

KEPPEL MANAGEMENT LTD.
(Formerly known as Keppel Land Limited)
Co. Reg. No. 189000001G
(Incorporated in the Republic of Singapore)

DIRECTORS' STATEMENT AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 December 2024

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KEPPEL MANAGEMENT LTD. AND ITS SUBSIDIARIES

(Formerly known as Keppel Land Limited and its Subsidiaries)

DIRECTORS' STATEMENT**For the financial year ended 31 December 2024**

The Directors present their statement to the member together with the audited consolidated financial statements of Keppel Management Ltd. (formerly known as Keppel Land Limited) (the "Company") and its subsidiaries (collectively, the "Group") and the balance sheet and statement of changes in equity of the Company for the financial year ended 31 December 2024.

1. OPINION OF THE DIRECTORS

In the opinion of the Directors,

- (i) the consolidated financial statements of the Group and the balance sheet and statement of changes in equity of the Company are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2024 and the financial performance, changes in equity and cash flows of the Group and changes in equity of the Company for the financial year ended on that date; and
- (ii) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

2. DIRECTORS

The Directors of the Company in office at the date of this statement are:

| | |
|------------------------|-------------------------------|
| Loh Chin Hua, Chairman | |
| Kevin Chng Chee Keong | (Appointed on 1 January 2024) |
| Christina Tan | |
| Louis Lim Lu-yi | |
| Lim Joo Ling Cindy | (Appointed on 20 March 2024) |
| Pang Thieng Hwi | (Appointed on 20 March 2024) |
| Mann Manjot Singh | (Appointed on 15 May 2024) |

According to the Register of Directors' shareholdings kept by the Company for the purpose of Section 164 of the Companies Act 1967, none of the Directors holding office at the end of the financial year had any interest in the shares and debentures of the Company and related corporations, except as follows:

| | Holdings at 01.01.2024 or date of appointment if later | 31.12.2024 |
|---|---|-------------------|
| Keppel Ltd. (formerly known as Keppel Corporation Limited) | | |
| Ordinary shares | | |
| Loh Chin Hua | 3,967,246 | 6,086,829 |
| Loh Chin Hua (Deemed interest) | 38,500 | 38,500 |
| Kevin Chng Chee Keong | 285,586 | 364,393 |
| Christina Tan | 1,222,234 | 1,990,372 |
| Louis Lim Lu-yi | 610,390 | 1,081,273 |
| Louis Lim Lu-yi (Deemed interest) | 75,000 | 75,000 |
| Lim Joo Ling Cindy | 941,461 | 1,001,461 |
| Pang Thieng Hwi | 974,579 | 974,579 |
| Mann Manjot Singh | 595,501 | 595,501 |
| Unvested restricted shares to be delivered after 2021 | | |
| Loh Chin Hua | 189,225 | - |
| Kevin Chng Chee Keong | 27,394 | - |
| Christina Tan | 86,368 | - |
| Louis Lim Lu-yi | 52,940 | - |

KEPPEL MANAGEMENT LTD. AND ITS SUBSIDIARIES

(Formerly known as Keppel Land Limited and its Subsidiaries)

DIRECTORS' STATEMENT**For the financial year ended 31 December 2024****2. DIRECTORS (continued)**

| | Holdings At | |
|--|---|-------------------|
| | 01.01.2024 or date of appointment if later | 31.12.2024 |
| <i>Unvested restricted shares to be delivered after 2022 ⁽³⁾</i> | | |
| Loh Chin Hua | 426,747 | 213,376 |
| Kevin Chng Chee Keong | 62,009 | 31,006 |
| Christina Tan | 186,966 | 93,484 |
| Louis Lim Lu-yi | 120,286 | 60,144 |
| Lim Joo Ling Cindy | 65,314 | 65,314 |
| Pang Thieng Hwi | 48,947 | 48,947 |
| Mann Manjot Singh | 41,337 | 41,377 |
| <i>Unvested restricted shares to be delivered after 2023</i> | | |
| Loh Chin Hua | - | 302,274 |
| Kevin Chng Chee Keong | - | 40,821 |
| Christina Tan | - | 146,978 |
| Louis Lim Lu-yi | - | 72,102 |
| Lim Joo Ling Cindy | 115,364 | 115,364 |
| Pang Thieng Hwi | 56,018 | 56,018 |
| Mann Manjot Singh | 54,854 | 54,854 |
| <i>Contingent award of performance shares issued in 2020 to be delivered after 2023 ^{(1), (2)}</i> | | |
| Loh Chin Hua | 365,000 | - |
| Christina Tan | 120,000 | - |
| Louis Lim Lu-yi | 70,000 | - |
| <i>Contingent award of performance shares issued in 2021 to be delivered after 2023 ⁽¹⁾</i> | | |
| Loh Chin Hua | 365,000 | - |
| Christina Tan | 120,000 | - |
| Louis Lim Lu-yi | 80,000 | - |
| <i>Contingent award of performance shares issued in 2022 to be delivered after 2024 ⁽¹⁾</i> | | |
| Loh Chin Hua | 400,000 | 400,000 |
| Christina Tan | 150,000 | 150,000 |
| Louis Lim Lu-yi | 100,000 | 100,000 |
| Lim Joo Ling Cindy | 90,000 | 90,000 |
| Pang Thieng Hwi | 80,000 | 80,000 |
| Mann Manjot Singh | 80,000 | 80,000 |
| <i>Contingent award of performance shares issued in 2023 to be delivered after 2023 ^{(1), (3)}</i> | | |
| Loh Chin Hua | 313,900 | - |
| Christina Tan | 103,200 | - |
| Louis Lim Lu-yi | 64,500 | - |

KEPPEL MANAGEMENT LTD. AND ITS SUBSIDIARIES

(Formerly known as Keppel Land Limited and its Subsidiaries)

DIRECTORS' STATEMENT**For the financial year ended 31 December 2024****2. DIRECTORS (continued)**

| | Holdings At | |
|---|---|-------------------|
| | 01.01.2024 or date of appointment if later | 31.12.2024 |
| <i>Contingent award of performance shares issued in 2023 to be delivered after 2024^{(1), (3)}</i> | | |
| Loh Chin Hua | 172,000 | 172,000 |
| Christina Tan | 64,500 | 64,500 |
| Louis Lim Lu-yi | 43,000 | 43,000 |
| Lim Joo Ling Cindy | 38,700 | 38,700 |
| Pang Thieng Hwi | 34,400 | 34,400 |
| Mann Manjot Singh | 34,400 | 34,400 |
| <i>Contingent award of performance shares issued in 2023 to be delivered after 2025⁽¹⁾</i> | | |
| Loh Chin Hua | 450,000 | 450,000 |
| Kevin Chng Chee Keong | 40,000 | 40,000 |
| Christina Tan | 170,000 | 170,000 |
| Louis Lim Lu-yi | 120,000 | 120,000 |
| Lim Joo Ling Cindy | 120,000 | 120,000 |
| Pang Thieng Hwi | 90,000 | 90,000 |
| Mann Manjot Singh | 100,000 | 100,000 |
| <i>Contingent award of performance shares issued in 2024 to be delivered after 2026⁽¹⁾</i> | | |
| Loh Chin Hua | - | 450,000 |
| Kevin Chng Chee Keong | - | 70,000 |
| Christina Tan | - | 200,000 |
| Louis Lim Lu-yi | - | 120,000 |
| Lim Joo Ling Cindy | - | 150,000 |
| Pang Thieng Hwi | - | 90,000 |
| Mann Manjot Singh | 120,000 | 120,000 |
| <i>Contingent award of performance shares – Transformation Incentive Plan issued in 2021 to be delivered after 2025⁽¹⁾</i> | | |
| Loh Chin Hua | 970,000 | 970,000 |
| Kevin Chng Chee Keong | 120,000 | 120,000 |
| Christina Tan | 365,000 | 365,000 |
| Louis Lim Lu-yi | 255,000 | 255,000 |
| Lim Joo Ling Cindy | 255,000 | 255,000 |
| Pang Thieng Hwi | 200,000 | 200,000 |
| Mann Manjot Singh | 255,000 | 255,000 |
| <i>Contingent award of performance shares – Transformation Incentive Plan issued in 2023 to be delivered after 2025^{(1), (3)}</i> | | |
| Loh Chin Hua | 417,100 | 417,100 |
| Kevin Chng Chee Keong | 51,600 | 51,600 |
| Christina Tan | 156,950 | 156,950 |
| Louis Lim Lu-yi | 109,650 | 109,650 |
| Lim Joo Ling Cindy | 109,650 | 109,650 |
| Pang Thieng Hwi | 86,000 | 86,000 |
| Mann Manjot Singh | 109,650 | 109,650 |

KEPPEL MANAGEMENT LTD. AND ITS SUBSIDIARIES

(Formerly known as Keppel Land Limited and its Subsidiaries)

DIRECTORS' STATEMENT**For the financial year ended 31 December 2024****2. DIRECTORS (continued)**

| | Holdings At 01.01.2024 or date of appointment if later | 31.12.2024 |
|---|--|------------|
| Keppel Ltd. (formerly known as Keppel Corporation Limited) (continued) | | |
| <i>Contingent award of performance shares – under 6- year Keppel PSP-TIP M1 granted in 2020 to be delivered after 2024 ^{(1), (3)}</i> | | |
| Mann Manjot Singh | 164,300 | 164,300 |
| <i>Contingent award of performance shares – under 6- year Keppel PSP-TIP M1 granted in 2023 to be delivered after 2024 ^{(1), (3)}</i> | | |
| Mann Manjot Singh | 70,649 | 70,649 |

Notes:

- Depending on the achievement of pre-determined performance targets, the actual number of performance shares to be released can range from zero to 150% of the numbers stated.
- The performance period of the Keppel PSP award issued in 2020 was extended for 1 more year as the targets of the award were set before the onset of the COVID-19 pandemic. The achievements in Year 2021, 2022 and 2023 were used to determine the vesting level of the award at the end of the extended performance period.
- The unvested restricted shares and contingent award of performance shares include adjustments made on 27 March 2023 to certain unvested shares under the Keppel Share Plans arising from the dividend *in specie* of the Seatrium Limited shares to Keppel Ltd.'s (formerly known as Keppel Corporation Limited) shareholders.

3. ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES AND DEBENTURES

Neither at the end of the financial year, nor at any time during the year, did there subsist any arrangement, to which the Company or any of its subsidiaries is a party, whereby the Directors might acquire benefits by means of acquisition of shares in or debentures of the Company or any other body corporate.

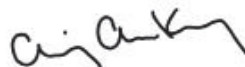
4. AUDITOR

The independent auditor, PricewaterhouseCoopers LLP, has expressed its willingness to accept re-appointment.

On behalf of the Board



Loh Chin Hua
Director



Kevin Chng Chee Keong
Director

Singapore, 25 February 2025

KEPPEL MANAGEMENT LTD. AND ITS SUBSIDIARIES

(Formerly known as Keppel Land Limited and its Subsidiaries)

INDEPENDENT AUDITOR'S REPORT

To the Member of Keppel Management Ltd.

For the financial year ended 31 December 2024

Report on the Audit of the Financial Statements

Our Opinion

In our opinion, the accompanying consolidated financial statements of Keppel Management Ltd. (formerly known as Keppel Land Limited) ("the Company") and its subsidiaries ("the Group") and the balance sheet and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 ("the Act"), Singapore Financial Reporting Standards (International) ("SFRS(I)s") and International Financial Reporting Standards ("IFRSs") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2024 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and changes in equity of the Company for the financial year ended on that date.

What we have audited

The financial statements of the Company and the Group comprise:

- the consolidated profit or loss account of the Group for the financial year ended 31 December 2024;
- the consolidated statement of comprehensive income of the Group for the financial year then ended;
- the balance sheets of the Group and Company as at 31 December 2024;
- the consolidated statement of changes in equity of the Group for the financial year then ended;
- the statement of changes in equity of the Company for the financial year then ended;
- the consolidated cash flow statement of the Group for the financial year then ended; and
- the notes to the financial statements, including material accounting policy information.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code.

Our Audit Approach

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the accompanying financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

KEPPEL MANAGEMENT LTD. AND ITS SUBSIDIARIES

(Formerly known as Keppel Land Limited and its Subsidiaries)

INDEPENDENT AUDITOR'S REPORT**For the financial year ended 31 December 2024****Key Audit Matters**

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements for the financial year ended 31 December 2024. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

| Key Audit Matters | How our audit addressed the Key Audit Matters |
|--|--|
| <p>Valuation of properties held for sale (Refer to Note 19 to the financial statements)</p> <p>The Group has residential properties held for sale mainly in China, Singapore, Indonesia and Vietnam.</p> <p>Properties held for sale are stated at the lower of cost and net realisable values which amounted to \$1,821 million as at 31 December 2024. The determination of the carrying value and whether to recognise any foreseeable losses for properties held for sale is highly dependent on the estimated costs to complete each development and the estimated selling price.</p> <p>For certain development projects, fair values based on independent valuation reports are used to determine the net realisable values of these properties.</p> <p>We focused on this area as significant judgement is required in making estimates of future selling prices and the estimated costs to complete the development project. In instances where independent valuation reports are used, the valuation process involves significant judgement in determining the appropriate valuation methodology to be used, and in estimating the underlying assumptions to be applied. The valuations are highly sensitive to key assumptions applied in deriving the discount rate and price of comparable plots and properties.</p> <p>Continued unfavourable market conditions in certain markets in which the Group operates might exert downward pressure on transaction volumes and residential property prices. This could lead to future trends in these markets departing from known trends based on past experience. There is therefore a risk that the estimates of carrying values at the date of these financial statements exceed future selling prices, resulting in losses when the properties are sold.</p> <p>Furthermore, the current macroeconomic uncertainties in certain countries have heighten the uncertainty in estimating the future selling prices and estimated costs to complete of the development properties.</p> | <p>We found that, in making its estimates of future selling prices and estimated costs to complete, the Group took into account macroeconomic and real estate price trend information as the basis of the estimates. Senior management applied their knowledge of the business in their regular review of these estimates.</p> <p>We corroborated the Group's forecast selling prices by comparing to, where available, recently transacted prices and prices of comparable properties located in the same vicinity as the properties held for sale.</p> <p>We compared management's budgeted total development costs against underlying contracts with vendors and supporting documents. We discussed with the project managers to assess the reasonableness of estimated costs to complete and corroborated the underlying assumptions made with our understanding of past completed projects.</p> <p>For projects where management has used independent valuation reports as a basis to determine the net realisable value, we evaluated the qualifications and competence of the external valuers and considered the valuation methodologies used against those applied by other valuers for similar property type. We tested the reliability of inputs used in the valuation and corroborated key inputs such as the discount rate and price of comparable plots and properties used in the valuation by comparing them against historical rates and available industry data, taking into consideration comparability and market factors. Where the inputs were outside the expected range, we undertook further procedures to understand the effect of additional factors and, when necessary, held further discussions with the valuers.</p> <p>We focused our work on development projects with slower-than-expected sales or with low or negative margins. For projects which are expected to sell below cost, we checked the computations of the foreseeable losses.</p> |

KEPPEL MANAGEMENT LTD. AND ITS SUBSIDIARIES

(Formerly known as Keppel Land Limited and its Subsidiaries)

INDEPENDENT AUDITOR'S REPORT**For the financial year ended 31 December 2024****Key Audit Matters** (continued)

| Key Audit Matters | How our audit addressed the Key Audit Matters |
|--|--|
| <p>Valuation of properties held for sale (continued) (Refer to Note 19 to the financial statements)</p> | <p>We also considered the adequacy of the disclosures in the financial statements, in describing the allowance for foreseeable losses made for properties held for sale.</p> <p>Based on our procedures, we were satisfied that management's estimates and assumptions were reasonable. We also found the related disclosures in the financial statements to be adequate.</p> |
| <p>Valuation of investment properties (Refer to Note 12 to the financial statements)</p> <p>The Group owns a portfolio of investment properties comprising office buildings, hotel, retail malls and mixed-use development projects, located primarily in China, Singapore, Indonesia, Vietnam and India.</p> <p>As at 31 December 2024, investment properties stated at their fair values amounting to \$5,217 million were determined based on independent external valuations.</p> <p>We focused on this area as the valuation process involves significant judgement in determining the appropriate valuation methodology to be used, and in estimating the underlying assumptions to be applied. The valuations are highly sensitive to key assumptions applied in deriving the capitalisation rate, discount rate, estimated construction cost to complete and price of comparable plots and properties.</p> | <p>We evaluated the qualifications and competence of the external valuers. We considered the valuation methodologies used against those applied by other valuers for similar property types.</p> <p>We tested the reliability of inputs of the projected cash flows used in the valuation to supporting leases, construction contracts and other documents. We corroborated the other inputs such as the capitalisation rate, discount rate and price of comparable plots and properties used in the valuation by comparing them against historical rates and available industry data, taking into consideration comparability and market factors. Where the inputs were outside the expected range, we undertook further procedures to understand the effect of additional factors and, when necessary, held further discussions with the valuers.</p> <p>We also considered the adequacy of the disclosure in the financial statements in describing the degree of subjectivity and the key assumptions used in estimates of investment properties as at 31 December 2024, as we consider them as likely to be significant to users of the financial statements given the estimation uncertainty and sensitivity of the valuations.</p> <p>The valuers are members of recognised professional bodies for external valuers. We found that the valuation methodologies used were in line with generally accepted market practices and the key assumptions used were within the range of market data. We also found the disclosures in the financial statements to be adequate.</p> |

KEPPEL MANAGEMENT LTD. AND ITS SUBSIDIARIES

(Formerly known as Keppel Land Limited and its Subsidiaries)

INDEPENDENT AUDITOR'S REPORT

For the financial year ended 31 December 2024

Other information

Management is responsible for the other information. The other information comprises the Directors' Statement but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act, SFRS(I)s and IFRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

KEPPEL MANAGEMENT LTD. AND ITS SUBSIDIARIES

(Formerly known as Keppel Land Limited and its Subsidiaries)

INDEPENDENT AUDITOR'S REPORT

For the financial year ended 31 December 2024

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Rebekah Khan.

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
Public Accountants and Chartered Accountants
Singapore, 25 February 2025

KEPPEL MANAGEMENT LTD. AND ITS SUBSIDIARIES

(Formerly known as Keppel Land Limited and its Subsidiaries)

CONSOLIDATED PROFIT OR LOSS ACCOUNT**For the financial year ended 31 December 2024**

| | Note | 2024 \$'000 | 2023 \$'000 |
|---|------|------------------|----------------|
| Revenue | 3 | 604,194 | 666,991 |
| Materials, subcontract and other costs | | (394,560) | (382,510) |
| Staff costs | 4 | (214,843) | (145,824) |
| Depreciation | | (25,338) | (43,874) |
| Expected credit loss on financial assets | 5 | (554) | (278) |
| Loss from dividend in specie | | - | (139,798) |
| Other operating income - net | | 364,695 | 257,157 |
| Operating profit | 5 | 333,594 | 211,864 |
| Investment income | 6 | 722 | 1,840 |
| Interest income | 6 | 28,548 | 30,413 |
| Interest expenses | 6 | (141,386) | (122,429) |
| Share of results of associated companies and joint ventures | | 44,711 | 171,240 |
| Profit before tax | | 266,189 | 292,928 |
| Taxation | 7 | (85,892) | (113,712) |
| Profit for the year | | 180,297 | 179,216 |
| Attributable to: | | | |
| Shareholder of the Company | | 162,676 | 141,024 |
| Non-controlling interests | | 17,621 | 38,192 |
| | | 180,297 | 179,216 |

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

KEPPEL MANAGEMENT LTD. AND ITS SUBSIDIARIES

(Formerly known as Keppel Land Limited and its Subsidiaries)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**For the financial year ended 31 December 2024**

| | 2024 | 2023 |
|---|------------------|-----------|
| | \$'000 | \$'000 |
| Profit for the year | 180,297 | 179,216 |
| Items that may be reclassified subsequently to profit or loss account: | | |
| Cash flow hedges | | |
| Net fair value change | (7,969) | (24,460) |
| Foreign exchange translation account | | |
| Exchange differences on consolidation | (36,118) | (94,131) |
| Exchange differences transferred to profit or loss account | 27,070 | 18,234 |
| Share of other comprehensive income of associated companies and joint ventures | | |
| Cash flow hedges | | |
| Net fair value change | (9,414) | (14,327) |
| Fair value change transferred to profit or loss account | (114) | (5,368) |
| Foreign exchange translation account | | |
| Exchange differences on consolidation | (38,429) | (47,246) |
| Exchange differences transferred to profit or loss account | 6,894 | 35,804 |
| Item that will not be reclassified subsequently to profit or loss account: | | |
| Foreign exchange translation account | | |
| Exchange differences on consolidation | (6,376) | (1,672) |
| Financial assets at fair value through other comprehensive income ("FVOCI") | | |
| Net fair value change | (42,064) | (39,265) |
| Share of other comprehensive income of associated companies and joint ventures | | |
| Financial assets at FVOCI | 428 | (146) |
| Other comprehensive loss for the year, net of tax | (106,092) | (172,577) |
| Total comprehensive income for the year | 74,205 | 6,639 |
| Total comprehensive income/(loss) attributable to: | | |
| Shareholder of the Company | 58,598 | (30,705) |
| Non-controlling interests | 15,607 | 37,344 |
| | 74,205 | 6,639 |

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

KEPPEL MANAGEMENT LTD. AND ITS SUBSIDIARIES

(Formerly known as Keppel Land Limited and its Subsidiaries)

BALANCE SHEETS**As at 31 December 2024**

| | Note | GROUP | | COMPANY | |
|--|------|------------------|----------------|------------------|----------------|
| | | 2024 \$'000 | 2023 \$'000 | 2024 \$'000 | 2023 \$'000 |
| Share capital | 9 | 2,427,916 | 2,427,916 | 2,427,916 | 2,427,916 |
| Reserves | 10 | 2,928,902 | 2,960,894 | 500,156 | 491,469 |
| Share capital and reserves | | 5,356,818 | 5,388,810 | 2,928,072 | 2,919,385 |
| Non-controlling interests | | (87,002) | (22,359) | - | - |
| Total equity | | 5,269,816 | 5,366,451 | 2,928,072 | 2,919,385 |
| Represented by: | | | | | |
| Non-current assets | | | | | |
| Fixed assets | 11 | 127,187 | 149,727 | 210 | - |
| Investment properties | 12 | 5,217,383 | 4,562,344 | - | - |
| Right-of-use assets | 13 | 47,042 | 60,497 | 6 | - |
| Subsidiaries | 14 | - | - | 1,546,921 | 1,501,525 |
| Associated companies and joint ventures | 15 | 3,312,611 | 3,215,226 | 57,341 | 57,341 |
| Investments | 16 | 345,551 | 223,407 | 20,721 | 18,917 |
| Deferred tax assets | 7 | 45,898 | 46,442 | - | - |
| Derivative assets | | 10,217 | 17,638 | 10,217 | 17,638 |
| Amounts due from subsidiaries and related companies | 17 | - | 4,982 | 153,739 | - |
| Other non-current assets | 18 | 294,210 | 228,910 | 6,794 | 6,794 |
| | | 9,400,099 | 8,509,173 | 1,795,949 | 1,602,215 |
| Current assets | | | | | |
| Stocks | 19 | 1,821,772 | 2,091,888 | - | - |
| Amounts due from holding company and related parties | 21 | 200,516 | 146,691 | 3,336,081 | 3,493,851 |
| Debtors | 22 | 306,903 | 339,081 | 11,248 | 1,164 |
| Derivative assets | | 400 | 2,951 | 400 | 2,951 |
| Cash and cash equivalents | 23 | 467,562 | 760,103 | 12,950 | 1,992 |
| | | 2,797,153 | 3,340,714 | 3,360,679 | 3,499,958 |
| Current liabilities | | | | | |
| Creditors | 24 | 743,161 | 721,619 | 58,278 | 17,193 |
| Derivative liabilities | | 298 | 68 | - | 68 |
| Contract liabilities | 20 | 36,199 | 59,382 | - | - |
| Provisions | 25 | 11,700 | 16,000 | - | - |
| Amounts due to holding company and related parties | 21 | 435,459 | 169,362 | 800,287 | 516,010 |
| Term loans | 26 | 1,346,197 | 2,213,194 | - | 429,908 |
| Lease liabilities | | 5,991 | 10,071 | 6 | - |
| Taxation | | 59,597 | 109,492 | 7,815 | 6,595 |
| | | 2,638,602 | 3,299,188 | 866,386 | 969,774 |
| Net current assets | | 158,551 | 41,526 | 2,494,293 | 2,530,184 |
| Non-current liabilities | | | | | |
| Term loans | 26 | 3,988,475 | 2,752,409 | 1,349,667 | 1,195,419 |
| Lease liabilities | | 2,848 | 11,453 | - | - |
| Deferred tax liabilities | 7 | 248,479 | 254,422 | 1,601 | 3,200 |
| Derivative liabilities | | 1,393 | 1,764 | 1,393 | 1,764 |
| Other non-current liabilities | 27 | 47,639 | 164,200 | 9,509 | 12,631 |
| | | 4,288,834 | 3,184,248 | 1,362,170 | 1,213,014 |
| Net assets | | 5,269,816 | 5,366,451 | 2,928,072 | 2,919,385 |

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

KEPPEL MANAGEMENT LTD. AND ITS SUBSIDIARIES

(Formerly known as Keppel Land Limited and its Subsidiaries)

STATEMENTS OF CHANGES IN EQUITY**For the financial year ended 31 December 2024**

| | Share Capital \$'000 | Capital Reserves \$'000 | Foreign Currency Translation Account \$'000 | Revenue Reserves \$'000 | Total \$'000 | Non- controlling Interests \$'000 | Total Equity \$'000 |
|--|----------------------------|-------------------------------|---|-------------------------------|-----------------|--|---------------------------|
| GROUP | | | | | | | |
| Balance at 1 January 2024 | 2,427,916 | (64,414) | (642,227) | 3,667,535 | 5,388,810 | (22,359) | 5,366,451 |
| Total comprehensive income for the year | | | | | | | |
| Profit for the year | - | - | - | 162,676 | 162,676 | 17,621 | 180,297 |
| Other comprehensive loss (Note 10) | - | (59,133) | (44,945) | - | (104,078) | (2,014) | (106,092) |
| Total comprehensive (loss)/income for the year | - | (59,133) | (44,945) | 162,676 | 58,598 | 15,607 | 74,205 |
| Transactions with owners, recognised directly in equity | | | | | | | |
| <u>Distributions to owners</u> | | | | | | | |
| Dividends paid (Note 8) | - | - | - | (44,000) | (44,000) | - | (44,000) |
| Dividends paid to non-controlling shareholders | - | - | - | - | - | (44,639) | (44,639) |
| Total distributions to owners | - | - | - | (44,000) | (44,000) | (44,639) | (88,639) |
| <u>Changes in ownership interest in subsidiaries</u> | | | | | | | |
| Contribution by non-controlling shareholders | - | - | - | - | - | 13,921 | 13,921 |
| Disposal of interest in subsidiaries | - | - | - | - | - | (45,170) | (45,170) |
| Total changes in ownership interest in subsidiaries | - | - | - | - | - | (31,249) | (31,249) |
| <u>Others</u> | | | | | | | |
| Transfer from capital reserve to revenue reserve | - | 14,180 | - | (14,180) | - | - | - |
| Transfer from revenue reserve to capital reserve due to statutory reserve requirements | - | 4,365 | - | (4,365) | - | (4,362) | (4,362) |
| Business combination under common control (Note 14) | - | (46,590) | - | - | (46,590) | - | (46,590) |
| Total others | - | (28,045) | - | (18,545) | (46,590) | (4,362) | (50,952) |
| Total transactions with owners | - | (28,045) | - | (62,545) | (90,590) | (80,250) | (170,840) |
| Balance at 31 December 2024 | 2,427,916 | (151,592) | (687,172) | 3,767,666 | 5,356,818 | (87,002) | 5,269,816 |

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

KEPPEL MANAGEMENT LTD. AND ITS SUBSIDIARIES

(Formerly known as Keppel Land Limited and its Subsidiaries)

STATEMENTS OF CHANGES IN EQUITY

For the financial year ended 31 December 2024

| | Share Capital \$'000 | Capital Reserves \$'000 | Foreign Currency Translation Account \$'000 | Revenue Reserves \$'000 | Total \$'000 | Non- controlling Interests \$'000 | Total Equity \$'000 |
|--|----------------------------|-------------------------------|---|-------------------------------|-----------------|--|---------------------------|
| GROUP | | | | | | | |
| Balance at 1 January 2023 | 2,427,916 | 10,457 | (552,693) | 4,005,918 | 5,891,598 | (46,514) | 5,845,084 |
| Total comprehensive income for the year | | | | | | | |
| Profit for the year | - | - | - | 141,024 | 141,024 | 38,192 | 179,216 |
| Other comprehensive loss (Note 10) | - | (83,566) | (88,163) | - | (171,729) | (848) | (172,577) |
| Total comprehensive income/(loss) for the year | - | (83,566) | (88,163) | 141,024 | (30,705) | 37,344 | 6,639 |
| Transactions with owners, recognised directly in equity | | | | | | | |
| <u>Distributions to owners</u> | | | | | | | |
| Dividends paid (Note 8) | - | - | - | (472,294) | (472,294) | - | (472,294) |
| Dividends paid to non-controlling shareholders | - | - | - | - | - | (10,937) | (10,937) |
| Total distributions to owners | - | - | - | (472,294) | (472,294) | (10,937) | (483,231) |
| <u>Changes in ownership interest in subsidiaries</u> | | | | | | | |
| Liquidation of a subsidiary | - | - | - | - | - | (393) | (393) |
| Total changes in ownership interest in subsidiaries | - | - | - | - | - | (393) | (393) |
| <u>Others</u> | | | | | | | |
| Transfer from revenue reserve to capital reserve due to statutory reserve requirements | - | 8,484 | - | (8,484) | - | - | - |
| Transfer from translation reserve to revenue reserve | - | - | (1,371) | 1,371 | - | - | - |
| Others | - | 211 | - | - | 211 | (1,859) | (1,648) |
| Total others | - | 8,695 | (1,371) | (7,113) | 211 | (1,859) | (1,648) |
| Total transactions with owners | - | 8,695 | (1,371) | (479,407) | (472,083) | (13,189) | (485,272) |
| Balance at 31 December 2023 | 2,427,916 | (64,414) | (642,227) | 3,667,535 | 5,388,810 | (22,359) | 5,366,451 |

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

KEPPEL MANAGEMENT LTD. AND ITS SUBSIDIARIES

(Formerly known as Keppel Land Limited and its Subsidiaries)

STATEMENTS OF CHANGES IN EQUITY**For the financial year ended 31 December 2024**

| | Share Capital \$'000 | Capital Reserves \$'000 | Revenue Reserves \$'000 | Total Equity \$'000 |
|--|----------------------------|-------------------------------|-------------------------------|---------------------------|
| COMPANY | | | | |
| Balance at 1 January 2024 | 2,427,916 | 45,598 | 445,871 | 2,919,385 |
| Total comprehensive income for the year | | | | |
| Profit for the year | - | - | 58,851 | 58,851 |
| Other comprehensive loss | - | (6,164) | - | (6,164) |
| Total comprehensive (loss)/income for the year | - | (6,164) | 58,851 | 52,687 |
| Transactions with owners, recognised directly in equity | | | | |
| <u>Distributions to owners</u> | | | | |
| Dividends paid (Note 8) | - | - | (44,000) | (44,000) |
| Total transactions with owners | - | - | (44,000) | (44,000) |
| <u>Others</u> | | | | |
| Transfer | - | (178) | 178 | - |
| Balance at 31 December 2024 | 2,427,916 | 39,256 | 460,900 | 2,928,072 |
| Balance at 1 January 2023 | 2,427,916 | 71,250 | 284,351 | 2,783,517 |
| Total comprehensive income for the year | | | | |
| Profit for the year | - | - | 633,814 | 633,814 |
| Other comprehensive income | - | (25,652) | - | (25,652) |
| Total comprehensive (loss)/income for the year | - | (25,652) | 633,814 | 608,162 |
| Transactions with owners, recognised directly in equity | | | | |
| <u>Distributions to owners</u> | | | | |
| Dividend paid (Note 8) | - | - | (472,294) | (472,294) |
| Total transactions with owners | - | - | (472,294) | (472,294) |
| Balance at 31 December 2023 | 2,427,916 | 45,598 | 445,871 | 2,919,385 |

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

KEPPEL MANAGEMENT LTD. AND ITS SUBSIDIARIES

(Formerly known as Keppel Land Limited and its Subsidiaries)

CONSOLIDATED CASH FLOW STATEMENT
For the financial year ended 31 December 2024

| | Note | 2024 \$'000 | 2023 \$'000 |
|---|------|------------------|----------------|
| Operating Activities: | | | |
| Operating profit | | 333,594 | 211,864 |
| Adjustments for: | | | |
| Depreciation charge | | 25,338 | 43,874 |
| Loss/(gain) on sale of fixed assets | | 1,074 | (47) |
| Gain on sale of a business | | (2,301) | - |
| Gain from disposal of an investment property | | - | (15,348) |
| Right-of-use assets written off | | - | 232 |
| Lease liabilities written off | | - | (262) |
| Loss from change in interest in associated companies and joint ventures | | 6,132 | 5,706 |
| Gain from sale in interest in joint ventures | | - | (37,016) |
| Net gain from disposal of subsidiaries | | (9,361) | (13,921) |
| Net (writeback of impairment)/impairment on loan to an associated company and a joint venture | | (105) | 4,366 |
| Net gain from disposal of associated companies and joint ventures | | (14) | (61,094) |
| Loss from dividend-in-specie | | - | 139,798 |
| Fair value loss on remeasurement of remaining interest in a joint venture | | 17,430 | - |
| Gain from reclassification of associated company to investment carried at fair value through profit or loss | | (12,711) | - |
| Impairment of joint ventures | | 17,970 | - |
| Fair value gain on call option | | (45,505) | (11,376) |
| Net fair value gain on investment properties | | (341,613) | (150,205) |
| Amortisation of prepaid upfront fee | | 601 | 841 |
| Fair value gain on investments | | (81,635) | - |
| Unrealised exchange (gain)/loss | | (627) | 1,256 |
| Operating cash flows before changes in working capital | | (91,733) | 118,668 |
| Working capital changes: | | | |
| Debtors | | 69,214 | (47,777) |
| Creditors | | (180,874) | (230,632) |
| Stocks | | 263,281 | 191,504 |
| Amounts due from/to holding company and related parties | | 39,555 | 11,396 |
| Cash flows from operations | | 99,443 | 43,159 |
| Interest received | | 28,701 | 30,902 |
| Interest paid | | (216,102) | (194,110) |
| Income taxes paid | | (90,235) | (61,077) |
| Net cash flows used in operating activities | | (178,193) | (181,126) |

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

KEPPEL MANAGEMENT LTD. AND ITS SUBSIDIARIES

(Formerly known as Keppel Land Limited and its Subsidiaries)

**CONSOLIDATED CASH FLOW STATEMENT
For the financial year ended 31 December 2024**

| | Note | 2024 \$'000 | 2023 \$'000 |
|--|------|------------------|----------------|
| Investing Activities: | | | |
| Net outflow on acquisition of subsidiaries, net of cash acquired | 14 | (108,623) | - |
| Net (outflow)/inflow from disposal of subsidiaries | 14 | (26,072) | 82,268 |
| Net inflow from disposal of associated companies and joint ventures | | 189 | 362,706 |
| Net inflow on disposal of a business | | 2,002 | - |
| Deposit received for disposal of a subsidiary | | 7,472 | - |
| Net investment in associated companies and joint ventures | | (18,374) | (183,320) |
| Refund received for acquisition of subsidiaries | | - | 9,666 |
| Capital reduction by an associate | | 1,952 | - |
| Inflow from disposal of an investment property | | - | 32,348 |
| Net investment in investments at FVOCI | | (26,447) | (25,360) |
| Net Investment in investments at FVPL | | (2,566) | - |
| Net repayment received in relation to a potential acquisition | | - | 53,301 |
| Purchase of fixed assets | | (13,467) | (35,418) |
| Expenditure on investment properties | | (187,445) | (241,146) |
| Proceeds from sale of fixed assets | | 2,042 | 1,406 |
| (Loans to)/repayment from holding company and related parties | | (9,434) | 566 |
| Repayment from associated companies and joint ventures | | 53,987 | 150,217 |
| Advances to associated companies and joint ventures | | (12,736) | (30,025) |
| Redemption of investments at FVOCI | | 1,775 | - |
| Redemption of preference share of an associate | | 1,824 | - |
| Dividends received from associated companies and joint ventures ⁽¹⁾ | | 128,740 | 113,177 |
| Dividends received from investee companies | | 722 | 1,840 |
| Net cash flows (used in)/from investing activities | | (204,459) | 292,226 |
| Financing Activities: | | | |
| Drawdown of borrowings | | 1,619,543 | 1,732,721 |
| Repayment of borrowings and prepayment of upfront fees | | (1,478,530) | (1,602,587) |
| Principal payment of lease liabilities | | (7,699) | (10,140) |
| Dividends paid to shareholder ⁽²⁾ | | (1,344) | (10,561) |
| Contributions by non-controlling shareholders | | 13,921 | - |
| Repayment/advances to non-controlling shareholders | | (712) | (199) |
| Dividends paid to non-controlling shareholders | | (44,639) | (10,937) |
| Net cash flows from financing activities | | 100,540 | 98,297 |
| Net (decrease)/increase in cash and cash equivalents | | (282,112) | 209,397 |
| Cash and cash equivalents at beginning of year | | 760,103 | 562,795 |
| Exchange adjustments | | (10,429) | (12,089) |
| Cash and cash equivalents at end of year | 23 | 467,562 | 760,103 |

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

KEPPEL MANAGEMENT LTD. AND ITS SUBSIDIARIES
(Formerly known as Keppel Land Limited and its Subsidiaries)

CONSOLIDATED CASH FLOW STATEMENT
For the financial year ended 31 December 2024

Reconciliation of liabilities arising from financing activities:

| | Non-cash changes | | | | | | | |
|--|---------------------|---|---------------------------------------|---|--|---|-------------------------------------|------------------|
| | 1 January \$'000 | Net proceeds/ (payment) of principal \$'000 | Addition during the year \$'000 | Foreign exchange movement \$'000 | Dividends payments ⁽²⁾ \$'000 | Acquisition/ (Disposal) of a subsidiary \$'000 | Disposal of a business \$'000 | Others \$'000 |
| | | | | | | | | |
| GROUP | | | | | | | | |
| 2024 | | | | | | | | |
| External borrowings, including under MTN Programme | 2,734,190 | (558,602) | - | 2,404 | - | 182,394 | - | 601 |
| Loans from a related company | 2,231,413 | 699,615 | - | 1 | 42,656 | - | - | - |
| Advances from non-controlling shareholders | 142,809 | (224) | - | (571) | - | - | - | 3,335 |
| Lease liabilities | 21,524 | (7,699) | 1,502 | (308) | - | - | (5,391) | (789) |
| | 5,129,936 | 133,090 | 1,502 | 1,526 | 42,656 | 182,394 | (5,391) | 3,147 |
| 2023 | | | | | | | | |
| External borrowings, including under MTN Programme | 3,098,219 | (343,099) | - | (21,771) | - | - | - | 841 |
| Loans from a related company | 1,590,744 | 473,233 | - | (3) | 167,439 | - | - | - |
| Advances from non-controlling shareholders | 141,598 | (199) | - | (674) | - | - | - | 2,084 |
| Lease liabilities | 36,119 | (10,140) | 5,447 | (939) | - | (8,640) | - | (323) |
| | 4,866,680 | 119,795 | 5,447 | (23,387) | 167,439 | (8,640) | - | 2,602 |
| | | | | | | | | 5,129,936 |

Notes:

- Dividends received from associated companies and joint ventures during the year of \$128,740,000 (2023: \$113,177,000) was after netting off amount owing from/to associated companies of \$2,800,000 (2023: \$12,933,000).
- Of the \$44,000,000 dividends declared in 2024, \$42,656,000 were settled via loans with a related company, and the remaining \$1,344,000 were paid in cash. Of the \$472,294,000 dividends declared in 2023, \$167,439,000 were settled via loans with a related company, \$294,294,000 were settled via issuing of Keppel REIT units and the remaining \$10,561,000 were paid in cash.

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

KEPPEL MANAGEMENT LTD. AND ITS SUBSIDIARIES

(Formerly known as Keppel Land Limited and its Subsidiaries)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. GENERAL

With effect from 1 January 2024, the name of the Company has been changed from “Keppel Land Limited” to “Keppel Management Ltd.” Keppel Management Ltd. (the “Company”) is a limited liability company incorporated in Singapore.

The registered office of the Company is located at 1 Harbourfront Avenue, #18-01 Keppel Bay Tower, Singapore 098632. The principal place of business of the Company is located at 1 Harbourfront Avenue, Level 2 Keppel Bay Tower, Singapore 098632.

The financial statements of Keppel Management Ltd. for the financial year ended 31 December 2024 were authorised for issue on 25 February 2025 in accordance with a resolution of the Board of Directors.

The principal activity of the Company is that of a holding, management and investment company.

The immediate and ultimate holding company is Keppel Ltd. (formerly known as Keppel Corporation Limited), incorporated in Singapore, and is listed on the Singapore Exchange Securities Trading Limited.

2. MATERIAL ACCOUNTING POLICY INFORMATION

(a) Basis of Preparation

The financial statements have been prepared in accordance with the provisions of the Singapore Companies Act, Singapore Financial Reporting Standards (International) (“SFRS(I)s”) and International Financial Reporting Standards (“IFRSs”). The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

The financial statements are expressed in Singapore dollars (“SGD” or “\$”), which is the functional currency of the Company, and all values are rounded to the nearest thousand (“\$’000”), except where otherwise indicated.

During the financial year ended 31 December 2024, to align with the presentation of its immediate and ultimate holding company’s consolidated profit or loss account and reorganisation, the Group has changed the presentation of its consolidated profit or loss account from “by function” to “by nature”. Accordingly comparative information has been reclassified to conform with current year’s presentation.

(b) Adoption of New and Revised Standards

The accounting policies adopted by the Group in the preparation of the condensed consolidated interim financial statements are consistent with those followed in the preparation of the Group’s Annual Report for the financial year ended 31 December 2024, except for the adoption of new and revised standards effective as at 1 January 2024 and those as disclosed below.

The following are the new or amended SFRS(I)s, SFRS(I) Interpretations and amendments to SFRS(I)s, that are relevant to the Group:

- SFRS(I) 16 *Leases: Lease Liability in a Sale and Leaseback* (effective for annual periods beginning on or after 1 January 2024)
- SFRS(I) 1-1 *Presentation of Financial Statements: Non-current Liabilities with Covenants* (effective for annual periods beginning on or after 1 January 2024)

The adoption of the above new or amended SFRS(I)s, SFRS(I) Interpretations and amendments to SFRS(I)s did not have any significant impact on the condensed consolidated interim financial statements of the Group.

KEPPEL MANAGEMENT LTD. AND ITS SUBSIDIARIES

(Formerly known as Keppel Land Limited and its Subsidiaries)

NOTES TO THE FINANCIAL STATEMENTS**For the financial year ended 31 December 2024****2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)****(c) Basis of Consolidation and Business Combinations****(i) Basis of Consolidation**

The consolidated financial statements incorporate the financial statements of the Company and entities (including structured entities) controlled by the Company and its subsidiaries.

The financial statements of subsidiaries acquired or disposed of during the financial year are included or excluded from the consolidated financial statements from their respective dates of obtaining control or ceasing control. All intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Where necessary, adjustments are made to the financial statements of subsidiaries to ensure consistency of accounting policies with those of the Group.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Losses within a subsidiary are attributed to the non-controlling interest even if that results in a deficit balance.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- de-recognises the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost;
- de-recognises the carrying amount of any non-controlling interest;
- de-recognises the cumulative translation differences recorded in equity;
- recognises the fair value of the consideration received;
- recognises the fair value of any investment retained;
- recognises any surplus or deficit in the profit or loss account;
- re-classifies the Group's share of components previously recognised in other comprehensive income to the profit or loss account or revenue reserves, as appropriate.

(ii) Business Combinations

Business combinations are accounted for by applying the acquisition method. Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability, will be recognised in the profit or loss account.

The Group elects for each individual business combination, whether non-controlling interest in the acquiree (if any), that are present ownership interests and entitle their holders to a proportionate share of net assets in the event of liquidation, is recognised on the acquisition date at fair value, or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets. Other components of non-controlling interests are measured at their acquisition date fair value, unless another measurement basis is required by another SFRS(I).

Any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interest in the acquiree (if any), and the fair value of the Group's previously held equity interest in the acquiree (if any), over the fair value of the acquiree's identifiable net assets acquired is recorded as goodwill. In instances where the latter amount exceeds the former, the excess is recognised as gain on bargain purchase in the profit or loss account on the acquisition date.

KEPPEL MANAGEMENT LTD. AND ITS SUBSIDIARIES

(Formerly known as Keppel Land Limited and its Subsidiaries)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(c) Basis of Consolidation and Business Combinations (continued)

(ii) Business Combinations (continued)

Non-controlling interest represents the equity in subsidiaries not attributable, directly or indirectly, to owners of the Company.

Changes in the Company's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. In such circumstances, the carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

Business combination under common control

Where a business combination involves entities under common control, it is outside the scope of SFRS(I) 3 and accounted for using the pooling of interest method which involves the following:

- The assets and liabilities of the combining entities are reflected at their carrying amounts reported in their respective financial statements.
- No adjustments are made to reflect the fair values on the date of combination, or recognise any new assets or liabilities.
- No additional goodwill is recognised as a result of the combination.
- Any differences between the consideration paid/transferred and the equity 'acquired' is reflected within the equity as merger reserve.
- The statement of comprehensive income reflects the results of the combining entities from the date of acquisition.

The Group has adopted the no restatement approach for which comparatives will not be re-presented. Any pre-acquisition reserves transferred over will not be recorded as revenue reserves as the intention was not to restate comparative information. SFRS(I) 1-27 requires the Group to only include the profit or loss from acquisition date.

(d) Fixed Assets

Fixed assets are initially recorded at cost and subsequently measured at cost less accumulated depreciation and any impairment in value. When the carrying amount of an asset is greater than its estimated recoverable amount, it is written down to its recoverable amount. Gains or losses on disposal of fixed assets are included in the profit or loss account.

All fixed assets, except for freehold land and assets under construction, are depreciated on a straight-line basis over their estimated useful lives and residual values have also been taken into account where appropriate. No depreciation is provided on freehold land and assets under construction.

The estimated useful lives of the Group's fixed assets are as follows:

| | |
|--|--|
| Freehold building | 30 years |
| Leasehold land and buildings | Over period of lease (range from 20 to 50 years) |
| Plant, machinery, equipment and others | 3 to 10 years |

The estimated useful lives, residual values and depreciation method are reviewed at each balance sheet date, with the effect of changes in estimates accounted for on a prospective basis.

KEPPEL MANAGEMENT LTD. AND ITS SUBSIDIARIES

(Formerly known as Keppel Land Limited and its Subsidiaries)

NOTES TO THE FINANCIAL STATEMENTS**For the financial year ended 31 December 2024****2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)****(e) Investment Properties**

Investment properties comprise completed properties and properties under construction or redevelopment held to earn rental and/or for capital appreciation. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at fair value, determined annually by independent professional valuers on the highest and best use basis except for significant investment properties which are revalued on a half-yearly basis. Changes in fair value are recognised in the profit or loss account in the year in which they arise.

Investment properties are derecognised when either they are disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal.

On disposal of an investment property, the difference between the disposal proceeds and the carrying amount is recognised in the profit or loss account.

(f) Subsidiaries

A subsidiary is an investee that is controlled by the Group. The Group controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Investments in subsidiaries are stated in the financial statements of the Company at cost less accumulated impairment losses. On disposal of a subsidiary, the difference between net disposal proceeds and carrying amount of the investment is taken to profit or loss.

(g) Joint Arrangements

A joint arrangement is a contractual arrangement whereby two or more parties have joint control. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

A joint arrangement is classified either as joint operation or joint venture, based on the rights and obligations of the parties to the arrangement. To the extent the joint arrangement provides the Group with rights to the assets and obligations for the liabilities relating to the arrangement, the arrangement is a joint operation. To the extent the joint arrangement provides the Group with rights to the net assets of the arrangement, the arrangement is a joint venture.

The Group reassesses whether the type of joint arrangement in which it is involved has changed when facts and circumstances change.

Joint Operations

The Group recognises in relation to its interest in a joint operation,

- its assets, including its share of any assets held jointly;
- its liabilities, including its share of any liabilities incurred jointly;
- its revenue from the sale of its share of the output arising from the joint operation;
- its share of the revenue from the sale of the output by the joint operation; and
- its expenses, including its share of any expenses incurred jointly.

The accounting policies of the assets, liabilities, revenues and expenses relating to the Group's interest in a joint operation have been changed where necessary to ensure consistency with the accounting policies adopted by the Group.

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NOTES TO THE FINANCIAL STATEMENTS**For the financial year ended 31 December 2024****2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)****(g) Joint Arrangements (continued)**

When the Group enters into transaction involving a sale or contribution of assets with a joint operation in which it is a joint operator, the Group recognises gains and losses resulting from such a transaction only to the extent of the interests held by the other parties to the joint operation.

When the Group enters into a transaction involving purchase of assets with a joint operation in which it is a joint operator, the Group does not recognise its share of the gains and losses until it resells those assets to a third party. When such transactions provide evidence of a reduction in the net realisable value of the assets to be purchased or of an impairment loss of those assets, the Group recognises its share of those losses.

Joint Ventures

The Group recognises its interest in a joint venture as an investment and accounts for the investment using the equity method. The accounting policy for investment in joint venture is set out in Note 2(h).

(h) Associated Companies and Joint Ventures

An associated company is an entity over which the Group has the power to participate in the financial and operating policy decisions of the investee but does not have control or joint control of those policies.

A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Associated companies and joint ventures (collectively the “equity-accounted investees”) are accounted for using the equity method of accounting less impairment losses, if any. In applying the equity method of accounting, the Group's share of profits or losses and other comprehensive income of the equity-accounted investees are included in the Group's profit or loss account and other comprehensive income respectively, and the Group's share of net assets of the equity-accounted investees is included in the balance sheet from the date that the significant influence or joint control commences until the date that significant influence or joint control ceases. Distributions received from equity-accounted investees reduce the carrying amount of the investment. Unrealised gains and losses resulting from transactions between the Group and the equity-accounted investees are eliminated to the extent of the interest in the equity-accounted investees.

Any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities of the equity-accounted investee recognised at the date of acquisition is recognised as goodwill. The goodwill is included within the carrying amount of the investment and is assessed for impairment as part of the investment. Any excess of the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition, after reassessment, is recognised immediately in the profit or loss account as part of the Group's share of results of the equity-accounted investee in the year in which the investment is acquired.

When the Group's share of losses in an equity-accounted investee equals or exceeds its interest in the equity-accounted investee, the Group does not recognise further losses, unless it has legal or constructive obligations or made payments on behalf of the equity-accounted investee.

The most recently available audited financial statements of the equity-accounted investees are used by the Group in applying the equity method. Where the dates of the audited financial statements used are not co-terminous with those of the Group, the share of results is arrived at from the last audited financial statements available and unaudited management financial statements to the end of the accounting year. Where necessary, adjustments are made to align the accounting policies with those of the Group.

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NOTES TO THE FINANCIAL STATEMENTS**For the financial year ended 31 December 2024****2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)****(h) Associated Companies and Joint Ventures (continued)**

Upon loss of significant influence or joint control over the equity-accounted investee, the Group measures any retained investment at its fair value. Any difference between the carrying amount of the equity-accounted investee upon loss of significant influence or joint control and the fair value of the aggregate of the retained investment and proceeds from disposal is recognised in the profit or loss account.

When an investment in an associated company becomes an investment in a joint venture or an investment in joint venture becomes an investment in an associated company, the Group continues to apply the equity method and does not remeasure the retained interest.

If the Group's ownership interest in an associated company or a joint venture is reduced, but the Group continues to apply the equity method, the Group reclassifies to the profit or loss account the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be required to be reclassified to the profit or loss account on the disposal of the related assets or liabilities.

In the Company's separate financial statements, investments in equity-accounted investees are accounted for at cost less impairment losses. On disposal of an equity-accounted investee, the difference between the net disposal proceeds and the carrying amount of the investment is taken to the profit or loss account.

(i) Derivative Financial Instruments and Hedge Accounting

Derivative financial instruments are initially recognised at fair value on the dates the derivative contracts are entered into and are subsequently remeasured at fair value. Derivative financial instruments are carried as assets when the fair values are positive and as liabilities when the fair values are negative.

Gains or losses arising from changes in fair value of derivative financial instruments that do not qualify for hedge accounting are taken to the profit or loss account for the year.

The Group applies hedge accounting for certain qualifying hedging transactions.

The fair value of various derivative financial instruments used for hedging purposes are disclosed in Notes 33(a) and (b). The carrying amount of a derivative designated as a hedge is presented as a non-current asset or liability if the remaining expected life of the hedged item is more than 12 months, and as a current asset or liability if the remaining expected life of the hedged item is less than 12 months. The fair value of a trading derivative is presented as a current asset or liability.

For cash flow hedges, the effective portion of the gains or losses on the hedging instrument is recognised directly in other comprehensive income, while the ineffective portion is recognised in the profit or loss account. Amounts taken to other comprehensive income are reclassified to the profit or loss account when the hedged transaction affects profit or loss.

For fair value hedges, changes in the fair value of the designated hedging instrument are recognised in the profit or loss account within the same line item as the fair value changes from the hedged item. The fair value changes on the ineffective portion of the hedging instrument are recognised separately in profit or loss account.

For net investment hedges, the Group designates certain foreign currency borrowings as net investment hedges of foreign operations. These hedging instruments are accounted for similarly to cash flow hedges.

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NOTES TO THE FINANCIAL STATEMENTS**For the financial year ended 31 December 2024****2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)****(i) Derivative Financial Instruments and Hedge Accounting (continued)**

When foreign currency borrowings are designated as net investments hedges of foreign operations, the effective portion of currency translation differences is recognised in other comprehensive income and presented in the translation reserve within equity. Any ineffective portion of the currency translation differences is recognised immediately in profit or loss. The amount recognised in other comprehensive income is reclassified to profit or loss on disposal of the foreign operation.

The Group documents at the inception of the transaction the relationship between the hedging instruments and hedged items, as well as its risk management objective and strategies for undertaking various hedging transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives designated as hedging instruments are highly effective in offsetting changes in fair value or cash flows of the hedged items.

(j) Stocks

Properties held for sale are stated at the lower of cost and net realisable value. Cost includes cost of land and construction, related overheads expenditure, and financing charges incurred during the period of development. Net realisable value represents the estimated selling price less costs to be incurred in selling the property.

Each property under development is accounted for as a separate project. Where a project comprises more than one component or phase with a separate temporary occupation permit, each component or phase is treated as a separate project, and interest and other net costs are apportioned accordingly.

(k) Contract Assets and Contract Liabilities

For contract where the customer is invoiced on a milestone payment schedule or over the period of the contract, a contract asset is recognised if the value of the contract work transferred by the Group exceed the receipts from the customer, and a contract liability is recognised if the receipts from the customer exceed the value of the contract work transferred by the Group.

(l) Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand, fixed deposits with banks, deposits with related companies and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. These also include bank overdrafts that form an integral part of the Group's cash management.

(m) Financial Assets

The Group classifies its financial assets in the following measurement categories:

- Amortised cost;
- Fair value through other comprehensive income ("FVOCI"); and
- Fair value through profit or loss account ("FVPL").

The classification depends on the Group's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial asset. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest. The Group reclassifies debt instruments when and only when its business model for managing those assets changes.

Purchases and sale of financial assets are recognised on the trade date when the Group commits to purchase or sell the assets.

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NOTES TO THE FINANCIAL STATEMENTS**For the financial year ended 31 December 2024****2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)****(m) Financial Assets (continued)**

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss account, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss account are expensed in profit or loss account.

Debt Instruments

Debt instruments mainly comprise cash and cash equivalents, investments, trade and other receivables, amounts owing from holding company and related parties and other non-current assets.

Debt instruments that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instrument that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss account when the asset is derecognised or impaired.

Interest income from these financial assets is included in interest income using the effective interest rate method.

Debt instruments that are held for trading as well as those that do not meet the criteria for classification as amortised cost or FVOCI are classified as FVPL. Movement in fair values and interest income is recognised in profit or loss in the period in which it arises.

Debt instruments that are held for collection of contractual cash flows and for sale, and where the assets' cash flows represent solely payments of principal and interest, are classified as FVOCI. Movements in fair values are recognised in other comprehensive income ("OCI") and accumulated in fair value reserve, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses, which are recognised in the profit or loss account. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to the profit or loss account. Interest income from these financial assets is recognised in the profit or loss account using the effective interest rate method.

On disposal of a debt instrument, the difference between the carrying amount and the sale proceeds is recognised in the profit or loss account. Any amount previously recognised in other comprehensive income relating to that asset is reclassified to the profit or loss account.

Equity Investments

The Group measures all its equity investments at their fair values. Equity investments are classified as FVPL with movements in their fair values recognised in the profit or loss account in the period in which the changes arise. For equity investments where the Group has elected to recognise changes in fair value in OCI, movements in fair values are presented as "fair value changes" in OCI. Dividends from equity investments are recognised in the profit or loss account.

On disposal of an equity investment, the difference between the carrying amount and sales proceed is recognised in the profit or loss account if there was no election made to recognise fair value changes in other comprehensive income. If there was an election made, any difference between the carrying amount and sale proceeds would be recognised in other comprehensive income and transferred to retained profits along with the amount previously recognised in other comprehensive income relating to that asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(n) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount is presented in the balance sheets, when and only when, there is a currently enforceable legal right to set off the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

(o) Impairment of Assets

Financial Assets

The Group assesses on a forward looking basis the expected credit losses associated with its debt financial assets carried at amortised cost and fair value through other comprehensive income. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 32(b) sets out how the Group determines whether there has been a significant increase in credit risk.

For trade receivables and contract assets, the Group applies the simplified approach permitted by the SFRS(I) 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Other Non-Financial Assets

Other non-financial assets are tested for impairment whenever there is any indication that these assets may be impaired.

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for CGU to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. The difference between the carrying amount and recoverable amount is recognised as impairment loss in the profit or loss account. An impairment loss for an asset is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of impairment loss for an asset is recognised in the profit or loss account.

(p) Financial Liabilities and Equity Instruments

Financial liabilities include trade, intercompany and other payables, bank loans and overdrafts. Trade, intercompany and other payables are stated initially at fair value and subsequently carried at amortised cost. Interest-bearing bank loans and overdrafts are initially measured at fair value and are subsequently measured at amortised cost. Interest expense calculated using the effective interest method is recognised over the term of the borrowings in accordance with the Group's accounting policy for borrowing costs (Note 2(s)).

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(p) Financial Liabilities and Equity Instruments (continued)

Financial guarantees are initially recognised at their fair values plus transaction costs in the balance sheet. Financial guarantees are subsequently amortised to the profit or loss account over the period of the guarantee. If it is probable that the liability will be higher than the amount initially recognised less amortisation, the liability is recorded at the higher amount with the difference charged to the profit or loss account.

(q) Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. Provisions are not recognised for future operating losses.

Provision for onerous contracts is recognised when a contract is onerous. An onerous contract is considered to exist where the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The provision for onerous contract represents the present value of the management's best estimate of the future outflow of economic benefits that the Group is presently obliged to make under its obligations.

(r) Revenue Recognition

The Group develops and sells trading properties to purchasers through fixed-price contracts. Revenue is recognised when the control over the asset has been transferred to the purchaser. At contract inception, the Group assesses whether the Group transfers control of the asset over time or at a point in time by determining if:

- (i) its performance does not create an asset with an alternative use to the Group; and
- (ii) the Group has an enforceable right to payment for performance completed to date.

The trading properties have no alternative use for the Group due to contractual restriction. Where the Group has enforceable rights to payment for performance completed to date arising from the contractual terms, revenue is recognised over time by reference to the Group's progress towards completing the construction of the trading property. The stage of completion is measured by reference to the proportion of the total construction cost incurred to date, as per certification by quantity surveyors, to the total estimated construction costs. Costs incurred that are not related to the contract or that do not contribute towards satisfying a performance obligation are excluded from the measure of progress and instead are expensed as incurred.

Where the Group does not have an enforceable right to payment for performance completed to date, revenue is recognised at a point in time when the purchaser obtains control over the asset and the Group's right to payment becomes enforceable.

Rental and related income from leases on investment properties are recognised on a straight-line basis over the lease term. The aggregate costs of incentives provided to lessees are recognised as a reduction of rental income over the lease term on a straight-line basis.

Dividend income is recognised when the Group's right to receive payment is established.

Interest income is recognised on a time proportion basis (using the effective interest method).

Service charges, management fees and car park fees are recognised in the year in which the performance obligation is satisfied.

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(s) Borrowing Costs

Borrowing costs incurred to finance the development of properties are capitalised during the period of time that is required to complete and prepare the assets for their intended use. Other borrowing costs are taken to the profit or loss account over the period of borrowing using the effective interest method.

For Singapore trading properties under progressive payment scheme, borrowing costs on portion of property not ready for transfer of control to the purchasers are capitalised until the time when control is capable of being transferred to the purchasers.

(t) Employee Benefits

Employee benefits are recognised as an expense, unless the cost qualifies to be capitalised as an asset.

Defined Contribution Plan

The Group makes contributions to pension schemes as defined by the laws of the countries in which it has operations. In particular, the Singapore companies make contributions to the Central Provident Fund in Singapore, a defined contribution pension scheme. Contributions to pension schemes are recognised as an expense in the year in which the related service is performed.

Employee Leave Entitlement

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for leave as a result of services rendered by employees up to the balance sheet date.

Share Plans Scheme

The Company's ultimate holding company, Keppel Ltd. ("Keppel" or formerly known as Keppel Corporation Limited and the name was changed to Keppel Ltd. with effect from 1 January 2024), operates share-based compensation plans and eligible employees in the Group are granted shares in Keppel under the Keppel Restricted Share Plan ("Keppel RSP") and/or Keppel Performance Share Plan ("Keppel PSP") for services rendered.

The fair value of the employee services received in exchange for the grant of restricted shares and performance shares is recognised as an expense in profit or loss account, with a corresponding increase in payables to Keppel, over the vesting period of the share plans. The total amount to be recognised over the vesting period is determined by reference to the fair values of the restricted shares and performance shares granted on the respective dates of grant.

At each balance sheet date, profit or loss account is adjusted for the impact of the revision in the estimates of the share plan awards that are expected to vest on the vesting dates. No expense is recognised for share plan awards that do not ultimately vest, except for share plan awards where vesting is conditional upon a market condition, which are treated as vested irrespective of whether or not the market condition is satisfied, provided that all other performance and/or service conditions are satisfied.

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(u) Income Taxes

Current income tax is recognised at the amounts expected to be paid to or recovered from the tax authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date.

Deferred income tax assets/liabilities are recognised for deductible/taxable temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. The principal temporary differences arise from depreciation, valuation of investment properties, unremitted offshore income and future tax benefits from certain provisions not allowed for tax purposes until a later period. Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax is measured at the tax rates that are expected to apply when the related deferred income tax asset/liability is realised/settled, based on the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date, and based on the tax consequence that will follow from the manner in which the Group expects, at the balance sheet date, to recover or settle the carrying amounts of its assets and liabilities.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax are recognised as an expense or income in the profit or loss account, except when they relate to items credited or debited directly to equity, in which case the tax is also recognised directly in equity, or where they arise from the initial accounting for a business combination. In the case of a business combination, the tax effect is taken into account in calculating goodwill or determining the excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over cost.

The Group had applied the mandatory exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes. The Group accounts for Pillar Two income taxes as current tax when it is incurred.

Land Appreciation Tax

Land appreciation tax is levied at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds from sales of properties less deductible expenditures including cost of land use rights, borrowing costs, business taxes and all property development expenditures. The tax is incurred upon transfer of property ownership.

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NOTES TO THE FINANCIAL STATEMENTS**For the financial year ended 31 December 2024****2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)****(v) Foreign Currencies**Foreign Currency Transactions

Transactions in foreign currencies are translated at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at exchange rates approximating those ruling at that date. Exchange differences arising from settlement or translation of monetary items are taken to the profit or loss account, except for exchange differences arising on monetary items that form part of the Group's net investment in foreign operations, which are recognised initially in other comprehensive income and accumulated under foreign currency translation account.

Exchange differences arising on translation of the financial liabilities designated as hedges of net investments in foreign operations are recognised in other comprehensive income to the extent that the hedge is effective, and are accumulated under foreign currency translation account. The exchange differences relating to the ineffective portion of the hedge are recognised in the profit or loss account. On disposal of the hedged net investment, the relevant amount of the exchange differences shall be reclassified from equity to the profit or loss account as part of the gain or loss on disposal.

Foreign Currency Translation

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

For inclusion in the Group's financial statements, all assets and liabilities of foreign subsidiaries, associated companies and joint ventures that are in functional currencies other than Singapore dollars are translated into Singapore dollars at the exchange rates ruling at the balance sheet date. The trading results of foreign subsidiaries, associated companies and joint ventures are translated into Singapore dollars using the average exchange rates for the financial year. Exchange differences due to such currency translation are recognised in other comprehensive income and accumulated in the foreign currency translation account. On disposal of a foreign operation, the cumulative amount of the exchange differences relating to that foreign operation shall be reclassified from equity to the profit or loss account as part of the gain or loss on disposal.

In the case of a partial disposal without loss of control of a subsidiary that includes a foreign operation, the proportionate share of the cumulative amount of the exchange differences are re-attributed to non-controlling interest and are not recognised in the profit or loss account. For partial disposal of associated companies and joint ventures that are foreign operations, the proportionate share of the accumulated exchange differences is reclassified to the profit or loss account.

Goodwill and fair value adjustments arising on acquisition of a foreign entity on or after 1 January 2005 are treated as foreign currency assets and liabilities of the acquiree and recorded at the closing exchange rate.

(w) Segment Reporting

The management reporting purposes, the Group has is organised into strategic business units based on their products, services and geography. Management monitors the results of each of the operating segments for the purpose of making decisions on resource allocation and performance assessment.

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NOTES TO THE FINANCIAL STATEMENTS**For the financial year ended 31 December 2024****2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)****(x) Leases**As Lessee

At the inception of the contract, the Group assesses if the contract contains a lease. A contract contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Reassessment is only required when the terms and conditions of the contract are changed.

Right-of-use Assets

The Group recognised a right-of-use asset and lease liability at the date which the underlying asset is available for use. Right-of-use assets are measured at cost which comprises the initial measurement of lease liabilities adjusted for any lease payments made at or before the commencement date and lease incentive received. Any initial direct costs that would not have been incurred if the lease had not been obtained are added to the carrying amount of the right-of-use assets.

These right-of-use assets are subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

Right-of-use asset which meets the definition of an investment property is presented within "investment properties" (Note 12) and accounted for in accordance with Note 2(e).

Lease Liabilities

The initial measurement of lease liability is measured at the present value of the lease payments discounted using the implicit rate in the lease, if the rate can be readily determined. If that rate cannot be readily determined, the Group shall use its incremental borrowing rate.

Lease payments include the following:

- Fixed payment (including in-substance fixed payments), less any lease incentives receivables;
- Variable lease payment that are based on an index or rate, initially measured using the index or rate as at the commencement date;
- Amount expected to be payable under residual value guarantees;
- The exercise price of a purchase option if it is reasonably certain to exercise the option; and
- Payment of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

For contracts that contain both lease and non-lease components, the Group allocates the consideration to each lease component on the basis of the relative stand-alone price of the lease and non-lease component.

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2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(x) Leases (continued)

Lease liability is measured at amortised cost using the effective interest method. Lease liability shall be remeasured when:

- There is a change in future lease payments arising from changes in an index or rate;
- There is a change in the Group's assessment of whether it will exercise an extension option; or
- There are modification in the scope or the consideration of the lease that was not part of the original term.

Lease liability is remeasured with a corresponding adjustment to the right-of-use asset, or is recorded in profit or loss account if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term and Low Value Leases

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have lease terms of 12 months or less and leases of low value, except for sublease arrangements. Lease payments relating to these leases are expensed to profit or loss account on a straight-line basis over the lease term.

Variable Lease Payments

Variable lease payments that are not based on an index or a rate are not included as part of the measurement and initial recognition of the lease liability. The Group shall recognise those lease payments in profit or loss in the periods that triggered those lease payments.

As Lessor

Finance Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the lessee. Amounts due from lessees under finance leases are recorded as receivables at the amount of the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

Operating Leases

Assets leased out under operating leases are included in investment properties and are stated at fair values. Rental income (net of any incentive given to lessee) is recognised on a straight-line basis over the lease term.

(y) Contingencies

A contingent liability or asset is a possible obligation or asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of uncertain future event(s) not wholly within the control of the Group.

Contingent liabilities and assets are not recognised on the balance sheet of the Group, except for contingent liabilities assumed in a business combination that are present obligations and for which the fair values can be reliably determined.

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NOTES TO THE FINANCIAL STATEMENTS**For the financial year ended 31 December 2024****2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)****(z) Share Capital**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

(aa) Critical Accounting Estimates and Judgement**(i) Key Sources of Estimation Uncertainty**

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are as follows:

Allowance for Foreseeable Losses on Properties Held for Sale

For properties held for sale, allowance for foreseeable losses is made when the net realisable value has fallen below cost. The carrying amount of properties held for sale and the key assumptions used in estimating net realisable value and total construction costs are disclosed in Note 19.

Revaluation of Investment Properties

The Group carries its investment properties at fair value with changes in fair value being recognised in profit or loss account. In determining fair values, the valuers based on the highest and best use basis and have used valuation techniques which involve certain estimates. The key assumptions to determine the fair value of investment properties include market-corroborated capitalisation rate, discount rate and price of comparable plots and properties and estimated construction costs to complete.

In relying on the valuation reports, management has exercised its judgement to ensure that the valuation methods and estimates are reflective of current market conditions.

The carrying amount of investment properties and the key assumptions used to determine the fair value of the investment properties are disclosed in Notes 12 and 33.

Revenue Recognition

For Singapore property trading projects under progressive payment scheme, the Group recognises revenue from partly completed projects based on the percentage of completion method. The stage of completion is measured in accordance with the accounting policy stated in Note 2(r). Significant assumptions are required in determining the stage of completion and the total estimated development costs. In making the assumptions, the Group evaluates them by relying on past experience and the work of specialists. Revenue from partly completed projects is disclosed in Note 3.

For Singapore trading properties sold under a deferred payment scheme which allows the purchasers to take possession of the completed units after making down payment, the Group recognises revenue based on receipt of down payment and option to purchase exercised. Significant judgement is needed in assessing the point of revenue recognition. In making the judgement, the Group evaluates based on the point at which the contract is enforceable and if collection of consideration is probable. During the financial year, the Group has recognised revenue of \$26,680,000 (2023: \$124,115,000) under the deferred payment scheme.

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For overseas trading properties where the Group does not have an enforceable right to payment for performance completed to date, revenue is recognised when the purchaser obtains control of the asset and the Group's right to payment becomes enforceable. Significant judgement is needed in assessing the point when the purchaser obtains control of the asset such as when the property is accepted by the purchaser, or deemed as accepted according to past experience with risk of return assessed to be low, or when title has passed to the purchaser.

Impairment of Non-Financial Assets

Determining whether the carrying value of a non-financial asset is impaired requires an estimation of the value in use of the cash-generating units ("CGU"s). This requires the Group to estimate the future cash flows expected from the CGUs and an appropriate discount rate in order to calculate the present value of the future cash flows. The carrying amounts of fixed assets, right-of-use assets, investments in subsidiaries and investments in associated companies and joint ventures at the balance sheet date are disclosed in Notes 11, 13, 14 and 15 respectively.

Valuation of Investments

The Group carries its investments at fair value through profit or loss account and fair value through other comprehensive income at fair value with changes in fair value being recognised in profit or loss account and other comprehensive income respectively.

The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each balance sheet date. Methods such as estimating with reference to recent arm's length transactions, discounted cash flow projections and the underlying net asset value of the investee companies are also used to determine the fair values of the investments. The fair value of these investments is disclosed in Note 16.

Land Appreciation Tax

The Group is subject to land appreciation tax in the People's Republic of China ("PRC"). However, the implementation and settlement of the tax varies among various tax jurisdictions in cities of the PRC. Accordingly, significant judgement is required in determining the amount of the land appreciation tax. The Group recognised the land appreciation tax of its property projects based on management's best estimates according to its understanding of the tax rules and latest practice of local tax jurisdictions in the cities where the Group's projects are located. The final tax outcome could be different from the amounts that were initially recorded, and these differences will impact income tax and deferred tax provisions in the periods in which such taxes are finalised with local tax authorities.

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NOTES TO THE FINANCIAL STATEMENTS**For the financial year ended 31 December 2024****3. REVENUE**

| | GROUP | |
|--|----------------|---------------|
| | 2024 | 2023 |
| | \$'000 | \$'000 |
| Trading of properties: | | |
| Recognised on completion of construction method | 141,213 | 310,699 |
| Recognised on percentage of completion method | 242,708 | 212,326 |
| Service and other income related to trading projects | 32,127 | 32,682 |
| | 416,048 | 555,707 |
| Rental and related income | 109,651 | 95,123 |
| Property services and others | 13,010 | 16,161 |
| Revenue from other services rendered | 65,485 | - |
| | 604,194 | 666,991 |

4. STAFF COSTS

| | GROUP | |
|---|----------------|---------------|
| | 2024 | 2023 |
| | \$'000 | \$'000 |
| Key managers' emoluments: | | |
| Short-term benefits (including annual base salaries and annual performance incentives) | 3,527 | 5,008 |
| Employer's contribution to defined contribution plans, including the Central Provident Fund | 80 | 114 |
| Cost of share-based payments | 1,165 | 2,624 |
| | 4,772 | 7,746 |
| Other staff costs: | | |
| Short-term benefits (including annual base salaries and annual performance incentives) | 182,341 | 120,927 |
| Employer's contribution to defined contribution plans, including the Central Provident Fund | 12,121 | 13,274 |
| Cost of share-based payments | 15,609 | 3,877 |
| | 210,071 | 138,078 |
| Total staff costs | 214,843 | 145,824 |

Staff costs capitalised during the year under properties held for sale and investment properties amounted to \$6,792,000 (2023: \$11,628,000).

Total share-based payments of \$16,774,000 in 2024 were settled by cash (2023: \$6,501,000) to holding company.

Keppel Ltd. Share Plan (formerly known as Keppel Corporation Limited Share Plan)

The Keppel Performance Share Plan ("Keppel PSP") and Keppel Restricted Share Plan ("Keppel RSP") were approved by the Company's shareholders at the Extraordinary General Meeting of the Company on 23 April 2010. The Keppel Performance Share Plan 2020 ("Keppel PSP 2020") and Keppel Restricted Share Plan 2020 ("Keppel RSP 2020") were approved by the Company's shareholders at the Annual General Meeting held on 2 June 2020, replacing the Keppel PSP and Keppel RSP respectively with effect from 2 June 2020. The Keppel PSP and Keppel RSP were terminated on the same day.

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4. STAFF COSTS (continued)

Keppel Ltd. Share Plan (formerly known as Keppel Corporation Limited Share Plan) (continued)

Information on Keppel RSP 2020 – Deferred Shares, Keppel PSP 2020, Keppel PSP 2020 Transformation Incentive Plan (“Keppel PSP 2020 TIP”) and Keppel PSP – M1 Transformation Incentive Plan (“Keppel PSP-M1 TIP”) are as follows:

(i) Keppel RSP 2020 – Deferred Shares

Award of fully-paid ordinary shares of Keppel which will vest equally over three years subject to fulfilment of service requirements.

(ii) Keppel PSP 2020

Award of fully-paid ordinary shares of Keppel, conditional on Keppel Group achieving the pre-determined targets over a three-year performance period. The pre-determined targets for awards granted from Year 2020 to Year 2021 are absolute total shareholder's return, return on capital employed and net profit. The predetermined targets for awards granted from Year 2022 onwards are reduction in carbon emission, net profit, return on equity and absolute total shareholder's return. If the pre-determined targets are achieved, awards will vest at the end of the three-year performance period subject to fulfilment of service requirements.

(iii) Keppel PSP 2020 TIP

Award of fully-paid ordinary shares of the Company, conditional on the employee achieving the pre-determined individual performance target and Keppel Group achieving the pre-determined targets of absolute total shareholder's return, asset monetisation and cross-BU revenue targets and certain financial and non-financial measures over a five-year performance period. If pre-determined targets are achieved, awards will vest at the end of the five-year performance period subject to fulfilment of service requirements. Performance conditions may be subject to re-testing at the end of the five-year performance period.

The fair values of the contingent award of shares for the above plans are determined at the grant date using Monte Carlo simulation method which involves projection of future outcomes using statistical distributions of key random variables including share price and volatility.

On 15 February 2024, eligible employees were granted awards of 1,843,039 shares under the Keppel RSP 2020-Deferred Shares and the estimated fair value of the shares granted was \$7.04. On 15 February 2023, eligible employees were granted awards of 902,529 shares under the Keppel RSP 2020-Deferred Shares and the estimated fair value of the shares granted were \$6.73.

On 30 April 2024, eligible employees were granted awards of 420,000 shares under the Keppel PSP-2020 and the estimated fair value of the shares granted was \$5.04. On 28 April 2023, eligible employees were granted contingent awards of 240,000 shares under the Keppel PSP 2020 and the estimated fair value of the Shares granted was \$5.10.

Following the dividend in specie of the Sembcorp Marine Ltd's (now known as Seatrium Limited) shares to Keppel's shareholders, adjustments have been made on 27 March 2023 to certain unvested shares under the Keppel Share Plans:

- 64,500 unvested shares under the Keppel PSP;
- 49,450 unvested shares under the Keppel PSP 2020;
- 464,400 under the Keppel PSP 2020-TIP; and
- 730,660 under the Keppel RSP 2020-Deferred Shares.

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NOTES TO THE FINANCIAL STATEMENTS**For the financial year ended 31 December 2024****4. STAFF COSTS (continued)**

The significant inputs into the model are as follows:

| | 2024 | |
|---|--|------------------------|
| | Keppel RSP 2020 – Deferred Shares | Keppel PSP 2020 |
| Date of grant | 15.02.2024 | 30.04.2024 |
| Prevailing share price at date of grant | \$7.37 | \$6.88 |
| Expected volatility of Keppel | 17.47% | 20.97% |
| Expected term | 0 - 2.00 years | 2.83 years |
| Risk free rate | 3.22% - 3.52% | 3.40% |
| Expected dividend yield | * | * |

| | 2023 | |
|---|--|------------------------|
| | Keppel RSP 2020 – Deferred Shares | Keppel PSP 2020 |
| Date of grant | 08.02.2023 15.02.2023 01.03.2023 | 28.04.2023 |
| Prevailing share price at date of grant | \$7.08 \$7.08 \$5.48 | \$6.17 |
| Expected volatility of Keppel | 22.09% 22.09% 21.41% | 23.84% |
| Expected term | 0.17 - 2.08 years 0 - 2.00 years 0.08 – 2.00 years | 2.83 years |
| Risk free rate | 2.99% - 3.70% 3.17%-3.42% 3.65% - 4.01% | 2.93% |
| Expected dividend yield | * | * |

* Expected dividend yield is based on management's forecast for Keppel group.

The expected volatilities are based on the historical volatilities of Keppel's share price over the previous 36 months immediately preceding the grant date. The expected term used in the model is based on the grant date and the end of the performance period.

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NOTES TO THE FINANCIAL STATEMENTS**For the financial year ended 31 December 2024****5. OPERATING PROFIT**

Operating profit is arrived at after charging/(crediting) the following:

| | GROUP | |
|--|------------------|-----------|
| | 2024 | 2023 |
| | \$'000 | \$'000 |
| Included in materials and subcontract costs: | | |
| Cost of stocks & contract assets | 285,184 | 305,269 |
| Direct operating expenses | | |
| - investment properties that generated rental income | 50,790 | 60,127 |
| Included in expected credit loss on debtors & receivables, contract asset and financial guarantee: | | |
| Expected credit loss on debtors and receivables | 527 | 274 |
| Bad debts written off | 27 | 4 |
| Included in other operating income – net: | | |
| Allowance for foreseeable losses on properties held for sale | 8,883 | 6,137 |
| Net fair value gain on investment properties (Note 12) | (341,613) | (150,205) |
| Fair value gain on call option (Note 18) | (45,505) | (11,376) |
| Fair value gain on investments | (81,635) | - |
| Loss/(gain) on sale of fixed assets and investment properties | 1,074 | (15,395) |
| Loss from change in interest in associated companies and joint ventures | 6,132 | 5,706 |
| Net gain from disposal of associated company and joint ventures | (14) | (61,094) |
| Gain from sale in interest in joint ventures | - | (37,016) |
| Net gain from disposal of subsidiaries | (9,361) | (13,921) |
| Net (writeback of impairment)/impairment on loan to associated companies and joint ventures | (105) | 4,366 |
| Gain from reclassification of an associated company to investment carried at fair value through profit or loss (Note 15) | (12,711) | - |
| Fair value loss on remeasurement of remaining interest in a joint venture (Note 14) | 17,430 | - |
| Impairment of joint ventures (Note 15) | 17,970 | - |
| Fees and other remuneration to Directors of the Company | - | 315 |
| Right-of-use assets written off | - | 232 |
| Lease liabilities written off | - | (262) |
| Loss on differences in foreign exchange | 18,127 | 3,520 |

In 2023, the Group has declared and distributed dividend in specie of units in Keppel REIT to its holding company. The fair value of the distribution in kind based on the closing market price of Keppel REIT units as at completion date amounted to \$292,294,000 and net loss of \$139,798,000 was recognised in the profit or loss account.

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NOTES TO THE FINANCIAL STATEMENTS**For the financial year ended 31 December 2024****6. INVESTMENT INCOME, INTEREST INCOME AND INTEREST EXPENSES**

| | GROUP | |
|---|------------------|------------------|
| | 2024 | 2023 |
| | \$'000 | \$'000 |
| Investment income from: | | |
| Shares/funds - unquoted | <u>722</u> | <u>1,840</u> |
| Interest from deposits and loans with: | | |
| Banks | 8,821 | 9,637 |
| Associated companies and joint ventures | 6,444 | 9,528 |
| Related companies | 8,688 | 6,209 |
| Interest from investment at FVPL | 4,425 | 4,727 |
| Others | <u>170</u> | <u>312</u> |
| | <u>28,548</u> | <u>30,413</u> |
| Interest expense on term loans and overdrafts from: | | |
| A related company | (57,005) | (28,877) |
| Banks | (80,582) | (89,004) |
| Lease liabilities | (735) | (1,996) |
| Advances from non-controlling shareholders and others | <u>(3,064)</u> | <u>(2,552)</u> |
| | <u>(141,386)</u> | <u>(122,429)</u> |

7. TAXATION

| | GROUP | |
|---|---------------|----------------|
| | 2024 | 2023 |
| | \$'000 | \$'000 |
| Current tax: | | |
| Current income tax | 24,431 | 66,533 |
| Withholding tax | 2,060 | 7,672 |
| Over provision in respect of previous years | (1,407) | (6,979) |
| | <u>25,084</u> | <u>67,226</u> |
| Deferred tax: | | |
| Origination of temporary differences | 51,848 | 46,768 |
| | <u>76,932</u> | <u>113,994</u> |
| Land appreciation tax | 8,960 | (282) |
| | <u>85,892</u> | <u>113,712</u> |

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NOTES TO THE FINANCIAL STATEMENTS**For the financial year ended 31 December 2024****7. TAXATION (continued)**

The reconciliation between the tax expense reported and the product of accounting profit multiplied by the applicable tax rate is as follows:

| | GROUP | |
|---|-----------------|---------------|
| | 2024 | 2023 |
| | \$'000 | \$'000 |
| Pre-tax profit | 266,189 | 292,928 |
| Less: Share of results of associated companies and joint ventures | (44,711) | (171,240) |
| Pre-tax profit before share of results of associated companies and joint ventures | 221,478 | 121,688 |
| Tax calculated at tax rate of 17% (2023: 17%) | 37,651 | 20,687 |
| Adjustments: | | |
| Non-deductible expenses | 29,819 | 72,660 |
| Income not subject to tax | (22,573) | (28,712) |
| Over provision in respect of previous years | (1,407) | (6,979) |
| Different tax rates in other jurisdictions | 706 | 27,514 |
| Utilisation of previously unrecognised tax benefits | - | (6,182) |
| Tax benefits not recognised | 32,916 | 27,263 |
| Withholding taxes | 2,060 | 7,672 |
| Land appreciation tax | 8,960 | (282) |
| Tax effect of land appreciation tax | (2,240) | 71 |
| | 85,892 | 113,712 |

Under the group tax relief system introduced by the Inland Revenue Authority of Singapore ("IRAS"), a Singapore incorporated company may, upon satisfaction of the criteria set out by the IRAS, transfer its current year's unabsorbed capital allowances, trade losses and donations to another company belonging to the same group, to be deducted against the assessable income of the latter company.

The Group has certain unutilised tax losses and capital allowances of \$485,890,000 (2023: \$438,226,000) as at 31 December 2024 for which related tax benefits totalling \$119,557,000 (2023: \$108,092,000) have not been included in the financial statements. The tax losses are available for offset against future taxable profits of the companies in which the losses arose but for which no deferred tax asset has been recognised due to uncertainty of their recoverability. The use of tax losses is subject to the agreement by the tax authorities and compliance with certain provisions of the tax legislation of the respective countries in which the Group operates. Tax losses amounting to \$483,815,000 (2023: \$434,607,000) can be carried forward for a period of 3 to 8 years subsequent to the year of the loss, while the remaining tax losses have no expiry dates.

Pillar Two Income Taxes

The Base Erosion and Profit Shifting ("BEPS") Pillar Two model rules is applicable to the Group as the Group is part of a multinational enterprise group with consolidated revenue in excess of EUR 750 million. Singapore, where the Company's ultimate holding company is incorporated, will implement the Qualifying Domestic Minimum Top-Up-Tax ("QDMTT") and Income Inclusion Rule ("IIR") under Pillar Two model rules with effect from 1 January 2025.

Under the Pillar Two model rules, the Pillar Two effective tax rate ("ETR") is assessed on a jurisdictional basis and top up tax is payable if the jurisdictional ETR is below 15%. Transitional Country-by-Country Safe Harbour rules ("TCSH") have also been developed to provide temporary relief from compliance obligations during the initial implementation period. Under the TCSH, the top up tax for such jurisdiction is deemed to be zero if certain tests can be met for the selected jurisdiction.

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Certain jurisdictions where the Group operates have implemented the Pillar Two legislation with effect from 1 January 2024. As at 31 December 2024, the Group has assessed that these jurisdictions have either met the tests under TCSH or did not have significant subsidiaries where the jurisdictional ETR is less than 15%. Accordingly, no top-up tax has been recognised for the financial year ended 31 December 2024.

The Pillar Two legislation has also been enacted or substantively enacted in certain jurisdictions where the Group operates, but not in effect as at 31 December 2024. For these jurisdictions, the Group has assessed that they have either met the tests under TCSH or did not have significant subsidiaries where the jurisdictional ETR is less than 15%, and therefore, no significant Pillar Two top up taxes is expected.

Deferred Taxation

| | GROUP | | COMPANY | |
|------------------------------|-----------------|---------------|----------------|---------------|
| | 2024 | 2023 | 2024 | 2023 |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Deferred tax liabilities | 248,479 | 254,422 | 1,601 | 3,200 |
| Deferred tax assets | (45,898) | (46,442) | - | - |
| Net deferred tax liabilities | 202,581 | 207,980 | 1,601 | 3,200 |

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| | At 1 January \$'000 | Charged/ (credited) to profit or loss account \$'000 | (Credited)/ Charged to other comprehensive income \$'000 | Acquisition of subsidiaries \$'000 | Disposal of subsidiaries \$'000 | Reclassifi- cation \$'000 | Exchange differences \$'000 | At 31 December \$'000 |
|---|---------------------------|---|---|---|--|---------------------------------|-----------------------------------|-----------------------------|
| GROUP | | | | | | | | |
| 2024 | | | | | | | | |
| Deferred tax liabilities | | | | | | | | |
| Fair value on investment properties | 199,001 | 36,524 | - | - | (47,590) | - | (1,850) | 186,085 |
| Differences in depreciation | 11,242 | 3,022 | - | - | - | - | (42) | 14,222 |
| Fair value adjustments on acquisition of subsidiaries | 14,981 | (289) | - | - | - | - | (40) | 14,652 |
| Fair value adjustments on remeasurement of retained interest in a joint venture | 15,654 | - | - | - | - | - | (42) | 15,612 |
| Fair value on interest rate swaps | 3,200 | - | (1,632) | - | - | - | - | 1,568 |
| Accrual and others | 11,826 | 10,660 | - | 3,578 | - | (9,737) | 13 | 16,340 |
| | <u>255,904</u> | <u>49,917</u> | <u>(1,632)</u> | <u>3,578</u> | <u>(47,590)</u> | <u>(9,737)</u> | <u>(1,961)</u> | <u>248,479</u> |
| Deferred tax assets | | | | | | | | |
| Fair value on investment properties | - | (1,403) | - | - | - | - | (7) | (1,410) |
| Accruals and others | (47,744) | 3,334 | - | - | - | - | 102 | (44,308) |
| Lease liabilities | (180) | - | - | - | - | - | - | (180) |
| | <u>(47,924)</u> | <u>1,931</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>95</u> | <u>(45,898)</u> |
| | <u>207,980</u> | <u>51,848</u> | <u>(1,632)</u> | <u>3,578</u> | <u>(47,590)</u> | <u>(9,737)</u> | <u>(1,866)</u> | <u>202,581</u> |
| 2023 | | | | | | | | |
| Deferred tax liabilities | | | | | | | | |
| Fair value on investment properties | 178,952 | 25,214 | - | - | - | - | (5,165) | 199,001 |
| Differences in depreciation | 10,174 | 1,350 | - | - | - | - | (282) | 11,242 |
| Fair value adjustments on acquisition of subsidiaries | 15,736 | (295) | - | - | - | - | (460) | 14,981 |
| Fair value adjustments on remeasurement of retained interest in a joint venture | 16,130 | - | - | - | - | - | (476) | 15,654 |
| Fair value on interest rate swaps | - | - | 3,200 | - | - | - | - | 3,200 |
| Accrual and others | 1,840 | 9,382 | - | - | - | 1,012 | (408) | 11,826 |
| | <u>222,832</u> | <u>35,651</u> | <u>3,200</u> | <u>-</u> | <u>-</u> | <u>1,012</u> | <u>(6,791)</u> | <u>255,904</u> |
| Deferred tax assets | | | | | | | | |
| Accruals and others | (59,283) | 11,117 | - | - | - | (1,012) | 1,434 | (47,744) |
| Lease liabilities | (188) | - | - | - | - | - | 8 | (180) |
| | <u>(59,471)</u> | <u>11,117</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>(1,012)</u> | <u>1,442</u> | <u>(47,924)</u> |
| | <u>163,361</u> | <u>46,768</u> | <u>3,200</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>(5,349)</u> | <u>207,980</u> |

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NOTES TO THE FINANCIAL STATEMENTS**For the financial year ended 31 December 2024****7. TAXATION (continued)****Deferred Taxation**

| | At 1 January \$'000 | Charged to profit or loss account \$'000 | Credited to other comprehensive income \$'000 | At 31 December \$'000 |
|--------------------------------------|------------------------|---|---|-----------------------------|
| COMPANY | | | | |
| 2024 | | | | |
| Deferred tax liabilities | | | | |
| Differences in depreciation | - | 33 | - | 33 |
| Fair value on interest rate swaps | 3,200 | - | (1,632) | 1,568 |
| | <u>3,200</u> | <u>33</u> | <u>(1,632)</u> | <u>1,601</u> |
| 2023 | | | | |
| Deferred tax liabilities | | | | |
| Fair value on interest rate swaps | - | - | 3,200 | 3,200 |

As at 31 December 2024, deferred tax liabilities amounting to \$9,132,000 (2023: \$10,200,000) had not been recognised for taxes that would be payable on the undistributed earnings of certain subsidiaries as these earnings would not be distributed in the foreseeable future.

There was no deferred taxation charged or credited to profit or loss account during 2023 for the Company.

8. DIVIDENDS

| | GROUP AND COMPANY | |
|--|--------------------------|-----------------------|
| | 2024 | 2023 |
| | \$'000 | \$'000 |
| Dividends on ordinary shares: | | |
| Final one-tier tax exempt ordinary dividend of 3 cents per share in respect of the previous financial year (2023: 30 cents per share) | <u>44,000</u> | <u>472,294</u> |

9. SHARE CAPITAL

| | GROUP AND COMPANY | | | |
|---|--------------------------|-------------------------|-------------------------|-------------------------|
| 2024 | 2023 | 2024 | 2023 | |
| Number of | Number of | \$'000 | \$'000 | |
| shares | shares | | | |
| '000 | '000 | | | |
| Issued and fully paid: 1,553,741,612 (2023: 1,553,741,612) ordinary shares | <u>1,553,741</u> | <u>1,553,741</u> | <u>2,427,916</u> | <u>2,427,916</u> |

The holder of ordinary shares is entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions. The ordinary shares have no par value.

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NOTES TO THE FINANCIAL STATEMENTS**For the financial year ended 31 December 2024****10. RESERVES**

| | GROUP | | COMPANY | |
|--|------------------|---------------|----------------|---------------|
| | 2024 | 2023 | 2024 | 2023 |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Capital reserves: | | | | |
| Fair value reserve | (133,926) | (92,290) | 17,835 | 16,030 |
| Hedging reserve | 5,080 | 22,577 | 7,655 | 15,624 |
| Revaluation reserve | 15,475 | 15,475 | - | - |
| Gain on disposal of interest in a subsidiary without loss of control | 12,932 | 12,932 | - | - |
| Net premium paid on acquisition of non-controlling interests | (69,665) | (84,894) | - | - |
| Merger reserve | (149,354) | (102,764) | - | - |
| Statutory reserve | 148,374 | 144,009 | - | - |
| Others | 19,492 | 20,541 | 13,766 | 13,944 |
| | (151,592) | (64,414) | 39,256 | 45,598 |
| Foreign currency translation account | (687,172) | (642,227) | - | - |
| Revenue reserves | 3,767,666 | 3,667,535 | 460,900 | 445,871 |
| | 2,928,902 | 2,960,894 | 500,156 | 491,469 |

The fair value reserve represents the cumulative net change in fair value of financial assets at FVOCI until they are derecognised.

The hedging reserve represents the cumulative net change in fair value of the effective portion of the cash flow hedges.

The revaluation reserve represents the share of fair value change of fixed assets recognised by certain joint ventures up to the date of change in use from fixed assets to investment property. These amounts are presented net of deferred tax liabilities.

The gain on disposal of interest in a subsidiary without loss of control represents the difference between the consideration received and the book value of the interest disposed of which did not result in a loss of control.

The net premium paid on acquisition of non-controlling interests represents the difference between the consideration paid and the book value of the share of net assets acquired from the non-controlling interests.

Merger reserve represents the difference between consideration paid and equity acquired in a business combination involving entities under common control using the pooling of interest method.

Statutory reserve represents mainly appropriation of profit in respect of the subsidiaries incorporated in China in accordance with local requirements.

Others comprise capital redemption reserve, treasury shares reserve and other movements.

The foreign currency translation account represents the exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency as well as the translation of monetary items that forms part of the Group's net investment in foreign operations.

Movements in the Group's and the Company's reserves are set out in the statements of changes in equity.

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NOTES TO THE FINANCIAL STATEMENTS**For the financial year ended 31 December 2024****10. RESERVES (continued)**

Movements in hedging reserve by risk categories are as follows:

| | Foreign Exchange risk \$'000 | Interest rate risk \$'000 | Total \$'000 |
|---|---|--|-------------------------|
| GROUP | | | |
| 2024 | | | |
| At 1 January | 772 | 21,805 | 22,577 |
| Fair value changes arising during the year, net of tax | - | (7,969) | (7,969) |
| Share of associated companies and joint ventures' fair value changes | (565) | (8,963) | (9,528) |
| At 31 December | 207 | 4,873 | 5,080 |
| 2023 | | | |
| At 1 January | 1,299 | 65,433 | 66,732 |
| Fair value changes arising during the year, net of tax | - | (24,460) | (24,460) |
| Share of associated companies and joint ventures' fair value changes | (527) | (19,168) | (19,695) |
| At 31 December | 772 | 21,805 | 22,577 |
| | | Interest rate risk \$'000 | |
| COMPANY | | | |
| 2024 | | | |
| At 1 January | | | 15,624 |
| Fair value changes arising during the year, net of tax | | | (7,969) |
| At 31 December | | | 7,655 |
| 2023 | | | |
| At 1 January | | | 39,820 |
| Fair value changes arising during the year, net of tax | | | (24,196) |
| At 31 December | | | 15,624 |

The changes in fair value of the hedging instruments approximate the changes in fair value of the hedged items, which resulted in minimal hedge ineffectiveness recognised in profit or loss.

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NOTES TO THE FINANCIAL STATEMENTS**For the financial year ended 31 December 2024****10. RESERVES (continued)****Other Comprehensive Income, Net of Tax**

| | Foreign Currency Translation Account \$'000 | Capital Reserves Fair Value Reserve \$'000 | Hedging Reserve \$'000 | Total \$'000 | Non- controlling Interests \$'000 | Total Other Comprehensive Income/(Loss) \$'000 |
|--|---|--|------------------------------|-----------------|--|---|
| GROUP | | | | | | |
| <u>2024</u> | | | | | | |
| Financial assets at FVOCI: | | | | | | |
| Net fair value change | - | (42,064) | - | (42,064) | - | (42,064) |
| Cash flow hedges: | | | | | | |
| Net fair value change | - | - | (7,969) | (7,969) | - | (7,969) |
| Exchange differences on consolidation | (36,118) | - | - | (36,118) | (6,376) | (42,494) |
| Exchange differences transferred to profit or loss account | 22,708 | - | - | 22,708 | 4,362 | 27,070 |
| Share of other comprehensive loss of associated companies and joint ventures | (31,535) | 428 | (9,528) | (40,635) | - | (40,635) |
| Total other comprehensive loss, net of tax | (44,945) | (41,636) | (17,497) | (104,078) | (2,014) | (106,092) |
| <u>2023</u> | | | | | | |
| Financial assets at FVOCI: | | | | | | |
| Net fair value change | - | (39,265) | - | (39,265) | - | (39,265) |
| Cash flow hedges: | | | | | | |
| Net fair value change | - | - | (24,460) | (24,460) | - | (24,460) |
| Exchange differences on consolidation | (94,131) | - | - | (94,131) | (1,672) | (95,803) |
| Exchange differences transferred to profit or loss account | 17,410 | - | - | 17,410 | 824 | 18,234 |
| Share of other comprehensive loss of associated companies and joint ventures | (11,442) | (146) | (19,695) | (31,283) | - | (31,283) |
| Total other comprehensive loss, net of tax | (88,163) | (39,411) | (44,155) | (171,729) | (848) | (172,577) |

The other comprehensive income of the Company relates to changes in fair value of its financial assets at FVOCI and cash flow hedge.

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(Formerly known as Keppel Land Limited and its Subsidiaries)

NOTES TO THE FINANCIAL STATEMENTS**For the financial year ended 31 December 2024****11. FIXED ASSETS**

| | Freehold Land and Building \$'000 | Leasehold Buildings \$'000 | Plant, Machinery, Equipment and Others \$'000 | Assets Under Construction \$'000 | Total \$'000 |
|--|--|----------------------------------|---|---|-----------------|
| GROUP | | | | | |
| Cost | | | | | |
| At 1 January 2024 | 156 | 202,130 | 107,709 | 16,768 | 326,763 |
| Additions | 106 | - | 12,944 | 417 | 13,467 |
| Disposals | - | - | (9,738) | - | (9,738) |
| Acquisition of subsidiaries (Note 14) | - | - | 28 | - | 28 |
| Disposal of subsidiaries (Note 14) | - | - | (48) | (15,908) | (15,956) |
| Reclassification | - | - | 277 | (277) | - |
| Write-off | (156) | - | - | - | (156) |
| Exchange differences on consolidation | - | (433) | (130) | (631) | (1,194) |
| At 31 December 2024 | 106 | 201,697 | 111,042 | 369 | 313,214 |
| Accumulated Depreciation and Impairment | | | | | |
| At 1 January 2024 | 156 | 112,131 | 64,749 | - | 177,036 |
| Depreciation charge | 106 | 5,188 | 10,551 | - | 15,845 |
| Disposals | - | - | (6,622) | - | (6,622) |
| Acquisition of subsidiaries (Note 14) | - | - | 20 | - | 20 |
| Disposal of subsidiaries (Note 14) | - | - | (42) | - | (42) |
| Write-off | (156) | - | - | - | (156) |
| Exchange differences on consolidation | - | (187) | 133 | - | (54) |
| At 31 December 2024 | 106 | 117,132 | 68,789 | - | 186,027 |
| Net Carrying Amount | - | 84,565 | 42,253 | 369 | 127,187 |
| Cost | | | | | |
| At 1 January 2023 | 156 | 325,971 | 187,087 | 15,545 | 528,759 |
| Additions | - | 33,775 | 31,810 | 3,608 | 69,193 |
| Disposals | - | - | (4,568) | - | (4,568) |
| Disposal of subsidiaries (Note 14) | - | (151,203) | (106,366) | - | (257,569) |
| Reclassification | - | - | 2,284 | (2,284) | - |
| Exchange differences on consolidation | - | (6,413) | (2,538) | (101) | (9,052) |
| At 31 December 2023 | 156 | 202,130 | 107,709 | 16,768 | 326,763 |
| Accumulated Depreciation and Impairment | | | | | |
| At 1 January 2023 | 156 | 193,287 | 161,415 | - | 354,858 |
| Depreciation charge | - | 20,194 | 11,151 | - | 31,345 |
| Disposals | - | - | (3,209) | - | (3,209) |
| Disposal of subsidiaries (Note 14) | - | (98,199) | (102,555) | - | (200,754) |
| Exchange differences on consolidation | - | (3,151) | (2,053) | - | (5,204) |
| At 31 December 2023 | 156 | 112,131 | 64,749 | - | 177,036 |
| Net Carrying Amount | - | 89,999 | 42,960 | 16,768 | 149,727 |

Included in additions for 2023 is an acquisition of a senior living facility in Qixia District, Nanjing, China, amounting to \$33,775,000. There was no interest capitalised in 2024 and 2023.

As at 31 December 2024, fixed assets amounting to \$31,963,000 in value and included in the above balances were mortgaged to the banks as securities for borrowings referred to in Note 26.

As at 31 December 2024 and 2023, fixed assets of the Company are not material to the financial statements.

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NOTES TO THE FINANCIAL STATEMENTS**For the financial year ended 31 December 2024****12. INVESTMENT PROPERTIES**

| | Completed Properties \$'000 | Properties under Construction \$'000 | Total \$'000 |
|--|-----------------------------------|---|-----------------|
| GROUP | | | |
| Valuation | | | |
| At 1 January 2024 | 1,240,999 | 3,321,345 | 4,562,344 |
| Additions | 44 | 246,505 | 246,549 |
| Fair value (loss)/gain | (4,266) | 345,879 | 341,613 |
| Transfer | 1,793,223 | (1,793,223) | - |
| Amortisation of capitalised letting fees | (1,065) | - | (1,065) |
| Straight-lining of rental adjustments | (1,107) | - | (1,107) |
| Acquisition of subsidiaries (Note 14) | 345,590 | - | 345,590 |
| Disposal of subsidiaries (Note 14) | - | (264,075) | (264,075) |
| Adjustments | (1,593) | - | (1,593) |
| Exchange differences on consolidation | (1,523) | (9,350) | (10,873) |
| At 31 December 2024 | 3,370,302 | 1,847,081 | 5,217,383 |
| At 1 January 2023 | 1,277,604 | 2,933,828 | 4,211,432 |
| Additions | 1,790 | 298,053 | 299,843 |
| Disposal | (17,000) | - | (17,000) |
| Fair value gain | 5,340 | 144,865 | 150,205 |
| Amortisation of capitalised letting fees | (1,365) | - | (1,365) |
| Straight-lining of rental adjustments | 2,409 | - | 2,409 |
| Adjustments | (8,413) | - | (8,413) |
| Exchange differences on consolidation | (19,366) | (55,401) | (74,767) |
| At 31 December 2023 | 1,240,999 | 3,321,345 | 4,562,344 |

The Group's investment properties (including integral plant and machinery) are stated based on the following valuations by independent firms of professional valuers as at 31 December 2024:

- (a) Cushman & Wakefield VHS Pte. Ltd. and Knight Frank Pte Ltd for properties in Singapore;
- (b) Cushman & Wakefield Limited and Colliers Appraisal & Advisory Services Co., Ltd for properties in China;
- (c) KJPP Willson dan Rekan (an affiliate of Knight Frank) for properties in Indonesia;
- (d) Cushman & Wakefield Vietnam Ltd. for properties in Vietnam;
- (e) Cushman & Wakefield India Private Limited and Jones Lang LaSalle Property Consultants India Private Limited for properties in India;

The details of the valuation techniques and inputs used are disclosed in Note 33.

As at 31 December 2024, properties amounting to \$2,471,681,000 (2023: \$1,968,052,000) in value and included in the above balances were mortgaged to the banks as securities for borrowings referred to in Note 26.

Interest capitalised during the year was \$59,104,000 (2023: \$58,697,000).

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

13. RIGHT-OF-USE ASSETS

Nature of the Group's leasing activities – Group as a lessee

Leasehold Land

The Group leases several lands for use in its operations. There are no externally imposed covenants on these lease arrangements.

Office Rent and Office Equipment

The Group has lease contracts for office space and office equipment used in its operations. The Group also has certain leases of office equipment with low value, for which the low value assets lease recognition exemptions have been applied for these leases. The lease arrangements prohibit the Group from subleasing the equipment to third parties.

| | Leasehold Land \$'000 | Office Rent \$'000 | Office Equipment \$'000 | Total \$'000 |
|---------------------------------------|--------------------------------------|-----------------------------------|--|-------------------------|
| GROUP | | | | |
| Net Carrying Amount | | | | |
| At 1 January 2024 | 40,215 | 20,275 | 7 | 60,497 |
| Additions | 332 | 1,137 | 33 | 1,502 |
| Depreciation charge | (1,487) | (7,972) | (34) | (9,493) |
| Disposals | - | (5,076) | - | (5,076) |
| Exchange differences on consolidation | (85) | (303) | - | (388) |
| At 31 December 2024 | 38,975 | 8,061 | 6 | 47,042 |
| Net Carrying Amount | | | | |
| At 1 January 2023 | 53,064 | 26,152 | 64 | 79,280 |
| Additions | 332 | 5,110 | 5 | 5,447 |
| Depreciation charge | (1,812) | (10,655) | (62) | (12,529) |
| Disposal of subsidiaries (Note 14) | (10,336) | - | - | (10,336) |
| Write-off | - | (232) | - | (232) |
| Exchange differences on consolidation | (1,033) | (100) | - | (1,133) |
| At 31 December 2023 | 40,215 | 20,275 | 7 | 60,497 |

Total cash outflow from all the leases was \$8,728,000 (2023: \$12,507,000).

| | GROUP | |
|---|---------------|---------------|
| | 2024 | 2023 |
| | \$'000 | \$'000 |
| <u>Lease expense not capitalised in lease liabilities</u> | | |
| Low-value leases | 262 | 297 |

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NOTES TO THE FINANCIAL STATEMENTS**For the financial year ended 31 December 2024****13. RIGHT-OF-USE ASSETS (continued)**

| | Office Equipment \$'000 |
|----------------------------|-------------------------------|
| COMPANY | |
| Net Carrying Amount | |
| At 1 January 2024 | - |
| Additions | 33 |
| Depreciation charge | (27) |
| At 31 December 2024 | <u>6</u> |

Total cash outflow from all the leases was \$28,000 (2023: \$nil).

The following table details the liquidity analysis for lease liabilities of the Group and the Company based on contractual undiscounted cash flows.

| | GROUP | | COMPANY | |
|--------------------------|---------------------|---------------|-----------------|---------------|
| | 2024 | 2023 | 2024 | 2023 |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Within one year | 5,970 | 10,321 | 6 | - |
| Within one to five years | 3,176 | 12,206 | - | - |
| Total | <u>9,146</u> | <u>22,527</u> | <u>6</u> | <u>-</u> |

As at 31 December 2024, future cash outflows to which the Group is potentially exposed that are not reflected in the measurement of lease liabilities include \$37,445,000 (2023: \$38,928,000) for committed leases which have yet to commence.

The Group as lessor

The Group has entered into leases on its properties. At the end of the reporting period, the Group's undiscounted future minimum lease receivables under non-cancellable operating leases contracted for at the end of the reporting period but not recognised as receivables are as follows:

| | 2024 | 2023 |
|----------------------|-----------------------|----------------|
| | \$'000 | \$'000 |
| Within one year | 52,048 | 60,060 |
| In the second year | 47,859 | 41,345 |
| In the third year | 35,643 | 28,413 |
| In the fourth year | 24,790 | 9,520 |
| In the fifth year | 16,438 | 6,592 |
| After the fifth year | 40,574 | 10,750 |
| Total | <u>217,352</u> | <u>156,680</u> |

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NOTES TO THE FINANCIAL STATEMENTS**For the financial year ended 31 December 2024****14. SUBSIDIARIES**

| | COMPANY | |
|---|------------------|---------------|
| | 2024 | 2023 |
| | \$'000 | \$'000 |
| Quoted shares, at cost | | |
| (Market value: \$9,521,000; 2023: \$24,672,000) | 15,855 | 35,481 |
| Unquoted shares, at cost | 2,240,433 | 1,850,187 |
| | 2,256,288 | 1,885,668 |
| Impairment | (709,367) | (384,143) |
| | 1,546,921 | 1,501,525 |

During the year, advances to a subsidiary of S\$232,400,000 was capitalised to investment in subsidiary (Note 21).

During the year, an impairment loss amounting to \$371,921,000 (2023: \$78,105,000) and write-back of \$45,945,000 (2023: \$1,452,000) was made in respect of the Company's investment in certain subsidiaries to reduce the carrying value of the investments to the recoverable amounts, taking into account the financial conditions of the subsidiaries. There was also a reversal of impairment of \$752,000 (2023: \$81,447,000) following the divestment and liquidation of subsidiaries.

The details of the significant subsidiaries are disclosed in Note 36.

Interest in Subsidiaries with Material Non-Controlling Interest ("NCI")

As at 31 December 2024 and 2023, there was no subsidiary with material NCI.

Acquisition of Subsidiaries in 2024 and 2023

- (a) On 2 August 2024, the Group, through its whole-owned subsidiaries, KIOF (OP1) I Pte Ltd and KIOF (OP1) II Pte Ltd, acquired 100% of issued share capital of RMZ Infinity (Chennai) Private Limited for a purchase consideration of approximately S\$148 million.
- (b) On 5 April 2024, the Group, through its whole-owned subsidiaries, Zirconium Investments Pte Ltd, subscribed to a sponsor commitment of US\$250 million in Keppel Sustainable Urban Renewal Fund, LP, which holds 100% voting rights in the fund.
- (c) On 30 September 2024, the Group, through its whole-owned subsidiaries, Living Solutions Holdings Pte Ltd, took over the investments in Watermark Portfolio from a related company, Keppel Capital Holdings Pte Ltd, for a nominal consideration of \$1. The Watermark Portfolio includes 100% equity interest in Keppel Capital Pte Ltd, Keppel Capital US Holding Inc, Keppel Capital Senior Living LLC, Keppel Capital Senior Living Investments LLC, KSL NewCo LLC and KSL SoCal LLC, 50% equity interest in Watermark Retirement Communities, LLC, Watermark Freshwater Group, LLC, Watermark 2020, LLC, WRC KSL Senior Holdings, LLC and WRC KSL Senior Investments, LLC. The business combination involved entities under common control and hence the merger method of accounting was applied, whereby the difference between the consideration paid of S\$1 and the equity acquired of S\$46 million was recognised in merger reserve.
- (d) On 10 November 2023, the Group gained control of its previously 64% owned joint ventures, VN Glory Pte. Ltd., VN Fortune Pte. Ltd. and VN Growth Pte. Ltd. via a capital reduction after the exit of a joint venture partner. Subsequent to the capital reduction in 2023, the Group holds 91% interest in these entities. On 26 December 2024, the Group completed another capital reduction exercise and holds 100% interest in these entities.

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NOTES TO THE FINANCIAL STATEMENTS**For the financial year ended 31 December 2024****14. SUBSIDIARIES (continued)**

The net assets of the subsidiaries acquired and the net cash flows were as follows:

| | 2024 | 2023 |
|---|-----------------|----------|
| | \$'000 | \$'000 |
| Fixed assets | 8 | - |
| Investment properties | 345,590 | - |
| Investment in joint ventures | 108,364 | - |
| Debtors | 19,632 | 28,202 |
| Cash and cash equivalent | 39,358 | 737 |
| Amounts due from related parties | 160,409 | - |
| Creditors | (60,115) | - |
| Bank borrowings | (182,394) | - |
| Amounts due to related parties | (461,205) | - |
| Tax receivables | 2,143 | - |
| Deferred tax liabilities | (3,578) | - |
| Less: Amount previously recognised as joint ventures | - | (28,939) |
| Net liabilities acquired | <u>(31,788)</u> | <u>-</u> |
| Purchase consideration | 147,981 | - |
| Less: Cash and cash equivalent in subsidiary acquired | <u>(39,358)</u> | <u>-</u> |
| Net cash outflow on the acquisition | <u>108,623</u> | <u>-</u> |

Disposal of Subsidiaries in 2024 and 2023

- (a) On 25 September 2024, the Group's wholly-owned subsidiaries, Krystal Investment Pte. Ltd. and Keppel Land (Saigon Centre) Limited, issued Class C preference shares to Himawari VN3C3 Pte Ltd ("Himawari"), a new entity which was incorporated during the year. The Preference Shares entitled Himawari to 32% dividend and voting rights in Keppel Land Watco IV and V ("KLW IV and V"), which collectively hold the land use rights in respect of Saigon Centre Phase 3 in District 1 of Ho Chi Minh City, Vietnam.
- On the same date, Toshin Development Co Ltd ("Toshin") and Saigon Centre Investment Limited, a wholly-owned subsidiary, entered into a subscription agreement to subscribe for ordinary shares in Himawari in the proportion of 49.9% and 50.1% respectively. Toshin paid a consideration of US\$46.4 million (approximately S\$60.6 million) for the subscription of shares in Himawari, of which S\$26.1 million was paid in 2024 and the remaining amount of S\$41.2 million was recognised as a deferred consideration to be received in 2025. Himawari was also structured to provide both the Group and Toshin joint control over the key relevant activities of KLW IV and V. As a result of the above, the Group's effective interest decreased from 84% to 68% and Keppel's control over KLW IV and V changed from control to joint control. The gain on divestment and remeasurement loss of remaining interest in KLW IV and V were S\$9,361,000 and S\$17,430,000 respectively.
- (b) On 8 February 2023, the Group, through its wholly-owned subsidiary, Keppel Land Vietnam Properties Pte Ltd, divested its 100% of the issued share capital of Willowville Pte Ltd ("WPL") for a consideration of USD5.5 million (approximately \$7.3 million). WPL had a 60% stake in a project company which holds the rights to develop a site in District 1 of Ho Chi Minh City, Vietnam. The Group recognised a net gain of \$6,249,000.
- (c) On 6 March 2023, the Company and its wholly-owned subsidiary, Double Peak Holdings Limited, divested 100% of the issued share capital of Greenfield Development Pte Ltd ("GDPL") for a consideration of USD56.4 million (approximately \$75.6 million). GDPL holds 100% of the issued share capital of Straits Greenfield Limited, which has the right to build and operate a hotel in Myanmar. The Group recognised a net gain of \$12,284,000.

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NOTES TO THE FINANCIAL STATEMENTS**For the financial year ended 31 December 2024****14. SUBSIDIARIES (continued)**

The net assets of the subsidiaries disposed of and the net cash flows were as follows:

| | 2024 \$'000 | 2023 \$'000 |
|--|------------------------------|----------------|
| Fixed assets | 15,914 | 56,815 |
| Investment properties | 264,075 | - |
| Right-of-use assets | - | 10,336 |
| Properties held for sale and stocks | - | 92 |
| Debtors | 1,330 | 559 |
| Cash and cash equivalents | 49,128 | 1,776 |
| Creditors | (18) | (547) |
| Tax provision | (74) | - |
| Deferred tax liabilities | (47,590) | - |
| Lease liabilities | - | (8,640) |
| Net assets | 282,765 | 60,391 |
| Less: Non-controlling interests deconsolidated | (45,170) | - |
| Net assets disposed | 237,595 | 60,391 |
| Sales consideration | 60,568 | 82,991 |
| Add: Deferred consideration received (Note 22) | 3,701 | 4,722 |
| Less: Deferred consideration (Note 22) | (41,213) | (3,669) |
| Cash and cash equivalents disposed | (49,128) | (1,776) |
| Net cash (outflow)/inflow on the disposals | (26,072) | 82,268 |

15. ASSOCIATED COMPANIES AND JOINT VENTURES

| | GROUP | | COMPANY | |
|------------------------------------|------------------|-----------|----------------|---------|
| | 2024 | 2023 | 2024 | 2023 |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Associated Companies | | | | |
| Investments, at cost | 1,602,411 | 1,639,461 | 60,436 | 60,436 |
| Share of post-acquisition reserves | 415,054 | 526,493 | - | - |
| Impairment | - | - | (3,095) | (3,095) |
| | 2,017,465 | 2,165,954 | 57,341 | 57,341 |
| Joint Ventures | | | | |
| Investments, at cost | 989,754 | 664,916 | - | - |
| Advances to joint ventures | 264,516 | 290,215 | - | - |
| Share of post-acquisition reserves | 58,892 | 94,141 | - | - |
| Impairment | (18,016) | - | - | - |
| | 1,295,146 | 1,049,272 | - | - |
| Total | 3,312,611 | 3,215,226 | 57,341 | 57,341 |

Advances to joint ventures are unsecured and are not repayable within the next 12 months. Interest is charged at 3.0% to 11.0% (2023: 3.0% to 11.0%) per annum on interest-bearing advances.

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Movements in the provision for impairment of joint ventures are as follows:

| | Group | |
|--------------------------|---------------|---------------|
| | 2024 | 2023 |
| | \$'000 | \$'000 |
| At 1 January | - | - |
| Impairment loss (Note 5) | 17,970 | - |
| Exchange differences | 46 | - |
| At 31 December | 18,016 | - |

The details of the significant associated companies and joint ventures are disclosed in Note 36.

The Group's share of the capital commitments of the associated companies and joint ventures are disclosed in Note 29.

| | GROUP | | COMPANY | |
|--|------------------|------------------|----------------|---------------|
| | 2024 | 2023 | 2024 | 2023 |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Investments in associated companies and joint ventures are represented by: | | | | |
| Quoted investments | | | | |
| (Market value: \$977,679,000; 2023: \$1,107,582,000) | 1,296,271 | 1,395,843 | - | - |
| Unquoted investments | 2,016,340 | 1,819,383 | 57,341 | 57,341 |
| | 3,312,611 | 3,215,226 | 57,341 | 57,341 |

Acquisitions and Disposals in 2024 and 2023

- (a) The Group's effective interest in Keppel Land Watco IV and V decreased from 84% to 68% and these two entities became joint ventures of the Group (Note 14).
- (b) In December 2024, the Group, through its wholly owned subsidiary, Ibeworth Pte Ltd, has gradually divested its shares in Nam Long Investment Corporation, reducing its interest from 8.15% to 7.65% at selling price ranging from VND 35,663 to VND 36,619. Keppel has lost significant influence in Nam Long Investment Corporation due to the absence of continued technical and strategic collaboration, coupled with the partial divestment during the year. The Group's investment in Nam Long Investment Corporation has been reclassified to investments carried at fair value through profit or loss. The gain from reclassification of Nam Long from an associated company to investments was S\$12,711,000.

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15. ASSOCIATED COMPANIES AND JOINT VENTURES (continued)

Acquisitions and Disposals in 2024 and 2023 (continued)

- (c) On 23 March 2023, the Group through its 50% owned joint venture, Taicang Jihui Real Estate Consulting Co acquired 28.57% equity interest in Taicang Xintao Real Estate Consulting Co Ltd. ("TXRE") for a total consideration of RMB 344 million (approximately \$67.0 million). TXRE holds 70% of the equity interest in the project company which holds a 2.5 hectare residential site in Jiading District, Shanghai, China.
- (d) On 26 May 2023 and 11 August 2023, the Group through its 92.5% owned subsidiaries, VN Victory Pte. Ltd. and VN Success Pte. Ltd. acquired 45.3% effective stakes in Doan Nguyen House Trading Investment Company Limited ("DN") and New Binh Trung Real Estate Company Limited ("NBT") for considerations of VND1,515 billion (approximately \$86.3 million) and VND1,661 billion (approximately \$93.8 million) respectively. DN and NBT hold rights to develop two residential sites in Thu Duc City, Ho Chi Minh City, Vietnam.
- (e) On 2 October 2023, the Group through its wholly-owned subsidiary, divested its entire 35% interest in Chengdu Taixin Real Estate Development Co Ltd for a consideration of RMB504 million (approximately \$94.1 million). The Group recorded a net loss of \$18,030,000.
- (f) On 22 December 2023, the Group through its 57% owned subsidiary, Keppel Philippines Properties, Inc. and 45% owned associated company, Opon-KE Properties, Inc. divested its 27.4% effective interest in SM Keppel Land, Inc. ("SMKL"), which holds The Podium West Tower and The Podium Mall in the Philippines for a total consideration of PHP 7,800 million (approximately \$188.0 million). The Group recognised a net gain of \$36,111,000 (after accounting for non-controlling interest of \$33,669,000).
- (g) On 25 December 2023, the Group's joint venture partner in Bellenden Investments Limited ("BIL") and Davinelle Limited ("DL"), subscribed for ordinary shares in BIL and DL for a consideration of US\$82.9 million (approximately \$110.9 million). BIL holds class A preference shares in each of Keppel Land (Saigon Centre) Limited ("KLSC") and Krystal Investments Pte. Ltd. ("KIPL"), and DL holds class B preference shares in each of KLSC and KIPL. The Group through wholly-owned subsidiaries, KLSC and KIPL, hold 61.3% effective interests in Keppel Land Watco I Company Limited ("KLW I"), Keppel Land Watco II Company Limited ("KLW II") and Keppel Land Watco III Company Limited ("KLW III"). Upon completion of the subscription, the Group's effective beneficial interests in KLW I, KLW II and KLW III were diluted to 45.3% and recognised a gain of \$37,016,000.

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NOTES TO THE FINANCIAL STATEMENTS**For the financial year ended 31 December 2024****15. ASSOCIATED COMPANIES AND JOINT VENTURES (continued)**

The Group has equity accounted for all its associated companies and joint ventures. The Group's share of net results of associated companies and joint ventures are as follows:

| | 2024 | | | 2023 | | |
|--|----------------------|----------------|----------|----------------------|----------------|----------|
| | Associated Companies | Joint Ventures | Total | Associated Companies | Joint Ventures | Total |
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Share of pre-tax profit before fair value (loss)/gain on investment properties | 55,453 | 35,631 | 91,084 | 147,750 | 27,463 | 175,213 |
| Share of fair value (loss)/gain on investment properties | (13,773) | (8,257) | (22,030) | 4,859 | 27,421 | 32,280 |
| Share of pre-tax profit | 41,680 | 27,374 | 69,054 | 152,609 | 54,884 | 207,493 |
| Share of taxation | (5,605) | (18,738) | (24,343) | (17,597) | (18,656) | (36,253) |
| Share of net results | 36,075 | 8,636 | 44,711 | 135,012 | 36,228 | 171,240 |

The material associated companies and joint ventures are as follows:

| Name of Associated Companies and Joint Ventures | Principal Place of Business | Ownership Interest/ Voting Rights Held | | Fair Value of Ownership Interest | |
|---|-----------------------------|---|------|----------------------------------|----------------|
| | | 2024 | 2023 | 2024 \$'000 | 2023 \$'000 |
| Keppel REIT | Singapore | 29% | 30% | 977,679 | 1,045,105 |
| Nanjing Zhijun Property Development ("Nanjing Zijun") | China | 25% | 25% | Not applicable | Not Applicable |
| Keppel Land Watco II Company Limited ("KL Watco II") | Vietnam | 45% | 45% | Not applicable | Not Applicable |

The other associated companies and joint ventures are individually immaterial to the Group. Aggregate information about the Group's investments in associated companies and joint ventures that are individually immaterial are as follows:

| | Associated Companies | | Joint Ventures | |
|------------------------------------|----------------------|----------|----------------|---------|
| | 2024 | 2023 | 2024 | 2023 |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Profit/(loss) after tax | 25,763 | 63,480 | (10,952) | 69,152 |
| Other comprehensive (loss)/income | (3,840) | (13,053) | (16,306) | 6,969 |
| Total comprehensive income/(loss) | 21,923 | 50,427 | (27,258) | 76,121 |
| Carrying amount of the investments | 683,614 | 757,849 | 1,127,382 | 883,824 |

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NOTES TO THE FINANCIAL STATEMENTS**For the financial year ended 31 December 2024****15. ASSOCIATED COMPANIES AND JOINT VENTURES (continued)**

Summarised financial information in respect of Keppel REIT, Nanjing Zhijun and KL Watco II based on the SFRS(I) financial statements and a reconciliation with the carrying amount of the investments in the consolidated financial statements are as follows:

| | Keppel REIT | | Nanjing Zhijun | | KL Watco II | |
|-------------------------------------|--------------------|---------------|-----------------------|---------------|--------------------|---------------|
| | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 |
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Summarised Balance Sheet | | | | | | |
| Non-current assets | 8,351,873 | 8,090,227 | 14,889 | 14,233 | 543,309 | 553,521 |
| Current assets | 105,770 | 169,101 | 241,492 | 362,815 | 28,811 | 22,321 |
| Total assets | 8,457,643 | 8,259,328 | 256,381 | 377,048 | 572,120 | 575,842 |
| Non-current liabilities | 2,809,454 | 2,916,777 | - | - | 178,562 | 189,105 |
| Current liabilities | 757,132 | 337,930 | 160,262 | 204,934 | 23,119 | 21,412 |
| Total liabilities | 3,566,586 | 3,254,707 | 160,262 | 204,934 | 201,681 | 210,517 |
| Net assets | 4,891,057 | 5,004,621 | 96,119 | 172,114 | 370,439 | 365,325 |
| Proportion of the Group's ownership | 29% | 30% | 25% | 25% | 45% | 45% |
| Group's share of net assets | 1,429,852 | 1,486,838 | 24,303 | 43,029 | 167,764 | 165,448 |
| Other adjustments | (133,581) | (135,311) | 13,550 | 13,549 | - | - |
| Carrying amount of the investments | 1,296,271 | 1,351,527 | 37,853 | 56,578 | 167,764 | 165,448 |

| | Keppel REIT | | Nanjing Zhijun | | KL Watco II | |
|---|--------------------|---------------|-----------------------|---------------|--------------------|---------------|
| | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 |
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Summarised Statement of Comprehensive Income | | | | | | |
| Revenue | 261,580 | 233,071 | 22,392 | 203,716 | 87,418 | 80,886 |
| Profit/(loss) after tax | 98,969 | 168,581 | (75,089) | 45,250 | 43,253 | 72,700 |
| Other comprehensive loss | (51,324) | (97,061) | (905) | (5,000) | (14,067) | (3,542) |
| Total comprehensive income/(loss) | 47,645 | 71,520 | (75,994) | 40,250 | 29,186 | 69,158 |
| Dividends received | 64,055 | 86,359 | - | - | 10,864 | 13,736 |

As at 31 December 2024 and 31 December 2023, the fair value of Keppel REIT was below the carrying amount of the Group's effective ownership interest. Management is of view that no impairment is required as it is held for long term and its recoverable amount approximates the carrying amount.

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NOTES TO THE FINANCIAL STATEMENTS**For the financial year ended 31 December 2024****16. INVESTMENTS**

| | GROUP | | COMPANY | |
|---|----------------|---------|----------------|--------|
| | 2024 | 2023 | 2024 | 2023 |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| (a) Investments at FVPL: | | | | |
| Quoted equity shares (Note 15(b)) | 56,989 | - | - | - |
| Unquoted shares in a corporation | 119,246 | - | - | - |
| Compulsorily convertible debentures in corporations | 45,149 | 44,592 | - | - |
| Convertible preference shares and convertible promissory note | 6,168 | 38,717 | - | - |
| Convertible loan | - | 5,000 | - | - |
| | 227,552 | 88,309 | - | - |
| (b) Investments at FVOCI: | | | | |
| Unquoted shares in corporations | 35,431 | 50,307 | 20,721 | 18,917 |
| Private property funds | 82,568 | 84,791 | - | - |
| | 117,999 | 135,098 | 20,721 | 18,917 |
| Total investments | 345,551 | 223,407 | 20,721 | 18,917 |

Compulsorily convertible debentures bear interest rate at 10.00% per annum and will expire on 19 October 2040.

The Group holds convertible preference shares in Smartworks Coworking Space Pvt Ltd amounting to USD29,000,000 (approximately \$39,130,000). The Group is entitled to convert its convertible preference shares into ordinary shares at any time up to twenty years from the date of the Investment Agreement. In 2024, all the convertible preference shares have been converted to ordinary shares and is presented as unquoted shares in a corporation.

The Group has elected to measure some investments at FVOCI due to the Group's intention to hold these investments for long-term appreciation.

Included in the unquoted shares in corporations, the Group holds a 97.84% (2023: 97.59%) interest in an investment amounting to \$14,705,000 (2023: \$31,385,000). As the Group has no voting rights, there is no control over the investee.

Private property funds are managed by Keppel Fund Management Limited, a related company of the Group. The details of the valuation techniques and inputs used are disclosed in Note 33.

17. AMOUNTS DUE FROM SUBSIDIARIES AND RELATED COMPANIES

Amounts due from subsidiaries as at 31 December 2024 are unsecured, bear interest ranging from 5.70% to 6.34% per annum and mature in 2029. The amounts are to be settled in cash.

Amounts due from related companies as at 31 December 2023 are unsecured, bear interest at 4.74% per annum, have no fixed repayment terms and are to be settled in cash.

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NOTES TO THE FINANCIAL STATEMENTS**For the financial year ended 31 December 2024****18. OTHER NON-CURRENT ASSETS**

| | GROUP | | COMPANY | |
|---|-----------------|---------------|----------------|---------------|
| | 2024 | 2023 | 2024 | 2023 |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| (a) Other debtors: | | | | |
| Accrued receivable | 6,794 | 6,794 | 6,794 | 6,794 |
| Advances to investees | 43,825 | - | - | - |
| Call option | 249,403 | 203,898 | - | - |
| Loan extended in relation to a potential acquisition | - | 14,324 | - | - |
| Other receivables | 9,963 | - | - | - |
| | 309,985 | 225,016 | 6,794 | 6,794 |
| Allowance for doubtful debt | (21,431) | - | - | - |
| | 288,554 | 225,016 | 6,794 | 6,794 |
| (b) Non-financial assets: | | | | |
| Others | 5,656 | 3,894 | - | - |
| | 5,656 | 3,894 | - | - |
| | 294,210 | 228,910 | 6,794 | 6,794 |
| <u>Analysis of allowance for doubtful debt - Non-trade:</u> | | | | |
| At 1 January | - | (21,722) | - | - |
| Reclassified (from)/to current (Note 22) | (21,431) | 21,232 | - | - |
| Exchange differences on consolidation | - | 490 | - | - |
| At 31 December | (21,431) | - | - | - |

Accrued receivable is related to the fees in respect of guarantees for the performance on contract by a related party granted to a third party, a bank loan granted to a related party and payment of contract sum to a third party by a related party.

Advances to investees are unsecured, interest-free and mature between 2027 to 2029.

The call option granted to the Group is in connection with the disposal of its 87.51% equity interest in Ocean Properties Pte. Limited to Keppel REIT in 2011. The Group has an option to acquire the same shares exercisable at the price of \$1 upon the expiry of 99 years from 14 December 2011 under the share purchase agreement. The call option may be exercised earlier upon the occurrence of certain specified events as stipulated in the call option deed. The fair value of the call option as at 31 December 2024 is determined by reference to the difference in valuations obtained from an independent professional valuer for the underlying investment property based on the remaining 837-year leasehold and 86-year leasehold (2023: based on the remaining 838-year leasehold and 87-year leasehold). Based on these valuations, the fair value gain of \$45,505,000 (2023: \$11,376,000) was taken to the profit or loss account (Note 5). The details of the valuation techniques and inputs used for the call option are disclosed in Note 33.

The loan extended to a third party in relation to a potential acquisition has been reclassified to debtors as it is maturing in 2025.

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NOTES TO THE FINANCIAL STATEMENTS**For the financial year ended 31 December 2024****19. STOCKS**

| | GROUP | |
|-----------------------------------|------------------|---------------|
| | 2024 | 2023 |
| | \$'000 | \$'000 |
| Spare parts and consumable stocks | 1,022 | 960 |
| Properties held for sale | 1,820,750 | 2,090,928 |
| | 1,821,772 | 2,091,888 |

Properties held for sale

| | GROUP | |
|--|------------------|---------------|
| | 2024 | 2023 |
| | \$'000 | \$'000 |
| (a) Properties under development: | | |
| Land costs | 545,554 | 558,887 |
| Development cost incurred to date | 247,789 | 213,343 |
| Overhead expenditure | 214,015 | 195,181 |
| | 1,007,358 | 967,411 |
| (b) Completed properties held for sale: | 839,818 | 1,142,726 |
| Allowance for foreseeable losses | (26,426) | (19,209) |
| | 1,820,750 | 2,090,928 |
| <u>Analysis of allowance for foreseeable losses:</u> | | |
| At 1 January | (19,209) | (19,340) |
| Allowance | (8,883) | (6,137) |
| Utilisation | 1,530 | 1,150 |
| Disposal of subsidiaries | - | 4,790 |
| Exchange differences on consolidation | 136 | 328 |
| At 31 December | (26,426) | (19,209) |

Properties held for sale have been classified under current in nature even though a proportion of the properties held for sale will not be realised within a year. It is not possible to determine with accuracy when specific properties held for sale will be realised as this will be subjected to a number of variables such as consumer demand and progress of the construction.

Progress billings for properties where revenue is recognised using the completion of construction method amounted to \$36,199,000 (31 December 2023: \$59,382,000; 1 January 2023: \$153,487,000). These pertain to contract liabilities that arise due to consideration received from customers for the unsatisfied performance obligations on sale of properties under development are presented as contract liabilities (Note 20).

Interest capitalised during the year was \$13,285,000 (2023: \$10,922,000) at rates ranging from 3.10% to 7.17% (2023: 4.00% to 7.00%) per annum for overseas properties. There was no interest capitalised in 2024 for Singapore properties. In 2023, interest capitalised for Singapore properties was \$488,000 at rates ranging from 4.26% to 4.71% per annum.

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The allowance for foreseeable losses is estimated taking into account the net realisable values and estimated total construction costs. The net realisable values are based on recent selling prices for the development project or comparable projects or independent valuation and the prevailing market conditions less costs to be incurred in selling the property. Market conditions may change and affect future selling prices which may affect the carrying values of properties held for sale in future periods. The estimated total construction costs include contracted amounts plus estimated costs to be incurred taking into consideration relevant data and trend. The allowance is progressively reversed for those residential units sold above their carrying amounts.

Properties amounting to \$273,480,000 in value as at 31 December 2023 and included in the above balances were mortgaged to the banks as securities for borrowings as referred to in Note 26.

Included in the land costs and completed properties held for sale as at 31 December 2024 are payments of \$130,855,000 and \$799,000 (2023: \$135,468,000 and \$831,000) respectively for certain land parcels which have been awarded by the authorities but the issuance of title deeds are in progress.

20. CONTRACT LIABILITIES

| | 31 December 2024 \$'000 | GROUP 31 December 2023 \$'000 | 1 January 2023 \$'000 |
|----------------------|-------------------------------|--|-----------------------------|
| Contract liabilities | 36,199 | 59,382 | 153,487 |

The contract liabilities arise due to consideration received from customers for the unsatisfied performance obligations on sale of properties under development.

Revenue recognised during the financial year ended 31 December 2024 in relation to the contract liabilities balance as at 1 January 2024 was \$33,000,000 (2023: \$82,448,000).

The aggregate amount of the transaction price allocated to the remaining performance obligations is \$272,541,000 (2023: \$371,905,000) and the Group expects to recognise this revenue over the next 1 to 2 years (2023: 1 to 2 years).

21. AMOUNTS DUE FROM/TO HOLDING COMPANY AND RELATED PARTIES

| | GROUP | | COMPANY | |
|---|-----------------|----------------|------------------|----------------|
| | 2024 \$'000 | 2023 \$'000 | 2024 \$'000 | 2023 \$'000 |
| Amounts due from: | | | | |
| Subsidiaries (advances) | - | - | 3,575,898 | 3,967,192 |
| Associated companies and joint ventures | | | | |
| - Trade | 6,585 | 17,922 | 43 | - |
| - Advances | 64,416 | 60,674 | - | - |
| Related companies | | | | |
| - Trade | 287 | 591 | - | - |
| - Non-trade | 33,628 | - | 33,628 | - |
| - Advances | 100,816 | 85,946 | - | 588 |
| Holding company | | | | |
| - Non-trade | 13,159 | - | 13,159 | - |
| - Advances | 1,216 | 1,288 | - | - |
| | 220,107 | 166,501 | 3,622,728 | 3,967,780 |
| Allowance for doubtful debts | (19,591) | (19,810) | (286,647) | (473,929) |
| | 200,516 | 146,691 | 3,336,081 | 3,493,851 |

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NOTES TO THE FINANCIAL STATEMENTS**For the financial year ended 31 December 2024****21. AMOUNTS DUE FROM/TO HOLDING COMPANY AND RELATED PARTIES (continued)**

| | GROUP | | COMPANY | |
|--|-----------------|---------------|------------------|---------------|
| | 2024 | 2023 | 2024 | 2023 |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Amounts due to: | | | | |
| Subsidiaries | | | | |
| - Non-Trade | - | - | 218 | - |
| - Advances | - | - | 646,805 | 465,392 |
| Associated companies and joint ventures | | | | |
| - Trade | 4,060 | 4,526 | - | - |
| - Advances | 133,880 | 126,334 | 52,587 | 50,618 |
| Related companies | | | | |
| - Trade | 14,436 | 24,150 | 467 | - |
| - Non-Trade | 2,898 | - | 2,898 | - |
| - Advances | 270,286 | 600 | 97,312 | - |
| Holding company | | | | |
| - Trade | 3,233 | 3,200 | - | - |
| - Advances | 6,666 | 10,552 | - | - |
| | 435,459 | 169,362 | 800,287 | 516,010 |
| <u>Analysis of allowance for doubtful debts:</u> | | | | |
| At 1 January | (19,810) | (12,575) | (473,929) | (457,636) |
| Write-back of allowance | 105 | 776 | 222,598 | 60,815 |
| Allowance | - | (5,142) | (35,316) | (77,108) |
| Acquisition of subsidiaries | - | (2,869) | - | - |
| Exchange differences | 114 | - | - | - |
| At 31 December | (19,591) | (19,810) | (286,647) | (473,929) |

Advances due from subsidiaries are unsecured, have no fixed terms of repayment and are to be settled in cash. Interest-bearing advances of \$2,528,730,000 (2023: \$2,668,253,000) to a subsidiary bear interest at rates ranging from 2.00% to 4.68% (2023: 2.00% to 5.05%) per annum.

Advances due to subsidiaries are unsecured, have no fixed terms of repayment and are to be settled in cash. Interest-bearing advances of \$97,312,000 (2023: \$NIL) from a subsidiary bear interest at rates ranging from 3.93% to 6.43% (2023: NIL) per annum.

In 2024 and 2023, a net write-back and net allowance for doubtful debts of \$187,282,000 and \$16,293,000 respectively was made by the Company in respect of the advances due from certain subsidiaries after taking into account the financial conditions of these subsidiaries. During the year, advances to a subsidiary of S\$232,400,000 was capitalised to investment in subsidiary (Note 14).

Amounts due from associated companies and joint ventures are unsecured, have no fixed terms of repayment and are to be settled in cash. Interest-bearing advances of \$27,190,000 (2023: \$30,514,000) bear interest at rates ranging from 7.00% to 12.00% (2023: 7.00% to 12.00%) per annum.

Amounts due from related companies are unsecured, have no fixed terms of repayment and are to be settled in cash. Interest-bearing advances of \$100,375,000 (2023: \$85,650,000) bear interest at rates ranging from 3.10% to 4.73% (2023: 4.02% to 5.55%) per annum.

Amounts due from associated companies, joint ventures and related companies that are trade in nature as at 31 December 2024 amounted to \$6,872,000 (31 December 2023: \$18,513,000; 1 January 2023: \$11,205,000).

Amounts due to associated companies, joint ventures and related companies are unsecured, have no fixed terms of repayment and are to be settled in cash. Interest-bearing advances of \$179,052,000 (2023: \$20,603,000) bear interest at 1.50% to 5.18% (2023: 1.5%) per annum.

Amounts due from/to holding company are unsecured, interest-free, have no fixed terms of repayment and are to be settled in cash.

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| | GROUP | | COMPANY | |
|--|-----------------|---------------|----------------|---------------|
| | 2024 | 2023 | 2024 | 2023 |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| (a) Trade debtors | 67,411 | 140,243 | 14 | - |
| Accrued receivables | 3,766 | 754 | - | - |
| | 71,177 | 140,997 | 14 | - |
| Allowance for expected credit loss | (638) | (297) | - | - |
| | 70,539 | 140,700 | 14 | - |
| (b) Other debtors: | | | | |
| Deposits paid | 30,087 | 40,390 | 1 | - |
| Interest receivable | 895 | 1,048 | - | - |
| Advances to non-controlling shareholders subsidiaries | 6,518 | 6,033 | - | - |
| Advance to an investee | - | 42,819 | - | - |
| Deferred consideration in relation to divestment of certain subsidiaries | 41,213 | 3,669 | - | - |
| Loan extended in relation to a potential acquisition | 14,503 | - | - | - |
| Other debtors | 13,697 | 11,572 | 1,436 | - |
| Other recoverable amounts | 18,484 | 15,047 | 6,189 | - |
| | 125,397 | 120,578 | 7,626 | - |
| Allowance for expected credit loss | (1,646) | (22,729) | - | - |
| | 123,751 | 97,849 | 7,626 | - |
| (c) Non-financial assets: | | | | |
| Prepaid project costs and prepayments | 30,740 | 23,873 | 3,558 | 1,152 |
| Other tax receivables | 81,873 | 76,659 | 50 | 12 |
| | 112,613 | 100,532 | 3,608 | 1,164 |
| | 306,903 | 339,081 | 11,248 | 1,164 |
| <u>Movements in the allowance for expected credit loss are as follows:</u> | | | | |
| At 1 January | (23,026) | (1,840) | - | - |
| Allowance | (930) | (303) | - | - |
| Write-back of allowance | 403 | 29 | - | - |
| Write-off against allowance | 17 | 286 | - | - |
| Acquisition of subsidiaries | (15) | - | - | - |
| Disposal of subsidiaries | - | 3 | - | - |
| Reclassified to/(from) non-current (Note 18) | 21,431 | (21,232) | - | - |
| Exchange differences on consolidation | (164) | 31 | - | - |
| At 31 December | (2,284) | (23,026) | - | - |

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NOTES TO THE FINANCIAL STATEMENTS**For the financial year ended 31 December 2024****22. DEBTORS (continued)**

Trade debtors and accrued receivables pertain to receivables from contracts with customers. The trade debtors and accrued receivables as at 31 December 2024 were \$67,411,000 and \$3,766,000 (31 December 2023: \$140,243,000 and \$754,000; 1 January 2023: \$58,171,000 and \$11,845,000) respectively.

Advances to non-controlling shareholders of subsidiaries are interest-free, have no fixed terms of repayment and are unsecured.

In 2023, advance to an investee was unsecured, interest-free and matured in 2024.

The deferred consideration of \$41,213,000 for 2024 was in relation to the remaining proceeds to be received in 2025 for the partial divestment of certain subsidiaries (Note 14). Deferred consideration of \$3,669,000 for 2023 has been received in 2024.

Trade and other debtors that are individually determined to be impaired at the balance sheet date relate to debtors that are in significant financial difficulties and/or have defaulted on payments.

The loan extended to a third party in relation to a potential acquisition is secured, bears interest rate at 15.00% per annum and is maturing in 2025.

23. CASH AND CASH EQUIVALENTS

| | GROUP | | COMPANY | |
|-----------------------------------|----------------|---------------|----------------|---------------|
| | 2024 | 2023 | 2024 | 2023 |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Fixed deposits with banks | 132,009 | 446,944 | - | - |
| Bank balances and cash | 230,032 | 107,270 | 2,887 | - |
| Deposits with related companies | 50,148 | 79,694 | - | 1,331 |
| Cash sweep with a related company | 55,373 | 126,195 | 10,063 | 661 |
| | 467,562 | 760,103 | 12,950 | 1,992 |

Fixed deposits with banks and deposits with related companies mature in varying periods, substantially between 1 day to 10 months (2023: substantially between 1 day to 3 months) from the financial year-end. These comprise Singapore dollars fixed deposits of \$41,831,000 (2023: \$51,460,000) at interest rates ranging from 2.48% to 2.93% (2023: 2.78% to 3.95%) per annum and foreign currency fixed deposits of \$140,326,000 (2023: \$475,178,000) at interest rates ranging from 0.80% to 6.90% (2023: 1.00% to 7.45%).

The Group has a daily cash sweep arrangement with a related company for overnight deposits at interest rates of 1.50% and 2.63% (2023: 1.22% and 2.80%) per annum for Singapore dollar and United States dollar respectively, subject to an arrangement with a bank where bank balances are transferred from/to a bank account of the related company on a daily basis.

The Company has a daily cash sweep arrangement with a related company for overnight deposits at interest rates of 1.50% and 2.63% (2023: 1.22% and 2.80%) per annum for Singapore dollar and United States dollar respectively, subject to an arrangement with a bank where bank balances are transferred from/to a bank account of the related company on a daily basis.

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NOTES TO THE FINANCIAL STATEMENTS**For the financial year ended 31 December 2024****23. CASH AND CASH EQUIVALENTS (continued)****Significant Restrictions**

Cash and cash equivalents of \$171,462,000 (2023: \$232,237,000) held in the People's Republic of China are subject to local exchange control regulations. These regulations place restriction on the amount of currency being exported other than through dividends and capital repatriation upon liquidation.

| | GROUP | |
|--|---------------|---------------|
| | 2024 | 2023 |
| | \$'000 | \$'000 |
| (a) Amounts held under project accounts, withdrawals from which are restricted to payments for expenditures incurred on projects | 27,310 | 19,030 |
| (b) Project receipts held in escrow accounts and fixed deposits in relation to certain financing facilities | 20,090 | 9,896 |
| (c) Amount pledged to banks in relation to performance security of certain construction contracts | 2,265 | 11,051 |
| (d) Amount frozen due to ongoing lawsuits | 11,922 | - |

24. CREDITORS

| | GROUP | | COMPANY | |
|--|----------------|---------------|----------------|---------------|
| | 2024 | 2023 | 2024 | 2023 |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Trade creditors | 19,871 | 25,239 | 174 | - |
| Advances from non-controlling shareholders | 136,862 | 13,778 | - | - |
| Accrued expenses | 130,581 | 119,986 | 38,401 | 2,310 |
| Accrued share plan expenses | 8,520 | 4,728 | 4,805 | 308 |
| Accrued development costs | 244,335 | 334,898 | - | - |
| Retention monies | 79,303 | 112,854 | - | - |
| Deposits received | 37,121 | 31,581 | - | - |
| Deposit received for sale of land | 8,257 | 9,365 | - | - |
| Interest payable | 10,675 | 12,970 | 6,503 | 8,465 |
| Sundry creditors | 52,632 | 39,568 | 6,266 | 6,097 |
| | 728,157 | 704,967 | 56,149 | 17,180 |
| Non-financial liabilities: | | | | |
| Accrued business and other taxes | 15,004 | 16,652 | 2,129 | 13 |
| | 15,004 | 16,652 | 2,129 | 13 |
| | 743,161 | 721,619 | 58,278 | 17,193 |

Advances from non-controlling shareholders as at 31 December 2024 are unsecured. Interest-bearing advances amounted to \$44,711,000 and interest is payable at 6.42% to 7.21% per annum. Advances from non-controlling shareholders of \$15,796,000 are repayable on demand while the remaining advances are due in 2025. During the year, an amount of \$120,622,000 was reclassified from other non-current liabilities (Note 27) as it is due in 2025.

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Advances from non-controlling shareholders as at 31 December 2023 were unsecured and had no fixed terms of repayment. Interest-bearing advances amounted to \$4,643,000 and interest was payable at 5.05% to 6.42% per annum.

25. PROVISIONS

| | GROUP | |
|--------------------------------------|--------------------------|---------------|
| | Onerous Contracts | |
| | 2024 | 2023 |
| | \$'000 | \$'000 |
| At 1 January | 16,000 | 17,500 |
| Write-back to profit or loss account | (4,300) | - |
| Amount utilised | - | (1,500) |
| At 31 December | 11,700 | 16,000 |

26. TERM LOANS

| | GROUP | | COMPANY | |
|--|------------------|---------------|------------------|---------------|
| | 2024 | 2023 | 2024 | 2023 |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| <u>Short-term borrowings</u> | | | | |
| Borrowings under MTN Programme | - | 129,966 | - | 129,966 |
| Bank borrowings: | | | | |
| Secured | 213,905 | 84,791 | - | - |
| Unsecured | 19,624 | 577,024 | - | 299,942 |
| | 233,529 | 661,815 | - | 299,942 |
| Unsecured loans from a related company | 1,112,668 | 1,421,413 | - | - |
| | 1,346,197 | 2,213,194 | - | 429,908 |
| <u>Long-term borrowings</u> | | | | |
| Borrowings under MTN Programmes | 279,873 | 279,783 | 279,873 | 279,783 |
| Redeemable non-convertible debentures | - | 32,000 | - | - |
| Bank borrowings: | | | | |
| Secured | 801,839 | 686,221 | - | - |
| Unsecured | 1,045,746 | 944,405 | 916,055 | 915,636 |
| | 1,847,585 | 1,630,626 | 916,055 | 915,636 |
| Unsecured loans from a related company | 1,861,017 | 810,000 | - | - |
| Unsecured loans from a subsidiary | - | - | 153,739 | - |
| | 3,988,475 | 2,752,409 | 1,349,667 | 1,195,419 |
| | 5,334,672 | 4,965,603 | 1,349,667 | 1,625,327 |

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NOTES TO THE FINANCIAL STATEMENTS**For the financial year ended 31 December 2024****26. TERM LOANS (CONTINUED)**

The Company has a USD800 million Multicurrency Medium Term Note ("USD800 million MTN") programme under which it can issue notes (the "Notes") in series or tranches and may be denominated in Singapore dollars, United States dollars or other currency deemed appropriate at the time. There was no issuance of notes under the USD800 million MTN Programme in 2024 and 2023. As at 31 December 2023, the Company has one outstanding tranche of unsecured fixed rate notes of \$130,000,000 due in 2024 with an interest rate of 3.90% per annum. The amount has been redeemed in 2024.

The Company and its wholly-owned subsidiary, Keppel Land Financial Services Pte. Ltd. ("KLFS") (collectively, the "Issuers") have a USD3 billion Multicurrency Medium Term Note ("USD3 billion MTN") Programme pursuant to which the Issuers may, from time to time, issue notes or perpetual securities (the "Securities") in series or tranches and denominated in any currency agreed between the relevant issuer and the relevant dealers in relation to each issue of Securities and as specified in the applicable pricing supplement. There was no issuance of notes under the USD3 billion MTN Programme in 2024 and 2023. In 2023, the Company made full redemptions of two tranches of \$150,000,000 at an interest rate of 2.84% and 2.68% per annum respectively. As at 31 December 2024 and 2023, the Company has one outstanding tranche of unsecured fixed rate notes of \$280,000,000 due in 2026 with an interest rate of 2.00% per annum.

In 2023, the Group's wholly owned subsidiary, Bangalore Tower Private Limited raised INR2 billion via a private placement of listed, unsecured redeemable non-convertible debentures ("RNCD") with face value of INR100,000 each. The RNCDs bear an interest of 9.80% per annum and are redeemable in 2026. The amounts have been repaid in 2024.

Bank borrowings bear interest at rates ranging from 1.77% to 10.91% (2023: 1.77% to 10.62%) per annum.

Unsecured loans from a related company bear interest at rates ranging from 3.91% to 5.70% (2023: 3.77% to 5.66%) per annum and are repriced within 13 to 31 days (2023: 15 days to 25 days).

Unsecured loans from a subsidiary are unsecured, bear interest from 5.70% to 6.34% per annum and are maturing in 2029. The amounts are to be settled in cash.

The fair values of external term loans for the Group and Company are \$2,358,075,000 (2023: \$2,716,430,000) and \$916,055,000 (2023: \$915,636,000) respectively. These fair values, under Level 2 of the fair value hierarchy, are computed on the discounted cash flow method using discount rates based upon the borrowing rates which the Group expect would be available as at the balance sheet date.

The Group has mortgaged certain properties and assets of up to an aggregate amount of \$2,503,644,000 (2023: \$2,241,532,000) to banks for loan facilities.

As at 31 December 2024, the Group and Company have non-current term loans amounting to \$2,127,458,000 (2023: \$1,942,409,000) and \$1,195,928,000 (2023: \$1,195,419,000) respectively where a significant portion of the loan portfolio held by the Group and the Company are required to comply with the following key covenants:

- 1) gearing ratios must not exceed 3.0 times; or
- 2) loan-to-value ratios and debt service coverage ratios which are customary to project finance loans ⁽¹⁾.

The Group and the Company have complied with these covenants throughout the reporting period.

⁽¹⁾ Loan-to-value ratios and debt service coverage ratios are not applicable to the Company as there are no project finance loans.

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NOTES TO THE FINANCIAL STATEMENTS**For the financial year ended 31 December 2024****27. OTHER NON-CURRENT LIABILITIES**

| | GROUP | | COMPANY | |
|---|---------------|----------------|----------------|---------------|
| | 2024 | 2023 | 2024 | 2023 |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Customers' deposits | 28,416 | 10,859 | - | - |
| Accrued expenses and other payables | 10,736 | 15,484 | 9,509 | 12,631 |
| Advances from non-controlling shareholders | 8,487 | 129,031 | - | - |
| Deferred consideration for purchase of an investment property | - | 8,826 | - | - |
| | 47,639 | 164,200 | 9,509 | 12,631 |

The advances from the non-controlling shareholders are unsecured and are not expected to be repaid in the next 12 months. Interest-bearing loans amounted to \$1,751,000 (2023: \$38,914,000) and interest is payable at rates ranging from 6.26% to 6.57% (2023: 4.29% to 7.14%) per annum. During the year, an amount of \$120,622,000 was reclassified to creditors (Note 24) as it is due in 2025.

The deferred consideration of \$8,826,000 as at 31 December 2023 pertained to the Group's obligation to construct a retail-cum-office facility as part of the purchase consideration for a 3.09-ha commercial site in Bangalore, India. The obligation has been fulfilled in 2024.

28. SEGMENT REPORTING

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

- (a) Property Development
 - Develops residential properties and townships in Asia, primarily in Singapore, China, Vietnam and Indonesia.
- (b) Office and Retail
 - Owns/manages office and retail properties, primarily in Singapore, China, Vietnam and Indonesia.
- (c) Corporate and Others
 - Is the aggregate of hotels, serviced apartments and golf courses, corporate services, property services and others.

Management monitors the results of each of the above operating segments for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on net profit or loss.

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For the financial year ended 31 December 2024

28. SEGMENT REPORTING (continued)

Information regarding the Group's reportable segments is presented below.

| 2024 | Property Development \$'000 | Office and Retail \$'000 | Corporate and others ⁽¹⁾ \$'000 | Inter- segment Elimination \$'000 | Total \$'000 | | |
|--|-----------------------------------|--------------------------------|--|--|---------------------------|---------------------------------------|-------------------------|
| Sales | | | | | | | |
| External sales | 400,580 | 102,320 | 101,294 | - | 604,194 | | |
| Inter-segment sales | 15,468 | 7,331 | 38,581 | (61,380) | - | | |
| Total | 416,048 | 109,651 | 139,875 | (61,380) | 604,194 | | |
| Results | | | | | | | |
| EBITDA ⁽²⁾ | 5,247 | 66,973 | (80,960) | - | (8,740) | | |
| Depreciation charge | (1,734) | (5,126) | (18,478) | - | (25,338) | | |
| Investment income | - | - | 722 | - | 722 | | |
| Net interest expense | (10,735) | (101,677) | (426) | - | (112,838) | | |
| Share of results of associated companies and joint ventures | 6,310 | 30,316 | 8,085 | - | 44,711 | | |
| Net gain from disposal of subsidiaries | - | 8,776 | 585 | - | 9,361 | | |
| Net gain from disposal of an associated company and a joint venture | 14 | - | - | - | 14 | | |
| Loss from change in interest in associated companies and joint ventures | - | (6,132) | - | - | (6,132) | | |
| Fair value gain on call option | - | 45,505 | - | - | 45,505 | | |
| Impairment of joint ventures | - | (13,560) | (4,410) | - | (17,970) | | |
| Fair value loss on remeasurement of remaining interest in a joint venture | - | (11,384) | (6,046) | - | (17,430) | | |
| Net fair value gain on investment properties | - | 339,903 | 1,710 | - | 341,613 | | |
| Gain from reclassification of an associated company to investment carried at fair value through profit or loss | 12,711 | - | - | - | 12,711 | | |
| Profit/(loss) before tax | 11,813 | 353,594 | (99,218) | - | 266,189 | | |
| Taxation | (20,716) | (54,332) | (10,844) | - | (85,892) | | |
| Profit/(loss) for the year | (8,903) | 299,262 | (110,062) | - | 180,297 | | |
| Non-controlling interests | 185 | (25,991) | 8,185 | - | (17,621) | | |
| Net profit/(loss) | (8,718) | 273,271 | (101,877) | - | 162,676 | | |
| Other information | | | | | | | |
| Segment assets | 3,650,699 | 7,924,766 | 7,750,075 | (7,122,972) | 12,202,568 | | |
| Segment liabilities | (2,796,955) | (5,494,102) | (5,764,667) | 7,122,972 | (6,932,752) | | |
| Net assets | 853,744 | 2,430,664 | 1,985,408 | - | 5,269,816 | | |
| Investments in associated companies and joint ventures | 1,123,616 | 1,901,178 | 287,817 | - | 3,312,611 | | |
| Additions to non-current assets ⁽³⁾ | 3,464 | 263,530 | 124,108 | - | 391,102 | | |
| Geographical information ⁽⁴⁾ | | | | | | | |
| | Singapore \$'000 | China \$'000 | Indonesia \$'000 | India \$'000 | Vietnam \$'000 | Other Countries \$'000 | Total \$'000 |
| External sales | 353,339 | 149,840 | 53,756 | 23,971 | 23,420 | (132) | 604,194 |
| Non-current assets ⁽⁵⁾ | 3,376,596 | 3,066,746 | 379,124 | 504,858 | 1,166,310 | 216,245 | 8,709,879 |

Notes:

- "Others" include corporate services, property services and others.
- EBITDA refers to profit before interest, taxation, depreciation charge, share of results of associated companies and joint ventures, divestment gains/(losses), fair value gains and other gains/(losses).
- Additions to non-current assets comprise investments in associated companies and joint ventures, purchase of fixed assets and additions to investment properties.
- The geographical information on external sales and non-current assets is determined based on the geographical location of the properties.
- Non-current assets comprise fixed assets, investment properties, right-of-use assets, investment in associated companies and joint ventures and non-financial non-current assets.

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28. SEGMENT REPORTING (continued)

| 2023 | Property Development \$'000 | Office and Retail \$'000 | Others ⁽¹⁾ \$'000 | Inter- segment Elimination \$'000 | Total \$'000 | | |
|--|-----------------------------------|--------------------------------|---------------------------------|--|---------------------------|---------------------------------------|-------------------------|
| Sales | | | | | | | |
| External sales | 538,006 | 89,473 | 39,512 | - | 666,991 | | |
| Inter-segment sales | 17,701 | 5,650 | 45,727 | (69,078) | - | | |
| Total | 555,707 | 95,123 | 85,239 | (69,078) | 666,991 | | |
| Results | | | | | | | |
| EBITDA ⁽²⁾ | 160,547 | (1,577) | (46,688) | - | 112,282 | | |
| Depreciation charge | (2,592) | (8,033) | (33,249) | - | (43,874) | | |
| Investment income | - | 798 | 1,042 | - | 1,840 | | |
| Net interest (expense)/income | (34,759) | (82,173) | 24,916 | - | (92,016) | | |
| Share of results of associated companies and joint ventures | 51,575 | 111,129 | 8,536 | - | 171,240 | | |
| Net gain from disposal of subsidiaries | 7,209 | - | 6,712 | - | 13,921 | | |
| Gain from sale in interest in joint ventures | - | 33,214 | 3,802 | - | 37,016 | | |
| Net (loss)/gain from disposal of an associated company and a joint venture | (17,006) | 78,100 | - | - | 61,094 | | |
| Loss on change in interest in associated companies | (27) | (5,679) | - | - | (5,706) | | |
| Gain from disposal of an investment property | - | - | 15,348 | - | 15,348 | | |
| Fair value gain on call option | - | 11,376 | - | - | 11,376 | | |
| Net fair value gain on investment properties | - | 146,665 | 3,540 | - | 150,205 | | |
| Loss from dividend in-specie | - | (139,798) | - | - | (139,798) | | |
| Profit/(loss) before tax | 164,947 | 144,022 | (16,041) | - | 292,928 | | |
| Taxation | (44,806) | (65,233) | (3,673) | - | (113,712) | | |
| Profit/(loss) for the year | 120,141 | 78,789 | (19,714) | - | 179,216 | | |
| Non-controlling interests | (11,365) | (35,695) | 8,868 | - | (38,192) | | |
| Net profit/(loss) | 108,776 | 43,094 | (10,846) | - | 141,024 | | |
| Other information | | | | | | | |
| Segment assets | 3,897,244 | 7,194,012 | 7,548,802 | (6,790,171) | 11,849,887 | | |
| Segment liabilities | (3,289,768) | (4,847,651) | (5,136,188) | 6,790,171 | (6,483,436) | | |
| Net assets | 607,476 | 2,346,361 | 2,412,614 | - | 5,366,451 | | |
| Investments in associated companies and joint ventures | 1,189,710 | 1,926,089 | 99,427 | - | 3,215,226 | | |
| Additions to non-current assets ⁽³⁾ | 197,134 | 304,918 | 65,857 | - | 567,909 | | |
| Geographical information ⁽⁴⁾ | Singapore \$'000 | China \$'000 | Indonesia \$'000 | India \$'000 | Vietnam \$'000 | Other Countries \$'000 | Total \$'000 |
| External sales | 262,042 | 275,707 | 44,284 | 60,362 | 22,864 | 1,732 | 666,991 |
| Non-current assets ⁽⁵⁾ | 3,096,243 | 3,103,004 | 379,524 | 131,635 | 1,097,808 | 183,474 | 7,991,688 |

Notes:

- "Others" include corporate services, property services and others.
- EBITDA refers to profit before interest, taxation, depreciation charge, share of results of associated companies and joint ventures, divestment gains/(losses), fair value gains and other gains/(losses).
- Additions to non-current assets comprise investments in associated companies and joint ventures, purchase of fixed assets and additions to investment properties.
- The geographical information on external sales and non-current assets is determined based on the geographical location of the properties.
- Non-current assets comprise fixed assets, investment properties, right-of-use assets, investment in associated companies and joint ventures and non-financial non-current assets.

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| | GROUP | |
|---|----------------|---------------|
| | 2024 | 2023 |
| | \$'000 | \$'000 |
| (a) Capital expenditure contracted on investment properties | | |
| (i) Contracted for | 42,255 | 205,565 |
| (ii) Not contracted for | 321,170 | 512,192 |
| | 363,425 | 717,757 |
| Non-controlling interests | (9,650) | (4,509) |
| | 353,775 | 713,248 |
| (b) Estimated development costs for properties held for sale: | | |
| (i) Contracted for | 151,165 | 188,779 |
| (ii) Not contracted for | 24,498 | 22,130 |
| | 175,663 | 210,909 |
| Non-controlling interests | (7,453) | (7,473) |
| | 168,210 | 203,436 |
| (c) Estimated funding in associated companies, joint ventures and joint operations for project developments | 205,173 | 281,647 |
| (d) Other capital expenditure and funding commitments | 3,319 | 7,421 |

30. CONTINGENT LIABILITIES

| | GROUP | | COMPANY | |
|---|----------------|---------------|----------------|---------------|
| | 2024 | 2023 | 2024 | 2023 |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Unsecured guarantees given to financial institutions in connection with facilities given to: | | | | |
| (a) Subsidiaries | - | - | - | 259,552 |
| (b) Associated companies and joint ventures | - | 97,623 | - | 97,623 |
| (c) Certain end-purchaser of overseas residential properties | 119,851 | 127,436 | - | - |
| (d) Financial assets at FVOCI | - | 226,975 | - | 226,975 |
| | 119,851 | 452,034 | - | 584,150 |
| Guarantees in respect of performance on a contract by a related party granted to a third party, a bank loan granted to a related party and payment of contract sum to a third party | 524,922 | 517,342 | 524,922 | 517,342 |
| Share of lease rental guarantees granted by associated companies and joint ventures | 81,218 | - | - | - |
| Bank guarantees | 10,703 | - | - | - |
| | 736,694 | 969,376 | 542,922 | 1,101,492 |

The Group has entered into a separate indemnification contract with a related party at the point the guarantees were entered. The Group will be fully indemnified for losses which may be incurred in relation to the guarantees amounted to \$524,922,000 (2023: \$517,342,000).

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NOTES TO THE FINANCIAL STATEMENTS**For the financial year ended 31 December 2024****30. CONTINGENT LIABILITIES (continued)**

As at 31 December 2024, there were no unsecured guarantees given to financial institutions by the Company as these were novated to a related company during the year.

The financial effects of SFRS(I) 9 relating to financial guarantee contracts issued by the Group and the Company are not material to the financial statements and are, therefore not recognised.

31. SIGNIFICANT RELATED PARTY TRANSACTIONS

In addition to the related party transactions disclosed elsewhere in the financial statements, the Group has the following significant related party transactions with the holding company and related parties:

| | GROUP | |
|--|----------------|---------------|
| | 2024 | 2023 |
| | \$'000 | \$'000 |
| <hr/> | | |
| Transactions with holding company: | | |
| Management fees received | 16,648 | - |
| Management fees paid | (73) | 1,465 |
| Foreign exchange transactions | 165,129 | 278,499 |
| Other service fees paid | 351 | 1,422 |
| Transactions with related companies: | | |
| Management fees received | 48,264 | - |
| Interest expense: | | |
| Capitalised under development cost | 51,102 | 41,461 |
| Management and support service fees paid | 20,925 | 13,648 |
| Other products and service fees paid | 2,691 | 3,054 |
| Other products and service fee received | 659 | 855 |
| Transactions with the Group's associated companies and joint ventures: | | |
| Rental expense | 6,467 | 7,187 |
| Property management fees received | 4,623 | 3,755 |
| Management and support service fees received | 6,285 | 6,183 |
| Other products and service fees paid | 453 | 48 |
| Other products and service fees received | 47 | - |

The above-related party transactions are entered into based on terms agreed between the parties.

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NOTES TO THE FINANCIAL STATEMENTS**For the financial year ended 31 December 2024****32. FINANCIAL RISK MANAGEMENT**

The Group operates primarily in Singapore, China, Vietnam, India and Indonesia, and is exposed to a variety of financial risks, comprising market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management strategy seeks to minimise the adverse effects from the unpredictability of financial markets on the Group's profit. The Group uses financial instruments such as currency forwards, interest rate swaps and foreign currency borrowings to hedge certain financial risk exposures whenever it is appropriate.

Assessment of financial risks is carried out regularly by management and reported to the Board, which will review and guide management on the Group's risk profile, risk identification, management of significant risks, risk mitigation strategies, and risk policies.

(a) Market Risk**(i) Derivative Financial Instruments**

| | Contract Notional Amount \$'000 | Fair Value | |
|--------------------------------------|--|--------------------------|-------------------------------|
| | | Assets \$'000 | Liabilities \$'000 |
| GROUP | | | |
| 2024 | | | |
| Cash Flow Hedge | | | |
| - Interest rate swaps | 780,000 | 10,617 | 1,393 |
| Net Investment Hedge | | | |
| - Forward foreign currency contracts | 49,113 | - | 298 |
| 2023 | | | |
| Cash Flow Hedge | | | |
| - Interest rate swaps | 930,000 | 20,589 | 1,764 |
| Net Investment Hedge | | | |
| - Forward foreign currency contracts | 137,050 | - | 68 |
| COMPANY | | | |
| 2024 | | | |
| Cash Flow Hedge | | | |
| - Interest rate swaps | 780,000 | 10,617 | 1,393 |
| 2023 | | | |
| Cash Flow Hedge | | | |
| - Interest rate swaps | 930,000 | 20,589 | 1,764 |
| Net Investment Hedge | | | |
| - Forward foreign currency contracts | 137,050 | - | 68 |

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NOTES TO THE FINANCIAL STATEMENTS**For the financial year ended 31 December 2024****32. FINANCIAL RISK MANAGEMENT (continued)****(a) Market Risk (continued)****(i) Derivative Financial Instruments (continued)**

The fair value of forward foreign currency contracts is determined using forward exchange market rates at the balance sheet date and are expected to occur at various dates within 5 months (2023: 6 months). The fair value of interest rate swap agreements is based on valuations provided by the Group's respective bank counterparties which the financial derivatives instruments are entered against, have maturity dates from June 2025 to August 2027 (2023: September 2024 to August 2027).

(ii) Currency Risk

Foreign currency risk arises when transactions are denominated in currencies other than the respective functional currencies of the various entities in the Group, and such changes will impact the Group's profit.

In addition, the Group is exposed to foreign currency movements on its net investment in foreign subsidiaries, associated companies and joint ventures, which generate revenue and incur costs denominated in foreign currencies; and such changes impact the results and reserves of the Group. This currency exposure is, as practicable as possible, managed through borrowings in the same currencies in which the assets are denominated.

The Group entered into foreign exchange forward contracts to hedge against the net assets of the Group's China subsidiaries. The details and fair values of the foreign exchange forward contracts are disclosed in Notes 32(a)(i) and 33 respectively.

The carrying amounts of significant financial assets and financial liabilities denominated in currencies other than the functional currencies of the respective entities:

| | United States Dollar (USD) \$'000 | Renminbi (RMB) \$'000 | Indonesian Rupiah (IDR) \$'000 | Indian Rupees (INR) \$'000 | Vietnamese Dong (VND) \$'000 | Hong Kong Dollar (HKD) \$'000 |
|----------------------------------|---|-----------------------------|---|-------------------------------------|---------------------------------------|---|
| GROUP | | | | | | |
| 2024 | | | | | | |
| Financial Assets | | | | | | |
| Debtors | 5,387 | - | 575 | - | - | - |
| Amounts due from related parties | 133,541 | - | - | - | 48,297 | 33,612 |
| Cash and cash equivalents | 18,154 | 177 | 9,835 | - | 3,743 | - |
| Financial assets at FVOCI | 99,895 | - | - | - | - | - |
| Financial assets at FVPL | 119,246 | - | - | 45,149 | 56,989 | - |
| Financial Liabilities | | | | | | |
| Creditors | (36,693) | - | (1,726) | - | - | (7) |
| Term loans | - | - | - | - | - | - |
| Other non-current liabilities | (3,407) | - | - | - | - | - |
| Net financial assets | 336,123 | 177 | 8,684 | 45,149 | 109,029 | 33,605 |

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NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2024**32. FINANCIAL RISK MANAGEMENT** (continued)

(a) Market Risk (continued)

(ii) Currency Risk (continued)

| | United States Dollar (USD) \$'000 | Renminbi (RMB) \$'000 | Indonesian Rupiah (IDR) \$'000 | Indian Rupees (INR) \$'000 | Vietnamese Dong (VND) \$'000 | Hong Kong Dollar (HKD) \$'000 |
|----------------------------------|---|-----------------------------|---|-------------------------------------|---------------------------------------|---|
| GROUP | | | | | | |
| 2023 | | | | | | |
| Financial Assets | | | | | | |
| Debtors | 8,295 | - | 833 | - | - | - |
| Amounts due from related parties | 130,248 | - | - | - | 47,259 | 33,378 |
| Cash and cash equivalents | 3,953 | 33,383 | 6,773 | - | 2 | - |
| Financial assets at FVOCI | 103,707 | - | - | - | - | - |
| Financial assets at FVPL | 33,421 | - | - | 44,592 | - | - |
| Financial Liabilities | | | | | | |
| Creditors | (15,366) | - | (1,018) | - | - | - |
| Term loans | (48,319) | - | - | - | - | - |
| Other non-current liabilities | (33,022) | - | - | - | - | - |
| Net financial assets | 182,917 | 33,383 | 6,588 | 44,592 | 47,261 | 33,378 |

| | United States Dollar (USD) | |
|------------------------------|-------------------------------|----------------|
| | 2024 \$'000 | 2023 \$'000 |
| COMPANY | | |
| Financial Assets | | |
| Debtors | 1,375 | - |
| Cash and cash equivalents | 1,337 | 518 |
| Financial assets at FVOCI | 17,327 | 18,917 |
| Financial Liabilities | | |
| Creditors | (224) | - |
| Net financial assets | 19,815 | 19,435 |

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NOTES TO THE FINANCIAL STATEMENTS**For the financial year ended 31 December 2024****32. FINANCIAL RISK MANAGEMENT (continued)**

(a) Market Risk (continued)

(ii) Currency Risk (continued)

Sensitivity analysis for currency risk:

If the relevant foreign currencies change against the respective functional currencies of the Group entities by 5% (2023: 5%) with all other variables being held constant, the effect arising from the net financial assets/(liabilities) position will be as follows:

| | Profit before Tax | | Equity | |
|-----------------|----------------------------|---------------|----------------------------|---------------|
| | Increase/(Decrease) | | Increase/(Decrease) | |
| | 2024 | 2023 | 2024 | 2023 |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| GROUP | | | | |
| USD against SGD | | | | |
| - strengthened | 11,811 | 3,961 | 4,995 | 5,185 |
| - weakened | (11,811) | (3,961) | (4,995) | (5,185) |
| RMB against SGD | | | | |
| - strengthened | 9 | 1,669 | - | - |
| - weakened | (9) | (1,669) | - | - |
| IDR against SGD | | | | |
| - strengthened | 434 | 329 | - | - |
| - weakened | (434) | (329) | - | - |
| INR against SGD | | | | |
| - strengthened | 2,257 | 2,230 | - | - |
| - weakened | (2,257) | (2,230) | - | - |
| VND against SGD | | | | |
| - strengthened | 5,451 | 2,363 | - | - |
| - weakened | (5,451) | (2,363) | - | - |
| HKD against SGD | | | | |
| - strengthened | 1,680 | 1,669 | - | - |
| - weakened | (1,680) | (1,669) | - | - |
| COMPANY | | | | |
| USD against SGD | | | | |
| - strengthened | 124 | 26 | 866 | 946 |
| - weakened | (124) | (26) | (866) | (946) |

(iii) Interest Rate Risk

The Group's exposure to changes in interest rates is in respect of debt obligations and deposits with related companies and financial institutions.

The interest rate management policy is aimed at optimising net interest cost and reducing volatility. The Group borrows a mix of fixed and variable rate debts with varying tenors, and also uses interest rate swaps to hedge against changes in interest rates on the underlying debt obligations whenever it is appropriate.

The Group enters into interest rate swap agreements to hedge the interest rate risk exposure arising from its certain variable rate term loans denominated in Singapore dollar. The Group receives variable rates based on SORA, and pays fixed rates ranging from 0.89% to 3.06% (2023: 0.89% to 3.06%) on the notional amounts. The cash flows occur on a monthly, quarterly or semi-annually basis until the maturities of the borrowings which are due within five years. The Group classifies these interest rate swaps as cash flow hedges.

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NOTES TO THE FINANCIAL STATEMENTS**For the financial year ended 31 December 2024****32. FINANCIAL RISK MANAGEMENT (continued)****(a) Market Risk (continued)****(iii) Interest Rate Risk (continued)**

The Group's contractual notional amount of interest rate swaps held for hedging which is based on SORA is \$780,000,000 (2023: \$930,000,000), arising from variable rate borrowings with interest rates ranging from 3 months to 6 months (2023: 3 months to 6 months) SORA. This amounts to 15% (2023: 19%) of the Group's total amount of borrowings.

The Company's contractual notional amount of interest rate swaps held for hedging which is based on SORA is \$780,000,000 (2023: \$930,000,000), arising from variable rate borrowings with interest rates ranging from 3 months to 6 months (2023: 3 months to 6 months) SORA. This amounts to 58% (2023: 57%) of the Company's total amount of borrowings.

The details and fair values of interest rate swaps are disclosed in Notes 32a (i) and 33 respectively.

As at 31 December 2023, the Group had completed the process of amending the financial instruments with contractual terms indexed to SOR and USD LIBOR. The transition to the alternative benchmark rate has no material impact on the financial statements.

Sensitivity analysis for interest rate risk:

The Group's borrowings at variable rates on which effective hedges have not been entered into, are denominated mainly in Singapore dollar, United States dollar, Indonesian Rupiah, Indian Rupee, Vietnamese Dong and Renminbi. If interest rates increase/decrease by 0.5% (2023: 0.5%) with all other variables being held constant, the Group's profit before tax will be lower/higher by \$16,896,000 (2023: \$13,925,000).

The Company's borrowings at variable rates on which effective hedges have not been entered into, are denominated in Singapore dollar. If interest rates increase/decrease by 0.5% (2023: 0.5%) with all other variables being held constant, the Company's profit before tax will be lower/higher by \$1,453,000 (2023: \$1,433,000).

(iv) Price Risk

The Group is exposed to equity securities price risk arising from equity investments classified as investments at fair value through profit or loss. The performance of these investments is monitored regularly, together with an assessment of their relevance to the Group's strategic plans.

Sensitivity analysis for price risk

If prices for quoted investments increase/decrease by 5% (2023: nil) with all other variables held constant, the Group's profit before tax would have been higher/lower by \$2,849,000 (2023: \$nil) as a result of fair value gains/(losses) on investments at fair value through profit or loss.

The various sensitivity rates used in the sensitivity analysis for currency, interest rate and price risks represent rates generally used internally by management when assessing the various risks.

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

32. FINANCIAL RISK MANAGEMENT (continued)

(b) Credit Risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations.

Trade debtors comprise mainly the Group's customers who bought residential units and tenants of commercial properties.

Bank deposits are mainly deposits with banks that meet appropriate credit criteria.

Financial assets at FVPL comprise compulsorily convertible debentures in a corporation, convertible preference shares, convertible promissory notes and convertible loan.

The following situations may give rise to credit risk:

(i) That the tenants of investment properties and purchasers of trading properties may default on their obligations to pay the amount due to the Group.

(a) For investment properties, the Group manages credit risks arising from tenants defaulting on their rental by requiring the tenants to furnish cash deposits, and/or banker's guarantees. The Group also has a policy of regular review of debt collection and rental contracts are entered into with customers with an appropriate credit history.

(b) For trading properties, the Group generally has the following recourse:

- Forfeiture of instalments paid; and
- Re-sale of the re-possessed properties and claim against the purchasers for any shortfall from the resale.

(ii) That a counterparty will default on its contractual obligations under financial instrument contracts resulting in financial loss to the Group. It is generally limited to the amounts, if any, by which the counterparty's obligations exceed the obligations of the Group. It is also the Group's policy to enter into financial instrument contracts with a diversity of prime financial institutions and creditworthy parties. Credit risks are monitored on an ongoing basis.

Overall, trade debtors have good collection track records with the Group and has sufficient security deposits and collateral. The expected credit losses are assessed to be immaterial.

Trade debtors are written off when there is no reasonable expectation of recovery.

Financial assets at FVPL have a low risk of default as the investees have strong capacities to meet the contractual cash flow obligations in the near term.

Debtors and amounts due from related parties that are neither past due nor impaired are substantially companies with good collection track record with the Group or have strong financial capacity. As at 31 December 2024, \$41,022,000 (2023: \$41,042,000) of the amounts due from related parties and advances to investee were impaired while \$286,647,000 (2023: \$473,929,000) of the advances to subsidiaries were impaired.

As at 31 December 2024 and 2023, there was no significant concentration of credit risks.

The maximum exposure to credit risk for the Group is the carrying amount of financial assets which are mainly trade and other debtors, amounts due from holding company and related parties, cash and cash equivalents, advances to joint ventures, other non-current assets and financial guarantees. The maximum exposure for the Company is the carrying amount of financial assets which are mainly other debtors, amounts due from related parties and cash and cash equivalents.

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NOTES TO THE FINANCIAL STATEMENTS**For the financial year ended 31 December 2024****32. FINANCIAL RISK MANAGEMENT (continued)****(c) Liquidity Risk**

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Group manages the liquidity risk by maintaining sufficient cash, internally generated cash flows, and the availability of funding resources through adequate committed credit facilities from related party to refinance the short-term obligation. The Group also maintains a mix of short-term money market borrowings as well as the ability to tap the capital market through the MTN Programmes to fund working capital requirements and capital expenditure/investments.

The following table summarises the maturity profile of the Group's and the Company's financial liabilities and derivative financial instruments at the balance sheet date based on contractual undiscounted cash flows obligations, including interest payables and excluding the impact of netting agreements.

| | Within 1 Year \$'000 | Between 1 to 5 Years \$'000 | After 5 Years \$'000 | Total \$'000 |
|--|-------------------------------------|--|-------------------------------------|-------------------------|
| GROUP | | | | |
| 2024 | | | | |
| Non Derivative Financial Liabilities | | | | |
| Creditors (excluding non-financial liabilities) | 728,157 | - | - | 728,157 |
| Amounts due to holding company and related parties | 440,775 | - | - | 440,775 |
| Other non-current liabilities | - | 47,639 | - | 47,639 |
| Term loans | 1,525,325 | 3,498,156 | 794,472 | 5,817,953 |
| Financial guarantees | 119,851 | - | - | 119,851 |
| | 2,814,108 | 3,545,795 | 794,472 | 7,154,375 |
| Derivative Financial Assets/(Liabilities) | | | | |
| Net-settled interest rate swaps | | | | |
| - Net cash inflow | 5,687 | 3,419 | - | 9,106 |
| 2023 | | | | |
| Non Derivative Financial Liabilities | | | | |
| Creditors (excluding non-financial liabilities) | 704,967 | - | - | 704,967 |
| Amounts due to holding company and related parties | 169,362 | - | - | 169,362 |
| Other non-current liabilities | - | 155,374 | - | 155,374 |
| Term loans | 2,327,107 | 2,426,237 | 617,992 | 5,371,336 |
| Financial guarantees | 452,034 | - | - | 452,034 |
| | 3,653,470 | 2,581,611 | 617,992 | 6,853,073 |
| Derivative Financial Assets/(Liabilities) | | | | |
| Net-settled interest rate swaps | | | | |
| - Net cash inflow | 13,568 | 5,835 | - | 19,403 |

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NOTES TO THE FINANCIAL STATEMENTS**For the financial year ended 31 December 2024****32. FINANCIAL RISK MANAGEMENT (continued)**

(c) Liquidity Risk (continued)

| | Within 1 Year \$'000 | Between 1 to 5 Years \$'000 | After 5 Years \$'000 | Total \$'000 |
|--|----------------------------|--------------------------------------|----------------------------|------------------|
| COMPANY | | | | |
| 2024 | | | | |
| Non Derivative Financial Liabilities | | | | |
| Creditors | 56,149 | - | - | 56,149 |
| Amounts due to holding company and related parties | 963,731 | - | - | 963,731 |
| Other non-current liabilities | - | 9,509 | - | 9,509 |
| Term loans | 43,116 | 1,425,324 | - | 1,468,440 |
| | 1,062,996 | 1,434,833 | - | 2,497,829 |
| Derivative Financial Assets/(Liabilities) | | | | |
| Net-settled interest rate swaps | | | | |
| - Net cash inflow | 5,687 | 3,419 | - | 9,106 |
| 2023 | | | | |
| Non Derivative Financial Liabilities | | | | |
| Creditors | 17,180 | - | - | 17,180 |
| Amounts due to holding company and related parties | 516,010 | - | - | 516,010 |
| Other non-current liabilities | - | 12,631 | - | 12,631 |
| Term loans | 477,950 | 1,279,325 | - | 1,757,275 |
| Financial guarantees | 584,150 | - | - | 584,150 |
| | 1,595,290 | 1,291,956 | - | 2,887,246 |
| Derivative Financial Assets/(Liabilities) | | | | |
| Net-settled interest rate swaps | | | | |
| - Net cash inflow | 13,568 | 5,835 | - | 19,403 |

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NOTES TO THE FINANCIAL STATEMENTS**For the financial year ended 31 December 2024****32. FINANCIAL RISK MANAGEMENT (continued)****(d) Categories of Financial Assets and Financial Liabilities**

The following table sets out the financial instruments as at the balance sheet date:

| | GROUP | | COMPANY | |
|--|------------------|---------------|------------------|---------------|
| | 2024 | 2023 | 2024 | 2023 |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Financial Assets | | | | |
| Financial assets at FVOCI | 117,999 | 135,098 | 20,721 | 18,917 |
| Financial assets at FVPL | 227,552 | 88,309 | - | - |
| Derivative financial instruments | 260,020 | 224,487 | 10,617 | 20,589 |
| Financial assets at amortised costs (including cash and cash equivalents) | 907,285 | 1,171,443 | 3,680,648 | 3,502,637 |
| Financial Liabilities | | | | |
| Derivative financial instruments | 1,691 | 1,832 | 1,393 | 1,832 |
| Liabilities at amortised cost | 6,560,082 | 6,016,830 | 2,379,062 | 2,171,148 |

(e) Capital Management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholder value. In order to maintain or achieve an optimal capital structure, the Group may adjust the amount of dividend payment, return capital to shareholder, issue new shares, obtain new borrowings or sell assets to reduce borrowings.

Management monitors capital based on the net debt-equity ratio, which is calculated as net debt divided by total capital. Net debt is calculated as borrowings (including lease liabilities) less cash and cash equivalents, and total capital is calculated as equity including non-controlling interests in subsidiaries.

| | GROUP | | COMPANY | |
|-------------------------------|------------------|---------------|------------------|---------------|
| | 2024 | 2023 | 2024 | 2023 |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Net debt | 4,875,949 | 4,227,024 | 1,336,723 | 1,623,335 |
| Total capital | 5,269,816 | 5,366,451 | 2,928,072 | 2,919,385 |
| Net debt-equity ratio (times) | 0.93 | 0.79 | 0.46 | 0.56 |

There were no changes in the Group's approach to capital management during the year.

The Group and the Company are in compliance with all externally imposed capital requirements for the financial years ended 31 December 2024 and 2023.

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NOTES TO THE FINANCIAL STATEMENTS**For the financial year ended 31 December 2024****33. FAIR VALUE OF FINANCIAL INSTRUMENTS AND INVESTMENT PROPERTIES****(a) Fair Value Hierarchy**

The Group classifies fair value measurement using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. There are three fair value hierarchy levels, as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly or indirectly; and

Level 3 – Unobservable inputs for the asset or liability.

Transfers between levels of the fair value hierarchy are deemed to have occurred on the date of the event or change in circumstances that caused the transfers.

(b) Assets and Liabilities Measured at Fair Value

The following table shows an analysis of assets and liabilities carried at fair value by fair value hierarchy level:

| | Level 1 | Level 2 | Level 3 | Total |
|----------------------------------|----------------|----------------|------------------|------------------|
| | \$'000 | \$'000 | \$'000 | \$'000 |
| GROUP | | | | |
| 2024 | | | | |
| Financial Assets | | | | |
| Investments at FVOCI | - | - | 117,999 | 117,999 |
| Investments at FVPL | 56,989 | - | 170,563 | 227,552 |
| Call option | - | - | 249,403 | 249,403 |
| Derivative financial instruments | - | 10,617 | - | 10,617 |
| | 56,989 | 10,617 | 537,965 | 605,571 |
| Financial Liabilities | | | | |
| Derivative financial instruments | - | 1,691 | - | 1,691 |
| Non-financial Assets | | | | |
| Investment properties | | | | |
| - Commercial, completed | - | - | 3,370,302 | 3,370,302 |
| - Commercial, under construction | - | - | 1,847,081 | 1,847,081 |
| | - | - | 5,217,383 | 5,217,383 |

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NOTES TO THE FINANCIAL STATEMENTS**For the financial year ended 31 December 2024****33. FAIR VALUE OF FINANCIAL INSTRUMENTS AND INVESTMENT PROPERTIES (continued)**

(b) Assets and Liabilities Measured at Fair Value (continued)

| | Level 1 \$'000 | Level 2 \$'000 | Level 3 \$'000 | Total \$'000 |
|----------------------------------|-------------------|-------------------|-------------------|-----------------|
| GROUP | | | | |
| 2023 | | | | |
| Financial Assets | | | | |
| Investments at FVOCI | - | - | 135,098 | 135,098 |
| Investments at FVPL | - | - | 88,309 | 88,309 |
| Call option | - | - | 203,898 | 203,898 |
| Derivative financial instruments | - | 20,589 | - | 20,589 |
| | - | 20,589 | 427,305 | 447,894 |
| Financial Liabilities | | | | |
| Derivative financial instruments | - | 1,832 | - | 1,832 |
| Non-financial Assets | | | | |
| Investment properties | | | | |
| - Commercial, completed | - | - | 1,240,999 | 1,240,999 |
| - Commercial, under construction | - | - | 3,321,345 | 3,321,345 |
| | - | - | 4,562,344 | 4,562,344 |
| COMPANY | | | | |
| 2024 | | | | |
| Financial Assets | | | | |
| Investments at FVOCI | - | - | 20,721 | 20,721 |
| Derivative financial instruments | - | 10,617 | - | 10,617 |
| | - | 10,617 | 20,721 | 31,338 |
| Financial Liabilities | | | | |
| Derivative financial instruments | - | 1,393 | - | 1,393 |

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NOTES TO THE FINANCIAL STATEMENTS**For the financial year ended 31 December 2024****33. FAIR VALUE OF FINANCIAL INSTRUMENTS AND INVESTMENT PROPERTIES (continued)**

(b) Assets and Liabilities Measured at Fair Value (continued)

| | Level 1 \$'000 | Level 2 \$'000 | Level 3 \$'000 | Total \$'000 |
|----------------------------------|-------------------|-------------------|-------------------|-----------------|
| COMPANY | | | | |
| 2023 | | | | |
| Financial Assets | | | | |
| Investments at FVOCI | - | - | 18,917 | 18,917 |
| Derivative financial instruments | - | 20,589 | - | 20,589 |
| | - | 20,589 | 18,917 | 39,506 |
| Financial Liabilities | | | | |
| Derivative financial instruments | - | 1,832 | - | 1,832 |

There have been no transfers between Level 1 and Level 2 during 2024 and 2023.

(c) Level 1 Fair Value Measurement

The fair values of investments are determined directly by reference to their published market bid price at the balance sheet date.

(d) Level 2 Fair Value Measurement

Foreign exchange forward contracts and interest rate swap contracts are valued using a valuation technique with market observable inputs. The most frequently applied valuation techniques include forward pricing and swap models, using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, interest rate curves and forward rate curves.

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33. FAIR VALUE OF FINANCIAL INSTRUMENTS AND INVESTMENT PROPERTIES (continued)

(e) Level 3 Fair Value Measurement

(i) Information about Significant Unobservable Inputs Used in Level 3 Fair Value Measurements

The following table presents the information about fair value measurements using significant unobservable inputs:

| Description | Fair Value \$'000 | Valuation Techniques | Unobservable Inputs | Range |
|----------------------------------|----------------------|---|--|--|
| 2024 | | | | |
| Investments at FVOCI | 117,999 | Net asset value ⁽¹⁾ | Not applicable | Not applicable |
| Investments at FVPL | 170,563 | Discounted cash flow method, binomial option pricing method and probability-weighted expected return method | Discount rate Growth rate Discount for lack of control Discount for lack of marketability | 16.81% to 19.90% 4.00% 15.00% to 26.00% 10.50% to 10.90% |
| Call option | 249,403 | Discounted cash flow method and investment method | Transacted price of comparable properties (psf) Capitalisation rate Discount rate | \$2,978 to \$3,617 3.20% to 3.35% 6.75% |
| Investment properties | | | | |
| - Commercial completed | 3,370,302 | Direct comparison method, discounted cash flow method, and income capitalisation method | Discount rate Capitalisation rate Offering price of comparable land plots (psm) Transacted price of comparable properties (psf) | 7.00% to 11.75% 4.00% to 8.50% \$4,642 to \$6,330 \$109 to \$3,352 |
| - Commercial, under construction | 1,847,081 | Income capitalisation method, direct comparison method, discounted cash flow method, residual method ⁽²⁾ | Discount rate Capitalisation rate Offering price of comparable land plots (psm) Transacted price of comparable properties (psf) Gross development value (\$'million) | 6.50% to 17.00% 2.80% to 8.50% \$10,972 to \$12,660 \$2,978 to \$3,230 \$192 |

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NOTES TO THE FINANCIAL STATEMENTS**For the financial year ended 31 December 2024****33. FAIR VALUE OF FINANCIAL INSTRUMENTS AND INVESTMENT PROPERTIES (continued)**

(e) Level 3 Fair Value Measurement (continued)

(i) Information about Significant Unobservable Inputs Used in Level 3 Fair Value Measurements (continued)

The following table presents the information about fair value measurements using significant unobservable inputs:

| Description | Fair Value \$'000 | Valuation Techniques | Unobservable Inputs | Range |
|----------------------------------|----------------------|---|--|---|
| 2023 | | | | |
| Investments at FVOCI | 135,098 | Net asset value ⁽¹⁾ | Not applicable | Not applicable |
| Investments at FVPL | 88,309 | Discounted cash flow method and binomial option pricing method | Discount rate Growth rate Discount for lack of control Discount for lack of marketability | 15.25% to 28.00% 1.09% to 4.10% 15.00% to 23.30% 10.70% |
| Call option | 203,898 | Discounted cash flow method and investment method | Transacted price of comparable properties (psf) Capitalisation rate Discount rate | \$2,781 to \$3,617 3.30% to 3.40% 6.75% |
| Investment properties | | | | |
| - Commercial completed | 1,240,999 | Direct comparison method, discounted cash flow method and income capitalisation method | Discount rate Capitalisation rate Offering price of comparable land plots (psm) Transacted price of comparable properties (psf) | 7.25% to 11.62% 4.25% to 7.50% \$4,862 to \$6,188 \$159 to \$3,274 |
| - Commercial, under construction | 3,321,345 | Direct comparison method, discounted cash flow method, and residual method ⁽²⁾ | Discount rate Capitalisation rate Offering price of comparable land plots (psm) Transacted price of comparable properties (psf) Gross development value (\$'million) | 7.00% to 17.00% 4.00% to 8.50% \$10,829 to \$11,492 \$2,781 to \$3,617 \$199 to \$1,891 |

Note:

- The fair value of investments at FVOCI is determined by reference to the underlying assets value of the investee companies, which comprise mainly investment properties stated at fair value. When the net asset value of these investments increase/decrease by 5% (2023: 5%), it would lead to a \$5,900,000 (2023: \$6,755,000) increase/decrease in fair valuation.
- As at 31 December 2024, the independent property valuer has applied the income capitalisation, direct comparison and discounted cash flow methods instead of the direct comparison and residual value methods used previously for one of the investment properties as it was assessed to be more appropriate.

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NOTES TO THE FINANCIAL STATEMENTS**For the financial year ended 31 December 2024****33. FAIR VALUE OF FINANCIAL INSTRUMENTS AND INVESTMENT PROPERTIES (continued)****(e) Level 3 Fair Value Measurement (continued)****(i) Information about Significant Unobservable Inputs Used in Level 3 Fair Value Measurements (continued)**

The financial instruments and investment properties categorised under Level 3 of the fair value hierarchy are generally sensitive to the various unobservable inputs tabled. A significant movement of each input would result in significant change to the fair value of the respective asset. The significant unobservable inputs used in the fair value measurement of investment properties are discount rate, capitalisation rate, offering price of comparable land plots, transacted price of comparable properties and gross development value. An increase in discount rate and capitalisation rate would result in a lower fair value and an increase in offering price of comparable land plots, transacted price of comparable properties and gross development value would result in a higher fair value.

(ii) Movements in Level 3 Assets Measured at Fair Value

The following table presents the reconciliation for financial assets and instruments measured at fair value based on significant unobservable inputs:

The detailed movement for investment properties are disclosed in Note 12.

| | Investments at FVOCI \$'000 | Investments at FVPL \$'000 | Call Option \$'000 | Total \$'000 |
|--|--|---|-------------------------------|-------------------------|
| GROUP | | | | |
| At 1 January 2024 | 135,098 | 88,309 | 203,898 | 427,305 |
| Net fair value loss recognised in other comprehensive income | (42,064) | - | - | (42,064) |
| Fair value gain recognised in profit or loss account | - | 80,253 | 45,505 | 125,758 |
| Additions | 26,447 | 6,117 | - | 32,564 |
| Redemption | (1,775) | - | - | (1,775) |
| Reclassification to other non-current assets | - | (5,000) | - | (5,000) |
| Exchange differences on consolidation | 293 | 884 | - | 1,177 |
| At 31 December 2024 | 117,999 | 170,563 | 249,403 | 537,965 |
| At 1 January 2023 | 149,877 | 91,308 | 192,522 | 433,707 |
| Net fair value loss recognised in other comprehensive income | (39,265) | - | - | (39,265) |
| Fair value gain recognised in profit or loss account | - | - | 11,376 | 11,376 |
| Additions | 25,360 | - | - | 25,360 |
| Exchange differences on consolidation | (874) | (2,999) | - | (3,873) |
| At 31 December 2023 | 135,098 | 88,309 | 203,898 | 427,305 |

During the year, the movement for investments at FVOCI for the Company arose from net fair value gain of \$1,804,000 (2023: net fair value loss of \$1,455,000) recognised in other comprehensive income.

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NOTES TO THE FINANCIAL STATEMENTS**For the financial year ended 31 December 2024****33. FAIR VALUE OF FINANCIAL INSTRUMENTS AND INVESTMENT PROPERTIES (continued)****(e) Level 3 Fair Value Measurement (continued)****(iii) Valuation Policies and Procedures**

The assessment of the fair value of investments at FVOCI is performed by the Group's finance department on a quarterly basis. The assessment of the fair value of the investments at FVPL, call option and investment properties is performed by the Group's operation teams on an annual basis.

The Group revalue its investment property portfolio on an annual basis except for significant investment properties which are revalued on a half-yearly basis. The fair value of investment properties is determined by external, independent professional valuers which have appropriate recognised professional qualifications and experience in the location and category of property being valued. Management reviews the appropriateness of the valuation methodologies and assumptions adopted, and the reliability of the inputs used in the valuations.

(f) Assets and Liabilities not Carried at Fair Value but for Which Fair Value is Disclosed

The carrying amounts of the following financial assets and liabilities of the Group and Company approximate their fair values due to their short-term nature: Cash and cash equivalents, trade and other debtors, trade and other creditors, amounts due from/to holding company and related parties and short-term borrowings.

The fair values of other non-current assets, fixed rate long-term borrowings, other non-current liabilities and investments in listed associated companies are as stated below. The fixed rate long-term borrowings and other non-current liabilities are estimated using discounted cash flow analysis based on current rates for similar types of borrowing arrangements. The fair values of the investments in listed associated companies are determined by reference to the published market bid prices at the balance sheet date.

| | 2024 | | | 2023 | | |
|---|---------------------------|---------------------------------|-------------------|---------------------------|---------------------------------|-------------------|
| | Carrying Amount \$'000 | Fair Value Level 1 \$'000 | Level 3 \$'000 | Carrying Amount \$'000 | Fair Value Level 1 \$'000 | Level 3 \$'000 |
| GROUP | | | | | | |
| Other non-current assets | 39,151 | - | 39,151 | 21,118 | - | 21,118 |
| Investment in listed associated companies | 1,296,271 | 977,679 | - | 1,395,843 | 1,107,582 | - |
| Other non-current liabilities | 47,639 | - | 47,639 | 155,374 | - | 155,374 |
| COMPANY | | | | | | |
| Other non-current assets | 6,794 | - | 6,794 | 6,794 | - | 6,794 |
| Investment in a listed subsidiary | 15,855 | 9,521 | - | 35,481 | 24,672 | - |
| Other non-current liabilities | 9,509 | - | 9,509 | 12,631 | - | 12,631 |

Floating rate borrowings, amounts due from associated companies and joint ventures are charged at floating interest rates and their carrying amounts approximate their fair values.

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34. NEW ACCOUNTING STANDARDS

At the date of authorisation of these financial statements, the following new SFRS(I) and amendments to SFRS(I)s that are relevant to the Group and the Company were issued but not effective:

- SFRS (I) 18 *Presentation and Disclosure in Financial Statements* (effective for annual periods beginning on or after 1 January 2027)

SFRS (I) 18 will replace SFRS (I) 1-1 *Presentation of financial statements*, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though SFRS (I) 18 will not impact on the recognition or measurement of items in the financial statements, its impact on presentation and disclosure are expected to be pervasive, in particular those related to the statement of financial performance and providing management-defined performance measures within the financial statements.

The management is currently assessing the impact of the adoption of the above new SFRS (I) on the primary financial statements and notes to the financial statements.

- Amendments to Amendments to SFRS (I) 9 and SFRS (I) 7: *Amendments to the Classification and Measurement of Financial Instruments* (effective for annual periods beginning on or after 1 January 2026)

The amendments to SFRS (I) 9 and SFRS (I) 7 to respond to recent questions arising in practice, and to include new requirements not only for financial institutions but also for corporate entities. These amendments:

- clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
- clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
- add new disclosures for certain instruments with contractual terms that can change cashflows (such as some financial instruments with features linked to the achievement of environment, social and governance targets); and
- update the disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI).

The management anticipates that the adoption of the above amendments in future periods will not have a material impact on the financial statements of the Group and of the Company in the period of their initial adoption.

35. SUBSEQUENT EVENT

On 15 January 2025, the Group entered into an agreement to divest its 42% shareholding in South Rach Chiec LLC for a consideration of VND1,702 billion (approximately S\$90.9 million). The transaction is expected to be completed in the first half of 2025.

36. SIGNIFICANT GROUP COMPANIES

Information relating to the significant subsidiaries consolidated in these financial statements and the significant associated companies and joint ventures whose results are included in the financial statements is given on pages 91 to 94.

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SIGNIFICANT SUBSIDIARIES, ASSOCIATED COMPANIES, AND JOINT VENTURES**For the financial year ended 31 December 2024**

| | Effective | | Country of | |
|---|-----------------|------|-------------------------------------|--------------------------------------|
| | Equity Interest | | Incorporation/ Place of Business | Principal Activities |
| | 2024 | 2023 | | |
| | % | % | | |
| Subsidiaries | | | | |
| Corredance Pte Ltd | 100 | 100 | Singapore | Investment holding |
| Crystal Rise Investment Pte Ltd* | 100 | 100 | Singapore | Investment holding |
| DC REIT Holdings Pte Ltd* | 100 | 100 | Singapore | Investment holding |
| Flemmington Investments Pte Ltd* | 100 | 100 | Singapore | Investment holding |
| Ibeworthy Pte Ltd* | 100 | 100 | Singapore | Investment holding |
| Joysville Investment Pte Ltd* | 100 | 100 | Singapore | Investment holding |
| K-Commercial Pte Ltd* | 100 | 100 | Singapore | Property development/ investment |
| Katong Retail Trust* | 100 | 100 | Singapore | Investment trust |
| Keppel Bay Pte Ltd | 100 | 100 | Singapore | Property development |
| Keppel Land Realty Pte Ltd | 100 | 100 | Singapore | Property development |
| Keppel REIT Investment Pte Ltd* | 100 | 100 | Singapore | Investment holding |
| Keppel Real Estate (China) Limited | 100 | 100 | Singapore | Investment holding |
| Keppel Land Estate Pte Ltd | 100 | 100 | Singapore | Investment holding |
| Lipalton Pte Ltd* | 100 | 100 | Singapore | Investment holding |
| Mansfield Developments Pte Ltd | 100 | 100 | Singapore | Investment holding |
| Merryfield Investment Pte Ltd* | 100 | 100 | Singapore | Investment holding |
| Monestine Pte Ltd* | 100 | 100 | Singapore | Investment holding |
| Parksville Development Pte Ltd* | 100 | 100 | Singapore | Property development |
| Pasir Panjang Realty Pte Ltd* | 100 | 100 | Singapore | Investment holding |
| Peplamo Pte Ltd* | 100 | 100 | Singapore | Investment holding |
| Primus II Investment Holdings Pte Ltd* | 100 | 100 | Singapore | Investment holding |
| Straits Property Investments Pte Ltd | 100 | 100 | Singapore | Investment holding |
| VN Success Pte Ltd* | 93 | 93 | Singapore | Investment holding |
| VN Victory Pte Ltd* | 93 | 93 | Singapore | Investment holding |
| Aintree Assets Limited (C) | 100 | 100 | British Virgin Islands | Investment holding |
| Jencity Limited* (C) | 100 | 100 | British Virgin Islands | Investment holding |
| Saigon Centre Investment Limited* (C) | 100 | 100 | British Virgin Islands | Investment holding |
| Beijing Changsheng Business Consulting Co Ltd* (A) | 100 | 100 | China | Property investment |
| Beijing Changsheng Property Management Co Ltd* (A) | 100 | 100 | China | Property investment |
| Changzhou Fushi Housing Development Pte Ltd* (A) | 100 | 100 | China | Property development |
| HongYan (Nanjing) Senior Care Pte Ltd (A) | 100 | 100 | China | Provision of senior care services |
| Keppel Hong Da (Tianjin Eco-City) Property Development Co Ltd* (A) | 100 | 100 | China | Property development |
| Keppel Hong Yuan (Tianjin Eco-City) Property Development Co Ltd* (A) | 100 | 100 | China | Property development |
| Wuxi Waterfront Property Development Co Ltd* (A) (formally known as Keppel Lakefront (Wuxi) Property Development Co Ltd) | 100 | 100 | China | Property development |
| Keppel Seasons Residences Property Development (Wuxi) Co Ltd* (A) | 100 | 100 | China | Property development |

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SIGNIFICANT SUBSIDIARIES, ASSOCIATED COMPANIES, AND JOINT VENTURES**For the financial year ended 31 December 2024**

| | Effective Equity Interest | | Country of Incorporation/ Place of Business | Principal Activities |
|---|------------------------------|------|---|---|
| | 2024 | 2023 | | |
| | % | % | | |
| Subsidiaries (continued) | | | | |
| Shanghai Floraville Land Co Ltd* (A) | 99 | 99 | China | Property investment |
| Shanghai Ji Lu Land Co Ltd* (A) | 99 | 99 | China | Property investment |
| Shanghai Jixiang Land Co Ltd* (A) | 99 | 99 | China | Property development |
| Shanghai Merryfield Land Co Ltd* (A) | 99 | 99 | China | Property development |
| Spring City Golf & Lake Resort Co Ltd* (A) | 72 | 72 | China | Golf club operations and development and property development |
| The9 Computer Technology Consulting (Shanghai) Ltd.*(A) | 100 | 100 | China | Property investment |
| Tianjin Fulong Property Development Co Ltd* (A) | 100 | 100 | China | Property development |
| Keppel Land (Saigon Centre) Limited* (A) | | | Hong Kong | Investment holding |
| Ordinary Shares | 100 | 100 | | |
| Preference shares (Class A and Class B) | 54 | 54 | | |
| Preference shares (Class C) | 50 | - | | |
| PT Harapan Global Niaga* (A) | 100 | 100 | Indonesia | Property development |
| PT Kepland Investama* (A) | 100 | 100 | Indonesia | Property investment |
| PT Ria Bintan* (A) | 46 | 46 | Indonesia | Golf course ownership and operations |
| PT Straits-CM Village* (A) | 39 | 39 | Indonesia | Hotel ownership and operations |
| PT Sukses Manis Tangguh* (A) | 100 | 100 | Indonesia | Property development |
| PT Sukses Manis Indonesia* (A) | 100 | 100 | Indonesia | Property development |
| Keppel Philippines Properties Inc* (A) | 57 | 57 | Philippines | Property development |
| Estella Joint Venture Company Limited* (A) | 98 | 98 | Vietnam | Property development/investment |
| Riviera Point Limited Liability Company* (A) | 100 | 100 | Vietnam | Property development |
| Saigon Sports City Limited* (A) | 100 | 100 | Vietnam | Property development |
| Bangalore Tower Pvt Ltd* (B) | 100 | 100 | India | Property investment |
| Glendon Pte Ltd* (A) | 100 | 100 | Singapore | Investment holding |
| Krystal Investments Pte Ltd* (A) | 100 | 100 | Singapore | Investment holding |
| Ordinary Shares | 100 | 100 | | |
| Preference shares (Class A and Class B) | 54 | 54 | | |
| Preference shares (Class C) | 50 | - | | |
| Keppel Real Estate (Singapore) Pte Ltd (A) | 100 | 100 | Singapore | Investment holding |
| KSL NewCo LLC* (C) | 100 | - | United States | Investment holding |
| RMZ Infinity (Chennai) Private Limited | 100 | - | India | Property investment |

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| | Effective Equity Interest | | Country of Incorporation/ Place of Business | Principal Activities |
|---|------------------------------|------|---|---|
| | 2024 | 2023 | | |
| | % | % | | |
| Associates and Joint Ventures | | | | |
| EM Services Pte Ltd | 25 | 25 | Singapore | Property management |
| Gaenari (IV) Pte Ltd* (B) | 59 | 59 | Singapore | Property management |
| Keppel REIT* | 29 | 30 | Singapore | Real estate investment trust |
| Keppel Group Eco-City Investments Pte Ltd* | 35 | 35 | Singapore | Investment holding |
| Keppel Point Pte Ltd | 30 | 30 | Singapore | Investment holding |
| Raffles Quay Asset Management Pte Ltd* (B) | 33 | 33 | Singapore | Property management |
| North Bund Pte Ltd* (B) | 30 | 30 | Singapore | Investment holding |
| Suzhou Property Development Pte Ltd* (B) | 25 | 25 | Singapore | Investment holding |
| Vision (III) Pte Ltd* (B) | 30 | 30 | Singapore | Investment holding |
| Nanjing Zhijun Property Development Co Ltd* (B) | 25 | 25 | China | Property development |
| Taicang Jihui Real Estate Consulting Co Ltd* (B) | 50 | 50 | China | Property development |
| Tianjin Fushi Property Development., Co Ltd* (A) | 49 | 49 | China | Property development |
| Win Up Investment Limited* (B) | 30 | 30 | China | Investment holding |
| Renown Property Holdings (M) Sdn Bhd (A) | 40 | 40 | Malaysia | Investment holding |
| City Square Office Co Ltd* (B) | 40 | 40 | Myanmar | Property investment |
| Buena Homes (Sandoval) Inc (A) | 35 | 35 | Philippines | Property development |
| Opon-KE Properties Inc* (A) | 45 | 45 | Philippines | Investment holding |
| Opon Realty and Development Corporation* (A) | 23 | 23 | Philippines | Investment holding |
| Opon Venture Inc* (A) | 37 | 37 | Philippines | Property development |
| Empire City Limited Liability Company* (A) | 40 | 40 | Vietnam | Property development |
| Keppel Land Watco I Company Limited* (A) | 45 | 45 | Vietnam | Property investment/ development |
| Keppel Land Watco II Company Limited* (A) | 45 | 45 | Vietnam | Property investment/ development |
| Keppel Land Watco III Company Limited* (A) | 45 | 45 | Vietnam | Property investment/ development |
| Keppel Land Watco IV Company Limited* (A) | 68 | 84 | Vietnam | Property development |
| Keppel Land Watco V Company Limited* (A) | 68 | 84 | Vietnam | Property development |
| New Binh Trung Real Estate Company Limited* (A) | 45 | 45 | Vietnam | Property development |
| South Rach Chiec LLC* (A) | 42 | 42 | Vietnam | Property development |
| Phu Loc Real Estate Investment Joint Stock Company* (A) | 60 | 60 | Vietnam | Property development |
| Kapstone Construction Private Limited* (A) | 49 | 49 | India | Real estate construction and development |

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SIGNIFICANT SUBSIDIARIES, ASSOCIATED COMPANIES, AND JOINT VENTURES

For the financial year ended 31 December 2024

Notes:

1. The holding in the equity shown for each subsidiary, associated companies and joint venture is the proportion attributable to Keppel Management Ltd. (formerly known as Keppel Land Limited).
2. Associated companies are those in which the Group has significant influence, but not control, in the operating and financial policy decisions.
3. Joint ventures are those in which the Group has joint control in the strategic financial and operating decisions.
4. Companies indicated with an asterisk (*) are indirectly held by Keppel Management Ltd. (formerly known as Keppel Land Limited).
5. All the active companies operate in their respective countries of incorporation, unless otherwise specified.
6. All the companies are audited by PricewaterhouseCoopers LLP, Singapore except for the following:
 - (A) Audited by member firms of PricewaterhouseCoopers International Limited in the respective countries
 - (B) Audited by other firms of auditors
 - (C) Not required to be audited by law in the country of incorporation