



ASPIAL CORPORATION LIMITED
(Incorporated in the Republic of Singapore)
(Registration Number: 197001030G)

**RESPONSES TO QUERIES FROM SHAREHOLDERS IN RESPECT OF THE COMPANY'S
ANNUAL GENERAL MEETING TO BE HELD ON 29 APRIL 2024**

The board of directors (the “**Board**”) of Aspial Corporation Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to the queries raised by shareholders of the Company in relation to the Company’s Annual General Meeting to be held on 29 April 2024 at 3.30 p.m.

The Company wishes to provide the following information in response to such queries on the Annual Report of the Company for the financial year ended 31 December 2023 (“**FY2023**”):

Question 1

Page 111-112 Property held for sale

For the Residence units

- Singapore: how many units? percentage sold?
- Australia: how many units? percentage sold?

For the Commercial units

- Singapore: how many units? percentage sold?
- Malaysia - how many units? percentage sold?

Company’s response:

In general, in view of the commercial sensitivity of the sales statistics and balanced units of our development projects, we do not typically provide a detailed breakdown for these projects.

*However, as and where relevant, we may provide certain sales information and their impact on our Group results. Please refer to Page 20 of the Group Unaudited Condensed Interim Financial Statements for the Six Months and Full Year Ended 31 December 2023 announcement on 23 February 2024 (“**Results Announcement FY2023**”). The Company mentioned that from 1 January 2023 to 15 February 2024, it sold and settled a total of 139 apartments of Australia 108 development (including 43 tenanted apartments in a bulk sale) that generated net sales proceeds of S\$76.0 million contributing net cash of S\$38 million (after loan repayments) to the Group.*

Additionally, as of 14 February 2024, the Group had secured sales for an additional 22 apartments within the Australia 108 development, which are anticipated to settle over the next several months that will contribute approximately S\$12.8 million in net sales proceeds.

Question 2

Page 113 Bank borrowings /Loans

What is the effective interest rate for

- Bank Borrowing
- Term loans

Company’s response:

Please refer to Annual Report pages 118 and 119, Note 25 - Interest-bearing Loans and Borrowings of our Annual Report. We provide the range of interest rates for our revolving loans and term loans.

Question 3

Page 134 - Real Estate is making bigger losses than 2022

- (a) Are the property sales made at discounted prices? (It seems that the revenue had increased more than 2022 but yet the losses swell vs 2022)

Company's response:

The increase in revenue for FY2023 was mainly attributable to the sales of 240 Margaret Street, Brisbane in 2H2023, and a development site in Penang, Malaysia in 1H2023. Both transactions contributed little gross profit to the Real Estate Business in FY2023.

As mentioned in our Business review in our Annual Report, the loss for our Real Estate Business was attributable to various factors, including lower gross profit, loss incurred on a bulk sale of majority tenanted apartments in the Australia 108 development, higher selling costs, higher finance costs and under provision of past years' land taxes in Australia.

- (b) What is the effective interest rate of the finance cost for real estate? 6.5%?

Company's response:

Please refer to pages 118 and 119, Note 25 - Interest-bearing Loans and Borrowings of our Annual Report. We provided the range of interest rates for our revolving loans and term loans, but we do not provide breakdown of loan and interest rate by business segment.

Question 4

Real Estate Business

Most of the development properties are located in Australia and Malaysia. With sticky interest rate and inflation, how are the property markets fairing in these 2 countries?

Company's response:

Please refer to the "Business Outlook" section in our FY 2023 Results Announcement. Core Logic reported that Australia housing upswing continued through the first month of 2024 with the national dwelling values rising 0.4% in January 2024. Core Logic expects the housing market to continue trending higher in 2024, with inflation, interest rates, credit policy, consumer sentiment and demographic trends driving demand.

In Malaysia, we opened two "Citadines Connect" hotels in Penang in December 2022 and 2023 and expect to complete the construction of 2 more hotels at Lebuhr Cecil and Lorong Bertam, with a total of 134 keys in 2024.

We expect our Real Estate Business performance (excluding forex and revaluation gain/loss) to improve in FY2024 driven by improved margins from the sales of higher-level premium apartments in our Australia 108 project, higher revenue from our Penang hotel business, reduced holding costs and lower interest expenses.

In Australia, the Board explored student accommodation which is doing very well globally after the covid.

Company's response:

We thank you for the suggestion. We are aware of the student accommodation segment in Australia. We are committed to carefully assessing all potential opportunities to ensure that they align with our strategic goals, priorities, resources, risk assessment and capacity.

By Order of the Board

Lim Swee Ann
Company Secretary
24 April 2024