loss</b>				
Net fair value loss on financial assets		(1,728)	(5,638)	(69)
<b>Items that may be reclassified subsequently to profit or loss</b>				
Share of other comprehensive (loss) / income of associates		(707)	734	NM
Net (loss) / gain on cash flow hedge		(53)	126	NM
Foreign currency translation		4,307	(3,233)	NM
<b>Other comprehensive income / (loss) for the period, net of tax</b>		<b>1,819</b>	<b>(8,011)</b>	NM
<b>Total comprehensive loss for the period</b>		<b>(3,287)</b>	<b>(4,676)</b>	(30)
<b>Profit / (loss) attributable to:</b>				
Owners of the Company		(5,386)	3,123	NM
Non-controlling interests		280	212	32
		<b>(5,106)</b>	<b>3,335</b>	NM
<b>Total comprehensive income / (loss) attributable to:</b>				
Owners of the Company		(3,648)	(4,839)	(25)
Non-controlling interests		361	163	121
		<b>(3,287)</b>	<b>(4,676)</b>	(30)
NM : Not meaningful				
<b>Earnings per share</b>	E			
- basic and diluted		(1.66) cents	0.96 cents	

# Financial Statements

## BALANCE SHEETS

(Amounts in Singapore dollars)

(These figures have not been audited)

	Note	Group		Company	
		30 Jun 2020 \$'000	31 Dec 2019 \$'000	30 Jun 2020 \$'000	31 Dec 2019 \$'000
<b>Non-current assets</b>					
Property, plant and equipment		30,277	31,174	-	-
Right-of-use assets		35,857	39,413	1,344	1,769
Intangible assets		137,922	138,925	-	-
Investment properties		3,727	3,727	-	-
Subsidiaries		-	-	230,472	229,135
Associates		181,197	180,536	-	-
Long-term investments		169,141	178,701	4,084	4,763
Lease receivables		319	533	-	-
Deferred tax assets		12,119	11,398	-	-
<b>Current assets</b>					
Amounts receivable from subsidiaries		-	-	160,227	163,460
Trade debtors		22,620	25,450	-	-
Other debtors		20,505	17,469	401	378
Inventory		10	5	-	-
Lease receivables		423	417	-	-
Short-term investments		35,001	36,710	-	-
Cash and bank balances		25,295	29,188	1,535	1,482
		103,854	109,239	162,163	165,320
<b>Current liabilities</b>					
Trade creditors		11,905	11,305	-	-
Other creditors		22,632	18,676	6,861	431
Lease liabilities	D	6,181	6,578	820	873
Bank borrowings	D	70,522	75,247	39,053	43,379
Provision for taxation		2,037	2,495	198	166
		113,277	114,301	46,932	44,849
<b>Net current (liabilities) / assets</b>		(9,423)	(5,062)	115,231	120,471
<b>Non-current liabilities</b>					
Lease liabilities	D	8,193	10,995	452	835
Bank borrowings	D	126,406	131,675	16,124	17,122
Provision for employee benefits		453	367	-	-
Deferred tax liabilities		12,966	13,072	1,704	1,530
<b>Net assets</b>		413,118	423,236	332,851	336,651
<b>Equity attributable to Owners of the Company</b>					
Share capital		191,987	191,987	191,987	191,987
Revenue reserve		247,917	255,178	142,346	145,467
Fair value adjustment reserve		(8,728)	(2,379)	(1,619)	(940)
Foreign currency translation reserve		(11,192)	(15,413)	-	-
Cash flow hedge reserve		(1,184)	(429)	-	-
Transactions with non-controlling interests		(14,634)	(14,634)	-	-
Capital reserve		137	137	137	137
		404,303	414,447	332,851	336,651
Non-controlling interests		8,815	8,789	-	-
<b>Total equity</b>		413,118	423,236	332,851	336,651

# Financial Statements

## STATEMENTS OF CHANGES IN EQUITY

(Amounts in Singapore dollars)

(These figures have not been audited)

Group	Attributable to Owners of the Company									
	Share Capital	Revenue Reserve	Fair Value Adjustment Reserve	Foreign Currency Translation Reserve	Cash Flow Hedge Reserve	Transactions with Non-controlling Interests	Capital Reserve	Equity Attributable to Owners of the Company	Non-controlling Interests	Total Equity
2020	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Balance at 1 January 2020</b>	<b>191,987</b>	<b>255,178</b>	<b>(2,379)</b>	<b>(15,413)</b>	<b>(429)</b>	<b>(14,634)</b>	<b>137</b>	<b>414,447</b>	<b>8,789</b>	<b>423,236</b>
(Loss) / profit for the period	-	(5,386)	-	-	-	-	-	(5,386)	280	(5,106)
<b>Other comprehensive income / (loss)</b>										
Net fair value loss on financial assets	-	-	(1,728)	-	-	-	-	(1,728)	-	(1,728)
Share of other comprehensive loss of associates	-	-	-	-	(707)	-	-	(707)	-	(707)
Net loss on cash flow hedge	-	-	-	-	(48)	-	-	(48)	(5)	(53)
Foreign currency translation	-	-	-	4,221	-	-	-	4,221	86	4,307
<b>Other comprehensive income / (loss) for the period</b>	<b>-</b>	<b>-</b>	<b>(1,728)</b>	<b>4,221</b>	<b>(755)</b>	<b>-</b>	<b>-</b>	<b>1,738</b>	<b>81</b>	<b>1,819</b>
<b>Total comprehensive income / (loss) for the period</b>	<b>-</b>	<b>(5,386)</b>	<b>(1,728)</b>	<b>4,221</b>	<b>(755)</b>	<b>-</b>	<b>-</b>	<b>(3,648)</b>	<b>361</b>	<b>(3,287)</b>



# Financial Statements

## STATEMENTS OF CHANGES IN EQUITY (Continued)

Group	Attributable to Owners of the Company									
	Share Capital	Revenue Reserve	Fair Value Adjustment Reserve	Foreign	Cash Flow Hedge Reserve	Transactions with Non-controlling Interests	Capital Reserve	Equity	Non-controlling Interests	Total Equity
				Currency Translation Reserve				Attributable to Owners of the Company		
2020	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Contributions by and distributions to Owners</b>										
Dividend on ordinary shares	-	(6,496)	-	-	-	-	-	(6,496)	-	(6,496)
<b>Total contributions by and distributions to Owners</b>	-	(6,496)	-	-	-	-	-	(6,496)	-	(6,496)
<b>Changes in ownership interests in subsidiaries</b>										
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	-	(335)	(335)
<b>Total changes in ownership interests in subsidiaries</b>	-	-	-	-	-	-	-	-	(335)	(335)
<b>Total transactions with Owners in their capacity as Owners</b>	-	(6,496)	-	-	-	-	-	(6,496)	(335)	(6,831)
<b>Others</b>										
Transfer of gain on disposal of financial assets	-	4,621	(4,621)	-	-	-	-	-	-	-
<b>Total others</b>	-	4,621	(4,621)	-	-	-	-	-	-	-
<b>Balance at 30 June 2020</b>	<b>191,987</b>	<b>247,917</b>	<b>(8,728)</b>	<b>(11,192)</b>	<b>(1,184)</b>	<b>(14,634)</b>	<b>137</b>	<b>404,303</b>	<b>8,815</b>	<b>413,118</b>

# Financial Statements

## STATEMENTS OF CHANGES IN EQUITY (Continued)

Group 2019	Attributable to Owners of the Company									
	Share Capital \$'000	Revenue Reserve \$'000	Fair Value Adjustment Reserve \$'000	Foreign	Cash Flow	Transactions with	Capital Reserve \$'000	Equity	Non- controlling Interests \$'000	Total Equity \$'000
				Currency	Hedge	Non-controlling		Attributable to		
				Translation Reserve \$'000	Reserve \$'000	Interests \$'000		Owners of the Company \$'000		
<b>Balance at 1 January 2019</b>	<b>191,987</b>	<b>250,205</b>	<b>9,121</b>	<b>(11,495)</b>	<b>(934)</b>	<b>(5,434)</b>	<b>137</b>	<b>433,587</b>	<b>20,683</b>	<b>454,270</b>
Profit for the period	-	3,123	-	-	-	-	-	3,123	212	3,335
<b>Other comprehensive income / (loss)</b>										
Net fair value loss on financial assets	-	-	(5,638)	-	-	-	-	(5,638)	-	(5,638)
Share of other comprehensive income of associates	-	-	-	-	734	-	-	734	-	734
Net gain on cash flow hedge	-	-	-	-	113	-	-	113	13	126
Foreign currency translation	-	-	-	(3,171)	-	-	-	(3,171)	(62)	(3,233)
<b>Other comprehensive income / (loss) for the period</b>	<b>-</b>	<b>-</b>	<b>(5,638)</b>	<b>(3,171)</b>	<b>847</b>	<b>-</b>	<b>-</b>	<b>(7,962)</b>	<b>(49)</b>	<b>(8,011)</b>
<b>Total comprehensive income / (loss) for the period</b>	<b>-</b>	<b>3,123</b>	<b>(5,638)</b>	<b>(3,171)</b>	<b>847</b>	<b>-</b>	<b>-</b>	<b>(4,839)</b>	<b>163</b>	<b>(4,676)</b>

# Financial Statements

## STATEMENTS OF CHANGES IN EQUITY (Continued)

Group	Attributable to Owners of the Company									
	Share Capital	Revenue Reserve	Fair Value Adjustment Reserve	Foreign Currency Translation Reserve	Cash Flow Hedge Reserve	Transactions with Non-controlling Interests	Capital Reserve	Equity Attributable to Owners of the Company	Non-controlling Interests	Total Equity
2019	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Contributions by and distributions to Owners</b>										
Dividend on ordinary shares	-	(6,496)	-	-	-	-	-	(6,496)	-	(6,496)
<b>Total contributions by and distributions to Owners</b>	-	(6,496)	-	-	-	-	-	(6,496)	-	(6,496)
<b>Changes in ownership interests in subsidiaries</b>										
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	-	(808)	(808)
Acquisition of non-controlling interests without a change in control	-	-	-	-	-	(7,332)	-	(7,332)	(9,281)	(16,613)
<b>Total changes in ownership interests in subsidiaries</b>	-	-	-	-	-	(7,332)	-	(7,332)	(10,089)	(17,421)
<b>Total transactions with Owners in their capacity as Owners</b>	-	(6,496)	-	-	-	(7,332)	-	(13,828)	(10,089)	(23,917)
<b>Others</b>										
Transfer of gain on disposal of financial assets	-	3,406	(3,406)	-	-	-	-	-	-	-
<b>Total others</b>	-	3,406	(3,406)	-	-	-	-	-	-	-
<b>Balance at 30 June 2019</b>	<b>191,987</b>	<b>250,238</b>	<b>77</b>	<b>(14,666)</b>	<b>(87)</b>	<b>(12,766)</b>	<b>137</b>	<b>414,920</b>	<b>10,757</b>	<b>425,677</b>

# Financial Statements

## STATEMENTS OF CHANGES IN EQUITY (Continued)

Company 2020	Share Capital \$'000	Revenue Reserve \$'000	Fair Value Adjustment Reserve \$'000	Capital Reserve \$'000	Total Equity \$'000
<b>Balance at 1 January 2020</b>	<b>191,987</b>	<b>145,467</b>	<b>(940)</b>	<b>137</b>	<b>336,651</b>
Profit for the period	-	3,375	-	-	3,375
<b>Other comprehensive income / (loss)</b>					
Net fair value loss on financial assets	-	-	(679)	-	(679)
<b>Total comprehensive income / (loss) for the period</b>	<b>-</b>	<b>3,375</b>	<b>(679)</b>	<b>-</b>	<b>2,696</b>
<b>Contributions by and distributions to Owners</b>					
Dividend on ordinary shares	-	(6,496)	-	-	(6,496)
<b>Total transactions with Owners in their capacity as Owners</b>	<b>-</b>	<b>(6,496)</b>	<b>-</b>	<b>-</b>	<b>(6,496)</b>
<b>Balance at 30 June 2020</b>	<b>191,987</b>	<b>142,346</b>	<b>(1,619)</b>	<b>137</b>	<b>332,851</b>

Company 2019	Share Capital \$'000	Revenue Reserve \$'000	Fair Value Adjustment Reserve \$'000	Capital Reserve \$'000	Total Equity \$'000
<b>Balance at 1 January 2019</b>	<b>191,987</b>	<b>161,807</b>	<b>(60)</b>	<b>137</b>	<b>353,871</b>
Profit for the period	-	480	-	-	480
<b>Other comprehensive income / (loss)</b>					
Net fair value loss on financial assets	-	-	(29)	-	(29)
<b>Total comprehensive income / (loss) for the period</b>	<b>-</b>	<b>480</b>	<b>(29)</b>	<b>-</b>	<b>451</b>
<b>Contributions by and distributions to Owners</b>					
Dividend on ordinary shares	-	(6,496)	-	-	(6,496)
<b>Total transactions with Owners in their capacity as Owners</b>	<b>-</b>	<b>(6,496)</b>	<b>-</b>	<b>-</b>	<b>(6,496)</b>
<b>Balance at 30 June 2019</b>	<b>191,987</b>	<b>155,791</b>	<b>(89)</b>	<b>137</b>	<b>347,826</b>

# Financial Statements

## CONSOLIDATED CASH FLOW STATEMENT

(Amounts in Singapore dollars)

(These figures have not been audited)

	Group	
	6 months ended	
	30 Jun 2020	30 Jun 2019
	\$'000	\$'000
<b>Operating activities</b>		
(Loss) / profit before tax	(2,970)	4,450
Adjustments for :-		
Depreciation and amortisation	8,672	5,792
Loss on disposal of property, plant and equipment	18	1
Finance costs	2,884	2,760
Interest income	(174)	(540)
Dividend income	(414)	(2,435)
Provision for doubtful debts	581	263
Fair value adjustment	812	(4,087)
Share of profit of associates	(6,079)	(3,205)
<b>Operating cash flows before changes in working capital</b>	3,330	2,999
Increase in debtors	(578)	(6,227)
Increase in inventory	(5)	-
Decrease in short-term investments	926	10,150
(Decrease) / increase in creditors	(2,364)	14,975
<b>Cash flows from operations</b>	1,309	21,897
Interest paid	(2,565)	(2,587)
Interest received	173	540
Income tax paid	(2,567)	(1,335)
<b>Net cash flows (used in) / from operating activities</b>	(3,650)	18,515
<b>Investing activities</b>		
Purchase of property, plant and equipment	(1,560)	(8,300)
Proceeds from disposal of property, plant and equipment	-	2
Purchase of intangible assets	(1,248)	(1,030)
Purchase of long-term investments	(8,618)	(13,491)
Proceeds from sale of long-term investments	15,631	8,977
Capital distribution from associates	1,553	-
Net dividend received from associates	6,787	3,572
Dividend income received	383	2,406
<b>Net cash flows from / (used in) investing activities</b>	12,928	(7,864)
<b>Financing activities</b>		
Dividend paid	-	(6,496)
Dividend paid to non-controlling interests	(335)	(808)
Acquisition of non-controlling interests	-	(16,613)
Repayment of lease liabilities	(3,221)	(2,265)
(Repayment of) / proceeds from bank borrowings	(14,662)	11,095
<b>Net cash flows used in financing activities</b>	(18,218)	(15,087)
Net decrease in cash and cash equivalents	(8,940)	(4,436)
Effect of exchange rate changes in opening cash and cash equivalents	5,047	293
Cash and cash equivalents at beginning of period	29,188	35,534
<b>Cash and cash equivalents at end of period</b>	25,295	31,391

# Financial Statements

## NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2020

(Amounts in Singapore dollars)

(These figures have not been audited)

### A. SHARE CAPITAL

In the 6 months ended 30 June 2020, no (2019: Nil) shares were purchased or issued by the Company. The total number of issued shares as at 30 June 2020 was 324,810,137 (Dec 2019: 324,810,137). There were no treasury shares or subsidiary holdings as at 30 June 2020 and 2019.

### B. REVENUE AND EXPENSES

Profit before tax includes the following:

	Group 6 months ended	
	30 Jun 2020	30 Jun 2019
	\$'000	\$'000
Investment income:		
Fair value adjustment for short-term investments	(783)	4,093
Fair value adjustment for long-term investments	(29)	(6)
Loss on sale of short-term investments	(663)	(1,948)
Dividend income	414	2,435
Interest income:		
- Bank deposits	160	527
- Leases	14	13
Other income:		
Rental income	193	224
Finance costs:		
Interest expense:		
- Bank loans and overdrafts	(2,542)	(2,505)
- Leases	(338)	(255)
- Others	(4)	-

# Financial Statements

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

### C. TAX

	Group 6 months ended	
	30 Jun 2020 \$'000	30 Jun 2019 \$'000
Current income tax		
Current year	(2,312)	(1,933)
Overprovision in respect of prior years	30	193
Deferred tax		
Current year	350	358
(Under) / overprovision in respect of prior years	(204)	267
	<u>(2,136)</u>	<u>(1,115)</u>

### D. AGGREGATE AMOUNT OF GROUP'S BORROWINGS

	Secured		Unsecured	
	30 Jun 2020 \$'000	31 Dec 2019 \$'000	30 Jun 2020 \$'000	31 Dec 2019 \$'000
Amount due within one year	16,967	16,807	59,736	65,018
Amount due after one year	<u>102,849</u>	<u>109,020</u>	<u>31,750</u>	<u>33,650</u>

The Group's borrowings include bank borrowings and lease liabilities. Secured bank borrowings are secured by charges on bank accounts, shares of investee companies, land and buildings owned by the borrowing subsidiaries.

### E. EARNINGS PER SHARE

Basic and diluted earnings per share ("EPS") are calculated by dividing the loss attributable to Owners of \$5,386,000 (2019: profit of \$3,123,000) by the weighted average number of ordinary shares in issue during the period of 324,810,137 (2019: 324,810,137).

There were no outstanding share options as at 30 June 2020 and 2019.

### F. NET ASSET VALUE PER SHARE

	Group		Company	
	30 Jun 2020	31 Dec 2019	30 Jun 2020	31 Dec 2019
Net asset value per share based on existing issued share capital as at the end of the respective period	<u>124.47 cts</u>	<u>127.60 cts</u>	<u>102.48 cts</u>	<u>103.65 cts</u>

# Financial Statements

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

### G. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)"). Other than the adoption of the new and revised SFRS(I) which took effect from the current financial year, the accounting policies have been consistently applied by the Group and are consistent with those used in the previous financial year.

### DIVIDENDS

	Group and Company 6 months ended	
	30 Jun 2020 \$'000	30 Jun 2019 \$'000
Final dividends paid, 2.0 cents per ordinary share, one-tier tax exempt * (2019: 2.0 cents per ordinary share)	6,496	6,496

\* Paid in July 2020.

### AUDIT

These Financial Statements have not been audited or reviewed by the Auditor.

### INTERESTED PERSON TRANSACTIONS

The Company does not have an Interested Person Transactions mandate.

### CONFIRMATION BY THE BOARD PURSUANT TO RULE 705(5)

The Board of Directors hereby confirm that, to the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the unaudited Financial Statements of the Company and of the Group for the six months ended 30 June 2020 to be false or misleading in any material aspect.

### CONFIRMATION PURSUANT TO 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 under Rule 720(1) of the Listing Manual.

### BY ORDER OF THE BOARD

**Thomas Teo Liang Huat**  
Executive Director

6 August 2020  
Singapore