

Treasure ASA

Report 1st half 2024

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Report for the first half of 2024

Highlights & Financial Summary

- Treasure ASA net profit for the first half year was USD 46,8 million, mainly reflecting the share of profit from Hyundai Glovis Co., Ltd. (Hyundai Glovis).
- The Hyundai Glovis share price moved from KRW 95.750* to KRW 109.500* per share and the USDKRW exchange rate moved from 1.288 to 1.377 during the first six months of 2024 (*prior to the issuance of bonus shares July 2024, these prices is equivalent to KRW 191.500 and KRW 219.000 per share respectively).
- As a response to the “Corporate Value-up program”, initiated by the Korean Financial Services Commission at the beginning of the year, Hyundai Glovis announced end of June 2024 their new mid- to long-term corporate strategy. Some of the key announcements was a change in the dividend policy, the issue of bonus shares (ratio 1:1) and their corporate ambitions towards the year 2030 which relates to investments and growth.
- Hyundai Glovis' financial performance, closely tied to the light vehicle manufacturing of Hyundai Motor and Kia Motors, has shown significant resilience compared to its peers. The company's balance sheet and dividend capacity remain robust.
- Treasure ASA paid NOK 0,75 per share dividend in May 2024.

Prospects

Treasure ASA's dominating asset are shares in Hyundai Glovis Co. Ltd., incorporated and listed in Korea, whose share price will fluctuate with the full range of variables impacting global trade and logistics dynamics, as well as company specific and otherwise relevant news flow.

Lysaker, August 2024
The board of directors of Treasure ASA

Forward-looking statements presented in this report are based on various assumptions. These assumptions were reasonable when made, but as assumptions are inherently subject to uncertainties and contingencies which are difficult or impossible to predict. Treasure ASA cannot give assurances that expectations regarding the future outlook will be achieved or accomplished.

Income statement | TREASURE GROUP

USD thousand	Note	First-half 2024	First-half 2023*	Full year 2023*
Operating income		153	166	319
Operating expenses		(323)	(251)	(457)
Operating profit/(loss)		(170)	(85)	(137)
Share of profit from Hyundai Glovis	1	49 136	48 686	89 349
Other financial income/(expenses)		678	(1 644)	(1 235)
Profit before tax		49 644	46 957	87 977
Tax income/(expense)	1	(2 857)	(2 963)	(3 634)
Profit for the period		46 787	43 994	84 342
Basic / diluted earnings per share (USD)	2	0.23	0.21	0.41

* Restated income statement and comprehensive income, see note 4.

Comprehensive income | TREASURE GROUP

Profit for the period	46 787	43 994	84 342
Items that will not be reclassified to the income statement			
Comprehensive income from associate	3 251	7 194	1 218
Currency translation differences	(44 503)	(30 436)	(17 399)
Other comprehensive income, net of tax	(41 252)	(23 242)	(16 181)
Total comprehensive income for the period	5 536	20 753	68 161

Balance sheet | TREASURE GROUP

USD thousand	Note	30.06.2024	30.06.2023*	31.12.2023
ASSETS				
Non current assets				
Investment in Hyundai Glovis Co., Ltd.	1	664 543	627 531	675 251
Total non current assets		664 543	627 531	675 251
Current assets				
Other current assets		55	72	45
Cash and cash equivalents		6 030	12 075	4 423
Total current assets		6 085	12 146	4 468
Total assets		670 628	639 677	679 720
EQUITY AND LIABILITIES				
Equity				
Paid-in capital		2 557	2 562	2 557
Own shares			(14)	
Retained earnings and other reserves		667 561	636 886	676 505
Attributable to equity holders of the parent		670 118	639 434	679 062
Current liabilities				
Current period corporation tax		430	172	634
Other current liabilities		80	71	24
Total current liabilities		510	244	658
Total equity and liabilities		670 628	639 677	679 720

* Restated balance sheet see note 4.

Cash flow statement | TREASURE GROUP

USD thousand	First-half 2024	First-half 2023	Full year 2023
Cash flow from operating activities			
Dividend from Hyundai Glovis	18 958	18 059	18 059
Operating income	153	166	319
Operating expenses	(323)	(251)	(457)
Change in working capital	91	(1 715)	(1 459)
Tax paid	(3 035)	(2 926)	(3 168)
Net cash provided by operating activities	15 844	13 333	13 295
Cash flow from investing activities			
Interest received	163	221	448
Net cash flow from investing activities	163	221	448
Cash flow from financing activities			
Interest paid	1	(4)	(6)
Purchase of own shares and other financing	78	(876)	(924)
Dividend to shareholders (net)	(14 479)	(10 035)	(17 826)
Net cash flow from financing activities	(14 400)	(10 916)	(18 756)
Net increase/(decrease) in cash and cash equivalents	1 607	2 639	(5 013)
Cash and cash equivalents at the beginning of the period	4 423	9 436	9 436
Cash and cash equivalents at the end of the period¹	6 030	12 075	4 423

The group has bank accounts in different currencies. The cash flow effect from revaluation of cash and cash equivalents is included in net cash flow provided by operating activities.

STATEMENT OF CHANGES IN EQUITY - Year to date

USD thousand	Share capital	Own shares	Retained earnings	Total equity
Balance 31.12.2023	2 557		676 506	679 062
Profit for the period			46 787	46 787
Dividend to shareholders			(14 479)	(14 479)
Other comprehensive income			(41 252)	(41 252)
Balance 30.06.2024	2 557		667 562	670 118

USD thousand	Share capital	Own shares	Retained earnings	Total equity
Balance 31.12.2022	2 586	(24)	627 090	629 651
Purchase of own shares		(4)	(931)	(935)
Liquidation of own shares	(24)	24		
Currency translation effect from liquidation of own shares		(11)	11	
Profit for the period			43 994	43 994
Dividend to shareholders			(10 035)	(10 035)
Comprehensive income			(23 242)	(23 242)
Balance 30.06.2023	2 562	(14)	636 886	639 434

STATEMENT OF CHANGES IN EQUITY - Full year 2023

USD thousand	Share capital	Own shares	Retained earnings	Total equity
Balance 31.12.2022	2 586	(24)	627 090	629 651
Purchase of own shares		(7)	(930)	(937)
Liquidation of own shares	(29)	41		13
Currency translation effect from liquidation of own shares		(11)	11	
Profit for the period			84 342	84 342
Dividend to shareholders			(17 826)	(17 826)
Other comprehensive income			(16 181)	(16 181)
Balance 31.12.2023	2 557		676 506	679 062

Note 1 Investment in associates

USD thousand		30.06.2024	30.06.2023
	Ownership	Booked value	Booked value
Hyundai Glovis Co., Ltd.	11.0%	664 543	627 531
Total investment in associates		664 543	627 531
Share of profit from associates			
Hyundai Glovis Co., Ltd.		49 136	48 686
Total share of profit from associates		49 136	48 686

Note 2 - Shares

The share capital is as follows with a nominal value of NOK 0.10

Ordinary shares	204 722 663
Total outstanding shares	204 722 663

Earnings per share taking into consideration the number of outstanding shares in the period.

Basic earnings per share is calculated by dividing profit for the period after minority interests, by average number of total outstanding shares.

Note 3 - Dividend

The proposed dividend for fiscal year 2023 was NOK 0.75 per share, and was approved by the annual general meeting on 7 March 2024, and paid to the shareholders in May 2024. The dividend had effect on retained earnings in first half year 2024.

Note 4 Change in classification of asset - restated financial figures

CHANGE IN CLASSIFICATION - THE INVESTMENT IN HYUNDAI GLOVIS CO., LTC

The group has previously recognised the investment as financial assets to fair value ("FV") measurement with changes in FV recognised in profit or loss in accordance with IFRS 9 - Financial Instruments.

In 2023 the group has changed the classification to consider Hyundai Glovis as an associated company and to recognise the investment according to the equity method in accordance with IAS 28 - Investments in Associates and Joint Ventures, with the group's share of changes in net assets of Hyundai Glovis reported as share of profit from associates and dividends from associates. This change comes as a result from discussions with Financial Supervisory Authority of Norway (the "NFSA").

The change in classification should be corrected retrospectively as an error according to IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors.

Applying IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors, the group have presented in this note the restated comparable amounts for each period presented as if the investment in Hyundai Glovis had been recognised in accordance with the equity method for each period starting from the reporting period ending December 31, 2021.

The impact on the consolidated balance sheet as of January 1, 2022 is a decrease in total equity and retained earnings of USD 26.9 million.

The groups's restated financial statements for previous period is presented annual report for 2023 and for 1 half year 2023 below.

RESTATEMENT PERIOD 1 half year 2023

USD thousand

Consolidated income statement	1.half year 2023 as reported	adjustments	1.half year 2023 restated
Share of profit from Hyundai Glovis		48 686	48 686
Change in fair value of shares in Hyundai Glovis	81 447	(81 447)	
Dividend from Hyundai Glovis	19 374	(19 374)	
Other income statement items	(1 729)		(1 729)
Profit/(loss) before tax	99 093	(52 136)	46 957
Tax income/(expense)	(2 963)		(2 963)
Profit/(loss) for the period	96 130	(52 136)	43 994
Profit/(loss) attributable to the equity holders of the company	96 130	(52 136)	43 994
Other comprehensive income			
Other comprehensive income from associates		7 194	7 194
Currency translation differences	156		(30 436)
Total comprehensive income	96 285	(44 942)	20 753
Basic / diluted earnings per share (USD)	0.47		0.21
Consolidated balance sheet	30.06.2023 as reported	adjustments	30.06.2023 restated
Investments in associated company		627 531	627 531
Financial assets to fair value	618 974	(618 974)	
Other non current assets			
Total non current assets	618 974		618 974
Total current assets	12 146		12 146
Total assets	631 121	8 557	639 677
Paid-in capital and own shares	2 562		2 562
Retained earnings and other reserves	628 315	8 557	636 872
Total equity	630 877	8 557	639 434
Total liabilities	244		244
Total equity and liabilities	631 121	8 557	639 677

Responsibility statement

We confirm, to the best of our knowledge, that the condensed set of financial statements for the period 1 January to 30 June 2024 have been prepared in accordance with IAS 34 – Interim Financial Reporting, and gives a true and fair view of the group’s assets, liabilities, financial position and profit as a whole. We also confirm, to the best of our knowledge, that the interim management report includes a fair review of important events that have occurred during the first six months of the financial year and their impact on the set of financial statements, a description of the principal risks and uncertainties for the remaining six months of the financial year, and major related parties transactions.

Lysaker, 08 August 2024
The board of directors of Treasure ASA

Thomas Wilhelmsen
Chair
Sign

Christian Berg
Sign

Marianne Hagen
Sign

Marianne Lie
Sign

Magnus A.K. Sande
CEO
Sign