

**IPC CORPORATION LTD  
AND ITS SUBSIDIARIES**

**SGX APPENDIX 7.2 ANNOUNCEMENT  
FOR THE 6 MONTHS ENDED  
30 JUNE 2024**

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**CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE 6 MONTHS ENDED 30 JUNE 2024**

		Group 6 months ended 30 Jun		
	Notes	2024 S\$'000	2023 S\$'000	%
Sales	3	1,047	1,714	(38.9)
Cost of sales		<u>(681)</u>	<u>(1,738)</u>	<u>(60.8)</u>
Gross profit/(loss)		366	(24)	NM
Other income	5	882	246	NM
Other gains/(losses), net	5	43	(3,854)	NM
Expenses	5			
Distribution and marketing		(96)	(93)	3.2
Administrative		(1,356)	(1,517)	(10.6)
Finance		<u>(124)</u>	<u>(143)</u>	<u>(13.3)</u>
		<u>(1,576)</u>	<u>(1,753)</u>	<u>(10.1)</u>
Profit/(loss) before income tax		(285)	(5,385)	(94.7)
Income tax credit/(expense)	6	-	(47)	(100.0)
Total profit/(loss)		<u>(285)</u>	<u>(5,432)</u>	<u>(94.8)</u>
<b>Other comprehensive income/(loss)</b>				
Items that may be reclassified subsequently to profit or loss:				
Currency translation gain/(loss) arising from consolidation		59	(1,242)	NM
Items that will not be reclassified subsequently to profit or loss:				
Financial assets, at FVOCI – equity investments				
- Fair value gain/(loss)		<u>(24)</u>	20	NM
<b>Other comprehensive income/(loss), net of tax</b>		<u>35</u>	<u>(1,222)</u>	<u>NM</u>
<b>Total comprehensive income/(loss)</b>		<u>(250)</u>	<u>(6,654)</u>	<u>(96.2)</u>
<b>Earnings/(losses) per share for profit/(loss) attributable to equity holders of the Company</b>				
(cents per share)				
- Basic		(0.33)	(6.37)	
- Diluted		<u>(0.33)</u>	<u>(6.37)</u>	

NM: Not meaningful (change more than 100%)  
NA: Not applicable

**CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION  
AS AT 30 JUNE 2024**

	Notes	Group		Company	
		30 Jun 2024	31 Dec 2023 (Audited)	30 Jun 2024	31 Dec 2023 (Audited)
		S\$'000	S\$'000	S\$'000	S\$'000
<b>ASSETS</b>					
<b>Current assets</b>					
Cash and cash equivalents		2,760	787	276	256
Trade and other receivables		753	457	308	423
Properties developed for sale	13	7,721	7,783	–	–
Assets held for sale	13	36,070	36,011	–	–
Other assets		31	31	–	–
		<b>47,335</b>	<b>45,069</b>	<b>584</b>	<b>679</b>
<b>Non-current assets</b>					
Financial assets, at FVPL	9	4,494	4,494	4,494	4,494
Financial assets, at FVOCI	10	82	106	–	–
Other receivables		41	4	–	–
Investment in associated companies		–	–	–	–
Investment in subsidiaries	11	–	–	44,120	44,120
Property, plant and equipment		441	442	299	357
		<b>5,058</b>	<b>5,046</b>	<b>48,913</b>	<b>48,971</b>
<b>Total assets</b>		<b>52,393</b>	<b>50,115</b>	<b>49,497</b>	<b>49,650</b>
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Trade and other payables		3,861	4,030	2,877	2,157
Lease liabilities		2	2	2	2
Current income tax liabilities	6	9	127	9	120
Borrowings	14	1,109	3,686	–	–
		<b>4,981</b>	<b>7,845</b>	<b>2,888</b>	<b>2,279</b>
<b>Non-current liabilities</b>					
Lease liabilities		1	2	1	2
Borrowings	14	5,183	–	–	–
		<b>5,184</b>	<b>2</b>	<b>1</b>	<b>2</b>
<b>Total liabilities</b>		<b>10,165</b>	<b>7,847</b>	<b>2,889</b>	<b>2,281</b>
<b>NET ASSETS</b>		<b>42,228</b>	<b>42,268</b>	<b>46,608</b>	<b>47,369</b>
<b>EQUITY</b>					
<b>Capital and reserves attributable to equity holders of the Company</b>					
Share capital	8	33,190	33,190	33,190	33,190
Currency translation reserve		(6,282)	(6,341)	–	–
Fair value reserve		(1,311)	(1,287)	–	–
Retained earnings		16,631	16,706	13,418	14,179
<b>Total equity</b>		<b>42,228</b>	<b>42,268</b>	<b>46,608</b>	<b>47,369</b>

**CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE 6 MONTHS ENDED 30 JUNE 2024**

	Attributable to Equity Holders of the Company				
	Share capital S\$'000	Currency translation reserve S\$'000	Fair value reserve S\$'000	Retained earnings S\$'000	Total equity S\$'000
<b>2024</b>					
As at 1 January	33,190	(6,341)	(1,287)	16,706	42,268
<b>Total comprehensive income/(loss) for the period</b>					
Profit/(loss) for the period	–	–	–	(285)	(285)
Other comprehensive income/(loss) for the period	–	59	(24)	–	35
	<b>–</b>	<b>59</b>	<b>(24)</b>	<b>(285)</b>	<b>(250)</b>
Unclaimed dividends	–	–	–	210	210
<b>As at 30 June</b>	<b>33,190</b>	<b>(6,282)</b>	<b>(1,311)</b>	<b>16,631</b>	<b>42,228</b>
<b>2023</b>					
As at 1 January	33,190	(4,773)	(1,244)	17,337	44,510
<b>Total comprehensive income/(loss) for the period</b>					
Profit/(loss) for the period	–	–	–	(5,432)	(5,432)
Other comprehensive income/(loss) for the period	–	(1,242)	20	–	(1,222)
	<b>–</b>	<b>(1,242)</b>	<b>20</b>	<b>(5,432)</b>	<b>(6,654)</b>
<b>As at 30 June</b>	<b>33,190</b>	<b>(6,015)</b>	<b>(1,224)</b>	<b>11,905</b>	<b>37,856</b>

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY  
FOR THE 6 MONTHS ENDED 30 JUNE 2024**

	Share capital	Retained earnings	Total equity
	S\$'000	S\$'000	S\$'000
<b>2024</b>			
As at 1 January	33,190	14,179	47,369
<b>Total comprehensive income/(loss) for the period</b>			
Profit/(loss) for the period	–	(971)	(971)
	<b>–</b>	<b>(971)</b>	<b>(971)</b>
Unclaimed dividends	–	210	210
<b>As at 30 June</b>	<b>33,190</b>	<b>13,418</b>	<b>46,608</b>
<b>2023</b>			
As at 1 January	33,190	17,117	50,307
<b>Total comprehensive income/(loss) for the period</b>			
Profit/(loss) for the period	–	(895)	(895)
	<b>–</b>	<b>(895)</b>	<b>(895)</b>
<b>As at 30 June</b>	<b>33,190</b>	<b>16,222</b>	<b>49,412</b>

**CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE 6 MONTHS ENDED 30 JUNE 2024**

	Group	
	6 months ended 30 June	
	2024	2023
	S\$'000	S\$'000
<b>Cash flows from operating activities</b>		
Profit/(loss) before tax	(285)	(5,385)
Adjustments for		
- Depreciation	40	595
- Unrealised translation losses/(gains)	(16)	25
- Impairment loss on assets held for sale	-	3,855
- Gain on disposal of property, plant and equipment	(38)	-
- Reversal of payable due to striking off of creditor company	(663)	-
- Interest income	(1)	(6)
- Interest expenses	124	143
	<u>(839)</u>	<u>(773)</u>
Change in working capital		
- Other assets	-	2
- Properties	75	546
- Trade and other receivables	(333)	(133)
- Trade and other payables	495	4,456
Cash generated from/(used in) operations	<u>(602)</u>	<u>4,098</u>
Interest received	1	6
Income tax paid, net	<u>(118)</u>	<u>(47)</u>
<b>Net cash provided by/(used in) operating activities</b>	<u>(719)</u>	<u>4,057</u>
<b>Cash flows from investing activities</b>		
Purchases of property, plant and equipment	(78)	-
Proceeds from disposal of property, plant and equipment	77	(7)
<b>Net cash provided by/(used in) investing activities</b>	<u>(1)</u>	<u>(7)</u>
<b>Cash flows from financing activities</b>		
Interest paid	(124)	(143)
Unclaimed dividends	210	-
Proceeds from borrowings	5,222	-
Repayment of borrowings	(2,617)	(576)
Principal payment of lease liabilities	(1)	(2)
<b>Net cash provided by/(used in) financing activities</b>	<u>2,690</u>	<u>(721)</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>1,970</b>	<b>3,329</b>
Cash and cash equivalents at beginning of financial period	787	1,629
Effects of currency translation on cash and cash equivalents	3	(27)
<b>Cash and cash equivalents at end of financial period</b>	<u><b>2,760</b></u>	<u><b>4,931</b></u>

## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS ENDED 30 JUNE 2024

### 1. CORPORATE INFORMATION

IPC Corporation Ltd (the “Company”) is listed on the Singapore Exchange and incorporated and domiciled in Singapore. The address of its registered office is 1 Fusionopolis Place, #03-20 Galaxis (West Lobby), Singapore 138522.

The principal activities of the Company are investment holding, property investment and property development.

The principal activities of its subsidiary companies are investment holding, property investment and property development, investing and reselling properties, property consulting, hospitality services, operate fast food outlets and manufacture of food products.

### 2. BASIS OF PREPARATION

The condensed interim financial statements for the 6 months ended 30 June 2024 have been prepared in accordance with SFRS(I) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last interim financial statements for the period ended 31 December 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 those effective beginning on or after 1 January 2024 as follows:

- Amendments to SFRS(I) 1-1: Classification of Liabilities as Current or Non-current
- Amendments to SFRS(I) 16: Lease Liability in a Sale and Leaseback
- Amendments to SFRS(I) 1-1: Non-current Liabilities with Covenants
- Amendments to SFRS(I) 1-7 and SFRS(I) 7: Supplier Finance Arrangements

The Group does not expect any significant impact arising from applying these amendments.

The condensed interim financial statements are presented in Singapore Dollar (SGD or \$) and all values in the tables are rounded to the nearest thousand (\$’000), except when otherwise indicated.

The preparation of interim 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. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets within the next interim period are included in the following notes:

- Note 9 - Valuation of investment in convertible preference shares
- Note 11 - Investments in subsidiaries with property-related assets
- Note 13 - Impairment assessment of property-related assets

### 3. SEGMENT AND REVENUE INFORMATION

These operating segments are reported in a manner consistent with internal reporting provided to Chief Operating Decision Maker (“CODM”) that are used to make strategic decisions. The CODM comprises the Chief Executive Officer, the Managing Director and the Finance and Administration Director.

The CODM considers the business from both a geographic and business segment perspective. Geographically, management manages and monitors the business in three primary geographic areas namely China, Japan and Singapore. All the geographic areas are engaged primarily in the investment and property related business, which includes properties and income producing assets.

Business under “Properties” relate to property development, investing and reselling of properties. Business under “Hotel management” relates to rendering of hotel management services. Business under “Investment” relates to investment in convertible preference shares in Nest Hotel Japan Corporation (“NHJC”). Other services included within Singapore include investments which are included in the “Others” column

### 3.1 REPORTABLE SEGMENTS

	Properties China S\$'000	Hotel management China S\$'000	Investment Japan S\$'000	Others Singapore S\$'000	Total S\$'000
<b>Group</b>					
<b>6 months ended 30 June 2024</b>					
Revenue and other income					
- external sales	58	989	-	-	1,047
- other income	203	14	-	664	881
- Interest income	-	-	-	1	1
- inter-segment income	211	-	-	-	211
	472	1,003	-	665	2,140
Cost of revenue and operating expenses	(238)	(848)	-	(1,007)	(2,093)
Inter-segment expense	-	(211)	-	-	(211)
Interest expense	-	(123)	-	(1)	(124)
Depreciation	(13)	(16)	-	(11)	(40)
Other gains/(losses), net	(2)	(1)	-	46	43
Profit/(loss) before income tax	219	(196)	-	(308)	(285)
Income tax expense	-	-	-	-	-
Profit/(loss) after income tax	219	(196)	-	(308)	(285)
<b>As at 30 June 2024</b>					
Total assets	44,090	2,813	4,494	996	52,393
Total assets include:					
Additions to:					
- property, plant and equipment	2	76	-	-	78
Total liabilities	6,665	487	-	3,004	10,156
<b>6 months ended 30 June 2023</b>					
Revenue and other income					
- external sales	476	1,238	-	-	1,714
- other income	217	19	-	4	240
- Interest income	1	1	-	4	6
- inter-segment income	218	-	-	-	218
	912	1,258	-	8	2,178
Cost of revenue and operating expenses	(748)	(846)	-	(1,159)	(2,753)
Inter-segment expense	-	(218)	-	-	(218)
Interest expense	-	(143)	-	-	(143)
Depreciation	(555)	(9)	-	(31)	(595)
Other gains/(losses), net	(3,855)	-	-	1	(3,854)
Profit/(loss) before income tax	(4,246)	42	-	(1,181)	(5,385)
Income tax expense	(47)	-	-	-	(47)
Profit/(loss) after income tax	(4,293)	42	-	(1,181)	(5,432)
<b>As at 30 June 2023</b>					
Total assets	46,450	682	665	1,495	49,292
Total assets include:					
Additions to:					
- property, plant and equipment	1	6	-	-	7
Total liabilities	8,366	729	-	2,341	11,436

### 3.1 REPORTABLE SEGMENTS (continued)

#### Revenue from major products and services

Revenue from external customers are derived mainly from the sale of properties and hotel management.

	<u>Group</u>	
	6 months ended 30 Jun <b>2024</b> S\$'000	2023 S\$'000
Properties	<b>58</b>	476
Hotel management	<b>989</b>	1,238
	<b>1,047</b>	1,714
Timing of transfer of good or service		
Point in time	<b>315</b>	799
Over the time	<b>732</b>	915
	<b>1,047</b>	1,714

#### Geographical information

The Group's business segments operate in three main geographic areas:

- Singapore – the Group is headquartered in Singapore and has operations in Singapore. The operations in this area are principally investments.
- China – the operations in this area are principally property investment, property development and hotel management.
- Japan – investment in convertible preference shares in NHJC.

	<u>Group</u>	
	<u>Sales</u>	
	6 months ended 30 Jun <b>2024</b> S\$'000	2023 S\$'000
China	<b>1,047</b>	1,714
	<b>1,047</b>	1,714

### 4. 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 30 June 2024 and 31 December 2023:

	<u>Group</u>		<u>Company</u>	
	<b>30.6.24</b> S\$'000	31.12.23 (Audited) S\$'000	<b>30.6.24</b> S\$'000	31.12.23 (Audited) S\$'000
Financial assets, at FVPL	<b>4,494</b>	4,494	<b>4,494</b>	4,494
Financial assets, at FVOCI	<b>82</b>	106	–	–
Financial assets, at amortised cost	<b>3,233</b>	1,183	<b>565</b>	661
	<b>10,156</b>	7,720	<b>2,880</b>	2,161
Financial liabilities, at amortised cost				



## 5. PROFIT/(LOSS) BEFORE INCOME TAX

Profit/(loss) is arrived at after charging/(crediting) the following:

### 5.1 SIGNIFICANT ITEMS

	<u>Group</u>	
	6 months ended 30 Jun <b>2024</b>	2023
	<b>S\$'000</b>	S\$'000
<b>Other income</b>		
Interest income	(1)	(6)
Rental income (on operating leases)	(202)	(217)
Reversal of payable due to striking off of creditor company	(663)	–
Others	(16)	(23)
<b>Expense</b>		
Depreciation	40	595
Interest expenses	124	143
<b>Other (gains)/losses</b>		
Foreign exchange losses/(gains), net	(5)	(1)
Impairment loss on assets held for sale	–	3,855
Gain from disposal of property, plant and equipment	(38)	–

### 5.2 RELATED PARTY TRANSACTIONS

There are no material related party transactions.

## 6. TAXATION

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

	<u>Group</u>	
	6 months ended 30 Jun <b>2024</b>	2023
	<b>S\$'000</b>	S\$'000
Local taxes		
- Current period	–	47

Tax Movement:

	<u>Group</u>		<u>Company</u>	
	<b>30.6.24</b>	31.12.23 (Audited)	<b>30.6.24</b>	31.12.23 (Audited)
	<b>S\$'000</b>	S\$'000	<b>S\$'000</b>	S\$'000
Beginning of the period/year	127	–	120	–
Tax charged for the period/year	–	177	–	120
Tax paid for the period/year	(118)	(50)	(111)	–
End of the period/year	<u>9</u>	<u>127</u>	<u>9</u>	<u>120</u>

## 7. NET ASSET VALUE

	<u>Group</u>		<u>Company</u>	
	<b>30.6.24</b>	31.12.23 (Audited)	<b>30.6.24</b>	31.12.23 (Audited)
	<b>S\$0.50</b>	S\$0.50	<b>S\$0.55</b>	S\$0.56
Net asset per ordinary share	<u>S\$0.50</u>	<u>S\$0.50</u>	<u>S\$0.55</u>	<u>S\$0.56</u>

## 8. SHARE CAPITAL

	No. of <u>ordinary shares</u> Issued share capital '000	<u>Amount</u> Share capital S\$'000
<b><u>Group and Company</u></b>		
<b>30 June 2024</b>		
Beginning and end of financial period	<b>85,292</b>	<b>33,190</b>
<b>31 December 2023</b>		
Beginning and end of financial year	85,292	33,190

The Company do not hold any treasury shares as at 30 June 2024 and 31 December 2023.  
The Company's subsidiaries do not hold any shares in the Company as at 30 June 2024 and 31 December 2023.

## 9. FINANCIAL ASSETS, AT FVPL

	<u>Group and Company</u>	
	<b>30.6.24</b>	31.12.23 (Audited)
	<b>S\$'000</b>	S\$'000
Financial assets, at FVPL		
Unquoted investments		
– equity investments – Asia Pacific	<b>4,494</b>	4,494

## 10. FINANCIAL ASSETS, AT FVOCI

	<b>30.6.24</b>	<u>Group</u> 31.12.23 (Audited)
	<b>S\$'000</b>	S\$'000
Financial assets, at FVOCI		
Quoted investments		
– equity investments – United States	<b>82</b>	106

## 11. Investment in subsidiaries

	<u>Company</u>	
	<b>30.6.24</b>	31.12.23 (Audited)
	<b>S\$'000</b>	S\$'000
<u>Equity investments at cost</u>		
Cost	<b>38,337</b>	38,337
Loans to subsidiaries	<b>57,465</b>	57,465
	<b>95,802</b>	95,802
Less: Accumulated impairment	<b>(51,682)</b>	(51,682)
	<b>44,120</b>	44,120

The Company assesses impairment in the investments in the subsidiaries by using the net assets of the subsidiaries, adjusted to include the fair values of the property-related assets of the subsidiaries where applicable at the end of the financial year. The valuation techniques in estimating the fair values of the property-related assets are disclosed in Note 13.

## 12. FAIR VALUE MEASUREMENT

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

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

	Level 1 S\$'000	Level 2 S\$'000	Level 3 S\$'000	Total S\$'000
<u>Group</u>				
<b>30 June 2024</b>				
<b>Assets</b>				
Financial assets, at FVPL				
– Equity investments	–	–	4,494	4,494
Financial assets, at FVOCI				
– Equity investments	82	–	–	82
<b>Total assets</b>	<b>82</b>	<b>–</b>	<b>4,494</b>	<b>4,576</b>
<b>31 December 2023</b>				
<b>Assets</b>				
Financial assets, at FVPL				
– Equity investments	–	–	4,494	4,494
Financial assets, at FVOCI				
– Equity investments	106	–	–	106
<b>Total assets</b>	<b>106</b>	<b>–</b>	<b>4,494</b>	<b>4,600</b>
<u>Company</u>				
<b>30 June 2024</b>				
<b>Assets</b>				
Financial assets, at FVPL				
– Equity investments	–	–	4,494	4,494
<b>Total assets</b>	<b>–</b>	<b>–</b>	<b>4,494</b>	<b>4,494</b>
<b>31 December 2023</b>				
<b>Assets</b>				
Financial assets, at FVPL				
– Equity investments	–	–	4,494	4,494
<b>Total assets</b>	<b>–</b>	<b>–</b>	<b>4,494</b>	<b>4,494</b>

The unquoted equity investment in Asia Pacific that is not traded in an active market was classified as Level 3. The fair value of this investment is determined by using valuation techniques. The Group will engage an independent valuer to determine the fair value at the end of the year. The overall valuation approach usually used by the independent valuer was to first estimate the underlying equity value of the underlying entity using income and market approach, which will then be the input to the option-pricing model used to derive the value of the investment. The independent valuer also used assumptions that are based on market conditions existing at the end of reporting date. As the valuation techniques for this instrument is based on significant unobservable inputs, such instrument is classified as Level 3.

The material assumptions used in the computation of the valuation are as follows:

	<u>Relationship of unobservable inputs to fair value</u>
Discount rate	The higher the discount rate, the lower the fair value
Terminal growth rate	The higher the terminal growth rate, the higher the fair value
Discount on lack of control, marketability and projected growth	The higher the discount, the lower the fair value
Revenue growth rate	The higher the revenue growth rate, the higher the fair value
Market multiple	The higher the market multiple, the higher the fair value

### 13. PROPERTY-RELATED ASSETS

	<b>30.6.24</b>	<u>Group</u> 31.12.23 (Audited) S\$'000
	<b>S\$'000</b>	
Properties developed for sale	<b>7,721</b>	7,783
Assets held for sale	<b>36,070</b>	36,011

The Group will engage an independent valuer to perform valuations to determine the realisable values of properties developed for sale, the recoverable amounts of the assets held for sale, to determine whether any write-down or impairment was required as at the year end.

The realisable values of the properties developed for sales was usually determined using the direct comparison method. The recoverable amounts of the assets held for sale was usually determined using an average of the direct comparison method and income method. The judgement and estimates involved the comparison of recently transacted sales of similar properties and estimating net operating income from rental discounted by an appropriate capitalisation rate.

The following table presents the key inputs that were used to determine the impairment of assets held for sale:

<u>Description</u>	<u>Inputs</u>	<u>Relationship of inputs to value</u>
Assets held for sale	Capitalisation rate	The higher the capitalisation rate, the lower the value
	Rental growth rate	The higher the rental growth rate, the higher the value

### 14. BORROWINGS

	<b>30.6.24</b>	<u>Group</u> 31.12.23 (Audited) S\$'000
	<b>S\$'000</b>	
<i>Current</i>		
– Bank borrowings (secured)	<b>1,109</b>	3,686
<i>Non-current</i>		
– Bank borrowings (secured)	<b>5,183</b>	–
	<b>6,292</b>	3,686

Bank borrowings were secured by pledge of certain property-related assets classified within assets held for sale (Note 13) in Zhuhai, China.

### 15. CONTINGENCIES

There is no contingent liabilities as at 30 June 2024 and 31 December 2023.

### 16. SEASONAL OPERATIONS

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

## OTHER INFORMATION

### 1. Review

The condensed interim consolidated statement of financial positions of the Company and its subsidiaries as at 30 June 2024 and the related condensed interim consolidated statement of comprehensive income, condensed interim consolidated statement of changes in equity and condensed interim consolidated statement of cash flows for the 6 months period then ended and certain explanatory notes have not been audited or reviewed.

### 2. Review of performance of the Group

The Group recorded sales of S\$1.047 million for the 6 months ended 30 June 2024 compared to S\$1.714 million for the previous corresponding financial period. The decrease was mainly due to the decrease in the sales revenue of properties developed for sales in Zhuhai, China.

The Group recorded a gross profit of S\$0.366 million compared to a gross loss of S\$0.024 million of the previous corresponding financial period. The increase in gross profit was mainly due to no depreciation charged in cost of sales after the reclassification of HOTEL and clubhouse to the assets held for sale during the financial year 2023.

The Group recorded a loss after tax of S\$0.285 million for the 6 months ended 30 June 2024 as compared to a loss of S\$5.432 million for the same corresponding period last year. It was mainly due to an impairment loss on the assets held for sale of S\$3.854 million in the same corresponding period last year.

#### Explanation Note:

#### Consolidated statement of comprehensive income

1. Gross profit/(loss)  
The increase in gross profit was mainly due to no depreciation charged in cost of sales after the reclassification of HOTEL and clubhouse to the assets held for sale during the financial year 2023.
2. Other income  
The increase in other income was mainly due to the reversal of payable due to striking off of creditor company.
3. Other gains/(losses), net  
The gains of S\$0.043 million for the 6 months ended 30 June 2024 was mainly due to the gain from disposal of property, plant and equipment whereas the losses of S\$3.854 million for the 6 months ended 30 June 2023 was mainly due to the impairment loss on the assets held for sale.
4. Administrative expenses  
The decrease in administrative expense was mainly from the operations from Singapore.  
  
All the executive directors have voluntarily maintained a 20% reduction in their remuneration for the period under review. This will be the 5th consecutive year that the directors have done so.
5. Finance cost  
  
The decrease was mainly due to lower average interest rate paid for the bank borrowings in Zhuhai, China compared with the previous period under review.
6. Interest income  
  
The decrease was mainly due to lesser fixed deposit.
7. Depreciation  
  
The decrease was mainly due to the reclassification of properties, plant and equipment to the assets held for sale during the financial year 2023.
8. The other movement in the exchange rates of United States Dollar, Hong Kong Dollar and Renminbi against the Singapore Dollar was mainly unrealised, due to recorded monetary balances denominated in foreign currencies that were adjusted to reflect the Singapore Dollars equivalent at the end of the reporting period.

### **Group's statement of financial position**

- (i) The increase in cash and cash equivalents was mainly due to the proceeds from bank borrowings.
- (ii) The increase in trade and other receivables was largely related to the prepayments made to some of the improvement works on Grant nest HOTEL zhuhai, China.
- (iii) The decrease in financial assets, at FVOCI was due to fair value loss.
- (iv) The decrease in current tax liabilities was mainly due to income tax paid.
- (v) The increase in total borrowings was mainly due to the proceeds from bank borrowings.

### **Consolidated statement of cash flows**

- (i) The net cash used in operating activities was mainly related to the operations in Singapore and China.
- (ii) The proceeds of borrowings was for the operation of the Grand nest HOTEL zhuhai, China.

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

The commentary under page 15 item 4 of the Group's previous results announcement (6 Months and Full Year Ended 31 December 2023) are in line with the actual results.

### **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 Chinese economy faces continuous challenges amid the ongoing trade war with the United States and other countries and is hurting Chinese exports and investment. Additionally, the declining Chinese property market has not seen any positive recovery. The hospitality segment in which the Group operates in is affected by all these negative factors.

During the period under review 2 more hotels were added under the portfolio of hotels managed by NHJC, bringing it to a total 19 hotels under its management. According to Japan National Tourism Organization (JNTO), the estimated number of international travelers to Japan in May 2024 was 3,040,100 (+9.6% compared to 2019), exceeding 3 million for 3 months in a row. The weak JPY has contributed to the increase in foreign tourism into Japan. Barring any negative events, the business of NHJC is expected to improve further in 2024.

### **5. Dividend**

#### **(a) Current Financial Period Reported On**

Any dividend declared for the current financial period reported on? No

#### **(b) Corresponding Period of the Immediately Preceding Financial Year**

Any dividend declared for the corresponding period of the immediately preceding financial year? No

#### **(c) Date payable**

Not applicable.

#### **(d) Books closure date**

Not applicable.

### **6. If no dividend has been declared/recommended, a statement to that effect.**

No dividend has been declared/recommended for the period.

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

The Company does not have any general mandate from shareholders pursuant to Rule 920.

- 8. Confirmation Pursuant to Rule 720(1) of the Listing Manual.**

IPC Corporation Ltd confirms that undertakings under Rule 720(1) have been obtained from all its directors and executive officers in the format set out in Appendix 7.7.

- 9. Additional information required Pursuant to Rule 706A of the Listing Manual.**

Not applicable.

**CONFIRMATION BY THE BOARD PURSUANT TO RULE 705(5) OF THE LISTING MANUAL**

On behalf of the Board of Directors of the Company, we hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the unaudited financial statements for the 6 months ended 30 June 2024 to be false or misleading in any material aspect.

On behalf of the Board of Directors

Ngiam Mia Je Patrick  
Chairman & Chief Executive Officer

Ngiam Mia Kiat Benjamin  
Managing Director

31 July 2024

**BY ORDER OF THE BOARD**

Lauw Hui Kian  
Director

31 July 2024