



**HEETON HOLDINGS LIMITED**  
Incorporated in the Republic of Singapore  
(Company Registration Number: 197601387M)

## Heeton Holdings Limited and its Subsidiaries

Condensed Interim Financial Statements  
For the Six Months and Full Year ended 31 December 2025

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## Heeton Holdings Limited and its Subsidiaries

### Condensed interim consolidated statement of comprehensive income For the Six Months and Full Year ended 31 December 2025

	Note	Group					
		6 Months Ended 31 December			Year Ended 31 December		
		2025	2024	Increase / (Decrease) %	2025	2024	Increase / (Decrease) %
	S\$'000	S\$'000		S\$'000	S\$'000		
Revenue	4	44,310	41,053	7.9	81,180	78,160	3.9
Other operating income		1,203	1,171	2.7	2,424	2,420	0.2
Personnel expenses		(12,842)	(11,942)	7.5	(25,149)	(23,423)	7.4
Depreciation of property, plant and equipment		(3,512)	(2,824)	24.4	(6,727)	(5,740)	17.2
Other operating expenses		(13,884)	(14,646)	(5.2)	(30,288)	(29,363)	3.2
Profit from operations		15,275	12,812	19.2	21,440	22,054	(2.8)
Finance expenses	6	(12,884)	(15,449)	(16.6)	(26,603)	(29,510)	(9.9)
Finance income	6	879	512	71.7	1,461	1,300	12.4
Fair value (losses)/gains on derivative financial instruments		(2,375)	(78)	2,944.9	(2,435)	16	n.m
Fair value (loss)/gain on investment security		(429)	2,572	(116.7)	(429)	2,572	(116.7)
(Impairment)/reversal of impairment on property, plant and equipment		(916)	4,341	(121.1)	(916)	4,341	(121.1)
Impairment losses on financial assets		(4,945)	(6,119)	(19.2)	(4,945)	(7,139)	(30.7)
Share of results of associated companies/joint venture companies		4,399	2,049	114.7	3,843	2,214	73.6
Gain from fair value adjustments of investment properties		2,561	3,513	(27.1)	1,361	3,513	(61.3)
Gain on disposal of property, plant and equipment		-	650	(100.0)	-	650	(100.0)
Gain on disposal of subsidiaries	9	-	3,776	(100.0)	-	3,776	(100.0)
Profit/(loss) before tax		1,565	8,579	(81.8)	(7,223)	3,787	(290.7)
Income tax expense	7	(2,137)	(2,333)	(8.4)	(2,828)	(3,062)	(7.6)
Profit/(loss) for the year, net of tax		(572)	6,246	(109.2)	(10,051)	725	(1,486.3)
<b>Other comprehensive income/(loss)</b>							
<u>Item that may be reclassified subsequently to profit or loss:</u>							
Foreign currency translation		(1,907)	7,677	(124.8)	889	8,510	(89.5)
Other comprehensive income/(loss) for the year, net of tax		(1,907)	7,677	(124.8)	889	8,510	(89.5)
Total comprehensive income/(loss) for the year		(2,479)	13,923	(117.8)	(9,162)	9,235	(199.2)
Profit/(loss) attributable to:							
Owners of the Company		(1,461)	3,852	(137.9)	(9,259)	(1,375)	573.4
Non-controlling interests		889	2,394	(62.9)	(792)	2,100	(137.7)
		(572)	6,246	(109.2)	(10,051)	725	(1,486.3)
Total comprehensive income/(loss) attributable to:							
Owners of the Company		(4,082)	11,213	(136.4)	(7,952)	7,893	(200.7)
Non-controlling interests		1,603	2,710	(40.8)	(1,210)	1,342	(190.2)
		(2,479)	13,923	(117.8)	(9,162)	9,235	(199.2)

n.m.: not meaningful

The accompanying notes form an integral part of these condensed interim financial statements.

## Heeton Holdings Limited and its Subsidiaries

### Condensed Interim Balance Sheets As at 31 December 2025

	Note	Group		Company	
		31/12/2025 \$'000	31/12/2024 \$'000	31/12/2025 \$'000	31/12/2024 \$'000
<b>Non-current assets</b>					
Property, plant and equipment	9	422,963	418,830	590	273
Investment properties	10	228,590	226,817	-	-
Subsidiaries		-	-	41,237	41,237
Associated companies		25,881	15,196	-	-
Joint venture companies		93,347	94,011	5,000	5,000
Investment security		7,172	7,201	-	-
Amounts due from associated companies and joint venture companies (non-trade)		76,184	54,466	-	-
Other receivables	13	34,033	30,571	-	17,300
Deferred tax asset		1,370	1,372	-	-
		<b>889,540</b>	<b>848,464</b>	<b>46,827</b>	<b>63,810</b>
<b>Current assets</b>					
Development properties		22,054	20,664	-	-
Trade receivables		2,987	2,542	-	-
Other receivables	13	29,744	35,160	11,929	52
Prepayments		1,500	1,546	333	583
Amounts due from subsidiaries (non-trade)		-	-	319,703	301,722
Amounts due from related parties (trade)		1	1	1	1
Amounts due from associated companies and joint venture companies (non-trade)		5,087	20,332	2,227	4,419
Derivative financial instruments	8	-	24	-	24
Treasury bills		-	2,000	-	2,000
Fixed deposits		10,276	19,984	6,643	19,984
Cash and bank balances		40,440	34,599	7,753	3,561
		<b>112,089</b>	<b>136,852</b>	<b>348,589</b>	<b>332,346</b>
<b>Current liabilities</b>					
Trade payables		1,998	1,750	44	656
Other payables and accruals		16,887	18,964	1,445	2,544
Amounts due to subsidiaries (non-trade)		-	-	195,260	185,216
Lease liabilities		88	48	79	39
Bonds	12	53,800	-	53,800	-
Bank term loans	11	39,898	57,636	7,000	16,485
Income tax payable		3,703	4,780	-	-
		<b>116,374</b>	<b>83,178</b>	<b>257,628</b>	<b>204,940</b>
<b>Net current (liabilities)/assets</b>		<b>(4,285)</b>	<b>53,674</b>	<b>90,961</b>	<b>127,406</b>
<b>Non-current liabilities</b>					
Other payables and accruals		1,656	1,571	-	-
Derivative financial instruments	8	2,416	-	56	-
Lease liabilities		5,450	5,205	230	98
Amounts due to associated companies and joint venture companies (non-trade)		44,226	46,078	35,823	36,411
Amounts due to non-controlling interests (non-trade)		71,887	68,508	-	-
Bonds	12	-	53,800	-	53,800
Bank term loans	11	345,879	303,005	-	-
Deferred tax liabilities		2,715	2,113	173	154
		<b>474,229</b>	<b>480,280</b>	<b>36,282</b>	<b>90,463</b>
<b>Net assets</b>		<b>411,026</b>	<b>421,858</b>	<b>101,506</b>	<b>100,753</b>
<b>Share capital and reserves</b>					
Share capital	14	86,624	86,624	86,624	86,624
Treasury shares	15	(120)	(63)	(120)	(63)
Foreign currency translation reserve		(4,963)	(6,270)	-	-
Retained earnings		338,550	350,722	15,002	14,192
		<b>420,091</b>	<b>431,013</b>	<b>101,506</b>	<b>100,753</b>
Non-controlling interests		(9,065)	(9,155)	-	-
<b>Total equity</b>		<b>411,026</b>	<b>421,858</b>	<b>101,506</b>	<b>100,753</b>

The accompanying notes form an integral part of these condensed interim financial statements.

**Condensed interim consolidated statement of changes in equity**  
**For the year ended 31 December 2025**

Group	Attributable to equity holders of the Company						
	Share Capital S\$'000 (Note 14)	Treasury Shares S\$'000 (Note 15)	Foreign Currency		Total S\$'000	Non-controlling Interests S\$'000	Total Equity S\$'000
			Translation				
			Reserve S\$'000	Retained Earnings S\$'000			
Balance at 1 January 2024	86,624	(63)	(15,538)	353,926	424,949	(6,847)	418,102
Loss for the year	-	-	-	(1,375)	(1,375)	2,100	725
Other comprehensive income/(loss)							
- Foreign currency translation	-	-	9,268	-	9,268	(758)	8,510
Total comprehensive income/(loss) for the year	-	-	9,268	(1,375)	7,893	1,342	9,235
Disposal of subsidiaries with non-controlling Interests	-	-	-	-	-	(3,650)	(3,650)
Dividend on ordinary shares	-	-	-	(1,829)	(1,829)	-	(1,829)
Balance at 31 December 2024	86,624	(63)	(6,270)	350,722	431,013	(9,155)	421,858
Balance at 1 January 2025	86,624	(63)	(6,270)	350,722	431,013	(9,155)	421,858
Loss for the year	-	-	-	(9,259)	(9,259)	(792)	(10,051)
Other comprehensive income/(loss)							
- Foreign currency translation	-	-	1,307	-	1,307	(418)	889
Total comprehensive income/(loss) for the year	-	-	1,307	(9,259)	(7,952)	(1,210)	(9,162)
Treasury shares	-	(57)	-	-	(57)	-	(57)
Dividends on ordinary shares	-	-	-	(2,913)	(2,913)	-	(2,913)
Additional shares in subsidiary	-	-	-	-	-	1,300	1,300
Balance at 31 December 2025	86,624	(120)	(4,963)	338,550	420,091	(9,065)	411,026
<b>Company</b>	<b>Share Capital S\$'000 (Note 14)</b>	<b>Treasury shares S\$'000 (Note 15)</b>	<b>Retained Earnings S\$'000</b>	<b>Total Equity S\$'000</b>			
Balance at 1 January 2024	86,624	(63)	18,757	105,318			
Total comprehensive loss for the year	-	-	(2,736)	(2,736)			
Dividends on ordinary shares	-	-	(1,829)	(1,829)			
Balance at 31 December 2024	86,624	(63)	14,192	100,753			
Balance at 1 January 2025	86,624	(63)	14,192	100,753			
Total comprehensive income for the year	-	-	3,723	3,723			
Treasury shares	-	(57)	-	(57)			
Dividends on ordinary shares	-	-	(2,913)	(2,913)			
Balance at 31 December 2025	86,624	(120)	15,002	101,506			

The accompanying notes form an integral part of these condensed interim financial statements.

## Heeton Holdings Limited and its Subsidiaries

### Condensed interim consolidated statement of cash flows For the year ended 31 December 2025

	Group	
	2025 \$'000	2024 \$'000
<b>Cash flows generated from operating activities</b>		
Profit/(loss) before tax	(7,223)	3,787
Adjustments for:		
Depreciation of property, plant and equipment	6,727	5,740
Fair value losses/(gains) on derivative financial instruments	2,435	(16)
Fair value loss/(gain) on investment security	429	(2,572)
Impairment/(Reversal of impairment) on property, plant and equipment	916	(4,341)
Gain from fair value adjustments of investment properties	(1,361)	(3,513)
Impairment on financial assets	4,945	7,139
Share of results of associated companies/joint venture companies	(3,843)	(2,214)
Interest expense	26,603	29,510
Interest income	(1,461)	(1,300)
Gain on disposal of subsidiaries	-	(3,776)
Gain on disposal of property, plant and equipment	-	(650)
Goodwill written off	-	109
Unrealised exchange differences	946	1,306
Operating cash flows before changes in working capital	29,113	29,209
Increase in development property	(1,055)	(1,145)
Increase in trade receivables	(436)	(1,400)
Decrease in other receivables	2,007	3,888
Increase in prepayments	59	1,087
Increase/(Decrease) in trade payables	237	(1,829)
(Decrease)/Increase in other payables and accruals	(2,071)	323
Decrease in amounts due from related parties	-	63
<b>Cash flows from operations</b>	27,854	30,196
Interest received	1,461	1,300
Interest paid, excluding amounts capitalised	(26,603)	(29,510)
Income taxes paid	(2,998)	(4,153)
Net cash flows used in operating activities	(286)	(2,167)
<b>Cash flows from investing activities</b>		
Proceeds from disposal of property, plant and equipment	-	26,426
Additions to property, plant and equipment	(7,719)	(40,357)
Addition to investment security	(400)	-
Dividend income from associated companies and joint venture companies	3,500	3,800
Net loan to associated companies and joint venture companies	(22,977)	(24,446)
Proceeds from disposal of subsidiaries	-	11,366
Proceeds on maturity of treasury bills	2,000	8,586
Net cash flows used in investing activities	(25,596)	(14,625)
<b>Cash flows from financing activities</b>		
Payment of principal portion of lease liabilities	(144)	(356)
Proceeds from bank loans	40,043	34,389
Repayment of bank loans	(17,913)	(23,596)
Loan from/(Repayment of loan to) non-controlling interests	3,379	(1,541)
Purchase of treasury shares	(57)	-
Dividends paid on ordinary shares of the Company	(2,913)	(1,829)
Release of/(restricted) cash pledge for bank facility	21,038	(22,977)
Net cash flows generated from/(used in) financing activities	43,433	(15,910)
<b>Net cash increase/(decrease) in cash and cash equivalents</b>	17,551	(32,702)
Effect of exchange rate changes on cash and cash equivalents	(380)	230
<b>Cash and cash equivalents at beginning of year</b>	29,851	62,323
<b>Cash and cash equivalents at end of year</b>	47,022	29,851

**Note: Cash and cash equivalents**

	Group	
	2025 \$'000	2024 \$'000
Fixed deposits	10,276	19,984
Cash and bank balances	40,440	34,599
Cash and cash equivalents per balance sheet	50,716	54,583
Restricted cash - cash pledge for bank facility	(3,694)	(24,732)
Cash and cash equivalents at end of year	47,022	29,851

The accompanying notes form an integral part of these condensed interim financial statements.

## Heeton Holdings Limited and its Subsidiaries

### Notes to the condensed interim consolidated financial statements For the year ended 31 December 2025

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#### 1. Corporate information

Heeton Holdings Limited (the "Company") is a limited liability company domiciled and incorporated in the Republic of Singapore and is listed on the Singapore Exchange Securities Trading Limited (SGX-ST). The registered office and principal place of business is located at 60 Paya Lebar Road, #08-36, Paya Lebar Square, Singapore 409051.

These condensed interim consolidated financial statements as at and for the year ended 31 December 2025 comprised the Company and its subsidiaries (collectively, the Group). The Company's and the Group's principal activities are in property development, hotel operations and investment holding.

#### 2. Basis of preparation

The unaudited condensed interim consolidated financial statements of the Group and the statement of changes in equity and balance sheet of the Company have been prepared in accordance with SFRS(I) 1-34 *Interim Financial Reporting* issued by the Accounting Standard Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last annual financial statements for the year ended 31 December 2024.

The condensed interim financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

The condensed interim financial statements are presented in Singapore dollars (Dollars ("SGD" or "\$") and all values in the tables are recorded to the nearest thousand ("'\$'000") except when otherwise indicated.

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

The Group has applied the same accounting policies and methods of computation consistent with those used in the audited financial statements for the financial year ended 31 December 2024 in the preparation of the consolidated financial statements for the current reporting period except for the adoption of revised SFRS(I) (including its consequential amendments) and interpretations effective for the financial period beginning 1 January 2025. The adoption of these revised SFRS(I) and interpretations did not result in material changes to the Group's accounting policies and has no material effect on the amounts reported for the current financial period.

#### 2.2 Use of judgements and estimates

The preparation of the Group's condensed interim consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

The critical accounting estimates and key judgement areas of the Group are outlined in further detail in the following sections of this financial report:

- Property, plant and equipment (Note 9)
- Determination of fair value of investment properties (Note 10)

**2. Basis of preparation (cont'd)**

**2.3 Key sources of estimation uncertainty**

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of each reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below. The Group based its assumptions and estimates on parameters available when the financial statement was prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

*(a) Valuation of investment properties*

The Group carries its investment properties at fair value, with changes in fair values being recognised in profit or loss. The Group engaged independent valuation specialists, where necessary, to determine fair value as at 31 December 2025 for investment properties that are likely to differ materially from the fair values recognised at the end of the previous financial year. The two valuation techniques adopted were the Market Comparable Approach Method and Income Approach Method. The former involves analysing recent sales evidence of similar properties. Adjustments are made to differences in location, age, tenure, floor area, condition, exposure, date of sale, amongst other factors, before arriving at the market value of the property. The latter involves the conversion of the net income of the property into a capital sum at a suitable rate of return which reflects the quality of the investment. The net income is the balance sum after deducting property tax, cost of repairs and maintenance and a reasonable percentage for vacancy from the gross rent. The value of the property is arrived at by capitalising the net rent at a suitable rate of return.

The independent valuers have considered the global economic uncertainty as a result of heightened macro-economic, geopolitical and supply chain risks and have made necessary adjustments to the valuation. The valuation reports also highlighted that given the ongoing geo-political headwinds, economic uncertainty and rising interest costs, these may have impact on the economy and property market.

*(b) Impairment assessment of property, plant and equipment*

An impairment exists when the carrying value of property, plant and equipment exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing the asset.

Management assesses whether there are trigger events indicating potential impairment at each reporting date. Where applicable, the Group considers independent valuation reports of valuation specialists to support the recoverable amounts of certain property, plant and equipment. The fair values are determined by external specialists using valuation techniques which involve the use of estimates and assumptions which are reflective of current market conditions.

Certain valuation reports obtained from the external specialist also highlighted the global economic uncertainty as a result of heightened macro-economic, geopolitical and supply chain risks and have made necessary adjustments. The valuation reports also highlighted that given the ongoing geo-political headwinds, economic uncertainty and rising energy and interest costs, these may have impact on the economy and property market.

**2. Basis of preparation (cont'd)**

**2.3 Key sources of estimation uncertainty (cont'd)**

*(c) Impairment assessment of interest in associates and joint ventures*

The Group has significant interests in associates and joint ventures. The Group's interests in associates and joint ventures comprise the investments and amounts due from associates and joint ventures. The associates and joint ventures of the Group are mainly involved in the business of property development and property investment holding. The Group assesses at the end of each reporting period whether there is any objective evidence that the interest is impaired.

The Group applies the general approach to provide for ECLs on amounts due from associates and joint ventures carried at amortised cost. At each reporting date, the Group assesses whether the credit risk of a financial asset has increased significantly since initial recognition. When initial credit risk has increased significantly since initial recognition, loss allowance is measured at an amount equal to lifetime ECLs.

The assessment of whether credit risk of a financial asset has increased significantly since initial recognition is a significant estimate. Credit risk assessment is based on both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and includes forward-looking information.

*(d) Impairment assessment of other receivables*

The Group has other receivables from companies whom are mainly involved in the business of property development. The Group assesses at the end of each reporting period whether there is any objective evidence that the receivables is impaired.

The recoverability of the receivables is dependent on the financial position, performance and cashflows of the debtors, the valuation, estimated selling price and estimated costs to complete (where applicable) of the underlying assets held by them and the debtors' ability to repay via realisation of these underlying assets held. Annually, management conducts an assessment to determine whether any indicator of impairment exists.

The carrying amounts of the Group's interests in other receivables are disclosed in Note 13 to the interim financial statements.

## Heeton Holdings Limited and its Subsidiaries

### Notes to the condensed interim consolidated financial statements For the year ended 31 December 2025

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#### 3. Seasonal operations

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

#### 4. Segment and revenue information

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

- I. The property investment segment is engaged in the leasing of residential, retail and commercial properties.
- II. The property development segment is involved in the development and sale of private residential properties.
- III. The corporate segment is involved in Group-level corporate services and treasury functions.
- IV. The hospitality segment is involved in hotel operations and related services.

Except as indicated above, no operating segments have been aggregated to form the above reportable operating segments.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which in certain respects, as explained in the table below, is measured differently from operating profit or loss in the consolidated financial statements. Group financing and income taxes are managed on a group basis and are not allocated to operating segments.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

	<b>Group</b>	
	<b>2025</b>	<b>2024</b>
	\$'000	\$'000
Revenue from contracts with customers	68,345	64,703
Rental income from investment properties	12,835	12,622
Other rental income	–	835
	<hr/>	<hr/>
	81,180	78,160

Heeton Holdings Limited and its Subsidiaries

Notes to the condensed interim consolidated financial statements  
For the year ended 31 December 2025

4. Segment and revenue information (cont'd)

(a) Reportable segments

**Year ended 31 December 2025**

	Property Investment \$'000	Property Development \$'000	Corporate \$'000	Hospitality \$'000	Elimination \$'000	Consolidated \$'000
<b>Revenue:</b>						
Sale to external customers	12,835	-	717	67,628	-	81,180
Inter-segment revenue	827	-	8,060	8,586	(17,473)	-
Total revenue	13,662	-	8,777	76,214	(17,473)	81,180
<b>Results:</b>						
Finance income	-	-	32,414	-	(30,953)	1,461
Finance expense	(5,067)	-	(31,863)	(19,962)	30,289	(26,603)
Impairment losses on financial assets	(137)	(950)	(5,425)	1,567	-	(4,945)
Impairment of property, plant and equipment	-	-	-	(916)	-	(916)
Fair value losses on derivative financial instruments	-	-	(2,435)	-	-	(2,435)
Fair value loss on investment security	-	(429)	-	-	-	(429)
Gain from fair value adjustments of investment properties	1,361	-	-	-	-	1,361
Depreciation of property, plant and equipment	(99)	-	(314)	(6,314)	-	(6,727)
Share of results of associated companies/joint venture companies	3,391	71	9	372	-	3,843
Segment profit/(loss) before tax	9,078	(1,328)	(21,249)	6,940	(664)	(7,223)
<b>Assets:</b>						
Investment in associated companies and joint venture companies	92,633	13,900	-	12,695	-	119,228
Additions to non-current assets	513	495	-	6,711	-	7,719
Segment assets	259,187	78,475	1,079,506	565,312	(980,851)	1,001,629
Segment liabilities	174,111	33,717	982,725	327,888	(927,838)	590,603

Heeton Holdings Limited and its Subsidiaries

Notes to the condensed interim consolidated financial statements  
For the year ended 31 December 2025

4. Segment and revenue information (cont'd)

(a) Reportable segments (cont'd)

**Year ended 31 December 2024**

	Property Investment \$'000	Property Development \$'000	Corporate \$'000	Hospitality \$'000	Elimination \$'000	Consolidated \$'000
<b>Revenue:</b>						
Sales to external customers	12,622	-	859	64,679	-	78,160
Inter-segment revenue	820	-	7,705	9,427	(17,952)	-
Total revenue	13,442	-	8,564	74,106	(17,952)	78,160
<b>Results:</b>						
Finance income	-	-	30,721	-	(29,421)	1,300
Finance expense	(6,299)	-	(30,672)	(21,158)	28,619	(29,510)
Fair value gains on derivative financial instruments	-	-	16	-	-	16
Fair value gain on investment security	-	2,572	-	-	-	2,572
Reversal of Impairment of property, plant and equipment	-	-	-	4,341	-	4,341
Gain from fair value adjustments of investment properties	3,513	-	-	-	-	3,513
Gain on disposal of property, plant and equipment	-	-	-	650	-	650
Gain on disposal of subsidiaries	-	-	-	3,776	-	3,776
Depreciation of property, plant and equipment	(44)	-	(293)	(5,403)	-	(5,740)
Impairment losses on financial assets	-	-	(6,119)	(1,020)	-	(7,139)
Share of results of associated companies/joint venture companies	3,233	(860)	33	(192)	-	2,214
Segment profit/(loss) before tax	9,726	1,704	(15,203)	8,362	(802)	3,787
<b>Assets:</b>						
Investment in associated companies and joint venture companies	92,530	634	-	16,043	-	109,207
Additions to non-current assets	161	-	232	39,964	-	40,357
Segment assets	252,621	45,669	1,128,710	581,808	(1,023,492)	985,316
Segment liabilities	185,881	38,443	1,028,017	294,145	(983,028)	563,458

Heeton Holdings Limited and its Subsidiaries

Notes to the condensed interim consolidated financial statements  
For the year ended 31 December 2025

4. Segment and revenue information (cont'd)

(b) Disaggregation of revenue from contracts with customers

Segments	Hospitality		Corporate		Total Revenue	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
<b>Primary geographical markets</b>						
Singapore	–	–	229	370	229	370
United Kingdom	67,090	63,968	371	365	67,461	64,333
	67,090	63,968	600	735	67,690	64,703
<b>Major product or service line</b>						
Hotel operation income	67,090	63,968	–	–	67,090	63,968
Management fee income	–	–	600	735	600	735
	67,090	63,968	600	735	67,690	64,703
<b>Timing of transfer of goods or services</b>						
At a point in time	67,090	63,968	600	735	67,690	64,703

## Heeton Holdings Limited and its Subsidiaries

### Notes to the condensed interim consolidated financial statements For the year ended 31 December 2025

#### 5. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group as at 31 December 2025 and 31 December 2024.

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
<b>Financial assets measured at amortised cost:</b>				
Amounts due from associated companies and joint venture companies (non-trade)	81,271	74,798	2,227	4,419
Trade receivables	2,987	2,542	-	-
Other receivables	63,777	65,731	11,929	17,352
Amounts due from subsidiaries (non-trade)	-	-	319,703	301,722
Amounts due from related parties (trade)	1	1	1	1
Treasury bills	-	2,000	-	2,000
Fixed deposits	10,276	19,984	6,643	19,984
Cash and bank balances	40,440	34,599	7,753	3,561
	<u>198,752</u>	<u>199,655</u>	<u>348,256</u>	<u>349,039</u>
<b>Financial liabilities measured at amortised cost:</b>				
Trade payables	1,998	1,750	44	656
Other payables and accruals <sup>1</sup>	15,831	17,760	718	1,809
	<u>17,829</u>	<u>19,510</u>	<u>762</u>	<u>2,465</u>
<i>Other payables (non-current)</i>				
Other payables and accruals	1,656	1,571	-	-
Total trade and other payables	<u>19,485</u>	<u>21,081</u>	<u>762</u>	<u>2,465</u>
<i>Loans and borrowings (current)</i>				
Amounts due to subsidiaries (non-trade)	-	-	195,260	185,216
Lease liabilities	88	48	79	39
Bonds	53,800	-	53,800	-
Bank term loans	39,898	57,636	7,000	16,485
	<u>93,786</u>	<u>57,684</u>	<u>256,139</u>	<u>201,740</u>
<i>Loans and borrowings (non-current)</i>				
Amounts due to associated companies and joint venture companies (non-trade)	44,226	46,078	35,823	36,411
Amounts due to non-controlling interests (non-trade)	71,887	68,508	-	-
Lease liabilities	5,450	5,205	230	98
Bonds	-	53,800	-	53,800
Bank term loans	345,879	303,005	-	-
Total loans and borrowings	<u>561,228</u>	<u>534,280</u>	<u>292,192</u>	<u>292,049</u>
Total finance liabilities measured at amortised cost	<u>580,713</u>	<u>555,361</u>	<u>292,954</u>	<u>294,514</u>
<b>Financial (liability)/asset at fair value through profit or loss:</b>				
Derivative financial instruments	(2,416)	24	(56)	24

<sup>1</sup> Excludes non-financial liabilities including advance rental received and provision for interest support.

## Heeton Holdings Limited and its Subsidiaries

### Notes to the condensed interim consolidated financial statements For the year ended 31 December 2025

#### 6. Profit/(loss) before tax

##### (a) Significant items

	Group	
	2025 \$'000	2024 \$'000
Finance income	1,461	1,300
Finance expenses	(26,603)	(29,510)
Depreciation of property, plant and equipment	(6,727)	(5,740)
Fair value (losses)/gains on derivative financial instruments	(2,435)	16
Gain from fair value adjustments of investment properties	1,361	3,513
Fair value (loss)/gain on investment security	(429)	2,572
(Impairment)/reversal of impairment on property, plant and equipment	(916)	4,341
Impairment losses on financial assets	(4,945)	(7,139)
Gain on disposal of property, plant and equipment	-	650
Gain on disposal of subsidiaries	-	3,776

##### (b) Related party transactions

There are no material related party transactions apart from those disclosed elsewhere in the financial statements.

##### *Sale and purchase of goods and services*

The following significant transactions between the Group and Company and their related parties took place during the year at terms agreed between the parties:

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
<b>Income</b>				
Interest income				
- subsidiaries	-	-	12,112	10,892
- associated companies	437	40	-	-
Management fee income				
- subsidiaries	-	-	453	452
- associated companies	587	581	120	120
- joint venture companies	2,073	2,060	2,000	2,000
<b>Expenses</b>				
Management fee paid to a subsidiary	-	-	1,740	1,584
Interest expenses				
- subsidiaries	-	-	10,264	9,657
- joint venture companies	912	2,276	912	2,276
- related company	141	-	-	-
Rental paid to a subsidiary	-	-	283	283

## Heeton Holdings Limited and its Subsidiaries

### Notes to the condensed interim consolidated financial statements For the year ended 31 December 2025

#### 7. Income tax expense

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 profit or loss are:

	Group	
	FY2025	FY2024
	\$'000	\$'000
Current income tax	1,902	2,877
Deferred income tax	926	185
Income tax expense recognised in profit or loss	2,828	3,062

#### 8. Derivative financial instruments

The following sets out the aggregate amount of the Group's and Company's derivative financial instruments as at the end of the current financial year reported on with comparative figures as at the end of the immediately preceding financial year.

Assets/(liabilities)	Group		Company	
	31/12/2025	31/12/2024	31/12/2025	31/12/2024
	\$'000	\$'000	\$'000	\$'000
Interest rate swaps				
– current	–	24	–	24
– non-current	(56)	–	(56)	–
Forward contract (non-current)	(2,360)	–	–	–
	(2,416)	24	(56)	24

On 12 December 2025, Heeton Homes Pte. Ltd. (“Heeton Homes”) entered into a call option agreement with a non-related third party.

As per the terms of the option, Heeton Homes incorporated a new subsidiary, Changi Invesco Pte. Ltd. (“Changi Invesco”), on 18 December 2025 and transfer its full 20% equity interest in an associated company to Changi Invesco on 21 January 2026.

The call option was exercised on 16 December 2025, whereby Heeton Homes will transfer 25% of its shares in Changi Invesco for a cash consideration on completion targeted in September 2027. Consequently, the exercise of the option has effectively converted into a forward contract.

## Heeton Holdings Limited and its Subsidiaries

### Notes to the condensed interim consolidated financial statements For the year ended 31 December 2025

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#### 8. Derivative financial instruments (cont'd)

	Group and Company			
	31/12/2025		31/12/2024	
	Outstanding notional amounts	Liability	Outstanding notional amounts	Assets
	\$'000	\$'000	\$'000	\$'000
Current	–	–	34,076	24
Non-current	10,000	(56)	–	–
Interest rate swaps	10,000	(56)	34,076	24

The Group and the Company entered into interest rate swaps in Singapore Dollars (2024: Pound Sterling) to manage its exposure to interest rate fluctuation on its floating rate loans and borrowings. The interest rate swaps will mature in June 2027 (2024: mature in January 2025).

The Group and the Company has not applied hedge accounting. Fair value gains and losses on interest rate swaps are recognised in profit or loss. The fair values of interest rate swaps shown above are determined by marked-to-market values provided by counterparties. The marked-to-market values obtained are determined by reference to market values for similar instruments.

#### 9. Property, plant and equipment

As at 31 December 2025, the carrying value of property, plant and equipment (collectively, "properties") mainly relating to the Group's portfolio of hotel properties amounted to \$422,963,000 and accounted for 42.2% of the Group's total assets. These properties are carried at cost less accumulated depreciation and impairment losses and are subject to an impairment assessment to assess if there are any indicators of impairment at each reporting date.

##### ***Acquisition and disposal of property, plant and equipment***

In financial year ended 31 December 2024, the Group acquired a hotel in Edinburgh, United Kingdom for an aggregate consideration of approximately \$40.4 million. This transaction was accounted for as an asset acquisition.

In financial year ended 31 December 2024, the Group sold a hotel property in Sapporo, Japan with a total net carrying amount of approximately \$23.0 million for a cash consideration of \$26.4 million. The net gain on this disposal was recognised as gain on disposal of property, plant and equipment in the statement of comprehensive income.

## Heeton Holdings Limited and its Subsidiaries

### Notes to the condensed interim consolidated financial statements For the year ended 31 December 2025

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#### 10. Investment properties

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

The Group's investment properties as at 31 December 2025 are as follows:

Description and location	Existing use	Tenure	Unexpired lease term
Tampines Mart (Block 5, 7, 9, 11 Tampines Street 32, Singapore)	Shops	Leasehold	67 years
62 Sembawang Road, Singapore	Transport facility	Freehold	Estate in perpetuity
Adam House (7-10 Adam Street, London, United Kingdom)	Serviced office	Freehold	Freehold

	Group	
	31/12/2025	31/12/2024
	\$'000	\$'000
<i>Cost</i>		
Balance at beginning of year	226,817	222,882
Exchange differences	412	422
Gains from fair value adjustments recognised in profit or loss	1,361	3,513
Balance at end of year	<u>228,590</u>	<u>226,817</u>

The Group has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment property or for repairs, maintenance or enhancements.

## Heeton Holdings Limited and its Subsidiaries

### Notes to the condensed interim consolidated financial statements For the year ended 31 December 2025

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#### 10. Investment properties (cont'd)

##### Valuation of investment properties

For interim financial reporting purposes, the directors review the carrying values of its investment properties carried at fair value and perform an internal valuation, where no independent valuer is involved. In assessing whether the fair values remained appropriate, the directors consider whether any movement in market data such as discount rate, capitalisation rates, changes in underlying cash flows or sales comparable would result in a material impact to the fair values of the investment properties since the end of the previous financial year. The Group will engage external independent qualified valuer whenever the carrying amounts of the investment properties are likely to differ materially from the fair values recognised at the end of the previous financial year.

The fair value of the Group's investment properties is determined based on significant unobservable inputs and is categorised under Level 3 of the fair value measurement hierarchy. Level 3 fair value has been derived using the income capitalisation approach where the net rental income after property tax is capitalised at a rate which reflects the present and potential income growth over the unexpired lease term. The most significant input into the income capitalisation valuation approach is the capitalisation rate of 4.65% to 5.25% (31 December 2024: 4.75% to 5.25%) per annum.

An increase in capitalisation rate will result in a decrease to the fair value of the investment property.

#### 11. Bank term loans

The following sets out the aggregate amount of the Group's borrowings as at the end of the current financial period reported on with comparative figures as at the end of the immediately preceding financial year.

	Group		Company	
	31/12/2025	31/12/2024	31/12/2025	31/12/2024
	\$'000	\$'000	\$'000	\$'000
Unsecured	7,000	4,659	7,000	4,659
Secured	378,777	355,982	–	11,826
	<hr/>	<hr/>	<hr/>	<hr/>
	385,777	360,641	7,000	16,485
	<hr/>	<hr/>	<hr/>	<hr/>
Repayable:				
- not later than 1 year	39,898	57,636	7,000	16,485
- 1 year through 5 years	345,879	303,005	–	–
	<hr/>	<hr/>	<hr/>	<hr/>
	385,777	360,641	7,000	16,485
	<hr/>	<hr/>	<hr/>	<hr/>

#### 12. Bonds

The Group had bond issue outstanding as at 31 December 2025 and 31 December 2024 of \$53,800,000 which is unsecured and bears interest at a fixed rate of 7.0% per annum due November 2026.

## Heeton Holdings Limited and its Subsidiaries

### Notes to the condensed interim consolidated financial statements For the year ended 31 December 2025

#### 13. Other receivables

	Group		Company	
	31/12/2025	31/12/2024	31/12/2025	31/12/2024
	\$'000	\$'000	\$'000	\$'000
<i>Non-current portion:</i>				
Senior notes receivables	-	4,000	-	4,000
Promissory notes receivables	18,000	14,000	-	14,000
Amount due from investee company	11,600	13,032	-	-
Sundry receivables	4,433	26,423	-	26,184
Less: Allowance for expected credit loss	-	(26,884)	-	(26,884)
	34,033	30,571	-	17,300
<i>Current portion:</i>				
Senior notes receivables	4,000	-	4,000	-
Promissory notes receivables	14,000	18,000	14,000	-
Amount due from investee company	4,904	-	-	-
Sundry receivables	39,149	17,160	26,238	52
Less: Allowance for expected credit loss	(32,309)	-	(32,309)	-
	29,744	35,160	11,929	52

Senior notes receivables are unsecured, bear interest at 3% per annum and are repayable in 2026, or if extended, repayable in 2027 (FY2024: Unsecured, bear interest at 3% per annum and are repayable in 2026, or if extended, repayable in 2027).

Promissory notes receivables are unsecured, with \$14,000,000 (current) which bear interest at 3.0% per annum and repayable in 2026, or if extended, repayable in 2027 and \$18,000,000 (non-current) which bear interest at 3.5% per annum and are repayable in 2027, or if extended, repayable in 2029. (FY2024: \$14,000,000 (non-current) which bear interest at 3.0% per annum and repayable in 2026, or if extended, repayable in 2027 and \$18,000,000 (current) which bear interest at 3.5% per annum and are repayable in 2025).

The non-current amount due from investee company amounting to \$11,600,000 relates to shareholder's loan to an investee company are unsecured and non-interest bearing, and are not expected to be repaid within the next 12 months, and are to be settled in cash. The amount due from investee company amounting to \$4,904,000 relates to shareholder's loan to an investee company are unsecured, bear interest at 4% per annum, and are expected to be repaid within the next 12 months, and are to be settled in cash (2024: \$13,032,000 are unsecured, bear interest at 4% per annum, and are not expected to be repaid within the next 12 months, and are to be settled in cash).

Sundry receivables (current portion) are unsecured, with \$2,500,000 which bear interest at 3.5% per annum and \$36,649,000 which are non-interest bearing and are repayable within the next 12 months. Sundry receivables (non-current portion) of \$4,433,000 are unsecured, non-interest bearing and are not expected to be repaid within the next 12 months (FY2024: Sundry receivables are unsecured, with \$8,300,000 which bear interest at 3.5% per annum and \$8,860,000 which are non-interest bearing and are repayable within the next 12 months. The non-current Sundry receivables of \$26,423,000 are unsecured, non-interest bearing and are not expected to be repaid within the next 12 months).

#### **Expected credit loss**

The expected credit losses relate to receivables from a non-related party undertaking a property development project and assessed based on the estimated realisable value from the development property of this party.

## Heeton Holdings Limited and its Subsidiaries

### Notes to the condensed interim consolidated financial statements For the year ended 31 December 2025

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#### 14. Share capital

	<b>Group and Company</b>			
	<b>Number of ordinary shares issued</b>			
	<b>31/12/2025</b>	<b>31/12/2024</b>	<b>31/12/2025</b>	<b>31/12/2024</b>
			<b>\$'000</b>	<b>\$'000</b>
<b>Issued and fully paid ordinary shares:</b>				
At the beginning and end of year	487,734,735	487,734,735	86,624	86,624

The holders of ordinary shares (except treasury shares) are entitled to receive dividends as and when declared by the Company. All ordinary shares (except treasury shares) carry one vote per share without restrictions. The ordinary shares have no par value.

#### 15. Treasury shares

	<b>Group and Company</b>			
	<b>Number of treasury shares</b>			
	<b>31/12/2025</b>	<b>31/12/2024</b>	<b>31/12/2025</b>	<b>31/12/2024</b>
			<b>\$'000</b>	<b>\$'000</b>
At beginning of year	250,000	250,000	63	63
Acquired during the year	250,000	–	57	–
At end of year	500,000	250,000	120	63

As at 31 December 2025, the Company's treasury shares represent 0.10% (2024: 0.05%) of the total number of issued shares.

Treasury shares relate to ordinary shares of the Company that are acquired and held by the Company.

#### 16. Event occurring after reporting period

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

**1. Share capital**

- i) **Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

There is no change in the Company's share capital for the period from 1 January 2025 to 31 December 2025. There are no outstanding convertible securities as at 31 December 2025 and 31 December 2024.

- ii) **To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediate preceding year.**

Refer to note 14 on page 19 – Share capital for more details.

- iii) **A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on**

Refer to note 15 on page 19 – Treasury shares for more details.

**2. Whether the figures have been audited, or reviewed and in accordance with which auditing standard or practice**

The figures have not been audited or reviewed by the Company's auditors.

**3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter)**

Not applicable.

**4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

The Group has applied the same accounting policies and methods of computation consistent with those used in the audited financial statements for the financial year ended 31 December 2024 in the preparation of the consolidated financial statements for the current reporting period except for the adoption of revised SFRS(I) (including its consequential amendments) and interpretations effective for the financial period beginning 1 January 2025. The adoption of these revised SFRS(I) and interpretations did not result in material changes to the Group's accounting policies and has no material effect on the amounts reported for the current financial period.

**5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons, and the effect of, the change**

Not applicable.

Heeton Holdings Limited and its Subsidiaries

Other information Required by Listing Rule Appendix 7.2

6. Earnings per share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	<b>Group</b>					
	<b>2H2025</b>	<b>2H2024</b>	<b>Increase/ (decrease)</b>	<b>FY2025</b>	<b>FY2024</b>	<b>Increase/ (decrease)</b>
	Cents	Cents	%	Cents	Cents	%
Earnings per ordinary share from continuing operations attributable to equity holders of the Company for the year						
(a) On a basic basis	(0.30)	0.79	(138.0)	(1.90)	(0.28)	n.m.
(b) On a fully diluted basis	(0.30)	0.79	(138.0)	(1.90)	(0.28)	n.m.

The above are calculated by dividing the net profit attributable to equity holders of the Company over the weighted average number of ordinary shares in issue during the current year of 487,300,488 ordinary shares (31 December 2024: 487,484,735 ordinary shares).

7. Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the: -  
a) Current period reported on; and  
b) Immediately preceding financial year.

	<b>Group</b>		<b>Company</b>	
	<b>31/12/2025</b>	<b>31/12/2024</b>	<b>31/12/2025</b>	<b>31/12/2024</b>
	Cents	Cents	Cents	Cents
Net asset value per ordinary share based on issued share capital at the end of the period reported on	86.22	88.42	20.83	20.67

The above have been computed based on 487,234,735 and 487,484,735 ordinary shares (excluding treasury shares) in issue as at 31 December 2025 and 31 December 2024 respectively.

## Heeton Holdings Limited and its Subsidiaries

### Other information Required by Listing Rule Appendix 7.2

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8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following: -**
- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
  - (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on**

#### Commentary on the Consolidated Income Statements

Turnover comprises rental income from investment properties, hotel operation income and management fee.

The Group's turnover for the year ended 31 December 2025 ("FY2025") increased by 3.9% to \$81.18 million compared to \$78.16 million for the previous corresponding year ended 31 December 2024 ("FY2024"). The increase is attributed to increase in hotel operation income due to the income generated from the newly acquired Heeton Concept Aparthotel, Queen Street Edinburgh in December 2024. The increase is offset by the disposal of ibis Hotel Gloucester and Smile Hotel Asakusa Tokyo in second half of FY2024.

Personnel expenses increased by \$1.73 million to \$25.15 million in FY2025 mainly due to higher manpower costs due to the newly acquired hotel.

Depreciation of property, plant and equipment increase from \$5.74 million in FY2024 to \$6.73 million in FY2025 mainly due to the newly acquired hotel and the appreciation of the Pound Sterling.

Other operating expenses increased to \$30.29 million in FY2025 from \$29.36 million in FY2024 mainly due to the newly acquired hotel and higher operating expenses as a result of inflation.

Finance expenses comprised mainly interest on the bond and bank loans. It decreased from \$29.51 million in FY2024 to \$26.60 million in FY2025 mainly due to lower interest rate on bank borrowings; offset by additional term loans.

Fair value losses on derivative financial instruments amounted to \$2.44 million (FY2024: fair value gain of \$0.02 million) mainly due to the fair valuation on a forward contract for the sale of shares in a subsidiary company.

Fair value loss on investment security amounted to \$0.43 million in FY2025 (FY2024: fair value gain of \$2.57 million) related to fair valuation on the group's 8% stake in an investment security.

The Group recorded an impairment of \$0.92 million on property, plant and equipment in FY2025 on properties held in the UK based on the current market conditions (FY2024: reversal of impairment of \$4.34 million).

The Group recorded impairment of \$4.95 million (FY2024: \$7.14 million) on amount due from its associated companies and other receivables.

Share of results from associated companies/joint venture companies was a gain of \$3.84 million in FY2025 (FY2024: \$2.21 million). The increase is mainly due to higher gains recognised for associate companies.

The Group recorded a net gain from fair value adjustment of investment properties of \$1.36 million in FY2025 mainly from Tampines Mart and Adam House offset by fair value loss from 62 Sembawang Road.

Income tax expense decreased by \$0.23 million in FY2025 mainly due to lower taxable profits.

## Heeton Holdings Limited and its Subsidiaries

### Other information Required by Listing Rule Appendix 7.2

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Taking into account all the above factors, the Group recorded a net loss after tax of \$10.05 million for FY2025, compared to a net profit after tax of \$0.73 million recorded in FY2024.

#### Commentary on the Consolidated Balance Sheets

Property, plant and equipment amounting to \$422.96 million comprised mainly hotel properties. The increase of \$4.13 million in FY2025 was mainly due to the effect of the appreciation of Pound Sterling; offset by depreciation charges recognised.

Investment properties increased from \$226.82 million to \$228.59 million mainly due to net gains from fair value adjustment of investment properties and the effect of foreign currency exchange gain.

Investment in associated and joint venture companies increased from \$109.21 million in FY2024 to \$119.23 million mainly due to a new investment in a hotel in Singapore, the share of the results of associated companies and joint venture companies during FY2025 and dividends received from associated companies and joint venture companies.

Amount due from associated and joint venture companies increased from \$74.80 million in FY2024 to \$81.27 million in FY2025 mainly due to loans disbursed for new property development project in Singapore offset by repayment of loans and impairment losses.

Included in other receivables are mainly notes receivables totalling \$36.00 million and \$16.50 million arises from the Group's loans to investment securities.

The Group has placed 6-months treasury bills amounting to \$2.00 million in FY2024 which matured in FY2025.

Fixed deposits, cash and bank balances totalled \$50.72 million in FY2025 compared to \$54.58 million in FY2024. The increase is mainly due to additional bank loans secured during the year and release of cash pledge for bank facility.

The Group has bond issue outstanding as at 31 December 2025 of \$53.80 million, which are unsecured and bears interest at a fixed rate of 7.0% per annum due November 2026.

The Group recorded net current liabilities of \$4.29 million (FY2024: net current assets \$53.67 million) mainly due to the classification of the \$53.8 million bonds due November 2026.

Derivative financial liability instruments amounted to \$2.42 million (FY2024: asset of \$0.02 million) mainly due the forward contract for the sale of shares in a subsidiary company.

Total bank term loans and short-term bank loans increased from \$360.64 million in FY2024 to \$385.78 million in FY2025 mainly as a result of additional term loans for new acquisitions.

The Group recorded a foreign currency translation gain of \$1.31 million mainly from its United Kingdom-based investments as a result of the appreciation of the Pound Sterling during the year.

#### Commentary on the Cashflow Statement

The increase in cash and cash equivalents of \$17.55 million in FY2025 can be attributed to the following major cash inflows and outflows:

##### Cash inflows:

- net proceeds from bank loans of \$22.13 million;
- release of restricted cash pledge for bank facility of \$21.04 million;
- net loans from non-controlling interest of \$3.38 million;
- dividend received from associated and joint venture companies of \$3.50 million; and
- proceeds on maturity of treasury bills of \$2.00 million.

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#### Cash outflows:

- net cash flows used in operating activities of \$0.29 million;
- net repayment of loans from associated and joint venture companies of \$22.98 million;
- additions to property, plant and equipment of \$7.72 million; and
- payment of dividend of \$2.91 million.

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

The actual results for FY2025 of the Group are in line with the statement made in paragraph 10 of the results announcement for the half year ended 30 June 2025.

#### **10. 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 reporting period and the next 12 months –**

The International Monetary Fund (“IMF”) has projected global economic growth to be 3.3% in 2026 and 3.2% in 2027, which is similar to the estimated 3.3% in 2025. According to the IMF, this steady performance results from balancing divergent forces, with headwinds from shifting trade policies offset by tailwinds from surging investment in technology, including artificial intelligence (AI). Advanced economies are forecast to grow by 1.8% in 2026 and 1.7% in 2027, while emerging market and developing economies are expected to hover just above 4.0% in both years. Global headline inflation is expected to decline from 4.1% in 2025 to 3.8% in 2026 and further to 3.4% in 2027. China's economy is projected to expand by 4.5% in 2026, supported by stimulus measures and lower US tariff rates, before moderating to 4.0% in 2027.

In the United Kingdom (“UK”), the economy grew by 0.3% in November 2025, exceeding expectations of 0.1%, with the IMF forecasting UK growth at 1.3% for 2026. Inflation reached 3.2% in the twelve months to November 2025 and is expected to decline to 2.1% by Q2 2026. However, rising operational costs, particularly from the April 2026 minimum wage increase, pose challenges especially for retail and hospitality sectors. The UK hotel sector enters 2026 with resilience, supported by strong international demand, event-driven travel, though occupancy rates may still fall short of pre-pandemic 2019 levels. Revenue per available room (RevPAR) is projected to show moderate growth in 2026, though margins will remain under pressure from rising operating costs, requiring hotels to focus on productivity gains and operational efficiency.

In Singapore, economic performance has been robust, with GDP expanding by 5.7% year-on-year in Q4 2025, the fastest growth since 2021. For full year 2025, the economy expanded by 4.8%, driven by strong performance across manufacturing, construction and services sectors. The manufacturing sector posted particularly strong growth of 15.0% in Q4 2025, supported by sustained demand for AI-related semiconductors. International visitor arrivals recorded 16.5 million in 2024, with projections of 17.0-18.5 million for 2025. MTI has forecast GDP growth of 1-3% for 2026, with most analysts projecting around 2% growth. The hotel market is on track for further recovery, with occupancy rates at 82.19% between January and October 2025, while RevPAR is projected to grow around 2% in 2026, supported by an estimated 3-4% growth in tourist arrivals.

Across the Asia Pacific, the hospitality sector is expected to demonstrate resilience in 2026, despite global economic and geopolitical uncertainty. International visitor arrivals in the region grew 10.7% in the first half of 2025, supporting steady RevPAR improvements driven primarily by ADR growth. Hotel operators forecast continued growth although the sector faces challenges including talent retention, with operators prioritizing operational efficiency, technology adoption and cost management to navigate the evolving market conditions.

Amidst the current operating environment, Heeton will maintain its commitment to prudent management of its hospitality and investment properties portfolio. The Group's property development arm will continue to participate in land tenders within Singapore's residential sector

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through consortiums, while its investment properties are expected to continue delivering stable recurring income.

The Group's first Singapore hotel investment, Dorsett Changi City Singapore Hotel, has completed its enhancement works to increase its current inventory from 313 rooms to 419 rooms. The Heeton Concept Aparthotel Queen Street Edinburgh, acquired in December 2024, is fully operational in early 2025, while "Dawa at Hilltop by Heeton" in Bhutan opened in the second half of 2025 as scheduled. The Group has in early 2026 embarked on its second hotel investment in the Link Hotel Singapore with a consortium.

Looking ahead into 2026, the Group remains mindful of persistent challenges including elevated operating and labour costs, tightening margins in the hospitality sector, and macroeconomic uncertainty. Risks to the global outlook remain tilted to the downside, including potential corrections in AI-related investments, trade policy uncertainties, and fiscal vulnerabilities. The Group will continue to focus on operational discipline, prudent risk management, differentiated hospitality offerings, and value-adding acquisitions, both independently and through strategic partnerships, while carefully navigating evolving market conditions.

#### 11. Dividend

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

**Any dividend recommended for the current financial period reported on?**

Yes.

Name of Dividend	Final Ordinary Dividend
Dividend Type	Cash
Dividend Amount per Shares (in Cents)	0.50 cents per share (1-Tier tax exempt)
Tax Rate	Nil

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

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

Yes.

Name of Dividend	Final Ordinary Dividend
Dividend Type	Cash
Dividend Amount per Shares (in Cents)	0.50 cents per share (1-Tier tax exempt)
Tax Rate	Nil

##### (c) Date payable

To be announced at a later date.

##### (d) Books closure date

To be announced at a later date.

#### 12. If no dividend has been declared/recommended, a statement to that effect and the reasons for the decision.

Not applicable.

#### 13. 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)

The Company has not obtained a general mandate from shareholders for interested person transactions.

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**14. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments**

Not applicable. Please refer to paragraph 8 above.

**15. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.**

None.

**16. A breakdown of sales**

		<b>FY2025</b>	FY2024	<b>Increase / (decrease)</b>
		<b>\$'000</b>	\$'000	<b>%</b>
a)	Sales reported for first half year	<b>36,870</b>	37,107	(0.6)
b)	Operating loss after tax and before deducting non-controlling interest for first half year	<b>(9,479)</b>	(5,521)	71.7
c)	Sales reported for second half year	<b>44,310</b>	41,053	7.9
d)	Operating profit/(loss) after tax and before deducting non-controlling interest for second half year	<b>(572)</b>	6,246	(109.2)

n.m.: not meaningful

**17. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1)**

The Company has obtained undertakings from all its directors and executive officers.

**18. Confirmation pursuant to Rule 705(5)**

We, Toh Giap Eng and Hoh Chin Yiep, being two of the Directors of Heeton Holdings Limited (the "Company"), do hereby confirm on behalf of the Board of Directors of the Company, 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 interim financial statements of the Company and of the Group for the year ended 31 December 2025 to be false or misleading in any material aspect.

**BY ORDER OF THE BOARD**

Toh Giap Eng  
Executive Chairman  
25 February 2026

Hoh Chin Yiep  
Executive Director and CEO