

WING TAI HOLDINGS LIMITED
(UEN: 196300239D)
(Incorporated in the Republic of Singapore)

FINANCIAL STATEMENTS ANNOUNCEMENT FOR THE HALF YEAR ENDED 31 DECEMBER 2023

The Company announces the unaudited consolidated results for the half year ended 31 December 2023.

A(i) Condensed Consolidated Income Statement

	<u>Note</u>	Group		+ / (-) %
		Half year ended 31-Dec-23 S\$'000	Half year ended 31-Dec-22 S\$'000	
Revenue	4	97,684	260,771	(63)
Cost of sales		<u>(43,885)</u>	<u>(179,664)</u>	(76)
Gross profit		53,799	81,107	(34)
Other gains – net	(a)	8,130	4,706	73
Expenses				
- Distribution	(b)	(16,018)	(18,297)	(12)
- Administrative and other	(c)	(36,694)	<u>(38,443)</u>	(5)
Operating profit		9,217	29,073	(68)
Finance costs		(16,732)	(12,404)	35
Share of profits of associated and joint venture companies		<u>32,208</u>	<u>33,405</u>	(4)
Profit before income tax	6	24,693	50,074	(51)
Income tax (expense)/credit	(d), 7	<u>(4,148)</u>	<u>13,476</u>	n.m.
Total profit		<u>20,545</u>	<u>63,550</u>	(68)
Attributable to:				
Equity holders of the Company		20,485	63,303	(68)
Non-controlling interests		<u>60</u>	<u>247</u>	(76)
		<u>20,545</u>	<u>63,550</u>	(68)
Earnings per share attributable to ordinary shareholders of the Company (cents):				
Basic		2.25	7.88	
Diluted		<u>2.24</u>	<u>7.87</u>	

A(ii) **Condensed Consolidated Statement of Comprehensive Income**

	Group		
	Half year ended 31-Dec-23 S\$'000	Half year ended 31-Dec-22 S\$'000	+ / (-) %
Total profit	20,545	63,550	(68)
Other comprehensive expense:			
Items that may be reclassified subsequently to profit or loss:			
Cash flow hedges	(3,277)	-	n.m.
Currency translation differences	(26,287)	(50,436)	(48)
Share of other comprehensive expense of associated and joint venture companies	(2,731)	(11,544)	(76)
	(32,295)	(61,980)	(48)
Items that will not be reclassified subsequently to profit or loss:			
Fair value losses on financial assets at fair value through other comprehensive income ("FVOCI")	(5,400)	(2,201)	145
Currency translation differences	(1,271)	(2,038)	(38)
Share of other comprehensive expense of associated and joint venture companies	(69)	(213)	(68)
	(6,740)	(4,452)	51
Other comprehensive expense, net of tax	(39,035)	(66,432)	(41)
Total comprehensive expense	(18,490)	(2,882)	542
Attributable to:			
Equity holders of the Company	(17,210)	(878)	n.m.
Non-controlling interests	(1,280)	(2,004)	(36)
	(18,490)	(2,882)	542

Note:

n.m. – not meaningful

- (a) The increase in other gains – net is mainly due to the higher interest income.
- (b) The decrease in distribution expenses is largely due to the lower rental for retail stores.
- (c) The decrease in administrative and other expenses is primarily due to the lower accrued operating expenses.
- (d) The income tax credit in the corresponding period is mainly due to the write-back of deferred tax provision that was no longer required.

B **Condensed Statements of Financial Position**

	Note	Group		Company	
		As at 31-Dec-23 S\$'000	As at 30-Jun-23 S\$'000	As at 31-Dec-23 S\$'000	As at 30-Jun-23 S\$'000
ASSETS					
Current assets					
Cash and cash equivalents		683,766	402,090	365,894	147,327
Trade and other receivables	(a)	25,302	39,106	31,448	28,365
Inventories		8,186	8,260	-	-
Development properties	(b)	631,850	641,542	-	-
Tax recoverable		1,077	1,694	-	-
Other assets	(c)	131,353	339,970	77	3,245
Assets held for sale		-	964	-	-
		1,481,534	1,433,626	397,419	178,937
Non-current assets					
Trade and other receivables	(i)	6,175	11,413	885,434	1,065,386
Investments in associated and joint venture companies		1,624,696	1,630,191	-	-
Investments in subsidiary companies		-	-	282,063	282,063
Investment properties	(d), 11	837,345	811,803	-	-
Property, plant and equipment	12	77,550	74,938	17,256	17,576
Deferred income tax assets		4,429	4,472	-	-
Other assets	(e)	215,907	185,479	18,836	17,417
		2,766,102	2,718,296	1,203,589	1,382,442
Total assets		4,247,636	4,151,922	1,601,008	1,561,379
LIABILITIES					
Current liabilities					
Trade and other payables		78,813	64,672	10,002	7,393
Borrowings	(f), 13	94,619	71,000	70,988	71,000
Current income tax liabilities		21,809	16,989	3,734	253
Other liabilities	(g)	52,808	18,732	134	3,245
		248,049	171,393	84,858	81,891
Non-current liabilities					
Borrowings	(h), 13	675,051	600,038	397,517	298,964
Deferred income tax liabilities		12,436	14,042	-	-
Other liabilities		16,169	12,124	3,352	521
		703,656	626,204	400,869	299,485
Total liabilities		951,705	797,597	485,727	381,376
NET ASSETS		3,295,931	3,354,325	1,115,281	1,180,003
EQUITY					
Capital and reserves attributable to ordinary shareholders of the Company					
Share capital	14	838,250	838,250	838,250	838,250
Other reserves		(162,207)	(126,352)	(56,709)	(55,272)
Retained earnings		2,404,682	2,425,941	185,143	248,428
		3,080,725	3,137,839	966,684	1,031,406
Perpetual securities		148,597	148,597	148,597	148,597
Non-controlling interests		66,609	67,889	-	-
TOTAL EQUITY		3,295,931	3,354,325	1,115,281	1,180,003

B Condensed Statements of Financial Position (continued)

Note:

- (a) The decrease in the Group's current trade and other receivables is largely due to the settlement of outstanding progress billings by purchasers of development projects.
- (b) The decrease in the Group's development properties is primarily attributable to the recognition of capitalised development costs in the income statement.
- (c) The decrease in the Group's other current assets is mainly due to the lower unbilled revenue for The M at Middle Road, which obtained its Temporary Occupation Permit in August 2023.
- (d) The increase in the Group's investment properties is largely attributable to the acquisition of an investment property located in Melbourne, Australia.
- (e) The increase in the Group's other non-current assets is primarily due to the acquisition of financial assets at FVOCI.
- (f) The increase in the Group's current borrowings is mainly attributable to the reclassification of a bank loan which became current.
- (g) The increase in the Group's other current liabilities is largely due to the receipt of advance payment from purchasers of development projects.
- (h) The increase in the Group's and the Company's non-current borrowings is primarily attributable to the issuance of medium term notes.
- (i) The decrease in the Company's non-current trade and other receivables is mainly due to the repayment of loans by its subsidiary companies.

C Condensed Statements of Changes in Equity

	Attributable to ordinary shareholders of the Company				Non-		Total equity S\$'000
	Share capital S\$'000	Other reserves* S\$'000	Retained earnings S\$'000	Total S\$'000	Perpetual securities S\$'000	controlling interests S\$'000	
Group							
<u>Half year ended 31-Dec-23</u>							
Beginning of financial period	838,250	(126,352)	2,425,941	3,137,839	148,597	67,889	3,354,325
Total comprehensive (expense)/income	-	(37,695)	20,485	(17,210)	-	(1,280)	(18,490)
Cost of share-based payment	-	1,560	-	1,560	-	-	1,560
Reissuance of treasury shares	-	280	(280)	-	-	-	-
Ordinary and special dividends paid	-	-	(38,076)	(38,076)	-	-	(38,076)
Accrued perpetual securities distribution	-	-	(3,388)	(3,388)	3,388	-	-
Perpetual securities distribution paid	-	-	-	-	(3,388)	-	(3,388)
End of financial period	838,250	(162,207)	2,404,682	3,080,725	148,597	66,609	3,295,931

C **Condensed Statements of Changes in Equity** (continued)

	Attributable to ordinary shareholders of the Company				Perpetual securities	Non- controlling interests	Total equity
	Share capital	Other reserves*	Retained earnings	Total			
	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>
Group							
<u>Half year ended 31-Dec-22</u>							
Beginning of financial period	838,250	(17,135)	2,465,198	3,286,313	148,597	76,231	3,511,141
Total comprehensive (expense)/income	-	(64,181)	63,303	(878)	-	(2,004)	(2,882)
Cost of share-based payment	-	1,705	-	1,705	-	-	1,705
Reissuance of treasury shares	-	246	(246)	-	-	-	-
Purchase of treasury shares	-	(3,574)	-	(3,574)	-	-	(3,574)
Ordinary and special dividends paid	-	-	(45,598)	(45,598)	-	-	(45,598)
Accrued perpetual securities distribution	-	-	(3,388)	(3,388)	3,388	-	-
Perpetual securities distribution paid	-	-	-	-	(3,388)	-	(3,388)
Derecognition of joint venture companies	-	211	-	211	-	-	211
End of financial period	<u>838,250</u>	<u>(82,728)</u>	<u>2,479,269</u>	<u>3,234,791</u>	<u>148,597</u>	<u>74,227</u>	<u>3,457,615</u>

* Includes share-based payment reserve, cash flow hedge reserve, share of other comprehensive income of associated and joint venture companies, currency translation reserve, fair value reserve, treasury shares reserve and statutory reserve.

	Share capital	Share- based payment reserve	Cash flow hedge reserve	Treasury shares reserve	Retained earnings	Perpetual securities	Total equity
Company							
<u>Half year ended 31-Dec-23</u>							
Beginning of financial period	838,250	1,884	457	(57,613)	248,428	148,597	1,180,003
Total comprehensive expense	-	-	(3,277)	-	(21,541)	-	(24,818)
Cost of share-based payment	-	1,560	-	-	-	-	1,560
Reissuance of treasury shares	-	(2,341)	-	2,621	(280)	-	-
Ordinary and special dividends paid	-	-	-	-	(38,076)	-	(38,076)
Accrued perpetual securities distribution	-	-	-	-	(3,388)	3,388	-
Perpetual securities distribution paid	-	-	-	-	-	(3,388)	(3,388)
End of financial period	<u>838,250</u>	<u>1,103</u>	<u>(2,820)</u>	<u>(54,992)</u>	<u>185,143</u>	<u>148,597</u>	<u>1,115,281</u>

C **Condensed Statements of Changes in Equity** (continued)

Company	<u>Share capital S\$'000</u>	<u>Share- based payment reserve S\$'000</u>	<u>Treasury shares reserve S\$'000</u>	<u>Retained earnings S\$'000</u>	<u>Perpetual securities S\$'000</u>	<u>Total equity S\$'000</u>
<u>Half year ended 31-Dec-22</u>						
Beginning of financial period	838,250	1,426	(56,460)	276,354	148,597	1,208,167
Total comprehensive expense	-	-	-	(11,052)	-	(11,052)
Cost of share-based payment	-	1,705	-	-	-	1,705
Reissuance of treasury shares	-	(2,175)	2,421	(246)	-	-
Purchase of treasury shares	-	-	(3,574)	-	-	(3,574)
Ordinary and special dividends paid	-	-	-	(45,598)	-	(45,598)
Accrued perpetual securities distribution	-	-	-	(3,388)	3,388	-
Perpetual securities distribution paid	-	-	-	-	(3,388)	(3,388)
End of financial period	<u>838,250</u>	<u>956</u>	<u>(57,613)</u>	<u>216,070</u>	<u>148,597</u>	<u>1,146,260</u>

D **Condensed Consolidated Statement of Cash Flows**

	Group	
	Half year ended 31-Dec-23 <u>S\$'000</u>	Half year ended 31-Dec-22 <u>S\$'000</u>
Cash flows from operating activities		
Total profit	20,545	63,550
Adjustments for:		
Income tax expense/(credit)	4,148	(13,476)
Depreciation of property, plant and equipment	4,730	5,035
Dividend income	(2,509)	(4,304)
Fair value losses/(gains) on derivative financial instruments	6	(3)
(Write-back of allowance)/allowance for stock obsolescence	(621)	131
Impairment loss on receivables from a joint venture company	-	1
Loss on derecognition of joint venture companies	-	211
Gain on disposal of investment properties	(227)	(65)
Gain on disposal of property, plant and equipment	(17)	(583)
Write-off of property, plant and equipment	6	1
Interest income	(6,871)	(3,580)
Finance costs	16,732	12,404
Share of profits of associated and joint venture companies	(32,208)	(33,405)
Share-based payment	1,560	1,705
Currency translation differences	1,770	(4,405)
Operating cash flow before working capital changes	<u>7,044</u>	<u>23,217</u>
Changes in working capital:		
Balances with associated and joint venture companies	389	(451)
Development properties	7,169	(277,624)
Inventories	661	(616)
Trade and other receivables and other current assets	215,097	89,263
Trade and other payables and other current liabilities	49,089	(11,718)
Cash generated from/(used in) operations	<u>279,449</u>	<u>(177,929)</u>
Income tax paid	(239)	(9,535)
Net cash generated from/(used in) operating activities	<u>279,210</u>	<u>(187,464)</u>
Cash flows from investing activities		
Acquisition of subsidiary companies, net of cash acquired	-	40,508
Additions to financial assets at FVOCI	(30,224)	(3,710)
Additions to investment properties	(26,396)	(74)
Additions to property, plant and equipment	(2,421)	(1,212)
Disposal of investment properties	1,192	573
Disposal of property, plant and equipment	4	1,765
Settlement of a derivative financial instrument relating to net investment hedge	2,313	-
Repayment of loans by joint venture companies	-	3,600
Advancement of loans to non-controlling interests	-	(193)
Repayment of loans by non-controlling interests	5,114	-
Dividends received	7,303	11,851
Interest received	6,939	3,965
Net cash (used in)/generated from investing activities	<u>(36,176)</u>	<u>57,073</u>

D **Condensed Consolidated Statement of Cash Flows** (continued)

	Group	
	Half year ended 31-Dec-23 <u>S\$'000</u>	Half year ended 31-Dec-22 <u>S\$'000</u>
Cash flows from financing activities		
Purchase of treasury shares	-	(3,574)
Proceeds from borrowings	99,295	184,134
Repayment of borrowings	-	(81,000)
Principal payment of lease liabilities	(2,530)	(3,084)
Ordinary and special dividends paid	(38,076)	(45,598)
Perpetual securities distribution paid	(3,388)	(3,388)
Interest paid	(14,701)	(12,020)
Net cash generated from financing activities	40,600	35,470
Net increase/(decrease) in cash and cash equivalents	283,634	(94,921)
Cash and cash equivalents at beginning of financial period	402,090	513,817
Effects of currency translation on cash and cash equivalents	(1,958)	(6,083)
Cash and cash equivalents at end of financial period	683,766	412,813

E **Notes to the Condensed Financial Statements**

1 **Corporate information**

Wing Tai Holdings Limited (the “Company”) is incorporated and domiciled in Singapore and is listed on the Singapore Exchange Securities Trading Limited. These condensed financial statements as at and for the half year ended 31 December 2023 comprise the Company and its subsidiary companies (collectively, the “Group”). The principal activity of the Company is that of an investment holding company. The principal activities of the Company’s subsidiary companies are investment holding, property investment and development and retailing of garments.

2 **Basis of preparation**

The condensed financial statements for the half year ended 31 December 2023 have been prepared in accordance with SFRS(I) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed 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 and the Company’s financial position and performance of the Group since the last annual financial statements for the financial year ended 30 June 2023.

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

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

2.1 **New and amended standards adopted by the Group**

The Group has adopted the new or amended SFRS(I)s and Interpretations of SFRS(I)s (“INT SFRS(I)s”), that are relevant to the Group for the annual period beginning on 1 July 2023 as follows:

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

The adoption of the above amendments did not result in substantial changes to the Group’s accounting policies and did not have any significant impact on the condensed financial statements of the Group.

2.2 **Use of judgements and estimates**

The preparation of condensed financial statements in conformity with SFRS(I)s requires management to exercise its judgement in the process of applying the Group’s accounting policies. It also requires the use of certain critical accounting estimates and assumptions. Although these estimates are based on management’s best knowledge of current events and actions, actual results may ultimately differ from those estimates.

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 financial year ended 30 June 2023.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial period are included in Note 11.1.

E **Notes to the Condensed Financial Statements** (continued)

3 **Seasonal operations**

The Group's businesses are affected by the economic outlook, financial market volatilities and changing property market conditions in the jurisdictions that the Group operates in.

4 **Segment and revenue information**

The Group is organised into the following main business segments - development properties, investment properties, retail and other operations comprising mainly investing, central management and administrative activities. These operating segments are reported in a manner consistent with the internal reporting provided to management, who are responsible for allocating resources and assessing the performance of the operating segments.

4.1 **Reportable segments**

	Development properties S\$'000	Investment properties S\$'000	Retail S\$'000	Others S\$'000	Total S\$'000
Group					
<u>Half year ended 31-Dec-23</u>					
Revenue	49,131	21,463	21,882	5,208	97,684
Earnings before interest and tax	7,584	22,691	30,173	(25,894)	34,554
Interest income					6,871
Finance costs	(5,858)	(1,724)	(145)	(9,005)	(16,732)
Profit before income tax					24,693
Income tax expense					(4,148)
Total profit					20,545
Segment assets	1,375,806	902,115	36,899	299,135	2,613,955
Investments in associated and joint venture companies	485,546	1,282,652	167,203	(310,705)	1,624,696
Due from joint venture companies	675	-	232	-	907
	1,862,027	2,184,767	204,334	(11,570)	4,239,558
Tax recoverable					1,077
Derivative financial instruments					2,572
Deferred income tax assets					4,429
Consolidated total assets					4,247,636
Segment liabilities	93,205	12,331	18,716	20,050	144,302
Borrowings	237,169	63,996	-	468,505	769,670
	330,374	76,327	18,716	488,555	913,972
Current income tax liabilities					21,809
Derivative financial instruments					3,488
Deferred income tax liabilities					12,436
Consolidated total liabilities					951,705
Capital expenditure	4	26,647	7,639	24	34,314
Depreciation of property, plant and equipment	5	280	3,279	1,166	4,730

E **Notes to the Condensed Financial Statements** (continued)

4 **Segment and revenue information** (continued)

4.1 **Reportable segments** (continued)

	Development properties <u>SS'000</u>	Investment properties <u>SS'000</u>	Retail <u>SS'000</u>	Others <u>SS'000</u>	Total <u>SS'000</u>
Group					
<u>Half year ended 31-Dec-22</u>					
Revenue	210,485	19,632	23,881	6,773	260,771
Earnings before interest and tax	37,234	24,502	28,528	(31,366)	58,898
Interest income					3,580
Finance costs	(625)	(1,322)	(101)	(10,356)	(12,404)
Profit before income tax					50,074
Income tax credit					13,476
Total profit					63,550
Segment assets	1,314,458	885,409	31,972	272,067	2,503,906
Investments in associated and joint venture companies	506,210	1,382,360	173,588	(302,260)	1,759,898
Due from joint venture companies	189	-	436	-	625
	1,820,857	2,267,769	205,996	(30,193)	4,264,429
Tax recoverable					1,475
Derivative financial instruments					3,000
Deferred income tax assets					4,055
Consolidated total assets					4,272,959
Segment liabilities	25,459	12,069	12,754	36,213	86,495
Borrowings	184,402	66,445	-	440,896	691,743
	209,861	78,514	12,754	477,109	778,238
Current income tax liabilities					22,255
Derivative financial instruments					3,062
Deferred income tax liabilities					11,789
Consolidated total liabilities					815,344
Capital expenditure	21	185	1,947	1,238	3,391
Depreciation of property, plant and equipment	10	527	3,220	1,278	5,035

E **Notes to the Condensed Financial Statements** (continued)

4 **Segment and revenue information** (continued)

4.2 **Disaggregation of revenue**

Group	Development properties S\$'000	Investment properties S\$'000	Retail S\$'000	Others S\$'000	Total S\$'000
<u>Half year ended 31-Dec-23</u>					
Types of goods or services:					
Sale of development properties	49,131	-	-	-	49,131
Sale of goods	-	-	21,882	-	21,882
Management fees	-	-	-	2,699	2,699
Rental income	-	21,463	-	-	21,463
Dividend income	-	-	-	2,509	2,509
Total revenue	49,131	21,463	21,882	5,208	97,684
Timing of revenue recognition:					
Recognised at a point in time	21,198	-	21,882	-	43,080
Recognised over time	27,933	-	-	2,699	30,632
Others	-	21,463	-	2,509	23,972
Total revenue	49,131	21,463	21,882	5,208	97,684
Geographical information:					
Singapore	33,759	16,051	11,346	5,048	66,204
Malaysia	15,372	98	10,536	152	26,158
Australia	-	3,834	-	-	3,834
China	-	400	-	8	408
Japan	-	1,080	-	-	1,080
Total revenue	49,131	21,463	21,882	5,208	97,684
<u>Half year ended 31-Dec-22</u>					
Types of goods or services:					
Sale of development properties	210,485	-	-	-	210,485
Sale of goods	-	-	23,881	-	23,881
Management fees	-	-	-	2,469	2,469
Rental income	-	19,632	-	-	19,632
Dividend income	-	-	-	4,304	4,304
Total revenue	210,485	19,632	23,881	6,773	260,771
Timing of revenue recognition:					
Recognised at a point in time	25,810	-	23,881	-	49,691
Recognised over time	184,675	-	-	2,469	187,144
Others	-	19,632	-	4,304	23,936
Total revenue	210,485	19,632	23,881	6,773	260,771
Geographical information:					
Singapore	195,406	14,948	13,714	6,603	230,671
Malaysia	15,079	176	10,167	161	25,583
Australia	-	4,095	-	-	4,095
China	-	406	-	9	415
Japan	-	7	-	-	7
Total revenue	210,485	19,632	23,881	6,773	260,771

E **Notes to the Condensed Financial Statements** (continued)

5 **Financial assets and financial liabilities**

Set out below is an overview of the financial assets and financial liabilities of the Group and the Company as at 31 December 2023 and 30 June 2023:

	Group		Company	
	As at 31-Dec-23 <u>S\$'000</u>	As at 30-Jun-23 <u>S\$'000</u>	As at 31-Dec-23 <u>S\$'000</u>	As at 30-Jun-23 <u>S\$'000</u>
Financial assets at FVOCI	191,318	166,494	-	-
Financial assets at fair value through profit or loss ("FVPL") (including derivative financial instruments)	18,836	19,113	18,836	19,109
Financial liabilities at FVPL (including derivative financial instruments)	3,488	3,766	3,486	3,766
Financial assets at amortised cost	841,166	770,069	702,154	653,510
Financial liabilities at amortised cost	870,798	755,840	478,507	377,357

6 **Profit before income tax**

6.1 **Significant items**

	Group	
	Half year ended 31-Dec-23 <u>S\$'000</u>	Half year ended 31-Dec-22 <u>S\$'000</u>
Income		
Dividend income	2,509	4,304
Interest income	6,871	3,580
Gain on disposal of investment properties	227	65
Gain on disposal of property, plant and equipment	17	583
Write-back of allowance for stock obsolescence	621	-
Expenses		
Finance costs	16,732	12,404
Depreciation of property, plant and equipment	4,730	5,035
Write-off of property, plant and equipment	6	1
Allowance for stock obsolescence	-	131
Foreign exchange loss – net	2,415	420

E **Notes to the Condensed Financial Statements** (continued)

6 **Profit before income tax** (continued)

6.2 **Related party transactions**

In addition to the information disclosed elsewhere in the condensed financial statements, the following significant transactions took place between the Group and related parties at terms agreed between the parties:

	Group	
	Half year ended 31-Dec-23 <u>S\$'000</u>	Half year ended 31-Dec-22 <u>S\$'000</u>
Transactions with related parties		
Purchase of goods from a joint venture company	708	305
Management and service fees received from joint venture companies	2,613	2,274
Management fees paid to an associated company	346	287
Payments on behalf of joint venture companies	132	51
	<hr/>	<hr/>

7 **Taxation**

	Group	
	Half year ended 31-Dec-23 <u>S\$'000</u>	Half year ended 31-Dec-22 <u>S\$'000</u>
Tax expense/(credit) attributable to profit is made up of:		
Current income tax	3,551	3,131
Deferred income tax	597	5,193
	<hr/>	<hr/>
	4,148	8,324
Over provision in preceding financial periods		
- Deferred income tax	-	(21,800)
	<hr/>	<hr/>
	4,148	(13,476)

8 **Dividends**

	Group and Company	
	Half year ended 31-Dec-23 <u>S\$'000</u>	Half year ended 31-Dec-22 <u>S\$'000</u>
Dividends paid in respect of the preceding financial year		
First and final dividend of 3 cents (31 December 2022: 3 cents) per share	22,846	22,799
Special dividend of 2 cents (31 December 2022: 3 cents) per share	15,230	22,799
	<hr/>	<hr/>
	38,076	45,598

E **Notes to the Condensed Financial Statements** (continued)

9 **Net Asset Value**

	Group		Company	
	As at 31-Dec-23	As at 30-Jun-23	As at 31-Dec-23	As at 30-Jun-23
	<u>S\$</u>	<u>S\$</u>	<u>S\$</u>	<u>S\$</u>
Net asset value per ordinary share	4.05	4.13	1.27	1.36

10 **Financial assets at FVOCI and financial assets at FVPL**

	Group		Company	
	As at 31-Dec-23	As at 30-Jun-23	As at 31-Dec-23	As at 30-Jun-23
	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>
Financial assets at FVOCI				
Quoted equity securities in Singapore	191,318	166,494	-	-
Financial assets at FVPL				
Unquoted equity securities in Singapore	16,264	16,264	16,264	16,264
	207,582	182,758	16,264	16,264

10.1 **Fair value measurement**

The following table presents financial assets recognised and measured at fair value and classified by level of the following fair value measurement hierarchy:

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

	Level 1	Level 3	Total
	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>
Group			
<u>As at 31-Dec-23</u>			
Financial assets at FVOCI	191,318	-	191,318
Financial assets at FVPL	-	16,264	16,264
	191,318	16,264	207,582
<u>As at 30-Jun-23</u>			
Financial assets at FVOCI	166,494	-	166,494
Financial assets at FVPL	-	16,264	16,264
	166,494	16,264	182,758
Company			
<u>As at 31-Dec-23</u>			
Financial assets at FVPL	-	16,264	16,264
<u>As at 30-Jun-23</u>			
Financial assets at FVPL	-	16,264	16,264

E **Notes to the Condensed Financial Statements** (continued)

11 **Investment properties**

Investment properties are held for long-term rental yields and/or for capital appreciation and are not occupied substantially by the Group. Investment properties are leased to third parties under operating leases.

	Group	
	Half year ended 31-Dec-23 <u>S\$ '000</u>	Year ended 30-Jun-23 <u>S\$ '000</u>
Beginning of financial period/year	811,803	837,629
Additions	26,396	1,295
Disposals	-	(916)
Fair value losses recognised in income statement	-	(4,899)
Transfer to assets held for sale	-	(1,974)
Currency translation differences	(854)	(19,332)
End of financial period/year	<u>837,345</u>	<u>811,803</u>

11.1 **Valuation**

The Group engages external, independent and qualified valuers to determine the fair values of the Group's investment properties based on the properties' highest and best use using the direct comparison, income capitalisation and/or discounted cash flow methods.

The direct comparison method involves an analysis of comparable sales of similar properties and adjusting the transacted prices to that reflective of the properties. The income capitalisation method capitalises an income stream into a present value using revenue multipliers or single-year capitalisation rates. The discounted cash flow method involves the estimation and projection of an income stream over a period and discounting the income stream with an internal rate of return to arrive at the market value.

As at 31 December 2023, valuation reports were obtained from independent property valuers for certain significant investment properties. Management is of the view that the valuation methods and estimates are reflective of the current market conditions and the fair values of the Group's investment properties have not materially changed from 30 June 2023 valuations.

12 **Property, plant and equipment**

	Group		Company	
	Half year ended 31-Dec-23 <u>S\$'000</u>	Year ended 30-Jun-23 <u>S\$'000</u>	Half year ended 31-Dec-23 <u>S\$'000</u>	Year ended 30-Jun-23 <u>S\$'000</u>
Additions	7,918	11,053	12	1,754
Disposals	480	559	-	457

E **Notes to the Condensed Financial Statements** (continued)

13 **Borrowings**

	Group		Company	
	As at 31-Dec-23 <u>S\$'000</u>	As at 30-Jun-23 <u>S\$'000</u>	As at 31-Dec-23 <u>S\$'000</u>	As at 30-Jun-23 <u>S\$'000</u>
Amount repayable within one year or less or on demand				
Secured	23,631	-	-	-
Unsecured	70,988	71,000	70,988	71,000
Amount repayable after one year				
Secured	277,534	301,074	-	-
Unsecured	397,517	298,964	397,517	298,964

Secured borrowings are generally secured by mortgages on certain development properties and investment properties and assignment of all rights and benefits with respect to the properties.

14 **Share capital**

	Group and Company			
	Half year ended 31-Dec-23		Year ended 30-Jun-23	
	Number of shares <u>'000</u>	Amount <u>S\$'000</u>	Number of shares <u>'000</u>	Amount <u>S\$'000</u>
Beginning and end of financial period/year	793,927	838,250	793,927	838,250

As at 31 December 2023, the Company's issued share capital (excluding treasury shares) comprises 761,510,510 (30 June 2023: 759,965,610) ordinary shares. The total number of treasury shares held by the Company as at 31 December 2023 was 32,416,750 (31 December 2022: 33,961,650) which represents 4.3% (31 December 2022: 4.5%) of the total number of issued shares (excluding treasury shares).

There were 1,544,900 (31 December 2022: 1,418,450) treasury shares reissued pursuant to the employee share plans for the half year ended 31 December 2023.

15 **Subsequent events**

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

F **Other Information**

1 **Review**

The condensed statements of financial position of Wing Tai Holdings Limited and its subsidiary companies as at 31 December 2023 and the related condensed consolidated income statement, condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the half year then ended and certain explanatory notes have not been audited or reviewed.

2 **Review of performance of the group**

For the half year ended 31 December 2023 (“current period”), the Group recorded a total revenue of S\$97.7 million as compared to the S\$260.8 million revenue recorded for the half year ended 31 December 2022 (“corresponding period”). This decrease is mainly due to the lower contribution from development properties. Revenue for the current period was largely attributable to the progressive sales recognised from The M at Middle Road in Singapore and the sale of residential units in Jesselton Hills in Malaysia.

The Group recorded an operating profit of S\$9.2 million in the current period as compared to S\$29.1 million in the corresponding period. This decrease is mainly due to the lower contribution from the development properties.

The Group’s share of profits of associated and joint venture companies was S\$32.2 million in the current period as compared to S\$33.4 million in the corresponding period. The decrease is primarily due to the lower contribution from Wing Tai Properties Limited in Hong Kong, partially offset by higher contribution from Uniqlo.

In the current period, the Group’s net profit attributable to shareholders was S\$20.5 million as compared to S\$63.3 million recorded in the corresponding period that included a one-off writeback of deferred tax provision of S\$21.8 million that was no longer required.

The Group’s net asset value per share as at 31 December 2023 was S\$4.05 as compared to S\$4.13 as at 30 June 2023. The Group’s net gearing ratio as at 31 December 2023 was 0.03 times as compared to 0.08 times as at 30 June 2023.

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

The current announced results are in line with the prospect statement previously disclosed to shareholders in the results announcement for the financial year ended 30 June 2023.

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

The URA’s private residential property price index increased by 6.8% in 2023, as compared to the 8.6% increase in 2022. The total number of new private residential units sold islandwide in 2023 was 6,421 units as compared to 7,099 new units sold in 2022.

Based on the advance estimates by the Ministry of Trade and Industry, the Singapore economy grew by 1.2% in 2023, as compared to the 3.6% growth in 2022. The Singapore economy is projected to grow at between 1% to 3% in 2024.

The Group expects the heightened geopolitical uncertainties to weigh on global economy. Singapore's economic growth will also depend on the external environment. Buying sentiment for private residential property in Singapore is expected to remain cautious until greater confidence returns. At the appropriate times, the Group will release more residential units for sales.

F **Other Information** (continued)

5 **Dividend information**

5a **Current financial period reported on**

Any dividend recommended for the current financial period reported on?

None.

5b **Corresponding period of the immediately preceding financial year**

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

None.

5c **Date payable**

Not applicable.

5d **Books closure date**

Not applicable.

6 **Interested person transactions**

The Company does not have a shareholders' mandate for interested person transactions.

7 **Confirmation pursuant to Rule 720(1) of the Listing Manual**

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.

8 **Confirmation by the Board of Directors pursuant to Rule 705(5) of the Listing Manual**

The Directors confirm that to the best of their knowledge, nothing has come to their attention which may render the financial results for the half year ended 31 December 2023 to be false or misleading in any material respect.

BY ORDER OF THE BOARD

Gabrielle Tan
Company Secretary

6 February 2024