CIRCULAR DATED 31 DECEMBER 2025

THIS CIRCULAR IS ISSUED BY LOW KENG HUAT (SINGAPORE) LIMITED (THE "COMPANY"). THIS CIRCULAR IS IMPORTANT AS IT CONTAINS THE RECOMMENDATION OF THE INDEPENDENT DIRECTORS (AS DEFINED HEREIN) AND THE ADVICE OF ZICO CAPITAL PTE. LTD. (AS THE INDEPENDENT FINANCIAL ADVISER TO THE INDEPENDENT DIRECTORS) IN RESPECT OF THE OFFER. THIS CIRCULAR REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.

If you are in any doubt in relation to this Circular or the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant, tax adviser or other professional advisers immediately.

If you have sold or transferred all your shares in the capital of the Company held through The Central Depository (Pte) Limited ("**CDP**"), you need not forward this Circular to the purchaser or transferee, as arrangements will be made for a separate Circular to be electronically disseminated to the purchaser or transferee. If you have sold or transferred all your shares in the capital of the Company represented by physical share certificate(s), you should immediately inform the purchaser or transferee or bank, stockbroker or agent through whom the sale or transfer was effected for onward notification to the purchaser or transferee, that this Circular may be accessed on SGXNet at *https://sgx.com/securities/company-announcements* or the Company's website at *https://www.lkhs.com.sg/investor-relations/*.

The Company has opted for electronic dissemination of this Circular. **Please note that no printed copies of this Circular will be despatched to Shareholders. Only printed copies of the notice regarding the electronic dissemination of this Circular will be despatched to Shareholders.**

This Circular has not been examined or approved by the Singapore Exchange Securities Trading Limited ("**SGX-ST**"). The SGX-ST assumes no responsibility for the correctness of any of the statements made, reports contained or opinions expressed in this Circular.

LOW KENG HUAT (SINGAPORE) LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No.: 196900209G)

CIRCULAR TO SHAREHOLDERS

in relation to the

VOLUNTARY CONDITIONAL GENERAL OFFER

by

UOB KAY HIAN PRIVATE LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No.: 197000447W)

for and on behalf of

CONSISTENT RECORD PTE. LTD.

(Incorporated in the Republic of Singapore)
(Company Registration No.: 202529035D)

to acquire all the Offer Shares (as defined herein)

Independent Financial Adviser to the Independent Directors

ZICO CAPITAL PTE. LTD.

(Incorporated in the Republic of Singapore)
(Company Registration No.: 201613589E)

SHAREHOLDERS SHOULD NOTE THAT THE OFFER DOCUMENT (AS DEFINED HEREIN) STATES THAT ACCEPTANCES SHOULD BE RECEIVED BY THE CLOSE OF OFFER AT 5.30 P.M. (SINGAPORE TIME) ON 14 JANUARY 2026, OR SUCH LATER DATE(S) AS MAY BE ANNOUNCED FROM TIME TO TIME BY OR ON BEHALF OF THE OFFEROR.

CONTENTS

DEFINITIONS 2

CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS 9

INDICATIVE TIMELINE 10

LETTER TO SHAREHOLDERS 11

1. INTRODUCTION 11

2. THE OFFER 12

3. INFORMATION ON THE OFFEROR AND CRSB 15

4. OFFEROR'S RATIONALE FOR MAKING THE OFFER 16

5. OFFEROR'S REASONS FOR SHAREHOLDERS TO CONSIDER ACCEPTING THE OFFER 17

6. OFFEROR'S INTENTIONS REGARDING LISTING STATUS AND COMPULSORY ACQUISITION 20

7. CONFIRMATION OF FINANCIAL RESOURCES 22

8. DIRECTORS' INTERESTS 22

9. ADVICE AND RECOMMENDATION IN RELATION TO THE OFFER 22

10. OVERSEAS SHAREHOLDERS 26

11. INFORMATION PERTAINING TO CPFIS INVESTORS AND SRS INVESTORS 29

12. ACTION TO BE TAKEN BY SHAREHOLDERS 29

13. DIRECTORS' RESPONSIBILITY STATEMENT 30

14. ADDITIONAL INFORMATION 30

APPENDIX A – LETTER FROM THE IFA TO THE INDEPENDENT DIRECTORS IN RESPECT OF THE OFFER A-1

APPENDIX B – ADDITIONAL GENERAL INFORMATION ON THE COMPANY . . . B-1

APPENDIX C – ADDITIONAL INFORMATION ON THE OFFEROR AND CRSB . . . C-1

APPENDIX D – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2025 . . . . . D-1

APPENDIX E – UNAUDITED FINANCIAL INFORMATION OF THE GROUP FOR 1HFY2026 . . . . . E-1

APPENDIX F – VALUATION REPORTS F-1

APPENDIX G – EXTRACTS FROM THE COMPANY'S CONSTITUTION G-1

DEFINITIONS

In this Circular, the following definitions shall apply throughout unless the context otherwise requires or otherwise stated:

"**1HFY2026**"	:	The six (6)-month period ended 31 July 2025
"**Acceptance Condition**"	:	Shall have the meaning ascribed to it in Paragraph 2.3 of the Letter to Shareholders in this Circular
"**Acceptance Forms**"	:	The FAA and the FAT collectively or any one of them, as the case may be
"**Accepting Shareholder**"	:	A Shareholder who validly accepts or has validly accepted the Offer
"**ACRA**"	:	The Accounting and Corporate Regulatory Authority of Singapore
"**Australia Property**"	:	1 St Georges Terrace, Duxton Hotel, Perth WA 6000, Australia
"**Australia Valuer**"	:	Savills Valuations Pty Ltd, being the independent valuer commissioned by the Company to conduct an independent property valuation of the Australia Property as at 30 November 2025
"**Business Day**"	:	A day (other than Saturday, Sunday or a public holiday) on which commercial banks are open for business in Singapore
"**CDP**"	:	The Central Depository (Pte) Limited
"**Circular**"	:	This circular to Shareholders dated 31 December 2025 in relation to the Offer, enclosing, *inter alia*, the recommendation of the Independent Directors and the IFA Letter
"**Closing Date**"	:	5.30 p.m. (Singapore time) on 14 January 2026, or such later date(s) as may be announced from time to time by or on behalf of the Offeror, being the last day for the lodgement of acceptances of the Offer
"**Code**"	:	The Singapore Code on Take-overs and Mergers
"**Companies Act**"	:	The Companies Act 1967 of Singapore
"**Company**"	:	Low Keng Huat (Singapore) Limited

"**Company Securities**"	:	(a) Shares; (b) securities which carry voting rights in the Company; or (c) convertible securities, warrants, options or derivatives in respect of Shares or securities which carry voting rights in the Company
"**Constitution**"	:	The constitution of the Company
"**CPF**"	:	The Central Provident Fund
"**CPFIS**"	:	CPF Investment Scheme
"**CPFIS Investors**"	:	Investors who have purchased Shares using their CPF savings pursuant to the CPFIS
"**CRSB**"	:	Consistent Record Sdn. Bhd., a company incorporated in Malaysia
"**Date of Receipt**"	:	The date of receipt of the relevant Acceptance Form by CDP or the Share Registrar (as the case may be) on behalf of the Offeror
"**Dato' Marco**"	:	Dato' Marco Low Peng Kiat
"**Directors**"	:	The directors of the Company as at the Latest Practicable Date
"**Distributions**"	:	All dividends, rights and other distributions declared, and/or return on capital (if any), whether in cash or in kind
"**Encumbrances**"	:	Shall have the meaning ascribed to it in Paragraph 2.1(c) of the Letter to Shareholders in this Circular
"**FAA**"	:	Form of Acceptance and Authorisation for Offer Shares, which forms part of the Offer Document and which is issued to Shareholders whose Offer Shares are deposited with CDP
"**FAT**"	:	Form of Acceptance and Transfer for Offer Shares, which forms part of the Offer Document and which is issued to Shareholders whose Offer Shares are not deposited with CDP
"**FY2023**"	:	Financial year ended 31 January 2023
"**FY2024**"	:	Financial year ended 31 January 2024

"**FY2025**"	:	Financial year ended 31 January 2025
"**Group**"	:	The Company and its subsidiaries, and each entity in the Group shall be referred to as a "**Group Entity**"
"**Independent Directors**"	:	The Directors who are considered independent for the purposes of the Offer, namely all the Directors excluding the Relevant Directors
"**IFA**"	:	ZICO Capital Pte. Ltd., the independent financial adviser to the Independent Directors in connection with the Offer
"**IFA Letter**"	:	The letter dated 31 December 2025 setting out the advice of the IFA to the Independent Directors in respect of the Offer, as set out in **Appendix A** to this Circular
"**Interested Person**"	:	As defined in the Note on Rule 24.6 of the Code and read with the Note on Rule 23.12 of the Code, an interested person, in relation to a company, is: (a) a director, chief executive officer, or Substantial Shareholder of the company; (b) the immediate family of a director, the chief executive officer, or a Substantial Shareholder (being an individual) of the company; (c) the trustees, acting in their capacity as such trustees, of any trust of which a director, the chief executive officer, or a Substantial Shareholder (being an individual) and his immediate family is a beneficiary; (d) any company in which a director, the chief executive officer, or a Substantial Shareholder (being an individual) together and his immediate family together (directly or indirectly) have an interest of 30% of more; (e) any company that is the subsidiary, holding company or fellow subsidiary of the Substantial Shareholder (being a company); or (f) any company in which a Substantial Shareholder (being a company) and any of the companies listed in (e) above together (directly or indirectly) have an interest of 30% or more
"**Latest Practicable Date**"	:	22 December 2025, being the latest practicable date prior to the electronic dissemination of this Circular
"**Listing Manual**"	:	The listing manual of the Mainboard of the SGX-ST

"**Notice to Shareholders**"	:	The hardcopy notice letter posted to the Shareholders by the Company on the date of this Circular containing, *inter alia*, instructions on how to access the electronic copy of this Circular on SGXNet at *https://www.sgx.com/securities/company-announcements* and the website of the Company at *https://www.lkhs.com.sg/investor-relations/*
"**Offer**"	:	The voluntary conditional general offer by UOBKH, for and on behalf of the Offeror, to acquire the Offer Shares, on the terms and subject to the conditions set out in the Offer Document and the Acceptance Forms, as such offer may be amended, extended or revised from time to time by or on behalf of the Offeror
"**Offer Announcement**"	:	The announcement in connection to the Offer released by UOBKH, for and on behalf of the Offeror, on the Offer Announcement Date on the SGXNet
"**Offer Announcement Date**"	:	28 November 2025, being the date of the Offer Announcement
"**Offer Document**"	:	The offer document dated 17 December 2025, issued by UOBKH for and on behalf of the Offeror, including the relevant Acceptance Forms and any other documents which may be issued by or on behalf of the Offeror to amend, revise, supplement or update the Offer Document from time to time
"**Offer Price**"	:	S$0.72 in cash for each Offer Share, as described in Paragraph 2.1(b) of the Letter to Shareholders in this Circular
"**Offer Settlement Date**"	:	Shall have the meaning ascribed to it in Paragraph 2.1(d) of the Letter to Shareholders in this Circular
"**Offer Shares**"	:	All the Shares to which the Offer relates, as described in Paragraph 2.1(a) of the Letter to Shareholders in this Circular
"**Offeror**"	:	Consistent Record Pte. Ltd.
"**Offeror Concert Party Group**"	:	Parties acting or presumed to be acting in concert with the Offeror in connection with the Offer

"**Offeror Securities**"	:	(a) Ordinary shares in the capital of the Offeror; (b) equity share capital of the Offeror and other securities which carry substantially the same rights in the Offeror; and (c) convertible securities, warrants, options and derivatives in respect of such shares or securities
"**Overseas Shareholder**"	:	A Shareholder whose address is outside Singapore as shown in the Register or in the Depository Register (as the case may be)
"**Record Date**"	:	In relation to any Distributions, the date on which Shareholders must be registered with the Company or with CDP, as the case may be, in order to participate in such Distributions
"**Register**"	:	The register of holders of Shares, as maintained by the Share Registrar
"**Relevant Directors**"	:	Mr. Low Keng Boon @ Lau Boon Sen, Dato' Marco and Mr. Low Poh Kuan
"**SFA**"	:	The Securities and Futures Act 2001 of Singapore
"**SGX-ST**"	:	The Singapore Exchange Securities Trading Limited
"**SGXNet**"	:	A system network used by listed companies to send information and announcements to the SGX-ST or any other system networks prescribed by the SGX-ST
"**Shareholders**"	:	Persons who are registered as holders of Shares in the Register and Depositors who have Shares entered against their names in the Depository Register
"**Shares**"	:	Issued and paid-up ordinary shares in the capital of the Company
"**Share Registrar**"	:	KCK CorpServe Pte. Ltd., in its capacity as the share registrar of the Company
"**SIC**"	:	The Securities Industry Council of Singapore

"**Singapore Properties**"	:	(a) 60 Paya Lebar Road, Paya Lebar Square, Singapore 409051 (Retail Units); (b) 60 Paya Lebar Road, #04-18 Paya Lebar Square, Singapore 409051; (c) 207 Balestier Road, Citadines Balestier Singapore and BT Centre, Singapore 329683; (d) 80 Marine Parade Road, #18-01 to #18-09 Parkway Parade, Singapore 449269; and (e) the Singapore Perumal Road Properties
"**Singapore Perumal Road Properties**"	:	2 Perumal Road, #01-01 to #01-08 Lyf Farrer Park, Singapore 218773
"**Singapore Valuer**"	:	Knight Frank Pte Ltd, being the independent valuer commissioned by the Company to conduct independent property valuations of the Singapore Properties as at 17 December 2025
"**SRS**"	:	The Supplementary Retirement Scheme
"**SRS Investors**"	:	Investors who have purchased Shares using their SRS contributions pursuant to SRS
"**Substantial Shareholder**"	:	A person who has an interest in not less than 5% of the total number of issued voting Shares
"**S$**" and "**cents**"	:	Singapore dollars and cents respectively, being the lawful currency of Singapore
"**UOBKH**"	:	UOB Kay Hian Private Limited, the financial adviser to the Offeror in connection with the Offer
"**Valuation Reports**"	:	The letter issued by the Singapore Valuer containing, amongst other matters, summaries of the valuations of its valuation reports in respect of the Singapore Properties as at 17 December 2025 and the valuation report of the Australia Valuer in respect of its valuation of the Australia Property as at 30 November 2025, each as set out in **Appendix F** to this Circular
"**%**"	:	Per centum or percentage

The term "**acting in concert**" shall have the meaning ascribed to it in the Code, and a "**concert party**" of a person means a person acting in concert with the first mentioned person.

The terms "**Depositor**", "**Depository Agent**" and "**Depository Register**" shall have the meanings ascribed to them respectively in Section 81SF of the SFA.

The terms "**subsidiary**" and "**related corporation**" shall have the meanings ascribed to them in Sections 5 and 6 of the Companies Act respectively.

References to "**you**", "**your**" and "**yours**" in this Circular are, as the context so determines, to Shareholders.

The headings in this Circular are inserted for convenience only and shall be ignored in construing this Circular.

Words importing the singular shall, where applicable, include the plural and *vice versa*. Words importing a single gender shall, where applicable, include any or all genders. References to persons shall, where applicable, include corporations.

Any reference in this Circular to any enactment or statutory provision is a reference to that enactment or statutory provision as for the time being amended or re-enacted, unless the context otherwise requires. Any word defined under the Companies Act, the Code, the Listing Manual, the SFA or any modification thereof and not otherwise defined in this Circular shall, where applicable, have the same meaning as ascribed to it under the Companies Act, the Code, the Listing Manual, the SFA or any statutory modification thereof, as the case may be, unless the context otherwise requires.

References to the making of an announcement or the giving of notice by the Company shall include the release of an announcement by the Company or its agents, for and on behalf of the Company, to the press or the delivery of or transmission by telephone, telex, facsimile, SGXNet or otherwise of an announcement to the SGX-ST. An announcement made otherwise than to the SGX-ST shall be notified to the SGX-ST simultaneously.

Any reference to a time of day and date in this Circular is made by reference to Singapore time and date respectively unless otherwise stated.

Any discrepancies in the figures in this Circular between the listed amounts and the totals thereof are due to rounding. Accordingly, the figures shown as totals in this Circular may not be an arithmetic aggregation of the figures that precede them.

In this Circular, unless the context otherwise requires, the total number of Shares is a reference to a total of 738,816,000 Shares in issue as at the Latest Practicable Date, based on the results of the electronic instant information search of the Company dated the Latest Practicable Date obtained from ACRA. As at the Latest Practicable Date, the Company has no treasury shares. Unless otherwise specified, all references to a percentage shareholding in the capital of the Company in this Circular are (a) based on 738,816,000 Shares in issue as at the Latest Practicable Date; and (b) rounded to two (2) decimal places.

CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS

All statements other than statements of historical facts included in this Circular are or may be forward-looking statements. Forward-looking statements include but are not limited to those using words such as "**aim**", "**seek**", "**expect**", "**anticipate**", "**believe**", "**estimate**", "**intend**", "**project**", "**plan**", "**strategy**", "**forecast**" and similar expressions or future or conditional verbs such as "**if**", "**will**", "**would**", "**should**", "**could**", "**may**" and "**might**". These statements reflect the Company's current expectations, beliefs, hopes, intentions or strategies regarding the future and assumptions in light of currently available information. Such forward-looking statements are not guarantees of future performance or events and involve known and unknown risks and uncertainties. Accordingly, actual results may differ materially from those described in such forward-looking statements. Shareholders should not place undue reliance on such forward-looking statements, and neither the Company nor the IFA guarantees any future performance or event, or undertakes any obligation to update publicly or revise any forward-looking statements, subject to compliance with all applicable laws and regulations and/or the rules of the SGX-ST and/or any other regulatory or supervisory body or agency.

INDICATIVE TIMELINE

Date of despatch of the Offer Document	:	17 December 2025
Date of despatch of this Circular	:	31 December 2025
Closing Date	:	**5.30 p.m. on 14 January 2026** or such later date(s) as may be announced from time to time by or on behalf of the Offeror
Date of settlement of consideration for valid acceptances of the Offer	:	(a) In respect of acceptances of the Offer which are complete and valid in all respects and whose Date of Receipt falls on or before the date on which the Offer becomes or is declared to be unconditional in all respects, within seven (7) Business Days of that date; or (b) in respect of acceptances which are complete and valid in all respects and whose Date of Receipt falls after the date on which the Offer becomes or is declared to be unconditional in all respects, but before the Offer closes, within seven (7) Business Days of the Date of Receipt of such acceptance. Please refer to paragraph 2 of appendix 1 to the Offer Document for further information.

LOW KENG HUAT (SINGAPORE) LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No.: 196900209G)

Directors

Mr. Low Keng Boon @ Lau Boon Sen (Executive Chairman)
Dato' Marco Low Peng Kiat (Managing Director)
Mr. Low Poh Kuan (Executive Director)
Mr. Alvin Teo Poh Kheng (Executive Director)
Mr. Cheo Chai Hong (Lead Independent, Non-Executive Director)
Mr. Chris Chia Woon Liat (Independent, Non-Executive Director)
Mr. Michael Leong Choon Fai (Independent, Non-Executive Director)
Mr. Jason Eng (Independent, Non-Executive Director)

Registered Office

80 Marine Parade Road
#18-05/09
Parkway Parade
Singapore 449269

31 December 2025

To: Shareholders of the Company

Dear Sir/Madam,

VOLUNTARY CONDITIONAL GENERAL OFFER BY UOBKH, FOR AND ON BEHALF OF THE OFFEROR, TO ACQUIRE ALL THE OFFER SHARES

1. INTRODUCTION

1.1 Offer Announcement

On 28 November 2025, being the Offer Announcement Date, UOBKH, for and on behalf of the Offeror, released the Offer Announcement where it announced that the Offeror intends to make a voluntary conditional general offer for all the issued ordinary shares in the capital of the Company other than those Shares already owned, controlled or agreed to be acquired by the Offeror as at the date of the Offer in accordance with Section 139 of the SFA and Rule 15 of the Code.

An electronic copy of the Offer Announcement is available on SGXNet at *https://www.sgx.com/securities/company-announcements* and on the website of the Company at *https://www.lkhs.com.sg/investor-relations/*.

1.2 Offer Document

On 17 December 2025, the Offer Document was electronically disseminated by UOBKH, for and on behalf of the Offeror. The Offer Document sets out, *inter alia*, the Offer by the Offeror for the Offer Shares, subject to the terms and conditions of the Offer as set out in the Offer Document. The principal terms and conditions of the Offer are set out in paragraphs 1 to 4 of the Offer Document.

Shareholders are urged to read the terms and conditions of the Offer set out in the Offer Document carefully.

An electronic copy of the Offer Document is available on SGXNet at *https://www.sgx.com/securities/company-announcements* and the website of the Company at *https://www.lkhs.com.sg/investor-relations/*.

1.3 **Independent Financial Adviser**

ZICO Capital Pte. Ltd. has been appointed by the Company as the IFA to advise the Independent Directors for the purpose of making their recommendation to Shareholders in respect of the Offer. The advice of the IFA is set out in the IFA Letter in **Appendix A** to this Circular.

1.4 **Purpose of this Circular**

The purpose of this Circular is to provide Shareholders with relevant information relating to the Offer, and to set out the recommendation of the Independent Directors and the advice of the IFA to the Independent Directors in respect of the Offer.

Shareholders should read the Offer Document, this Circular and the IFA Letter set out in Appendix A to this Circular carefully and consider the recommendation of the Independent Directors and the advice of the IFA to the Independent Directors in respect of the Offer before deciding on whether to accept or reject the Offer.

If you are in any doubt in relation to this Circular or as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant, tax adviser or other professional advisers immediately.

2. THE OFFER

2.1 **Terms of the Offer**

Based on the information set out in the Offer Document, UOBKH has, for and on behalf of the Offeror, made the Offer for all the Offer Shares, on the terms and subject to the conditions set out in the Offer Document and the relevant Acceptance Forms, on the following basis:

(a) **Offer Shares**

The Offer will be extended to all the Shares, other than those Shares already owned, controlled or agreed to be acquired by the Offeror as at the date of the Offer (the "**Offer Shares**").

(b) **Offer Price**

The consideration for each Offer Share is **S$0.72 in cash** (the "**Offer Price**").

(c) **No Encumbrances**

The Offer Shares are to be acquired (i) fully paid, (ii) free from all charges, claims, hypothecations, liens, caveats, debentures, pledges, mortgages, power of sale, retention of title or security interest of any kind over and in respect of the Offer Shares and any right of pre-emption, first offer, first refusal, tag-along or drag-along of any kind to which the Offer Shares are subject or any right or option for the sale or purchase of such Offer Shares, and any other third party rights and inserts of any nature whatsoever or an agreement, arrangement or obligation to create any of the foregoing ("**Encumbrances**") and (iii) together with all rights, benefits, entitlements and advantages attached thereto as at the Offer Announcement Date and thereafter

attaching thereto, including but not limited to, the right to receive and retain all Distributions declared, paid or made by the Company in respect of the Offer Shares, the Record Date for which falls on or after the Offer Announcement Date.

(d) **Adjustment for Distributions**

Without prejudice to the foregoing, the Offer Price has been determined on the basis that the Offer Shares will be acquired with the right to receive any Distribution, the Record Date for which falls on or after the Offer Announcement Date. In the event of any such Distribution, the Offer Price payable to an Accepting Shareholder shall be reduced by an amount which is equal to the amount of such Distribution, depending on when the settlement date in respect of the Offer Shares tendered in acceptance of the Offer (the "**Offer Settlement Date**") falls, as follows:

(i) if the Offer Settlement Date falls on or before the Record Date, the Offeror will pay the relevant Accepting Shareholders the unadjusted Offer Price for each Offer Share, as the Offeror will receive the Distribution in respect of such Offer Shares from the Company; and

(ii) if the Offer Settlement Date falls after the Record Date, the Offer Price payable for such Offer Shares tendered in acceptance shall be reduced by an amount which is equal to the Distribution in respect of such Offer Shares, as the Offeror will not receive such Distribution from the Company.

2.2 **Duration of the Offer**

The duration of the Offer has been extracted from paragraph 1 of appendix 1 to the Offer Document and is set out in italics below. All terms and expressions used in the extract below shall have the same meanings as those defined in the Offer Document, unless otherwise stated.

"***1. DURATION OF THE OFFER***

1.1 ***First Closing Date.*** *The Offer is open for acceptance by Shareholders for at least 28 days from the Despatch Date, unless the Offer is withdrawn with the consent of the SIC and every person is released from any obligation incurred thereunder.* ***Accordingly, the Offer will close at 5.30 p.m. (Singapore time) on 14 January 2026 (Wednesday), or such later date(s) as may be announced from time to time by or on behalf of the Offeror (the "Closing Date").***

1.2 ***Subsequent Closing Date(s).*** *If the Offer is extended and:*

1.2.1 *the Offer is not unconditional as to acceptances as at the date of such extension, the announcement of the extension must state the next Closing Date; or*

1.2.2 *the Offer is unconditional as to acceptances as at the date of such extension, the announcement of the extension need not state the next Closing Date but may state that the Offer will remain open until further notice. In such a case, the Offeror must give Shareholders at least 14 days' prior notice in writing before it may close the Offer.*

1.3 ***No Obligation to Extend the Offer.*** *The Offeror is not obliged to extend the Offer if the condition of the Offer as set out in paragraph 2.6 (Conditional Offer) of the Letter to Shareholders in this Offer Document is not fulfilled by the Closing Date.*

1.4 ***Offer to Remain Open for 14 Days After Being Declared Unconditional as to Acceptances.*** *Pursuant to Rule 22.6 of the Code, if the Offer becomes or is declared unconditional as to acceptances, the Offer will remain open for a period (the "**Rule 22.6 Period**") of not less than 14 days after the date on which the Offer would otherwise have closed, in order to give Shareholders who have not accepted the Offer the opportunity to do so.*

*This requirement does not apply if, before the Offer has become or is declared unconditional as to acceptances, the Offeror has given Shareholders at least 14 days' notice in writing (the "**Shut-Off Notice**") that the Offer will not be open for acceptance beyond a specified Closing Date, provided that:*

1.4.1 *the Offeror may not give a Shut-Off Notice in a competitive situation; and*

1.4.2 *the Offeror may not enforce a Shut-Off Notice, if already given, in a competitive situation.*

For these purposes, the SIC would normally regard a "competitive situation" to have arisen if a competing offer for the Company has been announced.

If a declaration that the Offer is unconditional in all respects is confirmed in accordance with paragraph 4.2.1 (Right of Withdrawal of Shareholders) of this ***Appendix 1****, the Rule 22.6 Period will run from the date of such confirmation or the date on which the Offer would otherwise have closed, whichever is later.*

1.5 ***Final Day Rule.*** *The Offer (whether revised or not) will not be capable:*

1.5.1 *of becoming or being declared unconditional as to acceptances with its terms after 5.30 p.m. (Singapore time) on the 60th day after the Despatch Date; or*

1.5.2 *of being kept open after the expiry of such 60-day period unless the Offer has previously become or been declared to be unconditional as to acceptances,*

*provided that the Offeror may extend the Offer beyond such 60-day period with the SIC's prior consent (the "**Final Day Rule**"). The SIC will normally grant such permission if a competing offer has been announced.*

1.6 ***Revision.*** *Pursuant to Rule 20.1 of the Code, the Offeror reserves its right to revise the terms of the Offer at such time and in such manner as it may consider appropriate. If the Offer is revised, the Offer will remain open for acceptances for at least 14 days from the date of posting of the written notification of the revision to the Shareholders. In any case, where the terms are revised, the benefit of the Offer (as so revised) will be made available to each of the Shareholders who have previously accepted the Offer.*"

2.3 **Conditional Offer**

Based on the information set out in the Offer Document, the Offer will be subject to the Offeror having received, by the close of the Offer, valid acceptances (which have not been withdrawn) in respect of such number of Offer Shares which, when taken together with any Offer Shares acquired or agreed to be acquired by the Offeror during the Offer, will result in the Offeror holding not less than 90% of the voting rights attributable to the Shares in issue as at the close of the Offer (excluding any Shares already held by the Offeror, its related corporations or their respective nominees[1] as at the date of despatch of the Offer Document) (the "**Acceptance Condition**"). For the avoidance of doubt:

(a) only the Offer Shares acquired or agreed to be acquired by the Offeror during the Offer shall count towards satisfaction of the Acceptance Condition; and

(b) the Offer Shares owned, controlled or agreed to be acquired by parties acting in concert with the Offeror which have not been acquired by the Offeror or validly tendered in acceptance of the Offer shall not count towards satisfaction of the Acceptance Condition.

Save for the Acceptance Condition, the Offer is unconditional in all other respects.

2.4 **Further Details of the Offer**

The details of the Offer relating to (a) the settlement of the consideration for the Offer, (b) the requirements relating to the announcement of the level of acceptances of the Offer and (c) the right of withdrawal of acceptances of the Offer are set out in paragraphs 2 to 4 of appendix 1 to the Offer Document.

2.5 **Procedures for Acceptance**

The procedures for acceptance are set out in appendix 2 to the Offer Document.

3. INFORMATION ON THE OFFEROR AND CRSB

Certain information on the Offeror and CRSB has been extracted from paragraph 5 of the letter to shareholders in the Offer Document and is set out in italics below. Additional information on the Offeror and CRSB have been extracted from appendix 3 and appendix 4 to the Offer Document, respectively, and is set out in **Appendix C** to this Circular. All terms and expressions used in the extract below shall have the same meanings as those defined in the Offer Document, unless otherwise stated.

"***5. INFORMATION ON THE OFFEROR AND CRSB***

5.1 The Offeror. *The Offeror is a special purpose vehicle incorporated under the laws of Singapore on 4 July 2025. The Offeror has not carried on any business since its incorporation, except in relation to matters in connection with the making of the Offer. As at the Latest Practicable Date, the Offeror has an issued and paid-up share capital of S$3 comprising three (3) ordinary shares, which are all held by CRSB. There are no shares held in treasury in the share capital of the Offeror.*

[1] And any other persons required to be excluded under Section 215(9A) of the Companies Act.

5.2 ***CRSB.*** *CRSB is an investment holding vehicle incorporated under the laws of Malaysia on 8 March 2010 as a private company. Through its subsidiaries, CRSB is mainly engaged in construction, property development, ownership and operation of serviced apartments, a hotel and a restaurant, as well as investment holding. Dato' Marco and his mother, Seah Soh Seng, each hold 75% and 25% of the total number of issued shares in CRSB, respectively. There are no shares held in treasury in the share capital of CRSB.*

As at the Latest Practicable Date, the sole director of each of the Offeror and CRSB is Dato' Marco.

5.3 ***The Offeror's and CRSB's Shareholding in the Company.*** *As at the Latest Practicable Date, the Offeror does not hold any Shares. However, as at the Latest Practicable Date, Dato' Marco has a direct interest of 300,000 Shares, representing approximately 0.04% of the total number of Shares, and a deemed interest of 399,945,345 Shares held via CRSB, Maybank Securities Pte. Ltd. and Consistent Capital Pte. Ltd., representing approximately 54.13% of the total number of Shares, out of which 395,194,345 Shares, representing approximately 53.49% of the total number of Shares, are indirectly held via CRSB.*

5.4 ***Additional Information.*** *Appendix 3 and Appendix 4 to this Offer Document set out additional information on the Offeror and CRSB respectively*."

4. OFFEROR'S RATIONALE FOR MAKING THE OFFER

The full text of the rationale for the Offer has been extracted from paragraph 7 of the letter to shareholders in the Offer Document and is set out in italics below. All terms and expressions used in the extract below shall have the same meanings as those defined in the Offer Document, unless otherwise stated. **Shareholders are advised to read the extract below carefully.**

"***7.*** ***OFFEROR'S RATIONALE FOR MAKING THE OFFER***

7.1 ***No Necessity for Access to Equity Capital Markets***

Since its initial public offering in 1992, the Company has accessed the Singapore equity capital markets only once, through a rights issue completed in 2007. For the past 18 years, the Company has not undertaken any new equity fundraising on the SGX-ST.

The Offeror is of the view that the Company is unlikely to require access to the Singapore equity capital markets in the foreseeable future, as its funding needs can be adequately met through alternative sources such as bank borrowings and other debt financing options. Accordingly, the Offeror is of the view that maintaining the Company's listing on the SGX-ST may not bring material benefits to the Company as envisaged in the past.

7.2 Reduced Costs of Maintaining Listing

The Company incurs significant compliance and associated costs to maintain its listed status. The Offeror intends to delist the Company from the SGX-ST, thus saving on expenses relating to the maintenance of a listed status and instead focus its resources on business operations.

7.3 Greater Flexibility to Navigate a Challenging Business Environment

By taking the Company private, the Offeror believes it will have greater control and flexibility in managing the Group's business, making much longer-term capital allocation decisions, and dispensing with the constraints of capital market regulations and public shareholders' expectations. The Offeror believes the Company will be facing greater challenges in an increasingly competitive and uncertain business environment, hence maintaining the public listed status is not in the interests of the Company or its Shareholders."

5. OFFEROR'S REASONS FOR SHAREHOLDERS TO CONSIDER ACCEPTING THE OFFER

The full text of the Offeror's reasons for Shareholders to consider accepting the Offer has been extracted from paragraph 8 of the letter to shareholders in the Offer Document and is set out in italics below. All terms and expressions used in the extract below shall have the same meanings as those defined in the Offer Document, unless otherwise stated. **Shareholders are advised to read the extract below carefully.**

"***8. REASONS FOR SHAREHOLDERS TO CONSIDER ACCEPTING THE OFFER***

8.1 Opportunity for Shareholders to Realise their Holding in the Offer Shares at a Premium over the Historical Market Share Prices

The Offeror believes that the Offer represents an attractive cash exit opportunity for Shareholders to realise their entire investment in cash with price certainty at a compelling premium to observable market benchmarks, without incurring brokerage and other trading fees in contrast to the uncertainty associated with future market performance of the Shares.

8.1.1 *When compared to the benchmark prices[3] of the Shares up to and including the Last Trading Date, the Offer Price represents a premium of approximately[4]:*

(a) 17.1% over S$0.615, the last transacted price per Share as quoted on the SGX-ST on the Last Trading Date;

(b) 8.9% over S$0.661, the VWAP for the one (1)-month period up to and including the Last Trading Date;

(c) 16.5% over S$0.618, the VWAP for the three (3)-month period up to and including the Last Trading Date;

(d) 27.7% over S$0.564, the VWAP for the six (6)-month period up to and including the Last Trading Date;

(e) 36.1% over S$0.529, the VWAP for the 12-month period up to and including the Last Trading Date;

(f) *45.2% over S$0.496, the VWAP for the 24-month period up to and including the Last Trading Date; and*

(g) *46.9% over S$0.490, the VWAP for the 36-month period up to and including the Last Trading Date.*

8.1.2 *The Offer Price exceeds the highest closing price of the Shares in the five (5)-year period prior to and including the Last Trading Date. It represents a premium ranging between approximately 4.3% and 157.1% over the closing prices of the Shares during this period.*



8.2 ***Opportunity for Shareholders to Exit their Holdings in the Offer Shares, which may otherwise be Difficult due to Low Trading Liquidity***

The average daily trading volume for the one (1)-month, three (3)-month, six (6)-month, 12-month, 24-month and 36-month periods prior to and including the Last Trading Date are detailed in the table below.

Period prior to and including the Last Trading Date	***Average daily trading volume of the Shares[5]***	***Percentage of the total number of issued Shares[6] (%)***
One (1) month	*472,413*	*0.06*
Three (3) months	*491,463*	*0.07*
Six (6) months	*361,499*	*0.05*
12 months	*217,669*	*0.03*
24 months	*127,953*	*0.02*
36 months	*89,820*	*0.01*

The low trading liquidity may limit the Shareholders' ability to exit their investments in the Company. The Offer is an opportunity for Shareholders to liquidate and realise their entire investment at a premium (without incurring brokerage and other trading fees).

8.3 No Clarity of Future Share Price Performance Amidst Market Volatility and an Uncertain Macro Environment

The Group faces a challenging macro and operating environment both in Singapore and its other key markets, driven by a myriad of risk factors beyond its control including geopolitics that have led to rising trade protectionism and tariff uncertainties, potentially disrupting supply chains and increasing costs for businesses, ultimately dampening consumer confidence and spending power. Consequently, there is considerable uncertainty and volatility with regard to the performance of the property and hospitality industries that the Company operates in and by extension the Company's future share price performance.

In view of the above, the Offeror believes that the Offer presents an attractive opportunity for Shareholders who do not want to be subject to such market risks and uncertainties to exit their investment and redeploy their capital.

8.4 Capital Intensity and Irregular Returns

The Group's three (3) main business segments, namely property development, the ownership and operation of serviced apartments and hotels, and property investments are capital-intensive activities that involve typically long gestation periods and significant risks. The volatile financial performance is demonstrated by the 1H FY2026 Results whereby the Group's revenue plunged 85% and the Group recorded a loss after taxation and minority interests of approximately S$10.2 million. Notwithstanding the theoretical upside from the revalued net assets of the Group, the actual realisation of profits from such investments may be irregular, variable and much more time-consuming, hence possibly affecting Shareholders' returns adversely.

The Offer provides Shareholders, who may not be prepared to undertake an investment with such long-term and uncertain risk-reward profile, with an attractive exit opportunity.

8.5 Low Likelihood of Competing or Future Offers

The Offeror and its ultimate beneficial owner currently hold the majority stake of the Shares and maintain effective control over the Company. Given the Offeror's long-term strategic commitment to the business, the Offeror does not envisage the reduction of its shareholdings or selling its stake. As a result, it is highly unlikely that the Shareholders will receive any future takeover offers or competing offers that could be priced at a higher amount than the current Offer.

In this context, the Offeror believes that this Offer provides Shareholders with the best possible premium over the market price and a certain opportunity to realise their investment in cash.

---

[3] The historical market prices of the Shares set out in this paragraph are based on data extracted from Bloomberg L.P. on the Last Trading Date.

[4] The premiums and benchmark prices are rounded to the nearest one (1) decimal place and the nearest three (3) decimal places respectively.

[5] The average daily trading volume of Shares is computed based on the total trading volume of Shares for all Market Days for the relevant periods immediately prior to and including the Last Trading Date, divided by the total number of Market Days during the respective periods, based on data extracted from Bloomberg L.P..

[6] Computed based on 738,816,000 Shares, being the total number of Shares in the issued share capital of the Company as at the Offer Announcement Date. For the purposes of the table above, all percentage figures are rounded to the nearest two (2) decimal places."

6. OFFEROR'S INTENTIONS FOR THE COMPANY

The full text of the intentions of the Offeror for the Company, including in relation to the listing status and compulsory acquisition of the Company has been extracted from paragraph 9 of the letter to shareholders in the Offer Document and is set out in italics below. All terms and expressions used in the extract below shall have the same meanings as those defined in the Offer Document, unless otherwise stated. **Shareholders are advised to read the extract below carefully.**

"***9. THE OFFEROR'S INTENTIONS FOR THE COMPANY***

9.1 *Save as otherwise disclosed in this Offer Document, the Offeror has no current intentions to (i) introduce any major changes to the existing business of the Group, (ii) re-deploy the fixed assets of the Group, or (iii) discontinue the employment of the existing employees of the Group, other than in the ordinary and usual course of business. However, the Offeror retains the flexibility to, at any time, consider any options or opportunities which may present themselves, and which it regards to be in the best interests of the Group.*

9.2 Listing Status

*Under Rule 1105 of the Listing Manual, upon an announcement by the Offeror that it has received acceptances which result in the Offeror and its Concert Parties holding more than 90% of the total number of Shares (excluding Shares held in treasury), the SGX-ST may suspend the trading of the listed securities of the Company on the SGX-ST until such time when the SGX-ST is satisfied that at least 10% of the total number of Shares (excluding Shares held in treasury) are held by at least 500 shareholders of the Company who are members of the public (the "**Free Float Requirement**").*

Rule 1303(1) of the Listing Manual provides that where the Offeror succeeds in garnering acceptances exceeding 90% of the total number of Shares (excluding Shares held in treasury), thus causing the percentage of the total number of Shares (excluding Shares held in treasury) held in public hands to fall below 10%, the SGX-ST will suspend trading of the Shares at the close of the Offer.

Rule 723 of the Listing Manual requires the Company to ensure that at least 10% of the total number of Shares is at all times held by the public. In addition, under Rule 724(1) of the Listing Manual, if the percentage of the total number of Shares (excluding Shares held in treasury) held in public hands falls below 10%, the Company must, as soon as practicable, announce that fact and the SGX-ST may suspend trading of all the listed securities of the Company on the SGX-ST. Rule 724(2) of the Listing Manual further states that the SGX-ST may allow the Company a period of three (3) months, or such longer period as the SGX-ST may agree, for the percentage of the total number of Shares (excluding Shares held in treasury) held by members of the public to be raised to at least 10%, failing which the Company may be removed from the Official List of the SGX-ST.

9.3 Compulsory Acquisition

Pursuant to Section 215(1) of the Companies Act, if the Offeror receives valid acceptances pursuant to the Offer or acquires Shares from the date of despatch

*of the Offer Document otherwise than through valid acceptances of the Offer, in respect of not less than 90% of the total number of Shares in issue (excluding Shares already held by the Offeror, its related corporations or their respective nominees[7] as at the date of despatch of the Offer Document), the Offeror will be entitled to exercise its right to compulsorily acquire, at the Offer Price, all the Offer Shares held by Shareholders who have not accepted the Offer (the "**Dissenting Shareholders**").*

In addition, pursuant to Section 215(3) of the Companies Act, Dissenting Shareholders have the right under and subject to Section 215(3) of the Companies Act, to require the Offeror to acquire their Offer Shares at the Offer Price in the event that the Offeror, its related corporations or their respective nominees[8] acquire, pursuant to the Offer, such number of Shares which, together with Shares held by the Offeror, its related corporations or their respective nominees[9], comprise 90% or more of the total number of Shares. Dissenting Shareholders who wish to exercise such a right are advised to seek their own independent legal advice.

9.4 The Offeror's Intentions

The Offeror does not intend to preserve the listing status of the Company. Accordingly, the Offeror, if and when entitled, intends to exercise its right of compulsory acquisition under Section 215(1) of the Companies Act and does not intend to take any steps to maintain the listing status of the Company in the event the Free Float Requirement is not met and the trading of the Shares on the SGX-ST is suspended pursuant to Rules 724, 1105 or 1303(1) of the Listing Manual. *In addition, the Offeror also reserves the right and discretion, if such event arises, to assess options available including the right to seek a voluntary delisting of the Company from the SGX-ST pursuant to Rules 1307 and 1309 of the Listing Manual.*

---

7 And any other persons required to be excluded under Section 215(9A) of the Companies Act.

8 And any other persons required to be excluded under Section 215(9A) of the Companies Act.

9 And any other persons required to be excluded under Section 215(9A) of the Companies Act."

7. CONFIRMATION OF FINANCIAL RESOURCES

The full text of the confirmation of financial resources by UOBKH has been extracted from paragraph 10 of the letter to shareholders in the Offer Document and is set out in italics below. All terms and expressions used in the extract below shall have the same meanings as those defined in the Offer Document, unless otherwise stated.

"***10. CONFIRMATION OF FINANCIAL RESOURCES***

UOBKH, as the financial adviser to the Offeror in connection with the Offer, confirms that sufficient financial resources are available to the Offeror to satisfy full acceptance of the Offer by the holders of the Offer Shares on the basis of the Offer Price."

8. DIRECTORS' INTERESTS

Details of the Directors including, *inter alia*, the Directors' direct and deemed interests in Company Securities and Offeror Securities as at the Latest Practicable Date are set out in **Appendix B** to this Circular.

9. ADVICE AND RECOMMENDATION IN RELATION TO THE OFFER

9.1 General

Shareholders should read and carefully consider the recommendations of the Independent Directors and the advice of the IFA to the Independent Directors before deciding whether to accept or reject the Offer. The advice of the IFA in relation to the Offer is set out in the IFA Letter as set out in **Appendix A** to this Circular.

9.2 Independence of Directors

All of the Independent Directors consider themselves independent for the purposes of making a recommendation on the Offer.

9.3 Independence of Relevant Directors

(a) Pursuant to an application made by the Offeror to the SIC to seek the SIC's rulings and confirmations on certain matters in relation to the Offer, the SIC has on 26 November 2025 confirmed, *inter alia*, that Dato' Marco is exempted from the requirement to make or assume responsibility for any recommendation on the Offer that the Board of Directors of the Company may make to the Shareholders.

Dato' Marco is the sole director of the Offeror and is part of the Offeror Concert Party Group. He therefore faces a conflict of interest in relation to the Offer.

(b) Pursuant to the application made by the Company to the SIC to seek the SIC's rulings and confirmations on the independence of certain Directors in relation to the Offer, the SIC has on 11 December 2025 confirmed, *inter alia*, that Mr. Low Keng Boon @ Lau Boon Sen and Mr. Low Poh Kuan are exempted from the requirement to make or assume responsibility for any recommendation on the Offer that the Board of Directors of the Company may make to the Shareholders.

(i) Mr. Low Keng Boon @ Lau Boon Sen is an uncle of Dato' Marco and is part of the Offeror Concert Party Group.

(ii) Mr. Low Poh Kuan is a cousin of Dato' Marco and is part of the Offeror Concert Party Group.

Both Mr. Low Keng Boon @ Lau Boon Sen and Mr. Low Poh Kuan therefore face a conflict of interest in relation to the Offer.

The Relevant Directors must nevertheless still assume responsibility for the accuracy of facts stated or opinions expressed in documents and advertisements issued by, or on behalf of, the Company in connection with the Offer.

9.4 **Appointment of IFA**

ZICO Capital Pte. Ltd. has been appointed as the independent financial adviser to advise the Independent Directors in respect of the Offer.

9.5 **Advice of the IFA to the Independent Directors**

Based on the IFA's evaluation and assessment of the financial terms of the Offer, the IFA has made its recommendation in respect of the Offer as set out in paragraph 8 of the IFA Letter, extracts of which are set out in italics below. The recommendation set out below should be considered and read by Shareholders in conjunction with, and in the context of, the full text of the IFA Letter. Unless otherwise defined or the context otherwise requires, all terms and expressions used in the extract below shall have the same meanings as those defined in the IFA Letter.

"***8.*** ***OUR OPINION***

In arriving at our opinion in relation to the Offer, we have considered the views and representations made by the Directors and Management and reviewed and deliberated on the factors which we consider to be relevant and to have a significant bearing on our assessment of the terms of the Offer. We have carefully considered factors which we deem essential and balanced them before reaching our opinion. Accordingly, it is important that our IFA Letter, in particular, all the considerations and information which we have taken into account, be read in its entirety.

We set out below a summary of the key factors we have taken into our consideration when assessing the "fairness" of the Offer:

(i) the Offer Price represents premia of approximately 36.11%, 27.66%, 16.50% and 8.93% over the respective VWAPs of the Shares for the 12-month, 6-month, 3-month and 1-month periods prior to and including the Last Trading Day. Further, the Offer Price represents a premium of approximately 17.07% over the closing price of the Shares on the Last Trading Day;

(ii) the Offer Price is higher than the highest traded prices of the Shares during the 12-month, 6-month, 3-month and 1-month periods prior to and including the Last Trading Day. Further, the Offer Price is higher than the highest traded price of the Shares as at the Last Trading Day;

(iii) the Offer Price represents a discount of approximately 0.69% to the VWAP of the Shares for the period from 1 December 2025 (being the first traded day after the Offer Announcement Date) up to the Latest Practicable Date. Further, the Offer Price represents a discount of approximately 1.37% to the closing price of the Shares as at the Latest Practicable Date of S$0.730;

(iv) the Offer Price represents a discount of approximately 2.04% to the highest traded price of the Shares of S$0.735 for the period from 1 December 2025 (being the first traded day after the Offer Announcement Date) up to the Latest Practicable Date;

(v) the Offer Price represents a discount of approximately 42.6% to the RNAV per Share;

(vi) the EV/EBITDA of the Company as implied by the Offer Price of 31.09 times is above the range of the EV/EBITDA ratios of the Broadly Comparable Companies;

(vii) the P/RNAV of the Company as implied by the Offer Price of 0.57 times is within the range of, and above the mean and median P/NAV or P/RNAV ratios of the Broadly Comparable Companies;

(viii) the premium of 17.1% implied by the Offer Price over the last transacted price of the Shares on the Last Trading Day is within the range of premia, and below the corresponding mean and median premia of the Precedent Privatisation Transactions;

(ix) the premium of 8.9% implied by the Offer Price over the 1-month VWAP of the Shares prior to and including the Last Trading Day is lower than the corresponding premia of the Precedent Privatisation Transactions;

(x) the premia of 16.5% and 27.7% implied by the Offer Price over the 3-month and 6-month VWAPs of the Shares prior to and including the Last Trading Day are within the range of premia, and below the corresponding mean and median premia of the Precedent Privatisation Transactions;

(xi) the P/RNAV as implied by the Offer Price of 0.57 times is within the range of, and below the mean and median offer price/NAV or offer price/RNAV of the Precedent Privatisation Transactions;

(xii) the premium of 17.1% implied by the Offer Price over the last transacted price of the Shares on the Last Trading Day is within the range of premia, and below the corresponding mean and median premia of the Precedent Property Privatisation Transactions;

(xiii) the premia of 8.9% and 16.5% implied by the Offer Price over the 1-month and 3-month VWAPs of the Shares prior to and including the Last Trading Day are lower than the corresponding premia of the Precedent Property Privatisation Transactions;

(xiv) the premium of 27.7% implied by the Offer Price over the 6-month VWAP of the Shares prior to and including the Last Trading Day is within the range of, and below the corresponding mean and median premia of the Precedent Property Privatisation Transactions;

(xv) the P/RNAV as implied by the Offer Price of 0.57 times is within the range of, and below the mean and median offer price/NAV or offer price/RNAV of the Precedent Property Privatisation Transactions; and

(xvi) the Offer Price is lower than the estimated value of the Shares.

We set out below a summary of the key factors we have taken into our consideration when assessing the "reasonableness" of the Offer:

(i) the Shares were not actively traded and the average daily trading volume of the Shares during the 12-month, 6-month, 3-month and 1-month periods prior to and including the Last Trading Day were in the range of 0.12% to 0.28% of the Free Float;

(ii) the average daily traded volume of the Shares represents 1.69% of the Free Float for the period from 1 December 2025 (being the first traded day after the Offer Announcement Date) up to the Latest Practicable Date. The average daily traded volume of the Shares represents 1.49% of the Free Float as at the Latest Practicable Date;

(iii) the Offeror does not intend to preserve the listing status of the Company. Accordingly, the Offeror, if and when entitled, intends to exercise its right of compulsory acquisition under Section 215(1) of the Companies Act and does not intend to take any steps to maintain the listing status of the Company in the event the Free Float Requirement is not met and the trading of the Shares on the SGX-ST is suspended; and

(iv) the outlook of the Group, and other relevant considerations as set out in paragraph 7.9 of this IFA Letter.

Having considered carefully the information available to us as at the Latest Practicable Date, and based on our analyses, we are of the opinion that the terms of the Offer are on balance, not fair but reasonable. *Accordingly, we advise the Independent Directors to recommend Shareholders to* ***ACCEPT*** *the Offer.*"

9.6 **Recommendations of the Independent Directors**

The Independent Directors, having considered carefully the terms of the Offer and the advice given by the IFA in the IFA Letter, concur with the advice of the IFA in respect of the Offer. Accordingly, the Independent Directors recommend Shareholders to **ACCEPT** the Offer.

9.7 **No Regard to Specific Objectives**

In rendering the advice and the recommendations above, both the IFA and the Independent Directors have not had regard to the specific investment objectives, financial situation, tax status, risk profiles or unique needs and constraints of any individual Shareholder. As different Shareholders would have different investment objectives and profiles, the Independent Directors recommend that any individual Shareholder who may require advice in the context of his/her/its specific investment portfolio should consult his/her/its stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

SHAREHOLDERS ARE ADVISED TO READ THE FULL TEXT OF THE IFA LETTER WHICH IS SET OUT IN APPENDIX A TO THIS CIRCULAR CAREFULLY BEFORE DECIDING WHETHER TO ACCEPT OR REJECT THE OFFER.

10. OVERSEAS SHAREHOLDERS

10.1 **Overseas Jurisdictions**

The full text of the information on the Offer relating to Overseas Shareholders has been extracted from paragraph 13 of the letter to shareholders in the Offer Document and is set out in italics below. All terms and expressions used in the extract below shall have the same meanings as those defined in the Offer Document, unless otherwise stated. **Overseas Shareholders are advised to read the extract below carefully.**

"***13. OVERSEAS SHAREHOLDERS***

13.1 Overseas Jurisdictions. *This Offer Document does not constitute an offer to sell or the solicitation of an offer to subscribe for or buy any security, nor is it a solicitation of any vote or approval in any jurisdiction, nor shall there be any sale, issuance or transfer of the securities referred to in this Offer Document in any jurisdiction in contravention of applicable law.*

*The release, publication or distribution of this Offer Document, the Notification Letter, the relevant Acceptance Forms and any other formal documentation in relation to the Offer (the "**Offer Documentation**") in certain jurisdictions may be restricted by law and therefore persons in any such jurisdictions into which the Offer Documentation are released, published or distributed should inform themselves about and observe such restrictions.*

*Copies of the Offer Documentation are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from any jurisdiction where the making of or the acceptance of the Offer will violate the laws of that jurisdiction ("**Restricted Jurisdiction**") and will not be capable of acceptance by any such use, instrumentality or facility within any Restricted Jurisdiction and persons receiving such documents (including custodians,*

nominees and trustees) must not mail or otherwise forward, distribute or send them in or into or from any Restricted Jurisdiction.

The Offer (unless otherwise determined by the Offeror and permitted by applicable law and regulation) will not be made, directly or indirectly, in or into, or by the use of mails of, or by any means or instrumentality (including, without limitation, telephonically or electronically) of interstate or foreign commerce of, or any facility of a national, state or other securities exchange of, any Restricted Jurisdiction and the Offer will not be capable of acceptance by any such use, means, instrumentality or facilities.

13.2 ***Overseas Shareholders.*** *The availability of the Offer to Overseas Shareholders may be affected by the laws of the relevant overseas jurisdictions in which they are located. Accordingly, Overseas Shareholders should inform themselves of, and observe, any applicable requirements in the relevant overseas jurisdictions.*

For the avoidance of doubt, the Offer will be open to all Shareholders, including those to whom the Offer Documentation may not be sent.

It is the responsibility of Overseas Shareholders who wish to (a) request for any of the Offer Documentation in accordance with paragraph 13.3 (Copies of the Notification Letter and the relevant Acceptance Forms) of the Letter to Shareholders in this Offer Document below and/or (b) accept the Offer to satisfy themselves as to the full observance of the laws of the relevant overseas jurisdiction in that connection, including the obtaining of any governmental or other consent which may be required, or compliance with other necessary formalities or legal requirements and the payment of any taxes, imposts, duties or other requisite payments due in such jurisdiction. Such Overseas Shareholders shall be liable for any such taxes, imposts, duties or other requisite payments payable and the Offeror, its related corporations, UOBKH, CDP, the Share Registrar and any person acting on their behalf shall be fully indemnified and held harmless by such Overseas Shareholders for any such taxes, imposts, duties or other requisite payments as the Offeror, its related corporations, UOBKH, CDP, the Share Registrar and/or any person acting on their behalf may be required to pay. In (a) requesting for any of the Offer Documentation in accordance with paragraph 13.3 (Copies of the Notification Letter and the relevant Acceptance Forms) of the Letter to Shareholders in this Offer Document below and/or (b) accepting the Offer, each Overseas Shareholder represents and warrants to the Offeror, its related corporations, UOBKH, CDP, the Share Registrar and/or any person acting on their behalf that he is in full observance of the laws of the relevant jurisdiction in that connection and that he is in full compliance with all necessary formalities or legal requirements.

Any Overseas Shareholder who is in doubt about his position should consult his professional adviser in the relevant jurisdiction.

13.3 ***Copies of the Notification Letter and the relevant Acceptance Forms.*** *Where there are potential restrictions on sending the Notification Letter (containing the address and instructions for the electronic retrieval of the Offer Document and its related documents), the relevant Acceptance Forms and/or any other Offer Documentation to any overseas jurisdiction, the Offeror and UOBKH each reserves the right not to send these documents to Overseas Shareholders in such*

overseas jurisdictions. Subject to compliance with applicable laws, any affected Overseas Shareholder may, nonetheless, attend in person and obtain a copy of the Notification Letter (containing the address and instructions for the electronic retrieval of the Offer Document and its related documents), the relevant Acceptance Forms and/or any other Offer Documentation during normal business hours and up to the Closing Date, from:

13.3.1 *CDP (in the case of a Shareholder whose Offer Shares are deposited with CDP) by contacting CDP's Customer Service Hotline at +65 6535 7511 during their operating hours or emailing CDP at asksgx@sgx.com for instructions on how to obtain a copy of such documents; or*

13.3.2 *the Share Registrar, KCK CorpServe Pte. Ltd. (in the case of a Shareholder whose Offer Shares are not deposited with CDP) at its office located at 1 Raffles Place, #04-63 One Raffles Place (Tower 2), Singapore 048616.*

Alternatively, an Overseas Shareholder may, subject to compliance with applicable laws, write to the Offeror through:

13.3.3 *CDP (in the case of a Shareholder whose Offer Shares are deposited with CDP) at Consistent Record Pte. Ltd. c/o The Central Depository (Pte) Limited, Privy Box No. 920764, Singapore 929292; or*

13.3.4 *the Share Registrar, KCK CorpServe Pte. Ltd. (in the case of a Shareholder whose Offer Shares are not deposited with CDP) at its office located at 1 Raffles Place, #04-63 One Raffles Place (Tower 2), Singapore 048616,*

to request for the Notification Letter (containing the address and instructions for the electronic retrieval of this Offer Document and its related documents), the relevant Acceptance Forms (with no shareholder details printed on the relevant Acceptance Forms) and/or any other Offer Documentation to be sent to an address in Singapore by ordinary post at his own risk, up to five (5) Market Days prior to the Closing Date.

13.4 Notice. *The Offeror and UOBKH each reserves the right to notify any matter, including the fact that the Offer has been made, to any or all Shareholders (including Overseas Shareholders) by announcement to the SGX-ST or paid advertisement in a daily newspaper published or circulated in Singapore, in which case, such notice shall be deemed to have been sufficiently given notwithstanding any failure by any Shareholder (including Overseas Shareholders) to receive or see such announcement or advertisement.*"

10.2 **Copies of Circular**

The Constitution provides that an Overseas Shareholder who has not supplied to the Company or CDP, as the case may be, an address within Singapore for the service of notices and documents shall not be entitled to receive notices or documents from the Company.

Accordingly, and due to potential restrictions on sending this Circular to overseas jurisdictions, this Circular, as well as the Notice to Shareholders, have not been and will not be sent to Overseas Shareholders. Subject to compliance with applicable laws, any affected Overseas Shareholder may, nonetheless, download electronic copies of this Circular from SGXNet at *https://www.sgx.com/securities/company-announcements* and the website of the Company at *https://www.lkhs.com.sg/investor-relations/*.

In downloading this Circular, the Notice to Shareholders and any other related documents, each of the Overseas Shareholders represents and warrants to the Company that each of them is in full observance of the laws of the relevant jurisdiction in that connection, and that each of them is in full compliance with all necessary formalities or legal requirements.

11. INFORMATION PERTAINING TO CPFIS INVESTORS AND SRS INVESTORS

The full text of the information on the Offer relating to CPFIS Investors and SRS Investors has been extracted from paragraph 14 of the letter to shareholders in the Offer Document and is set out in italics below. All terms and expressions used in the extract below shall have the same meanings as those defined in the Offer Document, unless otherwise stated. **CPFIS Investors and SRS Investors are advised to read the extract below carefully.**

"***14. INFORMATION PERTAINING TO CPFIS INVESTORS AND SRS INVESTORS***

CPFIS Investors and SRS Investors should receive further information on how to accept the Offer directly from their respective CPF Agent Banks and SRS Agent Banks (as the case may be). CPFIS Investors and SRS Investors are advised to consult their respective CPF Agent Banks and SRS Agent Banks (as the case may be) should they require further information, and if they are in any doubt as to the action they should take, CPFIS Investors and SRS Investors should seek independent professional advice. CPFIS Investors and SRS Investors who wish to accept the Offer are to reply to their respective CPF Agent Banks and SRS Agent Banks (as the case may be) accordingly by the deadline stated in the letter from their respective CPF Agent Banks and SRS Agent Banks (as the case may be).

Subject to the Offer becoming or being declared unconditional in all respects, CPFIS Investors and SRS Investors who accept the Offer will receive the Offer Price payable in respect of the Offer Shares validly tendered in acceptance of the Offer through appropriate intermediaries in their respective CPF investment accounts and SRS investment accounts."

12. ACTION TO BE TAKEN BY SHAREHOLDERS

12.1 Shareholders who WISH TO ACCEPT the Offer

Shareholders who wish to accept the Offer must do so no later than the Closing Date or such later date(s) as may be announced from time to time by or on behalf of the Offeror, abiding by the procedures for the acceptance of the Offer as set out in appendix 2 to the Offer Document, and in the accompanying relevant Acceptance Forms.

Acceptances should be completed and returned as soon as possible and, in any event, so as to be received, on behalf of the Offeror, by the CDP (in respect of the FAA) or the

Registrar (in respect of the FAT), as the case may be, no later than 5.30 p.m. on the Closing Date or such later date(s) as may be announced from time to time by or on behalf of the Offeror.

12.2 **Shareholders who DO NOT WISH TO ACCEPT the Offer**

Shareholders who do not wish to accept the Offer need not take any further action in respect of the Offer Document and/or the relevant Acceptance Forms.

13. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors (including any who may have delegated detailed supervision of this Circular) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this Circular (other than information extracted from the Offer Document, the IFA Letter, the Valuation Reports and any information relating to or any opinion or rationale expressed by the Offeror, the IFA and/or the Valuers) are fair and accurate, and that there are no material facts not contained in this announcement, the omission of which would make any statement in this announcement misleading. Where any information has been extracted or reproduced from published or otherwise publicly available sources (including, without limitation, the Offer Document), the sole responsibility of the Directors has been to ensure, through reasonable enquiries, that such information has been accurately extracted from such sources or, as the case may be, reflected or reproduced in this Circular. The Directors jointly and severally accept responsibility accordingly.

In respect of the IFA Letter and the Valuation Report, the sole responsibility of the Directors has been to ensure that the facts stated with respect to the Group are fair and accurate.

14. ADDITIONAL INFORMATION

Additional general information on the Company is provided in **Appendix B** to this Circular.

The attention of the Shareholders is also drawn to the additional information set out in the other Appendices which form part of this Circular.

Yours faithfully

For and on behalf of the Board of Directors of
LOW KENG HUAT (SINGAPORE) LIMITED

Cheo Chai Hong
Lead Independent Director

31 December 2025

APPENDIX A – LETTER FROM THE IFA TO THE INDEPENDENT DIRECTORS IN RESPECT OF THE OFFER

31 December 2025

Low Keng Huat (Singapore) Limited
80 Marine Parade Road
#18-05/09, Parkway Parade
Singapore 449269

To: The directors of Low Keng Huat (Singapore) Limited (the "**Company**" or "**LKHS**") who are considered independent under the Code (as defined herein) (the "**Independent Directors**") for the purposes of making the recommendation to the Shareholders in respect of the Offer (as defined herein):

Mr. Alvin Teo Poh Kheng	*Executive Director*
Mr. Cheo Chai Hong	*Lead Independent, Non-Executive Director*
Mr. Chris Chia Woon Liat	*Independent, Non-Executive Director*
Mr. Michael Leong Choon Fai	*Independent, Non-Executive Director*
Mr. Jason Eng	*Independent, Non-Executive Director*

Dear Sirs,

VOLUNTARY CONDITIONAL GENERAL OFFER (THE "OFFER") BY UOB KAY HIAN PRIVATE LIMITED ("UOBKH") FOR AND ON BEHALF OF CONSISTENT RECORD PTE. LTD. (THE "OFFEROR") TO ACQUIRE ALL THE ISSUED ORDINARY SHARES IN THE CAPITAL OF THE COMPANY ("SHARES"), OTHER THAN THOSE ALREADY OWNED, CONTROLLED OR AGREED TO BE ACQUIRED BY THE OFFEROR

*Unless otherwise defined or the context otherwise requires, all capitalised terms used in this letter shall have the same meaning as defined in the circular to shareholders of the Company (the "**Shareholders**") dated 31 December 2025 (the "**Circular**") issued by the Company. For the purposes of this letter, the Latest Practicable Date is 22 December 2025.*

1. INTRODUCTION

On 28 November 2025 (the "**Offer Announcement Date**"), UOBKH announced, for and on behalf of the Offeror ("**Offer Announcement**"), that the Offeror intends to make a voluntary conditional general offer for all the issued ordinary shares in the capital of the Company other than those Shares already owned, controlled or agreed to be acquired by the Offeror as at the date of the Offer (each, an "**Offer Share**" and collectively, the "**Offer Shares**") at the offer price of S$0.72 in cash for each Offer Share ("**Offer Price**"), in accordance with Section 139 of the Securities and Futures Act 2001 of Singapore ("**SFA**") and Rule 15 of the Singapore Code on Take-overs and Mergers (the "**Code**").

ZICO Capital Pte. Ltd. ("**ZICO Capital**") has been appointed by the Company as the independent financial adviser (the "**IFA**") to advise the Independent Directors, for the purpose of making a recommendation to the Shareholders in respect of the Offer.

This IFA letter is addressed to the Independent Directors and sets out, *inter alia*, our evaluation and opinion on whether the terms of the Offer are fair and reasonable, and our recommendation thereon (the "**IFA Letter**"). This IFA Letter forms part of the Circular to be despatched to Shareholders in relation to the Offer, which provides, *inter alia,* the details of the Offer as well as the recommendations of the Independent Directors in respect of the Offer.

2. TERMS OF REFERENCE

ZICO Capital has been appointed as IFA to opine on whether the terms of the Offer are fair and reasonable, and to provide our recommendations thereon.

We were not involved in, or responsible for, any aspect of the negotiations pertaining to the Offer, nor were we involved in the deliberations leading up to the Offer. We were not required, instructed or authorised to solicit, and we have not solicited, any indications of interest from any third party with respect to any other proposals for transactions similar to or in lieu of the Offer. It is also not within our terms of reference to compare the relative merits of the Offer *vis-à-vis* any alternative transactions previously considered by the directors of the Company ("**Directors**") or transactions that the Directors may consider in the future. Such comparison and consideration shall remain the responsibility of the Directors. We do not, by this IFA Letter, warrant the merits of the Offer other than to express an opinion on whether the terms of the Offer are fair and reasonable, and to provide our recommendations thereon.

We have confined our evaluation and analysis of the Offer strictly and solely to the financial terms of the Offer. Our terms of reference do not require us to evaluate or comment on the rationale for, as well as the legal, strategic, commercial and financial risks and/or merits (if any) of the Offer, or on the future financial performance or prospects of the Company and its subsidiaries (the "**Group**"). Accordingly, we have not made such evaluations or comments. Such evaluations or comments shall remain the sole responsibility of the Directors and the management of the Company (the "**Management**"), although we may draw upon their views or make such comments in respect thereof (to the extent deemed necessary or appropriate by us) in arriving at our opinion and recommendation as set out in this IFA Letter.

It is also not within the scope of our appointment to express any view herein as to the prices at which the Shares may trade or on the future performance of the Company and/or the Group upon the completion or expiry of the Offer. We have not relied upon any financial projections or forecasts in respect of the Company or the Group. We are not required to express, and we do not express, any views on the growth prospects, earnings potential, future financial performance, or future financial position of the Company or the Group arising from the Offer or otherwise. No financial or profit forecasts, business plans or management accounts of the Company and/or the Group have been specifically prepared for the purpose of evaluating the Offer, save for those that were provided by the Company.

In the course of our evaluation of the financial terms of the Offer, we have held discussions with the Directors, the Management and/or their professional advisers (where applicable) and have examined and relied to a considerable extent on the information set out in the Circular, other publicly available information collated by us as well as information, representations, opinions, facts and statements provided to us, whether written or verbal,

by the Directors, the Management and/or their professional advisers (where applicable). In particular, we had obtained and relied on the disclosures and representations provided by the Company on the value of the assets and liabilities for the purposes of our evaluation of the financial terms of the Offer.

We have not independently verified and have assumed that all statements of fact, belief, opinion and intention made by the Directors in the Circular have been reasonably made after due and careful enquiry. Whilst care has been exercised in reviewing the information which we have relied on, we have not independently verified the information but nevertheless have made reasonable enquiries and exercised judgement on the reasonable use of such information, as were deemed necessary, and have found no reason to doubt the accuracy or reliability of the information and representations.

We have relied upon the assurances from the Directors and the Management (including those who may have delegated detailed supervision of the Circular), who have accepted full responsibility for the accuracy and completeness of the information provided to us, that, to the best of their knowledge and belief, they have taken reasonable care to ensure that the facts stated and opinions expressed by them or the Company in the Circular are true, complete and accurate in all material aspects. The Directors and Management have confirmed to us that, to the best of their knowledge and belief, the Circular constitutes full and true disclosure of all material facts about the Offer and the Group, and the Directors and the Management are not aware of any facts, the omission of which would cause any statement in the Circular in respect of the Group and the Offer to be inaccurate, incomplete or misleading in any material respect. The Directors have jointly and severally accepted full responsibility for such information described herein.

We have not made any independent evaluation or appraisal of the assets and liabilities (including without limitation, the property, plant and equipment) of the Group. However, we have been furnished with the following Valuation Reports (as defined herein) prepared by the Valuers (as defined herein) which the Company has commissioned in connection with (i) the Offer, and (ii) the Group's financial reporting purposes, and on which have placed sole reliance on for such valuations ("**Independent Valuations**"):

(a) the valuation summary letter dated 18 December 2025 in respect of the independent valuation of (i) 60 Paya Lebar Road, Paya Lebar Square (Total 170 Strata-Titled Retail Units), (ii) 60 Paya Lebar Road, #04-18 Paya Lebar Square, (iii) 207 Balestier Road, Citadines Balestier Singapore and BT Centre, (iv) 2 Perumal Road, #01-01 to #01-08 Lyf Farrer Park Singapore, and (v) 80 Marine Parade Road, #18-01 to #18-09 Parkway Parade (the "**Singapore Properties**") as at 17 December 2025 prepared by Knight Frank Pte. Ltd. (the "**Singapore Valuer**"); and

(b) the valuation report dated 8 December 2025 in respect of the independent valuation of Duxton Hotel, No. 1 St Georges Terrace, Perth WA 6000, Australia (the "**Australia Property**") as at 30 November 2025 prepared by Savills Valuations Pty. Ltd. (the "**Australia Valuer**"),

(collectively, the "**Valuation Reports**"). The Singapore Valuer and Australia Valuer are collectively referred to as the "**Valuers**".

The details of the Independent Valuations are set out in paragraph 7.3.2 of this IFA Letter and the Valuation Reports set out in Appendix F of the Circular.

We are not experts in the evaluation or appraisal of the assets concerned and we have placed sole reliance to the Valuation Reports for such assets appraisal and have not made any independent verification of the contents thereof. We are not involved and assume no responsibility for the Valuation Reports. Accordingly, no representation or warranty, expressed or implied, is made and no responsibility is accepted by us concerning the accuracy, completeness and adequacy of the Valuation Reports.

Our opinion and recommendation set out in this IFA Letter are based on market, economic, industry, monetary and other conditions (if applicable) prevailing, as well as information and representations provided to us as at the Latest Practicable Date. Such conditions and information may change significantly over a short period of time. We assume no responsibility to update, revise or reaffirm our opinion and recommendation in the light of any subsequent developments after the Latest Practicable Date that may affect our opinion and/or our recommendation contained herein. Shareholders should take note of any announcements relevant to their consideration of the Offer, which may be released after the Latest Practicable Date.

In rendering our advice and providing our opinion and recommendation, we did not have regard to the specific investment objectives, financial situation, tax position, risk profiles or unique needs and constraints of any Shareholder or any specific group of Shareholders. As different Shareholders would have different investment profiles and objectives, we would advise the Independent Directors to recommend that any individual Shareholder, or group of Shareholders, who may require specific advice in the context of his or their investment objective(s) or portfolio(s) consult his or their legal, financial, tax or other professional advisers immediately.

The Company has been separately advised by its own professional advisers in the preparation of the Circular (other than this IFA Letter). We have had no role or involvement and have not provided any advice (financial or otherwise) whatsoever in the preparation, review and verification of the Circular (other than this IFA Letter). Accordingly, we take no responsibility for, and express no views, whether expressed or implied, on the contents of the Circular (except for this IFA Letter and the extract of our opinion and recommendation in the Circular).

We have prepared this IFA Letter for the use by the Independent Directors in connection with their consideration of the Offer, but any recommendations made by the Independent Directors in respect of the Offer shall remain their sole responsibility.

Whilst a copy of this IFA Letter may be reproduced in the Circular, neither the Company, the Directors nor any other persons may reproduce, disseminate or quote this IFA Letter (or any part thereof) for any other purposes other than for the consideration of the Offer at any time and in any manner without the prior written consent of ZICO Capital in each specific case.

Our opinion and recommendation in relation to the Offer should be considered in the context of the entirety of this IFA Letter and the Circular.

3. THE OFFER

The Offer is made by UOBKH, for and on behalf of the Offeror, to acquire all the Offer Shares in accordance with Section 139 of the SFA and Rule 15 of the Code. The Offer is subject to the terms and conditions set out in the offer document dated 17 December 2025 issued by UOBKH, for and on behalf of the Offeror, in respect of the Offer, together with the Form of Acceptance and Authorisation for the Offer Shares and the Form of Acceptance and Transfer for the Offer Shares (the "**Offer Document**"). The principal terms of the Offer are set out in paragraph 2 of the Letter to Shareholders and Appendix I of the Offer Document. We recommend that Shareholders read the terms and conditions of the Offer contained therein carefully.

The key terms of the Offer are set out below.

3.1 Offer Price

The consideration for each Offer Share is **S$0.72 in cash.**

3.2 No Encumbrances

The Offer Shares will be acquired:

(i) fully paid;

(ii) free from all charges, claims, hypothecations, liens, caveats, debentures, pledges, mortgages, power of sale, retention of title or security interest of any kind over and in respect of the Offer Shares and any right of pre-emption, first offer, first refusal, tag-along or drag-along of any kind to which the Offer Shares are subject or any right or option for the sale or purchase of such Offer Shares, and any other third party rights and inserts of any nature whatsoever or an agreement, arrangement or obligation to create any of the foregoing; and

(iii) together with all rights, benefits, entitlements and advantages attached thereto as at the Offer Announcement Date and thereafter attaching thereto, including but not limited to, the right to receive and retain all dividends, rights and other distributions declared, and/or return of capital (if any), whether in cash or in kind (collectively, the ″**Distributions**") declared, paid or made by the Company in respect of the Offer Shares, the Record Date for which falls on or after the Offer Announcement Date.

For the purposes of this IFA Letter, "**Record Date**" means, in relation to any Distributions, the date on which Shareholders must be registered with the Company or with the Central Depository (Pte) Limited ("**CDP**"), as the case may be, in order to participate in such Distributions.

3.3 Adjustment for Distributions

Without prejudice to the foregoing, the Offer Price has been determined on the basis that the Offer Shares will be acquired with the right to receive any Distribution, the Record Date for which falls on or after the Offer Announcement Date. In the event of any such Distribution, the Offer Price payable to a Shareholder who validly accepts or has validly accepted the Offer ("**Accepting Shareholder**") shall be reduced by an amount which is equal to the amount of such Distribution, depending on when the settlement date in respect of the Offer Shares tendered in acceptance of the Offer (the "**Offer Settlement Date**") falls, as follows:

(a) if the Offer Settlement Date falls on or before the Record Date, the Offeror will pay the relevant Accepting Shareholders the unadjusted Offer Price for each Offer Share, as the Offeror will receive the Distribution in respect of such Offer Shares from the Company; and

(b) if the Offer Settlement Date falls after the Record Date, the Offer Price payable for such Offer Shares tendered in acceptance shall be reduced by an amount which is equal to the Distribution in respect of such Offer Shares, as the Offeror will not receive such Distribution from the Company.

3.4 Acceptance Condition

Based on the information set out in the Offer Document, the Offer will be subject to the Offeror having received, by the close of the Offer, valid acceptances (which have not been withdrawn) in respect of such number of Offer Shares which, when taken together with any Offer Shares acquired or agreed to be acquired by the Offeror during the Offer, will result in the Offeror holding not less than 90% of the voting rights attributable to the Shares in issue as at the close of the Offer (excluding any Shares already held by the Offeror, its related corporations or their respective nominees[1] as at the date of despatch of the Offer Document) (the "**Acceptance Condition**"). For the avoidance of doubt:

(a) only the Offer Shares acquired or agreed to be acquired by the Offeror during the Offer shall count towards satisfaction of the Acceptance Condition; and

(b) the Offer Shares owned, controlled or agreed to be acquired by parties acting in concert with the Offeror which have not been acquired by the Offeror or validly tendered in acceptance of the Offer shall not count towards satisfaction of the Acceptance Condition.

Save for the Acceptance Condition, the Offer is unconditional in all other respects.

3.5 Closing Date

The Offer is open for acceptance by Shareholders for at least 28 days from the date of despatch of the notification letter, the acceptance forms, and the electronic dissemination of the Offer Document and any related documents, unless the Offer is withdrawn with the consent of the Securities and Industry Council of Singapore ("**SIC**") and every person is released from any obligation incurred thereunder. **Accordingly, the Offer will close at**

[1] And any other persons required to be excluded under Section 215(9A) of the Companies Act 1967 of Singapore ("**Companies Act**").

5.30 p.m. (Singapore time) on 14 January 2026 (Wednesday), or such later date(s) as may be announced from time to time by or on behalf of the Offeror (the "Closing Date").

4. INFORMATION ON THE OFFEROR

The Offeror is a special purpose vehicle incorporated under the laws of Singapore on 4 July 2025. The Offeror has not carried on any business since its incorporation, except in relation to matters in connection with the making of the Offer.

As at the 12 December 2025, being the latest practicable date prior to the electronic dissemination of the Offer Document ("**Offer Document LPD**"), the Offeror has an issued and paid-up share capital of S$3 comprising three (3) ordinary shares, which are all held by Consistent Record Sdn Bhd ("**CRSB**"). There are no shares held in treasury in the share capital of the Offeror.

CRSB is an investment holding vehicle incorporated under the laws of Malaysia on 8 March 2010 as a private company. Through its subsidiaries, CRSB is mainly engaged in construction, property development, ownership and operation of serviced apartments, a hotel and a restaurant, as well as investment holding. Dato' Marco Low Peng Kiat ("**Dato' Marco**") and his mother, Seah Soh Seng, each hold 75% and 25% of the total number of issued shares in CRSB, respectively. There are no shares held in treasury in the share capital of CRSB. As at the Offer Document LPD, the sole director of each of the Offeror and CRSB is Dato' Marco.

As at the Latest Practicable Date, the Offeror does not hold any Shares. However, as at the Latest Practicable Date, Dato' Marco is deemed to be interested in (i) 395,194,345 Shares held by UOBKH for CRSB, in which he has 75% shareholding interest; (ii) 3,051,000 Shares held via UOBKH; and (iii) 2,000,000 Shares held by Citibank Nominees Singapore Pte. Ltd. for Consistent Capital Pte. Ltd., in which 100% shareholding interest is held by Vistra Trust (Singapore) Pte. Limited, the trustee of a family trust established for the benefit of Dato' Marco and his immediate family.

Please refer to paragraph 5 of the Letter to Shareholders and Appendix 3 and 4 to the Offer Document, and paragraph 3 and Appendix B and C to the Circular for additional information on the Offeror and CRSB.

5. INFORMATION ON THE COMPANY

The Company is a diversified real estate investment holding company incorporated in the Republic of Singapore on 14 April 1969 and was listed on the Mainboard of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") on 9 March 1992.

The principal activities of the Group comprise construction, property development, ownership and operation of serviced apartments, a hotel and a restaurant, as well as investment holding.

The Company has only one class of Shares, being ordinary shares. As at the Latest Practicable Date, the total issued and paid-up share capital of the Company is S$162,151,305 comprising 738,816,000 Shares. As at the Latest Practicable Date, the Company has no treasury shares.

Please refer to Appendix 5 to the Offer Document and Appendix B to the Circular for additional information on the Company.

6. RATIONALE FOR THE OFFER AND THE OFFEROR'S INTENTIONS IN RELATION TO THE COMPANY

6.1 Rationale for the Offer

Please refer to paragraph 7 of the Letter to Shareholders in the Offer Document for the full text of the rationale for the Offer, as articulated by the Offeror. A summary is set out below:

(i) no necessity for access to equity capital markets;

(ii) reduced costs of maintaining listing; and

(iii) greater flexibility to navigate a challenging business environment.

6.2 Offeror's intentions in relation to the Company

Under Rule 1105 of the listing manual of the Mainboard of the SGX-ST ("**Listing Manual**"), upon an announcement by the Offeror that it has received acceptances which result in the Offeror and its concert parties holding more than 90% of the total number of Shares (excluding Shares held in treasury), the SGX-ST may suspend the trading of the listed securities of the Company on the SGX-ST until such time when the SGX-ST is satisfied that at least 10% of the total number of Shares (excluding Shares held in treasury) are held by at least 500 shareholders of the Company who are members of the public (the "**Free Float Requirement**").

The Offeror does not intend to preserve the listing status of the Company. Accordingly, the Offeror, if and when entitled, intends to exercise its right of compulsory acquisition under Section 215(1) of the Companies Act and does not intend to take any steps to maintain the listing status of the Company in the event the Free Float Requirement is not met and the trading of the Shares on the SGX-ST is suspended pursuant to Rules 724, 1105 or 1303(1) of the Listing Manual. In addition, the Offeror also reserves the right and discretion, if such event arises, to assess options available including the right to seek a voluntary delisting of the Company from the SGX-ST pursuant to Rules 1307 and 1309 of the Listing Manual.

Save as otherwise disclosed in the Offer Document, the Offeror has no current intentions to (i) introduce any major changes to the existing business of the Group, (ii) re-deploy the fixed assets of the Group, or (iii) discontinue the employment of the existing employees of the Group, other than in the ordinary and usual course of business. However, the Offeror retains the flexibility to, at any time, consider any options or opportunities which may present themselves, and which it regards to be in the best interests of the Group.

Please refer to paragraph 9 of the Letter to Shareholders in the Offer Document for the full text of Offeror's intentions for the Company, as articulated by the Offeror.

7. EVALUATION OF THE OFFER

In our evaluation of the Offer, we have given due consideration to, *inter alia*, the following key factors:

(i) historical share price performance and trading activity of the Shares;

(ii) historical financial performance and position of the Group;

(iii) the Group's net asset value ("**NAV**") and revalued net asset value ("**RNAV**");

(iv) comparison of the valuation statistics of the Company against broadly comparable listed companies;

(v) comparison with recent privatisation transactions of companies listed on the SGX-ST;

(vi) comparison with recent privatisation transactions involving selected companies broadly comparable to the Group;

(vii) dividend track record of the Company;

(viii) estimated value of the Shares; and

(ix) other relevant considerations relating to the Offer.

7.1 Historical Share price performance and trading activity of the Shares

We set out below a chart showing the daily closing prices and trading volume of the Shares for the 1-year period from 29 November 2024 to 28 November 2025 (being the last trading day where Shares were traded on SGX-ST prior to the Offer Announcement ("**Last Trading Day**")), and up to the Latest Practicable Date.

Daily closing prices and trading volume of the Shares from 29 November 2024 to the Latest Practicable Date (the "Reference Period")



Source: Bloomberg L.P.

From the chart above, we note the following:

(a) from 29 November 2024 to the Last Trading Day, the daily closing prices of the Shares were in the range of S$0.300 to S$0.690. The Offer Price represents a premium of 140.00% to the low of S$0.300 and a premium of 4.35% to the high of S$0.690;

(b) the Shares closed at S$0.615 on the Last Trading Day. The Offer Price represents a premium of 17.07% to the closing price on the Last Trading Day;

(c) from the period after the Last Trading Day up to the Latest Practicable Date, the daily closing prices of the Shares were in the range of S$0.715 to S$0.735. The Offer Price represents a premium of 0.70% to the low of S$0.715 and a discount of 2.04% to the high of S$0.735; and

(d) as at the Latest Practicable Date, the closing price of the Shares was S$0.730. The Offer Price represents a discount of 1.37% to the closing price of S$0.730.

In addition, we have set out below additional information on the volume-weighted average price ("**VWAP**"), trading liquidity, and other trading statistics of the Shares during the Reference Period:

Description	Highest traded price (S$)	Lowest traded price (S$)	Benchmark price (S$)[1]	Premium/ (Discount) of Offer Price over/(to) benchmark price (%)	Average daily trading volume[2]	Average daily trading volume as a percentage of Free Float[3] (%)
Prior to and including the Last Trading Day						
VWAP of the Shares for the 12-month period up to and including the Last Trading Day	0.695	0.290	0.529	36.11	215,108	0.12
VWAP of the Shares for the 6-month period up to and including the Last Trading Day	0.695	0.305	0.564	27.66	361,499	0.21
VWAP of the Shares for the 3-month period up to and including the Last Trading Day	0.695	0.525	0.618	16.50	491,463	0.28
VWAP of the Shares for the 1-month period up to and including the Last Trading Day	0.695	0.615	0.661	8.93	472,413	0.27
As at the Last Trading Day	0.630	0.615	0.615[4]	17.07	55,600	0.03

Description	Highest traded price (S$)	Lowest traded price (S$)	Benchmark price (S$)[1]	Premium/ (Discount) of Offer Price over/(to) benchmark price (%)	Average daily trading volume[2]	Average daily trading volume as a percentage of Free Float[3] (%)
After the Offer Announcement Date and up to the Latest Practicable Date						
VWAP of the Shares from 1 December 2025 (being the first traded day after the Offer Announcement Date) up to the Latest Practicable Date	0.735	0.710	0.725	(0.69)	2,932,594	1.69
As at the Latest Practicable Date	0.735	0.725	0.730[4]	(1.37)	2,583,600	1.49

Source: Bloomberg L.P.

Notes:

(1) The VWAPs and closing prices of the Shares are rounded to the nearest three (3) decimal places.

(2) The average daily trading volume of the Shares was computed based on the total volume of the Shares traded on SGX-ST during the relevant periods, divided by the number of days when the SGX-ST was open for trading during the relevant periods.

*(3) Free float refers to the Shares other than those held by the Directors, substantial shareholders or controlling shareholders of the Company or its subsidiaries and their respective associates (as defined in the Listing Manual). For the purpose of computing the average daily trading volume as a percentage of free float, we have used a free float of 173,343,903 Shares or 23.46% of the issued Shares of the Company as at the Latest Practicable Date ("**Free Float**").*

(4) The benchmark price represents the closing price of the Shares as at the Last Trading Day and Latest Practicable Date.

From the table above, we note the following:

Period prior to and including the Last Trading Day

(a) the Offer Price represents premia of approximately 36.11%, 27.66%, 16.50% and 8.93% over the respective VWAPs of the Shares for the 12-month, 6-month, 3-month and 1-month periods prior to and including the Last Trading Day;

(b) the Offer Price represents a premium of approximately 17.07% over the closing price of the Shares on the Last Trading Day;

(c) the Offer Price is higher than the highest traded prices of the Shares during the 12-month, 6-month, 3-month and 1-month periods prior to and including the Last Trading Day. Further, the Offer Price is higher than the highest traded price of the Shares as at the Last Trading Day;

(d) the Shares were not actively traded and the average daily trading volume of the Shares during the 12-month, 6-month, 3-month and 1-month periods prior to and including the Last Trading Day were in the range of 0.12% to 0.28% of the Free Float; and

(e) as at the Last Trading Day, the average daily trading volume of the Shares represented 0.03% of the Free Float.

Period after the Offer Announcement Date and up to the Latest Practicable Date

(a) the Offer Price represents a discount of approximately 0.69% to the VWAP of the Shares for the period from 1 December 2025 (being the first traded day after the Offer Announcement Date) up to the Latest Practicable Date;

(b) the Offer Price represents a discount of approximately 2.04% to the highest traded price of the Shares of S$0.735 for the period from 1 December 2025 (being the first traded day after the Offer Announcement Date) up to the Latest Practicable Date;

(c) the Offer Price represents a discount of approximately 1.37% to the closing price of the Shares as at the Latest Practicable Date of S$0.730;

(d) the average daily traded volume of the Shares represents 1.69% of the Free Float for the period from 1 December 2025 (being the first traded day after the Offer Announcement Date) up to the Latest Practicable Date; and

(e) the average daily traded volume of the Shares represents 1.49% of the Free Float as at the Latest Practicable Date.

Based on the above observations, we note that the trading activity and the closing price of the Shares subsequent to the Offer Announcement Date and up to the Latest Practicable Date is likely supported by the Offer Price. We wish to highlight that the above analysis on the historical trading performance of the Shares serves only as an illustrative guide. **There is no assurance that the market price and trading volume of the Shares will be maintained at the level prevailing as at the Latest Practicable Date after the close or lapse of the Offer. Shareholders are advised that the past trading performance of the Shares should not, in any way, be relied upon as an indication or promise of its future trading performance.**

7.2 Historical financial performance and position of the Group

A summary of the consolidated statement of profit or loss and other comprehensive income, statements of financial position and statement of cash flows of the Group for financial years ended 31 January ("**FY**") 2023, 31 January 2024 and 31 January 2025, and the six-month periods ended 31 July 2024 ("**1HFY2025**") and 31 July 2025 ("**1HFY2026**") (collectively, the "**Period Under Review**") is set out below.

The following summary financial information should be read in conjunction with the Company's annual reports for FY2024 and FY2025, and the Company's financial results announcement for 1HFY2026, including the notes and commentaries thereto.

7.2.1 Historical financial performance of the Group

We set out below a summary of the financial performance of the Group for the Period Under Review:

(S$'000)	FY2023 (Restated) (Audited)	FY2024 (Audited)	FY2025 (Audited)	1HFY2025 (Unaudited)	1HFY2026 (Unaudited)
Revenue	97,267	367,680	482,705	257,926	38,738
Gross profit	24,743	60,052	62,233	35,496	7,092
Gross profit margin	25.44%	16.33%	12.89%	13.76%	18.31%
(Loss)/profit attributable to owners of the parent for the financial year/ period	(32,326)	(1,135)	2,103	5,793	(10,166)
Net profit margin	N.M.	N.M.	0.44%	2.25%	N.M.

Source: The Company's annual reports for FY2024 and FY2025 and the Company's financial results announcement for 1HFY2026 released on SGXNet.

Note:

N.M. Not meaningful as the Group recorded net losses attributable to the owners of the parent for the respective financial year/period.

FY2024 vs FY2023

The Group's revenue increased to S$367.68 million in FY2024 from S$97.27 million in FY2023. The increase was mainly due to a higher contribution from the property development segment, driven by improved sales at the Klimt Cairnhill project, as well as better performance from the hotel segment due to improved room rates.

- Revenue from the property development segment increased to S$297.32 million in FY2024 from S$28.69 million in FY2023. Sales at Klimt Cairnhill saw an increase, with 82 units sold, as compared to only 5 units sold in the prior year. The sale of the final 4 units at Uptown@Farrer (out of 116 units) also contributed to the revenue of the property development segment in FY2023.

- Revenue from the hotel segment increased to S$46.58 million in FY2024 from S$38.77 million in FY2023, driven mainly by higher average room incomes at Lyf@Farrer, Citadines Balestier and Duxton Hotel Perth. Although occupancy rates improved at Duxton Hotel Perth, there was a decline in occupancy rates at Lyf@Farrer and Citadines Balestier. Overall, revenue per available room improved year-on-year for the two serviced apartments and the hotel.

- Revenue from the investment segment decreased to S$23.78 million in FY2024 from S$29.81 million in FY2023. The decrease was mainly due to the lower construction revenue from the Dalvey Haus project, which obtained temporary occupation permit ("**TOP**") in July 2023 and certificate of statutory completion ("**CSC**") in December 2023.

However, higher revenue generated at Paya Lebar Square from improved occupancy rates and gross rent (per square foot) partially mitigated this decline.

Gross profit increased to S$60.05 million in FY2024 from S$24.74 million in FY2023, mainly driven by the increased sales at Klimt Cairnhill and higher contributions from the Group's hospitality assets. However, gross profit margins decreased to 16.33% in FY2024 from 25.44% in FY2023, due to the higher percentage of total gross profit contributed by the property development segment, which generated lower margins as compared to the hotel and investment segments.

Net loss attributable to shareholders was S$1.14 million in FY2024, as compared to a net loss of S$32.33 million in FY2023. The reduction of net loss in FY2024 was mainly driven by the improved property sales and the operating performance of the Group's hospitality assets.

FY2025 vs FY2024

The Group's revenue increased to S$482.71 million for FY2025 from S$367.68 million for FY2024. This increase was mainly driven by higher revenue from the property development and hotel segments. However, the overall increase was partially offset by lower contribution from the investment segment, due to the absence of construction revenue in FY2025 from external parties following the completion of the Dalvey Haus project in FY2024.

- Revenue from the property development segment increased to S$415.78 million in FY2025 from S$297.32 million in FY2024. The increase was driven by (a) a higher percentage of completion for the Klimt Cairnhill project, which was 41% in FY2025, as compared to 27% in FY2024; and (b) an increased number of units sold, with all 138 units sold as of 31 January 2025, up from 90 units as of 31 January 2024. As of 31 January 2025, construction completion reached 99%, compared to 58% a year ago. During FY2025, 48 units (out of 138 units) of the project were sold, compared to 82 units during FY2024.

- Revenue from the hotel segment increased to S$47.89 million in FY2025 from S$46.58 million in FY2024. The increase was primarily driven by higher revenue at Duxton Hotel Perth, due to improved occupancy and average daily rates. Citadines Balestier experienced a decline in revenue due to lower average daily rates. On the other hand, Lyf@Farrer's average daily rate and occupancy remained at similar levels when compared to FY2024.

- Revenue from the investment segment decreased to S$19.03 million in FY2025 from S$23.78 million in FY2024. The decrease was mainly due to the absence of construction revenue in FY2025 following the completion of the Dalvey Haus project. Meanwhile, revenue from Paya Lebar Square improved year-on-year, driven by positive rental reversion. The retail mall maintained near full occupancy rate throughout the financial year.

Gross profit increased to S$62.23 million in FY2025 from S$60.05 million in FY2024, primarily driven by higher contributions from the property development and investment segments. This was largely due to the sale of units for Klimt Cairnhill project, as well as improved performance of Paya Lebar Square. However, gross profit from the hotel segment

declined, attributed to weaker contributions from the serviced apartments and F&B outlet, Carnivore Brazilian Churrascaria, in Singapore, albeit an improved performance from Duxton Hotel Perth. Despite the increase in gross profit, gross profit margin decreased to 12.89% in FY2025 from 16.33% in FY2024. This decrease was mainly due to a higher percentage of gross profit contribution from the property development segment, which had a lower margin compared to the hotel and investment segments.

Net profit attributable to shareholders was S$2.10 million in FY2025, as compared to a net loss attributable to shareholders of S$1.14 million in FY2024. The net profit for the year was affected by fair value losses on financial assets at fair value through profit or loss ("**FVPL**"), net foreign exchange losses and impairment losses on property, plant and equipment, though partially offset by a gain from the write-back of an impairment loss on an investment property.

1HFY2026 vs 1HFY2025

The Group's revenue decreased to S$38.74 million for 1HFY2026, from S$257.93 million for 1HFY2025, due to lower contributions from the property development, hotel and investment segments.

- Revenue from the property development segment decreased to S$6.91 million in 1HFY2026, from S$225.42 million in 1HFY2025. The decrease was primarily due to the Klimt Cairnhill project reaching 99% completion, with all units sold as of 31 January 2025, resulting in lower revenue recognition for 1HFY2026. The project obtained TOP in March 2025, with the remaining 1% project revenue recognised in 1HFY2026. In contrast, revenue in 1HFY2025 was driven by a 24% increase in the project's construction progress and the sale of 31 additional units. As of 31 July 2024, the project was 82% completed and 121 (out of 138) units were sold.

- Revenue from the hotel segment decreased to S$22.61 million in 1HFY2026, from S$23.02 million in 1HFY2025. The decrease was primarily driven by lower revenue at Lyf@Farrer, due to lower average daily rates and occupancy. Citadines Balestier also recorded a decline in revenue due to lower average daily rates, despite higher occupancy. On the other hand, revenue from Duxton Hotel Perth improved, mainly due to higher average daily rates, while occupancy remained stable.

- Revenue from the investment segment decreased to S$9.22 million in 1HFY2026, from S$9.49 million in 1HFY2025. The decrease was mainly due to the exit of a tenant at Paya Lebar Square retail, which impacted overall rental income, partially offset by positive rental reversions from other tenants. The vacated space was immediately leased to a new tenant, but at a lower rental rate. The retail mall maintained an average occupancy rate of 100% throughout the period.

Gross profit decreased to S$7.09 million in 1HFY2026, from S$35.50 million in 1HFY2025. The decrease was mainly attributed to the lower contribution from the property development segment, which recorded a gross loss for the period as ongoing construction costs exceeded revenue recognised, compared with a gross profit in the previous period. Gross profit from the hotel segment also declined, mainly due to lower contribution from Lyf@Farrer, albeit an improved performance from Duxton Hotel Perth, Citadines Balestier and Carnivore restaurant. In contrast, gross profit from the investment segment improved,

mainly due to a reversal of construction cost accruals not utilized for completed projects, offsetting the lower contribution from Paya Lebar Square. Despite the decrease in gross profit, gross profit margin increased to 18.31% in 1HFY2026, from 13.76% in 1HFY2025. The increase was mainly due to an increased percentage of gross profit contribution from the hotel and investment segments, which had higher margins as compared to the property development segment.

Net loss attributable to shareholders was S$10.17 million in 1HFY2026, as compared to a net profit of S$5.79 million in 1HFY2025. The operating loss in 1HFY2026 was further impacted by (a) a fair value loss on financial assets at FVPL, (b) net foreign exchange losses and (c) higher tax expenses associated with the TOP obtained for the Klimt Cairnhill project. In contrast, the Group had recognised a fair value gain in 1HFY2025, offsetting the foreign exchange losses incurred.

7.2.2 Historical financial position of the Group

We set out below a summary of the financial position of the Group as at 31 January 2025 and 31 July 2025:

(S$'000)	As at 31 January 2025 (Audited)	As at 31 July 2025 (Unaudited)
Current assets	408,985	265,087
Non-current assets	682,043	682,375
Total assets[(1)]	**1,091,028**	**947,462**
Current liabilities	149,643	171,034
Non-current liabilities	331,118	186,497
Total liabilities	**480,761**	**357,531**
Share capital	161,863	161,863
Capital reserves	(30,214)	(30,214)
Fair value reserves	95	1,439
Retained profits	475,783	454,535
Exchange account fluctuation	(6,264)	(6,698)
	601,263	**580,925**
Non-controlling interests	9,004	9,006
Total equity	**610,267**	**589,931**
Number of issues Shares	738,816,000	738,816,000
Net assets per Share (in S$)	0.81	0.79

Source: The Company's annual report for FY2025 and the Company's financial results announcement for 1HFY2026 released on SGXNet.

Note:

(1) Total assets of the Group as at 31 January 2025 and 31 July 2025 comprised:

(S$'000)	*As at 31 January 2025 (Audited)*	*As at 31 July 2025 (Unaudited)*
Current assets		
Development properties	*3,656*	*–*
Inventories	*443*	*483*
Contract assets	*294,107*	*111,407*
Contract costs	*345*	*–*
Trade and other receivables	*35,742*	*10,599*
Fixed deposits	*8,107*	*7,134*
Cash and cash equivalents	*66,585*	*135,464*
	408,985	***265,087***
Non-current assets		
Investment properties	*288,370*	*286,525*
Property, plant and equipment	*291,740*	*289,848*
Joint ventures	*53,542*	*56,977*
Associated companies	*18,108*	*18,963*
Financial assets at fair value through other comprehensive income	*3,795*	*5,139*
Financial asset at FVPL	*24,103*	*23,459*
Trade and other receivables	*160*	*351*
Deferred tax assets	*2,225*	*1,113*
	682,043	***682,375***
Total assets	***1,091,028***	***947,462***

As at 31 July 2025, the Group recorded total assets of S$947.46 million, comprising non-current assets of S$682.38 million (amounting to 72.02% of total assets) and current assets of S$265.09 million (amounting to 27.98% of total assets).

As at 31 July 2025, the Group recorded total liabilities of S$357.53 million, comprising non-current liabilities of S$186.50 million (amounting to 52.16% of total liabilities) and current liabilities of S$171.03 million (amounting to 47.84% of total liabilities).

The Group recorded positive working capital of S$94.05 million, with a current ratio of 1.55 times, and a net assets position of S$580.93 million as at 31 July 2025.

7.3 The Group's NAV and RNAV

7.3.1 NAV of the Group

The NAV of the Group as at 31 July 2025 was S$580.93 million, representing an NAV per Share of approximately S$0.79 based on the issued share capital of 738,816,000 Shares as at the Latest Practicable Date. The Offer Price of S$0.72 represents a discount of approximately 8.43% to the NAV per Share of S$0.79 as at 31 July 2025.

Based on the latest unaudited financial statements of the Group for 1HFY2026, we note that the Group's current and non-current assets primarily comprised investment properties, property, plant and equipment, cash and cash equivalents and contract assets. A summary of the Group's current and non-current assets is set out in paragraph 7.2.2 of this IFA Letter.

7.3.2 Revaluation of the properties of the Group

In connection with the Offer, the Company has commissioned the Valuers to undertake the Independent Valuations on the Singapore Properties. We have also referred to the valuation commissioned by the Company on the Australia Property as at 30 November 2025 for its financial reporting purposes. For further information, please refer to the details of the Valuation Reports as set out in paragraph 11 of Appendix B and Appendix F to the Circular.

The Independent Valuations are prepared on the basis of "Market Value", defined by the International Valuation Standards and SISV Valuation Standards and Standards and Practice Guidelines as *"the estimated amount for which an asset should exchange on the valuation date between a willing buyer and a willing seller in an arm's-length transaction after proper marketing and where the parties had each acted knowledgably, prudently and without compulsion".*

We recommend the Independent Directors to advise Shareholders to read the Valuation Reports carefully, in particular, the terms of reference, key assumptions and critical factors. Copies of the Valuation Reports are available for inspection at the registered address of the Company at 80 Marine Parade Road, #18-05/09, Parkway Parade, Singapore 449269 during normal business hours up to (and including) the Closing Date.

Based on the carrying amount or book values (as the case may be) of the Subject Properties as at 31 July 2025 and the market values as at the respective Valuation Dates based on the Valuation Reports, the revaluation surplus in respect of the Subject Properties are as follows:

Subject Properties	Valuer/Valuation methodologies[(1)]	Carrying amount/ book value as at 31 July 2025 (S$'000)	Market value based on the Valuation Reports and the respective Valuation Dates (S$'000)	Revaluation surplus[(2)] (S$'000)
Investment properties				
(i) Retail units				
– 60 Paya Lebar Road, Paya Lebar Square (Total 170 Strata-Titled Retail Units), Singapore 409051	Singapore Valuer/ Capitalisation method, discounted cash flow analysis and direct comparison method	239,355	376,000 as at 17 December 2025	136,645
(ii) Commercial units				

Subject Properties	Valuer/Valuation methodologies[1]	Carrying amount/ book value as at 31 July 2025 (S$'000)	Market value based on the Valuation Reports and the respective Valuation Dates (S$'000)	Revaluation surplus[2] (S$'000)
– BT Centre, 207 Balestier Road, Singapore 329683	Singapore Valuer/ Capitalisation method, discounted cash flow analysis and direct comparison method	43,673	45,000 as at 17 December 2025	1,327
– 2 Perumal Road, #01-05/ 06, Lyf Farrer Park Singapore, Singapore 218773	Singapore Valuer/ Capitalisation method, discounted cash flow analysis and direct comparison method	2,629	5,400[3] as at 17 December 2025	2,771
(iii) Office units				
– 80 Marine Parade Road, 18-02/03 Parkway Parade, Singapore 449269	Singapore Valuer/ Capitalisation method, discounted cash flow analysis and direct comparison method	868	5,119[4] as at 17 December 2025	4,251
Property, plant and equipment				
(i) Hotel				
– Duxton Hotel, No. 1 St Georges Terrace, Perth, WA 6000, Australia	Australia Valuer/ Discounted cash flow, income capitalisation and direct comparison approach	29,566	89,177[5] as at 30 November 2025	59,611
(ii) Service apartments				
– Citadines Balestier Singapore, 207 Balestier Road, Singapore 329683	Singapore Valuer/ Capitalisation method, discounted cash flow analysis and direct comparison method	141,686	180,000 as at 17 December 2025	38,314
– 2 Perumal Road, #01-01, Lyf Farrer Park Singapore, Singapore 218773	Singapore Valuer/ Capitalisation method, discounted cash flow analysis and direct comparison method	101,945	224,000 as at 17 December 2025	122,055

Subject Properties	Valuer/Valuation methodologies[1]	Carrying amount/ book value as at 31 July 2025 (S$'000)	Market value based on the Valuation Reports and the respective Valuation Dates (S$'000)	Revaluation surplus[2] (S$'000)
– 2 Perumal Road, #01-02/ 03/04/07/08, Lyf Farrer Park Singapore, Singapore 218773	Singapore Valuer/ Capitalisation method, discounted cash flow analysis and direct comparison method	6,135	12,600[3] as at 17 December 2025	6,465
(iii) Office units				
– 60 Paya Lebar Road, #04-18 Paya Lebar Square, Singapore 409051	Singapore Valuer/ Capitalisation method, discounted cash flow analysis and direct comparison method	1,665	2,950 as at 17 December 2025	1,285
– 80 Marine Parade Road, #18-01, #18-04, #18-05 to 09, Parkway Parade, Singapore 449269	Singapore Valuer/ Capitalisation method, discounted cash flow analysis and direct comparison method	3,189	16,981[4] as at 17 December 2025	13,792
Total net revaluation surplus in respect of the Subject Properties				**386,516**

Source: Valuation Reports and Management

Notes:

(1) The valuation methodologies adopted by the Valuers are as follows:

Income capitalisation

In the capitalisation method, the estimated gross revenue of the property has been adjusted to account for ongoing vacancy allowance, operating expenses, property tax, and other relevant outgoings. These adjustments result in the derivation of the net income. The net income is then capitalised over the remaining lease tenure or perpetuity using a yield rate appropriate to the property's use, tenure and investment quality. This yield rate is derived from an analysis of market evidence, including yields achieved in the sale of comparable property types. Where appropriate, further capital adjustments, such as letting-up allowance, leasing commissions, capital expenditure, and capitalised rental reversions, are applied to derive the capital value of the Property.

Discounted cash flow

A valuation using the discounted cash flow model is carried out over a period of 10 years from the valuation date. The property is assumed to be sold at the beginning of the 11th year. In this model, cash outflow, including operating expenses, property tax and vacancy allowance are deducted from cash inflows, which comprise rental income and other income, to derive the net cash flows. These net cash flows are then discounted at an estimated required rate of return applicable to this asset class, resulting in the net present value of the property.

For the Australia Property, a discounted cash flow analysis has been prepared taking into account the ability of the property to generate income over a 5 and 10-year period based on certain assumptions. Provision is made for room rate and occupancy growth throughout the time horizon and also capital expenditure through a fixtures, fittings and equipment reserve. Each year's net operating income during the period is discounted to arrive at the present value of expected future cash flows. The property's anticipated sale value at the end of the period (i.e. terminal or reversionary value) is also discounted to its present value and added to the discounted income stream to arrive at the total present market value of the property.

Direct comparison

In this method, a comparison is made with sales transactions of comparable properties within the subject development, the surrounding vicinity, or other relevant locations. Adjustments have been made, where appropriate, to account for differences in key factors such as location, site attributes, catchment area, size, tenure, age, floor level, view, date of sale and type of development. These adjustments ensure that the comparison is undertaken on a consistent and market-aligned approach to deriving the value of the property.

(2) The surplus is calculated as the difference between the market value of the Subject Properties in their existing state as at their respective Valuation Dates and appraised by the respective Valuers, and their corresponding carrying amount or book value (as the case may be) as at 31 July 2025.

(3) The market values of #01-02 to #01-08 Lyf Farrer Park Singapore have been apportioned based on the approximate gross areas of each of the units.

(4) The market values of #18-02 to #18-04 Parkway Parade have been apportioned based on the approximate gross areas of each of the units.

(5) The market value of the Australia Property amounted to A$105.0 million as at 30 November 2025 (equivalent to S$89.2 million based on the exchange rate of A$1.00 : S$0.8493 as at 30 November 2025 as extracted from Bloomberg L.P.. The Australia Property is held by the Group's 75%-owned subsidiary, Amuret Pty. Ltd.. As such, the market value of the Australia Property includes the Group's non-controlling interest portion amounting to approximately S$22.3 million.

Under Rule 26.3 of the Code, the Company is required, inter alia, to make an assessment of any potential tax liabilities which would arise if the properties, which are the subject of a valuation given in connection with the Offer, were to be sold at the amount of the valuation, accompanied by an appropriate comment as to the likelihood of any such liability crystallising.

In a hypothetical scenario where the Subject Properties are sold at the market values ascribed in the Valuation Reports, the Directors and Management of the Company expect to incur potential tax liabilities amounting to S$17.9 million. The potential tax liabilities arise from (i) the Australia Property and (ii) the Group's 7 commercial units at Lyf Farrer Park which are recorded as trading stock, as the gains on disposal of these properties will be subject to tax upon sale. No potential tax liabilities are expected to be incurred by the Group on the hypothetical sale of its other properties in Singapore, as any gains would be capital in nature and there is no capital gains tax in Singapore. As the Group has no immediate plans to sell the Subject Properties as at the Latest Practicable Date, the Directors view that the likelihood of such potential liabilities crystallising is low.

7.3.3 RNAV of the Group

Based on the above, we set out below the adjustments which are made to the NAV of the Group to determine the RNAV:

Estimated RNAV of the Group	**(S$'000)**
The Group's NAV as at 31 July 2025	580,925
Add: Revaluation surplus in respect of the Subject Properties	386,516
Less: Potential tax liability (assuming the Subject Properties are sold at the market values ascribed in the Valuation Reports)	(17,853)
Less: Adjustment for the non-controlling interest portion of the Australia Property	(22,294)
RNAV of the Group	**927,294**
No. of Shares outstanding as at the Latest Practicable Date	738,816,000
RNAV per Share (S$)	1.26
Discount of the Offer Price to the RNAV per Share (%)	42.6
Price-to-RNAV ("P/RNAV") ratio as implied by the Offer Price (times)	**0.57**

Source: Valuation Reports and Management

Shareholders should note that the above analysis on the RNAV provides an estimate of the value of the Group assuming the hypothetical sales of the Group's assets as at the Latest Practicable Date. Such a hypothetical scenario is assumed to be made without considering factors such as, *inter alia*, time value of money, market conditions, professional fees, liquidation costs, contractual limitations and obligations, any other regulatory requirements and availability of potential buyers, which may in theory, alter the RNAV that can be realised. Shareholders should be aware that the Group has not realised any loss or gain as set out in the adjustments to the NAV as at the Latest Practicable Date. There is no assurance that the actual loss or gain (if any) eventually recorded by the Group will be the same as that derived from the assessments made in this IFA Letter, which were based on, *inter alia,* the current market value, Independent Valuations and the Management's estimates of the relevant assets.

In our assessment of the financial terms of the Offer, we have also discussed and considered with the Management on whether there are any other assets which should be valued at an amount that is materially different from that which was recorded in the statement of financial position of the Group as at 31 July 2025 and whether there are any factors which have not been otherwise disclosed in the financial statements of the Group that are likely to impact the NAV of the Group as at 31 July 2025.

Save for the revaluation surplus as disclosed in this IFA Letter, the Directors and Management have confirmed to us that, to the best of their knowledge and belief, as at the Latest Practicable Date:

(i) there are no material events that have or will likely have a material impact to the financial position of the Group since 1 August 2025;

(ii) there are no other contingent liabilities, unrecorded earnings or expenses, or assets or liabilities or bad or doubtful debts or material events which are likely to have a material impact on the NAV of the Group as at the Latest Practicable Date;

(iii) there is no litigation, claim or proceeding pending or threatened against the Company and any of its subsidiaries or of any fact likely to give rise to any proceeding which might materially and adversely affect the financial position of the Group taken as a whole as at 31 July 2025;

(iv) there are no material acquisitions or disposals of assets by the Group between 1 August 2025 and the Latest Practicable Date, and the Group does not have any plans for such impending material acquisition or disposal of assets, conversion of the use of its material assets or material changes in the nature of the Group's business; and

(v) there are no material changes to the accounting policies and methods of computation which may materially affect the NAV of the Group as at 31 July 2025.

7.4 Comparison of the valuation statistics of the Company against broadly comparable listed companies

For the purpose of assessing the financial terms of the Offer, we have considered other publicly listed companies on the SGX-ST with a market capitalisation of above S$100.0 million and below S$1.5 billion as at the Latest Practicable Date, whose revenue is primarily derived from similar property development, hotel operations and property investment activities as the Group, as such companies can be considered as broadly comparable with the Group and are reasonable proxies for the industry in which the Group operates ("**Broadly Comparable Companies**").

We had discussions with Management about the suitability and reasonableness of the Broadly Comparable Companies. We wish to highlight that the list of Broadly Comparable Companies is not exhaustive and it should be noted that there is no listed company that is directly comparable with the Group in terms of, *inter alia*, scope of business activities, business model, customer base, size of operations, asset base, geographical markets of activities, track record, financial performance and position, operating and financial leverage, future prospects, liquidity, quality of earnings, accounting policies, risk profile and other relevant criteria. Hence, any comparison made herein is necessarily limited and serves only as an illustrative guide, and any conclusion drawn from the comparison may not necessarily reflect the perceived or implied market valuation (as the case may be) of the Group as at the Latest Practicable Date.

The relevant information has been extracted from Bloomberg L.P., publicly available annual reports and/or public announcements of the Broadly Comparable Companies. We make no representations or warranties, expressed or implied, as to the accuracy or completeness of such information.

A brief description of the selected Broadly Comparable Companies is set out below:

Broadly Comparable Companies	**Business Activities/Description**
Wing Tai Holdings Limited ("**Wing Tai**")	Wing Tai operates as a holding company. Wing Tai, through its subsidiaries, provides property investment and development, lifestyle retail and hospitality management solutions. Wing Tai serves customers in Asia.
Bukit Sembawang Estates Limited ("**Bukit Sembawang**")	Bukit Sembawang, through its subsidiaries, operates in property development, property mortgage financing and the holding of properties and investments. Bukit Sembawang provides residential property development throughout Singapore.
Tuan Sing Holdings Limited ("**Tuan Sing**")	Tuan Sing operates as a holding company. Tuan Sing, through its subsidiaries, provides property development, property investment and hotel ownership. Tuan Sing serves clients in Singapore, China, Indonesia and Australia.
Oxley Holdings Ltd ("**Oxley**")	Oxley develops real estate. Oxley develops residential and commercial projects in accessible locations. Oxley also develops light industrial buildings that include swimming pools and other recreational amenities.
Sing Holdings Limited ("**Sing Holdings**")	Sing Holdings develops real estate. Sing Holdings develops residential, commercial and industrial properties and retains a stake in certain properties.

Source: Bloomberg L.P.

We have used the following valuation measures in our analysis:

Valuation Measure	**Description**
Price-to-earnings ("**P/E**") ratio	The P/E ratio is computed by dividing the market capitalisation of a company by its trailing 12-month earnings attributable to shareholders. The P/E ratio is affected by, *inter alia*, the capital structure of a company, its tax position as well as its accounting policies relating to among others, depreciation and amortisation.

Valuation Measure	Description
Enterprise value-to-earnings before interest, tax, depreciation and amortisation expenses ("**EV/EBITDA**") ratio	Enterprise value ("**EV**") is the sum of the company's market capitalisation, preferred equity, perpetual bonds, minority interests, short and long term debt (inclusive of finance leases) less its cash and cash equivalents. EBITDA refers to the trailing 12-month consolidated earnings before interest, tax, depreciation and amortisation, inclusive of the share of associates' and joint ventures' income. EBITDA can be used to analyse the profitability between companies as it eliminates the effects of financing and accounting policy decisions. The historical EV/EBITDA ratio illustrates the market value of a company's business relative to its historical consolidated pre-tax operating cash flow performance, and provides an indication of current market valuation relative to operating performance. Unlike the P/E ratio, the EV/EBITDA ratio does not take into account the capital structure of a company, its interest, taxation, depreciation and amortisation expenses.
Price-to-NAV ("**P/NAV**") ratio and price-to-RNAV ("**P/RNAV**") ratio	The P/NAV ratio illustrates the market price of a company's shares relative to the NAV per share. The NAV is defined as total assets less total liabilities, and excludes, where applicable, minority or non-controlling interests. The NAV figure provides an estimate of the value of a company assuming the hypothetical sale of all its assets at its book value and repayment of its liabilities and obligations, with the balance available for distribution to its shareholders. Where current market values for assets (like properties) are available, the revaluation surplus or deficit of such assets compared to the book values are taken into account to derive the RNAV. It is an asset-based valuation methodology and this approach is meaningful to the extent that it measures the value of each share that is attached to the net assets of the company. Comparisons of companies using NAV and RNAV are affected by differences in their respective accounting policies, in particular their depreciation and asset valuation policies.

The following table sets out the valuation statistics of the Company (as implied by the Offer Price) with those of Broadly Comparable Companies:

Broadly Comparable Company	Market capitalisation[1] (S$'000)	P/E[2] (times)	EV/EBITDA[2] (times)	P/NAV or P/RNAV[2] (times)
Wing Tai	1,084,725	n.m.[3]	n.m.[3]	0.38
Bukit Sembawang	1,242,774	12.61	9.23	0.77
Tuan Sing	406,057	17.32	18.42	0.34
Oxley	358,672	n.m.[3]	17.57	0.43
Sing Holdings	180,448	15.49	27.90	0.57
Maximum		**17.32**	**27.90**	**0.77**
Minimum		**12.61**	**9.23**	**0.34**
Mean		**15.14**	**18.28**	**0.50**
Median		**15.49**	**18.00**	**0.43**
Company (as implied by the Offer Price)	**531,948**	**n.m.[3]**	**31.09[4]**	**P/NAV: 0.92[5] P/RNAV: 0.57[5]**

Source: Bloomberg L.P., annual reports and latest publicly available financial information of the Broadly Comparable Companies as at the Latest Practicable Date

Notes:

(1) Market capitalisation for the Broadly Comparable Companies is based on the outstanding number of shares (excluding treasury shares) and the closing price of the company's shares as at the Latest Practicable Date, or the last closing price if there are no trades on the Latest Practicable Date, as extracted from Bloomberg L.P.. Market capitalisation for the Company is based on the Offer Price and the total outstanding Shares as at the Latest Practicable Date.

*(2) The ratios of the Broadly Comparable Companies are computed based on the latest annual reports and/or latest announced results of the Broadly Comparable Companies as at the Latest Practicable Date. The P/E and EV/EBITDA of the Broadly Comparable Companies are computed based on the trailing 12-month profit attributable to owners of the respective companies ("**T12M PAT**") and trailing 12-month EBITDA ("**T12M EBITDA**"). The P/RNAV ratio of Bukit Sembawang is based on the NAV of Bukit Sembawang, adjusted for the revaluation surplus arising from the revaluation of the investment property.*

(3) Not meaningful as the Broadly Comparable Companies recorded losses or negative EBITDA for their trailing 12-month period, and the Group was in a net loss position for the trailing 12-month period.

(4) The Company's EV/EBITDA is computed based on the EV as at the Latest Practicable Date as implied by the Offer Price over the Group's T12M EBITDA.

(5) The P/NAV and P/RNAV are computed based on the assumptions as set out in paragraph 7.3 of this IFA Letter.

Based on the above, we note that:

(i) the EV/EBITDA of the Company as implied by the Offer Price of 31.09 times is above the range of the EV/EBITDA ratios of the Broadly Comparable Companies;

(ii) the P/NAV of the Company as implied by the Offer Price of 0.92 times is above the P/NAV or P/RNAV ratios of the Broadly Comparable Companies; and

(iii) the P/RNAV of the Company as implied by the Offer Price of 0.57 times is within the range of, and above the mean and median P/NAV or P/RNAV ratios of the Broadly Comparable Companies.

7.5 Comparison with recent privatisation transactions of companies listed on the SGX-ST

In assessing the reasonableness of the Offer Price, we have also compared the financial terms of the Offer with those of selected successful privatisation transactions involving companies listed on the SGX-ST (excluding real estate investment trusts and business trusts) that were announced and completed, since 1 January 2023 ("**Precedent Privatisation Transactions**"). This analysis serves as a general indication of the relevant premium or discount of the respective offers, without having regard to their specific transaction rationale and the commercial and financial merits or other considerations.

We wish to highlight that the Precedent Privatisation Transactions may not be directly comparable to the Group due to differences in, *inter alia*, business activities, scale of operations, types of products, geographical markets, track record, future prospects, asset base, liquidity, market capitalisation, risk profile, customer base and other relevant criteria. In addition, economic conditions have changed and may differ over the aforementioned period, thus affecting, *inter alia*, the economic terms of the relevant offer considerations. Therefore, it should be noted that the comparison made herein serves only as an illustrative guide and the conclusions drawn from such comparisons may not necessarily reflect the perceived or implied market valuation for the Company. Shareholders should also note that the list of Precedent Privatisation Transactions is not exhaustive and information relating to the Precedent Privatisation Transactions was compiled from publicly available information.

Company Name	Type[1]	Announcement date[2]	Premium/(Discount) of offer price over/(to):				Offer price/ NAV or Offer price/ RNAV[3] (times)
			Last transacted price (%)	1-month VWAP (%)	3-month VWAP (%)	6-month VWAP (%)	
Alpina Holdings Limited	SOA	3-Jun-25	24.0	24.0	44.9	48.3	2.35
Cosmosteel Holdings Limited	SOA	15-May-25	48.1	57.5	61.3	70.9	0.53
Ban Leong Technologies Limited	VGO	30-Apr-25	60.8	63.9	69.3	73.4	1.37
Procurri Corporation Limited	SOA	28-Apr-25	77.8	77.8	74.4	75.8	2.12
Amara Holdings Limited	VGO	28-Apr-25	27.0	42.1	44.8	46.7	0.63
ICP Ltd	VD	19-Apr-25	28.8	16.9	20.0	23.3	1.18
Sinarmas Land Limited	VGO	27-Mar-25	36.4	41.6	27.7	21.6	0.44
PEC Ltd	SOA	17-Feb-25	12.8	23.5	28.6	30.6	0.90

Company Name	Type[1]	Announcement date[2]	Premium/(Discount) of offer price over/(to):				Offer price/ NAV or Offer price/ RNAV[3] (times)
			Last transacted price (%)	1-month VWAP (%)	3-month VWAP (%)	6-month VWAP (%)	
Econ Healthcare (Asia) Limited	SOA	14-Feb-25	29.1	43.7	53.7	59.9	2.09
SLB Development Ltd	SOA	24-Jan-25	36.1	54.4	62.0	69.1	1.13
Japfa Ltd	SOA	24-Jan-25	34.8	39.0	51.2	70.3	1.10
Hai Leck Holdings Limited	SOA	9-Dec-24	34.2	41.8	46.7	44.7	0.98
5E Resources Limited	SOA	25-Oct-24	22.6	22.2	21.8	26.2	1.60
Dyna-Mac Holdings Limited	VGO	11-Sep-24	35.4	18.6	27.4	44.4	5.88
Silverlake Axis Ltd	VGO	26-Aug-24	20.0	27.7	25.0	31.9	2.77
Second Chance Properties Ltd	VGO	10-Jul-24	39.5	40.8	37.0	33.3	1.01
RE&S Holdings Limited	SOA	19-May-24	56.5	65.1	50.0	45.2	1.93
TalkMed Group Limited	SOA	6-Apr-24	20.0	22.6	22.9	21.6	7.30
Best World International Limited	VD	3-Apr-24	46.3	47.1	46.3	48.8	1.88
Isetan (Singapore) Limited	SOA	1-Apr-24	153.5	173.4	171.1	168.9	0.70
Healthway Medical Corporation Limited	VD	3-Jul-23	45.5	45.0	44.1	39.9	1.07
LHN Logistics Limited	VGO	4-Jun-23	34.9	35.7	39.0	44.3	2.01
Sysma Holdings Limited	VGO	1-Jun-23	34.4	39.8	34.2	30.5	0.72

Company Name	Type[1]	Announcement date[2]	Premium/(Discount) of offer price over/(to):				Offer price/ NAV or Offer price/ RNAV[3] (times)
			Last transacted price (%)	1-month VWAP (%)	3-month VWAP (%)	6-month VWAP (%)	
Challenger Technologies Limited	VGO	30-May-23	9.1	10.5	11.9	14.3	1.46
Lian Beng Group Ltd	VGO	11-Apr-23	19.3	27.0	28.5	29.9	0.43
Global Palm Resources Holdings Limited	VGO	29-Mar-23	93.8	86.6	70.1	70.1	0.78
G. K. Goh Holdings Limited	VGO	28-Feb-23	38.5	38.8	39.2	37.6	0.97
Global Dragon Limited	VGO	10-Feb-23	14.3	15.4	22.4	17.6	0.73
Maximum			**153.5**	**173.4**	**171.1**	**168.9**	**7.30**
Mean			**40.5**	**44.4**	**45.6**	**47.8**	**1.65**
Median			**34.9**	**40.3**	**41.7**	**44.4**	**1.12**
Minimum			**9.1**	**10.5**	**11.9**	**14.3**	**0.43**
The Company – Implied by the Offer Price and RNAV	**VGO**	**28-Nov-25**	**17.1**	**8.9**	**16.5**	**27.7**	**P/RNAV: 0.57**

Source: SGX-ST announcements and circulars to shareholders in relation to the Precedent Privatisation Transactions

Notes:

(1) VD – Voluntary Delisting; VGO – Voluntary General Offer; and SOA – Scheme of Arrangement.

(2) Date of announcement of the offers.

(3) Based on the NAV per share or adjusted RNAV per share, where available, as published in the independent financial adviser's letter.

Based on the above, we note the following:

(a) the premium of 17.1% implied by the Offer Price over the last transacted price of the Shares on the Last Trading Day is within the range of premia, and below the corresponding mean and median premia of the Precedent Privatisation Transactions;

(b) the premium of 8.9% implied by the Offer Price over the 1-month VWAP of the Shares prior to and including the Last Trading Day is lower than the corresponding premia of the Precedent Privatisation Transactions;

(c) the premia of 16.5% and 27.7% implied by the Offer Price over the 3-month and 6-month VWAPs of the Shares prior to and including the Last Trading Day are within the range of premia, and below the corresponding mean and median premia of the Precedent Privatisation Transactions; and

(d) the P/RNAV as implied by the Offer Price of 0.57 times is within the range of, and below the mean and median offer price/NAV or offer price/RNAV of the Precedent Privatisation Transactions.

7.6 Comparison with recent privatisation transactions involving selected companies broadly comparable to the Group

As the Group is principally involved in property development, hotel operations and property investment, we have also compared the financial terms of the Offer with those of successful privatisation transactions of property-related companies listed on the SGX-ST (excluding real estate investment trusts and business trusts) that were announced and completed since 1 January 2022 ("**Precedent Property Privatisation Transactions**").

We wish to highlight that the Precedent Property Privatisation Transactions may not be directly comparable to the Group due to differences in, *inter alia*, business activities, scale of operations, types of products, geographical markets, track record, future prospects, asset base, liquidity, market capitalisation, risk profile, customer base and other relevant criteria. In addition, economic conditions have changed and may differ over the aforementioned period, thus affecting, *inter alia*, the economic terms of the relevant offer considerations. Therefore, it should be noted that the comparison made herein serves only as an illustrative guide and the conclusions drawn from such comparisons may not necessarily reflect the perceived or implied market valuation for the Company. Shareholders should also note that the list of Precedent Property Privatisation Transactions is not exhaustive and information relating to the Precedent Property Privatisation Transactions was compiled from publicly available information.

Company Name	Type	Announcement date	Premium/(Discount) of offer price over/(to):				Offer price/ NAV or Offer price/ RNAV (times)
			Last transacted price (%)	1-month VWAP (%)	3-month VWAP (%)	6-month VWAP (%)	
Amara Holdings Limited	VGO	28-Apr-25	27.0	42.1	44.8	46.7	0.63
Sinarmas Land Limited	VGO	27-Mar-25	36.4	41.6	27.7	21.6	0.44
SLB Development Ltd	SOA	24-Jan-25	36.1	54.4	62.0	69.1	1.13
Global Dragon Limited	VGO	10-Feb-23	14.3	15.4	22.4	17.6	0.73
Chip Eng Seng Corporation Ltd	MGO	24-Nov-22	5.6	13.1	26.5	33.7	0.56

Company Name	Type	Announcement date	Premium/(Discount) of offer price over/(to):				Offer price/ NAV or Offer price/ RNAV (times)
			Last transacted price (%)	1-month VWAP (%)	3-month VWAP (%)	6-month VWAP (%)	
GYP Properties Limited	VGO	9-Jul-22	34.2	37.9	33.3	28.2	0.69
Hwa Hong Corporation Limited	VGO	17-May-22	36.5	36.1	32.0	22.0	0.79
Maximum			**36.5**	**54.4**	**62.0**	**69.1**	**1.13**
Mean			**27.2**	**34.4**	**35.5**	**34.1**	**0.71**
Median			**34.2**	**37.9**	**32.0**	**28.2**	**0.69**
Minimum			**5.6**	**13.1**	**22.4**	**17.6**	**0.44**
The Company – Implied by the Offer Price and RNAV	**VGO**	**28-Nov-25**	**17.1**	**8.9**	**16.5**	**27.7**	**P/RNAV: 0.57**

Source: SGX-ST announcements and circulars to shareholders in relation to the Precedent Property Privatisation Transactions

Based on the above, we note the following:

(a) the premium of 17.1% implied by the Offer Price over the last transacted price of the Shares on the Last Trading Day is within the range of premia, and below the corresponding mean and median premia of the Precedent Property Privatisation Transactions;

(b) the premia of 8.9% and 16.5% implied by the Offer Price over the 1-month and 3-month VWAPs of the Shares prior to and including the Last Trading Day are lower than the corresponding premia of the Precedent Property Privatisation Transactions;

(c) the premium of 27.7% implied by the Offer Price over the 6-month VWAP of the Shares prior to and including the Last Trading Day is within the range of, and below the corresponding mean and median premia of the Precedent Property Privatisation Transactions; and

(d) the P/RNAV as implied by the Offer Price of 0.57 times is within the range of, and below the mean and median offer price/NAV or offer price/RNAV of the Precedent Property Privatisation Transactions.

7.7 Dividend track record of the Company

We set out below the information on the dividend per Share declared and paid by the Company for FY2023, FY2024 and FY2025:

Dividends declared	FY2023	FY2024	FY2025
Total dividends per Share (S$)	0.010	0.015	0.015
Average share price[(1)] (S$)	0.439	0.380	0.308
Dividend yield[(2)]	2.28%	3.95%	4.87%

Source: Bloomberg L.P. and Company's announcements on SGXNet

Notes:

(1) Based on the daily closing prices of the Shares for the respective financial years over the number of days in which trades in the Company's Shares were recorded.

(2) Computed based on dividend per Share divided by the average Share price.

(3) No dividend has been declared or recommended for 1HFY2026.

We note that the dividend yield had increased over FY2023, FY2024 and FY2025.

We wish to highlight that the above analysis of the Company's dividend track record only serves as an illustrative guide and is not an indication of the Company's future dividend payout. **There is no assurance that the Company will continue with such or any dividends payouts in the future.**

7.8 Estimated value of the Shares

The Group's assets as at 31 July 2025 were mainly its property-related assets, which comprised the Group's investment properties and property, plant and equipment. The aggregate carrying value of these property-related assets represented approximately 60.8% of the Group's total assets as at 31 July 2025. Hence, we consider that the asset-based valuation methodology to be appropriate to derive the range of values for the Shares, given the asset-intensive nature of the Group's property development, hotel operations and property investment business.

Accordingly, we have used the mean and median offer price/NAV or offer price/RNAV ratios of the Precedent Property Privatisation Transactions to derive the estimated range of values of the Shares.

Based on the above, this implies that the valuation of the Company is between S$639.8 million and S$658.4 million. Based on the Company's existing share capital of 738,816,000 Shares, this translates to the range of estimated value of the Shares of between S$0.87 and S$0.89. We note that the Offer Price of S$0.72 is lower than the estimated value of the Shares.

7.9 Other relevant considerations relating to the Offer

7.9.1 Outlook of the Group

We note the following statement on the significant trends and competitive conditions of the industry in which the Group operates, as disclosed in the Company's announcement on the unaudited condensed interim financial statements for 1HFY2026 on 11 September 2025:

"Singapore's economy grew 4.4% in Q2 2025, up from 4.1% in Q1. The Ministry of Trade and Industry forecasts full year GDP growth of 1.5% to 2.5%. Although the first half outperformed expectations, risks persist for the remainder of the year due to softer global demand stemming from US tariffs and a reduced boost from earlier front-loading amid slowing global trade.

Against this backdrop, the real estate sector expanded 5.2% year-on-year in Q2, led by private residential property sales. The accommodation sector also saw a 2.4% increase, rebounding from a Q1 decline, supported by a rise in visitor arrivals.

Looking ahead, the outlook for property developers remains stable but cautious amid ongoing global and domestic uncertainties. Singapore's reputation as a safe haven continues to underpin demand, though government cooling measures and broader economic concerns may weigh on sentiment. Developers may adjust prices in response to softer demand. Still, recent government land sales have sparked increased interest in selective sites, indicating a measured appetite for future projects. While a potential easing of interest rates could offer some relief, buyers are expected to remain discerning.

With the completion of the Klimt Cairnhill project, revenue from the development segment is projected to decline in FY2026. To drive future growth, the Group, together with a joint venture partner, secured a residential site at Canberra Crescent in August 2024, holding a 30% equity stake. The project, Canberra Crescent Residences, was launched in July 2025, with over 50% of units sold to date. In parallel, the Group continues to explore new acquisitions and investments, including landbank expansion, to ensure sustainable shareholder returns amid a shifting economic landscape.

The Duxton Hotel Perth is expected to benefit from ongoing refurbishment works. However, growth in the serviced apartment segment will likely remain modest. Although Singapore remains a high-cost destination relative to its regional peers, steady travel demand and government tourism initiatives should provide some support.

Meanwhile, Paya Lebar Square mall continues to maintain healthy occupancy levels, despite softer consumer spending, increased outbound travel, and intensifying e-commerce competition. The mall's operational performance is expected to remain resilient.

Management remains focused on financial discipline, enhancing asset value through quality development, asset recycling, and positioning the Group for sustainable long-term growth."

7.9.2 No alternative offer and no undertakings

As at the Latest Practicable Date, apart from the Offer Price proposed by the Offeror, there are no competing offers or an enhancement or revision of the Offer Price.

As at the Offer Document LPD, no person has given any undertaking to the Offeror, Dato' Marco, UOBKH or any party acting or presumed to be acting in concert with the Offeror to accept or reject the Offer.

As at the Latest Practicable Date, the Offeror does not hold any Shares. However, as at the Latest Practicable Date, Dato' Marco is deemed to be interested in (i) 395,194,345 Shares held by UOBKH for CRSB, in which he has 75% shareholding interest; (ii) 3,051,000 Shares held via UOBKH; and (iii) 2,000,000 Shares held by Citibank Nominees Singapore Pte. Ltd. for Consistent Capital Pte. Ltd., in which 100% shareholding interest is held by Vistra Trust (Singapore) Pte. Limited, the trustee of a family trust established for the benefit of Dato' Marco and his immediate family.

7.9.3 Listing status and compulsory acquisition

The Offeror does not intend to preserve the listing status of the Company. Accordingly, the Offeror, if and when entitled, intends to exercise its right of compulsory acquisition under Section 215(1) of the Companies Act and does not intend to take any steps to maintain the listing status of the Company in the event the Free Float Requirement is not met and the trading of the Shares on the SGX-ST is suspended pursuant to Rules 724, 1105 or 1303(1) of the Listing Manual. In addition, the Offeror also reserves the right and discretion, if such event arises, to assess options available including the right to seek a voluntary delisting of the Company from the SGX-ST pursuant to Rules 1307 and 1309 of the Listing Manual.

7.9.4 Offeror's intentions

Save as otherwise disclosed in the Offer Document, the Offeror has no current intentions to (i) introduce any major changes to the existing business of the Group, (ii) re-deploy the fixed assets of the Group, or (iii) discontinue the employment of the existing employees of the Group, other than in the ordinary and usual course of business. However, the Offeror retains the flexibility to, at any time, consider any options or opportunities which may present themselves, and which it regards to be in the best interests of the Group.

7.9.5 Acceptance Condition

As set out in paragraph 2.6 of the Offer Document, the Offer will be subject to the Offeror having received, by the close of the Offer, valid acceptances (which have not been withdrawn) in respect of such number of Offer Shares which, when taken together with any Offer Shares acquired or agreed to be acquired by the Offeror during the Offer, will result in the Offeror holding not less than 90% of the voting rights attributable to the Shares in issue as at the close of the Offer (excluding any Shares already held by the Offeror, its related corporations or their respective nominees[2] as at the date of despatch of the Offer Document).

Save for the Acceptance Condition, the Offer is unconditional in all other respects.

[2] And any other persons required to be excluded under Section 215(9A) of the Companies Act.

8 OUR OPINION

In arriving at our opinion in relation to the Offer, we have considered the views and representations made by the Directors and Management and reviewed and deliberated on the factors which we consider to be relevant and to have a significant bearing on our assessment of the terms of the Offer. We have carefully considered factors which we deem essential and balanced them before reaching our opinion. Accordingly, it is important that our IFA Letter, in particular, all the considerations and information which we have taken into account, be read in its entirety.

We set out below a summary of the key factors we have taken into our consideration when assessing the "fairness" of the Offer:

(i) the Offer Price represents premia of approximately 36.11%, 27.66%, 16.50% and 8.93% over the respective VWAPs of the Shares for the 12-month, 6-month, 3-month and 1-month periods prior to and including the Last Trading Day. Further, the Offer Price represents a premium of approximately 17.07% over the closing price of the Shares on the Last Trading Day;

(ii) the Offer Price is higher than the highest traded prices of the Shares during the 12-month, 6-month, 3-month and 1-month periods prior to and including the Last Trading Day. Further, the Offer Price is higher than the highest traded price of the Shares as at the Last Trading Day;

(iii) the Offer Price represents a discount of approximately 0.69% to the VWAP of the Shares for the period from 1 December 2025 (being the first traded day after the Offer Announcement Date) up to the Latest Practicable Date. Further, the Offer Price represents a discount of approximately 1.37% to the closing price of the Shares as at the Latest Practicable Date of S$0.730;

(iv) the Offer Price represents a discount of approximately 2.04% to the highest traded price of the Shares of S$0.735 for the period from 1 December 2025 (being the first traded day after the Offer Announcement Date) up to the Latest Practicable Date;

(v) the Offer Price represents a discount of approximately 42.6% to the RNAV per Share;

(vi) the EV/EBITDA of the Company as implied by the Offer Price of 31.09 times is above the range of the EV/EBITDA ratios of the Broadly Comparable Companies;

(vii) the P/RNAV of the Company as implied by the Offer Price of 0.57 times is within the range of, and above the mean and median P/NAV or P/RNAV ratios of the Broadly Comparable Companies;

(viii) the premium of 17.1% implied by the Offer Price over the last transacted price of the Shares on the Last Trading Day is within the range of premia, and below the corresponding mean and median premia of the Precedent Privatisation Transactions;

(ix) the premium of 8.9% implied by the Offer Price over the 1-month VWAP of the Shares prior to and including the Last Trading Day is lower than the corresponding premia of the Precedent Privatisation Transactions;

(x) the premia of 16.5% and 27.7% implied by the Offer Price over the 3-month and 6-month VWAPs of the Shares prior to and including the Last Trading Day are within the range of premia, and below the corresponding mean and median premia of the Precedent Privatisation Transactions;

(xi) the P/RNAV as implied by the Offer Price of 0.57 times is within the range of, and below the mean and median offer price/NAV or offer price/RNAV of the Precedent Privatisation Transactions;

(xii) the premium of 17.1% implied by the Offer Price over the last transacted price of the Shares on the Last Trading Day is within the range of premia, and below the corresponding mean and median premia of the Precedent Property Privatisation Transactions;

(xiii) the premia of 8.9% and 16.5% implied by the Offer Price over the 1-month and 3-month VWAPs of the Shares prior to and including the Last Trading Day are lower than the corresponding premia of the Precedent Property Privatisation Transactions;

(xiv) the premium of 27.7% implied by the Offer Price over the 6-month VWAP of the Shares prior to and including the Last Trading Day is within the range of, and below the corresponding mean and median premia of the Precedent Property Privatisation Transactions;

(xv) the P/RNAV as implied by the Offer Price of 0.57 times is within the range of, and below the mean and median offer price/NAV or offer price/RNAV of the Precedent Property Privatisation Transactions; and

(xvi) the Offer Price is lower than the estimated value of the Shares.

We set out below a summary of the key factors we have taken into our consideration when assessing the "reasonableness" of the Offer:

(i) the Shares were not actively traded and the average daily trading volume of the Shares during the 12-month, 6-month, 3-month and 1-month periods prior to and including the Last Trading Day were in the range of 0.12% to 0.28% of the Free Float;

(ii) the average daily traded volume of the Shares represents 1.69% of the Free Float for the period from 1 December 2025 (being the first traded day after the Offer Announcement Date) up to the Latest Practicable Date. The average daily traded volume of the Shares represents 1.49% of the Free Float as at the Latest Practicable Date;

(iii) the Offeror does not intend to preserve the listing status of the Company. Accordingly, the Offeror, if and when entitled, intends to exercise its right of compulsory acquisition under Section 215(1) of the Companies Act and does not intend to take any steps to maintain the listing status of the Company in the event the Free Float Requirement is not met and the trading of the Shares on the SGX-ST is suspended; and

(iv) the outlook of the Group, and other relevant considerations as set out in paragraph 7.9 of this IFA Letter.

Having considered carefully the information available to us as at the Latest Practicable Date, and based on our analyses, we are of the opinion that the terms of the Offer are on balance, not fair but reasonable. Accordingly, we advise the Independent Directors to recommend Shareholders to **ACCEPT** the Offer.

In arriving at our opinion, we did not have regard to the specific investment objectives, financial situation, tax position, risk profiles or particular needs and constraints of any individual Shareholder. As different Shareholders would have different investment profiles and objectives, we recommend that any Shareholder who may require specific advice in relation to his/her investment objectives or portfolio should consult his/her legal, financial, tax or other professional adviser immediately.

We wish to emphasise that the Directors have not provided us with any financial projections or forecasts in respect of the Company or the Group and we have, *inter alia*, relied on the relevant statements contained in the Offer Document, Circular, this IFA Letter, confirmations, advice and representations by the Directors, the Management and/or their professional advisers (where applicable), and the Company's announcements in relation to the Offer. In addition, Directors should note that we have arrived at our recommendation based on information made available to us prior to and including the Latest Practicable Date. We assume no responsibility to update, review or reaffirm our opinion in light of any subsequent development after the Latest Practicable Date, unless otherwise stated.

We would like to highlight that we do not express any opinion on the rationale for, as well as the legal and commercial risks and/or merits (if any) of the Offer, which remains the sole responsibility of the Directors. It is also not within our terms of reference to provide an opinion on the relative merits of the Offer *vis-à-vis* any alternative transactions previously considered by the Company or transactions that the Company may consider in the future.

We have prepared this IFA Letter for the use by the Independent Directors in connection with their consideration of the Offer, but any recommendations made by the Independent Directors in respect of the Offer shall remain their sole responsibility. Whilst a copy of this IFA Letter may be reproduced in the Circular, neither the Company, the Directors nor any other persons may reproduce, disseminate or quote this IFA Letter (or any part thereof) for the purposes (other than for the consideration of the Offer) at any time and in any manner without the prior written consent of ZICO Capital.

This opinion is governed by, and construed in accordance with, the laws of Singapore, and is strictly limited to the matters stated herein and does not apply by implication to any other matter.

Yours faithfully
For and on behalf of
ZICO Capital Pte. Ltd.

Nathaniel Tan Jing Sheng
Chief Executive Officer

Leong Huey Miin
Managing Director, Corporate Finance

APPENDIX B – ADDITIONAL GENERAL INFORMATION ON THE COMPANY

1. DIRECTORS

The names, addresses and designations of the Directors as at the Latest Practicable Date are set out below:

Name	Address	Designation
Mr. Low Keng Boon @ Lau Boon Sen	c/o 80 Marine Parade Road, #18-05/09, Parkway Parade, Singapore 449269	Executive Chairman
Dato' Marco Low Peng Kiat	c/o 80 Marine Parade Road, #18-05/09, Parkway Parade, Singapore 449269	Managing Director
Mr. Low Poh Kuan	c/o 80 Marine Parade Road, #18-05/09, Parkway Parade, Singapore 449269	Executive Director
Mr. Alvin Teo Poh Kheng	c/o 80 Marine Parade Road, #18-05/09, Parkway Parade, Singapore 449269	Executive Director
Mr. Cheo Chai Hong	c/o 80 Marine Parade Road, #18-05/09, Parkway Parade, Singapore 449269	Lead Independent, Non-Executive Director
Mr. Chris Chia Woon Liat	c/o 80 Marine Parade Road, #18-05/09, Parkway Parade, Singapore 449269	Independent, Non-Executive Director
Mr. Michael Leong Choon Fai	c/o 80 Marine Parade Road, #18-05/09, Parkway Parade, Singapore 449269	Independent, Non-Executive Director
Mr. Jason Eng	c/o 80 Marine Parade Road, #18-05/09, Parkway Parade, Singapore 449269	Independent, Non-Executive Director

2. REGISTERED OFFICE OF THE COMPANY

The registered office of the Company is at 80 Marine Parade Road, #18-05/09, Parkway Parade, Singapore 449269.

3. INFORMATION ON THE COMPANY

3.1. History

The Company is a diversified real estate investment holding company incorporated in the Republic of Singapore on 14 April 1969 and was listed on the Mainboard of the SGX-ST on 9 March 1992.

3.2. **Principal Activities**

The principal activities of the Group comprise construction, property development, ownership and operation of serviced apartments, a hotel and a restaurant, as well as investment holding.

4. SHARE CAPITAL OF THE COMPANY

4.1. **Issued Share Capital**

The Company has only one class of Shares, being ordinary shares. As at the Latest Practicable Date, the total issued and paid-up share capital of the Company is S$162,151,305 comprising 738,816,000 Shares. As at the Latest Practicable Date, the Company has no treasury shares. The Shares are listed and quoted on the Mainboard of the SGX-ST.

4.2. **Rights of Shareholders in respect of Capital, Dividends and Voting**

The rights of Shareholders in respect of capital, dividends and voting are contained in the Constitution. An extract of the relevant provisions in the Constitution relating to the rights of Shareholders in respect of capital, dividends and voting is reproduced in **Appendix G** to this Circular. The Constitution is available for inspection during normal business hours at the registered address of the Company at 80 Marine Parade Road, #18-05/09, Parkway Parade, Singapore 449269 from the date of this Circular up to (and including) the Closing Date. Unless otherwise defined, all terms and expressions used in **Appendix G** to this Circular shall have the same meanings as ascribed to them in the Constitution.

4.3. **Number of Shares issued since the end of the Last Financial Year**

As at the Latest Practicable Date, no new Shares have been issued by the Company since 31 January 2025, being the end of the last financial year.

4.4. **Convertible instruments**

As at the Latest Practicable Date, there are no outstanding instruments convertible into, rights to subscribe for, and options in respect of, Shares and securities which carry voting rights affecting Shares.

5. DISCLOSURE OF INTERESTS

5.1. **Interests of the Company in Offeror Securities**

As at the Latest Practicable Date, none of the Group Entities owns, controls or has agreed to acquire any Offeror Securities.

5.2. **Interests of the Directors in Offeror Securities**

As at the Latest Practicable Date, based on information available to the Company, the interest in Offeror Securities held by the Directors are set out below:

Directors	Direct Interest		Deemed Interest[1]		Total Interest	
	No. of Shares	%	No. of Shares	%	No. of Shares	%
Dato' Marco	–	–	3[2]	100	3	100

Notes:

(1) Deemed interests refer to interests determined pursuant to Section 4 of the SFA.

(2) Dato' Marco is deemed to be interested in three (3) ordinary shares in the issued and paid-up share capital of the Offeror held by CRSB, in which Dato' Marco and his mother, Seah Soh Seng, each have a 75% and 25% shareholding interest, respectively.

Save as disclosed in this Circular, as at the Latest Practicable Date, none of the Directors have any direct or indirect interests in Offeror Securities.

5.3. **Interests of the Directors in Company Securities**

As at the Latest Practicable Date, based on information available to the Company, the interest in Company Securities held by the Directors are set out below:

Directors	Direct Interest		Deemed Interest[1]		Total Interest	
	No. of Shares	%	No. of Shares	%	No. of Shares	%
Low Keng Boon @ Lau Boon Sen	52,773,806	7.14	23,000,000[2]	3.11	75,773,806	10.26
Dato' Marco	–	–	400,245,345[3]	54.17	400,245,345	54.17
Low Poh Kuan	1,998,000	0.27	–	–	1,998,000	0.27
Alvin Teo Poh Kheng	–	–	4,188,000[4]	0.57	4,188,000	0.57
Michael Leong Choon Fai	100,000	0.01	–	–	100,000	0.01

Notes:

(1) Deemed interests refer to interests determined pursuant to Section 4 of the SFA.

(2) Mr. Low Keng Boon @ Lau Boon Sen is deemed to be interested in the 23,000,000 Shares held by his spouse.

(3) Dato' Marco is deemed to be interested in (i) 395,194,345 Shares held by UOBKH for the account of CRSB, in which Dato' Marco has a 75% shareholding interest; (ii) 3,051,000 Shares held by UOBKH for his own account; and (iii) 2,000,000 Shares held by Citibank Nominees Singapore Pte. Ltd. for the account of Consistent Capital Pte. Ltd., in which 100% shareholding interest is held by Vistra Trust (Singapore) Pte. Limited, the trustee of a family trust established for the benefit of Dato' Marco and his immediate family.

(4) Mr. Alvin Teo Poh Kheng is deemed to be interested in the 4,188,000 Shares held by DBS Nominees Pte Ltd for his own account.

Save as disclosed in this Circular, as at the Latest Practicable Date, none of the Directors have any direct or indirect interests in Company Securities.

6. DEALINGS DISCLOSURE

6.1. Dealings in Offeror Securities by the Group

As at the Latest Practicable Date, none of the Group Entities have dealt for value in Offeror Securities during the period commencing three (3) months prior to the Offer Announcement Date and ending on the Latest Practicable Date.

6.2. Dealings in Offeror Securities by the Directors

As at the Latest Practicable Date, none of the Directors have dealt for value in Offeror Securities during the period commencing three (3) months prior to the Offer Announcement Date and ending on the Latest Practicable Date.

6.3. Dealings in Company Securities by the Directors

As at the Latest Practicable Date, none of the Directors have dealt for value in Company Securities during the period commencing three (3) months prior to the Offer Announcement Date and ending on the Latest Practicable Date.

7. INTERESTS OF THE INDEPENDENT FINANCIAL ADVISER

7.1. Interests of the IFA in Offeror Securities

As at the Latest Practicable Date, none of the IFA, its related corporations nor funds whose investments are managed by it and/or its related corporations on a discretionary basis, owns or controls any Offeror Securities.

7.2. Dealings in Offeror Securities by the IFA

None of the IFA, its related corporations or funds whose investments are managed by the IFA or its related corporations on a discretionary basis has dealt for value in Offeror Securities during the period commencing three (3) months prior to the Offer Announcement Date and ending on the Latest Practicable Date.

7.3. Interests of the IFA Company Securities

As at the Latest Practicable Date, none of the IFA, its related corporations nor funds whose investments are managed by it and/or its related corporations on a discretionary basis, owns or controls any Company Securities.

7.4. Dealings in Company Securities by the IFA

None of the IFA, its related corporations or funds whose investments are managed by the IFA or its related corporations on a discretionary basis has dealt for value in Company Securities during the period commencing three (3) months prior to the Offer Announcement Date and ending on the Latest Practicable Date.

8. DIRECTORS' INTENTIONS IN RELATION TO THE OFFER

As at the Latest Practicable Date, the Directors who held direct or indirect interests in the Offer Shares as at the Offer Announcement Date have indicated their intentions in respect of accepting or rejecting the Offer in respect of their Shares as follows:

(a) Mr. Low Keng Boon @ Lau Boon Sen has indicated that he intends to accept the Offer in respect of the 52,773,806 Shares (representing approximately 7.14% of the total number of Shares) held by him. The Company understands from Mr. Low Keng Boon @ Lau Boon Sen that his spouse also intends to accept the Offer in respect of the 23,000,000 Shares (representing approximately 3.11% of the total number of Shares) held by her.

(b) Mr. Low Poh Kuan has indicated that he intends to accept the Offer in respect of the 1,998,000 Shares (representing approximately 0.27% of the total number of Shares) held by him.

(c) Mr. Alvin Teo Poh Kheng has indicated that he intends to accept the Offer in respect of his deemed interest in 4,188,000 Shares (representing approximately 0.57% of the total number of Shares) held by DBS Nominees Pte Ltd for his own account.

(d) Mr. Michael Leong Choon Fai has indicated that he intends to accept the Offer in respect of the 100,000 Shares (representing approximately 0.01% of the total number of Shares) held by him.

9. OTHER DISCLOSURES

9.1. Directors' Service Contracts

As at the Latest Practicable Date:

(a) there are no service contracts between any of the Directors or proposed directors with any Group Entities which have more than 12 months to run and which are not terminable by the employing company within the next 12 months without paying any compensation; and

(b) there are no service contracts entered into or amended between any of the Directors or proposed directors with any Group Entities during the period commencing six (6) months prior to the Offer Announcement Date and ending on the Latest Practicable Date.

9.2. Arrangements Affecting Directors

As at the Latest Practicable Date:

(a) there are no agreements, arrangements or understandings for any payment or other benefit to be made or given to any Director or director of any other corporation which is by virtue of Section 6 of the Companies Act deemed to be related to the Company, as compensation for loss of office or otherwise in connection with the Offer;

(b) there are no agreements or arrangements made between any Director and any other person in connection with or conditional upon the outcome of the Offer; and

(c) none of the Directors has a material personal interest, whether direct or indirect, in any material contracts entered into by the Offeror.

9.3. **Material Contracts with Interested Persons**

As at the Latest Practicable Date, save as disclosed in publicly available information on the Group (including but not limited to the announcements released by the Company on SGXNet), none of the Group Entities has entered into material contracts with Interested Persons (other than those entered into in the ordinary course of business) during the period beginning three (3) years before the Offer Announcement Date and ending on the Latest Practicable Date.

9.4. **Material Litigation**

As at the Latest Practicable Date, save as disclosed in publicly available information on the Group (including but not limited to the announcements released by the Company on SGXNet):

(a) none of the Group Entities are engaged in any material litigation or arbitration proceedings, as plaintiff or defendant, which might materially and adversely affect the financial position of the Group, taken as a whole; and

(b) the Directors are not aware of any material litigation, claims or proceedings pending or threatened against, or made by, any Group Entity or any facts likely to give rise to any such litigation, claims or proceedings, which might materially and adversely affect the financial position of the Group, taken as a whole.

10. SUMMARY OF FINANCIAL INFORMATION

Set out below is certain financial information of the Group extracted from the audited consolidated financial statements of the Group for FY2023, FY2024 and FY2025, and the unaudited financial statements of the Group for 1HFY2026.

The summary of the financial information of the Group for FY2023, FY2024 and FY2025 should be read in conjunction with the audited consolidated financial statements of the Group and the accompanying notes as set out in the Annual Reports for FY2023, FY2024 and FY2025 respectively, and the summary of financial information of the Group for 1HFY2026 should be read in conjunction with the unaudited financial statements of the Group for 1HFY2026 and the accompanying notes as set out in the unaudited financial statements of the Group for 1HFY2026.

The audited consolidated financial statements of the Group for FY2025 and the unaudited financial statements of the Group for 1HFY2026 are set out in **Appendix D** and **Appendix E** to this Circular, respectively. Copies of the audited consolidated financial statements of the Group for FY2023, FY2024 and FY2025 and the unaudited financial statements of the Group for 1HFY2026 are available on SGXNet at *https://www.sgx.com/securities/company-announcements* and on the website of the Company at *https://www.lkhs.com.sg/investor-relations/*, and/or for inspection during normal business hours at the registered office of the Company at 80 Marine Parade Road, #18-05/09, Parkway Parade, Singapore 449269 from the date of this Circular up to (and including) the Closing Date.

10.1. **Consolidated statements of profit or loss and other comprehensive income**

A summary of the audited consolidated statement of profit or loss and other comprehensive income of the Group for FY2023, FY2024 and FY2025 and the unaudited financial information of the Group for 1HFY2026 is set out below.

	FY2023 (Restated) (Audited) S$'000	FY2024 (Audited) S$'000	FY2025 (Audited) S$'000	1HFY2026 (Unaudited) S$'000
Revenue	97,267	367,680	482,705	38,738
Cost of sales	(72,524)	(307,628)	(420,472)	(31,646)
Gross profit	**24,743**	**60,052**	**62,233**	**7,092**
Other income				
Finance income	464	1,710	1,572	641
Miscellaneous income	2,762	3,990	2,790	1,453
Expenses				
Distribution costs	(2,969)	(16,912)	(23,178)	(727)
Administrative costs	(13,566)	(14,326)	(13,898)	(6,969)
Other operating expenses	(1,460)	(2,144)	(2,074)	(1,343)
Finance costs	(18,118)	(27,511)	(22,115)	(6,157)
Share of results of joint ventures and associated companies	(2,200)	2,764	830	(307)
Profit/(loss) before fair value changes, other losses (net) and taxation	(10,344)	7,623	6,160	(6,317)
Fair value loss on financial assets at fair value through profit or loss	(1,156)	(7,543)	(2,751)	(424)
Other losses, net	(18,755)	(1,748)	(1,950)	(674)
Profit/(loss) before taxation	(30,255)	(1,668)	1,459	(7,415)
Taxation	(1,641)	638	1,118	(2,633)
Profit/(loss) after taxation	**(31,896)**	**(1,030)**	**2,577**	**(10,048)**

	FY2023 (Restated) (Audited) S$'000	FY2024 (Audited) S$'000	FY2025 (Audited) S$'000	1HFY2026 (Unaudited) S$'000
Other comprehensive income/(loss) after tax:				
Items that may be reclassified subsequently to profit or loss				
Exchange differences on translation of the financial statements of foreign entities (net of tax at Nil%)	(1,471)	(3,632)	1,402	(434)
Items that will not be reclassified subsequently to profit or loss				
Fair value profit/(loss) on financial assets at fair value through other comprehensive income (net of tax at Nil%)	(86)	(538)	(881)	1,344
Exchange differences on translation of the financial statements of foreign entities (net of tax at Nil%)	(199)	(157)	(66)	(11)
Other comprehensive income/(loss) for the year, net of tax	(1,756)	(4,327)	455	899
Total comprehensive income/(loss) for the year	**(33,652)**	**(5,357)**	**3,032**	**(9,149)**
Profit/(loss) attributable to:				
Owners of the parent	(32,326)	(1,135)	2,103	(10,166)
Non-controlling interests	430	105	474	118
	(31,896)	**(1,030)**	**2,577**	**(10,048)**
Total comprehensive income/(loss) attributable to:				
Owners of the parent	(33,883)	(5,305)	2,624	(9,256)
Non-controlling interests	231	(52)	408	107
	(33,652)	**(5,357)**	**3,032**	**(9,149)**

	cents	cents	cents	cents
Earnings/(loss) per Share				
Basic	(4.38)	(0.15)	0.28	(1.38)
Diluted	(4.38)	(0.15)	0.28	(1.38)

	cents	cents	cents	cents
Net dividend per Share (cents)	1	1.5	1.5	–

The above summary should be read together with the annual reports of the Company for FY2023, FY2024 and FY2025 and relevant financial statements, copies of which are available for inspection during normal business hours at the registered office of the Company at 80 Marine Parade Road, #18-05/09, Parkway Parade, Singapore 449269 from the date of this Circular up to (and including) the Closing Date.

10.2. **Statement of Financial Position**

A summary of the audited consolidated statement of financial position of the Group as at 31 January 2025 is set out below.

	Group As at 31 January 2025 (Audited) S$'000
ASSETS	
Current assets	
Cash and cash equivalents	66,585
Fixed deposits	8,107
Trade and other receivables	35,742
Contract assets	294,107
Contract costs	345
Inventories	443
Development properties	3,656
	408,985
Non-current assets	
Trade and other receivables	160
Financial assets at fair value through profit or loss	24,103
Financial assets at fair value through other comprehensive income	3,795
Joint ventures	53,542
Associated companies	18,108
Investment properties	288,370

	Group As at 31 January 2025 (Audited) S$'000
Property, plant and equipment	291,740
Deferred tax assets	2,225
	682,043
Total assets	**1,091,028**
LIABILITIES	
Current liabilities	
Trade and other payables	24,299
Amount owing to non-controlling shareholders of subsidiaries (non-trade)	716
Provision for directors' fee	224
Current tax payable	4,131
Borrowings	120,273
	149,643
Non-current liabilities	
Provision	27
Borrowings	327,851
Deferred tax liabilities	3,240
	331,118
Total liabilities	**480,761**
NET ASSETS	**610,267**
EQUITY	
Capital and Reserves	
Share capital	161,863
Capital reserve	(30,214)
Fair value reserve	95
Retained profits	475,783
Currency translation reserve	(6,264)
	601,263
Non-controlling interests	9,004
Total equity	**610,267**

10.3. **Significant Accounting Policies**

The financial statements, presented in Singapore dollar, which is the Company's functional currency and all financial information presented in Singapore dollar are rounded to the nearest thousand (S$'000), unless otherwise indicated. The financial statements have been prepared in accordance with the provisions of the Companies Act and Singapore Financial Reporting Standards (International). The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies. A summary of the significant accounting policies of the Group is set out in Notes 2(a) to 2(e) to the audited consolidated financial statements of the Group for FY2025, which are reproduced in **Appendix D** to this Circular.

Save as disclosed in this Circular and publicly available information on the Group (including but not limited to that contained in the audited consolidated financial statements of the Group for FY2025 and that contained in the unaudited financial information of the Group for 1HFY2026), there are no significant accounting policies or any points from the notes to the financial statements which are of major relevance for the interpretation of the accounts.

10.4. **Changes in Accounting Policies**

The Group has applied the same accounting policies and methods of computation as with those in the audited consolidated financial statements of the Group for FY2025 and there are no changes in the accounting policies of the Group which will cause the figures set out in this paragraph 10 of this **Appendix B** not to be comparable to a material extent.

10.5. **Material Changes in Financial Position**

Save as disclosed in this Circular and publicly available information on the Company (including but not limited to announcements released by the Company in respect of its financial results such as the unaudited financial information of the Group for 1HFY2026 as announced on 11 September 2025 and set out in **Appendix E** to this Circular), there are no known material changes in the financial position of the Company as at the Latest Practicable Date since 31 January 2025, being the date to which the Company's last published audited financial statements were made up.

11. VALUATION REPORTS

11.1. **Valuation of the Singapore Properties and Australia Property**

For the purposes of the Offer, the Company has commissioned an independent valuation of the Singapore Properties as at 17 December 2025 by the Singapore Valuer. An independent valuation of the Australia Property has also been prepared by the Australia Valuer as at 30 November 2025 for the Company's financial reporting purposes. The valuations are set out in the Valuation Reports, copies of which are as set out as **Appendix F** to this Circular.

11.2. **Potential Tax Liabilities**

Under Rule 26.3 of the Code, the Company is required, *inter alia*, to make an assessment of any potential tax liability which would arise if the Singapore Properties and Australia Property, which are the subject of the valuations given in connection with the Offer, were to be sold at the amounts of the respective valuations.

Based on the valuations carried out by the Singapore Valuer and Australia Valuer:

(a) in respect of the Singapore Properties (other than the Singapore Perumal Road Properties), the Company is of the view that any gain on any hypothetical disposal of such Singapore Properties (other than the Singapore Perumal Road Properties) will not be subject to tax. Accordingly the potential tax liabilities that may be incurred by the Company on a hypothetical disposal of such Singapore Properties (other than the Singapore Perumal Road Properties) is therefore zero; and

(b) in respect of the Singapore Perumal Road Properties and the Australia Property, the Company is of the view that the potential tax liabilities that may be incurred by the Company on a hypothetical disposal of such Singapore Perumal Road Properties and the Australia Property as at the Latest Practicable Date amounts to S$17.9 million. The Company has no immediate plans to dispose of the Singapore Perumal Road Properties or the Australia Property as at the Latest Practicable Date. As such, the potential tax liabilities are not likely to crystallise as at the Latest Practicable Date.

12. GENERAL

12.1. Costs and Expenses

All costs and expenses incurred by the Company in relation to the Offer will be borne by the Company.

12.2. Consent of the IFA

ZICO Capital Pte. Ltd., as the IFA to the Independent Directors in respect of the Offer, has given and has not withdrawn its written consent (a) to act in such capacity; and (b) to the issue of this Circular with the inclusion of its name, the IFA Letter set out as **Appendix A** to this Circular and all references in the form and context in which they appear in this Circular.

12.3. Consent of the Singapore Valuer and the Australia Valuer

Each of Knight Frank Pte Ltd, as the Singapore Valuer, and Savills Valuations Pty Ltd, as the Australia Valuer, has given and has not withdrawn its written consent (a) to act in such capacity; and (b) to the issue of this Circular with the inclusion of its name, the relevant Valuation Reports set out as **Appendix F** to this Circular and all references thereto in the form and context in which they appear in this Circular.

12.4. Consent of the Legal Adviser

Rajah & Tann Singapore LLP has been appointed as the legal adviser to the Company in respect of the Offer. Rajah & Tann Singapore LLP, as the legal adviser, has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of its name in this Circular and all references thereto in the form and context in which they appear in this Circular.

13. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection during normal business hours at the registered address of the Company at 80 Marine Parade Road, #18-05/09, Parkway Parade, Singapore 449269 from the date of this Circular up to (and including) the Closing Date:

(a) the Constitution;

(b) the annual reports for FY2023, FY2024 and FY2025;

(c) the audited consolidated financial statements of the Group for FY2023, FY2024 and FY2025;

(d) the unaudited financial statements of the Group for 1HFY2026;

(e) the IFA Letter;

(f) the Valuation Reports; and

(g) the letters of consent referred to in paragraphs 12.2, 12.3 and 12.4 of this **Appendix B** to this Circular.

APPENDIX C – ADDITIONAL INFORMATION ON THE OFFEROR AND CRSB

1. THE OFFEROR

The full text of the information relating to the Offeror has been extracted from appendix 3 to the Offer Document and is set out in italics below. All terms and expressions used in the extract below shall have the same meanings as those defined in the Offer Document, unless otherwise stated.

"***1. SOLE DIRECTOR***

The name, address and description of the sole director of the Offeror as at the Latest Practicable Date are as follows:

Name	Address	Description
Dato' Marco Low Peng Kiat	*80 Marine Parade Road, #18-05/09, Parkway Parade, Singapore 449269*	*Director*

2. PRINCIPAL ACTIVITIES OF THE OFFEROR

The Offeror is a special purpose vehicle incorporated under the laws of Singapore on 4 July 2025. The Offeror has not carried on any business since its incorporation, except in relation to matters in connection with the making of the Offer.

3. FINANCIAL INFORMATION AND SIGNIFICANT ACCOUNTING POLICIES

As the Offeror was recently incorporated on 4 July 2025, the Offeror has not prepared any financial statements since the date of its incorporation.

As no audited or unaudited financial statements of the Offeror have been prepared as at the Latest Practicable Date, there are no significant accounting policies to be noted.

4. MATERIAL CHANGES IN FINANCIAL POSITION

As at the Latest Practicable Date, save as disclosed in this Offer Document and save for the making and financing of the Offer, there has been no known material change in the financial position of the Offeror since its incorporation.

5. REGISTERED OFFICE

The registered office of the Offeror is at 80 Marine Parade Road, #18-05, Parkway Parade, Singapore 449269."

2. CONSISTENT RECORD SDN. BHD.

The full text of the information relating to CRSB has been extracted from appendix 4 to the Offer Document and is set out in italics below. All terms and expressions used in the extract below shall have the same meanings as those defined in the Offer Document, unless otherwise stated.

"***1. SOLE DIRECTOR***

The name, address and description of the sole director of CRSB as at the Latest Practicable Date are as follows:

Name	Address	Description
Dato' Marco Low Peng Kiat	*332A-19, Tingkat 19, Plaza Ampang City, Jalan Ampang, Kuala Lumpur Wilayah Persekutuan, Malaysia 50450*	*Director*

2. PRINCIPAL ACTIVITIES OF CRSB

CRSB is an investment holding vehicle incorporated under the laws of Malaysia. Through its subsidiaries, CRSB is mainly engaged in construction, property development, ownership and operation of serviced apartments, a hotel and a restaurant, as well as investment holding.

3. FINANCIAL INFORMATION

*Set out below are certain financial information extracted from the audited consolidated financial statements of CRSB for FY2025, FY2024 and FY2023 and the accompanying notes ("**CRSB Financial Statements**") as set out therein.*

Summary of Statement of Financial Position

	Audited As at 31 January 2025 RM'000
Current assets	*1,497,402*
Non-current assets	*2,942,144*
Total assets	***4,439,546***
Current liabilities	*868,636*
Non-current liabilities	*1,186,514*
Total liabilities	***2,055,150***
NET ASSETS	***2,834,396***

Summary of Statement of Financial Position (continued)

	Audited As at 31 January 2025 RM'000
Share Capital	–[1]
Reserves	208,574
Retained profits	1,210,042
Non-controlling interests	965,780
TOTAL EQUITY	2,834,396

Note:

(1) The share capital represents an amount of RM32.

Summary of Statement of Profit or Loss

	Audited		
	FY2023 RM'000	**FY2024 RM'000**	**FY2025 RM'000**
Revenue	334,345	1,275,742	1,653,194
Exceptional items	Nil	Nil	Nil
Net profit/(loss) before tax	(96,825)	(48,063)	63,212
Net profit/(loss) after tax	(102,650)	(45,807)	66,470
Net profit/(loss) attributable to:			
– Owners of CRSB	(55,293)	(43,757)	62,224
– Non-controlling interests	(47,357)	(2,050)	4,246
Net earnings/(loss) per share	(1,728)[1]	(1,367)[1]	1,945[1]
Net dividends per share	1,000[2]	625[2]	Nil

Notes:

(1) The net earnings/(loss) per share are calculated based on 32 ordinary shares of CRSB and are rounded to the nearest whole number.

(2) The dividends per share are calculated based on 32 ordinary shares of CRSB.

As at the Latest Practicable Date, there have not been any interim financial statements prepared since the last audited consolidated financial statements of CRSB for FY2025.

Copies of the CRSB Financial Statements are available for inspection at the office of the Share Registrar as set out in paragraph 4.1.2 (Documents for Inspection) of ***Appendix 7*** *to this Offer Document.*

4. MATERIAL CHANGES IN FINANCIAL POSITION

As at the Latest Practicable Date, save (i) as publicly disclosed; (ii) as disclosed in this Offer Document; and (iii) for the making and financing of the Offer by the Offeror, there have been no known material changes in the financial position of CRSB since 31 January 2025, being the date of the last published audited financial statements of CRSB.

5. SIGNIFICANT ACCOUNTING POLICIES

The audited consolidated financial statements of CRSB for FY2025 have been prepared in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards.

CRSB adheres to the significant accounting policies which are disclosed in Note 4 to the audited consolidated financial statements for FY2025, a copy of which is available for inspection at the office of the Share Registrar as set out in paragraph 4.1.2 (Documents for Inspection) of ***Appendix 7*** *to this Offer Document.*

6. CHANGES IN ACCOUNTING POLICIES

There have been no significant changes in the accounting policies of CRSB since 31 January 2025, being the date of the last published audited financial statements of CRSB, which will cause the figures disclosed in this Offer Document not to be comparable to a material extent.

7. REGISTERED OFFICE

The registered office of CRSB is at 332A-19, Tingkat 19, Plaza Ampang City, Jalan Ampang, Kuala Lumpur Wilayah Persekutuan, Malaysia 50450."

3. HOLDINGS AND DEALINGS IN COMPANY SECURITIES

The full text of the information on the holdings of, dealings in and other arrangements the Company Securities by the Offeror and its concert parties has been extracted from appendix 6 to the Offer Document and is set out in italics below. All terms and expressions used in the extract below shall have the same meanings as those defined in the Offer Document, unless otherwise stated.

"***1. COMPANY SECURITIES***

1.1 Holdings of Company Securities

As at the Latest Practicable Date, based on the latest information available to the Offeror and responses received pursuant to enquiries that the Offeror has made, the details of the interests of the Relevant Persons in the Shares are set out below:

Name	Direct Interest		Deemed Interest	
	No. of Shares	%(1)	No. of Shares	%(1)
Offeror and its sole director				
Offeror	–	–	–	–
Dato' Marco	300,000	0.04	399,945,345(2)	54.13
Persons/Entities controlled by Dato' Marco				
Seah Soh Seng	–	–	395,194,345(3)	53.49
Consistent Record Sdn. Bhd.	–	–	395,194,345(4)	53.49
Consistent Capital Pte. Ltd.	–	–	2,000,000(5)	0.27
Low Keng Boon and his Family				
Low Keng Boon @ Lau Boon Sen	52,773,806	7.14	23,000,000(6)	3.11
Lau Choy Lay	23,000,000	3.11	–	–
Low Chin Han	10,000,000	1.35	–	–
Angela Low Seok Fun	7,000,000	0.95	–	–
Monica Low Seok Ling	7,000,000	0.95	–	–
Low Seok Peng	1,882,000	0.25	–	–
Low Poh Kuan and his Family				
Estate of Low Keng Hoo	52,889,946	7.16	–	–
Low Poh Kuan	1,998,000	0.27	–	–
Low Poh Hon	818,000	0.11	–	–
Paullyn Tay Chiu Gee	1,206,000	0.16	–	–
Low Poh Kok	1,669,000	0.23	300,000(7)	0.04
Low Yen Yen	402,000	0.05	–	–
Professional Adviser to the Offeror				
UOBKH	–	–	–	–
Directors of the Company				
Alvin Teo Poh Kheng	–	–	4,188,000(8)	0.57
Michael Leong Choon Fai	100,000	0.01	–	–

Notes:

(1) As a percentage of the total number of Shares in issue as at the Latest Practicable Date. For the purposes of the table above, all percentage figures are rounded to the nearest two (2) decimal places.

(2) Dato' Marco is deemed to be interested in (i) 395,194,345 Shares held by United Overseas Bank Nominees (Private) Limited for CRSB, in which he has 75% shareholding interest; (ii) 2,751,000 Shares held via Maybank Securities Pte. Ltd.; and (iii) 2,000,000 Shares held by Citibank Nominees Singapore Pte. Ltd. for Consistent Capital Pte. Ltd., in which 100% shareholding interest is held by Vistra Trust (Singapore) Pte. Limited, the trustee of a family trust established for the benefit of Dato' Marco and his immediate family.

(3) Seah Soh Seng, Dato' Marco's mother, is deemed to be interested in 395,194,345 Shares held by United Overseas Bank Nominees (Private) Limited for CRSB as trustee for her grandsons.

(4) CRSB is deemed to be interested in 395,194,345 Shares held via United Overseas Bank Nominees (Private) Limited.

(5) Consistent Capital Pte. Ltd. is deemed to be interested in 2,000,000 Shares held via Citibank Nominees Singapore Pte. Ltd..

(6) Low Keng Boon @ Lau Boon Sen is deemed to be interested in the 23,000,000 Shares held by his spouse.

(7) Low Poh Kok is deemed to be interested in 300,000 Shares held via Maybank Securities Pte. Ltd..

(8) Alvin Teo Poh Kheng is deemed to be interested in 4,188,000 Shares held via DBS Nominees Pte. Ltd..

1.2 Dealings in Company Securities

Based on the latest information available to the Offeror as at the Latest Practicable Date and responses received pursuant to enquiries that the Offeror has made, none of the Relevant Persons has dealt for value in the Company Securities during the period commencing three (3) months prior to the Offer Announcement Date and ending on the Latest Practicable Date.

1.3 Undertaking to Accept or Reject the Offer

As at the Latest Practicable Date, no person has given any undertaking to the Relevant Persons to accept or reject the Offer.

1.4 Security Interest Over or Borrowing/Lending of Company Securities

Based on the latest information available to the Offeror as at the Latest Practicable Date and responses received pursuant to enquiries that the Offeror has made, save as disclosed below, none of the Relevant Persons have entered into agreements to grant security interests to another person in connection with Company Securities:

1.4.1 *CRSB has granted a pledge in favour of UOBKH over 395,194,345 Shares, representing approximately 53.49% of the issued and paid-up share capital of the Company.*

1.4.2 *Consistent Capital Pte. Ltd. has granted a pledge in favour of UBS AG over 2,000,000 Shares, representing approximately 0.27% of the issued and paid-up share capital of the Company.*

1.4.3 *Dato' Marco has granted a pledge in favour of UOBKH over 300,000 Shares, representing approximately 0.04% of the issued and paid-up share capital of the Company.*

1.4.4 *Dato' Marco has granted a pledge in favour of Maybank Securities Pte. Ltd. over 2,751,000 Shares, representing approximately 0.37% of the issued and paid-up share capital of the Company.*"

APPENDIX D – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2025

The audited consolidated financial statements of the Group for FY2025 which are set out below have been extracted from the Company's annual report for FY2025, and were not specifically prepared for inclusion in this Circular.

All capitalised terms used in the notes to the audited consolidated financial statements of the Group for FY2025 set out below shall have the same meanings given to them in the annual report of the Company for FY2025. A copy of the annual report of the Company for FY2025 is available for inspection during normal business hours at the registered address of the Company at 80 Marine Parade Road, #18-05/09, Parkway Parade, Singapore 449269 from the date of this Circular up to (and including) the Closing Date.

DIRECTORS' STATEMENT

For the financial year ended 31 January 2025

The Directors present their statement to the members, together with the audited financial statements of the Group, for the financial year ended 31 January 2025 and the statement of financial position of the Company as at 31 January 2025.

In the opinion of the Directors,

(a) the consolidated financial statements of the Group and the statement of financial position 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 January 2025 and the financial performance, changes in equity and cash flows of the Group for the financial year ended on that date in accordance with the provisions of the Singapore Companies Act 1967 and Singapore Financial Reporting Standards (International); and

(b) 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.

The Board of Directors has, on the date of this statement, authorised these financial statements for issue.

Names of Directors

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

Low Keng Boon
Dato' Marco Low Peng Kiat
Low Poh Kuan
Alvin Teo Poh Kheng
Cheo Chai Hong
Chris Chia Woon Liat
Michael Leong Choon Fai
Jason Eng (appointed on 27 March 2024)

Mr. Cheo Chai Hong, Mr. Chris Chia Woon Liat, Mr. Michael Leong Choon Fai and Mr. Jason Eng are independent and non-executive directors.

Arrangements to enable Directors to acquire shares and debentures

Neither at the end of nor at any time during the financial year, the Company was a party to any arrangement whose object was to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or of any other body corporate, other than as disclosed in this statement.

DIRECTORS' STATEMENT

For the financial year ended 31 January 2025

Directors' interest in shares or debentures

According to the Register of Directors' Shareholdings kept by the Company under Section 164 of the Singapore Companies Act 1967, none of the Directors who held office at the end of the financial year had any interest in the shares or debentures of the Company or its related corporations, except as follows:

	Holdings registered in the name of director		Holdings in which a director is deemed to have an interest	
	As at	**As at**	As at	**As at**
Name of director	1.2.2024	**31.1.2025**	1.2.2024	**31.1.2025**
	Number of ordinary shares			
The Company -				
Low Keng Huat (Singapore) Limited				
Low Keng Boon	52,773,806	**52,773,806**	23,000,000	**23,000,000**
Dato' Marco Low Peng Kiat	300,000	**300,000**	399,945,345	**399,945,345**
Low Poh Kuan	1,998,000	**1,998,000**	–	**–**
Alvin Teo Poh Kheng	–	**–**	4,188,000	**4,188,000**
Michael Leong Choon Fai	100,000	**100,000**	–	**–**
	Number of ordinary shares of RM1.00 each			
Ultimate holding company -				
Consistent Record Sdn. Bhd.				
Dato' Marco Low Peng Kiat	16	**16**	16	**16**

Dato' Marco Low Peng Kiat, by virtue of the provisions of Section 7 of the Singapore Companies Act 1967, is deemed to have an interest in the Company and all the related corporations of the Company.

There was no change in any of the above-mentioned interests in the Company between the end of the financial year and 21 February 2025.

Share option scheme

There were no options granted during the financial year to subscribe for unissued shares of the Company or of its subsidiaries.

There were no shares issued during the financial year to which this statement relates by virtue of the exercise of the options to take up unissued shares of the Company or any subsidiary.

There were no unissued shares of the Company or any subsidiary under option at the end of the financial year.

DIRECTORS' STATEMENT

For the financial year ended 31 January 2025

Audit Committee

The Audit Committee at the end of the financial year comprises the following members:

Cheo Chai Hong (Chairman)
Chris Chia Woon Liat
Jason Eng

The Audit Committee performs the functions set out in Section 201B(5) of the Singapore Companies Act 1967, the SGX Listing Manual and the Code of Corporate Governance. In performing these functions, the Audit Committee has met four times since the last Annual General Meeting and reviewed the following, where relevant, with the executive directors and external and internal auditors of the Company:

(i) overall scope of both the internal and external audits and the assistance given by the Company's officers to the auditors. It met with the Company's internal and external auditors to discuss the results of their respective examinations and their evaluation of the Company's system of internal accounting controls;

(ii) the audit plan of the Company's independent auditor and any recommendations on internal accounting controls arising from the statutory audit;

(iii) the quarterly financial information and the statement of financial position of the Company and the consolidated financial statements of the Group for the financial year ended 31 January 2025, as well as the auditor's report thereon;

(iv) effectiveness of the Company's internal controls, including financial, operational and compliance controls and information technology controls and risk management systems, via reviews carried out by the internal auditors;

(v) the auditors confirmed during the Audit Committee meeting that there was no significant disagreement with management and non-compliance with accounting standards and internal controls during the audit;

(vi) legal and regulatory matters that may have a material impact on the financial statements, related compliance policies and programmes and any reports received from regulators;

(vii) the cost effectiveness and the independence and objectivity of the external auditor;

(viii) the nature and extent of non-audit services provided by the external auditor;

(ix) recommended to the Board of Directors the external auditor and internal auditors to be nominated, approved the compensation of the external auditor and internal auditors, and reviewed the scope and results of the audits;

(x) reported actions and minutes of the Audit Committee to the Board of Directors, with such recommendations as the Audit Committee considered appropriate; and

(xi) interested person transactions (as defined in Chapter 9 of the Listing Manual of the Singapore Exchange).

DIRECTORS' STATEMENT

For the financial year ended 31 January 2025

Audit Committee (Cont'd)

The Audit Committee has full access to management and is given the resources required for it to discharge its functions. It has full authority and discretion to invite any director or executive officer to attend its meetings. The Audit Committee also recommends the appointment of the external auditor and reviews the level of audit and non-audit fees.

The Audit Committee is satisfied with the independence and objectivity of the external auditor and has recommended to the Board of Directors that the auditor, Foo Kon Tan LLP, be nominated for re-appointment as auditor at the forthcoming Annual General Meeting of the Company.

Full details regarding the Audit Committee are provided in the "Corporate Governance" section of the annual report.

In appointing the auditors for the Company, subsidiaries, associates and joint ventures, we have complied with Rules 712, 715 and 716 of the SGX Listing Manual.

Independent auditor

The independent auditor, Foo Kon Tan LLP, Public Accountants and Chartered Accountants, has expressed its willingness to accept re-appointment.

On behalf of the Directors

DATO' MARCO LOW PENG KIAT

LOW POH KUAN

Dated: 7 May 2025

INDEPENDENT AUDITOR'S REPORT

To the Members of Low Keng Huat (Singapore) Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Low Keng Huat (Singapore) Limited (the "Company") and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 January 2025, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the financial year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position of the Company are properly drawn up in accordance with the provisions of the Singapore Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)s") 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 January 2025 and the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the financial year ended on that date.

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 are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 of the current period. 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 matter	Risk	Our responses and work performed
Impairment of investment properties and property, plant and equipment [Notes 2(d), 2(e), 15 and 16]	As at 31 January 2025, the Group's investment properties and property, plant and equipment amounted to $288.4 million and $291.7 million, respectively, representing 26.4% and 26.7%, respectively of the Group's total assets. The Group's investment properties are mainly held by Paya Lebar Square Pte. Ltd., Balestier Tower Pte. Ltd., Quality Investments Pte. Ltd. and Perumal Development Pte. Ltd.	Our review of the impairment assessment included the following: ● we assessed the indicators of impairment for the Group's investment properties and property, plant and equipment and discussed with management to determine where impairment indicators existed; ● we read the terms of engagement of the management's expert to determine whether there were any matters that might have affected their objectivity or limited the scope of their work;

INDEPENDENT AUDITOR'S REPORT

To the Members of Low Keng Huat (Singapore) Limited

Key Audit Matters (Cont'd)

Key audit matter	Risk	Our responses and work performed
Impairment of investment properties and property, plant and equipment [Notes 2(d), 2(e), 15 and 16] (Cont'd)	The Group's property, plant and equipment are mainly held by the Company, Carnivore Brazilian Churrascaria Pte. Ltd., Amuret Pty. Ltd., Paya Lebar Square Pte. Ltd., Balestier Tower Pte. Ltd., Perumal Development Pte. Ltd. and Herman Investments Pte. Ltd. As at the end of the reporting period, due to indication that certain of these non-financial assets may be impaired, the Group estimated the recoverable amount of these assets. The Group engaged independent professional valuers (management's expert) to carry out valuations on the investment properties and property, plant and equipment based on the properties' highest-and-best use. These were performed on the basis of open market values to determine the fair value. The impairment testing performed on the Group's and the Company's investment properties and property, plant and equipment is considered to be a key audit matter due to the significant judgement required in the use of the assumptions and estimates to derive the recoverable amount of the cash-generating unit, which is based on the higher of the value-in-use and fair value less costs of disposal.	Our review of the impairment assessment included the following (Cont'd): ● we evaluated the management's expert competence, capability and objectivity for the required purposes; ● we, together with the auditor's expert, assessed the appropriateness of the valuation methodologies, assumptions and reasonableness of estimates used by the management's expert; ● we performed sensitivity analysis over the assumptions, estimates and its measurement against source data and appropriate external sources, where appropriate; ● we assessed the competency, capability and objectivity of the auditor's expert; and ● we also considered the adequacy of the Group's disclosures in relation to impairment of the investment properties and property, plant and equipment.

INDEPENDENT AUDITOR'S REPORT

To the Members of Low Keng Huat (Singapore) Limited

Key Audit Matters (Cont'd)

Key audit matter	Risk	Our responses and work performed
Revenue recognition of development properties [Notes 2(d)(ii) and 26]	Revenue recognition of the development properties requires management's use of estimates in identification of performance obligations, assessment of the number of performance obligations and whether they are satisfied over time or at a point in time, and determination of an appropriate method to measure progress of the property development project for revenue recognition. Revenue on development properties is recognised using the percentage of completion ("POC") method. Significant judgements are required to determine the total construction costs which include estimation for variation works and any other claims from contractors. Any changes to the estimated total construction costs will impact the stage of completion, and consequentially the revenue recognised. As disclosed in Note 26 to the financial statements, revenue from property development amounting to $415.8 million was recognised over time, with reference to the Group's progress towards completing the construction of the property development.	Our review of the revenue recognition of development properties included the following: ● we read the sales and purchase agreements for sale of development properties and engaged management to obtain an understanding of the performance obligations of the Group as the developer, and its contractual rights. We discussed with management to assess whether the criteria for recognising revenue over time or at a point in time are met, taking into consideration the contractual terms; ● we performed procedures to review the managements estimated total construction cost for all the development projects, and assessed the reasonableness of the assumptions and estimates applied by management which included key elements such as construction costs and variation works, taking also into consideration the need by management to account for any effects of significant or unusual events that occurred during the year which may impact the estimated total construction cost; ● in addition, we also used the value of the main contractor costs incurred to date as certified by third party architects or quantity surveyors, compared to the estimated total main contractor costs and performed arithmetic computations of the stage of completion and revenue to be recognised for the year; and ● we also considered the adequacy of the disclosure in the financial statements, regarding the inherent degree of subjectivity and key assumptions in the estimates.

INDEPENDENT AUDITOR'S REPORT

To the Members of Low Keng Huat (Singapore) Limited

Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report, 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 and SFRS(I)s, 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.

INDEPENDENT AUDITOR'S REPORT

To the Members of Low Keng Huat (Singapore) Limited

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

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.

- 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 purpose 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, actions taken to eliminate threats or safeguards applied.

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.

INDEPENDENT AUDITOR'S REPORT

To the Members of Low Keng Huat (Singapore) Limited

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 Ong Soo Ann.

Foo Kon Tan LLP
Public Accountants and
Chartered Accountants

Singapore, 7 May 2025

STATEMENTS OF FINANCIAL POSITION

As at 31 January 2025

The Group	Note	31 January 2025 $'000	31 January 2024 $'000
ASSETS			
Current Assets			
Cash and cash equivalents	3	**66,585**	71,212
Fixed deposits	4	**8,107**	12,441
Trade and other receivables	6	**35,742**	27,025
Contract assets	8(a)	**294,107**	112,958
Contract costs	8(b)	**345**	10,942
Inventories	9	**443**	324
Development properties	10	**3,656**	321,341
		408,985	556,243
Non-current Assets			
Trade and other receivables	6	**160**	710
Financial assets at FVPL	5	**24,103**	28,068
Financial assets at FVOCI	11	**3,795**	4,676
Joint ventures	12	**53,542**	9,359
Associated companies	13	**18,108**	30,318
Investment properties	15	**288,370**	289,954
Property, plant and equipment	16	**291,740**	294,457
Deferred tax assets	17	**2,225**	2,208
		682,043	659,750
Total assets		**1,091,028**	1,215,993
LIABILITIES			
Current Liabilities			
Trade and other payables	18	**24,299**	39,088
Amount owing to non-controlling shareholders of subsidiaries (non-trade)	19	**716**	361
Provision for directors' fee		**224**	215
Current tax payable		**4,131**	4,702
Borrowings	21	**120,273**	5,493
		149,643	49,859
Non-current Liabilities			
Provision	20	**27**	26
Borrowings	21	**327,851**	541,953
Deferred tax liabilities	17	**3,240**	3,441
		331,118	545,420
Total liabilities		**480,761**	595,279
NET ASSETS		**610,267**	620,714

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

STATEMENTS OF FINANCIAL POSITION

As at 31 January 2025

The Group	Note	**31 January 2025 $'000**	31 January 2024 $'000
EQUITY			
Capital and Reserves			
Share capital	22	**161,863**	161,863
Capital reserve	23(a)	**(30,214)**	(30,214)
Fair value reserve	24	**95**	976
Retained profits	23(b)	**475,783**	484,762
Currency translation reserve	25	**(6,264)**	(7,666)
		601,263	609,721
Non-controlling interests		**9,004**	10,993
Total equity		**610,267**	620,714

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

STATEMENTS OF FINANCIAL POSITION

As at 31 January 2025

The Company	Note	**31 January 2025 $'000**	31 January 2024 $'000
ASSETS			
Current Assets			
Cash and cash equivalents	3	**3,657**	39,289
Trade and other receivables	6	**4,783**	4,833
Amount owing by subsidiaries (non-trade)	7(a)	**3,682**	3,072
Contract assets	8(a)	**2,458**	5,586
		14,580	52,780
Non-current Assets			
Trade and other receivables	6	**2,876**	6,303
Joint ventures	12	**10,441**	9,078
Subsidiaries	14	**602,292**	598,973
Property, plant and equipment	16	**3,754**	4,055
		619,363	618,409
Total assets		**633,943**	671,189
LIABILITIES			
Current Liabilities			
Trade and other payables	18	**7,500**	24,234
Amount owing to subsidiaries (non-trade)	7(b)	**5,660**	11,140
Amount owing to non-controlling shareholders of subsidiaries (non-trade)	19	**370**	–
Provision for directors' fee		**224**	215
Borrowings	21	**1,080**	1,271
		14,834	36,860
Non-current Liability			
Borrowings	21	**3**	1,083
Total liabilities		**14,837**	37,943
NET ASSETS		**619,106**	633,246
EQUITY			
Capital and Reserves			
Share capital	22	**161,863**	161,863
Retained profits	23(b)	**457,243**	471,383
Total equity		**619,106**	633,246

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the financial year ended 31 January 2025

The Group	Note	**Year ended 31 January 2025 $'000**	Year ended 31 January 2024 $'000
Revenue	26, 38	**482,705**	367,680
Cost of sales		**(420,472)**	(307,628)
Gross profit		**62,233**	60,052
Other income			
- Finance income	27(a), 38	**1,572**	1,710
- Miscellaneous income	27(b)	**2,790**	3,990
Expenses			
- Distribution costs		**(23,178)**	(16,912)
- Administrative costs	28	**(13,898)**	(14,326)
- Other operating expenses	29	**(2,074)**	(2,144)
- Finance costs	30, 38	**(22,115)**	(27,511)
Share of results of joint ventures and associated companies	12, 13, 38	**830**	2,764
Profit before fair value changes, other losses (net) and taxation		**6,160**	7,623
Fair value loss on financial assets at FVPL	5, 38	**(2,751)**	(7,543)
Other losses, net	31, 38	**(1,950)**	(1,748)
Profit/(loss) before taxation	32, 38	**1,459**	(1,668)
Taxation	33, 38	**1,118**	638
Profit/(loss) after taxation		**2,577**	(1,030)
Other comprehensive income/(loss) after tax:			
Items that may be reclassified subsequently to profit or loss			
Exchange differences on translation of the financial statements of foreign entities (net of tax at Nil%)	25	**1,402**	(3,632)
Items that will not be reclassified subsequently to profit or loss			
Fair value loss on financial assets at FVOCI (net of tax at Nil%)	11, 24	**(881)**	(538)
Exchange differences on translation of the financial statements of foreign entities (net of tax at Nil%)		**(66)**	(157)
Other comprehensive income/(loss) for the year, net of tax		**455**	(4,327)
Total comprehensive income/(loss) for the year		**3,032**	(5,357)
Profit/(loss) attributable to:			
Owners of the parent	38	**2,103**	(1,135)
Non-controlling interests	38	**474**	105
		2,577	(1,030)
Total comprehensive income/(loss) attributable to:			
Owners of the parent		**2,624**	(5,305)
Non-controlling interests		**408**	(52)
		3,032	(5,357)
Earnings/(loss) per share (cents)			
- Basic	34	**0.28**	(0.15)
- Diluted	34	**0.28**	(0.15)

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the financial year ended 31 January 2025

	← Attributable to equity holders of the Company →							
The Group	Share capital $'000	Capital reserve $'000	Fair value reserve $'000	Retained profits $'000	Currency translation reserve $'000	Total attributable to owners of the parent $'000	Non-controlling interests $'000	Total $'000
Balance at 1 February 2023	161,863	(30,214)	1,514	493,285	(4,034)	622,414	10,942	633,356
(Loss)/profit for the year	–	–	–	(1,135)	–	(1,135)	105	(1,030)
Other comprehensive loss for the year	–	–	(538)	–	(3,632)	(4,170)	(157)	(4,327)
Total comprehensive loss for the year	–	–	(538)	(1,135)	(3,632)	(5,305)	(52)	(5,357)
Dividends paid to owners of the parent [Notes 23(b) and 36]	–	–	–	(7,388)	–	(7,388)	–	(7,388)
Cancellation of dividends by a subsidiary	–	–	–	–	–	–	850	850
Dividends paid by a non-wholly owned subsidiary of the company	–	–	–	–	–	–	(747)	(747)
Total transaction with owners, recognised directly in equity	–	–	–	(7,388)	–	(7,388)	103	(7,285)
Balance at 31 January 2024	161,863	(30,214)	976	484,762	(7,666)	609,721	10,993	620,714
Balance at 1 February 2024	**161,863**	**(30,214)**	**976**	**484,762**	**(7,666)**	**609,721**	**10,993**	**620,714**
Profit for the year	**–**	**–**	**–**	**2,103**	**–**	**2,103**	**474**	**2,577**
Other comprehensive income/(loss) for the year	**–**	**–**	**(881)**	**–**	**1,402**	**521**	**(66)**	**455**
Total comprehensive income/(loss) for the year	**–**	**–**	**(881)**	**2,103**	**1,402**	**2,624**	**408**	**3,032**
Dividends paid to owners of the parent [Notes 23(b) and 36]	**–**	**–**	**–**	**(11,082)**	**–**	**(11,082)**	**–**	**(11,082)**
Dividend paid by a non-wholly owned subsidiary of the company	**–**	**–**	**–**	**–**	**–**	**–**	**(109)**	**(109)**
Liquidation of a subsidiary with non-controlling interests	**–**	**–**	**–**	**–**	**–**	**–**	**(2,288)**	**(2,288)**
Total transaction with owners, recognised directly in equity	**–**	**–**	**–**	**(11,082)**	**–**	**(11,082)**	**(2,397)**	**(13,479)**
Balance at 31 January 2025	**161,863**	**(30,214)**	**95**	**475,783**	**(6,264)**	**601,263**	**9,004**	**610,267**

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 January 2025

The Group	Note	**Year ended 31 January 2025 $'000**	Year ended 31 January 2024 $'000
Cash Flows from Operating Activities			
Profit/(loss) before taxation		**1,459**	(1,668)
Adjustments for:			
Share of results of joint ventures and associated companies		**(830)**	(2,764)
Depreciation of:			
- Investment properties	15, 32	**3,454**	3,671
- Property, plant and equipment	16, 32	**8,099**	7,815
Gain on disposal of property, plant and equipment	31	**(19)**	(27)
Government grant income		**–**	(66)
Impairment loss on:			
- Property, plant and equipment	16, 31, 32	**1,123**	–
- Trade receivables	6, 29	**–**	22
- Investments in joint ventures and associated companies	31	**–**	360
Write-back of impairment loss on:			
- Investment properties	15, 31, 32	**(1,902)**	–
- Trade receivables	6, 27(b)	**(9)**	–
Amortisation of contract costs	8(b), 32	**21,810**	14,554
Fair value loss on financial assets at FVPL	5, 32	**2,751**	7,543
Other receivables (non-trade) written off	31	**1,186**	–
Property, plant and equipment written off	31, 32	**3**	2
Investment properties written off	31	**89**	–
Dividend income from quoted equity investments	27(b)	**(149)**	(134)
Unrealised foreign exchange loss from financial assets at FVPL	5	**1,180**	1,557
Finance costs	30	**22,115**	27,511
Finance income	27(a)	**(1,572)**	(1,710)
Operating profit before working capital changes		**58,788**	56,666
(Increase)/decrease in inventories		**(119)**	15
Decrease in development properties		**317,685**	222,499
Increase in contract assets and contract costs		**(192,362)**	(128,426)
(Increase)/decrease in operating receivables		**(9,645)**	5,772
Decrease in operating payables		**(14,319)**	(1,899)
Cash generated from operations		**160,028**	154,627
Income tax refunded/(paid)		**317**	(867)
Net cash generated from operating activities		**160,345**	153,760
Balance carried forward		**160,345**	153,760

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 January 2025

The Group	Note	**Year ended 31 January 2025 $'000**	Year ended 31 January 2024 $'000
Balance brought forward		**160,345**	153,760
Cash Flows from Investing Activities			
Additions to property, plant and equipment	Note A	**(7,485)**	(4,844)
Additions to investment properties		**(57)**	–
Interest received		**1,678**	1,558
Distributions from investments in financial assets at FVPL		**34**	–
Dividend received from quoted equity investments		**149**	134
Dividend received from an associated company	13	**2,920**	–
Dividend received from a joint venture	12	**180**	–
Advances and loans made to joint ventures and associated companies		**(45,256)**	(2,175)
Investment in a joint venture		**(900)**	–
Investment in financial assets at FVPL	5	**–**	(848)
Loan repayment from an associated company		**13,860**	–
Proceeds from disposal of property, plant and equipment		**28**	36
Net cash used in investing activities		**(34,849)**	(6,139)
Cash Flows from Financing Activities			
Dividends paid to shareholders of the Company	36	**(11,082)**	(7,388)
Final distribution paid to non-controlling interests, upon liquidation of subsidiary		**(1,866)**	–
Dividends paid to non-controlling shareholders of subsidiaries		**(109)**	(747)
Government grant received		**–**	66
Bank borrowings:			
- Proceeds		**32,282**	119,434
- Principal paid		**(131,112)**	(197,105)
- Interest paid		**(22,033)**	(27,717)
Lease liabilities:			
- Principal paid		**(425)**	(404)
- Interest paid		**(102)**	(59)
Decrease/(increase) in fixed deposits pledged		**4,334**	(4,948)
Net cash used in financing activities		**(130,113)**	(118,868)
Net (decrease)/increase in cash and cash equivalents		**(4,617)**	28,753
Cash and cash equivalents at beginning of year		**71,212**	42,894
Exchange differences on translations of cash and cash equivalents at beginning of year		**(10)**	(435)
Cash and cash equivalents at end of year	3	**66,585**	71,212

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 January 2025

A. Acquisition of property, plant and equipment

During the financial year ended 31 January 2025, the Group acquired property, plant and equipment at an aggregate cost of $7,494,000 (2024 - $6,122,000). All additions were paid to suppliers of property, plant and equipment for the financial year ended, except for leased assets. Cash payment of $7,485,000 (2024 - $4,844,000) were made to purchase property, plant and equipment. The Group wrote off and disposed of assets amounting to $12,000 (2024 - $11,000).

Reconciliation of liabilities arising from financing activities

The following is the disclosure of reconciliation of items for which cash flows have been, or would be, classified as financing activities, excluding equity items:

			Cash flows					Non-cash changes					
		1 February 2024	Proceeds	Principal paid	Interest paid	Pledged fixed deposits discharged	Dividend paid	New leases	Interest expense	Foreign exchange movement	Accrued interest	Others	31 January 2025
	Note	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Amount owing to non-controlling shareholders of subsidiaries:													
- Advances	19	361	–	–	–	–	–	–	–	(15)	–	370	716
Bank borrowings	21	545,298	32,282	(131,112)	(22,033)	–	–	–	22,013	(250)	15	–	446,213
Lease liabilities (Note A)	37(a)	2,148	–	(425)	(102)	–	–	9	102	(50)	–	229	1,911
Fixed deposits pledged	4	(12,441)	–	–	–	4,334	–	–	–	–	–	–	(8,107)

A. Lease modification

There is modification in the scope or the consideration of the lease that was not part of the original term. In this case, the lease liability is re-measured by discounting the revised lease payments using a revised discount rate at the effective date for the lease modification.

The remainder of this page has been intentionally left blank.

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 January 2025

Reconciliation of liabilities arising from financing activities (Cont'd)

			Cash flows					Non-cash changes					
		1 February 2023	Proceeds	Principal paid	Interest paid	Increase in fixed deposit pledged	Dividend paid	New leases	Interest expense	Foreign exchange movement	Accrued interest	Others	31 January 2024
	Note	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Amount owing to non-controlling shareholders of subsidiaries:													
- Advances	19	379	–	–	–	–	–	–	–	(18)	–	–	361
- Dividend payable (Note B)	19	877	–	–	–	–	(747)	–	–	(27)	–	(103)	–
Bank borrowings	21	622,969	119,434	(197,105)	(27,717)	–	–	–	27,452	–	265	–	545,298
Lease liabilities	37(a)	1,350	–	(404)	(59)	–	–	1,251	59	(49)	–	–	2,148
Fixed deposits pledged	4	(7,493)	–	–	–	(4,948)	–	–	–	–	–	–	(12,441)

B. Dividends paid to non-controlling interests

Dividends for non-controlling interests of $103,000 in FY2024 pertained to the net impact arising from:

i) a cancellation of FY2022 dividend of $850,000 declared by an overseas subsidiary; and

ii) lower dividends of $747,000 declared by the same subsidiary for FY2023, paid in FY2024.

The remainder of this page has been intentionally left blank.

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2025

1 General information

Low Keng Huat (Singapore) Limited (the "Company") is listed on the Singapore Exchange and incorporated and domiciled in Singapore. The address of its registered office is 80 Marine Parade Road #18-05/09, Parkway Parade, Singapore 449269.

The principal activities of the Group are construction, property development, ownership and operation of serviced apartments, a hotel and a restaurant, as well as investment holding. The principal activities of the subsidiaries are disclosed in Note 14 to the financial statements.

The Company's immediate and ultimate holding company is Consistent Record Sdn. Bhd., a company incorporated in Malaysia.

The consolidated financial statements of the Group and statement of financial position of the Company for the financial year ended 31 January 2025 were authorised for issue by the Board of Directors on the date of the directors' statement.

2(a) Basis of preparation

These financial statements have been prepared in accordance with the Singapore Financial Reporting Standards (International) ("SFRS(I)") under the historical cost convention, except as disclosed in the accounting policies below.

These financial statements are presented in Singapore Dollar which is the Company's functional currency. All financial information has been presented in Singapore Dollar and rounded to the nearest thousand ($'000), unless otherwise stated.

The preparation of financial statements in conformity with SFRS(I) requires management to exercise its judgement in the process of applying the Group's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 2(d).

The accounting policies used by the Group have been applied consistently to all periods presented in these financial statements.

The remainder of this page has been intentionally left blank.

2(b) Adoption of new and revised SFRS(I) effective for the current financial year

On 1 February 2024, the Group and the Company have adopted all the new and revised SFRS(I), SFRS(I) interpretations ("SFRS(I) INT") and amendments to SFRS(I), effective for the current financial year that are relevant to them. The adoption of these new and revised SFRS(I) pronouncements did not result in significant changes to the Group's and the Company's accounting policies and has no material effect on the amounts or the disclosures reported for the current or prior reporting periods.

Reference	Description	Effective date (Annual periods beginning on or after)
Amendments to SFRS(I) 1-1	*Classification of Liabilities as Current or Non-current*	1 January 2024
Amendments to SFRS(I) 1-1	*Non-current Liabilities with Covenants*	1 January 2024
Amendment to SFRS(I) 16	*Lease Liability in a Sale and Leaseback*	1 January 2024
Amendment to SFRS(I) 1-7 and SFRS(I) 7	*Supplier Finance Arrangements*	1 January 2024

2(c) New and revised SFRS(I) issued but not yet effective

At the date of authorisation of these financial statements, the Group and the Company have not adopted the new and revised SFRS(I), SFRS(I) INT and amendments to SFRS(I) that have been issued but are not yet effective to them. Management anticipates that the adoption of these new and revised SFRS(I) pronouncements in future periods will not have a material impact on the Group's and the Company's accounting policies in the period of their initial application.

Reference	Description	Effective date (Annual periods beginning on or after)
Amendments to SFRS(I) 1-21	*Lack of Exchangeability*	1 January 2025
Amendments to SFRS(I) 9 and SFRS(I) 7	*Classification and Measurement of Financial Instruments*	1 January 2026
Amendments to SFRS(I) 9 and SFRS(I) 7	*Contracts Referencing Nature-dependent Electricity*	1 January 2026
Various	*Annual Improvements to SFRS(I) - Volume 11*	1 January 2026
SFRS(I) 18	*Presentation and Disclosure in Financial Statements*	1 January 2027
SFRS(I) 19	*Subsidiaries without Public Accountability: Disclosures*	1 January 2027
Amendments to SFRS(I) 10 and SFRS(I) 1-28	*Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*	Yet to be determined

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2025

2(d) Critical accounting judgements and key sources of estimation uncertainty

The preparation of the financial statements in conformity with SFRS(I) requires the use of judgements, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the financial year ("FY"). Although these estimates are based on management's best knowledge of current events and actions, actual results may differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the reporting period in which the estimate is revised and in any future reporting periods affected. The areas involving significant judgement and critical accounting estimates and assumptions used are described below.

(i) Significant judgements used in applying accounting policies

The following are the critical judgements, apart from those involving estimations (which are presented separately below), that have been made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in financial statements.

Classification of properties (Notes 10, 15 and 16)

The Group determines whether a property is classified as development property, investment property, or owner-occupied property as follows:

- Development properties comprise completed properties for sale, properties for development and properties in the course of development in the ordinary course of business. Principally, these are residential, offices and retail properties that the Group develops and intends to sell before or on completion of construction.

- Investment properties comprise offices and retail units which are not occupied substantially for use by, or in the operations of, the Group, nor for sale in the ordinary course of business, but are held primarily to earn rental income and capital appreciation.

- Owner-occupied properties comprise properties that are used by the Group in the production or supply of goods and services or for administrative services.

Joint ventures (Note 12)

The Group holds 25% to 49% ownership interest of its joint ventures recognised in the consolidated accounts using the equity method in accordance with the percentage owned. Management has assessed that the holdings are joint arrangements as there are contractual arrangement with the parties resulting in the Group having 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. As the joint arrangements provide the Group with rights to the net assets of the arrangements, the arrangements are joint ventures to the Group. Further details are disclosed in Note 12 to the financial statements.

2(d) Critical accounting judgements and key sources of estimation uncertainty (Cont'd)

(i) Significant judgements used in applying accounting policies (Cont'd)

Income tax (Notes 17 and 33)

The Group has exposures to income taxes in several jurisdictions. Significant judgement is involved in determining the group-wide provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due.

Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Determination of the lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). The lease term is re-assessed if an option is actually exercised (or not exercised) or the Group becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects the assessment, and that is within the control of the lessee. For leases of leasehold properties and plant and equipment, the following factors are normally the most relevant:

- If there are significant penalties to terminate (or not extend), the Group is typically reasonably certain to extend (or not terminate).

- If any leasehold improvements are expected to have a significant remaining value, the Group is typically reasonably certain to extend (or not terminate).

- Otherwise, the Group considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset.

Allowance for expected credit losses of trade and other receivables and contract assets [Notes 6 and 8(a)]

Allowance for expected credit losses ("ECL") of trade and other receivables and contract assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the ECL calculation, based on the Group's past collection history, existing market conditions as well as forward looking estimates at each reporting date. Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2025

2(d) Critical accounting judgements and key sources of estimation uncertainty (Cont'd)

(i) Significant judgements used in applying accounting policies (Cont'd)

Allowance for expected credit losses of trade and other receivables and contract assets [Notes 6 and 8(a)] (Cont'd)

The Group uses a provision matrix to calculate ECL for trade receivables and contract assets. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns. The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust historical credit loss experience with forward-looking information. The assessment of the correlation between historical observed default rates, forecast economic conditions and ECL is a significant estimate. The amount of ECL is sensitive to changes in circumstances and forecast economic conditions.

The Group and the Company apply the 3-stage general approach to determine ECL for non-trade amounts due from external parties and related parties. ECL is measured as an allowance equal to 12-month ECL for stage-1 assets, or lifetime ECL for stage-2 or stage-3 assets. An asset moves from stage-1 to stage-2 when its credit risk increases significantly and subsequently to stage-3 as it becomes credit-impaired. In assessing whether credit risk has significantly increased, the Group and the Company consider qualitative and quantitative reasonable and supportable forward looking information. Lifetime ECL represents ECL that will result from all possible default events over the expected life of a financial instrument whereas 12-month ECL represents the portion of lifetime ECL expected to result from default events possible within twelve months after the reporting date.

The carrying amount of the Group's and the Company's trade and other receivables and contract assets at the end of the reporting period are disclosed in Notes 6 and 8(a) to the consolidated financial statements. A decrease of 10% in the estimated future cash inflows will not lead to further allowance for impairment on the Group's and the Company's trade and other receivables and contract assets.

(ii) Key sources of estimation uncertainty

Impairment of non-financial assets [Notes 8(b), 12, 13, 14, 15 and 16]

An impairment exists when the carrying value of an asset or cash-generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal ("FVLCD") and its value-in-use ("VIU"). The FVLCD calculation is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing the asset. The VIU calculation is based on a discounted cash flow ("DCF") model. The cash flows are derived from the budget for the next three or five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the cash-generating unit being tested. The key assumptions in deriving the recoverable amount include discount rate used for the DCF model, as well as the expected future cash inflows and the growth rate used for extrapolation purposes.

2(d) Critical accounting judgements and key sources of estimation uncertainty (Cont'd)

(ii) Key sources of estimation uncertainty (Cont'd)

Impairment of non-financial assets [Notes 8(b), 12, 13, 14, 15 and 16] (Cont'd)

The FVLCD estimation is affected by the uncertainty caused by more volatile asset prices and currency exchange rates in countries in which the Group operates in. The VIU estimation is based on forecasted cash flows of the underlying business.

The carrying amounts of the Group's and the Company's non-financial assets are disclosed in Notes 8(b), 12, 13, 14, 15 and 16 to the consolidated financial statements. In 2025 and 2024, a decrease of 5% in each of the Group's and the Company's non-financial assets' recoverable amounts will not increase any impairment losses that had been provided on the Group's and Company's non-financial assets.

Net realisable value of development properties (Note 10)

Development properties in the course of development and completed properties are stated at lower of cost and estimated net realisable value. When it is probable that the total development costs will exceed the total projected revenue, the amount in excess of net realisable value is recognised as an expense immediately. The process of evaluating the net realisable value of each property is subject to management judgement and the effect of assumptions in respect of development plans, timing of sale and the prevailing market conditions. Management performs cost studies for each development property, taking into account the costs incurred to date, the development status and costs to complete. Any future variation in plans, assumptions and estimates can potentially impact the carrying amounts of the respective properties.

There is uncertainty inherent in estimating net realisable value of the development properties due to increased volatility in their selling prices because there is still significant uncertainty in the recovery trajectory of the economy in the near future.

The carrying amount of the Group's development properties, including any write down to net realisable value, is disclosed in Note 10. In 2025 and 2024, an increase of 5% in total projected development costs will not lead to any allowance for diminution in value required for the Group's development properties.

Valuation of financial assets at FVOCI (Note 11)

In the current environment, the volatility of stock prices in the Singapore market has also increased which affects the financial assets at FVOCI directly, as the fair value is determined based on market prices in case of shares traded on an active market.

The carrying amount of the Group's financial assets at FVOCI are disclosed in Note 11. If the fair value of the financial assets increase/decrease by 5%, the carrying amount of financial assets at FVOCI would increase/decrease by $190,000 (2024 - $234,000) at the Group level.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2025

2(d) Critical accounting judgements and key sources of estimation uncertainty (Cont'd)

(ii) Key sources of estimation uncertainty (Cont'd)

Valuation of financial assets at FVPL (Note 5)

The Group's investment in the limited partnership, HThree City Australian Commercial Fund 3 LP, is subject to the terms and conditions of the limited partnership agreement as disclosed in Note 5. The investment in the limited partnership is primarily valued based on its latest audited financial statements. The Group reviews the details of the reported information obtained from the partnership and considers:

- The valuation of the limited partnership's underlying investments;
- The value date of the net asset value ("NAV") provided; and
- Cash flows (calls/distributions) since the latest value date.

If the fair value of the underlying investments, commercial real estates increase/decrease by 5%, the carrying amount of financial assets at FVPL would increase/decrease by $1,205,000 (2024 - $1,403,000) at the Group level.

Estimation of the incremental borrowing rate ("IBR") (Note 37)

For the purpose of calculating the right-of-use asset and lease liability, an entity applies the interest rate implicit in the lease ("IRIIL") and, if the IRIIL is not readily determinable, the entity uses its IBR applicable to the lease asset. The IBR is the rate of interest that the entity would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. For most of the leases whereby the Group are the lessee, the IRIIL is not readily determinable. Therefore, the Group estimates the IBR relevant to each lease asset by using observable inputs (such as market interest rate and asset yield) when available, and then making certain lessee specific adjustments (such as a group entity's credit rating). The carrying amount of the Group's right-of-use assets and lease liabilities are disclosed in Notes 37(b) and 37(a), respectively. An increase/decrease of 50 basis points in the estimated IBR will not result in a material impact to the right-of-use assets and lease liabilities at the Group level.

Revenue recognition for development properties (Note 26)

The Group recognises contract revenue based on the stage of completion for the sale of development properties where the Group has enforceable rights to payment for performance completed to date. The stage of completion is measured by reference to certifications of the value of work performed to date as compared to the estimated total construction costs of the development projects. The Group is required to estimate the total construction costs which include estimation for variation works and any other claims from contractors. In making these estimates, the Group relies on past experience and the work of specialists. The amount of revenue recognised from development properties by the Group is therefore subject to uncertainty in respect of variation works and estimation of future costs.

The Group's revenue recognised from development properties for the year is disclosed in Note 26. If the estimated costs for variation works increase/decrease by 10%, there is no material impact to the Group's revenue for the year as the unexpected variation works remain minimum and immaterial.

2(d) Critical accounting judgements and key sources of estimation uncertainty (Cont'd)

(ii) Key sources of estimation uncertainty (Cont'd)

Depreciation of investment properties (Note 15)

Investment properties of the Group are depreciated on a straight-line basis over their estimated useful lives.

The carrying amount of the Group's investment properties as at 31 January 2025 is $288,370,000 (2024 - $289,954,000).

If the actual useful lives of investment properties differ by 10% from management's estimates, the carrying amount of the investment properties of the Group will be approximately $315,000 (2024 - $335,000) lower or $384,000 (2024 - $409,000) higher, respectively.

Depreciation of property, plant and equipment (Note 16)

Property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives. The carrying amounts of the Group's and the Company's property, plant and equipment as at 31 January 2025 are $291,740,000 (2024 - $294,457,000) and $3,754,000 (2024 - $4,055,000), respectively. Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

If the actual useful lives of property, plant and equipment differ by 10% from management's estimates, the carrying amounts of the property, plant and equipment of the Group will be approximately $736,000 (2024 - $597,000) lower or $900,000 (2024 - $730,000) higher.

If the actual useful lives of property, plant and equipment differ by 10% from management's estimates, the carrying amounts of the property, plant and equipment of the Company will be approximately $38,000 (2024 - $34,000) lower or $46,000 (2024 - $42,000) higher.

Deferred tax assets (Note 17)

The Group reviews the carrying amount of deferred tax assets at the end of each reporting period. Deferred tax assets are recognised to the extent that it is probable that future taxable income will be available against which the temporary differences can be utilised. This involves judgement regarding future financial performance of the particular legal entity or tax group in which the deferred tax asset has been recognised. Management has assessed that it is reasonable to recognise deferred tax assets based on probable future taxable income. The carrying amount of the Group's deferred tax assets is disclosed in Note 17.

In 2025 and 2024, a decrease of 10% in the probable future taxable income will not affect the amount of deferred tax assets recognised.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2025

2(e) Material accounting policy information

Consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the end of the reporting period. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared with the same reporting date as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances. Information on its subsidiaries is given in Note 14 to the financial statements.

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full.

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.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries and investees are attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries or investees to bring their accounting policies in line with the Group's accounting policies.

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, if any) and liabilities of the subsidiary at their carrying amounts as at that 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 profit or loss; and
- reclassifies the Group's share of components previously recognised in other comprehensive income to profit or loss or retained earnings, as appropriate.

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.

2(e) Material accounting policy information (Cont'd)

Consolidation (Cont'd)

Thus, the Group controls an investee if and only if the Group has all of the following:

- power over the investee;
- exposure, or rights or variable returns from its involvement with the investee; and
- the ability to use its power over the investee to affect its returns.

The Group re-assesses 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.

When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:

- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Group, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

When the Group loses control of a subsidiary, the gain or loss on disposal recognised in profit or loss is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), less liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as required/permitted by applicable SFRS(I)).

Transactions with non-controlling interests

Non-controlling interests represent the equity in subsidiaries not attributable, directly or indirectly, to owners of the Company, and are presented separately in the consolidated statement of comprehensive income and within equity in the consolidated statement of financial position, separately from equity attributable to owners of the Company.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2025

2(e) Material accounting policy information (Cont'd)

Net investment in a foreign operation

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely to occur in the foreseeable future, foreign exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation. These are recognised in other comprehensive income and are presented in the "currency translation reserve" in equity.

Investment properties

Investment properties include commercial buildings and those portions of office buildings that are held for long-term rental yields and/or for capital appreciation and land under operating leases that are held for long-term capital appreciation or for a currently indeterminate use, and where an insignificant portion is held for the Group's own occupation.

Investment properties are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses. Depreciation is computed using the straight-line method over its remaining lease period. Freehold land held as an investment property is not subject to depreciation. Freehold property is depreciated over 50 years.

Investment properties are subject to renovations or improvements at regular intervals. The costs of major renovations and improvements are capitalised as additions and the carrying amounts of the replaced components are written off to profit or loss. The cost of maintenance, repairs and minor improvement is charged to profit or loss when incurred.

Investment properties are de-recognised when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. On disposal or retirement of an investment property, the difference between any disposal proceeds and the carrying amount is recognised in profit or loss.

Transfers to or from investment properties are made when there is a change in use evidenced by:

- Commencement of owner's occupation, for a transfer from investment properties to property, plant and equipment;
- Commencement of development with a view to sell, for a transfer of investment properties to development properties;
- End of owner occupation, for a transfer from property, plant and equipment to investment properties; or
- Inception of an operating lease to another party, for a transfer from development properties to investment properties.

For transfer to investment properties from development properties for sale, the deemed cost for subsequent accounting is the fair value at the date of change in use. For a transfer from owner occupied property to investment property, the property is accounted for in accordance with the accounting policy for property, plant and equipment up to the date of change in use.

For transfer from development properties to investment properties, any difference between the fair value of the property at that date and its previous carrying amount shall be recognised in profit or loss.

2(e) Material accounting policy information (Cont'd)

Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost.

Subsequently to initial recognition, property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses. Depreciation on other items of property, plant and equipment is calculated using the straight-line method to allocate their depreciable amount over their estimated useful lives as follows:

Leasehold land	Over lease period of 94 years
Leasehold buildings	3 to 96 years
Freehold properties	50 years
Plant, machinery and surveying equipment	5 to 40 years
Motor vehicles	8 to 10 years
Furniture, fittings and equipment	3 to 10 years
Renovation	10 years

No depreciation is provided on assets under construction.

The cost of property, plant and equipment includes expenditure that is directly attributable to the acquisition of the items. Dismantlement, removal or restoration costs are included as part of the cost of property, plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the asset. Cost may also include transfers from equity of any gains/losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment, if any.

Subsequent expenditure relating to property, plant and equipment that have been recognised is added to the carrying amount of the asset when it is probable that future economic benefits in excess of the standard of performance of the asset before the expenditure was made will flow to the Group and the cost can be reliably measured. Other subsequent expenditure is recognised as an expense in the financial year in which it is incurred.

For acquisitions and disposals during the financial year, depreciation is provided from the month of acquisition and to the month before disposal, respectively. Fully depreciated property, plant and equipment are retained in the books of accounts until they are no longer in use.

Depreciation methods, useful lives and residual values are reviewed, and adjusted as appropriate, at each reporting date, as a change in estimates.

On disposal of property, plant and equipment, the difference between the disposal proceeds and its carrying amount is recognised in profit or loss within "other losses, net".

Investments in subsidiaries

In the Company's separate financial statements, investments in subsidiaries are stated at cost less accumulated impairment loss in the Company's statement of financial position. On disposal of such investments, the difference between the disposal proceeds and their carrying amounts is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2025

2(e) Material accounting policy information (Cont'd)

Investments in associates

An associate 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 over those policies.

In the Company's separate financial statements, investments in associates are stated at cost less accumulated impairment losses in the statement of financial position. On disposal of such investments, the difference between disposal proceeds and the carrying amounts of the investments is recognised in profit or loss.

The Group accounts for its investments in associates using the equity method from the date on which it becomes an associate.

On acquisition of the investment, any excess of the cost of the investment over the Group's share of the net fair value of the investee's identifiable assets and liabilities is accounted as goodwill and is included in the carrying amount of the investment. Any excess of the Group's share of the net fair value of the investee's identifiable assets and liabilities over the cost of the investment is included as income in the determination of the entity's share of the associate's profit or loss in the period in which the investment is acquired.

Under the equity method, the investments in associates are carried in the statement of financial position at cost plus post-acquisition changes in the Group's share of net assets of the associates. The profit or loss reflects the share of results of operations of the associates. Distributions received from associates reduce the carrying amount of the investment. Where there has been a change recognised in other comprehensive income by the associates, the Group recognises its share of such changes in other comprehensive income. Unrealised gains and losses resulting from transactions between the Group and the associates are eliminated to the extent of the interest in the associates.

When the Group's share of losses in an associate equals or exceeds its interest in the associate, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

After application of the equity method, the Group determines whether it is necessary to recognise an additional impairment loss on the Group's investments in associates. The Group determines at the end of each reporting period whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount in profit or loss.

The financial statements of the associates are prepared as of the same reporting date as the Group unless it is impracticable to do so. When the financial statements of an associate used in applying the equity method are prepared as of a different reporting date from that of the Group (not more than three months apart), adjustments are made for the effects of significant transactions or events that occur between that date and the reporting date of the Group.

Upon loss of significant influence over the associate, the Group measures the retained interest at fair value. Any difference between the fair value of the retained interest (including proceeds from disposal) and the carrying amount of the investment at the date the equity method was discontinued is recognised in profit or loss.

2(e) Material accounting policy information (Cont'd)

Investments in associates (Cont'd)

The Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate on the same basis as would have been required if that associate or joint venture had directly disposed of the related assets or liabilities.

When an investment in an associate becomes an investment in a joint venture, the Group continues to apply the equity method and does not re-measure the retained interest.

If the Group's ownership interest in an associate is reduced, but the Group continues to apply the equity method, the Group reclassifies to profit or loss 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 profit or loss on the disposal of the related assets or liabilities.

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 re-assesses whether the type of joint arrangement in which it is involved has changed when facts and circumstances change. The Group does not have any joint arrangement classified as joint operation.

Joint ventures

In the Company's separate financial statements, investments in joint ventures are stated at cost less accumulated impairment losses in the statement of financial position. On disposal of such investments, the difference between disposal proceeds and the carrying amounts of the investments is recognised in profit or loss.

The Group recognises its interest in a joint venture as an investment and accounts for the investment using the equity method from the date on which it becomes a joint venture. On acquisition of the investment, any excess of the cost of the investment over the Group's share of the net fair value of the investee's identifiable assets and liabilities represents goodwill and is included in the carrying amount of the investment. Any excess of the Group's share of the net fair value of the investee's identifiable assets and liabilities over the cost of the investment is included as income in the determination of the entity's share of the associate or joint venture's profit or loss in the period in which the investment is acquired.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2025

2(e) Material accounting policy information (Cont'd)

Joint arrangements (Cont'd)

Joint ventures (Cont'd)

Under the equity method, the investments in joint ventures are carried in the statements of financial position at cost plus post-acquisition changes in the Group's share of net assets of the joint ventures. The profit or loss reflects the share of results of the operations of the joint ventures. Where there has been a change recognised in other comprehensive income by the joint ventures, the Group recognises its share of such changes in other comprehensive income. Unrealised gains and losses resulting from transactions between the Group and the joint ventures are eliminated to the extent of the interest in the joint ventures.

When the Group's share of losses in a joint venture equals or exceeds its interest in the joint venture, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint venture.

After application of the equity method, the Group determines whether it is necessary to recognise an additional impairment loss on the Group's investments in joint ventures. The Group determines at the end of each reporting period whether there is any objective evidence that the investment in the joint venture is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the joint venture and its carrying value and recognises the amount in profit or loss.

The financial statements of the joint ventures are prepared as of the same reporting date as the Group unless it is impracticable to do so. When the financial statements of a joint venture used in applying the equity method are prepared as of a different reporting date from that of the Group (not more than three months apart), adjustments are made for the effects of significant transactions or events that occur between that date and the reporting date of the Group.

Upon loss of joint control over the joint venture, the Group measures the retained interest at fair value. Any difference between the fair value of the retained interest (including proceeds from disposal) and the carrying amount of the investments at the date the equity method was discontinued is recognised in profit or loss.

Leases

(i) The Group as lessee

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of twelve months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

2(e) Material accounting policy information (Cont'd)

Leases (Cont'd)

(i) The Group as lessee (Cont'd)

(a) Lease liability

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses the incremental borrowing rate specific to the lessee. The incremental borrowing rate is defined as the rate of interest that the lessee would have to pay to borrow over a similar term and with a similar security, for the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

Lease payments included in the measurement of the lease liability comprise:

- fixed lease payments (including in-substance fixed payments), less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantee;
- exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

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 trigger those lease payments.

For all contracts that contain both lease and non-lease components, the Group has elected to not separate lease and non-lease components and account these as one single lease component.

The lease liabilities are presented within "Borrowings" in the statements of financial position.

The lease liability is subsequently measured at amortised cost, by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2025

2(e) Material accounting policy information (Cont'd)

Leases (Cont'd)

(i) The Group as lessee (Cont'd)

(a) Lease liability (Cont'd)

The Group re-measures the lease liability (with a corresponding adjustment to the related right-of-use asset or to profit or loss if the carrying amount of the right-of-use asset has already been reduced to nil) whenever:

- the lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is re-measured by discounting the revised lease payments using a revised discount rate;
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is re-measured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used); or
- modification in the scope or the consideration of the lease that was not part of the original term, in which the lease liability is re-measured by discounting the revised lease payments using a revised discount rate at the effective date for the lease modification.

(b) Right-of-use asset

The right-of-use asset comprises the initial measurement of the corresponding lease liability, lease payments made at or before the commencement date, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and any accumulated impairment losses.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under SFRS(I) 1-37. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Depreciation on right-of-use assets is calculated using the straight-line method to allocate their depreciable amounts over the shorter period of lease term and useful life of the underlying asset.

If a lease transfer ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

2(e) Material accounting policy information (Cont'd)

Leases (Cont'd)

(i) The Group as lessee (Cont'd)

(b) Right-of-use asset (Cont'd)

Right-of-use assets (except for those which meets the definition of an investment property) are presented within "Property, plant and equipment".

Right-of-use assets which meet the definition of an investment property are presented within "Investment properties" and accounted for in accordance with Note 2(e).

The Group applies SFRS(I) 1-36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss.

(ii) The Group as lessor

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for a major part of the economic life of the asset.

At inception or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices. If an arrangement contains lease and non-lease components, then the Group applies SFRS(I) 15 to allocate the consideration in the contract.

The Group recognises lease payments received from investment property under operating leases as income on a straight-line basis over the lease term within "revenue" in profit or loss. Lease incentives if any, are recognised as an integral part of the net consideration agreed for the use of the leased asset. Penalty payments on early termination, if any, are recognised in profit or loss when incurred.

Financial assets

Classification and measurement

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 ("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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2025

2(e) Material accounting policy information (Cont'd)

Financial assets (Cont'd)

Classification and measurement (Cont'd)

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.

At initial recognition

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, 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 are expensed in profit or loss.

At subsequent measurement

Debt instruments

Debt instruments mainly comprise of cash and cash equivalents, bank deposits pledged and trade and other receivables.

The Group's business model for these financial assets is by collecting the contractual cash flow where those cash flows represent solely payments of principal and interest, 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 when the asset is de-recognised or impaired. Interest income from these financial assets is included in interest income using the effective interest rate method.

Equity investments

The Group subsequently measures all its equity investments at their fair values. Equity investments are classified as FVPL with movements in their fair values recognised in profit or loss in the period in which the changes arise and presented in "fair value loss on financial assets at FVPL", except for those equity securities which are not held for trading. The Group has elected to recognise changes in fair value of equity securities not held for trading in other comprehensive income as these are strategic investments and the Group considers this to be more relevant. Movements in fair values of investments classified as FVOCI are presented as "fair value loss on financial assets at FVOCI" in other comprehensive income. Dividends from equity investments are recognised in profit or loss as "dividend income".

Assessment of expected credit losses

The Group assesses on a forward-looking basis the expected credit losses associated with its debt financial assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 40.5 details how the Group determines whether there has been a significant increase in credit risk.

2(e) Material accounting policy information (Cont'd)

Financial assets (Cont'd)

Assessment of expected credit losses (Cont'd)

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.

For other receivables, and cash and cash equivalents and fixed deposits, the general 3-stage approach is applied. Credit loss allowance is based on 12-month expected credit loss if there is no significant increase in credit risk since initial recognition of the assets. If there is a significant increase in credit risk since initial recognition, lifetime expected credit loss will be calculated and recognised.

Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery (e.g., when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings), or in the case of trade receivables, when the amounts are over two years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

Recognition and de-recognition

Regular purchases and sales of financial assets are recognised on trade date – the date on which the Group commits to purchase or sell the asset. Financial assets are de-recognised 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.

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

Trade receivables

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e. only the passage of time is required before payment of the consideration is due).

Foreign exchange gains and losses

The carrying amount of financial assets that are denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. Specifically,

- for financial assets measured at amortised cost that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss in the 'Other losses, net' line item; and

- for financial assets measured at FVPL that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss in the 'Other losses, net' line item as part of the fair value gain or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2025

2(e) Material accounting policy information (Cont'd)

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Contract costs

The Group pays sales commission to its intermediaries for each contract that they obtain for sale of development properties. The Group capitalises such commission as incremental costs to obtain a contract with the customer if these costs are recoverable. The capitalised costs are amortised to profit or loss as the Group recognises the related revenue.

Contract liabilities

Contract liabilities relate primarily to the progress billing issued in excess of the Group's right to the consideration in respect of its property development business.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on a weighted average cost method, and includes all costs in bringing the inventories to their present location and condition.

Provision is made for obsolete, slow-moving and defective inventories in arriving at the net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs necessary to make the sale.

Development properties

Development properties are properties being constructed or developed for future sale. These include completed properties and those in the course of development. Costs capitalised include cost of land and other directly related development expenditure, including borrowing costs incurred in developing the properties.

Capitalisation of borrowing costs ceases at the earlier of Temporary Occupation Permit obtained or when the properties can be sold. The capitalisation rate is determined by reference to the actual rate payable on borrowings for development property, weighted as applicable.

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.

Upon completion of construction, development properties are transferred to completed development properties for sale.

2(e) Material accounting policy information (Cont'd)

Development properties (Cont'd)

Unsold development properties

Development properties that are unsold are carried at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less costs to complete development and selling expenses.

Sold development properties

Revenue and cost on development properties that have been sold are recognised using the percentage of completion method. The stage of completion is measured by reference to certifications of the value of work performed to date as compared to the estimated total construction costs of the development projects. When it is probable that the total development costs will exceed the total revenue, the expected loss is recognised as an expense immediately.

Development properties are stated at the lower of cost and net realisable value. Net realisable value represents, the estimated selling price in the ordinary course of business, less estimated total costs of completion and selling expenses.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, bank deposits with financial institutions, and fixed deposits with maturities of 3 months or less from the placement date, which are subject to an insignificant risk of changes in value. These balances are readily convertible to known amounts of cash and are held to meet short-term liquidity requirements, ensuring that the Group can fulfil its operational and financial obligations as they fall due.

Share capital

Ordinary shares are classified as equity.

Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised initially at fair value less directly attributable transaction costs. These financial liabilities comprise amount owing to subsidiaries, amount owing to non-controlling shareholders of subsidiaries, borrowings, lease liabilities and trade and other payables.

Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). Otherwise, they are presented as non-current liabilities.

Trade and other payables are initially measured at fair value, and subsequently measured at amortised cost, using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2025

2(e) Material accounting policy information (Cont'd)

Financial liabilities (Cont'd)

Initial recognition and measurement (Cont'd)

Financial guarantees

The Company has issued financial guarantees to banks for bank borrowings of its subsidiaries. These guarantees are financial guarantee contracts as they require the Company to reimburse the banks if the subsidiaries and joint ventures fail to make principal or interest payments when due in accordance with the terms of their borrowings.

Financial guarantee contracts are initially measured at fair value plus transaction costs and subsequently measured at the higher of:

(a) premium received on initial recognition less the cumulative amount of income recognised in accordance with the principles of SFRS(I) 15; and

(b) the amount of expected loss computed using the impairment methodology under SFRS(I) 9.

De-recognition of financial liabilities

The Group de-recognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability de-recognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments. These foreign exchange gains and losses are recognised in the 'Other losses, net' line item in profit or loss for financial liabilities that are not part of a designated hedging relationship.

Borrowings

Borrowings are presented as current liabilities unless the Group has an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case they are presented as non-current liabilities.

Borrowings are initially recognised at fair value (net of transaction costs) and subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

The covenants that the Group is required to comply with on or before the reporting date are taken into consideration when classifying the loan as current or non-current at the reporting date. The covenants that the Group is required to comply with after the reporting date do not affect the current or non-current classification of the loan at the reporting date.

2(e) Material accounting policy information (Cont'd)

Borrowings (Cont'd)

Borrowings are de-recognised when the obligation is discharged, cancelled or expired. The difference between the carrying amount and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Gains and losses are recognised in the profit or loss when the liabilities are de-recognised as well as through the amortisation process.

Borrowings which are due to be settled within 12 months after the end of the reporting period are included in current borrowings in the statements of financial position even though the original terms were for a period longer than twelve months and an agreement to refinance, or to reschedule payments, on a long-term basis is completed after the end of the reporting period. Other borrowings due to be settled more than twelve months after the end of the reporting period are included in non-current borrowings in the statements of financial position.

Borrowing costs

Borrowing costs are recognised in profit or loss in "finance costs" using the effective interest method except for those costs that are directly attributable to the construction or development of properties and assets under construction. This includes those costs on borrowings acquired specifically for the construction or development of properties and assets under construction, as well as those in relation to general borrowings used to finance the construction or development of properties and assets under construction.

The actual borrowing costs incurred during the period up to earlier of the readiness of sale of the development properties or issuance of the Temporary Occupation Permit, are capitalised in the cost of the property under development. Borrowing costs on general borrowings are capitalised by applying a capitalisation rate to construction or development expenditures that are financed by general borrowings.

Employee benefits

(i) Defined contribution plans

The Company and the Group participate in the defined contribution national pension schemes as provided by the laws of the countries in which they have operations. In particular, the Singapore incorporated companies in the Group contribute to the Central Provident Fund ("CPF"), a defined contribution plan regulated and managed by the Government of Singapore, which applies to the majority of the employees. The contributions to CPF or other defined contribution plans are charged to the profit or loss in the period to which the contributions relate.

(ii) Employee leave entitlements

Employee entitlements to annual leave are recognised when they accrue to employees. Accrual is made for the estimated liability of the unconsumed leave as a result of services rendered by employees up to the end of reporting period.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2025

2(e) Material accounting policy information (Cont'd)

Key management personnel

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the entity. Directors and certain managerial personnel are considered key management personnel.

Finance costs

Finance costs comprise interest expense on borrowings and lease liabilities. Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if the Group currently has a legally enforceable right to offset the recognised amounts and it intends to either settle them on a net basis or to realise the assets and settle the liabilities simultaneously.

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Present obligations arising from onerous contracts are recognised as provisions.

The Group recognises the estimated costs of dismantlement, removal or restoration of items of property, plant and equipment arising from the acquisition or use of assets. This provision is estimated based on the best estimate of the expenditure required to settle the obligation, taking into consideration of time value of money.

Changes in the estimated timing or amount of the expenditure or discount rate for asset dismantlement, removal and restoration costs are adjusted against the cost of the related property, plant and equipment, unless the decrease in the liability exceeds the carrying amount of the asset or the asset has reached the end of its useful life. In such cases, the excess of the decrease over the carrying amount of the asset or the changes in the liability is recognised in profit or loss immediately.

The Group reviews the provisions annually and where in their opinion, the provision is inadequate or excessive, due adjustment is made.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of the time is recognised as finance costs.

2(e) Material accounting policy information (Cont'd)

Government grants

Grants from the government are recognised as a receivable at their fair value when there is reasonable assurance that the grant will be received, and the Group will comply with all the attached conditions.

Government grants received are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis. Government grants relating to expenses are shown separately as other income.

Government grants relating to assets are deducted against the carrying amount of the assets.

Income taxes

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the consolidated statement of profit or loss and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or tax deductible. The Group's liability for current tax is calculated using tax rates (and tax laws) that have been enacted or substantively enacted in countries where the Company and subsidiaries operate by the end of the reporting period.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination, and affects neither accounting or taxable profit or loss and does not give rise to equal taxable and deductible temporary differences at the time of the transaction.

A deferred income tax liability is recognised on temporary differences arising on investments in subsidiaries, associates and joint ventures, except where the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

Deferred tax assets and liabilities are recognised on transactions that, on initial recognition, give rise to equal amounts of deductible and taxable temporary differences, arising from leases.

Deferred income tax is measured:

(i) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period; and

(ii) based on the tax consequence that will follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amounts of its assets and liabilities.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2025

2(e) Material accounting policy information (Cont'd)

Income taxes (Cont'd)

Current and deferred income taxes are recognised as income or expense in profit or loss, except to the extent that the tax arises from a business combination or a transaction which is recognised either in other comprehensive income or directly in equity. Deferred tax arising from a business combination is adjusted against goodwill on acquisition.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when the deferred income taxes relate to the same fiscal authority.

Impairment of non-financial assets

As at each reporting date, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified. If any such indication exists, the asset's recoverable amount is estimated.

Recoverable amount is the higher of fair value less costs to sell and value-in-use. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

2(e) Material accounting policy information (Cont'd)

Revenue recognition

Revenue is recognised when the Group satisfies a performance obligation by transferring a promised good or extending a service to the customer, which is when the customer obtains control of the good or derived benefits from the usage of the service. A performance obligation may be satisfied at a point in time or over time. If a performance obligation is satisfied over time, the revenue is recognised based on the percentage of completion reflecting the progress towards complete satisfaction of that performance obligation. The amount of revenue recognised is the amount allocated to the satisfied performance obligation. Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties.

Revenue from serviced apartments, hotel and restaurant operations

Revenue from serviced apartments, hotel and restaurant operations is recognised over the period in which the accommodation and related services are provided, except for revenue from the sale of food and beverages, which is recognised at a point in time when the food and beverages are delivered.

Revenue from property development - sale of development properties

Revenue from the sale of development properties is recognised when or as the control of the asset is transferred to the customer. Depending on the terms of the contract and the laws that apply to the contract, control of the asset may transfer at a point in time or over time.

For development properties where the Group does not have an enforceable right to payment for performance completed to date, revenue is recognised when the customer obtains control of the asset, such as when the property is accepted by the customer, or deemed as accepted according to the contract, or when title has passed to the customer.

For development properties where the Group is restricted contractually from directing the properties for another use as they are being developed and has an enforceable right to payment for performance completed to date, revenue is recognised over time, based on the Group's efforts or inputs to the satisfaction of the performance obligation, by reference to the stage of completion of the properties. 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 estimated total 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.

Progress billings to the customers are based on a payment schedule in the contract and are typically triggered upon achievement of specified construction milestones. Payment is typically due within two weeks. A contract asset is recognised when the Group has performed under the contract but has not yet billed the customer. Conversely, a contract liability is recognised when the Group has not yet performed under the contract but has received advance payments from the customer. Contract assets are transferred to receivables when the rights to consideration become unconditional. Contract liabilities are recognised as revenue as the Group performs under the contract.

The period between the transfer of the promised goods and payment by the customer may exceed one year. For such contracts, the Group adjusts the promised amount of consideration for the effect of a financing component, if significant.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2025

2(e) Material accounting policy information (Cont'd)

Revenue recognition (Cont'd)

Revenue from construction contracts

The Group constructs properties for customers as general building contractors through cost-plus contracts. Contract revenue is recognised when the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced.

For these contracts, revenue is recognised over time by reference to the Group's progress towards completion of the contract. The measure of progress is determined based on the value of work performed relative to the total contract value as determined by surveys of work performed ("output method"). 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.

In some circumstances such as in the early stages of a contract where the Group may not be able to reasonably measure its progress but expects to recover the contract costs incurred, contract revenue is recognised only to the extent of the contract costs incurred until such time when the Group can reasonably measure its progress.

Contract modifications that add distinct goods or services at their standalone selling prices are accounted for as separate contracts. Contract modifications that add distinct goods or services but not at their standalone selling prices are accounted for as a continuation of the existing contract. The Group combines the remaining consideration in the original contract with the consideration promised in the modification to create a new transaction price that is then allocated to all remaining performance obligations. Contract modifications that do not add distinct goods or services are accounted for as a continuation of the original contract and the change is recognised as a cumulative adjustment to revenue at the date of modification.

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in the profit or loss in the period in which the circumstances that give rise to the revision become known by management.

The period between the transfer of the promised services and customer payment may exceed one year. For such contracts, there is no significant financing component present as the payment terms is an industry practice to protect the customers from the performing entity's failure to adequately complete some or all of its obligations under the contract. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

The customer is invoiced on a milestone payment schedule. If the value of the goods transferred by the Group exceeds the payments, a contract asset is recognised. If the payments exceed the value of the goods transferred, a contract liability is recognised.

For costs incurred in fulfilling the contract which are within the scope of another SFRS(I) (eg. inventories), these have been accounted for in accordance with those other SFRS(I). If these are not within the scope of another SFRS(I), the Group will capitalise these as contract costs assets only if the costs relate directly to the contract, generate or enhance resources used in satisfying the contract and are expected to be recovered. Other contract costs are expensed as incurred.

2(e) Material accounting policy information (Cont'd)

Revenue recognition (Cont'd)

Revenue from construction contracts (Cont'd)

Capitalised contract costs are subsequently amortised on a systematic basis as the Group recognises the related revenue. An impairment loss is recognised in profit or loss to the extent that the carrying amount of the capitalised contract costs exceeds the remaining amount of consideration that the Group expects to receive in exchange for the goods or services to which the contract costs relate less the costs that relate directly to providing the goods and that have not been recognised as expenses.

Revenue from property investments - rental income

Rental income from operating leases (net of any incentives given to the lessees) is recognised on a straight-line basis over the lease term.

Interest income

Interest income is recognised on a time-apportioned basis using the effective interest rate method.

Dividend income

Dividend income is recognised when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be reliably measured.

Foreign currency transactions and translation

The individual financial statements of each group entity are measured and presented in the currency of the primary economic environment in which the entity operates (the functional currency). The consolidated financial statements of the Group and the statement of financial position of the Company are presented in Singapore Dollar, which is the functional currency of the Company and the presentation currency for the consolidated financial statements.

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency are recorded at the rate of exchange prevailing on the date of the transaction. As at each reporting date, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the end of the reporting period. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items and on retranslation of monetary items are included in profit or loss for the period. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised in other comprehensive income. For such non-monetary items, any exchange component of that gain or loss is also recognised in other comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2025

2(e) Material accounting policy information (Cont'd)

Foreign currency transactions and translation (Cont'd)

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations (including comparatives) are expressed in Singapore Dollar using exchange rates prevailing at the end of the reporting period. Income and expense items (including comparatives) are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in a separate component of equity under the header of currency translation reserve.

On the disposal of a foreign operation (i.e. disposal of the Group's entire interest in a foreign operation, or disposal involving loss of control over a subsidiary that includes a foreign operation, loss of significant influence over an associate that includes a foreign operation, or loss of joint control over a jointly controlled entity that includes a foreign operation), all of the accumulated exchange differences in respect of that operation attributable to the Group are reclassified to profit or loss. Any exchange differences that have previously been attributed to non-controlling interests are de-recognised, but they are not reclassified to profit or loss.

In the case of a partial disposal (i.e. no loss of control) of a subsidiary that includes a foreign operation, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (i.e. of associates or jointly controlled entities that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities (including monetary items that, in substance, form part of the net investment in foreign entities), and of borrowings and other currency instruments designated as hedges of such investments, are recognised in other comprehensive income and accumulated in a separate component of equity under the header of currency translation reserve.

Dividends

Final dividends proposed by the directors are not accounted for in shareholders' equity as an appropriation of retained profits, until they have been approved by the shareholders in a general meeting. When these dividends have been approved by the shareholders and declared, they are recognised as a liability.

Related parties

A related party is defined as follows:

(a) A person or a close member of that person's family is related to the Group and Company if that person:

  (i) has control or joint control over the Company;

  (ii) has significant influence over the Company; or

  (iii) is a member of the key management personnel of the Group or Company or of a parent of the Company.

2(e) Material accounting policy information (Cont'd)

Related parties (Cont'd)

(b) An entity is related to the Group and the Company if any of the following conditions applies:

(i) the entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);

(ii) one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);

(iii) both entities are joint ventures of the same third party;

(iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;

(v) the entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company;

(vi) the entity is controlled or jointly controlled by a person identified in (a);

(vii) a person identified in (a) (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); or

(viii) the entity, or any member of a group which is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

Current and non-current classification

The Group presents assets and liabilities in the statements of financial position based on current or non-current classification. An asset is current when it is:

- expected to be realised or intended to be sold or consumed in the normal operating cycle;
- held primarily for the purpose of trading;
- expected to be realised within twelve months after the reporting period; or
- cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- it is expected to be settled in the normal operating cycle;
- it is held primarily for the purpose of trading;
- it is due to be settled within twelve months after the reporting period; or
- there is no right to defer the settlement of the liability for at least twelve months after the reporting period.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2025

2(e) Material accounting policy information (Cont'd)

Current and non-current classification (Cont'd)

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification. The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its 'highest-and-best use' or by selling it to another market participant that would use the asset in its 'highest-and-best use'.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of SFRS(I) 16 *Leases*, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in SFRS(I) 1-2 *Inventories* or value-in-use in SFRS(I) 1-36 *Impairment of Assets.*

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 - Valuation techniques for which the lowest level inputs that are significant to the fair value measurement are directly or indirectly observable; and
- Level 3 - Valuation techniques for which the lowest level inputs that are significant to the fair value measurement are unobservable.

Operating segments

For management purposes, operating segments are organised based on their products and services which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge. The segment managers are directly accountable to the Executive Chairman and the Managing Director who regularly review the segment results in order to allocate resources to the segments and to assess segment performance.

2(e) Material accounting policy information (Cont'd)

Earnings per share

The Group presents basic and diluted earnings per share data for its ordinary shares. Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the financial year.

Diluted earnings per share is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, for the effect of all dilutive potential ordinary shares.

Financial instruments

Financial instruments carried on the statements of financial position include cash and cash equivalents, financial assets and financial liabilities. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item. These instruments are recognised when contracted for.

Disclosures on financial risk management objectives and policies are provided in Note 40.

3 Cash and cash equivalents

	The Group		The Company	
	2025	2024	**2025**	2024
	$'000	$'000	**$'000**	$'000
Cash on hand	**11**	18	**6**	6
Cash at banks	**28,654**	34,922	**2,730**	4,011
	28,665	34,940	**2,736**	4,017
Fixed deposits with maturity of three months or less from date of placement	**37,920**	36,272	**921**	35,272
	66,585	71,212	**3,657**	39,289

Cash and cash equivalents are denominated in the following currencies:

	The Group		The Company	
	2025	2024	**2025**	2024
	$'000	$'000	**$'000**	$'000
Singapore Dollar	**65,090**	64,881	**2,633**	38,796
Australian Dollar	**1,188**	729	**735**	214
Malaysian Ringgit	**64**	210	**46**	50
Chinese Renminbi	**–**	5,162	**–**	–
United States Dollar	**243**	230	**243**	229
	66,585	71,212	**3,657**	39,289

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2025

3 Cash and cash equivalents (Cont'd)

The Group

Chinese Renminbi is not freely convertible into foreign currencies. However, under People's Republic of China's ("PRC") Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange Chinese Renminbi for other currencies through banks that are authorised to conduct foreign exchange business. The remittance of these funds maintained with banks in the PRC by the Group out of the PRC is subject to currency exchange restrictions.

The fixed deposits carry an effective interest rate of 2.31% (2024 - 3.89%) per annum which mature on varying dates between the earliest, 3 February 2025 (2024 - 5 February 2024) and the latest, 11 March 2025 (2024 - 30 April 2024).

The Company

The fixed deposits carry an effective interest rate of 4.27% (2024 - 3.91%) per annum which mature on varying dates between the earliest, 3 February 2025 (2024 - 5 February 2024) and the latest, 11 March 2025 (2024 - 30 April 2024).

The Group and the Company

Fixed deposits that are not pledged and mature in 3 months or less from the date of placement are classified as part of cash and cash equivalents. Further information about the financial risk management is disclosed in Note 40.

4 Fixed deposits

The Group

Included in fixed deposits of $8,107,000 (2024 - $12,441,000) are (a) fixed deposits aggregating $8,107,000 (2024 - $8,389,000) placed by subsidiaries as security for bank borrowings amounting to a total of $334,560,000 (2024 - $326,360,000) (Note 21); and (b) a fixed deposit of $Nil (2024 - $4,052,000) pledged as cash collateral for a Qualifying Certificate Bond pertaining to a development project.

The fixed deposits carry interest at an effective interest rate of 2.12% (2024 - 3.16%) per annum and mature on 3 February 2025 (2024 - 29 February 2024), being the earliest date and 8 April 2025 (2024 - 3 January 2025), being the latest date. Fixed deposits are denominated in Singapore Dollar.

Further information about the financial risk management is disclosed in Note 40.

5 Financial assets at FVPL

The Group	Note	**2025 $'000**	2024 $'000
Investment in limited partnership			
Balance at beginning of year		**28,068**	36,320
Additions		**–**	848
Distributions		**(34)**	–
Fair value loss	32	**(2,751)**	(7,543)
Exchange difference		**(1,180)**	(1,557)
Balance at end of year		**24,103**	28,068

The investment is mandatorily measured at fair value through profit or loss.

Investment in limited partnership

During the financial year ended 31 January 2025, the Group, through its wholly-owned subsidiary Glocity Capital Pte. Ltd. ("Glocity"), made capital contributions of $Nil (2024 - $848,000) to HThree City Australian Commercial Fund 3 LP (the "Partnership"). In addition, the Group received distributions of $34,000 (2024 - $Nil) from the Partnership.

The objective of the Partnership is to invest in commercial real estate assets located in Australia. The Group's joint venture entity, HThree City Australia Pte. Ltd. ("HThree City"), is the investment manager to the Partnership (the "Investment Manager"). HThree City ACF3 GP Pte. Ltd., a wholly-owned subsidiary of HThree City, is the general partner of the Partnership (the "General Partner"). Details on these entities can be found in Note 12 to the financial statements. Financial assets at FVPL are denominated in Australian Dollar.

The Investment Manager manages the partnership. The partnership primarily serves as a feeder vehicle for the purpose of pooling the interests of the investors. The General Partner, on behalf of the Partnership, will be the sole shareholder of HThree City ACF3 MSPV Pte. Ltd. (the "Master Fund") and shall procure that the business and affairs of the Master Fund shall be conducted and managed in a manner consistent with the limited partnership agreement. The Master Fund will make, manage and dispose of investments in accordance with investment guidelines.

As at 31 January 2025, Glocity has undrawn capital commitment of $4,153,000 (2024 - $4,334,000) to the Partnership (Note 43.1), which will be paid as capital contributions to the Partnership as and when the Partnership issues capital calls to its limited partners.

The fair value measurement was categorised as Level 3 fair value based on the inputs in the valuation technique used. Further information about the fair value measurement is disclosed in Note 41.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2025

6 Trade and other receivables

The Group	Note	2025 $'000	2024 $'000
Current			
Trade receivables			
Trade receivables			
- Third parties		**26,069**	19,019
- Associate		**1**	815
		26,070	19,834
Accrued rental income		**170**	252
Accrued billings		**91**	82
Retention money - associate		**550**	–
		26,881	20,168
Loss allowance of trade receivables			
Balance at beginning of year		**(199)**	(177)
Allowance during the year	29	**–**	(22)
Allowance written back	27(b)	**9**	–
Allowance written off		**120**	–
Balance at end of year		**(70)**	(199)
Net trade receivables	(i)	**26,811**	19,969
Other receivables			
Amount owing by joint ventures		**2,927**	1,923
Deposits		**350**	440
Interest receivable - banks		**62**	167
GST receivable		**491**	–
Prepayments		**1,750**	3,191
Recoverable expenses		**72**	1,244
Sundry debtors		**158**	91
Others	14	**3,121**	–
		8,931	7,056
Loss allowance of other receivables			
Balance at beginning of year		**–**	(44)
Allowance written off		**–**	44
Balance at end of year		**–**	–
Net other receivables	(ii)	**8,931**	7,056
Total	(i) + (ii)	**35,742**	27,025
Non-current			
Trade receivables			
Accrued rental income		**160**	160
Retention money - associate		**–**	550
	(iii)	**160**	710
Grand total	(i) + (ii) + (iii)	**35,902**	27,735

Others relate to the outstanding balance to be received from the liquidation of Shanghai Nova Realty Co., Ltd. ("Shanghai Nova"). The liquidation was completed on 21 October 2024. Subsequent to the end of reporting period, the balance is received.

6 Trade and other receivables (Cont'd)

The Company	Note	**2025 $'000**	2024 $'000
Current			
Trade receivables			
Trade receivables			
- Associate of the Group		**1**	–
- Third parties		**–**	1
Retention money			
- Associate of the Group		**550**	815
- Subsidiary		**2,876**	–
Net trade receivables	(i)	**3,427**	816
Other receivables			
Interest receivable - banks		**4**	89
Deposits		**56**	148
GST receivable		**491**	–
Prepayments		**739**	2,532
Recoverable expenses		**9**	1,189
Sundry debtors		**57**	59
Net other receivables	(ii)	**1,356**	4,017
Total	(i) + (ii)	**4,783**	4,833
Non-current			
Trade receivables			
Retention money			
- Associate of the Group		**–**	550
- Subsidiary		**2,876**	5,753
	(iii)	**2,876**	6,303
Grand total	(i) + (ii) + (iii)	**7,659**	11,136

Trade and other receivables are denominated in the following currencies:

	The Group		The Company	
	2025 $'000	2024 $'000	**2025 $'000**	2024 $'000
Singapore Dollar	**31,414**	26,750	**7,659**	11,136
Australian Dollar	**1,366**	984	**–**	–
Malaysian Ringgit	**1**	1	**–**	–
Chinese Renminbi	**3,121**	–	**–**	–
	35,902	27,735	**7,659**	11,136

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2025

6 Trade and other receivables (Cont'd)

As at 1 February 2024, the Group's and the Company's gross trade receivables from contracts with customers amounted to $20,168,000 and $816,000 (2023 - $27,939,000 and $2,375,000), respectively.

All receivables are subject to credit risk exposure where the credit terms are generally between 30 days and 90 days (2024 - 30 days and 90 days), excluding the retention money withheld. Retention money from construction works withheld will be paid upon the issuance of final payment certificates from architects. The Group does not identify specific concentrations of credit risk with regards to trade and other receivables, as the amounts recognised resemble a large number of receivables from various customers.

The trade receivables ageing is generally between 30 days and 90 days (2024 - 30 days and 90 days).

Accrued rental income is the rental for the free fit out period and rental waiver given to certain tenants to be amortised over the lease term.

Accrued billings relate to additional rental income that has yet to be billed as at the end of the reporting period.

The non-trade amounts owing by joint ventures represent advances, which are unsecured and interest-free and repayable on demand.

The information regarding the credit risk exposures is disclosed in Note 40.5.

7(a) Amount owing by subsidiaries (non-trade)

The Company	**2025 $'000**	2024 $'000
Amounts owing by subsidiaries (non-trade)	**16,136**	15,026
Loss allowance on amounts owing by subsidiaries (non-trade)		
Balance at beginning of year	**(11,954)**	(10,874)
Allowance during the year	**(500)**	(1,080)
Balance at end of year	**(12,454)**	(11,954)
	3,682	3,072

The non-trade amounts owing by subsidiaries represent advances, which are unsecured and interest-free. The amounts are repayable on demand.

An impairment of $500,000 (2024 - $1,080,000) was provided for amounts owing by subsidiaries due to a significant increase in credit risk, given the subsidiary had suffered from financial losses for the current and previous financial years. These receivables are not secured by any collateral or credit enhancements. The information regarding credit risk exposures is disclosed in Note 40.5.

7(a) Amount owing by subsidiaries (non-trade) (Cont'd)

The non-trade amounts owing by subsidiaries are denominated in the following currencies:

The Company	**2025 $'000**	2024 $'000
Singapore Dollar	**3,639**	3,004
Australian Dollar	**43**	68
	3,682	3,072

7(b) Amount owing to subsidiaries (non-trade)

The non-trade amounts of $5,660,000 (2024 - $11,140,000) owing to subsidiaries represent advances, which are unsecured and interest-free. The amounts are repayable on demand.

The non-trade amounts owing to subsidiaries are denominated in Singapore Dollar.

8(a) Contract assets

	The Group		The Company	
	2025 $'000	2024 $'000	**2025 $'000**	2024 $'000
Contract assets	**294,107**	112,958	**2,458**	5,586

The contract assets relate primarily to the Group's and the Company's right to recognise revenue for percentage of work completed but not yet billed at the reporting date on the sold development properties and property construction contracts. Upon fulfilling certain agreed performance milestones with customers or commissioning and handing over of projects to customers, the amounts recognised as contract assets are reclassified to trade receivables when the rights become unconditional. The information regarding credit risk exposures is disclosed in Note 40.5.

Increases in contract assets during the reporting period at Group level were due to increase in completion of work that has yet to be invoiced to the customers and 48 units (2024 – 82 units) sold during the financial year. Decrease in contract assets during the reporting period at Company level were due to decrease in differences between the agreed payment schedule and progress of the construction work during the financial year.

Significant changes in the contract assets during the period are as follows:

	The Group		The Company	
	2025 $'000	2024 $'000	**2025 $'000**	2024 $'000
Contract assets billed during the financial year	**(112,958)**	(8,376)	**(5,586)**	(4,964)
Revenue recognised during the year, but not billed	**294,107**	112,958	**2,458**	5,586

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2025

8(a) Contract assets (Cont'd)

Unsatisfied performance obligations

The Group	2025 $'000	2024 $'000
Aggregate amount of the transaction price allocated to contracts that are partially or fully unsatisfied as at end of financial year:		
- Construction contracts of residential properties under construction	**–**	1,535
Transaction price allocated to unsatisfied performance obligations as at end of financial year may be recognised as revenue in the next reporting periods as follows:		
- FY 2025	**–**	1,535

8(b) Contract costs

The Group	Note	2025 $'000	2024 $'000
Costs to obtain sales contracts for development properties:			
Balance at beginning of year		**10,942**	1,652
Addition		**11,213**	23,844
Amortisation	32	**(21,810)**	(14,554)
Balance at end of year		**345**	10,942

Costs to obtain sale contracts for development properties relate to incremental commission fees paid to intermediaries as a result of obtaining residential property sales contracts. These costs are amortised on a straight-line basis over the period of construction as this reflects the period over which the residential property is transferred to the customer.

Amortisation of contract costs amounting to $21,810,000 (2024 - $14,554,000) are recognised within "distribution costs" in the consolidated profit or loss. There has been no impairment loss recognised on the contract costs for the financial years ended 31 January 2025 and 2024.

9 Inventories

The Group	2025 $'000	2024 $'000
At cost:		
Hotel supplies	**156**	127
Restaurant supplies	**287**	197
	443	324
Cost of inventories included in cost of sales	**2,637**	2,664

Inventories of $443,000 (2024 - $324,000) are expected to be realised within 12 months from the reporting date.

10 Development properties

The Group	Note	2025 $'000	2024 $'000
Properties in the course of development	10(a)	**3,656**	321,341

10(a) Properties in the course of development

The Group	2025 $'000	2024 $'000
Properties in the course of development:		
- Land and other related costs	**3,655**	248,023
- Development costs	**1**	73,318
	3,656	321,341
Cost of development properties included in cost of sales	**378,310**	261,744

Details of development property as at the end of reporting period are as follows:

Name/Location	Description of development	Tenure/ Group's interest in property	Site area (sq. metres)	Estimated gross floor area (sq. metres)	Stage of completion/ Date of TOP
71 Cairnhill Road, Klimt Cairnhill, Singapore	A 36-storey residential development (138 units) with carpark, pool and communal facilities	Freehold land/ 100%	5,844	21,890	99% (2024 – 58%) / 27 March 2025

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2025

10(a) Properties in the course of development (Cont'd)

As at the end of reporting period, the development property has been pledged to a financial institution to secure bank borrowings (Note 21). Subsequent to reporting date, the development property has obtained Temporary Occupancy Permit ("TOP").

Notes:

The Group had amalgamated 67 and 69 Cairnhill Road into 71 Cairnhill Road and has redeveloped the combined site into a high-end residential condominium. Construction for the Klimt Cairnhill project was 99% (2024 – 58%) completed as at 31 January 2025. In the previous financial year, an independent professional valuer, Knight Frank Pte. Ltd., valued the property under development to be $596,000,000 as at 31 January 2024, using the Direct Comparison Method and Residual Value Method.

11 Financial assets at FVOCI

The Group	Note	**2025** **$'000**	2024 $'000
Quoted equity investments			
Balance at beginning of year		**4,676**	5,214
Fair value loss recognised in other comprehensive loss	24	**(881)**	(538)
Balance at end of year		**3,795**	4,676

The quoted equity instruments are held for medium to long term purposes, and for capital appreciation, and are accounted as FVOCI. The fair value of quoted equity investments is determined by reference to stock exchange quoted bid closing prices.

Further information about the financial risk management and the fair value measurement is disclosed in Notes 40 and 41, respectively.

The remainder of this page has been intentionally left blank.

12 Joint ventures

	Note	The Group 2025 $'000	The Group 2024 $'000	The Company 2025 $'000	The Company 2024 $'000
Unquoted equity investments, at cost		**1,554**	654	**540**	540
Share of accumulated losses and reserve, net of dividend received		**(678)**	(89)	**–**	–
Exchange fluctuation difference		**(283)**	(303)	**–**	–
	(i)	**593**	262	**540**	540
Amounts owing by joint ventures (non-trade)		**55,827**	12,671	**13,338**	12,671
Exchange fluctuation difference		**(2,697)**	(3,393)	**(2,697)**	(3,393)
	(ii)	**53,130**	9,278	**10,641**	9,278
Impairment loss on investments in joint ventures:					
Balance at beginning of year		**(181)**	–	**(740)**	–
Impairment loss during the year		**–**	(181)	**–**	(740)
Balance at end of year	(iii)	**(181)**	(181)	**(740)**	(740)
Carrying amount of joint ventures	(i) + (ii) + (iii)	**53,542**	9,359	**10,441**	9,078
Share of results of joint ventures, net of tax		**(409)**	(61)	**–**	–

The non-trade amounts owing by joint ventures are regarded as an extension of the Group's and the Company's net investments in the joint ventures because they are neither planned nor likely to be settled in the foreseeable future. They represent net investment with indeterminable repayments. These non-trade amounts owing are unsecured and interest-free.

The non-trade amounts owing by joint ventures are denominated in the following currencies:

	The Group 2025 $'000	The Group 2024 $'000	The Company 2025 $'000	The Company 2024 $'000
Singapore Dollar	**42,489**	–	**–**	–
Malaysian Ringgit	**10,641**	9,278	**10,641**	9,278
	53,130	9,278	**10,641**	9,278

All of the joint ventures are accounted for using the equity method in these consolidated financial statements.

During the financial years ended 31 January 2025 and 2024, the Group and the Company assessed the carrying amounts of its investments in joint ventures for indicators of impairment. Based on the assessment, impairment loss of $Nil (2024 - $181,000) was recognised at the Group level and $Nil (2024 - $740,000) was recognised at the Company level.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2025

12 Joint ventures (Cont'd)

Details of the joint ventures at the end of the reporting period are as follows:

	Name of joint venture	Country of incorporation/ principal place of business	Proportion of ownership interests and voting rights held by the Group		Principal activities
			2025	2024	
			%	%	
	Held by the Company				
(1)	Bina Meganmas Sdn. Bhd. ("Bina Meganmas")	Malaysia	**49**	49	To build bungalow lots at Bandar Seri Alam, Johor
(2)	Promatik Emas Sdn. Bhd. ("Promatik Emas")	Malaysia	**25**	25	Developed Panaroma, a parcel of land at Persiaran Hampshire, Kuala Lumpur
	Held by Huatland Development Pte. Ltd.				
(3)	Peak Crescent Pte. Ltd. ("Peak Crescent")	Singapore	**30**	–	Property development
	Held by Glocity Capital Pte. Ltd.				
(4)	HThree City Australia Pte. Ltd. ("HThree City")	Singapore	**33**	33	Property fund management
	Held by HThree City Australia Pte. Ltd.				
(5)	HThree City ACF3 GP Pte. Ltd.	Singapore	**33**	33	Act as general partner to the partnership and as a trustee
(5)	HThree City ACF3 Head Pty. Ltd.	Australia	**33**	33	Act as trustee
	Held by HThree City ACF3 Head Pty. Ltd.				
(5)	HThree ACF3 Sub Pty. Ltd.	Australia	**33**	33	Act as trustee
	Held by Paya Lebar Square Pte. Ltd.				
(6)	Paya Lebar Central Partnership Ltd.	Singapore	**–**	33	Management consultancy services

Notes:

(1) Audited by Crowe Malaysia PLT.

(2) Audited by PricewaterhouseCoopers, Malaysia. The entity is a subsidiary of UOL Group Limited, a public company listed on the Singapore Exchange. The results of this joint venture are based on unaudited results as of 31 December 2024 and 2023, which is within three months of the Group's financial year-end. No adjustments were made to these joint ventures' financial results as in the opinion of the directors, there were no material transactions and events that had occurred in the intervening period.

(3) Incorporated on 21 August 2024. Audited by KPMG LLP, Singapore, with its financial year-end on 31 December. The results of the joint venture are based on unaudited results as of 31 December 2024 for group consolidation purpose.

12 Joint ventures (Cont'd)

Details of the joint ventures at the end of the reporting period are as follows: (Cont'd)

Notes: (Cont'd)

(4) Audited by Ernst & Young LLP, Singapore. The shareholders of HThree City are Glocity Capital Pte. Ltd., Holland Hill Holding Pte. Ltd. and Adelanto Investments Pte. Ltd. The results of the joint venture and its subsidiaries are based on audited results as of 31 December 2024 and 2023, which is within three months of the Group's financial year-end. No adjustments were made to these joint ventures' financial results as in the opinion of the directors, there were no material transactions and events that had occurred in the intervening period.

(5) Not audited as the entities are dormant and are not required to be audited in the country of establishment.

(6) Not audited as the entity was dormant and not required to be audited in the country of establishment. On 4 March 2024, the joint venture was struck off on from the Registrar of Companies under Section 344A of the Companies Act 1967.

In accordance with Rule 716 of the Singapore Exchange Securities Trading Limited – Listing Rules, the Audit Committee and Board of Directors of the Company confirmed that they are satisfied that the appointment of different auditors for its joint ventures would not compromise the standard and effectiveness of the audit of the Group and of the Company.

Details of material joint ventures

Bina Meganmas and Peak Crescent act as strategic partners of the Group in the property development business in Malaysia and Singapore, respectively.

Summarised financial information in respect of the Group's material joint venture is set out below. The summarised financial information below represents amounts shown in the joint venture's financial statements prepared in accordance with SFRS(I), adjusted by Group for equity accounting purposes.

Summarised statement of financial position

	Bina Meganmas		Peak Crescent	
	2025	2024	**2025**	2024
	$'000	$'000	**$'000**	$'000
Current assets	**1,405**	1,297	**317,047**	–
Includes				
- Cash and cash equivalents	**21**	10	**5,161**	–
Non-current assets	**20,045**	17,772	**–**	–
Current liabilities	**(261)**	(243)	**(6)**	–
Includes				
- Financial liabilities (excluding trade and other payables and provisions)	**(258)**	(240)	**–**	–
Non-current liabilities	**(21,671)**	(19,116)	**(315,130)**	–
Includes				
- Financial liabilities (excluding trade and other payables and provisions)	**(21,671)**	(19,116)	**(315,130)**	–
Net (liabilities)/assets	**(482)**	(290)	**1,911**	–

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2025

12 Joint ventures (Cont'd)

Details of material joint ventures (Cont'd)

Summarised statement of comprehensive income

	Bina Meganmas		Peak Crescent	
	2025	2024	**2025**	2024
	$'000	$'000	**$'000**	$'000
Loss after taxation and total comprehensive loss for the year	**(166)**	(142)	**(1,089)**	–

There were no revenue, depreciation and income tax expense recognised for the current and previous financial years.

The above loss for the year includes the following:

	Bina Meganmas		Peak Crescent	
	2025	2024	**2025**	2024
	$'000	$'000	**$'000**	$'000
Interest income	**–**	–	**(18)**	–
Interest expense	**38**	47	**–**	–

There was no dividend received from the material joint ventures during the current and previous financial years.

Reconciliation of the above summarised financial information to the carrying amount of the interest in the joint ventures recognised in the consolidated financial statements is as follows:

	Bina Meganmas	Peak Crescent	Immaterial joint ventures	Total
	$'000	$'000	$'000	$'000
2025				
Net (liabilities)/assets of joint ventures	**(482)**	**1,911**	**588**	**2,017**
Group's share of net (liabilities)/assets	**(236)**	**573**	**256**	**593**
Amounts owing by joint ventures	**10,641**	**42,489**	**–**	**53,130**
Impairment losses recognised	**(181)**	**–**	**–**	**(181)**
Carrying amount of joint ventures	**10,224**	**43,062**	**256**	**53,542**
2024				
Net (liabilities)/assets of joint ventures	(290)	–	1,199	909
Group's share of net (liabilities)/assets	(142)	–	404	262
Amounts owing by joint ventures	9,278	–	–	9,278
Impairment losses recognised	(181)	–	–	(181)
Carrying amount of joint ventures	8,955	–	404	9,359

12 Joint ventures (Cont'd)

Aggregate information of joint ventures that are not individually material

The Group	**2025 $'000**	2024 $'000
Share of profit after taxation and total comprehensive income for the year	**1**	6

The unrecognised share of profit of joint ventures for the financial year was $8,000 (2024 - $21,000) and the cumulative unrecognised share of loss of joint ventures was $131,000 (2024 - $139,000). During the current financial year, there was a dividend of $180,000 (2024 - $Nil) received from an immaterial joint venture.

There are no contingent liabilities relating to the Group's interest in the joint ventures.

13 Associated companies

The Group	Note	**2025 $'000**	2024 $'000
Unquoted equity investments, at cost		**5,710**	5,710
Share of associated companies' post-acquisition profits and reserve, net of dividend received		**2,249**	3,930
Exchange fluctuation difference		**(2,822)**	(3,189)
	(i)	**5,137**	6,451
Amounts owing by associated companies (non-trade)		**15,304**	27,064
Exchange fluctuation difference		**(2,154)**	(3,018)
	(ii)	**13,150**	24,046
Impairment loss on investments in associated companies:			
Balance at beginning of year		**(179)**	–
Impairment loss during the year		**–**	(179)
Balance at end of year	(iii)	**(179)**	(179)
Carrying amount of associated companies	(i) + (ii) + (iii)	**18,108**	30,318
Share of results of associated companies, net of tax		**1,239**	2,825

These associated companies are accounted for using the equity method in these consolidated financial statements of the Group.

The non-trade amounts owing by associated companies are regarded as an extension of the Group's net investments in the associated companies because they are neither planned nor likely to be settled in the foreseeable future. They represent net investment with indeterminable repayments. These non-trade amounts owing are unsecured and interest-free.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2025

13 Associated companies (Cont'd)

The non-trade amounts owing by associated companies are denominated in the following currencies:

The Group	**2025 $'000**	2024 $'000
Singapore Dollar	**–**	13,048
Malaysian Ringgit	**13,150**	10,998
	13,150	24,046

During the financial years ended 31 January 2025 and 2024, the Group assessed the carrying amounts of its investments in associates for indicators of impairment. Based on the assessment, impairment loss of $Nil (2024 - $179,000) was recognised.

Details of the associated companies at the end of the reporting period are as follows:

	Name	Country of incorporation/ principal place of business	Proportion of ownership interests and voting rights held by the Group **2025 %**	2024 %	Principal activities
	Held by Prodev Pte. Ltd.				
(1)	Binakawa Sdn. Bhd. ("Binakawa")	Malaysia	**49**	49	Property development and investment holding
	Held by LKHS Development Pte. Ltd.				
(2)	Dalvey Breeze Development Pte. Ltd. ("Dalvey")	Singapore	**40**	40	Property development

Notes:

(1) Audited by Crowe Malaysia PLT.

(2) Audited by UHY Lee Seng Chan & Co., Singapore, reporting period 31 March. The associated company is a subsidiary of KOP Limited, a public company listed on the Singapore Exchange. The results of the company are based on unaudited results as of 31 January 2025 and 2024 for the Group consolidation purpose.

In accordance with Rule 716 of the Singapore Exchange Securities Trading Limited – Listing Rules, the Audit Committee and Board of Directors of the Company confirmed that they are satisfied that the appointment of different auditors for its associated companies would not compromise the standard and effectiveness of the audit of the Group and of the Company.

Dalvey and Binakawa act as strategic partners of the Group in the property development business in Singapore and Malaysia, respectively.

13 Associated companies (Cont'd)

Details of associated companies

Summarised financial information in respect of each of the Group's associated companies is set out below. The summarised financial information below represents amounts shown in the associated companies' financial statements prepared in accordance with SFRS(I), adjusted by Group for equity accounting purposes.

Summarised statement of financial position

	Dalvey		Binakawa	
	2025	2024	**2025**	2024
	$'000	$'000	**$'000**	$'000
Current assets	**4,299**	69,908	**762**	674
Current liabilities	**(3,860)**	(5,390)	**(28,089)**	(25,542)
Non-current assets	**–**	154	**37,844**	35,130
Non-current liabilities	**–**	(60,666)	**(389)**	(362)
Net assets	**439**	4,006	**10,128**	9,900

Summarised statement of comprehensive income

	Dalvey		Binakawa	
	2025	2024	**2025**	2024
	$'000	$'000	**$'000**	$'000
Revenue	**50,921**	81,562	**81**	55
Profit/(loss) from continuing operations	**4,882**	8,574	**(502)**	(616)
Post-tax profit/(loss) from continuing operations, representing total comprehensive income/(loss)	**3,733**	7,731	**(502)**	(616)

Dividends of $2,920,000 (2024 - $Nil) were received from Dalvey during the current financial year.

The remainder of this page has been intentionally left blank.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2025

13 Associated companies (Cont'd)

Reconciliation of the above summarised financial information to the carrying amount of the interest in the associated companies recognised in the consolidated financial statements is as follows:

	Dalvey $'000	Binakawa $'000	Total $'000
2025			
Net assets	**439**	**10,128**	**10,567**
Group's share of net assets	**176**	**4,961**	**5,137**
Amount owing by associated companies	**–**	**13,150**	**13,150**
Impairment losses recognised	**–**	**(179)**	**(179)**
Carrying amount of associated companies	**176**	**17,932**	**18,108**

	Dalvey $'000	Binakawa $'000	Total $'000
2024			
Net assets	4,006	9,900	13,906
Group's share of net assets	1,602	4,849	6,451
Amount owing by associated companies	13,048	10,998	24,046
Impairment losses recognised	–	(179)	(179)
Carrying amount of associated companies	14,650	15,668	30,318

There are no contingent liabilities relating to the Group's interest in the associated companies.

The remainder of this page has been intentionally left blank.

14 Subsidiaries

The Company	**2025 $'000**	2024 $'000
Unquoted equity investments		
Balance at beginning and end of year	**55,686**	55,686
Discount implicit in non-current loan to subsidiaries	**47,139**	66,392
Amounts owing by subsidiaries (non-trade):		
- Interest-free	**539,592**	517,020
	642,417	639,098
Impairment loss on investments in subsidiaries		
Balance at beginning of year	**(40,125)**	(29,683)
Allowance for the year	**–**	(10,442)
Balance at end of year	**(40,125)**	(40,125)
Total	**602,292**	598,973

The non-trade amounts owing by subsidiaries of $539,592,000 (2024 - $517,020,000) are regarded as an extension of the Company's net investments in the subsidiaries because they are neither planned nor likely to be settled in the foreseeable future. They represent net investment with indeterminable repayments. The non-trade amounts are unsecured and interest-free and is repayable at the discretion of borrower.

For the financial years ended 31 January 2025 and 2024, the Company evaluates any indication of impairment on the investment in subsidiaries at the end of each reporting period. The Company carries out a review of the recoverable amount of its investment in subsidiaries based on the higher of its fair value less cost to sell and value-in-use. Based on this assessment, the Company recognised an impairment loss totalling $Nil (2024 - $10,442,000) mainly due to its subsidiaries incurring losses from their business activities.

The recoverable amount of the investments has been determined based on the revalued net assets of these subsidiaries as at the reporting date which is classified under Level 3 of the fair value hierarchy.

The Company has commitments to provide financial guarantees to banks for credit facilities granted to certain subsidiaries, as disclosed in Note 43.2.

Amounts owing by subsidiaries are denominated in the following currencies:

The Company	**2025 $'000**	2024 $'000
Singapore Dollar	**484,817**	462,985
Malaysian Ringgit	**16,703**	14,304
Australian Dollar	**38,072**	39,731
	539,592	517,020

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2025

14 Subsidiaries (Cont'd)

Details of the subsidiaries at the end of the reporting period are as follows:

	Name	Country of incorporation/ principal place of business	Cost of investments		Proportion of ownership interests and voting rights held by the Group		Principal activities
			2025	2024	**2025**	2024	
			$'000	$'000	**%**	%	
	Subsidiaries held by the Company						
(1)	Low Keng Huat International Pte. Ltd.	Singapore	**3,000**	3,000	**100**	100	Investment holding
(1)	Quality Investments Pte. Ltd.	Singapore	**500**	500	**100**	100	Investment holding
(1)	Prodev Pte. Ltd.	Singapore	**10**	10	**100**	100	Investment holding
(1)	Bali Investment Pte. Ltd.	Singapore	*****	*	**100**	100	Investment holding
(1)	Duxton Hotel (Pte.) Ltd.	Singapore	*****	*	**100**	100	Hotel management services
(1)	Domitian Investment Pte. Ltd.	Singapore	*****	*	**100**	100	Investment holding
(1)	Balestier Tower Pte. Ltd.	Singapore	**2,000**	2,000	**100**	100	Property investment
(1)	Starworth Pte. Ltd.	Singapore	*****	*	**100**	100	Investment holding
(1)	LKHS Property Investment Pte. Ltd.	Singapore	*****	*	**100**	100	Investment holding
(1)	Huatland Development Pte. Ltd.	Singapore	**1,000**	1,000	**100**	100	Investment holding
(1)	East Peak Development Pte. Ltd.	Singapore	*****	*	**100**	100	Investment holding
(1)	Kendall Pte. Ltd.	Singapore	**1**	1	**75**	75	Investment holding
(1)	Paya Lebar Square Pte. Ltd.	Singapore	**45,175**	45,175	**100**	100	Property investment
(1)	Perumal Development Pte. Ltd.	Singapore	**2,000**	2,000	**100**	100	Property investment
(1)	Glocity Capital Pte. Ltd.	Singapore	*****	*	**100**	100	Investment holding
(1)	Glopeak Development Pte. Ltd.	Singapore	**2,000**	2,000	**100**	100	Property development
(1)	LKHS Development Pte. Ltd.	Singapore	*	*	**100**	100	Investment holding
	Balance carried forward		**55,686**	55,686			

14 Subsidiaries (Cont'd)

Details of the subsidiaries at the end of the reporting period are as follows (Cont'd):

	Name	Country of incorporation/ principal place of business	Cost of investments		Proportion of ownership interests and voting rights held by the Group		Principal activities
			2025	2024	**2025**	2024	
			$'000	$'000	**%**	%	
	Balance brought forward		**55,686**	55,686			
	Subsidiary held by Bali Investment Pte. Ltd.						
(2)	Vista Mutiara Sdn. Bhd.	Malaysia	**+**	+	**100**	100	Investment holding
	Subsidiary held by Starworth Pte. Ltd.						
(1)	Carnivore Brazilian Churrascaria Pte. Ltd.	Singapore	**+**	+	**100**	100	Restaurant
	Subsidiary held by Duxton Hotel (Pte.) Ltd.						
(3)	Duxton Hotels International Pty. Ltd.	Australia	**+**	+	**100**	100	Owner of trademark
	Subsidiary held by Kendall Pte. Ltd.						
(4)	Amuret Pty. Ltd.	Australia	**+**	+	**75**	75	Investment holding
	Subsidiaries held by Low Keng Huat International Pte. Ltd.						
(4)	Narymal Pty. Ltd.	Australia	**+**	+	**75**	75	Hotel and restaurant operations
(5)	Shanghai Nova Realty Development Co., Ltd.	People's Republic of China	**–**	+	**–**	63	Investment holding
	Subsidiary held by Quality Investments Pte. Ltd.						
(1)	Herman Investments Pte. Ltd.	Singapore	**+**	+	**100**	100	Investment holding
	Subsidiary held by Glocity Capital Pte. Ltd.						
(6)	HThree Capital Pte. Ltd.	Singapore	**+**	+	**51**	51	Property fund management
			55,686	55,686			

* Represents amount less than $500.

\+ Interest held through subsidiaries.

(1) Audited by Foo Kon Tan LLP.

(2) Audited by Crowe Malaysia PLT.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2025

14 Subsidiaries (Cont'd)

Details of the subsidiaries at the end of the reporting period are as follows (Cont'd):

(3) Not required to be audited under the country of jurisdiction.

(4) Audited by Crowe Perth, Australia.

(5) Liquidated on 12 October 2024.

(6) Audited by Ernst & Young LLP, Singapore, reporting period 31 December. The results of the company are based on unaudited results as at 31 December 2024 with adjustments made to 31 January 2025 for the Group consolidation purpose.

In accordance with Rule 716 of the Singapore Exchange Securities Trading Limited - Listing Rules, the Audit Committee and Board of Directors of the Company confirmed that they are satisfied that the appointment of different auditors for its subsidiaries would not compromise the standard and effectiveness of the audit of the Group and of the Company.

Liquidation of Shanghai Nova

On 12 October 2024, the Group completed the voluntary liquidation of its 63%-owned subsidiary, Shanghai Nova. The financial effects arising from the liquidation of Shanghai Nova were as follows:

	Note	2025 $'000
De-recognition of net assets of the subsidiary		
Net assets attributable to the Group		**3,121**
Net assets attributable to non-controlling interests		**2,288**
		5,409
Consideration comprises of:		
Other receivables	6	**3,121**
Final distribution paid to non-controlling interests, upon liquidation of subsidiary		**1,866**
Adjustments for over-provision of taxation for liquidated subsidiary		**370**
Foreign exchange differences		**52**
		5,409

From 1 February 2024 to the date of liquidation, the loss and other comprehensive income attributable to non-controlling interests were:

	2025 $'000
Loss after tax for the year	**(14)**
Other comprehensive income	**31**

14 Subsidiaries (Cont'd)

Details of non-wholly owned subsidiaries that have material non-controlling interests

The table below shows details of non-wholly owned subsidiaries of the Group that have material non-controlling interests.

Name of subsidiary	Country of incorporation/ principal place of business	Proportion of ownership interests and voting rights held by non-controlling interests	Profit/(loss) allocated to non-controlling interests	Accumulated non-controlling interests	Dividends paid to non-controlling interests
		%	$'000	$'000	$'000
2025					
Held by the Company					
Kendall Pte. Ltd.	Singapore	**25**	**14**	**9,887**	**–**
Held by a subsidiary					
Narymal Pty. Ltd.	Australia	**25**	**344**	**1,483**	**(109)**
Other individually non-significant subsidiaries with NCI			**116**	**(2,366)**	**–**
			474	**9,004**	**(109)**
2024					
Held by the Company					
Kendall Pte. Ltd.	Singapore	25	16	9,873	–
Held by a subsidiary					
Narymal Pty. Ltd.	Australia	25	106	1,248	–
Other individually non-significant subsidiaries with NCI			(17)	(128)	103
			105	10,993	103

Dividends for non-controlling interests of $103,000 in FY2024 pertained to the net impact arising from:

i) a cancellation of FY2022 dividend of $850,000 declared by an overseas subsidiary; and

ii) lower dividends of $747,000 declared by the same subsidiary for FY2023, paid in FY2024.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2025

14 Subsidiaries (Cont'd)

Details of non-wholly owned subsidiaries that have material non-controlling interests (Cont'd)

Summarised financial information in respect of the Group's subsidiaries that have material non-controlling interests is set out below. The summarised financial information below represents amounts before intra-group eliminations.

Summarised statement of financial position

	Kendall Pte. Ltd. $'000	Narymal Pty. Ltd. $'000
2025		
Non-current assets	**26,303**	**295**
Current assets	**4,596**	**8,265**
Current liabilities	**(1,330)**	**(2,156)**
2024		
Non-current assets	26,303	904
Current assets	4,598	7,794
Current liabilities	(1,389)	(2,960)

Summarised statement of comprehensive income

	Kendall Pte. Ltd. $'000	Narymal Pty. Ltd. $'000
2025		
Revenue	**–**	**22,643**
Other income/(expenses)	**55**	**(21,266)**
Profit for the year, representing total comprehensive income for the year	**55**	**1,377**
Total comprehensive income attributable to non-controlling interests	**14**	**344**
2024		
Revenue	–	20,698
Other income/(expenses)	65	(20,272)
Profit for the year, representing total comprehensive income for the year	65	426
Total comprehensive income attributable to non-controlling interests	16	106

Other summarised information

	Kendall Pte. Ltd. $'000	Narymal Pty. Ltd. $'000
2025		
Net cash outflow from operating activities	**(2)**	**(631)**
2024		
Net cash (outflow)/inflow from operating activities	(3)	1,273

15 Investment properties

The Group	Note	**2025 $'000**	2024 $'000
Cost			
Balance at beginning of year		**323,348**	321,767
Addition		**57**	–
Written off		**(99)**	–
Transfer from property plant and equipment	16	**–**	1,581
Balance at end of year		**323,306**	323,348
Accumulated depreciation			
Balance at beginning of year		**31,492**	27,151
Depreciation for the year	32	**3,454**	3,671
Written off		**(10)**	–
Transfer from property plant and equipment	16	**–**	670
Balance at end of year		**34,936**	31,492
Impairment			
Balance at beginning of year		**1,902**	1,902
Written back	32	**(1,902)**	–
Balance at end of year		**–**	1,902
Net book value		**288,370**	289,954
Fair value		**431,465**	429,309

(a) Investment properties are leased to third parties under operating leases [Note 37(b)(ii)].

(b) The following amounts are recognised in the consolidated profit or loss:

The Group	Note	**2025 $'000**	2024 $'000
Income			
Rental income	26	**19,029**	18,530
Expenses			
Direct operating expenses arising from:			
- Investment properties that generated rental income		**7,817**	7,553
- Investment properties that did not generate rental income		**–**	16

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2025

15 Investment properties (Cont'd)

(c) The investment properties as at the end of reporting period held by the Group comprise:

	Location	Description	Tenure	Net book value **2025** **$'000**	Net book value 2024 $'000	The Group's effective equity interest
(1), (5)	60 Paya Lebar Road, Paya Lebar Square Retail Podium, Singapore	159 retail units	99-year lease commencing 25 July 2011	**241,015**	243,868	100%
(2), (5)	207 Balestier Road, BT Centre, Singapore	A total of 31 commercial units, (out of which 27 (2024 - 28 units) are leased to external parties)	Freehold	**43,825**	42,489	100%
(3), (5)	2 Perumal Road Lyf @ Farrer, Singapore	2 commercial retail units	99-year lease commencing 17 April 2017	**2,654**	2,703	100%
(4)	80 Marine Parade Road, 18-02/03 Parkway Parade Singapore	2 office units	99-year lease commencing 17 August 1979	**876**	894	100%
				288,370	289,954	

Notes:

(1) During the financial year, a firm of independent professional valuers, Knight Frank Pte. Ltd., valued the retail units to be $376,000,000 (2024 - $374,300,000) as at 31 January 2025 based on the property's highest-and-best use using the Direct Comparison Method and Income Capitalisation Method.

The fair value measurement was categorised as Level 3 fair value based on the inputs in the valuation technique used.

(2) During the financial year, a firm of independent professional valuers, Knight Frank Pte. Ltd., valued the mixed commercial cum serviced apartment development at 207 Balestier Road to be $225,000,000 (2024 - $224,500,000) as at 31 January 2025 based on the property's highest-and-best use using the Direct Comparison Method and Income Capitalisation Method. The amount consists of $180,000,000 and $45,000,000 (2024 - $180,000,000 and $44,500,000) allocated to property, plant and equipment and investment properties, respectively.

In the current financial year, the Group had written back an impairment loss of $1,902,000 (2024 - $Nil) (Note 31) for BT Centre to its recoverable amount, as the property achieved improved profitability from its business activities and the recoverable amount is higher than carrying amount. The recoverable amount was computed based on the property's highest-and-best use fair value using the Direct Comparison Method and Income Capitalisation Method.

The fair value measurement was categorised as Level 3 fair value based on the inputs in the valuation technique used.

15 Investment properties (Cont'd)

(c) The investment properties as at the end of reporting period held by the Group comprise: (Cont'd)

Notes: (Cont'd)

(3) During the financial year, a firm of independent professional valuers, Knight Frank Pte. Ltd., valued the mixed commercial cum serviced apartment to be $242,000,000 (2024 - $239,900,000) based on the property's highest-and-best use using the Direct Comparison Method and Income Capitalisation Method. The amount consists of $236,600,000 and $5,400,000 (2024 - $234,530,000 and $5,370,000) allocated to property, plant and equipment and investment properties, respectively.

The fair value measurement was categorised as Level 3 fair value based on the inputs in the valuation technique used.

(4) The Directors of the Company estimated the fair value as at 31 January 2025 to be $5,065,000 (2024 - $5,139,000) for these 2 office units located at 80 Marine Parade Road based on the properties' highest-and-best use using the current market trend and with reference to indicative prices for similar office units in the area. In the previous financial year, these 2 office units were leased out to external parties. Arising from this change in use, the units were reclassified from property, plant and equipment to investment properties as disclosed in Note 16.

The fair value measurement was categorised as Level 3 fair value based on the inputs in the valuation technique used.

(5) At the end of reporting period, these properties had been pledged to a financial institution to secure bank borrowings (Note 21).

The Direct Comparison Method involves the analysis of comparable sales of similar properties and adjusting prices to those reflective of the investment properties. The Income Capitalisation Method capitalises an income stream into a present value using single-year capitalisation rate.

Further information regarding the fair value measurement of the Group's investment properties is provided in Note 41.

The remainder of this page has been intentionally left blank.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2025

16 Property, plant and equipment

The Group	Freehold properties $'000	Leasehold land $'000	Leasehold buildings $'000	Plant, machinery and surveying equipment $'000	Motor vehicles $'000	Furniture, fittings and equipment $'000	Renovation $'000	Total $'000
Cost								
At 1 February 2023	166,158	85,898	36,252	48,161	2,860	17,018	1,394	357,741
Additions	–	–	1,290	3,878	272	194	488	6,122
Written off	–	–	–	–	–	(3)	(282)	(285)
Disposals	–	–	–	–	(274)	–	–	(274)
Transfer to investment properties (Note 15)	–	–	(1,581)	–	–	–	–	(1,581)
Exchange translation difference	(921)	–	(56)	(1,957)	(2)	(68)	(16)	(3,020)
At 31 January 2024	**165,237**	**85,898**	**35,905**	**50,082**	**2,856**	**17,141**	**1,584**	**358,703**
Additions	**–**	**–**	**–**	**6,957**	**110**	**409**	**18**	**7,494**
Lease modification [Note 16 (ii)]	**–**	**–**	**229**	**–**	**–**	**–**	**–**	**229**
Written off	**–**	**–**	**(980)**	**(4,915)**	**–**	**(971)**	**–**	**(6,866)**
Disposals	**–**	**–**	**–**	**–**	**(205)**	**–**	**–**	**(205)**
Reclassification	**–**	**–**	**–**	**329**	**–**	**–**	**(329)**	**–**
Exchange translation difference	**(787)**	**–**	**(10)**	**(1,913)**	**(1)**	**(44)**	**(1)**	**(2,756)**
At 31 January 2025	**164,450**	**85,898**	**35,144**	**50,540**	**2,760**	**16,535**	**1,272**	**356,599**
Accumulated depreciation								
At 1 February 2023	6,312	910	4,017	35,432	1,353	9,255	629	57,908
Depreciation for the year (Note 32)	829	911	815	2,268	281	2,611	100	7,815
Written off	–	–	–	–	–	(1)	(70)	(71)
Disposals	–	–	–	–	(265)	–	–	(265)
Transfer to investment properties (Note 15)	–	–	(670)	–	–	–	–	(670)
Exchange translation difference	(215)	–	(12)	(1,530)	(1)	(45)	–	(1,803)
At 31 January 2024	**6,926**	**1,821**	**4,150**	**36,170**	**1,368**	**11,820**	**659**	**62,914**
Depreciation for the year (Note 32)	**949**	**911**	**1,059**	**2,402**	**274**	**2,329**	**175**	**8,099**
Written off	**–**	**–**	**–**	**(4,915)**	**–**	**(940)**	**–**	**(5,855)**
Disposals	**–**	**–**	**–**	**–**	**(196)**	**–**	**–**	**(196)**
Exchange translation difference	**(267)**	**–**	**(15)**	**(1,226)**	**(1)**	**(41)**	**–**	**(1,550)**
At 31 January 2025	**7,608**	**2,732**	**5,194**	**32,431**	**1,445**	**13,168**	**834**	**63,412**
Accumulated impairment loss								
At 1 February 2023	–	–	980	186	–	166	212	1,544
Impairment no longer required	–	–	–	–	–	–	(212)	(212)
At 31 January 2024	**–**	**–**	**980**	**186**	**–**	**166**	**–**	**1,332**
Additions (Note 32)	**–**	**–**	**706**	**20**	**–**	**16**	**381**	**1,123**
Impairment no longer required	**–**	**–**	**(980)**	**–**	**–**	**(28)**	**–**	**(1,008)**
At 31 January 2025	**–**	**–**	**706**	**206**	**–**	**154**	**381**	**1,447**
Net book value								
At 31 January 2025	**156,842**	**83,166**	**29,244**	**17,903**	**1,315**	**3,213**	**57**	**291,740**
At 31 January 2024	158,311	84,077	30,775	13,726	1,488	5,155	925	294,457

In current financial year, the impairment loss on property, plant and equipment of $1,008,000 (2024 - $212,000) was written off, as the assets were no longer in use.

16 Property, plant and equipment (Cont'd)

The Company	Plant, machinery and surveying equipment $'000	Motor vehicles $'000	Furniture, fittings and equipment $'000	Renovation $'000	Leasehold properties $'000	Total $'000
Cost						
At 1 February 2023	84	2,825	841	655	4,009	8,414
Additions	–	272	9	–	–	281
Disposals	–	(274)	–	–	–	(274)
At 31 January 2024	**84**	**2,823**	**850**	**655**	**4,009**	**8,421**
Additions	**–**	**110**	**12**	**–**	**–**	**122**
Disposals	**–**	**(205)**	**–**	**–**	**–**	**(205)**
Written off	**(84)**	**–**	**(453)**	**–**	**–**	**(537)**
At 31 January 2025	**–**	**2,728**	**409**	**655**	**4,009**	**7,801**
Accumulated depreciation						
At 1 February 2023	84	1,341	737	467	1,573	4,202
Depreciation for the year	–	277	41	67	44	429
Disposals	–	(265)	–	–	–	(265)
At 31 January 2024	**84**	**1,353**	**778**	**534**	**1,617**	**4,366**
Depreciation for the year	**–**	**270**	**35**	**65**	**44**	**414**
Disposals	**–**	**(196)**	**–**	**–**	**–**	**(196)**
Written off	**(84)**	**–**	**(453)**	**–**	**–**	**(537)**
At 31 January 2025	**–**	**1,427**	**360**	**599**	**1,661**	**4,047**
Net book value						
At 31 January 2025	–	**1,301**	**49**	**56**	**2,348**	**3,754**
At 31 January 2024	–	1,470	72	121	2,392	4,055

Right-of-use assets acquired under leasing arrangements are presented together with the owned assets of the same class. Details of such leased assets are disclosed in Note 37(b).

The Group	Note	**2025 $'000**	2024 $'000
Depreciation expense charged to:			
Cost of sales		**7,543**	7,032
Administrative costs	28	**556**	587
Other operating expenses	29	**–**	196
		8,099	7,815

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2025

16 Property, plant and equipment (Cont'd)

(i) The freehold properties comprise:

	Location	Description	Tenure	The Group's effective equity interest	Net book value 2025 $'000	Net book value 2024 $'000
(1),(3)	No.1 St. Georges Terrace, Perth, Western Australia, Australia	306-room Duxton Hotel Perth	Freehold	75%	**15,802**	16,620
(2),(3)	207 Balestier Road, Citadines Balestier, Singapore	27-storey serviced apartment 166 units and 3 commercial retail units	Freehold	100%	**141,040**	141,691
					156,842	158,311

Notes:

(1) The fair value for Duxton Hotel Perth based on its latest valuation report for the year ended 31 January 2023 was Australian Dollar A$92,000,000. Management has assessed that the fair value has not changed materially since the last valuation, and therefore, no revaluation was performed during the financial years ended 31 January 2025 and 2024.

The fair value measurement was categorised as Level 3 fair value based on the inputs in the valuation technique used.

(2) During the financial year, a firm of independent professional valuers, Knight Frank Pte. Ltd., valued the mixed commercial cum serviced apartment development at 207 Balestier Road to be $225,000,000 (2024 - $224,500,000) as at 31 January 2025 based on the property's highest-and-best use using the Direct Comparison Method and Income Capitalisation Method. The amount consists of $180,000,000 and $45,000,000 (2024 - $180,000,000 and $44,500,000) allocated to property, plant and equipment and investment properties, respectively.

The fair value measurement was categorised as Level 3 fair value based on the inputs in the valuation technique used.

(3) At the end of the reporting period, these properties has been pledged to a financial institution to secure bank borrowings (Note 21).

Further information regarding the fair value measurement of the Group's property, plant and equipment is provided in Note 41.

16 Property, plant and equipment (Cont'd)

(ii) The leasehold land and buildings comprise:

	Location	Description	Tenure	The Group's effective equity interest	Net book value 2025 $'000	Net book value 2024 $'000
(1), (6)	No. 1 St Georges Terrace, Perth, Western Australia, Australia	Hotel parking and entrance forecourt	21-year lease commencing 1 January 2018	75%	**1,007**	887
(2)	30 Robertson Quay, #01-10/11 Riverside View, Singapore	Restaurant premises	3-year lease commencing 27 October 2023	100%	**–**	1,109
(3)	80 Marine Parade Road, 18th Floor of Parkway Parade, Singapore	7 office units	99-year lease commencing 17 August 1979	100%	**3,217**	3,243
(4)	60 Paya Lebar Road, 4th Floor of Paya Lebar Square, Singapore	1 office unit	99-year lease commencing 25 July 2011	100%	**1,675**	1,695
(5), (6)	2 Perumal Road Lyf @ Farrer, Singapore	16-storey serviced apartment 240 units and 5 commercial units	99-year lease commencing 17 April 2017	100%	**106,511**	107,918
					112,410	114,852

Notes:

(1) Duxton Hotel Perth has a long-term lease contract in place with the State of Western Australia (Department of Planning, Land and Heritage) in relation to the Forecourt (i.e. hotel parking and entrance). During the financial year, the rent per month was revised. Owing to this rental revision, this was accounted for as a lease modification and the right-of-use assets and lease liability was re-measured and adjusted accordingly.

(2) In the current financial year, the Group recognised an impairment loss of $1,123,000 (2024 - $Nil) as the recoverable amount was lower than the carrying amount and the subsidiary concerned was incurring continuing losses from its restaurant operations at the new location. The recoverable amount was based on fair value less costs of disposal. The impairment loss was recognised within "other losses, net" in profit or loss (Note 31).

In the previous financial year, the Group's subsidiary, Carnivore Brazilian Churrascaria Pte. Ltd. ("Carnivore") moved its restaurant premises to 30 Robertson Quay. As a result, the net book value of the restaurant's previously leased premises @ CHJIMES amounting to $2,000 (Note 31) was written off.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2025

16 Property, plant and equipment (Cont'd)

(ii) The leasehold land and buildings comprise (Cont'd):

Notes: (Cont'd)

(3) The Directors of the Company estimated the fair value for these 7 (2024 – 7) office units located at 80 Marine Parade Road as at 31 January 2025 to be $17,401,000 (2024 - $17,656,000), based on the properties' highest-and-best use using the current market trend and with reference to indicative prices for similar office units in the area. In the previous financial year, 2 office units were leased out to external parties. Arising from this change in use, the units were reclassified from property, plant and equipment to investment properties as disclosed in Note 15.

The fair value measurement was categorised as Level 3 fair value based on the inputs in the valuation technique used.

(4) The Directors of the Company estimated the fair value for the office unit located at 60 Paya Lebar Road as at 31 January 2025 to be $2,941,000 (2024 - $2,767,000), based on the properties' highest-and-best use using the current market trend and with reference to indicative prices for similar office units in the area.

The fair value measurement was categorised as Level 3 fair value based on the inputs in the valuation technique used.

(5) During the financial year, a firm of independent professional valuers, Knight Frank Pte. Ltd. valued the mixed commercial cum serviced apartment to be $242,000,000 (2024 - $239,900,000) based on the property's highest-and-best use using the Direct Comparison Method and Income Capitalisation Method. The amount consists of $236,600,000 and $5,400,000 (2024 - $234,530,000 and $5,370,000) allocated to property, plant and equipment and investment properties, respectively.

The fair value measurement was categorised as Level 3 fair value based on the inputs in the valuation technique used.

(6) At the end of the reporting period, these properties have been pledged to a financial institution to secure bank borrowings (Note 21).

Further information regarding the fair value measurement of the Group's property, plant and equipment is provided in Note 41.

17 Deferred taxation

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when the deferred income taxes relate to the same fiscal authority. The carrying amounts, determined after appropriate offsetting, are shown on the statement of financial position as follows:

The Group	**2025** **$'000**	2024 $'000
Deferred tax assets		
To be recovered - After one year	**2,225**	2,208
Deferred tax liabilities		
To be settled - After one year	**3,240**	3,441

17 Deferred taxation (Cont'd)

The deferred tax assets balance comprises tax on the following temporary differences:

The Group	Lease liabilities $'000	Excess of tax written down value over net book value of property, plant and equipment $'000	Unutilised tax losses $'000	Total $'000
At 1 February 2023	–	212	670	882
Credited to profit or loss	485	32	850	1,367
Exchange fluctuation difference	–	(11)	(30)	(41)
At 31 January 2024	**485**	**233**	**1,490**	**2,208**
Credited/(charged) to profit or loss	**471**	**23**	**(449)**	**45**
Exchange fluctuation difference	**(14)**	**(11)**	**(3)**	**(28)**
At 31 January 2025	**942**	**245**	**1,038**	**2,225**

The deferred tax liabilities balance comprises tax on the following temporary differences:

The Group	Right-of-use assets $'000	Excess of net book value over tax written value of property, plant and equipment $'000	Total $'000
At 1 February 2023	–	3,022	3,022
Charged/(credited) to profit or loss	455	(36)	419
At 31 January 2024	**455**	**2,986**	**3,441**
Credited to profit or loss	**(140)**	**(48)**	**(188)**
Exchange fluctuation difference	**(13)**	**–**	**(13)**
At 31 January 2025	**302**	**2,938**	**3,240**

Unrecognised deferred tax assets

Subject to the agreement by the tax authorities, the Group has unutilised tax losses of $20,631,000 (2024 - $29,081,000) available for offset against future profits at the reporting date. As of reporting date, deferred tax assets have been recognised in respect of $5,979,000 (2024 - $7,898,000) of these unutilised tax losses. No deferred tax asset has been recognised in respect of the remaining $14,652,000 (2024 - $21,183,000) as there is no reasonable certainty of its realisation in future periods. The unutilised tax losses have no expiry dates.

Recognised deferred tax assets

Deferred tax assets are recognised for tax losses carried forward to the extent that realisation of the related tax benefits through future taxable profits is probable. The Group's deferred tax mainly relates to tax losses of $988,000 (2024 - $1,150,000) from a wholly-owned subsidiary, Glopeak Development Pte. Ltd and $50,000 (2024 - $340,000) from a 75%-owned subsidiary, Narymal Pty. Ltd. respectively.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2025

17 Deferred taxation (Cont'd)

Recognised deferred tax assets (Cont'd)

For the former, the subsidiary incurred tax losses when its development property was in the construction phase, and no taxable profits are recognised until the project is substantially completed, which is indicated by the issuance of Temporary Occupation Permit by the relevant authority. For the latter, the subsidiary incurred losses in its hotel operations in the previous financial years and has generated taxable income since financial year ended 31 January 2023.

The Group is of the view that the deferred tax assets are recoverable based on the estimated future taxable income. The related tax losses have no expiry date.

18 Trade and other payables

		The Group		The Company	
		2025	2024	**2025**	2024
		$'000	$'000	**$'000**	$'000
Current					
Trade payables					
- Third parties	(i)	**8,081**	21,401	**6,818**	19,114
Other payables					
Accruals		**6,352**	5,725	**472**	506
Deposits received from third parties		**5,604**	5,406	**–**	–
Deposits received from subsidiary		**–**	–	**3**	3
Advance payments received from customers		**1,961**	2,668	**–**	–
Interest payable		**517**	532	**1**	2
GST payable		**410**	611	**–**	183
Amount owing to subsidiaries		**–**	–	**–**	4,200
Provision for unutilised staffs' leave		**740**	737	**193**	180
Sundry payables		**634**	2,008	**13**	46
	(ii)	**16,218**	17,687	**682**	5,120
Grand total	(i) + (ii)	**24,299**	39,088	**7,500**	24,234

Trade and other payables are denominated in the following currencies:

	The Group		The Company	
	2025	2024	**2025**	2024
	$'000	$'000	**$'000**	$'000
Singapore Dollar	**21,998**	35,951	**7,500**	24,234
Australian Dollar	**2,300**	3,135	**–**	–
Malaysian Ringgit	**1**	2	**–**	–
	24,299	39,088	**7,500**	24,234

18 Trade and other payables (Cont'd)

Deposits received from third parties relate to rental deposits placed by tenants or guests for the leases of retail units, serviced apartments and hotel.

Advance payments received from customers relate to (i) advance rental of $571,000 (2024 - $818,000) received from customers; and (ii) advances of $1,390,000 (2024 - $1,850,000) made for the purchase of development property.

Trade and other payables with third parties have credit terms of between 30 to 90 (2024 - 30 to 90) days.

The non-trade amounts due to subsidiaries, comprising mainly of advances and payments on behalf, are unsecured, interest-free and repayable on demand.

Further information on financial risk management is disclosed in Note 40.

19 Amount owing to non-controlling shareholders of subsidiaries (non-trade)

	The Group		The Company	
	2025	2024	**2025**	2024
	$'000	$'000	**$'000**	$'000
Non-trade amount owing to non-controlling shareholders of subsidiaries:				
- Advances	**716**	361	**370**	–

The amount owing to non-controlling shareholders of subsidiaries are denominated in the following currencies:

	The Group		The Company	
	2025	2024	**2025**	2024
	$'000	$'000	**$'000**	$'000
Australian Dollar	**346**	361	**–**	–
Singapore Dollar	**370**	–	**370**	–
	716	361	**370**	–

The Group

The non-trade advances of $716,000 (2024 - $361,000) owing to non-controlling shareholders of subsidiaries, are unsecured, interest-free and repayable on demand.

The Company

The non-trade advances of $370,000 (2024 - $Nil) owing to non-controlling shareholders of subsidiaries, are unsecured, interest-free and repayable on demand.

Further information on financial risk management is disclosed in Note 40.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2025

20 Provision

The Group	**2025 $'000**	2024 $'000
Reinstatement of premises - non-current	**27**	26

Provision for reinstatement of premises is the estimated costs of dismantlement, removal or restoration of plant and equipment arising from the acquisition and use of restaurant assets, which are capitalised and included in the cost of plant and equipment. The provision is based on estimates made from historical data associated with reinstatement works on contracts of similar nature. The Group does not expect to incur the liability within the next 12 months.

Movement in provision for reinstatement of premises is as follows:

The Group	**2025 $'000**	2024 $'000
Balance at beginning of year	**26**	29
Provision during the year	**1**	26
Provision utilised during the year	**–**	(29)
Balance at end of year	**27**	26

21 Borrowings

The Group	**2025 $'000**	2024 $'000
Bank borrowings		
Temporary bridging loan - unsecured	**1,075**	2,341
Revolving credit loans - secured	**18,678**	597
Term loans - secured	**426,460**	542,360
	446,213	545,298
Lease liabilities [Note 37(a)]	**1,911**	2,148
	448,124	547,446
Amount repayable:		
Not later than one year	**120,273**	5,493
Later than one year and not later than five years	**327,036**	541,273
More than five years	**815**	680
	327,851	541,953
	448,124	547,446

21 Borrowings (Cont'd)

The Company	**2025 $'000**	2024 $'000
Bank borrowings		
Temporary bridging loan - unsecured	**1,075**	2,341
Lease liabilities [Note 37(a)]	**8**	13
	1,083	2,354
Amount repayable:		
Not later than one year	**1,080**	1,271
Later than one year and not later than five years	**3**	1,083
	1,083	2,354

Bank borrowings are denominated in the following currencies:

	The Group		The Company	
	2025 $'000	2024 $'000	**2025 $'000**	2024 $'000
Singapore Dollar	**439,535**	544,701	**1,075**	2,341
Australian Dollar	**6,678**	597	**–**	–
	446,213	545,298	**1,075**	2,341

Temporary bridging loan - unsecured

Temporary bridging loan of $1,075,000 (2024 - $2,341,000) at both the Group and the Company level is unsecured and carries an effective interest rate of 2.00% (2024 - 2.00%) per annum. There is a fixed term monthly repayment of $108,000 up to the maturity date, 20 November 2025.

Revolving credit loans - secured

Revolving credit loan (secured) of the Group of $6,678,000 (2024 - $597,000) is secured by mortgages over the property, plant and equipment [Note 16(i)(1)] located at No.1 St Georges Terrace, Perth and General Security Agreement over Amuret Pty. Ltd. The effective interest rate per annum for the revolving credit loan is 5.40% (2024 - 5.24%).

Revolving credit loan (secured) of the Group of $12,000,000 (2024 - $Nil) is secured by a mortgage over the investment property [Note 15(c)(1)] located at 60 Paya Lebar Road, Singapore, all assignments of rental proceeds and insurance policies, and fixed deposits of $3,600,000 (2024 - $Nil). The effective interest rate per annum for the revolving credit loan is 3.81% (2024 - Nil%).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2025

21 Borrowings (Cont'd)

Term loans - secured

Term loans of the Group totalling $426,460,000 (2024 - $542,360,000) are secured by mortgages over the development properties (Note 10), certain investment properties [Note 15(c)] and property, plant and equipment [Note 16(i)(3) and Note 16(ii)(6)] of certain subsidiaries, as well as and charges on all new assignments of tenancy, sales agreements and construction contracts and fixed deposits of $8,107,000 (2024 - $8,389,000) of subsidiaries (Note 4). The effective interest rates per annum for the term loans ranges from 4.29% to 4.46% (2024 - 4.56% to 4.83%).

All the Group's and the Company's loans (except for the temporary bridging loan, which is fixed at 2.00%) are drawn under various committed floating rates, with reference to Singapore Overnight Rate Average ("SORA") and Bank Bill Swap Bid Rate ("BBSY"). The carrying amounts of the Group's and the Company's borrowings approximate their fair values.

The maturity dates of bank borrowings are as follows:

	The Group		The Company	
	2025	2024	**2025**	2024
	$'000	$'000	**$'000**	$'000
Repayable in/by				
FY2025	**–**	5,066	**–**	1,266
FY2026	**119,775**	219,875	**1,075**	1,075
FY2027	**150,138**	144,057	**–**	–
FY2028	**98,300**	98,300	**–**	–
FY2029	**78,000**	78,000	**–**	–
	446,213	545,298	**1,075**	2,341

Non-current borrowings with covenants

The Group's revolving credit loans and term loans are subject to financial covenants, which are tested annually. As at 31 January 2025, the non-current portion of these borrowings amounted to $326,438,000 (2024 - $539,157,000). The covenants require the Group to maintain financial ratios, such as (i) loan to value, ratios and debt service coverage and ratios which are customary to finance project loans and term loans; and (ii) minimum interest coverage ratios of 1.1 to 2.0. The Group has complied with all such covenants in financial years ended 31 January 2025 and 2024.

The Group manages its liquidity risk by maintaining sufficient cash to enable them to meet its normal operating commitments and having an adequate amount of credit facilities available.

Further information about the financial risk management is disclosed in Note 40.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2025

22 Share capital

	Number of ordinary shares		Amount	
	2025	2024	**2025**	2024
The Group and the Company			**$'000**	$'000
Issued and fully paid with no par value:				
Balance at beginning and end of year	**738,816,000**	738,816,000	**161,863**	161,863

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All issued shares rank equally with regard to the Company's residual assets.

23(a) Capital reserve

	2025	2024
The Group	**$'000**	$'000
Balance at beginning and end of year	**(30,214)**	(30,214)

Capital reserve represents excess of consideration paid in the acquisition of the non-controlling interests in subsidiaries.

23(b) Retained profits

	The Group		The Company	
	2025	2024	**2025**	2024
	$'000	$'000	**$'000**	$'000
Balance at beginning of year	**484,762**	493,285	**471,383**	525,476
Profit/(loss) for the year	**2,103**	(1,135)	**(3,058)**	(46,705)
Dividends paid (Note 36)	**(11,082)**	(7,388)	**(11,082)**	(7,388)
	(8,979)	(8,523)	**(14,140)**	(54,093)
Balance at end of year	**475,783**	484,762	**457,243**	471,383

24 Fair value reserve

		2025	2024
The Group	Note	**$'000**	$'000
Balance at beginning of year		**976**	1,514
Net fair value loss on financial assets at FVOCI	11	**(881)**	(538)
Balance at end of year		**95**	976

Fair value reserve arises from fair value changes on revaluation of financial assets at FVOCI held as at the end of reporting period.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2025

25 Currency translation reserve

The Group	**2025 $'000**	2024 $'000
Balance at beginning of year	**(7,666)**	(4,034)
Exchange fluctuation difference	**1,402**	(3,632)
Balance at end of year	**(6,264)**	(7,666)

The currency translation reserve is a non-distributable reserve and relates to the exchange difference arising from translation of the financial statements of foreign subsidiaries, associated companies and joint ventures.

26 Revenue

Revenue of the Group includes revenue from construction contracts, sale of development properties, serviced apartments, hotel and restaurant operations, and rental income from investment properties, and excludes inter-company transactions, and applicable goods and services taxes or value-added taxes.

The Group derives revenue from contracts with customers based on transfer of goods and services over time and at a point in time as follows:

	2025			2024		
The Group	**At a point in time $'000**	**Over time $'000**	**Total $'000**	At a point in time $'000	Over time $'000	Total $'000
Revenue from contracts with customers:						
Sales of development properties	**–**	**415,784**	**415,784**	–	297,320	297,320
Serviced apartments, hotel and restaurant operations	**9,968**	**37,924**	**47,892**	10,052	36,528	46,580
Construction of buildings	**–**	**–**	**–**	–	5,250	5,250
	9,968	**453,708**	**463,676**	10,052	339,098	349,150
Rental income [Note 15(b)]			**19,029**			18,530
Total revenue of the Group			**482,705**			367,680

The segment analysis of the Group is disclosed in Note 38 to the financial statements.

27(a) Finance income

The Group	**2025 $'000**	2024 $'000
Interest income		
- Banks	**16**	25
- Fixed deposits	**1,556**	1,685
	1,572	1,710

27(b) Miscellaneous income

The Group	Note	**2025 $'000**	2024 $'000
Dividend income from quoted equity investments:			
- Relating to investments held at the end of reporting period		**149**	134
Write back of impairment loss on trade receivables	6	**9**	–
Management fee		**1,854**	1,779
Government grant income		**100**	66
Forfeiture of deposit		**194**	1,660
Sundry income		**484**	351
		2,790	3,990

28 Administrative costs

The Group	Note	**2025 $'000**	2024 $'000
Audit fees		**239**	270
Non-audit fees		**13**	47
Bank charges		**48**	69
Cleaning fees		**–**	90
Credit card commission expenses		**246**	415
Employee benefit costs	32	**9,063**	8,531
Depreciation of property, plant and equipment	16	**556**	587
Directors' fee		**224**	215
Insurance		**511**	439
Maintenance fees		**63**	137
Professional fees		**312**	610
Property management fees		**1,480**	1,525
Property tax		**48**	49
Repair and maintenance		**118**	159
Subscription fees		**186**	153
Travelling and transportation expenses		**102**	112
Unclaimable GST		**34**	65
Utilities		**18**	148
Others		**637**	705
		13,898	14,326

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2025

29 Other operating expenses

The Group	Note	**2025 $'000**	2024 $'000
Depreciation of property, plant and equipment	16	**–**	196
Hotel maintenance and utilities		**2,026**	1,922
Impairment loss on trade receivables	6	**–**	22
Sundry expenses		**48**	4
		2,074	2,144

30 Finance costs

The Group	Note	**2025 $'000**	2024 $'000
Interest expense			
- Lease liabilities	37(a)	**102**	59
- Loans		**22,013**	27,452
		22,115	27,511

31 Other losses, net

The Group	Note	**2025 $'000**	2024 $'000
Gain on disposal of property, plant and equipment		**19**	27
Foreign exchange losses	32	**(1,470)**	(1,413)
Impairment loss on investments in joint ventures and associated companies		**–**	(360)
Write-back of impairment loss on investment properties	15, 32	**1,902**	–
Impairment loss on property, plant and equipment	16, 32	**(1,123)**	–
Other receivables (non-trade) written off		**(1,186)**	–
Investment properties written off		**(89)**	–
Property, plant and equipment written off	32	**(3)**	(2)
		(1,950)	(1,748)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2025

32 Profit/(loss) before taxation

The Group	Note	**2025 $'000**	2024 $'000
Profit/(loss) before taxation has been arrived at after charging/(crediting):			
Audit fee:			
- Auditors of the Company			
- Current year		**178**	173
- Under provision in respect of prior years		**3**	33
- Other auditors – non-network firms		**58**	64
Non-audit fees, audit-related services ("ARS")			
- Auditors of the Company		**2**	3
Non-audit fees, non-audit-related services ("non-ARS")			
- Auditors of the Company		**11**	11
- Other auditors – non-network firms		**–**	33
Depreciation of:			
- Investment properties	15	**3,454**	3,671
- Property, plant and equipment	16	**8,099**	7,815
Cost of development properties recognised as expense	10(a)	**378,310**	261,744
Cost of inventories recognised as expense	9	**2,637**	2,664
Foreign exchange losses	31	**1,470**	1,413
Amortisation of contract costs	8(b)	**21,810**	14,554
Fair value loss on financial assets at FVPL	5	**2,751**	7,543
Property, plant and equipment written off	31	**3**	2
Write-back of impairment loss on investment properties	15, 31	**(1,902)**	–
Impairment loss on property, plant and equipment	16, 31	**1,123**	–
Employee benefit costs:			
Directors of the Company			
- Salaries and other related costs		**3,506**	3,199
- CPF contributions and other equivalent contributions		**54**	54
Key management personnel (other than directors)			
- Salaries, wages and other related costs		**1,820**	1,686
- CPF contributions and other equivalent contributions		**34**	34
		5,414	4,973
Other than key management personnel			
- Salaries, wages and other related costs		**15,792**	15,449
- CPF contributions and other equivalent contributions		**1,569**	1,575
		22,775	21,997
Employee benefit charged to profit or loss as follows:			
- Cost of sales		**13,712**	13,466
- Administrative expenses	28	**9,063**	8,531
		22,775	21,997

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2025

33 Taxation

The Group	**2025 $'000**	2024 $'000
Current taxation		
- Singapore	**1,523**	1,252
- Foreign	**27**	(12)
	1,550	1,240
(Over)/under provision in prior financial years:		
- Current taxation	**(903)**	693
Utilisation of previously unrecognised tax losses, via group relief	**(1,532)**	(1,623)
	(2,435)	(930)
Deferred taxation	**(233)**	(948)
Tax credit	**(1,118)**	(638)

Domestic income tax is calculated at 17% (2024 - 17%) of the estimated assessable profit for the year. Taxation for other jurisdictions is calculated at 24%, 25% and 30% (2024 - 24%, 25% and 30%) for jurisdictions located in Malaysia, PRC and Australia, respectively.

The tax on the Group's results before tax differs from the theoretical amount that would arise using the various applicable corporate tax rates of income tax as follows:

The Group	**2025 $'000**	2024 $'000
Profit/(loss) before taxation	**1,459**	(1,668)
Share of results of joint ventures and associated companies, net of tax	**(830)**	(2,764)
	629	(4,432)
Tax at domestic rate applicable to profits in the countries concerned[1]	**193**	(694)
Tax effect on non-deductible expenses[2]	**73,759**	51,000
Tax effect on non-taxable income[3]	**(71,733)**	(48,827)
Tax effect on temporary differences not recognised	**(887)**	(1,122)
Tax effect on Singapore statutory stepped income exemption	**(42)**	(53)
Withholding taxes paid/(recovered)	**27**	(12)
(Over)/under provision of current taxation in respect of prior years	**(903)**	693
Utilisation of previously unrecognised tax losses, via group relief	**(1,532)**	(1,623)
	(1,118)	(638)

Notes:

(1) This is prepared by aggregating separate reconciliations for each national jurisdiction.

(2) This relates mainly to disallowed expenditures incurred in the ordinary course of business which includes cost of development properties sold at the Klimt Cairnhill project which would only be deductible upon obtaining Temporary Occupation Permit, depreciation on non-qualifying assets, impairment on property, plant and equipment and impairment of investment properties.

(3) This relates mainly to non-taxable income occurred in the ordinary course of business which includes revenue from sold development properties at the Klimt Cairnhill project which would only be taxable upon obtaining Temporary Occupation Permit, impairment losses no longer required for non-qualifying property, plant and equipment, investment properties and one-tier tax exempt dividend income from quoted equity investments.

34 Earnings/(loss) per share

Basic and diluted earnings per share are calculated by dividing the net profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the financial year.

The following table reflects the consolidated income statement and share data used in the computation of basic and diluted earnings per share from continuing operations for the financial years ended 31 January:

The Group	**2025 $'000**	2024 $'000
Net profit/(loss) attributable to equity holders of the Group	**2,103**	(1,135)
Weighted average number of ordinary shares for purpose of calculating basic and diluted earnings per share (Note 22)	**738,816,000**	738,816,000
Basic and diluted earnings/(loss) per share (cents)	**0.28**	(0.15)

As there are no dilutive potential ordinary shares that were outstanding during the financial year, the basic loss per share is the same as the diluted loss per share.

35 Related party transactions

In addition to the information disclosed elsewhere in the financial statements, the following are significant transactions that took place between the Group and related parties at mutually agreed amounts:

The Group	**2025 $'000**	2024 $'000
Dividend received from an associated company	**2,920**	–
Dividend received from a joint venture	**180**	–
Repayment of loan from an associated company	**13,860**	–
Security services charged by other related party	**235**	221
Shareholders' loans to a joint venture	**43,156**	196
Construction work performed for an associated company	**–**	5,250
Shareholders' loans to associated companies	**2,100**	1,979
Service and secondment fee charged to joint ventures	**1,854**	1,779

Other related party refers to a company which is controlled by the Group's key management personnel and his close family members.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2025

36 Dividends

The Group and the Company	**2025 $'000**	2024 $'000
Dividends paid		
- Ordinary dividends:		
First and final dividend of 1.5 cents (2024 - 1.0 cent) per share, tax exempt paid in respect of the previous financial year [Note 23(b)]	**11,082**	7,388
Dividends proposed		
- Ordinary dividends:		
First and final dividend of 1.5 cents (2024 - 1.5 cents) per share, tax exempt	**11,082**	11,082

At the forthcoming Annual General Meeting, a first and final tax-exempt (one-tier) ordinary dividend of 1.5 cents (2024 - 1.5 cents) per share amounting to $11,082,000 (2024 - $11,082,000) will be proposed. These financial statements do not reflect the dividends payable, which will be accounted for as a reduction in equity as a distribution of retained profits in the financial year ending 31 January 2026.

37 Leases

37(a) Lease liabilities

	The Group		The Company	
	2025 $'000	2024 $'000	**2025 $'000**	2024 $'000
Undiscounted lease payments due:				
- Financial Year 1	**561**	506	**5**	5
- Financial Year 2	**463**	557	**3**	5
- Financial Year 3	**86**	458	**–**	4
- Financial Year 4	**84**	81	**–**	–
- Financial Year 5	**84**	79	**–**	–
- Financial Year 6 and onwards	**969**	787	**–**	–
	2,247	2,468	**8**	14
Less: future interest cost	**(336)**	(320)	*****	(1)
Lease liabilities	**1,911**	2,148	**8**	13
Presented under borrowings (Note 21) as:				
- Current	**498**	427	**5**	5
- Non-current	**1,413**	1,721	**3**	8
	1,911	2,148	**8**	13

* Less than $1,000.

37 Leases (Cont'd)

37(a) Lease liabilities (Cont'd)

Lease liabilities are denominated in the following currencies:

	The Group		The Company	
	2025	2024	**2025**	2024
	$'000	$'000	**$'000**	$'000
Singapore Dollar	**828**	1,195	**8**	13
Australian Dollar	**1,083**	953	**–**	–
	1,911	2,148	**8**	13

Interest expense on lease liabilities of $102,000 (2024 - $59,000) (Note 30) is recognised within finance costs in profit or loss.

Rental expenses not capitalised in lease liabilities but recognised within costs of sales in profit or loss are set out below:

	2025	2024
The Group	**$'000**	$'000
Leases of low-value assets	**4**	4

Total cash outflows for all leases in the year amount to $561,000 (2024 - $509,000).

As at 31 January 2025, the Group's short-term lease commitments at the reporting date are not substantially dissimilar to those giving rise to the Group's short-term lease expense for the year.

Information about the Group's leasing activities is disclosed in Note 37(b).

Further information about the financial risk management is disclosed in Note 40.

The Group's lease liabilities are secured by the lessors' title to the leased assets.

The remainder of this page has been intentionally left blank.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2025

37 Leases (Cont'd)

37(b) Lease arrangements

(i) The Group as lessee

Leasehold land and buildings

The Group has made upfront payments to secure the right-of-use of various leasehold land and buildings. The leasehold land and buildings are recognised within the Group's property, plant and equipment (Note 16) when they are used in the production or supply of goods or services. Otherwise, these are classified within investment properties (Note 15) when they are held for long-term rental yields and/or for capital appreciation.

The Group also makes monthly lease payments for the use of several leasehold properties for operation purposes [Note 37(a)]. These leasehold properties are recognised within the Group's property, plant and equipment (Note 16). There are no externally imposed covenants on these property lease arrangements.

Variable lease payments

The leases for restaurant premise contain variable lease payments that are based on 2% of gross sales generated by the restaurant, on top of fixed payments. Such variable lease payments are recognised in profit or loss when incurred, and an amount of $30,000 (2024 - $42,000) has been recognised in profit or loss for the financial year ended 31 January 2025.

Office equipment

The Group makes monthly lease payments to lease office equipment used for administrative operation activities. This equipment is recognised as the Group's property, plant and equipment (Note 16).

Set below are the carrying amounts of right-of-use assets classified within property, plant and equipment and the movement during the period:

The Group	Office equipment $'000	Leasehold land $'000	Leasehold buildings $'000	Total $'000
At 31 January 2024	**23**	**84,077**	**6,934**	**91,034**
Additions	**9**	**–**	**–**	**9**
Lease modification	**–**	**–**	**229**	**229**
Exchange translation difference	**–**	**–**	**5**	**5**
Depreciation expense	**(10)**	**(911)**	**(562)**	**(1,483)**
Impairment loss	**–**	**–**	**(706)**	**(706)**
At 31 January 2025	**22**	**83,166**	**5,900**	**89,088**
At 31 January 2023	36	84,988	6,918	91,942
Additions	–	–	1,290	1,290
Transfer to investment properties	–	–	(910)	(910)
Exchange translation difference	–	–	(44)	(44)
Depreciation expense	(13)	(911)	(320)	(1,244)
At 31 January 2024	23	84,077	6,934	91,034

37 Leases (Cont'd)

37(b) Lease arrangements (Cont'd)

(ii) The Group as lessor

Investment properties

Operating leases, in which the Group is the lessor, relate to investment properties (Note 15) owned by the Group. The lease terms range between 1 to 6 years with the option to extend for another 3 years, for certain tenants. All operating lease contracts contain market review clauses in the event that the lessee exercises its option to renew. The lessee does not have an option to purchase the property at the expiry of the lease period.

These leases are classified as operating lease because the risk and rewards incidental to ownership of the assets are not substantially transferred. The Group is exposed to changes in residual value at the end of the lease term, the Group typically enters into new operating leases and therefore will not immediately realise any reduction in residual value at the end of these lease. Expectations about the future residual values are reflected in the fair value of the investment properties.

The Group's revenue from rental income received on the investment properties are disclosed in Note 15(b).

Variable lease payments received during the financial year that do not depend on an index or rate from rental of investment properties is $559,000 (2024 - $512,000).

The future minimum rental receivable under non-cancellable operating leases contracted for at the reporting date are as follows:

The Group	**2025 $'000**	2024 $'000
Undiscounted lease payments to be received:		
- Financial Year 1	**16,882**	18,114
- Financial Year 2	**14,365**	12,475
- Financial Year 3	**11,559**	9,248
- Financial Year 4	**7,389**	6,785
- Financial Year 5	**2,860**	3,754
- Financial Year 6 and onwards	**712**	580
	53,767	50,956

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2025

38 Operating segments

For management purposes, the Group's operating businesses are organised and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The Group's reportable operating segments are as follows:

(i) Property development

Activities in this segment comprise the development of properties.

(ii) Hotel

Activities in this segment comprise ownership and operation of serviced apartments, a hotel and a restaurant.

(iii) Investments

Activities in this segment relate mainly to investment in properties, investment in quoted and unquoted equities, construction activities, as well as firm-wide expenses not allocated to core segments.

There are no other operating segments that have been aggregated to form the above reportable operating segments.

The Executive Chairman and the Managing Director monitor the operating results of its operating segments for the purpose of making decisions on resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which in certain aspects, as set out below, is measured differently from operating profit or loss in the consolidated financial statements.

Group taxation is managed on a group basis and is not allocated to operating segments.

Sales between operating segments are carried out at arm's length basis, similar to transactions with third parties.

The remainder of this page has been intentionally left blank.

38 Operating segments (Cont'd)

(a) Business Segments

	Property development		Hotel		Investments		Consolidated	
	2025	2024	**2025**	2024	**2025**	2024	**2025**	2024
The Group	**$'000**	$'000	**$'000**	$'000	**$'000**	$'000	**$'000**	$'000
REVENUE								
Total sales	**415,784**	297,320	**50,083**	48,795	**66,708**	54,358	**532,575**	400,473
Inter-segment sales	**–**	–	**(2,191)**	(2,215)	**(47,679)**	(30,578)	**(49,870)**	(32,793)
External sales	**415,784**	297,320	**47,892**	46,580	**19,029**	23,780	**482,705**	367,680
RESULTS								
Segment results	**14,581**	20,587	**5,471**	5,869	**5,821**	4,204	**25,873**	30,660
Finance income	**524**	173	**–**	–	**1,048**	1,537	**1,572**	1,710
Finance costs	**(7,331)**	(12,360)	**(6,911)**	(6,694)	**(7,873)**	(8,457)	**(22,115)**	(27,511)
Share of results of joint ventures and associated companies	**1,084**	2,764	**–**	–	**(254)**	–	**830**	2,764
Profit/(loss) before fair value changes, other losses (net) and taxation	**8,858**	11,164	**(1,440)**	(825)	**(1,258)**	(2,716)	**6,160**	7,623
Fair value loss on financial assets at FVPL	**–**	–	**–**	–	**(2,751)**	(7,543)	**(2,751)**	(7,543)
Other losses, net	**–**	–	**(1,395)**	–	**(555)**	(1,748)	**(1,950)**	(1,748)
Profit/(loss) before taxation	**8,858**	11,164	**(2,835)**	(825)	**(4,564)**	(12,007)	**1,459**	(1,668)
Taxation							**1,118**	638
Profit attributable to non-controlling interests							**(474)**	(105)
Net profit/(loss) attributable to owners of the parent							**2,103**	(1,135)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2025

38 Operating segments (Cont'd)

(a) Business Segments (Cont'd)

The Group	Property development		Hotel		Investments		Consolidated	
	2025	2024	**2025**	2024	**2025**	2024	**2025**	2024
	$'000	$'000	**$'000**	$'000	**$'000**	$'000	**$'000**	$'000
OTHER INFORMATION								
Segment assets	**377,376**	526,450	**295,848**	298,630	**343,438**	349,028	**1,016,662**	1,174,108
Investments in joint ventures and associated companies under equity method	**43,156**	14,650	**–**	–	**28,494**	25,027	**71,650**	39,677
Consolidated total assets (excluding taxation)	**420,532**	541,100	**295,848**	298,630	**371,932**	374,055	**1,088,312**	1,213,785
Segment liabilities (excluding taxation)	**(108,802)**	(221,195)	**(160,041)**	(157,387)	**(204,137)**	(207,943)	**(472,980)**	(586,525)
Capital expenditure								
- Property, plant and equipment	**–**	–	**7,361**	5,828	**133**	294	**7,494**	6,122
- Investment properties	**–**	–	**–**	–	**57**	–	**57**	–
Depreciation								
- Property, plant and equipment	**–**	–	**7,620**	7,319	**479**	496	**8,099**	7,815
- Investment properties	**–**	–	**–**	–	**3,454**	3,671	**3,454**	3,671
Impairment loss/(write-back), net on								
- Property, plant and equipment	**–**	–	**1,123**	–	**–**	–	**1,123**	–
- Investment properties	**–**	–	**–**	–	**(1,902)**	–	**(1,902)**	–
- Trade receivables	**–**	–	**–**	–	**(9)**	22	**(9)**	22
Written off								
- Property, plant and equipment	**–**	–	**3**	2	**–**	–	**3**	2
- Investment properties	**–**	–	**–**	–	**89**	–	**89**	–
- Other receivables (non-trade)	**–**	–	**–**	–	**1,186**	–	**1,186**	–
Gain on disposal of								
- Property, plant and equipment	**–**	–	**–**	–	**(19)**	(27)	**(19)**	(27)
Amortisation of contract costs	**21,810**	14,554	**–**	–	**–**	–	**21,810**	14,554
Fair value loss on financial assets at FVPL	**–**	–	**–**	–	**2,751**	7,543	**2,751**	7,543
Unrealised foreign exchange loss from financial assets at FVPL	**–**	–	**–**	–	**1,180**	1,557	**1,180**	1,557

38 Operating segments (Cont'd)

(b) Geographical Segments

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of external customers. Non-current assets other than the deferred tax assets and derivative financial instruments are based on the geographical location of the assets.

	Revenue		Non-current assets	
	2025	2024	**2025**	2024
The Group	**$'000**	$'000	**$'000**	$'000
Singapore	**460,062**	346,982	**589,386**	569,147
Australia	**22,643**	20,698	**33,963**	29,915
Malaysia	**–**	–	**28,411**	25,026
	482,705	367,680	**651,760**	624,088

Non-current assets information presented above consists of investments in joint ventures and associated companies, investment properties and property, plant and equipment.

(c) Information about major customers

The Group does not have any major customer.

(d) Reconciliation of segments total assets and total liabilities

	2025	2024
The Group	**$'000**	$'000
Reportable segments' assets are reconciled to total assets as follows:		
Segment assets	**1,016,662**	1,174,108
Investments in joint ventures and associated companies under equity method	**71,650**	39,677
Deferred tax assets	**2,225**	2,208
GST receivable	**491**	–
Total assets	**1,091,028**	1,215,993
Reportable segments' liabilities are reconciled to total liabilities as follows:		
Segment liabilities	**472,980**	586,525
Deferred tax liabilities	**3,240**	3,441
GST payable	**410**	611
Current tax payable	**4,131**	4,702
Total liabilities	**480,761**	595,279

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2025

39 Disclosure of directors' remuneration

As required by the Listing Manual of the Singapore Exchange, the remuneration of Directors of the Company is disclosed in bands as follows:

	Number of directors	
	2025	2024
$1,000,001 to $1,250,000	**2**	1
$750,001 to $1,000,000	**1**	2
$500,001 to $750,000	**1**	–
$250,001 to $500,000	**–**	1
Below $250,001	**5**	4
Total	**9**	8

40 Financial risk management objectives and policies

The Group's and the Company's financial risk management policies set out their overall business strategies and risk management philosophies. The Group and the Company are exposed to financial risks arising from their operations and the use of financial instruments. The key financial risks include currency risk, interest rate risk, liquidity risk, market price risk and credit risk. The Group's and the Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise adverse effects from such unpredictability on their financial performances.

The Board of Directors reviews and agrees policies and procedures for the management of these risks. The Audit Committee provides independent oversight to the effectiveness of the risk management process.

The Group and the Company do not hold or issue derivative financial instruments for speculative purposes.

As at 31 January 2025 and 2024, the Group's and the Company's financial instruments mainly consisted of cash and cash equivalents, financial assets at FVOCI, financial assets at FVPL, receivables, payables, lease liabilities and bank borrowings.

There has been no change to the Group's and the Company's exposures to these financial risks or the manner in which they manage and measure the risk. Market risk exposures are measured using sensitivity analysis indicated below.

40 Financial risk management objectives and policies (Cont'd)

40.1 Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Currency risk arises when transactions are denominated in foreign currencies.

Part of the Group's revenue, expenses, investments, assets and liabilities are denominated in foreign currencies which give rise to foreign exchange risk, particularly of its overseas subsidiaries, associates, joint ventures and investments in financial assets at FVPL. This risk primarily arises from exposure to Australian Dollar (AUD), Chinese Renminbi (RMB), Malaysian Ringgit (RM) and United States Dollar (USD).

In terms of operations, sales and purchases are denominated in the same currency as much as is practicable. The Group also matches the currency of its bank borrowings, if any, with the location of its investment to mitigate the risk of currency exposure. As such, the Group does not deem it necessary to enter into any derivative contracts to hedge against foreign currency risk.

Exposure to foreign currency risk is insignificant as the Group's income and related expenses, assets and liabilities are substantially denominated in the respective functional currencies of the Group's entities. The exposure is monitored on an ongoing basis and the Group endeavours to keep the net exposure at an acceptable level.

The remainder of this page has been intentionally left blank.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2025

40 Financial risk management objectives and policies (Cont'd)

40.1 Currency risk (Cont'd)

The Group and the Company also hold cash and cash equivalents denominated in foreign currencies for working capital purposes. As at the end of each reporting period, the carrying amounts of monetary assets and monetary liabilities denominated in currencies other than the respective group entities' functional currencies are as follows:

	USD $'000	AUD $'000	RM $'000	RMB $'000	Total $'000
The Group					
At 31 January 2025					
Cash and cash equivalents	**243**	**735**	**57**	**–**	**1,035**
Financial assets at FVPL	**–**	**24,103**	**–**	**–**	**24,103**
Trade and other receivables	**–**	**–**	**–**	**3,121**	**3,121**
Amount owing to non-controlling shareholders of subsidiaries (non-trade)	**–**	**(346)**	**–**	**–**	**(346)**
	243	**24,492**	**57**	**3,121**	**27,913**
At 31 January 2024					
Cash and cash equivalents	229	214	210	–	653
Financial assets at FVPL	–	28,068	–	–	28,068
Amount owing to non-controlling shareholders of subsidiaries (non-trade)	–	(361)	–	–	(361)
	229	27,921	210	–	28,360
The Company					
At 31 January 2025					
Cash and cash equivalents	**243**	**735**	**46**	**–**	**1,024**
Amount owing by subsidiaries	**–**	**38,115**	**16,703**	**–**	**54,818**
	243	**38,850**	**16,749**	**–**	**55,842**
At 31 January 2024					
Cash and cash equivalents	229	214	50	–	493
Amount owing by subsidiaries	–	39,799	14,304	–	54,103
	229	40,013	14,354	–	54,596

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity to a reasonably possible change in foreign currencies against the functional currency of each group entity, with all other variables held constant, of the Group's profit or loss and equity.

40 Financial risk management objectives and policies (Cont'd)

40.1 Currency risk (Cont'd)

Sensitivity analysis for foreign currency risk (Cont'd)

	Increase/(Decrease)			
	2025		2024	
	Profit or loss $'000	**Equity $'000**	Profit or loss $'000	Equity $'000
The Group				
Australian Dollar				
- strengthened 5% (2024 - 5%)	**1,225**	**1,225**	1,396	1,396
- weakened 5% (2024 - 5%)	**(1,225)**	**(1,225)**	(1,396)	(1,396)
Malaysian Ringgit				
- strengthened 5% (2024 - 5%)	**3**	**3**	10	10
- weakened 5% (2024 - 5%)	**(3)**	**(3)**	(10)	(10)
United States Dollar				
- strengthened 5% (2024 - 5%)	**12**	**12**	11	11
- weakened 5% (2024 - 5%)	**(12)**	**(12)**	(11)	(11)
Chinese Renminbi				
- strengthened 5% (2024 - 5%)	**156**	**156**	–	–
- weakened 5% (2024 - 5%)	**(156)**	**(156)**	–	–
The Company				
Australian Dollar				
- strengthened 5% (2024 - 5%)	**1,943**	**1,943**	2,001	2,001
- weakened 5% (2024 - 5%)	**(1,943)**	**(1,943)**	(2,001)	(2,001)
Malaysian Ringgit				
- strengthened 5% (2024 - 5%)	**837**	**837**	718	718
- weakened 5% (2024 - 5%)	**(837)**	**(837)**	(718)	(718)
United States Dollar				
- strengthened 5% (2024 - 5%)	**12**	**12**	11	11
- weakened 5% (2024 - 5%)	**(12)**	**(12)**	(11)	(11)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2025

40 Financial risk management objectives and policies (Cont'd)

40.2 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's and the Company's financial instruments will fluctuate because of changes in market interest rates.

The Group's and the Company's exposure to interest rate risk arises primarily from bank borrowings and fixed deposits placed with financial institutions.

The interest rates of fixed deposits placed with financial institutions and bank borrowings are disclosed in Notes 3, 4, and 21 to the financial statements.

The following table sets out the carrying amount, by maturity, of the Group's and the Company's financial instruments that are exposed to interest rate risk:

	Within 1 year $'000	1 - 2 years $'000	2 - 3 years $'000	3 - 4 years $'000	4 - 5 years $'000	Total $'000
The Group						
At 31 January 2025						
Floating rate						
Financial assets	**46,027**	**–**	**–**	**–**	**–**	**46,027**
Financial liabilities	**(119,775)**	**(150,138)**	**(98,300)**	**(78,000)**	**–**	**(446,213)**
	(73,748)	**(150,138)**	**(98,300)**	**(78,000)**	**–**	**(400,186)**
At 31 January 2024						
Floating rate						
Financial assets	48,714	–	–	–	–	48,714
Financial liabilities	(5,066)	(219,875)	(144,057)	(98,300)	(78,000)	(545,298)
	43,648	(219,875)	(144,057)	(98,300)	(78,000)	(496,584)
The Company						
At 31 January 2025						
Floating rate						
Financial assets	**921**	**–**	**–**	**–**	**–**	**921**
Financial liabilities	**(1,075)**	**–**	**–**	**–**	**–**	**(1,075)**
	(154)	**–**	**–**	**–**	**–**	**(154)**
At 31 January 2024						
Floating rate						
Financial assets	35,272	–	–	–	–	35,272
Financial liabilities	(1,266)	(1,075)	–	–	–	(2,341)
	34,006	(1,075)	–	–	–	32,931

40 Financial risk management objectives and policies (Cont'd)

40.2 Interest rate risk (Cont'd)

The Group's financial assets subject to floating rate above include unencumbered fixed deposits of $37,920,000 (2024 - $36,272,000) (Note 3) with maturity of less than three months and pledged fixed deposits aggregating $8,107,000 (2024 - $12,441,000) (Note 4). Pledged fixed deposits include $6,607,000 (2024 - $6,889,000) with maturity of less than three months from date of placement and $1,500,000 (2024 - $5,552,000) with maturity of more than three months from date of placement. Maturity periods stated are calculated based on date of placement to date of maturity.

The Group's financial liabilities subject to floating above comprises bank borrowings as disclosed in Note 21.

The other financial instruments of the Group and the Company that are not included in the above table are not subject to interest rate risks.

Sensitivity analysis for interest rate risk

The sensitivity analysis below has been determined based on the exposure to interest rates for non-derivative instruments at the end of reporting period and on the assumption that the change took place at the beginning of the financial year and is held constant throughout the reporting period. The magnitude represents management's assessment of the likely movement in interest rates under normal economic conditions.

	← Increase/(Decrease) →			
	2025		2024	
	Profit or loss	**Equity**	Profit or loss	Equity
	$'000	**$'000**	$'000	$'000
The Group				
Interest rate				
- decreased by 1% per annum	**4,002**	**4,002**	4,966	4,966
- increased by 1% per annum	**(4,002)**	**(4,002)**	(4,966)	(4,966)
The Company				
Interest rate				
- decreased by 1% per annum	**2**	**2**	(329)	(329)
- increased by 1% per annum	**(2)**	**(2)**	329	329

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2025

40 Financial risk management objectives and policies (Cont'd)

40.3 Liquidity risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

The Group's and the Company's exposure to liquidity arises primarily from mismatches between the maturities of financial assets and liabilities. The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities.

The Group and the Company ensure that there are adequate funds to meet all its obligations in a timely and cost-effective manner. The Group and the Company aim at maintaining flexibility in funding by keeping credit facilities available as disclosed in Note 21 to the financial statements.

The table below summarises the Group's and the Company's financial liabilities into relevant maturity groupings based on the remaining period from the end of reporting period to the contractual maturity date. The amounts disclosed in the table are based on the contractual undiscounted cash flows.

The Group	Less than 1 year $'000	Between 1 and 5 years $'000	More than 5 years $'000	Total $'000
At 31 January 2025				
Trade and other payables*	**21,928**	**–**	**–**	**21,928**
Amounts owing to non-controlling shareholders of subsidiaries (non-trade)	**716**	**–**	**–**	**716**
Provision for directors' fee	**224**	**–**	**–**	**224**
Borrowings	**135,219**	**340,145**	**969**	**476,333**
	158,087	**340,145**	**969**	**499,201**
At 31 January 2024				
Trade and other payables*	35,809	–	–	35,809
Amounts owing to non-controlling shareholders of subsidiaries (non-trade)	361	–	–	361
Provision for directors' fee	215	–	–	215
Borrowings	30,636	580,841	787	612,264
	67,021	580,841	787	648,649

* Excludes GST payable and advanced payments received from customers.

40 Financial risk management objectives and policies (Cont'd)

40.3 Liquidity risk (Cont'd)

The Company	Less than 1 year $'000	Between 1 and 5 years $'000	More than 5 years $'000	Total $'000
At 31 January 2025				
Trade and other payables*	**7,500**	**–**	**–**	**7,500**
Amounts owing to subsidiaries (non-trade)	**5,660**	**–**	**–**	**5,660**
Amount owing to non-controlling shareholders of subsidiaries (non-trade)	**370**	**–**	**–**	**370**
Provision for directors' fee	**224**	**–**	**–**	**224**
Borrowings	**1,097**	**3**	**–**	**1,100**
	14,851	**3**	**–**	**14,854**
Financial guarantees for subsidiaries	**164,900**	**319,760**	**–**	**484,660**
At 31 January 2024				
Trade and other payables*	24,051	–	–	24,051
Amounts owing to subsidiaries (non-trade)	11,140	–	–	11,140
Provision for directors' fee	215	–	–	215
Borrowings	1,297	1,100	–	2,397
	36,703	1,100	–	37,803
Financial guarantees for subsidiaries	2,800	585,760	–	588,560

* Excludes GST payable and advance payments received from customers.

40.4 Market price risk

Market price risk arises mainly from uncertainty about future prices of instruments used in the Group's operations. It represents the potential loss the Group might suffer through holding investments in the face of price movements. It is the Group's policy to hold an appropriate spread of investments in the portfolio in order to reduce the risk arising from factors specific to a particular sector or industry.

The Group is exposed to marketable securities price risk arising from its investments in equity investments classified as financial assets held at fair value through other comprehensive income. These securities are listed on the Singapore Exchange.

The Group is also exposed to market price risk arising from its investment in the limited partnership classified as financial assets held at fair value through profit or loss. The partnership will invest in the Master Fund whose valuation is mainly based on the valuation of the underlying commercial real estate assets less borrowings. All investments present a risk of loss of capital. The General Partner moderates this risk via careful selection and recommendation by the Investment Manager to the Partnership and the Master Fund within the specified investment guidelines.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2025

40 Financial risk management objectives and policies (Cont'd)

40.4 Market price risk (Cont'd)

The Group	**2025 $'000**	2024 $'000
Financial assets at FVOCI		
- Listed in Singapore	**3,795**	4,676
Financial assets at FVPL		
- Investment in limited partnership	**24,103**	28,068
Total equity securities	**27,898**	32,744

Sensitivity analysis for market price risk

The sensitivity analysis below has been determined based on the portfolio of quoted equity securities held by the Group and the Company as at the end of reporting period, if prices for equity securities listed in Singapore and unquoted investment in limited partnership increase/decrease by 2% (2024 - 2%) with all other variables including tax rate being held constant throughout the reporting period. The magnitude represents management's assessment of the likely movement in the prices for equity securities under normal economic conditions.

Investments

	← Increase/(Decrease) →					
	2025			2024		
The Group	**Profit or loss $'000**	**OCI $'000**	**Equity $'000**	Profit or loss $'000	OCI $'000	Equity $'000
Prices for quoted equity investments						
- increased by 2% per annum	**–**	**76**	**76**	–	94	94
- decreased by 2% per annum	**–**	**(76)**	**(76)**	–	(94)	(94)
Prices for unquoted investment in limited partnership						
- increased by 2% per annum	**482**	**–**	**482**	561	–	561
- decreased by 2% per annum	**(482)**	**–**	**(482)**	(561)	–	(561)

40 Financial risk management objectives and policies (Cont'd)

40.5 Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group adopts the policy of dealing only with:

- Customers of appropriate credit standing and history, and/or obtaining sufficient collateral where appropriate to mitigate credit risk; and

- High credit quality counterparties rated by external credit rating agencies.

The Group's and the Company's exposure to credit risk arise primarily from trade and other receivables, contract assets, related parties' balances and cash placed with financial institutions. Cash is held with reputable financial institutions. For trade receivables, the Group and the Company adopt the policy of dealing only with customers of appropriate credit history or by obtaining sufficient collateral to mitigate risk. For other financial assets, the Group and the Company adopt the policy of dealing only with high credit quality counterparties.

The Group's objective is to seek continual growth while minimising losses incurred due to increased credit risk exposure. There are no significant concentrations of credit other than advances to joint ventures, associated companies, and inter-company balances which are eliminated upon consolidation.

As at 31 January 2025 and 2024, none of the counterparties, under trade receivables, individually exceeded 5% of the Group's total assets.

For trade receivables and unbilled revenue from sale of development properties, the Group has policies in place to ensure that sales are made to purchasers with appropriate financial strength and after obtaining sufficient security such as deposits. If a purchaser defaults on payments, the Group may enforce payments via legal proceedings or if the purchaser is assessed to be insolvent, the Group may resume possession of the units, retain a portion of the purchaser's deposits from payments made to date, and resell the property. Unless the selling price falls by more than the portion of purchaser's deposits retained, which is remote, the Group would not be in a loss position in selling those properties.

For trade receivables from property investments, the Group typically collects deposits amounting to two to three months of the monthly lease rental. All late payments are monitored closely and followed up with active chasing or legal action if necessary. The Group also regularly reviews the recoverable amount of each individual trade receivable to ensure that adequate credit losses are made for irrecoverable amounts.

The Group's revenue from serviced apartments, hotel and restaurant operations is subject to immaterial credit loss and transactions are mainly settled through cash or credit card, which have a short collection period.

The Company carries out construction work for entities within the Group and for an associated company. There is insignificant expected credit loss on construction contracts.

The Group and the Company's maximum exposure to credit risk to each class of financial instruments, without taking into account any collateral held or other enhancements, is the carrying amount of that class of financial instruments presented on the statements of financial position, except for corporate guarantee provided by the Company to banks on subsidiaries' loans as disclosed in Note 43.2.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2025

40 Financial risk management objectives and policies (Cont'd)

40.5 Credit risk (Cont'd)

The Group monitors its potential losses on credit extended. The amounts presented in the statements of financial position are net of allowances for doubtful receivables.

The Group's credit risk framework comprises the following categories:

Category	Description	Basis for recognising ECL
Performing	The counterparty has a low risk of default and does not have any past-due amounts.	12-month ECL
Doubtful	Amount is >30 days past due or there has been a significant increase in credit risk since initial recognition.	Lifetime ECL - not credit-impaired
In default	Amount is >90 days past due or there is evidence indicating the asset is credit-impaired.	Lifetime ECL - credit-impaired
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery.	Amount is written off

The tables below detail the credit quality of the Group's and the Company's financial assets and other items, as well as maximum exposure to credit risk by credit risk rating grades:

The Group	Internal credit rating	12-month or lifetime ECL	Gross carrying amount $'000	Loss allowance $'000	Net carrying amount $'000
2025					
Trade receivables	(a)	Lifetime	**27,041**	**(70)**	**26,971**
Contract assets	(a)	Lifetime	**294,107**	**–**	**294,107**
Other receivables*	Performing	12-month	**6,690**	**–**	**6,690**
2024					
Trade receivables	(a)	Lifetime	20,878	(199)	20,679
Contract assets	(a)	Lifetime	112,958	–	112,958
Other receivables*	Performing	12-month	3,865	–	3,865

* Excludes prepayments and GST receivable.

40 Financial risk management objectives and policies (Cont'd)

40.5 Credit risk (Cont'd)

The Company	Internal credit rating	12-month or lifetime ECL	Gross carrying amount $'000	Loss allowance $'000	Net carrying amount $'000
2025					
Trade receivables	(a)	Lifetime	**6,303**	**–**	**6,303**
Contract assets	(a)	Lifetime	**2,458**	**–**	**2,458**
Other receivables*	Performing	12-month	**126**	**–**	**126**
Amount owing by subsidiaries (non-trade)	(b)	12-month	**16,136**	**(12,454)**	**3,682**
2024					
Trade receivables	(a)	Lifetime	7,119	–	7,119
Contract assets	(a)	Lifetime	5,586	–	5,586
Other receivables*	Performing	12-month	1,485	–	1,485
Amount owing by subsidiaries (non-trade)	(b)	12-month	15,026	(11,954)	3,072

* Excludes prepayment and GST receivable.

Cash and cash equivalents, fixed deposits, other receivables and contract assets are subject to immaterial credit loss.

(a) Trade receivables and contract assets

For trade receivables and contract assets, the Group and the Company have applied the simplified approach and used a provision matrix to measure the lifetime expected credit loss allowance. In measuring the expected credit losses, trade receivables and contract assets are grouped based on shared credit risk characteristics and days past due. The contract assets relate to unbilled work-in-progress, which have substantially the same risk characteristics as the trade receivables for the same type of contracts. The Group and the Company have therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets, except for credit-impaired receivables which has been impaired in full.

In calculating the expected credit loss rates, the Group considers historical loss rates for each category of customers and adjusts to reflect current and forward-looking macroeconomic factors affecting the ability of the customers to settle the receivables.

Trade receivables and contract assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group. The Group considers a financial asset as in default if the counterparty fails to make contractual payments within 90 days when they fall due and writes off the financial asset when a debtor fails to make contractual payments greater than 120 days past due.

Where receivables are written off, the Group and the Company continue to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2025

40 Financial risk management objectives and policies (Cont'd)

40.5 Credit risk (Cont'd)

(b) Other receivables and amount owing by subsidiaries

For other receivables and amount owing by subsidiaries, management has considered, among other factors (including forward-looking information), the Group's and Company's historical loss pattern over the last three financial years to assess the expected credit loss.

The Group considers both quantitative and qualitative information that is reasonable and supportable, including historical payment experience and the corresponding historical credit loss rates, and adjusted for forward-looking macroeconomic factors.

These financial assets are assessed as credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about events, including but not limited to significant financial difficulty of the borrower or a breach of contract, such as a default or past due event.

(c) Financial guarantees

The Company has issued financial guarantees to banks for borrowings of its subsidiaries. These guarantees are subject to the impairment requirements of SFRS(I) 9. The Company has assessed that its subsidiaries have the financial capacity to meet the contractual cash flow obligations in the near future and hence, does not expect significant credit losses arising from these guarantees.

At the reporting date, the Company's intra-group financial guarantees (Note 43.2), assuming the banking facilities are fully drawn, amount to $585,000,000 (2024 - $771,700,000). Given the financial position of the Group, the Company considers it is probable that a claim will be made against it under these guarantees.

41 Fair value measurement

(i) Definition of fair value

SFRS(I)s define fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

41 Fair value measurement (Cont'd)

(ii) Non-financial assets and liabilities

(a) Fair value hierarchy

The Group categorises fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used. The different levels have been defined 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 (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Other than as disclosed elsewhere in these financial statements, the carrying amounts and fair values of non-financial assets and liabilities, including their fair value hierarchy level, are set out below:

	2025			2024		
	Carrying amount	**Fair value**	**Fair value hierarchy**	Carrying amount	Fair value	Fair value hierarchy
	$'000	**$'000**		$'000	$'000	
The Group						
Investment properties:						
Retail units	**241,015**	**376,000**	**Level 3**	243,868	374,300	Level 3
Commercial units	**46,479**	**50,400**	**Level 3**	45,192	49,870	Level 3
Office units	**876**	**5,065**	**Level 3**	894	5,139	Level 3
Property, plant and equipment:						
Hotel	**33,955**	**77,694**	**Level 3**	29,586	81,080	Level 3
Serviced apartments	**251,460**	**416,600**	**Level 3**	256,307	414,530	Level 3
Office units	**4,957**	**20,342**	**Level 3**	5,131	20,423	Level 3
The Company						
Property, plant and equipment:						
Office units	**2,404**	**12,337**	**Level 3**	2,585	12,518	Level 3

The Group's policy is to recognise transfers into and out of fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfer. There were no transfers into or out of fair value hierarchy levels for the financial years ended 31 January 2025 and 2024.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2025

41 Fair value measurement (Cont'd)

(ii) Non-financial assets and liabilities (Cont'd)

(b) Valuation inputs and relationship to fair value

The following table summarises the quantitative information about the significant unobservable inputs used in the Level 3 fair value measurements.

Valuation method	Key unobservable inputs	Retail units	Commercial units	Hotel	Serviced apartments	Office units	Inter-relationship between key unobservable inputs and fair value measurement
Income Capitalisation Method	Capitalisation rate						
	2025	**4.5%**	**4.4%**	**5.5%**	**3.0% to 3.3%**	**–**	Higher the capitalisation rate,
	2024	4.5%	4.4%	5.5%	3.0% to 3.3%	–	lower the fair value
	Occupancy rate						
	2025	**98.0%**	**98.5%**	**68.0%**	**85.0% to 92.0%**	**–**	Higher the occupancy rate,
	2024	98.5%	98.5%	68.0%	87.0% to 91.0%	–	higher the fair value
Discounted Cash Flow Method	Discount rate						
	2025	**–**	**–**	**8.0%**	**–**	**–**	Higher the discount rate,
	2024	–	–	8.0%	–	–	lower the fair value
	Terminal yield rate						
	2025	**–**	**–**	**5.5%**	**–**	**–**	Higher the terminal yield rate,
	2024	–	–	5.5%	–	–	lower the fair value
	Occupancy rate						
	2025	**–**	**–**	**68.0%**	**–**	**–**	Higher the occupancy rate,
	2024	–	–	68.0%	–	–	higher the fair value
Direct Comparison Method	Transacted price of comparable properties (psm)						
	2025	**$16,927 to $36,127**	**$25,714 to $36,127**	**–**	**–**	**$13,522 to $25,889**	Higher the transacted price of comparable properties, higher the fair value
	2024	$29,352 to $30,682	$17,742 to $53,824	–	–	$18,837 to $37,500	

41 Fair value measurement (Cont'd)

(ii) Non-financial assets and liabilities (Cont'd)

(c) Valuation techniques used to determine Level 3 fair values for properties

The fair value measurement was categorised as a Level 3 fair value based on the inputs in the valuation technique used. Level 3 fair value of the Group's certain properties were derived using Income Capitalisation Method, Discounted Cash Flow ("DCF") Method and/or Direct Comparison Method.

The Income Capitalisation Method capitalises an income stream into a present value using single-year capitalisation rates. The DCF Method involves the estimation and projection of an income stream over a period and discounting the income stream with an internal rate of return to arrive at the market value. In Direct Comparison Method, properties are valued using transacted prices for comparable properties in the vicinity and elsewhere with necessary adjustments made for differences in location, tenure, size, design, layout, age and condition of the buildings, availability of car parking facilities, dates of transactions and the prevailing market conditions. The most significant input to the valuation approach would be the adopted value per square metre.

(d) Valuation processes

The Group engages external, independent and qualified valuers to determine the fair value of certain properties at the end of every financial year based on the properties' highest-and-best use. The fair values of certain properties have been determined by Knight Frank Pte. Ltd. as at 31 January 2025.

For other properties, the finance department of the Group reviews the valuations of assets required for financial reporting purposes, including Level 3 fair values. This team reports directly to the Chief Financial Officer ("CFO"). Discussions of valuation processes and results are held between the CFO, the finance team and management's experts at least annually.

At each financial year end, the finance department:

- verifies all major inputs to the independent valuation reports and internal assessments;
- assesses valuation movements compared to the prior year valuations; and
- holds discussions with the independent valuer.

Changes in 3 fair values are analysed at each reporting date during the annual valuation discussions between the CFO and the finance team.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2025

41 Fair value measurement (Cont'd)

(iii) Financial assets and liabilities

(a) Fair value hierarchy

The following table shows the Levels within the hierarchy of financial assets and liabilities measured at fair value on a recurring basis at 31 January 2025 and 2024:

The Group	Level 1 $'000	Level 2 $'000	Level 3 $'000
2025			
Assets			
Financial assets at FVPL - Unquoted equity investments	**–**	**–**	**24,103**
Financial assets at FVOCI - Quoted equity investments	**3,795**	**–**	**–**
2024			
Assets			
Financial assets at FVPL - Unquoted equity investments	–	–	28,068
Financial assets at FVOCI - Quoted equity investments	4,676	–	–

(b) Valuation techniques used to determine Level 1 fair values for financial assets at FVOCI

The fair value of financial instruments traded in active markets is based on quoted market prices at the end of reporting period. The quoted market price used for financial assets at FVOCI held by the Group is the current bid price. These instruments are included in Level 1.

(c) Valuation techniques used to determine Level 3 fair values for financial assets at FVPL

As at 31 January 2025 and 2024, the whole of the Group's financial assets at FVPL comprises investment in a limited partnership that has been fair valued in accordance with the estimates disclosed in Note 2(d)(ii). The fair value of the partnership is determined based on its latest audited financial statements as of 31 December 2024 and 2023.

The partnership will invest in the Master Fund whose valuation is mainly based on the net assets of the Fund. The Master Fund's investments in commercial real estate assets are measured at fair value. The Master Fund is not publicly traded.

41 Fair value measurement (Cont'd)

(iii) Financial assets and liabilities (Cont'd)

(c) Valuation techniques used to determine Level 3 fair values for financial assets at FVPL (Cont'd)

The following table shows the valuation techniques used in measuring Level 3 fair values of equity investment at fair value through profit or loss, as well as the significant unobservable inputs used.

Valuation technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
The fair value is calculated using the net asset value of the partnership, adjusted for the fair values of assets and liabilities, where applicable.	Fair value of commercial real estate assets	The estimated fair value would increase/decrease if the fair values of commercial real estate assets increase/decrease.

There were no transfers into or out of fair value hierarchy levels for financial years ended 31 January 2025 and 2024.

(iv) Financial instruments that are not carried at fair value and whose carrying amount are reasonable approximation of fair value

The carrying amounts of cash and short-term deposits, current trade and other receivables, non-trade amount owing to joint ventures, provision for directors' fee, current trade and other payables and current bank loans based on their notional amounts, reasonably approximate their fair values due to their short-term nature.

The carrying amounts of non-current bank loans approximate fair values as their interest rates approximate the market lending rate and they are repriced frequently. For non-current payables and receivables, their fair values are not significantly different from their carrying amount.

The remainder of this page has been intentionally left blank

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2025

42 Financial instruments

Accounting classifications of financial assets and financial liabilities

The carrying amount of the different categories of financial instruments are as follows:

The Group	**2025 $'000**	2024 $'000
Financial assets at FVOCI	**3,795**	4,676
Financial assets at FVPL	**24,103**	28,068
Cash and cash equivalents	**66,585**	71,212
Fixed deposits	**8,107**	12,441
Trade and other receivables[(i)]	**33,661**	24,544
Financial assets at amortised cost	**108,353**	108,197
Amount owing to non-controlling shareholders of subsidiaries (non-trade)	**716**	361
Provision for directors' fee	**224**	215
Borrowings	**448,124**	547,446
Trade and other payables[(ii)]	**21,928**	35,809
Financial liabilities at amortised cost	**470,992**	583,831

The Company	**2025 $'000**	2024 $'000
Cash and cash equivalents	**3,657**	39,289
Amount owing by subsidiaries (non-trade)	**3,682**	3,072
Trade and other receivables[(i)]	**6,429**	8,604
Financial assets at amortised cost	**13,768**	50,965
Amount owing to subsidiaries (non-trade)	**5,660**	11,140
Amount owing to non-controlling shareholders of subsidiaries (non-trade)	**370**	–
Provision for directors' fee	**224**	215
Borrowings	**1,083**	2,354
Trade and other payables[(ii)]	**7,500**	24,051
Financial liabilities at amortised cost	**14,837**	37,760

(i) This excludes GST receivable and prepayment.

(ii) This excludes GST payable and advance payments received from customers.

43 Commitments

43.1 Capital commitments

Capital commitments contracted for at the reporting date but not recognised in the financial statements, excluding those relating to investments in joint ventures (Note 12) and investments in associated companies (Note 13) are as follows:

The Group	**2025 $'000**	2024 $'000
Capital commitments contracted but not provided for in the financial statements	**7,424**	60,051

The capital commitments principally relate to:

- Consultancy, architectural services and construction cost for the proposed development of 71 Cairnhill Road by Glopeak Development Pte. Ltd. of $2,695,000 (2024 - $55,717,000);
- Fund Partnership commitment by Glocity Capital Pte. Ltd. as limited partner totalling $4,153,000 (2024 - $4,334,000) (Note 5);
- Replacement of air-conditioning units in retail spaces by Paya Lebar Square Pte. Ltd. for $82,000 (2024 - $Nil); and
- Refurbishment works at Duxton Hotel Perth for $494,000 (2024 - $Nil).

43.2 Other commitments

Financial guarantees

The Company has provided financial guarantees to banks for credit facilities totalling $585,000,000 (2024 - $771,700,000) granted to certain subsidiaries. As at the reporting date, the banking facilities utilised stood at $484,660,000 (2024 - $588,560,000), as disclosed in Note 40.3.

At the reporting date, the Company does not consider its probable that a claim will be made against it under the financial guarantees. Accordingly, the Company does not expect any net cash outflows resulting from the financial guarantees.

44 Capital management

The Group's objectives when managing capital are:

(a) to safeguard the Group's ability to continue as going concern;

(b) to support the Group's stability and growth;

(c) to provide capital for the purpose of strengthening the Group's risk management capability; and

(d) to provide adequate returns to shareholders.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 January 2025

44 Capital management (Cont'd)

The Group actively and regularly reviews and manages its capital structure to ensure adequate liquidity. This takes into considerations of the capital requirements of the Group, expected profitability, projected cash flows, capital expenditures and future investment opportunities. The Group does not adopt any formal dividend policy.

The Group monitors capital risk through measuring its net gearing position, calculated as net borrowings divided by equity. Net borrowings are calculated as total borrowings, less cash and cash equivalents and fixed deposits. Equity includes all capital and reserves of the Group that are managed as capital.

The Group	Note	**2025 $'000**	2024 $'000
Borrowings	21	**448,124**	547,446
Less:			
Cash and cash equivalents	3	**(66,585)**	(71,212)
Fixed deposits	4	**(8,107)**	(12,441)
Net borrowings	(i)	**373,432**	463,793
Equity	(ii)	**601,263**	609,721
Gearing ratio	(i)/(ii)	**0.62**	0.76

The Group has observed its financial covenant obligations under its banking facilities, which includes maintaining gearing ratios within a set range. At the end of the reporting period, there is no breach of loan covenants at the Group and its subsidiaries.

There were no changes in the Group's and Company's approach to capital management during the financial year ended 31 January 2025.

The Group and the Company are not subject to externally imposed capital requirements, other than as disclosed in Note 21.

APPENDIX E – UNAUDITED FINANCIAL INFORMATION OF THE GROUP FOR 1HFY2026

The unaudited financial statements of the Group for 1HFY2026 which are set out below have been reproduced from the announcement by the Company on 11 September 2025, and were not specifically prepared for inclusion in this Circular.

Low Keng Huat (Singapore) Limited

(Company Registration No. 196900209G)

CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 31 JULY 2025

Table of Contents

	Page
Consolidated statement of profit or loss	1
Consolidated statement of comprehensive income	2
Statements of financial position	5
Consolidated statements of changes in equity	8
Consolidated statement of cash flows	10
Notes to the condensed interim financial statements	11
Other information required by Listing Rule Appendix 7.2	23

LOW KENG HUAT (SINGAPORE) LIMITED
Condensed Interim Financial Statements
Six-month period ended 31 July 2025

Consolidated statement of profit or loss

	Note	Six-month Period Ended 31/07/2025 $'000	31/07/2024 $'000	Increase / (Decrease) %
Revenue	1	38,738	257,926	(85)
Cost of sales	2	(31,646)	(222,430)	(86)
Gross profit	3	7,092	35,496	(80)
Other income				
- Finance income	4	641	869	(26)
- Miscellaneous income	5	1,453	1,163	25
Expenses				
-Distribution costs	6	(727)	(11,881)	(94)
-Administrative costs		(6,969)	(7,072)	(1)
-Other operating expenses	7	(1,343)	(1,059)	27
-Finance costs	8	(6,157)	(12,088)	(49)
Share of results of associated companies and joint ventures	9	(307)	1,178	n.m.
(Loss)/profit before fair value changes, other losses (net) and taxation	13	(6,317)	6,606	n.m.
Fair value (loss)/gain on financial assets at FVPL	10	(424)	347	n.m.
Other losses, net	11	(674)	(328)	105
(Loss)/profit before taxation		(7,415)	6,625	n.m.
Taxation	12	(2,633)	(887)	197
(Loss)/profit after taxation		(10,048)	5,738	n.m.
Attributable to:				
Owners of the parent	13	(10,166)	5,793	n.m.
Non-controlling interests		118	(55)	n.m.
		(10,048)	5,738	n.m.
(Loss)/earnings per share (cents)				
- basic		(1.38)	0.78	n.m.
- diluted		(1.38)	0.78	n.m.

n.m.: Not Meaningful

LOW KENG HUAT (SINGAPORE) LIMITED
Condensed Interim Financial Statements
Six-month period ended 31 July 2025

Consolidated statement of comprehensive income

	Six-month Period Ended		Increase /
	31/07/2025	31/07/2024	(Decrease)
	$'000	$'000	%
(Loss)/profit after taxation	(10,048)	5,738	n.m.
Other comprehensive income/(loss) after tax			
Items that will not be reclassified to profit and loss:			
Fair value gain/(loss) on financial assets at FVOCI (net of tax at Nil%)	1,344	(657)	n.m.
Exchange differences on translation of the financial statements of foreign entities (net)	(11)	(40)	(73)
Items that may be reclassified subsequently to profit and loss:			
Exchange differences on translation of the financial statements of foreign entities (net)	(434)	410	n.m.
Total other comprehensive income/(loss), net of tax	899	(287)	n.m.
Total comprehensive (loss)/income	(9,149)	5,451	n.m.
Total comprehensive (loss)/income attributable to:			
Owners of the parent	(9,256)	5,546	n.m.
Non-controlling interests	107	(95)	n.m.
Total comprehensive (loss)/income	(9,149)	5,451	n.m.

n.m.: Not Meaningful

Notes to the income statement

1. Consolidated revenue decreased to $38.7M for the six-month period ended 31 July 2025 ("1HFY2026"), from $257.9M for the six-month period ended 31 July 2024 ("1HFY2025"), due to lower contributions from the Property Development, Hotel and Investment segments.

   Revenue from the Property Development segment decreased to $6.9M in 1HFY2026, from $225.4M in 1HFY2025. The decrease was primarily due to the Klimt Cairnhill project reaching 99% completion, with all units sold as of 31 January 2025, resulting in lower revenue recognition for the current period. The project obtained Temporary Occupation Permit ("TOP") in March 2025, with the remaining 1% project revenue recognised in 1HFY2026. In contrast, revenue in 1HFY2025 was driven by a 24% increase in the project's construction progress and the sale of 31 additional units. As of 31 July 2024, the project was 82% completed and 121 (out of 138) units were sold.

   Revenue from the Hotel segment decreased to $22.6M in 1HFY2026, from $23.0M in 1HFY2025. The decrease was primarily driven by lower revenue at Lyf@Farrer, due to lower average daily rates and occupancy. Citadines Balestier also recorded a decline in revenue due to lower average daily rates, despite higher occupancy. On the other hand, revenue from Duxton Hotel Perth improved, mainly due to higher average daily rates, while occupancy remained stable.

   Revenue from the Investment segment decreased to $9.2M in 1HFY2026, from $9.5M in 1HFY2025. The decrease was mainly due to the exit of a tenant at Paya Lebar Square retail, which impacted overall rental income, partially offset by positive rental reversions from other tenants. The vacated space was immediately leased to a new tenant, but at a lower rental rate. The retail mall maintained an average occupancy rate of 100% throughout the period.

2. Cost of sales decreased to $31.6M in 1HFY2026, from $222.4M in 1HFY2025. The decrease was mainly due to lower costs recognised for the Klimt Cairnhill project, in line with lower revenue.

3. Gross profit decreased to $7.1M in 1HFY2026, from $35.5M in 1HFY2025. The decrease was mainly attributed to the lower contribution from the Property Development segment, which recorded a gross loss for the period as ongoing construction costs exceeded revenue recognized, compared with a gross profit in the previous year. Gross profit from the Hotel segment also declined, mainly due to lower contribution from Lyf@Farrer, albeit an improved performance from Duxton Hotel Perth, Citadines Balestier and Carnivore restaurant. In contrast, gross profit from the Investment segment improved, mainly due to a reversal of construction cost accruals not utilized for completed projects, offsetting the lower contribution from Paya Lebar Square.

   Despite the decrease in gross profit, gross profit margin increased to 18% in 1HFY2026, from 14% in 1HFY2025. The increase was mainly due to an increased percentage of gross profit contribution from the Hotel and Investment segments, which had higher margins as compared to the Property Development segment.

4. Finance income decreased to $0.6M in 1HFY2026, from $0.9M in 1HFY2025, mainly due to the lower average interest rate in 1HFY2026 as compared to the prior year.

5. Miscellaneous income increased to $1.5M in 1HFY2026, from $1.2M in 1HFY2025. Miscellaneous income primarily includes service and secondment fees and forfeited customer deposits. The increase was mainly due to recovery of expenses from minority shareholders for the liquidation of a subsidiary and expenses recharged to buyers for the Klimt Cairnhill project.

6. Distribution costs mainly pertained to agents' sales commissions for residential unit transactions. The decrease to $0.7M in 1HFY2026, from $11.9M in 1HFY2025, was driven by reduced sales activity and lower percentage of completion for the Klimt Cairnhill project.

7. Other operating expenses increased to $1.3M in 1HFY2026, from $1.1M in 1HFY2025, mainly due to property tax and MCST charges for the Klimt Cairnhill project after obtaining TOP. The increase was partially offset by the absence of depreciation for Carnivore restaurant, as the capitalized leased premises were fully impaired in January 2025.

8. Finance costs decreased to $6.2M in 1HFY2026, from $12.1M in 1HFY2025, mainly due to lower borrowings, as well as a decline in interest rates. The effective interest rate for the Group's borrowings was 2.90% in 1HFY2026 as compared to 4.60% in 1HFY2025.

9. Share of results from associated companies and joint ventures was a loss of $0.3M in 1HFY2026, as compared to a profit of $1.2M in 1HFY2025. The loss in 1HFY2026 was mainly due to the Group's share of initial phase expenses at Peak Crescent Pte. Ltd. ("Peak Crescent"), in which it holds a 30% stake, partially offset by a gain on adjustment for imputed interests relating to Dalvey Breeze Development Pte. Ltd.'s ("Dalvey Breeze") shareholders' loans. In the previous year, the share of profit was mainly from the final 4 units sold at the Dalvey Haus project. As at 31 July 2024, all 17 units of the project had been sold.

10. The Group recorded a fair value loss of $0.4M on financial assets at FVPL in 1HFY2026, compared to a fair value gain of $0.3M in 1HFY2025. The loss resulted from lower net asset values for the Group's 41% stake in an Australian Property Fund.

11. Other losses(net) were higher at $0.7M in 1HFY2026, as compared to $0.3M in 1HFY2025. The losses for the period mainly pertained to (a) a $0.5M write-off of assets at Paya Lebar Square, as part of an exercise to replace its air-conditioning units with more energy-efficient models; and (b) a $0.2M foreign exchange loss from a depreciation of the Australian dollar against the Singapore Dollar. The Group's exposure to the Australian Dollar primarily stems from its investment in an Australian property fund.

12. Tax expense increased to $2.6M in 1HFY2026 from $0.9M in 1HFY2025, mainly due to $2.0M tax expense recognised at Glopeak Development Pte. Ltd. ("Glopeak"). Glopeak's tax expense included tax on the Klimt Cairnhill project's cumulative profit, which was taxable upon obtaining its TOP, and deferred tax expenses for unutilised tax losses recognised in prior years.

13. Loss before fair value changes, other losses (net) and taxation was $6.3M in 1HFY2026, compared to a profit of $6.6M in 1HFY2025. The decline was mainly due to the operating loss recorded by the Property Development segment. This was partially offset by lower finance costs, driven by reduced borrowings and interest rates.

    The Property Development's operating results declined to a loss of $6.4M in 1HFY2026, from a profit of $8.8M in 1HFY2025, as the Klimt Cairnhill project entered the tail end of its project cycle. The project was 99% completed, with all units sold as of 31 January 2025, resulting in significantly lower profit recognition in the current period. Also, additional construction costs were incurred as the project nears completion.

    Operating results for the Hotel segment improved to a profit of $0.4M in 1HFY2026, from a loss of $1.1M in 1HFY2025, primarily driven by lower depreciation expenses at Citadines Balestier and Carnivore restaurant, lower finance costs, as well as higher contribution from Duxton Hotel Perth. These gains helped to mitigate the weaker performance from Lyf@Farrer.

    The Investment segment recorded lower operating losses of $0.3M in 1HFY2026, from $1.1M in 1HFY2025, mainly due to lower finance costs and gains from the reversal of over-accrued construction costs, offsetting the lower rental income and assets written off at Paya Lebar Square.

    Net loss attributable to shareholders was $10.2M in 1HFY2026, as compared to a net profit of $5.8M in 1HFY2025. The operating loss in the current period was further impacted by (a) a fair value loss on financial assets at FVPL, (b) net foreign exchange losses, and (c) higher tax expenses associated with the TOP obtained for the Klimt Cairnhill project. In contrast, the Group had recognised a fair value gain in 1HFY2025, offsetting the foreign exchange losses incurred.

LOW KENG HUAT (SINGAPORE) LIMITED
Condensed Interim Financial Statements
Six-month period ended 31 July 2025

Statements of financial position

	Note	Group		Company	
		31/07/2025	31/01/2025	31/07/2025	31/01/2025
		$'000	$'000	$'000	$'000
ASSETS					
Non-current assets					
Investment properties	1	286,525	288,370	-	-
Property, plant and equipment	1	289,848	291,740	3,552	3,754
Subsidiaries		-	-	487,124	602,292
Joint ventures	2	56,977	53,542	11,067	10,441
Associated companies	2	18,963	18,108	-	-
Financial assets at FVOCI	3	5,139	3,795	-	-
Financial asset at FVPL	3	23,459	24,103	-	-
Trade and other receivables	4	351	160	2,876	2,876
Deferred tax assets	5	1,113	2,225	-	-
		682,375	682,043	504,619	619,363
Current assets					
Development properties	6	-	3,656	-	-
Inventories		483	443	-	-
Contract assets	7	111,407	294,107	8,832	2,458
Contract costs	6	-	345	-	-
Amount owing by subsidiaries (non-trade)		-	-	4,093	3,682
Trade and other receivables	4	10,599	35,742	549	4,783
Fixed deposits	8	7,134	8,107	-	-
Cash and cash equivalents	8	135,464	66,585	105,703	3,657
		265,087	408,985	119,177	14,580
Total assets		947,462	1,091,028	623,796	633,943
EQUITY AND LIABILITIES					
Capital and reserves					
Share capital		161,863	161,863	161,863	161,863
Capital reserves		(30,214)	(30,214)	-	-
Fair value reserves		1,439	95	-	-
Retained profits		454,535	475,783	447,002	457,243
Exchange fluctuation account		(6,698)	(6,264)	-	-
		580,925	601,263	608,865	619,106
Non-controlling interests		9,006	9,004	-	-
Total equity		589,931	610,267	608,865	619,106
LIABILITIES					
Non-current liabilities					
Borrowings	9	183,314	327,851	1	3
Provisions		28	27	-	-
Deferred tax liabilities		3,155	3,240	-	-
		186,497	331,118	1	3
Current liabilities					
Borrowings	9	145,626	120,273	437	1,080
Amount owing to subsidiaries (non-trade)		-	-	8,978	5,660
Amount owing to non-controlling shareholders of subsidiaries (non-trade)		343	716	-	370
Provision for directors' fee		108	224	108	224
Provision for taxation	10	4,989	4,131	-	-
Trade and other payables	11	19,968	24,299	5,407	7,500
		171,034	149,643	14,930	14,834
Total liabilities		357,531	480,761	14,931	14,837
Total equity and liabilities		947,462	1,091,028	623,796	633,943

Notes to the statement of financial position

1. The net book value of investment properties decreased by $1.9M to $286.5M as at 31 July 2025, from $288.4M as at 31 January 2025. The decrease was mainly due to depreciation expenses of $1.6M and assets written-off of $0.5M. The decrease was slightly offset by additions of $0.2M for the asset replacement exercise at Paya Lebar Square.

   The net book value of property, plant and equipment decreased by $1.9M to $289.8M as at 31 July 2025, from $291.7M as at 31 January 2025, mainly driven by depreciation expenses of $3.1M, a foreign exchange loss of $0.5M and lease modification of $0.1M. This was partially offset by additions of $1.8M, primarily from the ongoing refurbishment works at Duxton Hotel Perth.

2. Joint ventures increased by $3.5M to $57.0M as at 31 July 2025, from $53.5M as at 31 January 2025. The increase was mainly due to shareholders' loans extended by the Group to Peak Crescent and Bina Meganmas Sdn. Bhd., partially offset by share of losses from joint ventures and a depreciation of the Malaysian Ringgit against the Singapore Dollar in 1HFY2026.

   Associated companies increased by $0.9M to $19.0M as at 31 July 2025, from $18.1M as at 31 January 2025. The increase was mainly due to shareholders' loans extended by the Group to Binakawa Sdn. Bhd. and a gain on adjustment for imputed interests relating to Dalvey Breeze's shareholders' loans. These were partially offset by dividend received from Dalvey Breeze and a depreciation of the Malaysian Ringgit against the Singapore Dollar in 1HFY2026.

3. Financial assets at FVOCI increased by $1.3M to $5.1M as at 31 July 2025 from $3.8M as at 31 January 2025, due to fair value changes to the Group's investment in quoted equity investments.

   Financial assets at FVPL decreased by $0.6M to $23.5M as at 31 July 2025, from $24.1M as at 31 January 2025 due to a $0.4M fair value loss from the Australian Fund and a $0.2M foreign exchange loss.

4. Trade and other receivables decreased by $24.9M to $11.0M as at 31 July 2025, from $35.9M as at 31 January 2025. The decrease was mainly due to receipts of progress billings for the Klimt Cairnhill project and final distributions received from Shanghai Nova Realty Development Co., Ltd.

5. Deferred tax assets decreased by $1.1M to $1.1M as at 31 July 2025, from $2.2M as at 31 January 2025. The unutilised tax losses capitalised by Glopeak, amounting to $1.0M, were offset against the taxable profits recognised upon TOP.

6. Development properties and contract costs (representing commission fees) were $Nil as at 31 July 2025, being expensed off in full to cost of sales and distribution costs, respectively, after the Klimt Cairnhill project obtained its TOP in March 2025.

7. Contract assets decreased by $182.7M to $111.4M as at 31 July 2025, from $294.1M as at 31 January 2025. The contract assets represent unbilled works on sold development properties. Following the issuance of TOP for the Klimt Cairnhill project in March 2025, 25% of the selling price became billable, and the corresponding amounts were reclassified to trade receivables. The remaining 15% of the sales amount will be billable after the issuance of the Certificate of Statutory Completion ("CSC") and legal completion.

8. Cash and cash equivalents and fixed deposits increased by $67.9M to $142.6M as at 31 July 2025, from $74.7M as at 31 January 2025. The increase was primarily driven by receipts from progress billings for the Klimt Cairnhill project. While a portion of the proceeds received were used to prepay the project loan, the excess funds were placed in short-term fixed deposits. The overall increase was partially offset by capital expenditures, as well as additional loan injections into joint ventures and an associated company.

9. Borrowings decreased by $119.2M to $328.9M as at 31 July 2025, from $448.1M as at 31 January 2025. The decrease was mainly due to receipts from progress billings for the Klimt Cairnhill project being used to prepay the related project loan. As a result, net gearing ratio improved to 0.32 as at 31 July 2025 from 0.62 as at 31 January 2025.

10. Provision for taxation increased by $0.9M to $5.0M as at 31 July 2025 from $4.1M as at 31 January 2025. The increase was mainly due to taxable profits from Glopeak following its TOP, and current year tax provisions by Paya Lebar Square, partially offset by instalment payments and a reversal of over-provision of prior years' tax expense by Perumal Development Pte. Ltd.

11. Trade and other payables decreased by $4.3M to $20.0M as at 31 July 2025, from $24.3M as at 31 January 2025, mainly due to a decrease in accrual of sales commission and amount payable to subcontractors for the Klimt Cairnhill project.

Consolidated statement of changes in equity

The Group	Share capital $'000	Capital reserve $'000	Fair value reserve $'000	Retained profits $'000	Currency translation reserve $'000	Total attributable to owners of the parent $'000	Non-controlling interests $'000	Total $'000
Balance at 1 February 2025	161,863	(30,214)	95	475,783	(6,264)	601,263	9,004	610,267
(Loss)/profit for the period	-	-		(10,166)	-	(10,166)	118	(10,048)
Other comprehensive income/(loss) for the period	-	-	1,344	-	(434)	910	(11)	899
Total comprehensive income/(loss) for the period	-	-	1,344	(10,166)	(434)	(9,256)	107	(9,149)
Dividends paid to owners of the parent	-	-	-	(11,082)	-	(11,082)	-	(11,082)
Dividends paid by a non-wholly owned subsidiary of the Company	-	-	-	-	-	-	(105)	(105)
Total transaction with owners, recognised directly in equity	-	-	-	(11,082)	-	(11,082)	(105)	(11,187)
Balance at 31 July 2025	161,863	(30,214)	1,439	454,535	(6,698)	580,925	9,006	589,931
Balance at 1 February 2024	161,863	(30,214)	976	484,762	(7,666)	609,721	10,993	620,714
Profit/(loss) for the period	-	-	-	5,793	-	5,793	(55)	5,738
Other comprehensive (loss)/income for the period	-	-	(657)	-	410	(247)	(40)	(287)
Total comprehensive (loss)/income for the period	-	-	(657)	5,793	410	5,546	(95)	5,451
Dividends paid to owners of the parent	-	-	-	(11,082)	-	(11,082)	-	(11,082)
Dividends paid by a non-wholly owned subsidiary of the Company	-	-	-	-	-	-	(109)	(109)
Total transaction with owners, recognised directly in equity	-	-	-	(11,082)	-	(11,082)	(109)	(11,191)
Balance at 31 July 2024	161,863	(30,214)	319	479,473	(7,256)	604,185	10,789	614,974

LOW KENG HUAT (SINGAPORE) LIMITED
Condensed Interim Financial Statements
Six-month period ended 31 July 2025

Statement of changes in equity - Company

The Company	Share capital $'000	Retained profits $'000	Total $'000
Balance at 1 February 2025	161,863	457,243	619,106
Total comprehensive income	-	841	841
Transaction with owners: -			
Dividends paid to owners of the parent	-	(11,082)	(11,082)
Balance at 31 July 2025	161,863	447,002	608,865
Balance at 1 February 2024	161,863	471,383	633,246
Total comprehensive loss	-	(4,068)	(4,068)
Transaction with owners: -			
Dividends paid to owners of the parent	-	(11,082)	(11,082)
Balance at 31 July 2024	161,863	456,233	618,096

LOW KENG HUAT (SINGAPORE) LIMITED
Condensed Interim Financial Statements
Six-month period ended 31 July 2025

Consolidated statement of cash flows

	Six-month Period Ended	
	31/07/2025	31/07/2024
	$'000	$'000
Cash Flows from Operating Activities		
(Loss)/profit before taxation	(7,415)	6,625
Adjustments for:		
Share of results of associated companies and joint ventures	307	(1,178)
Depreciation of:		
- Investment properties	1,600	1,833
- Property, plant and equipment	3,061	4,023
Impairment loss on property, plant and equipment	5	-
Gain on disposal of property, plant and equipment	-	(19)
Amortisation of contract costs	345	11,379
Investment properties written off	474	-
Fair value loss/(gain) on financial assets at FVPL	424	(347)
Dividend income from quoted equity investments	(134)	(149)
Unrealised foreign exchange loss	220	364
Finance costs	6,157	12,088
Finance income	(641)	(869)
Operating profit before working capital changes	4,403	33,750
Increase in inventories	(40)	(85)
Decrease in development properties	3,656	167,491
Decrease/(increase) in contract assets & contract costs	182,700	(114,603)
Decrease/(increase) in operating receivables	24,988	(9,408)
(Decrease)/increase in operating payables	(4,536)	1,766
Cash generated from operations	211,171	78,911
Income tax paid	(750)	(658)
Net cash generated from operating activities	210,421	78,253
Cash Flows from Investing Activities		
Additions to property, plant and equipment	(1,822)	(4,845)
Additions to investment properties	(229)	-
Proceeds from disposal of property, plant and equipment	-	28
Interest received	597	830
Dividend received from an associated company	296	-
Dividend received from quoted equity investments	134	149
Dividend received from a joint venture	-	180
Advances and loans made to an associated company and joint ventures	(4,926)	(1,625)
Repayment of loan from an associated company	-	3,200
Net cash used in investing activities	(5,950)	(2,083)
Cash Flows from Financing Activities		
Dividends paid to shareholders of the Company	(11,082)	(11,082)
Dividends paid to non-controlling interests of subsidiary	(105)	(109)
Bank borrowings:		
- Proceeds	11,182	9,369
- Principal paid	(129,905)	(61,650)
- Interest paid	(6,358)	(12,057)
Decrease in fixed deposits pledged	976	92
Lease liabilities:		
- Principal paid	(239)	(204)
- Interest paid	(34)	(43)
Net cash used in financing activities	(135,565)	(75,684)
Net increase in cash and cash equivalents	68,906	486
Cash and cash equivalents at beginning of period	66,585	71,212
Exchange differences on translation of cash and cash equivalents at beginning of period	(27)	(59)
Cash and cash equivalents at end of period	135,464	71,639

Notes to Consolidated Statement of Cash Flows

The Group generated net cash from operating activities of $210.4M in 1HFY2026, mainly from cash receipts related to progress payments for unit sales from the Klimt Cairnhill project, as well as recurring cashflows from its retail and hospitality portfolio.

The cash generated was partially offset by outflows in investing activities of $6.0M in 1HFY2026. These outflows were mainly due to shareholders' loans extended to joint ventures and an associated company and ongoing refurbishment works at Duxton Hotel Perth, partially offset by interest and dividends received.

Net cash used in financing activities for 1HFY2026 was $135.6M, mainly due to net repayment of bank borrowings, interest payments and dividend payouts.

The Group had unutilised bank facilities of $147.9M as at 31 July 2025.

Notes to the condensed interim financial statements

1 Corporate information

Low Keng Huat (Singapore) Limited (the "Company") is incorporated and domiciled in Singapore and whose shares are publicly traded on the Mainboard of the Singapore Exchange. These condensed interim financial statements for the six-month period ended 31 July 2025 comprise the Company and its subsidiaries (collectively, the "Group"). The principal activities of the Group are property development, ownership and operation of serviced apartments, a hotel and a restaurant, as well as investment holding.

2 Basis of preparation

The condensed interim financial statements for the six-month period ended 31 July 2025 have been prepared in accordance with the Singapore Financial Reporting Standards (International) ("SFRS(I)") 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to the understanding of changes in the Group's financial position and performance since the last annual audited financial statements for the financial year ended 31 January 2025.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

These financial statements are presented in Singapore dollar which is the Company's functional currency. All financial information has been presented in Singapore dollar and rounded to the nearest thousand ($'000), unless otherwise stated.

2.1 New and amended standards adopted by the Group

The Group has adopted all the new and revised standards which are effective as at 1 February 2025. The adoption of these new standards did not have any significant impact on the condensed interim financial statements of the Group.

2 Basis of preparation (Cont'd)
2.2 Use of judgements and estimates

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the consolidated audited financial statements as at and for the six-month period ended 31 July 2025.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

3. Seasonal operations

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

4. Segment and revenue information

The Group is organised into the following main business segments:

(i) Property development
Activities in this segment comprise the development and sale of properties.

(ii) Hotel
Activities in this segment comprise ownership and operation of serviced apartments, a hotel and a restaurant.

(iii) Investment
Activities in this segment relate mainly to investment in properties, investment in quoted and unquoted equities, construction activities, as well as firm-wide expenses not allocated to core segments.

These operating segments are reported in a manner consistent with internal reports provided to the Executive Chairman and the Managing Director, who are responsible for the allocation of resources and the assessment of performance for each operating segment.

4. Segment and revenue information (Cont'd)

4.1(a) Business Segments

	Six-month Period Ended 31 July 2025			
The Group	Property development $'000	Hotel $'000	Investment $'000	Consolidated $'000
Revenue				
Total segment revenue	6,907	23,654	18,899	49,460
Inter-segment revenue	-	(1,045)	(9,677)	(10,722)
External sales	6,907	22,609	9,222	38,738
Results				
Segment results	(5,756)	2,899	2,363	(494)
Finance income	368	-	273	641
Finance costs	(790)	(2,544)	(2,823)	(6,157)
Share of results of associated companies and joint ventures	(179)	-	(128)	(307)
(Loss)/profit before fair value changes, other gains/losses (net) and taxation	(6,357)	355	(315)	(6,317)
Fair value loss on financial assets at FVPL	-	-	(424)	(424)
Other gains/(losses), net	-	39	(713)	(674)
(Loss)/profit before taxation	(6,357)	394	(1,452)	(7,415)
Taxation				(2,633)
Profit attributable to non-controlling interests				(118)
Net loss attributable to owners of the parent				(10,166)
Segment assets as at 31 July 2025	183,319	292,283	471,860	947,462
Segment liabilities as at 31 July 2025	3,703	160,337	193,491	357,531

4. Segment and revenue information (Cont'd)
4.1(a) Business Segments (Cont'd)

	Six-month Period Ended 31 July 2024			
The Group	Property development $'000	Hotel $'000	Investment $'000	Consolidated $'000
Revenue				
Total segment revenue	225,420	24,121	37,733	287,274
Inter-segment revenue	-	(1,106)	(28,242)	(29,348)
External sales	225,420	23,015	9,491	257,926
Results				
Segment results	11,963	2,473	2,211	16,647
Finance income	118	-	751	869
Finance costs	(4,459)	(3,553)	(4,076)	(12,088)
Share of results of associated companies and joint ventures	1,178	-	-	1,178
Profit/(loss) before fair value changes, other gains/losses(net) and taxation	8,800	(1,080)	(1,114)	6,606
Fair value gain on financial assets at FVPL	-	-	347	347
Other gains/(losses), net	-	18	(346)	(328)
Profit/(loss) before taxation	8,800	(1,062)	(1,113)	6,625
Taxation				(887)
Loss attributable to non-controlling interests				55
Net profit attributable to owners of the parent				5,793
Segment assets as at 31 January 2025	421,520	296,989	372,519	1,091,028
Segment liabilities as at 31 January 2025	108,808	160,745	211,208	480,761

4. Segment and revenue information (Cont'd)

4.1(b) Geographical Segments

	Revenue		Non-current Assets	
	31 July 2025	31 July 2024	**31 July 2025**	31 January 2025
The Group	**$'000**	$'000	**$'000**	$'000
Singapore	**27,806**	247,733	**589,056**	589,386
Australia	**10,932**	10,193	**33,987**	33,963
Malaysia	**-**	-	**29,270**	28,411
	38,738	257,926	**652,313**	651,760

Revenue is based on the geographical location of external customers.

Non-current assets information presented above consists of investments in joint ventures and associated companies, investment properties and property, plant and equipment.

4.2 Disaggregation of Revenue

Revenue of the Group comprises the sale of development properties, the operation of a hotel, serviced apartments and a restaurant, as well as rental income generated from retail properties.

The revenue excludes inter-company transactions and applicable goods and services taxes or value-added taxes. The Group derives revenue from contracts with customers based on transfer of goods and services over time and at a point in time as follows:

	Six-month Period Ended 31 July 2025			Six-month Period Ended 31 July 2024		
	At a point in time	**Over time**	**Total**	At a point in time	Over time	Total
The Group	**$'000**	**$'000**	**$'000**	$'000	$'000	$'000
Revenue from contracts with customers:						
Sales of development properties	**-**	**6,907**	**6,907**	-	225,420	225,420
Hospitality operations	**4,588**	**18,021**	**22,609**	4,574	18,441	23,015
	4,588	**24,928**	**29,516**	4,574	243,861	248,435
Rental income			**9,222**			9,491
			38,738			257,926

5. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group and the Company as at 31 July 2025 and 31 January 2025:

	The Group		The Company	
	31 July 2025 $'000	31 January 2025 $'000	**31 July 2025 $'000**	31 January 2025 $'000
Financial Assets				
Financial assets at fair value through other comprehensive income (FVOCI)	**5,139**	3,795	**-**	-
Financial assets at fair value through profit or loss (FVPL)	**23,459**	24,103	**-**	-
Cash and cash equivalents	**135,464**	66,585	**105,703**	3,657
Fixed deposits	**7,134**	8,107	**-**	-
Amount owing by subsidiaries (non-trade)	**-**	-	**4,093**	3,682
Trade and other receivables (i)	**9,659**	33,661	**3,120**	6,429
Financial assets at amortised cost	**152,257**	108,353	**112,916**	13,768
Financial Liabilities				
Amount owing to subsidiaries (non-trade)	**-**	-	**8,978**	5,660
Amount owing to non-controlling shareholders of subsidiaries (non-trade)	**343**	716	**-**	370
Provision for directors' fee	**108**	224	**108**	224
Borrowings	**328,940**	448,124	**438**	1,083
Trade and other payables (ii)	**18,816**	21,928	**5,249**	7,500
Financial liabilities at amortised cost	**348,207**	470,992	**14,773**	14,837

(i) This excludes GST receivable and prepayment.
(ii) This excludes GST payable and advanced payments received from customers.

6. (Loss)/profit before taxation

6.1 Significant items

	Six-month Period Ended	
	31 July 2025	31 July 2024
The Group	**$'000**	$'000
Finance income	**641**	869
Amortisation of contract costs	**(345)**	(11,379)
Interest on bank borrowings and lease liabilities	**(6,157)**	(12,088)
Dividend income from quoted equity investments	**134**	149
Fair value (loss)/gain on financial assets at FVPL	**(424)**	347
Foreign exchange loss	**(220)**	(364)
Depreciation of:		
- Investment properties	**(1,600)**	(1,833)
- Property, plant and equipment	**(3,061)**	(4,023)

6. (Loss)/profit before taxation (Cont'd)

6.2 Related party transactions

In addition to the information disclosed in the condensed interim financial statements, the following are significant transactions that took place between the Group and related parties at mutually agreed amounts:

	Six-month Period Ended	
	31 July 2025	31 July 2024
The Group	**$'000**	$'000
Dividend received from an associated company	**296**	-
Dividend received from a joint venture	**-**	180
Repayment of loan from an associated company	**-**	3,200
Security services charged by other related party[1]	**85**	120
Service and secondment fee charged to a joint venture	**845**	794
Shareholders' loans to associated companies	**394**	1,492
Shareholders' loans to joint ventures	**4,532**	133

[1]Other related party refers to a company which is controlled by the Group's key management personnel and his close family members.

7. Taxation

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense comprise the following:

	Six-month Period Ended	
	31 July 2025	31 July 2024
The Group	**$'000**	$'000
Current taxation		
- Singapore	**2,066**	671
- Foreign	**-**	27
Deferred taxation	**893**	184
(Over)/under provision of current taxation in respect of prior years	**(326)**	5
Tax expense	**2,633**	887

8. Dividend

	Six-month Period Ended	
	31 July 2025	31 July 2024
The Company	**$'000**	$'000
Dividends paid		
- Ordinary dividends:		
First and final dividend of 1.5 (2024 – 1.5) cents per share, tax exempt paid in respect of the previous financial year	**11,082**	11,082

There were no dividends proposed for the six-month periods ended 31 July 2025 and 31 July 2024.

9. Net asset value and net tangible assets per ordinary share

	The Group		The Company	
	31 July 2025	31 January 2025	**31 July 2025**	31 January 2025
	$'000	$'000	**$'000**	$'000
Net asset value per ordinary share	**79 cents**	81 cents	**82 cents**	84 cents
Net tangible assets per ordinary share	**79 cents**	81 cents	**82 cents**	84 cents

10. Financial assets at fair value

Financial assets at fair value comprise the following:

The Group	**31 July 2025 $'000**	31 January 2025 $'000
Financial assets at FVOCI		
- Quoted equity investments	**5,139**	3,795
Financial assets at FVPL		
- Unquoted equity investments	**23,459**	24,103
Total financial assets at fair value	**28,598**	27,898

10.1 Fair value measurement

The Group classifies financial assets measured at fair value using a fair value hierarchy that is dependent on the valuation inputs used. The different levels have been defined 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 (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The following table shows the levels within the hierarchy of financial assets at fair value on a recurring basis at 31 July 2025 and 31 January 2025:

The Group	Level 1 $'000	Level 2 $'000	Level 3 $'000
31 July 2025			
Financial assets at FVPL – Unquoted equity investments	**-**	**-**	**23,459**
Financial assets at FVOCI – Quoted equity investments	**5,139**	**-**	**-**
31 January 2025			
Financial assets at FVPL – Unquoted equity investments	-	-	24,103
Financial assets at FVOCI – Quoted equity investments	3,795	-	-

11. Property, plant and equipment

	The Group		The Company	
	31 July 2025 $'000	31 January 2025 $'000	**31 July 2025 $'000**	31 January 2025 $'000
Cost				
Balance at beginning of period/year	**356,599**	358,703	**7,801**	8,421
Additions	**1,822**	7,494	**-**	122
Lease modification	**(149)**	229	**-**	-
Written off	**-**	(6,866)	**-**	(537)
Disposals	**-**	(205)	**-**	(205)
Exchange translation difference	**(583)**	(2,756)	**-**	-
Balance at end of period/year	**357,689**	356,599	**7,801**	7,801
Accumulated depreciation				
Balance at beginning of period/year	**63,412**	62,914	**4,047**	4,366
Depreciation	**3,061**	8,099	**202**	414
Written off	**-**	(5,855)	**-**	(537)
Disposals	**-**	(196)	**-**	(196)
Exchange translation difference	**(84)**	(1,550)	**-**	-
Balance at end of period/year	**66,389**	63,412	**4,249**	4,047
Accumulated impairment				
Balance at beginning of period/year	**1,447**	1,332	**-**	-
Addition	**5**	1,123	**-**	-
Impairment no longer required	**-**	(1,008)	**-**	-
Balance at end of period/year	**1,452**	1,447	**-**	-
Net book value	**289,848**	291,740	**3,552**	3,754

During the six-month period ended 31 July 2025, the Group acquired property, plant and equipment at an aggregate cost of $1,822,000 (31 July 2024 - $4,845,000). All additions were paid to suppliers of property, plant and equipment for the six-month period ended, except for leased assets. Cash payment of $1,822,000 (31 July 2024 - $4,845,000) were made to purchase property, plant and equipment. The Group wrote off and disposed assets amounting to $Nil (31 July 2024 - $9,000).

12. Investment properties

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

The Group	**31 July 2025 $'000**	31 January 2025 $'000
Cost		
Balance at beginning of period/year	**323,306**	323,348
Addition	**229**	57
Written off	**(555)**	(99)
Balance at end of period/year	**322,980**	323,306
Accumulated depreciation		
Balance at beginning of period/year	**34,936**	31,492
Depreciation	**1,600**	3,454
Written off	**(81)**	(10)
Balance at end of period/year	**36,455**	34,936
Accumulated impairment		
Balance at beginning of period/year	**-**	1,902
Written back	**-**	(1,902)
Balance at end of period/year	**-**	-
Net book value	**286,525**	288,370

13. Valuation

The Group engages external, independent and qualified valuers to determine the fair value of the Group's significant property plant and equipment and investment properties at the end of every financial year, based on the properties' highest-and-best use. As at 31 January 2025, the fair values of certain properties have been determined by Knight Frank Pte Ltd. For other properties, management estimates the properties' fair value based on the properties' highest-and-best use, by assessing the current market trend, with reference to indicative market prices for similar properties in the area.

As at 31 July 2025, management conducted an internal assessment of the valuation by considering any significant changes in operating performance of the properties and assessing movements in market data, such as discount and capitalisation rates. Based on the assessment, management is of the view that the fair values of the freehold properties and leasehold land and buildings had not materially changed from the valuation obtained as at 31 January 2025.

13. Valuation (Cont'd)

	As at 31 July 2025			As at 31 January 2025		
	Carrying amount $'000	**Fair value $'000**	**Fair value hierarchy**	Carrying amount $'000	Fair value $'000	Fair value Hierarchy
The Group						
Investment properties:						
Retail units	**239,355**	**376,000**	**Level 3**	241,015	376,000	Level 3
Commercial units	**46,302**	**50,400**	**Level 3**	46,479	50,400	Level 3
Office units	**868**	**5,133**	**Level 3**	876	5,065	Level 3
Property, plant and equipment:						
Hotel	**29,566**	**76,986**	**Level 3**	33,955	77,694	Level 3
Serviced apartments	**249,766**	**416,600**	**Level 3**	251,460	416,600	Level 3
Office units	**4,854**	**20,670**	**Level 3**	4,957	20,342	Level 3
The Company						
Property, plant and equipment:						
Office units	**2,327**	**12,503**	**Level 3**	2,404	12,337	Level 3

14. Borrowings

The Group	**31 July 2025 $'000**	31 January 2025 $'000
Temporary bridging loan – unsecured	**432**	1,075
Revolving credit loan – secured	**6,837**	18,678
Term loans – secured	**320,160**	426,460
	327,429	446,213
Lease liabilities	**1,511**	1,911
	328,940	448,124
Amount repayable:		
Not later than one year	**145,626**	120,273
Later than one year and not later than five years	**182,703**	327,036
More than five years	**611**	815
	183,314	327,851
	328,940	448,124

The Company	**31 July 2025 $'000**	31 January 2025 $'000
Temporary bridging loan – unsecured	**432**	1,075
Lease liabilities	**6**	8
	438	1,083
Amount repayable:		
Not later than one year	**437**	1,080
Later than one year and not later than five years	**1**	3
	438	1,083

14. Borrowings (Cont'd)

The secured bank borrowings are secured by bank deposits, mortgages on the borrowing subsidiaries' hotel property, serviced apartments, investment properties and development property, and assignment of all rights and benefits with respect to the properties and corporate guarantees from the Company.

15. Share capital

The Group and The Company	**31 July 2025**	31 January 2025	**31 July 2025**	31 January 2025
	No. of ordinary shares		**$'000**	$'000
Issued and fully paid with no par value:				
Balance at beginning and end of period/year	**738,816,000**	738,816,000	**161,863**	161,863

The Company did not hold any treasury shares as at 31 July 2025 and 31 January 2025.

There were no outstanding executives' share options granted as at 31 July 2025 and 31 January 2025.

16. Subsequent events

There is no known subsequent event which has led to adjustments to this set of condensed interim financial statements.

LOW KENG HUAT (SINGAPORE) LIMITED
Other Information Required By Listing Rule Appendix 7.2
Six-month period ended 31 July 2025

1. Review

The statements of financial position of the Company and its subsidiaries as at 31 July 2025 and the related consolidated profit or loss and other comprehensive income, consolidated statements of changes in equity and consolidated statement of cash flows for the six-month period then ended and certain explanatory notes have not been audited or reviewed.

2. Review of performance of the Group

Property Development

In 1HFY2026, revenue for the Property Development segment decreased to $6.9M, from $225.4M in 1HFY2025. With the Klimt Cairnhill project nearing completion and all units sold as of 31 January 2025, and with TOP obtained in March 2025, only the remaining 1% of project revenue was recognised during the period. In contrast, 1HFY2025 revenue was driven by construction progress and the sale of 31 additional units, with the project 82% completed and 121 (out of 138) units sold as at 31 July 2024.

The segment recorded a loss of $0.2M from associated companies and joint ventures in 1HFY2026, compared to a profit of $1.2M in 1HFY2025. The loss was mainly due to the Group's share of initial phase expenses at Peak Crescent, in which the Group holds a 30% stake, partially offset by a gain on adjustment for imputed interests relating to Dalvey Breeze's shareholders' loans. In the previous year, the share of profit was mainly from the final 4 units sold at the Dalvey Haus project.

The segment reported a loss before tax and non-controlling interest of $6.4M in 1HFY2026, compared to a profit of $8.8M in 1HFY2025. The loss was mainly due to lower revenue recognised during the period, as the Klimt Cairnhill project neared completion, along with additional construction costs incurred as the project nears completion.

Hotel

In 1HFY2026, revenue from the Hotel segment decreased to $22.6M, from $23.0M in 1HFY2025. The decline was primarily driven by lower revenue from Lyf@Farrer and Citadines Balestier, both serviced apartments in Singapore, which saw reduced average daily rates. In contrast, Duxton Hotel Perth, performed better, with revenue improving mainly due to higher average daily rates.

The segment reported a profit before tax and non-controlling interests of $0.4M in 1HFY2026, compared to a loss of $1.1M in 1HFY2025. The improved operating performance at Duxton Hotel Perth, Citadines Balestier and Carnivore restaurant, with the latter two benefiting from lower depreciation expenses, together with lower finance costs, helped to mitigate the weaker performance from Lyf@Farrer.

Investment

Revenue from the investment segment decreased to $9.2M in 1HFY2026, from $9.5M in 1HFY2025. The decrease was mainly due to the impact of a major tenant's exit at Paya Lebar Square retail, partially offset by positive rental reversions from other tenants. The vacated space has since been leased to a new tenant, but at a lower rental rate. The retail mall maintained full occupancy throughout the period.

The segment reported a loss before tax and non-controlling interests of $1.5M in 1HFY2026, compared to $1.1M in 1HFY2025. While Paya Lebar Square continued to generate stable operating income, the segment loss for 1HFY2026 also reflected (a) firm-wide expenses allocated to HQ, including staff and administrative costs, (b) fair value and foreign exchange losses from the investment in the Australian property fund, and (c) asset write-offs at Paya Lebar Square arising from the replacement of old air-conditioners.

LOW KENG HUAT (SINGAPORE) LIMITED
Other Information Required By Listing Rule Appendix 7.2
Six-month period ended 31 July 2025

2. Review of performance of the Group (Cont'd)

Net loss attributable to shareholders

Loss before fair value changes, other losses (net), and taxation was $6.3M in 1HFY2026, compared to a profit of $6.6M in 1HFY2025, driven mainly by the operating loss from the Property Development segment. This was partially offset by lower finance costs, reflecting reduced borrowings and interest rates.

Net loss attributable to shareholders was $10.2M in 1HFY2026, versus a net profit of $5.8M in 1HFY2025. The Group's profitability was further impacted by a fair value loss on financial assets at FVPL, foreign exchange losses, and tax expenses recognised for the Klimt Cairnhill project.

Financial position and working capital of the Group

The Group's total assets decreased by $143.5M to $947.5M as at 31 July 2025, from $1,091.0M as at 31 January 2025. The decrease was mainly driven by the completion of sales of development properties and the attainment of TOP for the Klimt Cairnhill project, with cash receipts from progress billings partially applied towards reduce borrowings.

The Group's total liabilities decreased by $123.3M to $357.5M as at 31 July 2025 from $480.8M as at 31 January 2025. The decrease was mainly due to net repayments of bank borrowings. Net gearing ratio improved to 0.32 as at 31 July 2025 from 0.62 as at 31 January 2025.

As at 31 July 2025, the Group's working capital (current assets – current liabilities) was $94.1M.

Cash flows

Cash and cash equivalents and fixed deposits increased by $67.9M to $142.6M as at 31 July 2025 from $74.7M as at 31 January 2025. In 1HFY2026, the Group generated $210.4M of operating cash flows, primarily from progress billings at the Klimt Cairnhill project, as well as recurring cash flows from its retail and hospitality portfolio.

The cash generated from operating activities was primarily used to repay bank borrowings totalling $129.9M, interest payments amounting to $6.4M and dividends of $11.1M. The Group also advanced an aggregate of $4.9M to its joint ventures and an associated company.

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

Not applicable.

LOW KENG HUAT (SINGAPORE) LIMITED
Other Information Required By Listing Rule Appendix 7.2
Six-month period ended 31 July 2025

4. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next operating period and the next 12 months

Singapore's economy grew 4.4% in Q2 2025, up from 4.1% in Q1. The Ministry of Trade and Industry forecasts full-year GDP growth of 1.5% to 2.5%. Although the first half outperformed expectations, risks persist for the remainder of the year due to softer global demand stemming from US tariffs and a reduced boost from earlier front-loading amid slowing global trade.

Against this backdrop, the real estate sector expanded 5.2% year-on-year in Q2, led by private residential property sales. The accommodation sector also saw a 2.4% increase, rebounding from a Q1 decline, supported by a rise in visitor arrivals.

Looking ahead, the outlook for property developers remains stable but cautious amid ongoing global and domestic uncertainties. Singapore's reputation as a safe haven continues to underpin demand, though government cooling measures and broader economic concerns may weigh on sentiment. Developers may adjust prices in response to softer demand. Still, recent government land sales have sparked increased interest in selective sites, indicating a measured appetite for future projects. While a potential easing of interest rates could offer some relief, buyers are expected to remain discerning.

With the completion of the Klimt Cairnhill project, revenue from the development segment is projected to decline in FY2026. To drive future growth, the Group, together with a joint venture partner, secured a residential site at Canberra Crescent in August 2024, holding a 30% equity stake. The project, Canberra Crescent Residences, was launched in July 2025, with over 50% of units sold to date. In parallel, the Group continues to explore new acquisitions and investments, including landbank expansion, to ensure sustainable shareholder returns amid a shifting economic landscape.

The Duxton Hotel Perth is expected to benefit from ongoing refurbishment works. However, growth in the serviced apartment segment will likely remain modest. Although Singapore remains a high-cost destination relative to its regional peers, steady travel demand and government tourism initiatives should provide some support.

Meanwhile, Paya Lebar Square mall continues to maintain healthy occupancy levels, despite softer consumer spending, increased outbound travel, and intensifying e-commerce competition. The mall's operational performance is expected to remain resilient.

Management remains focused on financial discipline, enhancing asset value through quality development, asset recycling, and positioning the Group for sustainable long-term growth.

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

Not applicable.

6. Dividend

(a) Current Financial Period Reported On
Any dividend declared/recommended for the current financial period reported on? No

(b) Corresponding Period of the Immediately Preceding Financial Year
Any dividend declared for the corresponding period of the immediately preceding financial year? No

(c) Date payable Not applicable.

(d) Books closure date Not applicable.

LOW KENG HUAT (SINGAPORE) LIMITED
Other Information Required By Listing Rule Appendix 7.2
Six-month period ended 31 July 2025

7. If no dividend has been declared/recommended, a statement to that effect and the reason(s) for the decision.

No dividend has been declared for the six-month period ended 31 July 2025 as it is not the usual practice of the Group to declare interim dividend.

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

The Group has not obtained a general mandate from shareholders of the Company for Interested Person Transactions.

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

The Company confirms that it has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1) of the Listing Manual.

10. Segmented revenue and results for business or geographical segments (of the Group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year

Please refer to paragraph 2 above.

11. Additional Information Required Pursuant to Rule 706A

During the six-month period ended 31 July 2025, the Company did not incorporate or acquire any shares which resulted in any company becoming a subsidiary or associated company, or increasing its shareholding percentage in any subsidiary. The company also did not sell any shares which resulted in any company ceasing to be a subsidiary or associated company, or decreasing its shareholding percentage in any subsidiary.

Confirmation by the Board

On behalf of the Board of Directors of the Company, we, the undersigned, hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the condensed interim financial statements for the six-month period ended 31 July 2025 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

Low Keng Boon @ Lau Boon Sen
Executive Chairman

Dato' Marco Low Peng Kiat
Managing Director

11 September 2025

18 December 2025

Low Keng Huat (Singapore) Limited
80 Marine Parade Road
#18-05/09 Parkway Parade
Singapore 449269

Dear Sirs

VALUATION OF
1. 60 PAYA LEBAR ROAD, PAYA LEBAR SQUARE (TOTAL 170 STRATA-TITLED RETAIL UNITS)
2. 60 PAYA LEBAR ROAD, #04-18 PAYA LEBAR SQUARE
3. 207 BALESTIER ROAD, CITADINES BALESTIER SINGAPORE AND BT CENTRE
4. 2 PERUMAL ROAD, #01-01 TO #01-08 LYF FARRER PARK SINGAPORE
5. 80 MARINE PARADE ROAD, #18-01 TO #18-09 PARKWAY PARADE SINGAPORE

Instructions

We refer to your instruction to carry out a valuation of the above-mentioned properties (collectively, the "Properties" and each individually, a "Property") for the purpose of the Voluntary Conditional General Offer (the "Offer"), in accordance with Section 139 of the Securities and Futures Act 2001 of Singapore and Rule 15 of the Singapore Code on Take-overs and Mergers, in respect of all the issued ordinary shares in the capital of Low Keng Huat (Singapore) Limited, by UOB Kay Hian Private Limited ("UOBKH") for and on behalf of Consistent Record Pte. Ltd. (the "Offeror").

We have been specifically instructed to provide our opinion of the Market Values of the Properties, as at **17 December 2025**, on an "as is" basis, whether subject to the existing tenancies and occupational arrangements or with vacant possession, and where applicable, subject to the existing Serviced Residence Management Agreements.

In accordance with the instruction, we have issued separate formal Valuation Reports for Properties 2 and 5, Valuation Certificates for all Properties, and this Valuation Summary Letter, pursuant to the Terms of Engagement dated 9 December 2025 between Knight Frank Pte Ltd and Low Keng Huat (Singapore) Limited.

Our valuation is our opinion of the Market Value, which we would define as follows:

"Market Value is the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion".

Reliance on This Letter

We have prepared this Valuation Summary Letter and the accompanying Valuation Certificates, which outline the key factors considered in arriving at our opinions of value. These documents are intended for inclusion in, and/or to be made available for inspection under, the Circular. This Letter alone does not contain all necessary data and supporting information, which are set out in full within our Valuation Reports.

Knight Frank Pte Ltd has provided Low Keng Huat (Singapore) Limited with Valuation Reports for Properties 2 and 5 in December 2025, Property 1 in July 2025, and Properties 3 and 4 in February 2024. The valuation and market information presented are not guarantees or predictions, and should be read in conjunction with the following:

(a) The estimated values are based on information provided by Low Keng Huat (Singapore) Limited. While Knight Frank Pte Ltd has endeavoured to ensure the accuracy of such information, it has not independently verified all details provided by Low Keng Huat (Singapore) Limited or the Government of Singapore (including statistical data relating to market conditions). Knight Frank Pte Ltd considers it essential that every recipient of the Circular reviews the Valuation Reports to fully understand the complexity of the methodologies applied and the numerous variables involved.

Knight Frank Pte Ltd
10 Collyer Quay #08-01 Ocean Financial Centre, Singapore 049315
Tel: +65 6222 1333 UEN: 198205243Z CEA Licence: L3005536J
knightfrank.com.sg

Other Offices:
KF Property Network Pte Ltd 10 Collyer Quay #08-01 Ocean Financial Centre, Singapore 049315
Knight Frank Property & Facilities Management Pte Ltd 160 Paya Lebar Road #05-05 Orion@Paya Lebar, Singapore 409022

Document Name: Summary Letter & VC (Final) 18.12.2025.pdf Transaction ID: CBJCHBCAABAAzY2AIDf_Ol7mHNBIHcRUoANIR0FtX7cG

(b) The primary methodologies adopted by Knight Frank Pte Ltd in valuing the Properties include Capitalisation Method, Discounted Cash Flow Analysis and the Direct Comparison Method, where appropriate. These methodologies are summarised in the Valuation Rationale section of this Letter.

(c) The valuations have been prepared based on information available as at December 2025. Knight Frank Pte Ltd accepts no responsibility for any changes to such information that may have occurred thereafter, including but not limited to profit and loss statements, gross floor area, net lettable area, tenancy details, year of completion, or other related factors.

The Valuation Reports, this Valuation Summary Letter and Valuation Certificates may be relied upon solely by Low Keng Huat (Singapore) Limited for the purpose of the Voluntary Conditional General Offer, in accordance with Section 139 of the Securities and Futures Act 2001 of Singapore and Rule 15 of the Singapore Code on Take-overs and Mergers, in respect of all the issued ordinary shares in the capital of Low Keng Huat (Singapore) Limited, by UOB Kay Hian Private Limited, for and on behalf of the Offeror.

The Properties

A brief summary of the Properties is set out below.

60 Paya Lebar Road, Paya Lebar Square (Total 170 Strata-Titled Retail Units)

Paya Lebar Square is bounded by Paya Lebar Road along its western boundary and Eunos Road 8 along its eastern boundary, approximately 6.0 km from the City Centre. The Property comprises a total of 170 strata-titled retail units situated within the 3-storey retail podium of Paya Lebar Square. The Temporary Occupation Permits for the development were issued on 3 November 2014, 19 November 2014 and 18 September 2015. The Certificate of Statutory Completion was subsequently issued on 24 December 2015.

60 Paya Lebar Road, #04-18 Paya Lebar Square

Paya Lebar Square is bounded by Paya Lebar Road along its western boundary and Eunos Road 8 along its eastern boundary, approximately 6.0 km from the City Centre. The Property comprises a strata-titled office unit on the 4th storey of a 10-storey office block situated above the 3-storey retail podium of Paya Lebar Square. The Temporary Occupation Permits for the development were issued on 3 November 2014, 19 November 2014 and 18 September 2015. The Certificate of Statutory Completion was subsequently issued on 24 December 2015.

207 Balestier Road, Citadines Balestier Singapore and BT Centre

The Property is located on the western side of Balestier Road, approximately 6.0 km from the City Centre. It comprises a 166-room serviced residence known as Citadines Balestier Singapore and a 3-storey retail podium of 31 units known as BT Centre. The Temporary Occupation Permit for the Property was obtained on 26 June 2019.

2 Perumal Road, #01-01 to #01-08 Lyf Farrer Park Singapore

The Property is located at the northern junction of Serangoon Road and Perumal Road, approximately 5.0 km from the City Centre. It comprises a 240-room serviced residence and seven strata-titled retail units on the ground floor. The Certificate of Statutory Completion for the Property was obtained on 20 January 2023.

80 Marine Parade Road, #18-01 to #18-09 Parkway Parade

Parkway Parade is located on the south-eastern side of Marine Parade Road, adjacent to its junction with Marine Parade Central, just off East Coast Parkway, and approximately 9.0 km from the City Centre. The Property comprises nine strata-titled office units (with #18-05 to #18-09 amalgamated as one unit) on the 18th storey of a 22-storey office tower block within a commercial development known as Parkway Parade. We understand that the building was completed in late 1983 or thereabouts.

The following table summarises key property details of the Properties:

Property	Strata Area [1] (sm)	Gross Floor Area (sm)	Net Lettable Area (sm)	Tenure	Master Plan 2025
60 Paya Lebar Road, Paya Lebar Square (Total 170 Strata-Titled Retail Units)	8,870.0 [4]	12,374.3 [2]	8,828.0 [4]	Leasehold 99 years with effect from 25 July 2011 (Balance of about 84.6 years as at 17 December 2025)	"Commercial" with a GPR of 4.2
60 Paya Lebar Road, #04-18 Paya Lebar Square	123.0	-	-	Leasehold 99 years with effect from 25 July 2011 (Balance of about 84.6 years as at 17 December 2025)	"Commercial" with a GPR of 4.2
207 Balestier Road, Citadines Balestier Singapore and BT Centre	-	10,187.4 [3]	7,458.0 [3]	Estate In Fee Simple	"Commercial and Residential" with a GPR of 3.0

Document Name: Summary Letter & VC (Final) 18.12.2025.pdf Transaction ID: CBJCHBCAABAAzY2AIDf_Ol7mHNBIHcRUoANIR0FtX7cG

Property	Strata Area [1] (sm)	Gross Floor Area (sm)	Net Lettable Area (sm)	Tenure	Master Plan 2025
2 Perumal Road, #01-01 to #01-08 Lyf Farrer Park Singapore	10,694.0 [3]	8,010.0 [6]	-	Leasehold 99 years with effect from 17 April 2017 (Balance of about 90.3 years as at 17 December 2025)	"Residential with commercial at 1st storey" with a GPR of 4.2
80 Marine Parade Road, #18-01 to #18-09 Parkway Parade	1,038.0	-	-	Leasehold 99 years with effect from 17 August 1979 (Balance of about 52.6 years as at 17 December 2025)	"Commercial" with a GPR of 3.2

Sources:
(1) Subsidiary Strata Certificate of Title from the Singapore Land Authority.
(2) The Grant of Written Permission (Ref No: ES20140317R0174) dated 9 June 2014.
(3) Including strata void of 288.0 sm.
(4) Provided by Paya Lebar Square Pte. Ltd.; subject to final survey.
(5) Provided by Balestier Tower Pte. Ltd.; subject to final survey.
(6) Provided by Perumal Development Pte. Ltd.; subject to final survey.

Valuation Rationale

The valuation has been conducted using appropriate valuation methodologies and our professional judgement.

We have primarily valued the Property using the Capitalisation Method, the Discounted Cash Flow Analysis and the Direct Comparison Method, where appropriate.

Capitalisation Method

Under the Capitalisation Method, the estimated gross revenue of the Property has been adjusted to account for ongoing vacancy allowance, operating expenses, property tax, and other relevant outgoings. These adjustments result in the derivation of the net income.

The net income is then capitalised over the remaining lease tenure or perpetuity using a yield rate appropriate to the Property's use, tenure and investment quality. This yield rate is derived from an analysis of market evidence, including yields achieved in the sale of comparable property types.

Where appropriate, further capital adjustments, such as letting-up allowance, leasing commissions, capital expenditure, and capitalised rental reversions, are applied to derive the capital value of the Property.

Discounted Cash Flow Analysis

A valuation using the Discounted Cash Flow (DCF) model is carried out over a period of ten years from the valuation date. The Property is hypothetically assumed to be sold at the beginning of the 11th year.

In this model, cash outflows - including operating expenses, property tax, and vacancy allowance are deducted from cash inflows, which comprise rental income and other income, to derive the net cash flows. These net cash flows are then discounted at an estimated required rate of return applicable to this asset class, resulting in the Net Present Value of the Property.

This approach reflects investor decision-making by valuing the Property in a manner that achieves a return commensurate with the risk profile of that asset. It also offers greater precision by accounting for the timing of receipts and payments.

In conducting this analysis, a wide range of assumptions have been applied, including rental growth over the holding period, vacancy allowance, growth in other income, sale price at the end of the investment horizon, costs associated with the initial purchase of the Property, and also its disposal at the end of the investment period.

These assumptions are aligned with prevailing market conditions and regulatory frameworks to derive the Market Value based on a direct property purchase scenario.

A key component of the DCF model involves estimating two market-derived rates. One is the hurdle rate, the discount rate applied to the income stream over the 10-year investment horizon. The second is the terminal capitalisation rate used to capitalise the income from Year 11 onwards to derive the terminal value of the asset.

The terminal capitalisation rate reflects anticipated market conditions, the projected tenancy and cash flow profile, and the physical condition of the Property at the end of the investment period. It also considers the remaining lease tenure at that point in time.

Direct Comparison Method

Under the Direct Comparison Method, we have analysed sales transactions of comparable properties within the subject development, the surrounding vicinity, or other relevant locations. Adjustments have been made, where appropriate, to account for differences in key factors such as location, site attributes, catchment area, size, tenure, age, floor level, view, date of sale and type of development. These adjustments ensure that the comparison is undertaken on a consistent and market-aligned approach to deriving the value of the Property.

Valuation Date

The valuation date is 17 December 2025.

Assumptions

This valuation is necessarily based on a number of assumptions, which have been outlined in the General Scope of Valuation Work and the General Terms of Business for Valuation Services included within this report. These assumptions form the basis of our analysis and are essential to the interpretation of the valuation outcome.

Market Values

Subject to the overriding stipulations outlined in this Valuation Summary Letter, we are of the opinion that the Market Values (exclusive of GST) of the unencumbered freehold or remaining leasehold interests in the Properties, for the purpose of the Voluntary Conditional General Offer in accordance with Section 139 of the Securities and Futures Act 2001 of Singapore and Rule 15 of the Singapore Code on Take-overs and Mergers, for all the issued ordinary shares in the capital of Low Keng Huat (Singapore) Limited, by UOB Kay Hian Private Limited, for and on behalf of the Offeror, at the valuation date, are:

Property	Market Value
60 Paya Lebar Road, Paya Lebar Square (Total 170 Strata-Titled Retail Units)	**S$376,000,000** **(Singapore Dollars Three Hundred And Seventy-Six Million Only)**
60 Paya Lebar Road, #04-18 Paya Lebar Square	**S$2,950,000** **(Singapore Dollars Two Million Nine Hundred And Fifty Thousand Only)**
207 Balestier Road, Citadines Balestier Singapore BT Centre	S$180,000,000 S$ 45,000,000 **S$225,000,000** **(Singapore Dollars Two Hundred And Twenty-Five Million Only)**
2 Perumal Road, #01-01 Lyf Farrer Park Singapore #01-02 to #01-08 Lyf Farrer Park Singapore	S$224,000,000 S$ 18,000,000 **S$242,000,000** **(Singapore Dollars Two Hundred And Forty-Two Million Only)**
80 Marine Parade Road, #18-01 Parkway Parade #18-02 to 04 Parkway Parade #18-05 to 09 Parkway Parade	S$ 3,100,000 S$ 7,000,000 S$12,000,000 **S$22,100,000** **(Singapore Dollars Twenty-Two Million And One Hundred Thousand Only)**

Our Valuation Certificates are enclosed.

Disclaimer

We have prepared this Valuation Summary Letter and the Valuation Certificates for inclusion in, and/or to be made available for inspection under, the Circular. We specifically disclaim liability to any person for any omission from, or false or misleading statement contained in, the Circular, except in respect of the information specifically provided in this Valuation Summary Letter and the enclosed Valuation Certificates. We make no warranty or representation as to the accuracy or completeness of any other information contained in the Circular, unless such information has been expressly provided by Knight Frank Pte Ltd within this Valuation Summary Letter or the Valuation Certificates.

Knight Frank Pte Ltd has relied on property data provided by Low Keng Huat (Singapore) Limited, which we have assumed to be true, complete, and accurate. We accept no responsibility for any inaccuracies or omissions in the information supplied by Low Keng Huat (Singapore) Limited, or for any conclusions that may be affected as a result of such inaccuracies.

The analyses, opinions, and conclusions contained in this Valuation Summary Letter are subject to the assumptions and limiting conditions stated herein and represent our personal, unbiased professional judgement. We confirm that we have no current or prospective interest in the Properties, and no personal bias with respect to the parties involved in this engagement. The valuers' compensation is not contingent upon reporting a predetermined value, a specific value outcome that favours the client's position, the magnitude of the value estimate, the achievement of any particular result, or the occurrence of any subsequent event.

We certify that the valuers conducting this valuation on behalf of Knight Frank Pte Ltd are duly authorised to practise as professional valuers and possess continuous experience in valuing properties within comparable industries to the Properties. Each valuer holds a valid appraiser's licence issued by the Inland Revenue Authority of Singapore (IRAS) and is a fellow or member in good standing of the Singapore Institute of Surveyors and Valuers (SISV).

Yours faithfully

Low Kin Hon
Deputy Chief Executive Officer and
Head, Valuation & Advisory
B.Sc.(Estate Management) Hons.,FSISV
Appraiser's Licence No: AD 041-2003752I
For and on behalf of Knight Frank Pte Ltd

Perry Khoo
Senior Director
Valuation & Advisory
B.Sc.(Real Estate) Hons.,MSISV
Appraiser's Licence No: AD 041-2009340A
For and on behalf of Knight Frank Pte Ltd

Document Name: Summary Letter & VC (Final) 18.12.2025.pdf Transaction ID: CBJCHBCAABAAzY2AIDf_Ol7mHNBIHcRUoANIR0FtX7cG

Prepared by Savills Valuations Pty Ltd

Our Ref: GW25061373



Duxton Hotel, No.1 St Georges Terrace, Perth, WA 6000

For The Board of Directors, Low Keng Huat (Singapore) Limited

Date of Valuation: 30 November 2025

Date of Issue: 8 December 2025

savills
valuation report

savills.com.au/valuations

Savills Australia
Level 33, Riverside Centre
123 Eagle Street
Brisbane QLD 4000
(07) 3002 8824

Executive Summary

Duxton Hotel, No.1 St Georges Terrace, Perth, WA 6000

Instructing Party	**The Board of Directors, Low Keng Huat (Singapore) Limited**
Reliant Party	The Board of Directors, Low Keng Huat (Singapore) Limited
Instructions	To provide an opinion of Market Value for financial reporting purposes. This valuation has been prepared in accordance with the International Valuation Standards (IVS) which are adopted by the Australian Property Institute (API) and RICS Valuation – Global Standards ("Standards"). We further confirm that the valuer has complied with the IVS in performing the valuation. All investigations have been conducted independently and without influence from a third party in any way. **This Report is for the sole use of The Board of Directors, Low Keng Huat (Singapore) Limited for financial reporting purposes and is not to be used for any other purpose by any other party. Any reliance, use, distribution, publication of the Report and/or any other representations made relating to the contents of the Report is restricted solely to the Reliant Party, and any additional parties expressly named in this Report.** **No responsibility is accepted by the Valuer and/or Valuation Firm in the event that the Reliant Party to which this Report is addressed, or any other agreed additional reliant party(s) noted in this Report, relies, uses, distributes, publishes and /or otherwise represents anything contained in the Report for any other purpose apart from that expressly noted previously.** **No responsibility is accepted by the Valuer and/or Valuation Firm to any other parties who rely, use, distribute, publish and/or otherwise represent anything contained in the Report for any purpose..**
Interest Valued	'As Is' part freehold, part leasehold title, going concern hotel subject to a management agreement and including land, licences, improvements, plant & equipment and fixtures & fittings.
Purpose of Valuation	Financial Reporting purposes.
Property Description	The property was originally the Perth Australian Tax Office until acquired by the current owner in 1993 and converted into a 5 star hotel with 306 bedrooms (recently reduced to 303 bedrooms) over 14 storeys. Facilities comprise meeting rooms, restaurant, bar, swimming pool, gymnasium, club room, back of house offices and on site car parking. A refurbishment of the majority of guest rooms has been completed with refurbishment to levels 3 and 4 underway and due to complete within the next 12 months.
Critical Assumptions	See Critical Assumptions
Title	Freehold Lot 1 on Diagram 75187 and being the whole of the land contained within Certificate of Title Volume 2041 Folio 43). Leasehold 21 year Leasehold Interest commencing 1 January 2018 over Lot 1067 on Deposited Plan 93495 within Certificate of Title Volume LR3106 Folio 233 (Crown Land Title).
Site Area	Freehold: 3,410 m² (Main Hotel lot) Leasehold: 941 m^2 (Forecourt driveway area)
Zoning	'Central City Area' under the Metropolitan Region Scheme Zoned 'City Centre' and within Precinct 7 - Civic, under City of Perth City Planning Scheme No.2
Valuation Approach	Discounted Cash Flow, Income Capitalisation and Direct Comparison
Date of Inspection	6 November 2025
Date of Valuation	**30 November 2025**
Number of Bedrooms	303
Registered Owner	Amuret Pty Ltd
Brand/Manager	Owner occupied under the Duxton Hotel brand

Continued overleaf.

Executive Summary (cont.)

Duxton Hotel, No.1 St Georges Terrace, Perth, WA 6000

Historic Trade & Savills Forecasts

Cashflow Summary	Historic Performance						Savills Forecasts				
	Actual	Actual	Actual	Actual	Actual	Forecast					
PERIOD ENDING JAN	31-Jan-21	31-Jan-22	31-Jan-23	31-Jan-24	31-Jan-25	31-Jan-26	2026/27	2027/28	2028/29	2029/30	2030/31
Number of Bedrooms	306	283	280	305	287	289	303	303	303	303	303
Occupancy Rate	31.1%	34.3%	54.1%	63.0%	70.7%	73.0%	73.9%	78.2%	78.4%	78.6%	78.8%
Average Daily Rate	$156.39	$184.95	$206.06	$200.87	$220.16	$244.08	$248.14	$260.02	$266.05	$272.38	$278.92
RevPAR	$48.64	$63.45	$111.47	$126.64	$155.56	$178.18	$183.28	$203.22	$208.50	$214.08	$219.91
change %		30.4%	75.7%	13.6%	22.8%	14.5%		10.9%	2.6%	2.7%	2.7%
($000s)											
Total Revenue	10,054.4	13,002.3	19,306.4	23,503.1	26,063.6	29,112.5	31,183.8	34,940.6	35,750.1	36,707.8	37,706.3
change %		29.3%	48.5%	21.7%	10.9%	11.7%		12.0%	2.3%	2.7%	2.7%
Total Departmental Costs	5,892.1	10,018.4	12,348.5	14,078.1	14,813.5	15,575.2	16,901.6	17,951.6	18,252.2	18,741.2	19,251.0
change %		70.0%	23.3%	14.0%	5.2%	5.1%		6.2%	1.7%	2.7%	2.7%
Gross Operating Income	4,162.3	2,984.0	6,957.8	9,425.0	11,250.1	13,537.3	14,282.2	16,989.0	17,497.9	17,966.6	18,455.4
change %		-28.3%	133.2%	35.5%	19.4%	20.3%		19.0%	3.0%	2.7%	2.7%
Total Undistributed Expenses	3,129.7	3,713.3	4,348.7	6,140.5	6,877.2	6,839.6	6,938.4	7,372.5	7,507.5	7,708.6	7,918.3
change %		18.6%	17.1%	41.2%	12.0%	-0.5%		6.3%	1.8%	2.7%	2.7%
Gross Operating Profit	1,032.6	(729.3)	2,609.2	3,284.5	4,372.8	6,697.7	7,343.8	9,616.5	9,990.4	10,258.0	10,537.0
change %		-170.6%	-457.8%	25.9%	33.1%	53.2%		30.9%	3.9%	2.7%	2.7%
Total Fixed Costs	1,206.4	1,198.2	1,091.8	1,227.1	1,281.1	1,198.6	2,226.5	2,474.0	2,538.9	2,604.0	2,671.7
change %		-0.7%	-8.9%	12.4%	4.4%	-6.4%		11.1%	2.6%	2.6%	2.6%
EBITDAR	(173.8)	(1,927.5)	1,517.4	2,057.4	3,091.7	5,499.2	5,117.3	7,142.5	7,451.5	7,654.0	7,865.3
Rent Payable	0.0	0.0	0.0	0.0	0.0	0.0	106.7	109.1	111.7	114.3	117.1
Rent Receivable	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBITDA	(173.8)	(1,927.5)	1,517.4	2,057.4	3,091.7	5,499.2	2,050.6	7,033.4	7,339.8	7,539.6	7,748.3
change %		1009.0%	-178.7%	35.6%	50.3%	77.9%		243.0%	4.4%	2.7%	2.8%
EBITDA Per No of Bedrooms	*-0.6*	*-6.8*	*5.4*	*6.7*	*10.8*	*19.1*	*16.5*	*23.2*	*24.2*	*24.9*	*25.6*
Total Management Fees	0.0	0.0	0.0	0.0	0.0	0.0	679.0	830.2	857.0	880.0	903.9
Total FF&E Reserve	0.0	0.0	0.0	0.0	0.0	0.0	935.5	1,048.2	1,072.5	1,101.2	1,131.2
Capital Expenditure	0.0	0.0	0.0	0.0	0.0	0.0	2,960.0	0.0	0.0	0.0	0.0

Major Issues / Opportunities

The property is partly held freehold and leasehold. We believe there is a likelihood that the lease to the front forecourt to the hotel will be renewed at expiry in 2037, but there is no guarantee, hence our valuation allows for this element of risk.

The hotel is currently owner operated with related entities entering into a lease and management services agreement. We have assumed these agreements can be terminated on sale, which we believe adds to the appeal of the subject property to hotel investors.

We have assumed a purchaser would likely enter into a HMA with a suitably qualified hotel operator.

All but two levels of bedrooms have been refurbished over a period between 2019 and 2025, with the remaining rooms on levels 3 and 4 due to complete over the next 12 months. Additional works include conference room upgrades, reception lobby improvements and plant replacement all recently completed. The ground floor bar and all lift lobbies are due to be completed soon. Our trade forecasts assume these works will be completed in the financial year end January 2027.

We have allowed for a capex amount totalling $2.96million, which will negatively impact cash flow in the short term but result in increased revenue in the long-term post improvements.

Market Commentary

Hotel sales volumes were more subdued in CY2024. For CY2024 there were 57 transactions with total sales volume by dollar amount equalling $1.9bn, falling short of the CY2023 sales volume of $2.5bn, despite comprising a greater number of transactions.

The lower volumes are largely a result of the disparity between buyer and vendor expectations resulting in a number of unsuccessful marketing campaigns with interest not reaching vendor price expectations. Well capitalised vendors have also been reluctant to sell assets in the current strong trading environment.

There continues to be a significant amount of capital available, however, the higher cost of capital and economic uncertainty has caused some investors to delay decisions until further clarity around inflation and interest rate movements. The interest rate decrease by the RBA may have a positive effect on investor sentiment.

The transactions that have occurred are typically value add or reposition opportunities where returns can be enhanced to meet investor hurdle rates. There has also been a concentration of activity in South East Queensland and Western Australia which is considered to offer good value buying opportunities.

The higher cost of capital has caused capitalisation rates and discount rates to soften however the impact on values have been somewhat offset by the stronger trading environment.

Continued overleaf.

Executive Summary (cont.)

Duxton Hotel, No.1 St Georges Terrace, Perth, WA 6000

10 Year DCF Terminal Yield	6.50%	
10 Year DCF Discount Rate	8.50%	
5 Year DCF Terminal Yield	6.25%	
5 Year DCF Discount Rate	8.25%	
Income Capitalisation Rate	6.25%	
Passing Yield (YE Jan 2026)	5.24%	
Initial Yield (Yr 1 Forecast)	4.64% - before capex allowance	
Initial Yield (Stabilised)	6.80%	
10 Year IRR	8.14%	
Adopted Market Value (*)	**$105,000,000**	
Value per No of Bedrooms	$346,535	
Prepared by	Savills Valuations Pty Ltd	
	Adrian Archer AAPI FRICS	**Mark Foster-Key AAPI FRICS**
	National Director - Hotel Valuations	State Director - WA
	Certified Practicing Valuer	Certified Practicing Valuer
	WA Registered Valuer No. 44834	WA Licenced Valuer 44047
Property Inspection	Yes	Yes
Job Involvement	**Principal Valuer**	**Supervising Member**

(*) This valuation amount is exclusive of a Goods and Services Tax and is expressed in $AUD.

We advise that this summary must be read by the nominated parties in conjunction with the attached report (including appendices) of which this summary forms part. This valuation summary should not be relied upon in isolation for finance or any other purposes. Liability limited by a scheme approved under Professional Standards Legislation. Savills will not be liable for loss of business revenue, contracts, savings or consequential losses as a result of any reliance on the opinions expressed in this report.

SWOT Analysis

Duxton Hotel, No.1 St Georges Terrace, Perth, WA 6000

Strengths	■ Good location within the Perth CBD on St Georges Terrace with views of the Swan River. ■ Vacant possession available. ■ Market value below estimated replacement cost. ■ Majority of 303 bedrooms have been refurbished. ■ On site car parking facilities. ■ Extensive facilities and good-sized bedrooms. ■ Limited outlook for further supply to Perth hotel market in the near term. ■ In FY2025 domestic passenger numbers exceeded 9 million for the first time since FY2013, with international passenger numbers over 5 million, showing an overall increase in passenger numbers of 11.1% on FY2024.
Weaknesses	■ Hotel drop off area held under a lease at $97,000 plus GST per annum, with a rent review due on 1 January 2027. ■ The Duxton brand has limited exposure to the Australian market in comparison to other major national and international brands. ■ Perth is more susceptible to fluctuation of the mining industry and does not benefit from diversification of Sydney and Melbourne for the finance and services industry and leisure business. ■ Relatively high equity required for this type of asset class, reducing the pool of potential purchasers. ■ Whilst the bedrooms present well, additional final decoration maybe required for any rebranding, which could be covered in any key money inducement from an incoming operator.
Opportunities	■ Acquire freehold interest of the drop off area to the front of the hotel. ■ Complete refurbishment of all the bedrooms and public areas. ■ Enter into a franchise or management agreement with a recognised international hotel brand. ■ Slow delivery of bedroom refurbishment works over many years resulting in prolonged trade disruption. ■ Deliver higher ADR and occupancy levels, increase operating cost efficiencies and establish a new benchmark for EBITDA levels at the subject hotel. ■ Apply for DA to extend hotel. ■ Extend ballroom over the existing outdoor swimming pool area.
Threats	■ Potential ground rental increase on 1 January 2027. ■ Savills forecast trade projections not achieved. ■ Higher than expected ongoing repairs and maintenance costs. ■ Increase in Statutory Land Value. ■ Higher than expected capital investment required. ■ Overseas purchasers withdraw from Australian hotel investment market or changes to Foreign Investment Policy which may restrict or deter offshore investors. ■ Geopolitical trade policies negatively impacting the Australian economy, debt markets and property yields. ■ Heightened political tensions between Australia and China, along with the ongoing conflict in the Middle East and Ukraine and Russia, creating uncertainty and reducing international tourist visitation. ■ At its August 2025 meeting, the Reserve Bank of Australia (RBA) made the decision to lower the cash rate by 25 basis points from 3.85% to 3.60%, marking the third-rate drop of 2025. With inflation falling substantially since its peak in 2022, the RBA have projected underlying inflation to be around the midpoint of the 2% to 3% target range throughout the forecasting period, reporting annual trimmed mean inflation fell below 3% for the first time since 2021. The RBA expressed uncertainties about the overall market outlook for economic activity and inflation, stemming from weak productivity growth and demand domestically and geopolitical policy announcements abroad. The board conveyed any potential further easing of the cash rate is subject to developments in the global economy and financial markets, trends in domestic demand, and the outlook for inflation and the labour market. The reduction in interest rates will ease pressures around the cost of capital and improve debt-funding eligibility.

Risk Assessment

Duxton Hotel, No.1 St Georges Terrace, Perth, WA 6000

Market	■ During CY2024 transaction volumes slowed further with some investors pausing until there is clarity on the cost of debt. We are aware of a number of transactions under due diligence, representing strong parameters, although it is clear deals are taking longer to complete. ■ CY2024 there were 57 transactions with total sales volume by dollar amount equalling $1.9bn, falling short of the CY2023 sales volume of $2.5bn, despite comprising a greater number of transactions. The lower volumes are largely a result of the disparity between buyer and vendor expectations resulting in a number of unsuccessful marketing campaigns with interest not reaching vendor price expectations. Well capitalised vendors have also been reluctant to sell assets in the current strong trading environment. ■ We anticipate transaction volumes to remain at this level or increase further in CY2025 as the cost of debt is easing. ■ There continues to be a significant amount of capital available, however, the higher cost of capital and economic uncertainty has caused some investors to delay decisions until further clarity around inflation and interest rate movements. The recent interest rate decreases by the RBA may have a positive effect on investor sentiment. ■ We believe that the subject property would normally be saleable following the completion of an appropriate marketing campaign and within a 6-month period. ■ We consider the subject is likely to attract interest from domestic and overseas high net worth investors and investments funds. ■ A purchaser would consider the ability to achieve vacant possession, robustness of the trade projections and clear and marketable title. ■ The most likely method of sale would be via an Expressions of Interest or Public Tender campaign.
Overall Risk: MEDIUM	
Asset	■ Front drop off held leasehold, with the majority owned freehold. Should the lease not be renewed after expiry in 21 years from 2018 then access to the hotel entrance and car park will not be possible, which would have a severe disruption on the business, unless an easement is granted in place of a lease. We believe there is a likelihood that the lease to the front forecourt to the hotel will be renewed at expiry in 2037, but there is no guarantee, hence our valuation allows for this element of risk. ■ There are various easements and notifications on title, which we have summarised in Section 4.4 of this report. ■ The property is located on the eastern side of the Perth CBD. There have been newer hotels developed in more central locations in recent years. ■ All but two levels of bedrooms have been refurbished over a period between 2019 and 2025, with the remaining rooms on levels 3 and 4 due to complete over the next 12 months. Additional works include conference room upgrades, reception lobby improvements and plant replacement all recently completed. The ground floor bar and all lift lobbies are due to be completed soon. Our trade forecasts assume these works will be completed in the financial year end January 2027. ■ Whilst the bedrooms present well, additional final decoration maybe required for any rebranding, which could be covered in any key money inducement from an incoming operator. ■ We have allowed for a capex amount totalling $2.96million, which will negatively impact cash flow in the short term but result in increased revenue in the long-term post improvements. ■ Older building therefore minimal depreciation benefits available given the age of the improvements. ■ On site car parking facilities.
Overall Risk: MEDIUM	

Continued overleaf.

Risk Assessment (cont.)

Duxton Hotel, No.1 St Georges Terrace, Perth, WA 6000

Cashflow Profile	■ The value of the hotel is linked in part to the trade forecasts. There is a risk that Savills forecasts may not be achieved due to a number of factors outside of the control of the operator. ■ The current Management Services Agreement with Low Keng Huat (Singapore) Ltd for 12 months from 1 February 2025 is renewed every year for 12 months. There is also an internal lease agreement between Amuret Pty Ltd and Narymal Pty Ltd, which are related entities, also renewed annually for 12 months. We have assumed vacant possession can be obtained at short notice. ■ The hotel has experienced disruption over the last few years due to in house refurbishment projects. Bedroom inventory was 306 rooms, but reduced to 283 rooms in YE January 2022, 280 rooms in YE January 2023, back to 305 rooms in YE January 2024, then reduced to 287 rooms in YE January 2025 and 289 rooms for YE January 2026. The revised full inventory will be 303 bedrooms for YE January 2027, but the level 3 and level 4 bedroom refurbishments will result in a reduction of rooms available. ■ The disruptions have impacted occupancy, which was 54.1% in 2023, improving to 63.0% in 2024 and 70.7% in 2025. The forecast for YE January 2026 is occupancy of 73.0%. The Perth market has performed at close to 80% for the last two years, therefore occupancy at the Duxton has been below market levels. ■ ADR has improved from $156.39 in YE January 2021, increasing to $220.16 for YE January 2025 and a forecast of $244.08 for YE January 2026. Historically the hotel has traded at an ADR premium to the Perth market of between 1.01 and 1.12 but declined in the last two years to 0.91 and 0.96 fairshare. This is partly due to disruption caused by bedroom refurbishment, but also the increase in 5-star hotel competition and the competitor's ability to yield higher rates in high demand periods. Once the bedroom upgrades are completed, we would anticipate potential for both occupancy and ADR growth. ■ The hotel includes reasonable F&B and conference facilities. Room revenue accounts for between 50% and 60% of total revenue, with combined F&B and C&E revenue accounting for 34% of revenue in YE January 2025 and forecast at 32.4% in YE January 2026. Car parking also provides a significant amount of MOD revenue. ■ Operating costs are high with the hotel achieving a low EBITDA of 8.8% in YE January 2024, 11.9% in 2025 and 18.9% forecast in YE January 2026. The hotel management accounts exclude management fees and an FF&E Reserve, but include a depreciation amount and internal rental, which we have added back. ■ Savills trade forecasts adopt a fair maintainable EBITDA of $5,010,573 (16.1% of revenue) after notional management fees and an FF&E Reserve in Ye January 2027, stabilising at $7,339,786 (20.5% of revenue) by YE January 2029.
Overall Risk: MEDIUM	
Asset Management	■ There are long standing existing employees at the property, which provides loyalty and significant knowledge of the business and building. Should key individuals leave, this may disrupt business. ■ Specialised asset requiring experienced asset management for this management intensive asset class.
Overall Risk: MEDIUM	

Critical Assumptions

Duxton Hotel, No.1 St Georges Terrace, Perth, WA 6000

Market Movement	■ This valuation is current at the date of valuation only. The value assessed herein may change significantly and unexpectedly over a relatively short period of time (including as a result of general market movements or factors specific to the particular property). Liability for losses arising from such subsequent changes in value is excluded as is liability where the valuation is relied upon more than 90 days after the date of the valuation.
Market Conditions	■ As stated elsewhere in this report, a combination of the persistent inflationary pressures and a higher interest rate environment has increased volatility and reduced transaction volumes in many real estate markets. Consumer confidence and investor behaviour can change quickly during such periods. You should appreciate therefore that the conclusions in this report have been reached against this background and are only valid at the valuation date. Where appropriate, we recommend that our valuation is kept under review. For the avoidance of doubt, our valuation is not reported as being subject to 'material valuation uncertainty' as defined in the RICS Valuation – Global Standards.
Tenancies/Financial	■ That the information supplied to us by the current owner is complete, current and accurate, including the trading information and capex. ■ That the lease agreement between Amuret Pty Ltd and Narymal Pty Ltd, which are related entities, can be terminated at short notice and vacant possession obtained as a hotel going concern.
Physical	■ This valuation has been made on the assumption that there are no actual or potential contamination issues affecting the site or the building, including asbestos affectation. It is recommended that an asbestos report be commissioned and reviewed by the instructing party prior to reliance upon this valuation. ■ We have carried out this valuation on the assumption that this property is free from flood affectation. ■ We have relied upon the supplied bedroom numbers for the purposes of this valuation and should a building survey prove these areas to be incorrect we reserve the right to review this valuation. ■ That the sample of bedrooms inspected are a fair representation of all 303 bedrooms. ■ That the approved works of $745,000 for YE January 2026 are completed by our date of valuation of 31 January 2026. ■ That the capex budget of $2,960,000 scheduled in YE January 2027 are completed to a good standard expected of an upper upscale class hotel. ■ The building on the property appears to be 'clad' with concrete panels. The valuer does not hold itself out to be an expert in building materials and has been unable to identify from a visual inspection of the property whether the property was constructed using compliant or non-compliant building products (i.e. combustible polyethylene core aluminium composite panels - ACP). The owner of the subject property has confirmed there is no ACP on the building façade. ■ This valuation report has been prepared: - on the assumption that the building materials used, as well as the application and installation of those materials, comply with all approvals, regulatory requirements and codes; - without consideration to any diminution in value that may arise due to the identification of non-compliant building products within the property/development. Should this not be the case, we reserve the right to review our valuation. ■ The valuer strongly advises the reader to investigate the nature of the existing building components and satisfy itself as to the potential risks and costs which could be incurred should the existing building component have to be remedied, replaced or adapted. ■ We are not qualified to carry out nor have we sighted a structural survey/report of the building, accordingly we are not qualified to express an opinion as to the structural integrity of the building. We were also unable to inspect parts of the premises that were unexposed or inaccessible and therefore cannot say that such parts are free from defects. We recommend that a structural survey/report be commissioned by the nominate party to identify any building defects. We reserve the right to review this valuation if any such defects are identified. ■ That the FF&E and plant and equipment is owned by the property owner and that an asset register or asset depreciation schedule is available on sale of the property. ■ That the FF&E will be transferred to a purchaser on sale.

Continued overleaf.

Critical Assumptions (cont.)

Duxton Hotel, No.1 St Georges Terrace, Perth, WA 6000

GST	■ We have not been provided with legal advice but based on our experience, if the subject property was sold as a freehold going concern it would be GST-free (provided that certain GST requirements are met) and any user of this valuation should make appropriate enquiries in this respect. If any of the above assumptions prove to be incorrect, we reserve the right to revise our valuations as provided herein, should we deem it to be necessary. ■ In relation to any potential GST liability, we advise that we are not taxation or legal experts and we recommend competent and qualified advice be obtained. Should this advice vary from our interpretation of the legislation and Australian Taxation Office rulings current as at the date of this valuation, we reserve the right to review and amend our valuation accordingly. ■ Our assumptions with respect to GST are current at the time of this report. Changes to the GST Act may impact the value of the subject land if and when these occur. ■ In analysing the sales evidence referred to in our report, it is noted that we have attempted to ascertain whether or not the sales pricing is inclusive or exclusive of the GST. In relation to sales evidence, we stress that the Land Titles Offices in Australia do not currently differentiate between, or record, whether or not the sale price is inclusive or exclusive of GST. Where we have not been able to verify whether or not GST is included in the sale price, we have assumed that the Land Titles office record of sales is exclusive of GST. Should this not be the case for any particular sale transaction used as evidence, we reserve the right to reconsider our valuation.
Legal/Planning	■ We have reviewed the various notifications on title and have assumed for the purpose of this valuation that these notifications do not have any adverse effect on the value of the property. ■ That all certificates and approvals are in place as required by the local authority. ■ That the property is occupied and managed in full compliance with the law, in particular relating to safety and fire regulations. ■ We are unaware of any current road widening or resumption requirements for the property; however, we have not completed searches with resuming authorities to confirm this. Our valuation therefore assumes that the property is not the subject of any proposed resumptions.
General	■ The sales information has been obtained from a number of sources including RP Data and registered government sales transfers. Whilst we understand the information to be reliable, we are unable to guarantee the accuracy. ■ In the event we become aware of a material change in investment market dynamics during the period between the Date of Issue and Date of Valuation, we reserve the right to amend our assessment. This includes but is not limited to geo-political and financial/economic uncertainty affecting both occupier and investor demand. ■ The DCF exercise appended hereto has been undertaken for the sole purpose of assisting in the determination of the market value of the property and we make no guarantees or warranty as to the accuracy of the future rental income stream projections in so far as they relate to market rental movements. ■ This report has been countersigned to verify the report is issued by this Company. Any reliance upon this report is restricted to the nominated party(ies) and must be based upon the actual possession or sighting by them of an original document duly signed and countersigned in the before mentioned manner. ■ No responsibility is accepted by the Valuer and/or Savills Valuations Pty Ltd in the event that the Lender to which this Report is addressed, or any other agreed additional reliant party(s) noted in this Report, relies, uses, distributes, publishes and /or otherwise represents anything contained in the Report for any other purpose apart from that expressly noted previously. We invite other parties who may come into possession of this report to seek our written consent to them relying upon this report and we reserve our rights to review the contents in the event that our consent is sought. ■ This valuation is current at the date of valuation only. The value assessed herein may change significantly and unexpectedly over a relatively short period of time (including as a result of general market movements or factors specific to the particular property). Liability for losses arising from such subsequent changes in value is excluded as is liability where the valuation is relied upon more than 90 days after the date of the valuation. ■ This valuation is prepared on the assumption that the lender as referred to in the valuation report (and no other), may rely on the valuation for mortgage finance purposes and the lender has complied with its own lending guidelines as well as prudent finance industry lending practices, and has considered all prudent aspects of credit risks for any potential borrower, including the borrower's ability to service and repay any mortgage loan. Further, the valuation is prepared on the assumption that any such lender is providing mortgage financing at a conservative and prudent loan to value ratio. This clause (Prudent Lenders Clause) only applies if the lender is not a lender regulated by the Banking Act of 1959.

Should any of the assumptions in this report be incorrect or inaccurate, then we reserve the right to amend the valuation and the report.

savills

Contents

1 Valuation Definitions and Hotel Terminology 12

2 Introduction 14
2.1 Instruction 14

3 Reliance & Reporting 15
3.1 Reliance & Liability 15
3.2 Reporting 15
3.3 Market & Fair Value Definitions 16

4 Site Details 17
4.1 Locality & Surrounding Development 17
4.2 Site & Services 19
4.3 Environmental Risk 20
4.4 Title & Interests 21
4.5 Statutory Assessment 24
4.6 Town Planning 25
4.7 Development Applications/Approvals 26

5 Improvements 27
5.1 Property Description 27
5.2 Construction, Finishes & Services 28
5.3 Accommodation 28
5.4 Photographs 31
5.5 Views / Outlook 35
5.6 Age & Condition 36
5.7 Asbestos 37
5.8 Construction Quality & Compliance 37

6 Sustainability & ESG 38

7 Tenancy Details 40
7.1 Occupational Agreements 40
7.2 Brand Analysis 42

8 Hotel Market Commentary 43
8.1 Australian Hotels 43
8.2 National Hotel Trade 44
8.3 Western Australia Hotel Market Overview 45

9 Tourism Statistics 46
9.1 Australian Tourism 46
9.2 Western Australia Tourism 47
9.3 Perth Airport 48

10 Competition 49
10.1 Existing Hotels 49
10.2 New Supply 51

11 The Business 52
11.1 Analysis of the Business 52
11.2 Savills Trade Projections 56

12 Sales Evidence 62
12.1 Hotels 62

13 Valuation Methodology – 'As Is' 67
13.1 Introduction 67
13.2 Discounted Cash Flow Approach 67
13.3 Income Capitalisation Approach 70
13.4 Direct Comparison 72
13.5 Reconciliation of Values 72

14 **Marketing Period & Buyer Profile** 73
15 **Insurance Recommendation** 74
16 **Company Qualifications** 75
17 **Valuation** 76

Annexures

- Confirmation of Instruction
- Valuation Calculations
- Title Particulars

1 Valuation Definitions and Hotel Terminology

We provide as follows a list of definitions and explanation of the abbreviations used throughout this document:

Administrative and General (A&G)	▪ The day-to-day costs to operate the hotel, such as staffing costs, to include the General Manager, back of house and finance departments.
Average Daily Rate (ADR)	▪ The average rate paid by guests per room per night after GST.
Base Management Fee	▪ Fee payable to a manager in addition to the management services already provided by the manager. The fee is either fixed or based as a percentage of Total Revenue. This would only be relevant if the hotel is operated by a third party under a Management Agreement and not if the hotel is owner operated.
Direct Expenses	▪ Operating expenses that can be allocated against particular revenue, which can include agents' commissions and chambermaids for rooms and the cost of consumables for the restaurant.
Discount Rate	▪ Also referred to as IRR. The discount rate is applied to arrive at the net present value of each year projected EBITDA over the Discounted Cashflow (DCF) period.
EBITDA	▪ Earnings Before Interest Tax Depreciation and Amortisation is calculated by deducting all Operating Expenses from Total Revenue, but before loans and other interest which is unique to each hotel owner. The EBITDA is usually after the deduction of FF&E. Sometimes expressed as Net Operating Profit (NOP).
EBITDAR	▪ Earnings Before Interest Tax Depreciation, Amortisation and Rent is calculated by deducting all Operating Expenses from Total Revenue, but before rental liabilities and other interest which is unique to each hotel owner and also any rental liabilities.
Environmental, Social and Governance (ESG)	▪ The criteria that together establish the framework for assessing the impact of the sustainability and ethical practices of a company on its financial performance and operations. ESG comprises three pillars: environmental, social and governance, all of which collectively contribute to effective performance, with positive benefits for the wider markets, society and world as a whole. ▪ Environmental criteria, considers how a company safeguards the environment, including corporate policies addressing matters such as climate change. Social criteria, examines how it manages relationships with employees, suppliers, customers, and the communities where it operates, whilst Governance deals with a company's leadership, audits, internal controls and shareholder rights.
Exit Capitalisation Rate	▪ Also referred to as the Terminal Yield. The capitalisation rate applied to our projected EBITDA in year 10 of our Discounted Cash Flow (DCF) analysis.
Fair Maintainable Trade (FMT)	▪ Savills forecasts of hotel trade performance from the date of valuation.
Fixed Expenses	▪ These are usually below the GOP line and include building and public liability insurance, council rates and FF&E Reserve.
Fixtures, Fittings &Equipment Reserve (FF&E Reserve)	▪ This is an account accrued monthly by the hotel owner to allow for the future replacement of specific items, to include furniture, used in the operation of the business. The fund is usually a percentage of Total Revenue. If the hotel is managed the income to the owner is usually after the fund is allocated, which is pre-approved on an annual basis.
Food and Beverage (F&B)	▪ Revenue derived from the hotel restaurant and bar. Sometimes meeting room hire and other revenue from conferences and weddings is included in F&B revenue.
Gross Operating Profit (GOP)	▪ The income generated from the hotel before the deduction of Fixed Expenses and FF&E. Calculated by deducting the Direct Expenses and Operating Expenses from Total Revenue.
Hotel Management Agreement (HMA)	▪ A contract in place between a hotel owner and hotel management company, usually for a fixed term, whereby the management company operates the hotel on behalf of the owner in exchange for an annual fee. The owner has the right to receive the business EBITDA after payment of the fees and will retain ownership of the FF&E. In most cases the hotel owner will be the employer of the hotel staff, with the exception of the General Manager.
Incentive Management Fee	▪ Fee payable to the manager based on the profit performance of the business and is usually expressed as a percentage of GOP after payment of the base management fee.

Continued overleaf.

Initial Yield	▪ The projected EBITDA as a percentage of the Market Value, before any allowance for excess land and required capital expenditure to achieve the projected EBITDA.
Internal Rate of Return (IRR)	▪ This is the return which the property would achieve over a given period assuming the forecast EBITDA and Market Value.
Keys	▪ The definition 'key' is usually exclusively used for serviced apartment properties. Rooms can be a confusing definition because a two-bedroom apartment can comprise a number of rooms. A key defines how many rooms / apartments are available to be let in the property (number of room access cards available). For example, sometimes a two-bedroom apartment can be sub-divided into a studio and one bedroom apartment. This would be defined as 2 keys. If this two-bedroom apartment could not be split it would be defined as 1 key.
Market Value	▪ Market Value is the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing, and where the parties had each acted knowledgeably, prudently and without compulsion.
Meetings, Incentives, Conference and Exhibitions (MICE)	▪ A source of business and revenue primarily held in hotels with meeting and event space that is aimed at bringing together professionals from every sector in an enhanced, tailor-made hospitality setting. Also known as the events industry.
Minor Operated Departments (MOD)	▪ Usually, small amounts of miscellaneous revenue derived from telephone calls, satellite movie rentals, laundry, car parking and internet tariffs.
Operating Expenses	▪ These are expenses that are applicable to the entire business and include A&G, S&M, POM, utilities and (if applicable) Base Management Fee.
Occupancy	▪ This is expressed as a percentage and demonstrates the ratio of number of rooms available each year and those rooms occupied by guests (both paying and complimentary).
Per Available Room (PAR)	▪ A benchmark to measure the hotel revenue or operating costs against each available bedroom.
Property Operations & Maintenance (POM)	▪ The costs incurred to maintain the hotel in order for the business to operate efficiently and maintain guest satisfaction. This can include maintenance staff salaries. Occasionally some hotel businesses will allocate renovations / improvements in this line if an FF&E Reserve is not in place.
Revenue Per Available Room (RevPAR)	▪ This key performance indicator (KPI) is used to measure and compare room revenue and is calculated by multiplying the ADR with the Occupancy. This can also be referred to as Revenue Per Available Bed (RevPAB) when applied to backpacker hostels or health retreats where income is generated per guest/bed as opposed to per room.
Rooms Revenue	▪ The income received from the hotel bedrooms, suites and apartments after the deduction of GST.
Sales and Marketing (S&M)	▪ General marketing costs for staffing, staff bonuses, advertising and other promotional initiatives to achieve the Total Revenue.
Total Revenue	▪ The total income received after GST and other taxes. This will include revenue from rooms, F&B, spa, leisure club, subtenant rents and MOD.
Vacant Possession (VP)	▪ The definition of vacant possession for a hotel, assumes the hotel is still trading with future bookings and all FF&E in place, but the hotel is trading either owner occupied or a new HMA granted under market terms. It does not assume a closed hotel with FF&E and inventory removed.
Value per Room	▪ The Market Value divided by the number of rooms.
Undistributed Expenses	▪ The expenses of various service or cost centres, for example, administrative and general, information systems, sales and marketing, property operation and maintenance and utilities are normally grouped under the heading 'Undistributed Operating Expenses'. ▪ Depending upon the HMA terms the Base Management Fee can be grouped within Undistributed Expenses purely for the calculation of Incentive Management Fees as a percentage of GOP.
Uniform System of Accounts	▪ The Uniform System of Accounts of the Lodging Industry (11th Edition) is internationally accepted. It standardises the reporting format for accounts as a guide for individuals and companies to prepare and present financial statements.

2 Introduction

2.1 Instruction

Instructions	▪ Written instructions received from: – Patrick Hoareau, Director of Finance, Natymal Pty Ltd trading as Duxton Hotel Perth dated 23 October 2025. ▪ Refer to Annexures.
Reliant Party	▪ **The Board of Directors, Low Keng Huat (Singapore) Limited**.
Valuation Request	▪ Market value of: – Duxton Hotel, No.1 St Georges Terrace, Perth WA. ▪ This valuation has been prepared in accordance with the International Valuation Standards (IVS) which are adopted by the Australian Property Institute (API) and RICS Valuation – Global Standards ("Standards"). We further confirm that the valuer has complied with the IVS in performing the valuation. All investigations have been conducted independently and without influence from a third party in any way. ▪ This valuation report is specifically not to be relied upon for any of the credit assessment, raising, managing or monitoring of junior debt, mezzanine debt, preferred equity, equity, caveat lending etc.
Purpose & Basis of Valuation	▪ Financial Reporting purposes only on the following bases: – Market Value 'As Is' going concern hotel subject to management agreement and including land, licences, improvements, plant & equipment and fixtures & fittings. ▪ The financial reporting date is 30 November 2025 as requested by the reliant party, which varies slightly to the original instructions. ▪ Included in the amount of this Valuation are normal fixtures, fittings and equipment (FF&E). Excluded from the amount is personal goodwill. This Valuation is determined on the basis that the property, the title thereto and its use is not affected by any matter other than that mentioned in this report.
Interest Valued	▪ Part Freehold and Part Leasehold
Savills Reference	▪ GW25061373

3 Reliance & Reporting

3.1 Reliance & Liability

Limited Liability	▪ Liability limited by a scheme approved under Professional Standards Legislation.
Reliance	▪ This valuation is strictly and only for the use of the reliant party and for the purpose specifically stated in the executive summary and introduction. ▪ This valuation is not to be relied upon, in any event, beyond 90 days from the date of valuation.
Confidentiality	▪ This valuation is strictly confidential between Savills Valuations Pty Ltd and the reliant party.
Transmission	▪ Only an original valuation report received by the reliant party directly from Savills Valuations Pty Ltd without any third party intervention can be relied upon.
Restricted	▪ No responsibility is accepted or assumed to any third party who may use or rely on the whole or any part of the content of this valuation.
Copyright	▪ Neither the whole nor any part of the content of this valuation may be published in any document, statement, circular or otherwise by any party other than Savills Valuations Pty Ltd, nor in any communication with any third party, without the prior written approval from Savills Valuations Pty Ltd, and subject to any conditions determined by Savills Valuations Pty Ltd, including the form and context in which it is to appear.

3.2 Reporting

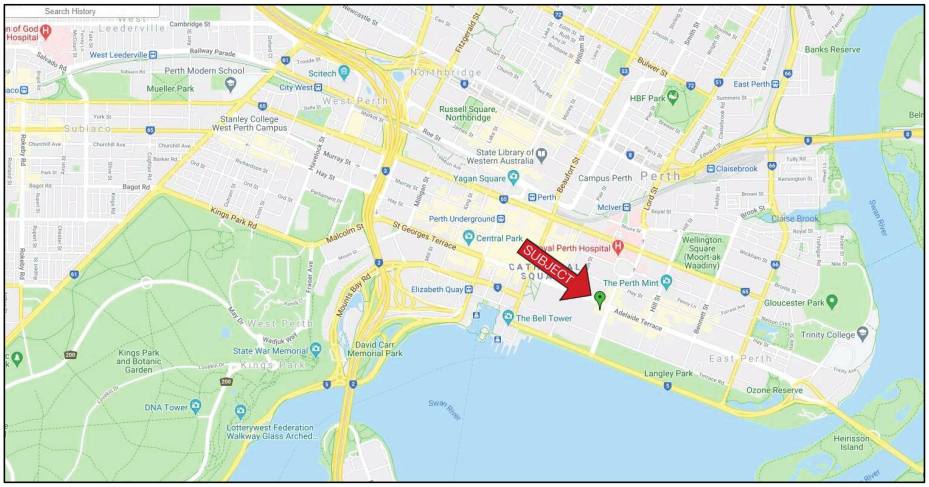
Valuer's Interest	▪ We confirm that the principal valuer who has undertaken this Valuation: – is suitably qualified to carry out such valuations and has at least five years appropriate experience; – is authorised under the law of the state or territory where the valuation takes place to practice as a Valuer; – has no pecuniary interest that could reasonably be regarded as being capable of affecting that person's ability to give an unbiased opinion of the value or that could conflict with a proper valuation of the property; and – accepts instructions to value the property only from the Trustee / Responsible Entity.
Quality Assurance	▪ We can confirm this valuation was prepared in accordance with Savills Valuation Pty Ltd Quality Assurance process. The valuation and report was peer reviewed by the Supervising Member.
Quality Assurance Manager	▪ Michael Silvester, Head of Best Practice, Valuation & Advisory, Savills Asia Pacific.
Industry Practice	▪ This report is issued in accordance with the International Valuation Standards (IVS) which are adopted by the Australian Property Institute (API) and RICS Valuation – Global Standards 2022 ("Standards"), subject to the assumptions detailed within this report.
Sources of Information	▪ This assessment is based upon information supplied by Amuret Pty Ltd, which are assumed to be correct and comprehensive. – Last three years detailed management accounts (full 12 months to YE Jan 2023, 2024, 2025); – Budget accounts for YE Jan 2026; – STR Competitor Set report for January to September 2025; – Budget capital expenditure for YE January 2026 and 2027; – Breakdown of room types and sizes and ancillary facilities, meeting room capacities; – Management Services agreement; – Lease Contract dated 1 February 2025; – Copy of lease for front entrance and current rent payable; and – Copy of current Land Tax Assessment, Council Rates and Water Rates notices.
Date of Inspection	▪ 6 November 2025
Date of Valuation	▪ **30 November 2025** ▪ We have assumed that there is no material difference in the value of the property between the date of inspection and the date of valuation.
Date of Issue	▪ 8 December 2025

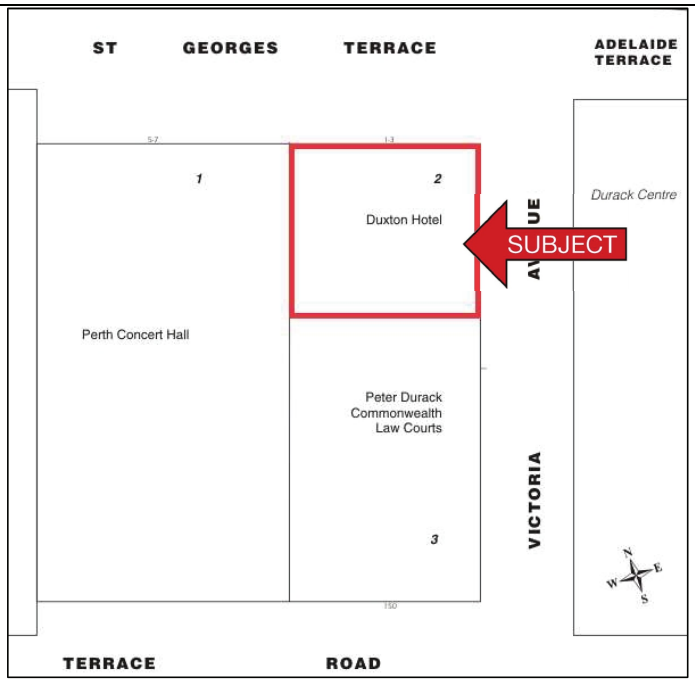
3.3 Market & Fair Value Definitions

Market Value Definition	▪ In accordance with the International Valuation Standard, the definition of market value is: – "Market Value is the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing, and where the parties had each acted knowledgeably, prudently and without compulsion."
Going Concern	▪ A going concern as defined and adopted by the Australian Property Institute is as follows: – "A mix of tangible and intangible assets comprising the real estate, goodwill, furniture, fittings and equipment used in the day-to-day operation of the business." ▪ Our assessment excludes the value of stock and assumes all items of furniture, fittings and equipment can be transferred without cost to a new owner.
Fair Value	▪ The valuation has been undertaken in accordance with: – Australian Accounting Standards Board AASB 13, "Fair Value Measurement"; and – Australian Accounting Standards Board AASB 140, "Investment Property". ▪ AASB 13 defines Fair Value as "the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date." ▪ AASB 140 defines Fair Value as "the amount for which an asset could exchange between knowledgeable, willing parties in an arm's length transaction." ▪ Fair Value is usually determined from market-based evidence when the property has an active and liquid market. If there is no market-based evidence because the asset is specialised, Fair Value is usually measured by using an income or depreciated replacement cost approach. As the subject property has an active and liquid market, the adopted definition of Fair Value is considered to have the same effect as Market Value.

4 Site Details

4.1 Locality & Surrounding Development

Suburb	▪ Perth CBD, which is the primary focus for the wider City of Perth, the Capital City of the State of Western Australia. The suburb is within the Local Government Area administered by City of Perth.
Situation	▪ The subject property is situated on the south western corner of the intersection of St Georges Terrace and Victoria Avenue, within the Perth Central Business District (CBD).
Location	▪ Approximately 500 metres east of the traditional CBD core.
Surrounds	▪ Historically considered a secondary office location to the eastern end of the CBD, the eastern end of St Georges Terrace and continuation of Adelaide Terrace has seen a notable transition towards residential uses. Adjoining uses include the Perth Concert Hall and Commonwealth Law Courts to the rear of the site. ▪ Nevertheless, the intersection of Victoria Avenue and Adelaide and St Georges Terrace remains an established secondary / fringe office location with office towers in the vicinity of the subject property including the Durack Centre, 12 St Georges Terrace, 16 St Georges Terrace and Septimus Roe Square. ▪ In addition, there are a number of hotels in this locality including the subject, Pan Pacific, Novotel and Residences on Langley Park. This location has long been popular as a mixed use precinct, with numerous residential apartments being positioned along Terrace Road and Adelaide Terrace, taking advantage of the views and proximity to the Swan River. ▪ As such the immediate locality around the subject property is diverse in use and built form incorporating many retail and community amenity services.
Transport	▪ Bus services are provided along St Georges Terrace, passing the subject property in both east and westerly directions. ▪ The main public transport terminals, within the CBD, are provided to Elizabeth Quay station and Perth Underground Station, both within 1 kilometre of the subject and providing access to both train and bus services.
Regional Map	 *Source: Copyright Nearmap.*

Local Map	 *Source: Copyright Corelogic.*

4.2 Site & Services

Topography	▪ In its natural state, the subject site slopes from its northern boundary, down towards the southern boundary. We note however that as part of the previous construction works, the site has been significantly excavated and retained. The natural slope of this site has also allowed for the provision of undercroft car parking. ▪ Given the fully developed nature of the site, we are unable to assess the nature of the underlying soils. From our inspection of surrounding properties we have assumed that the subject features generally sandy, free draining soils. We note however that we have not sighted a geotechnical survey to confirm this.
Land Area	▪ The total area of the subject site as per the attached Deposited Plan / Diagram equates to: Freehold: 3,410m^2 Leasehold: 941m^2
Land Dimension	

Description	Measurements	
St Georges Terrace Frontage	61.06	metres
Victoria Avenue Frontage	55.71	metres
Southern Boundary	61.33	metres
Western Boundary	55.75	metres

Access	▪ St Georges Terrace is the major thoroughfare through the office precinct of the Perth CBD. In a generally westerly direction, St Georges Terrace links to Kings Park Road through the West Perth area – and connects with other arteries allowing access to the western suburbs. In an easterly direction, St Georges Terrace extends into Adelaide Terrace (the eastern part of the Perth CBD) which then crosses the Swan River at the Causeway. ▪ Victoria Avenue is a dual lane, double carriageway road, carrying a reasonable level of traffic. ▪ Vehicular access to the subject property is available to west bound traffic along St Georges Terrace, with additional access to the underground car park available to traffic traversing in a northerly direction along Victoria Avenue. ▪ The subject property has no vehicular access from St Georges Terrace. Access to the car park at the rear of the property is obtained via a right of carriageway extending from Hay Street. ▪ Access to the Kwinana Freeway is available from William Street (approximately 600 metres west of the subject property) and access to the Mitchell Freeway is via an entry point along Riverside Drive or, alternatively, from Wellington Street (which runs parallel to St Georges Terrace). ▪ We are unaware of any current road widening or resumption requirements for the property, however we have not completed searches with resuming authorities to confirm this.
Services	▪ Electricity, water, gas, sewerage and telephone are connected or are available for connection to the property.
Flooding	▪ Our enquiries with the local authorities revealed that the subject property is not situated within a designated flood zone. *Flooding Caution:* *Flood information obtained from City of Perth Council has been relied upon.* *The quality, completeness and accuracy of flood mapping varies widely between localities and councils. No verification has been made and this report makes no representation as to the appropriateness, accuracy, reliability or currency of the flood mapping reviewed and relied upon.* *The reliant party may wish to confirm the flood mapping information by obtaining an expert hydrologist's report. If further flooding data is obtained that materially differs from that relied upon in this report, it must be provided to the valuer for review, comment and/or possible re-assessment.*
Site Survey Not Provided	*Site surveys have not been commissioned by Savills Valuations Pty Ltd and a site survey has not been provided. It is assumed there are no encroachments by or on the property, and the reliant party should confirm this status by obtaining a current survey report and/or advice from a registered surveyor. If any encroachments are noted by the survey report, this valuation must not be relied upon before first consulting Savills Valuations Pty Ltd to re-assess any effect on the valuation.*
Site Condition	*Savills Valuations Pty Ltd does not commission site investigations to determine the suitability of ground conditions and services, nor does Savills Valuations Pty Ltd undertake environmental or geotechnical surveys. It is assumed that these aspects are satisfactory and that the site is clear of underground mineral or other workings, methane gas or other noxious substances. In the case of property which may have redevelopment potential, this assessment is on the critical assumption that the site has load bearing capacity suitable for the anticipated form of redevelopment without the need for additional and expensive foundations or drainage systems (unless stated otherwise).*

4.3 Environmental Risk

Enquiries

- Enquiries are limited to the inspection of the subject, observation of surrounding properties, enquiries made with the owner, along with online sources such as Council websites and the Department of Water and Environmental Regulation's contaminated sites database.
- The following table summarises the result and extent of our enquiries.

Environmental Checklist	Issues Identified
Present or previous potentially contaminating use?	No
Environmental planning overlay?	No
Contamination uses on adjoining properties?	No
Known contamination issues in adjoining properties?	No
Known groundwater contamination in surrounds?	No
Potentially contaminating processes or material on site?	Yes. Diesel generator located in Basement B2
Known past underground storage of contaminant materials?	No
Listed on contaminated or environmental site registers?	No
Do operations require environmental licensing?	No
Any improvements of an age where asbestos may be present?	Yes
Asbestos sighted?	No
Asbestos report provided?	No

Not Contamination Experts

It is assumed that the site is free of contaminants. The valuation makes no allowance for site remediation works. Visual inspection is an inconclusive indicator of the actual condition of the site. No representation is made as to the actual environmental status of the subject property. If a test is undertaken at some time in the future to assess the degree, if any, of contamination of the site and this is found to be positive, this valuation must not be relied upon before first consulting Savills Valuations Pty Ltd to re-assess any effect on the valuation.

Asbestos

- We are not aware of, nor have we been advised as to the presence of asbestos within the building, unless where stated in this report. Given that components of the improvements were built pre-1990, asbestos risk exists. Accordingly, it is recommended that an appropriate report be commissioned and reviewed by the instructing party prior to reliance upon this valuation.
- Savills Valuations Pty Ltd is not an expert in the identification and management of asbestos. Should an Asbestos Audit Report reveal any matter that may affect value, we reserve the right to reassess this valuation in accordance with the report findings.

Not Hazardous Material Experts

Unless otherwise noted, it is assumed that the improvements are free of asbestos and hazardous materials, or should these materials be present then they do not pose risk to human health, nor require immediate removal. No allowance has been made in this valuation for remediation works.

It is assumed the site is free of subsoil asbestos and no allowances have been made in this valuation for site remediation works.

Visual inspection is an inconclusive indicator of the actual condition/presence of asbestos/hazardous materials within the property. No representation is made as to the actual status of the subject property. If a test is undertaken at some time in the future to assess the degree, if any, of the presence of any asbestos/hazardous materials onsite and this is found to be positive, this valuation must not be relied upon before first consulting Savills Valuations Pty Ltd to re-assess any effect on the valuation.

Potential Environmental Issues

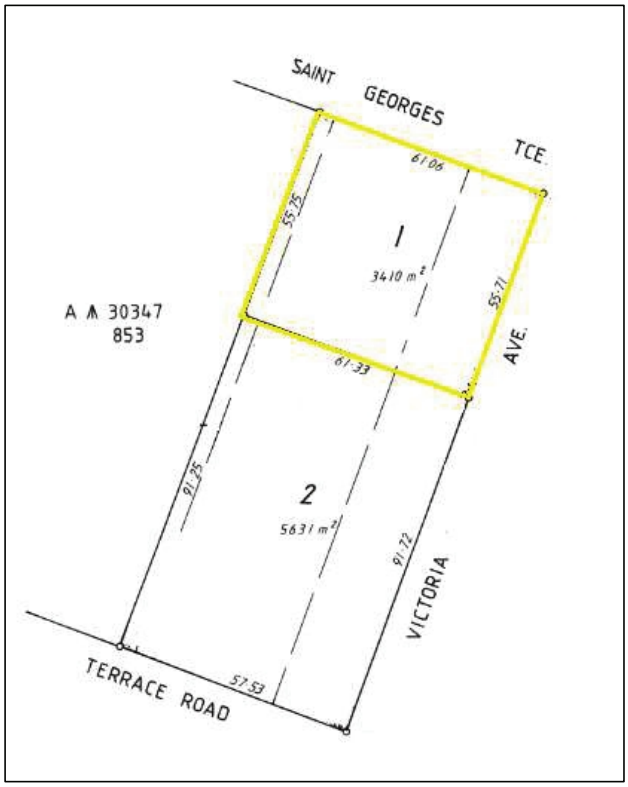
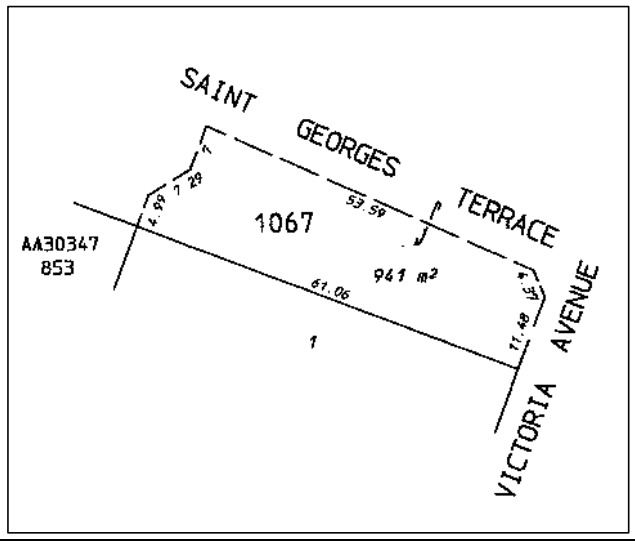
- Our enquiries with officers at the City of Perth, discussions with the current owners and our physical inspection of the site indicate that the site has not previously been utilised for any industrial or manufacturing use or for the storage (either above, ground or underground) of any chemical substance.
- Nevertheless, we advise that we are not qualified to provide advice on potential environmental or geotechnical issues affecting the land. Further, we have not sighted any environmental or geotechnical reports. This valuation has therefore been made on the assumption that there are no environmental or geotechnical issues affecting:
  - The value or marketing of the property; or
  - Any of the sites.
- Verification that the property is not materially affected by either environmental or geotechnical issues may be obtained from a suitably qualified expert. Should we subsequently be advised of any environmental or geotechnical issues we reserve the right to reassess our valuation and report.
- Refer to Critical Assumptions.

4.4 Title & Interests

Tenure	▪ Majority Freehold interest with partial leasehold interest
Registered Proprietor	▪ **Amuret Pty Ltd** ▪ A copy of the Certificate of Title (as at search date 20 November 2025) is attached as an annexure to the rear of this report.
Real Property Description	▪ **Freehold Interest** ▪ The subject property is legally described as an estate in fee simple in portion being Lot 1 on Diagram 75187 and being the whole of the land contained within Certificate of Title Volume 2041 Folio 43. ▪ **Leasehold Interest** ▪ The hotel entrance driveway is held in a separate title and comprises a Crown Land Title Volume LR3106 Folio 233. The Primary Interest Holder noted on the title is Amuret Pty Ltd via terms of a registered lease.
Site Identification	▪ The property has been identified with reference to the street numbers Certificate of Title and Registered Diagram. We have not sighted an identification survey and are unable to confirm if there are any encroachments to or from the subject. We recommend that any party relying on this report satisfy themselves in this respect.
Easements / Encumbrances	▪ **Lot 1 on Diagram 75187 CT Vol 2041 Fol 43** 1. F865638 Subject to certain Mineral and other Reservations as set out in Transfer F865638 which are in addition to those Reservations to the Crown contained in the Original Grant. Registered 28/4/1995. 2. F865641 Easement Benefit for exercising certain rights. See Instrument F865641 and Diagram 75187. Registered 28/4/1995. 3. F865643 Easement Benefit for Right of Carriageway purposes and exercising certain Rights of Support. See Instrument F865643. Registered 28/4/1995. 4. F865639 Lease to Commonwealth of Australia. As to portion only. Registered 28/4/1995. The Commonwealth of Australia (Adjoining Law Courts) hold a 99 year lease from April 1995 over a portion of the walkway and staircase positioned between the hotel and law court buildings. There is no rental payable for this leasehold interest. G053744 Extension Of Lease F865639. Registered 12/12/1995. 5. F865640 Easement Burden for the purpose of exercising certain rights. See Instrument F865640 and Diagram 75187. Registered 1/1/1995. 6. F865642 Easement Burden for the purpose of exercising certain rights. See Instrument F865642 and Diagram 75187. Registered 1/1/1995. G053745 Variation of Easement F865642. Registered 1/1/1995. 7. F865644 Easement Burden for the purpose of exercising certain Rights of Support and a Right of Carriageway. See Instrument F865644 and Diagram 75187. Registered 1/1/1995. G053746 Variation of Easement F865644. Registered 1/1/1995. 8. F865645 Restrictive Covenant to Commonwealth of Australia as to portion only. Registered 28/4/1995. Restrictive Covenant in favour of adjoining owner to the south (Commonwealth Law Courts) preventing use of the 7.5 metre wide walkway running between the hotel and law courts for purposes of conducting any business, selling food & beverages or providing seating or tables for patron's use. 9. G128904 Restrictive Covenant Burden. Registered 1/1/1996. Restrictive Covenant in favour of adjoining owner to the south (Commonwealth Law Courts) preventing development height restrictions on the land between the hotel and law courts for a period of 99 years. 10. P698230 Mortgage to Westpac Banking Corporation. Registered 4/9/2023. 11. P698231 Caveat by City of Perth. Lodged 4/9/2023. The City of Perth claim an Absolute Interest as Chargee over the property. Any potential transfer of the property would require the City of Perth to lift this Caveat from Title. ▪ **Lot 1067 on Deposited Plan 93495 CLT Vol LR3106 Fol 233** 1. N865671 Lease. Subject to the terms and conditions as set out in the Lease. Registered 4/4/2018.

Easement Comment	▪ There are numerous Easement Burdens & Benefits noted on the title. We have undertaken searches of most of these documents which appear to relate to reciprocal rights of access, support, services and drainage between the subject property and adjoining property to the south (Law Courts). The rights appear to relate primarily to the walkway area running between the two buildings (located on Lot 1) and include access, support and servicing rights. There are also certain rights of access, drainage and support for a walkway running along the western edge of the lawcourt's allotment to Terrace Road. ▪ These rights were put in place when the hotel was acquired from the Commonwealth of Australia in 1995. Such easements are commonplace for CBD buildings and not considered to impede market value. ▪ There are also Restrictive Covenants that impact the development potential and use of portion of the lot comprising the land between the court buildings and hotel. These arrangements are not considered to overly impact on the market value of the property. ▪ The absolute Caveat held by the City of Perth relates to a restriction on hours of use of the loading dock fronting Victoria Avenue. When originally converted into a hotel, the City, as part of the planning and development approval process, required the hotel owners to agree to operate the loading dock facility outside peak traffic period hours. The caveat is lodged to enable the City of Perth to enforce the obligations in this regard. This caveat is not considered to materially affect market value.
Unregistered Interests	*It is assumed that there are no unregistered interests which may affect market value. In the event that the reliant party becomes aware of any further or pending easements, encumbrances or unregistered interests, this valuation must not be relied upon before first consulting Savills Valuations Pty Ltd to re-assess any effect on the valuation.*
Ground Lease	▪ The lease for the Hotel parking and entrance to the land to the front of the hotel is for a period of 21 years from 1 January 2018. We have received a copy of a 6 month rental invoice from Department of Planning, Lands and Heritage dated 31 January 2025 confirming the current rent of $97,000 per annum.

Registered Crown Land Lease N865671	
Lessor	State of Western Australia
Lessee	Amuret Pty Ltd
Premises	Lot 1067 of Deposited Plan 93495
Commencement Date	1 January 2018
Term	21 years
Further Term	Not Applicable
Commencing Rent	$98,000 per annum plus GST, payable in six monthly instalments.
Current Rent	$97,000 per annum plus GST
Next Market Rent Review	1 January 2027
Review of Rent	Rent reviews occur every 3 years from the commencement date of the lease. The rent will be varied on each rent review date to reflect the market rent determined by the Minister in consultation with the Valuer General as referred to in the Valuation of Land Act 1978.
Permitted use	Hotel Parking and entrance

Title Plans	▪ Extract of Diagram 75187 - Freehold Allotment (Lot 1) 
Title Plans	▪ Extract of Deposited Plan 93495 – Leasehold Allotment (Lot 1067) 

4.5 Statutory Assessment

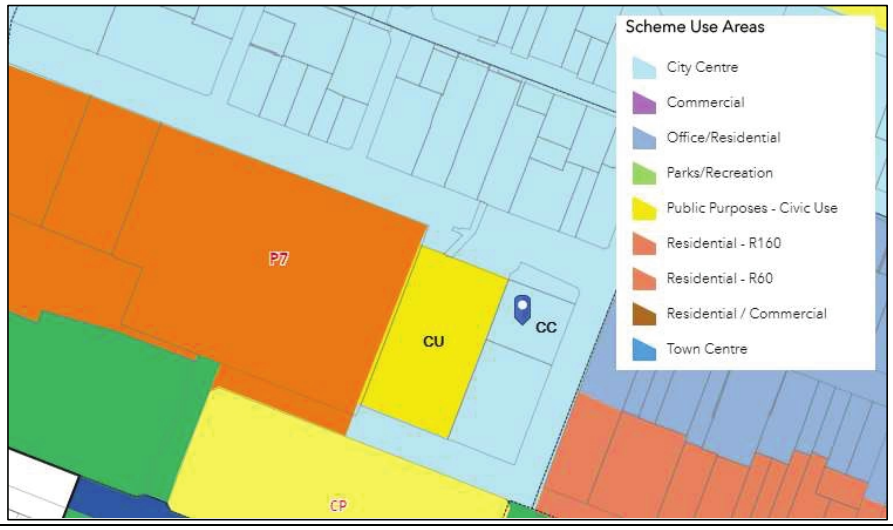
Current Land Value

- We are advised that the statutory assessments for the subject property as at 1 July 2025, for taxation purposes are as follows:

Property Description	Unimproved Land Value	Gross Rental Value
Lot 1 on Diagram 75187	$13,700,000	$2,448,000
Lot 1067 on Deposited Plan 93495	Advised Not Rated	Advised Not Rated

- Based upon the site area of 3,410 m², the above land values equate to $3,652/m² exclusive of GST, which is considered to be in line with surrounding land values at the eastern end of the Perth CBD.

4.6 Town Planning

Local Authority	▪ City of Perth
Zoning	▪ 'Central City Area' under the Metropolitan Region Scheme. ▪ Zoned 'City Centre' and within Precinct 7 -Civic, under City of Perth City Planning Scheme No.2 
Precinct Statement of Intent	▪ It will maintain its present functions as the focal point of the city's open space and parkland system, an area of heritage interest and the principal centre for civic and judicial activities. Office development will be permitted in the north-eastern section of the Precinct, however, use of office buildings at street level should stimulate pedestrian interest and activity. Further development of this Precinct is to fully acknowledge and enhance the links between Perth Water, the foreshore and the city centre, thereby promoting the Precinct as one of central Perth's major assets.
Planning Controls	▪ Design guidelines under the scheme provide for the following: Permissible Plot Ratio: 5:1 Maximum Plot Ratio Bonus: 50% Maximum Street Frontage Height: 21 metres Maximum Building Height: 100 metres Special Control Area: Special Control Area No. 33 Royal Perth Hospital Flight Path Protection
Permitted Use	▪ The current use of the premises for hotel and parking purposes conforms to the above zoning classifications.
Heritage	▪ Our investigations with the Heritage Council of WA indicated that the subject property is not listed as an item of heritage significance.
Native Title	▪ The subject property is not expected to be subject to native title issues. Searches were not undertaken.
Cultural Heritage	▪ The subject property is not expected to be subject to cultural heritage issues. Searches were not undertaken.
Licence Details	▪ Hotels are usually sold as fully equipped and operational entities and the new owner is normally expected to renew the licences and takes over the benefit of the existing licences. ▪ We have not obtained a copy of the Liquor Licence. We have assumed for the purposes of our Valuation on the granting and continuance without restriction of all licences required for the hotel to serve alcohol and remain open for full trading.
Planning Information	*It is assumed that information provided by the relevant local authority town planning department (and/or third party providers) accurately reflect the current planning scheme. In the event that a town planning certificate or any other relevant planning information or document is obtained and the information is found to be different to the town planning information in this report, this valuation must not be relied upon before first consulting Savills Valuations Pty Ltd to re-assess any effect on the valuation.*

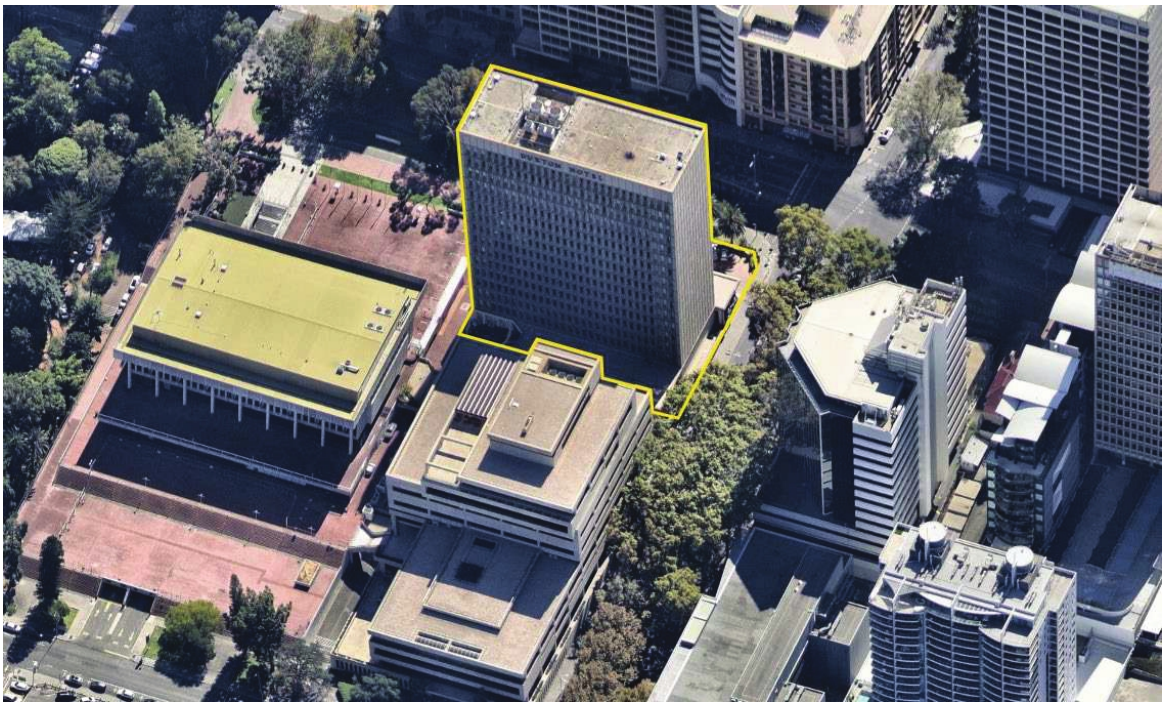
4.7 Development Applications/Approvals

Development Applications/ Approvals	▪ Our investigations with the City of Perth have indicated that an approval was granted in July 2013 for the construction of an additional 9 storeys above the existing hotel. We have been further advised that this approval has now lapsed. We note that this has no material impact on our valuation.
Development Information	*This valuation has relied upon the information outlined above. In the event that this information is inaccurate, this valuation must not be relied upon before first consulting Savills Valuations Pty Ltd to re-assess any effect on the valuation.*

5 Improvements

5.1 Property Description

Overview	▪ The subject property was originally the Perth Australian Tax Office. It was converted circa 1993-96 into a hotel now comprising a 303 bedroom and 14 storey hotel complex with facilities including a restaurant, a bar, a gymnasium, club lounge, business centre, meeting rooms, back of house offices and car parking. The Commonwealth Law Courts is closely located to the south of the hotel. ▪ The hotel is a rectangular shape building and is arranged over fifteen floors with a slope down from the north to the south with Victoria Avenue to its eastern boundary. Underground parking is available at basement level and the car park entrance is located at the west side of the hotel. ▪ Hotel guests can access the hotel via a porte-cochere from St. Georges Terrace. This section of land is held leasehold with the Crown retaining the freehold.



5.2 Construction, Finishes & Services

Construction & Finishes	▪ External Walls:	Reinforced concrete
	▪ Columns:	Reinforced concrete and steel
	▪ Roof Covering:	Flat roof with concrete tile cladding (not inspected)
	▪ Floor Coverings:	Carpet and tiles to public areas and bedrooms and tiles to bathroom and kitchens
	▪ Internal Walls:	Plaster finish to solid brick and plaster painted stud partitioning
	▪ Internal Ceilings:	Painted plaster
Services	▪ Air Conditioning:	Two chillers located on level 15 (due for upgrades in 2026). There are also two Power Pax chillers located on Basement B3, which are only used in winter.
	▪ Hot Water:	Four new Gussero boilers on Level 15
	▪ Generator:	125kva Diesel generator located in Basement B2
	▪ Fire Protection:	Thermal smoke detectors, fire extinguishers and illuminated exit signage
	▪ Lifts/Escalators:	There are a total of Eight lifts in the hotel. Six passenger lifts operating from Basement B2 to Level 13. Two lifts operating from Basement B2 to Level 14 (Club Lounge Level). All 1,564 kg and 23 person capacity KONE lifts.
	▪ Security:	Security alarm, CCTV, swipe card access to bedrooms

5.3 Accommodation

Building Layout

Floor	Accommodation	Size/Covers/Capacity
Basement B3	F&B Store Staff Dining Male/female staff changing room Offices Store rooms Plant rooms	
Basement B2	Car park space Male/female toilets	48 car spaces
Basement B1	Male/female toilets Gym + male/female toilets Pre-meeting lounge Meeting room x 5 Business Lounge Kitchen Plant rooms	
Ground Floor	Reception/lobby Restaurant Pool Shop Admin office Bar Ballroom Pre-function lounge Kitchen	
Level 1-12	Guest Bedrooms	269 guest rooms
Level 13	Guest Bedrooms	21 guest rooms
Level 14	Guest Bedrooms Club Lounge	13 guest rooms
Level 15	Water Tanks & Chillers	
Total		**303 letting rooms**

Source: Floor Plans & Hotel Management

Typical Room Description

- The room sizes vary largely from 30m² to 80m², although we did not measure the hotel rooms. All the rooms benefit from en-suite shower and bathroom facilities. The room configurations change slightly with some rooms with King Size beds and some with twin beds. During the recent renovations, the Presidential Suite was expanded resulting in an overall reduction in room count from 305 to 303 rooms.

Room Type	Room Description	Number of Rooms
SKN	Superior King	37
STN	Superior Twin	27
DKN	Deluxe King	63
DTN	Deluxe Twin	45
SAR	Accessible Room	3
PKN	Premier King	28
PTN	Premier Twin	20
PKRN	Premier King Riverview	30
PTRN	Premier Twin Riverview	14
CKN	Club King	6
CTN	Club Twin	6
CKRN	Club King Riverview	8
SNS	City View Suite	13
SRV	Swan Riverview Suite	2
PSS	Presidential Suite	1
TOTAL		**303**

Source: Hotel Management

In-Room Facilities

- All bedrooms provide the following:
  - Flat screen TV
  - Free Wi-Fi
  - Desk
  - Safe
  - Fridge
  - Mini bar and coffee and tea making facilities
  - Iron/ironing board
  - Alarm clock
  - Air conditioning
  - Hairdryer
- The refurbished rooms are all similar and of good condition, while the older rooms on levels 3 and 4 require updating and are scheduled to be completed in the next 12 months. Each room is installed with an energy saving card slot. Rooms at the south side of the hotel enjoy river views.

F&B Facilities

- The hotel has a restaurant and a bar on the ground level, which is due for renovation in YE January 2027. The restaurant has approximately 130 covers and serves breakfast, lunch, high tea and dinner. The Club Lounge is located on the 14th floor with card access. The Lounge provides complimentary food and beverage.
- The restaurant Firewater Grille was last renovated in 2013 with most of the capital expenditure spent on the joinery, appliances, exhaust canopy, lighting, furniture and floor tilling. The Hotel bar provides an outdoor seating area, which faces onto St. George Terrace.

Conference Facilities

- There are five meeting rooms with a total area of approximately 482m² on Basement B1 and a ballroom (subdividable) with an area of approximately 347m² on the ground level. A breakout area is located outside the meeting rooms. A food preparation area is between the meeting room Duxton 1 and Duxton 2 on Basement B1. A boardroom with an area of approximately 35m² is located on B1. The hotel Business Lounge is also located on B1. Only the ballrooms on ground level benefit from natural light.
- We provide below a breakdown of room sizes and capacity chart.

Room Name	Size (m²)	Banquet (people)	Theatre (people)	Boardroom (people)	Cocktail (People)
Ballroom	377	260	300	n/a	300
Ballroom A	159	130	140	n/a	150
Ballroom B	188	130	140	n/a	150
Duxton 1	195	100	150	50	160
Duxton 2	96	50	70	30	60
Duxton 3	79	40	40	20	40
Duxton 4	87	40	40	20	40
Duxton 5	25	8	n/a	6	n/a
Boardroom	35	n/a	n/a	12	n/a
Lower Lobby	n/a	200	100	n/a	300

Source: Hotel Management – Meeting room capacities

- We are advised by hotel management that the current ballroom is small by current standards with banquet seating capacity of 260 people. The hotel is reportedly losing larger conferences of up to 350 people banquet style. We believe there is potential to remove the swimming pool and extend the ballroom.

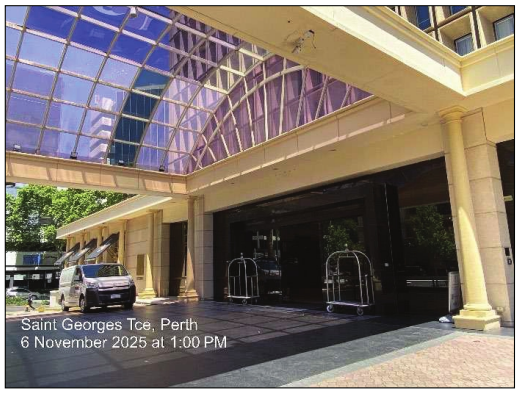
Recreational Facilities

- A gymnasium, outdoor swimming pool, spa and sauna is also available in the hotel.
- The gymnasium is of a good size and well equipped with new Startrak equipment comprising 2 peleton bikes, 2 exercise bikes, 3 treadmills, 2 cross trainers, 2 weight machines and free weights. Other facilities in the gym include changing rooms, male/female toilets, shower, lockers, and sauna and stream rooms.
- The outdoor swimming pool is with a depth of 1.2 metres and is accessible from the gym and is visible from the ballroom on ground level.
- The hotel also provides laundry services to customers upon request.

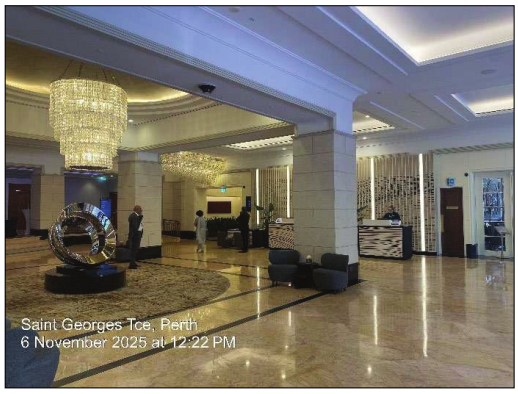
Car Parking

- The car park can be accessed from St. Georges Terrace. The exit of the car park is to Victoria Avenue. The Hotel shares the parking entrance with the Concert Hall, which is located at the west side of the Hotel. There are total 57 car park spaces for the hotel and approximately 48 spaces are on the Basement B2 level and others are located outside the hotel entrance.
- The hotel loading bay can be accessed from Victoria Avenue.

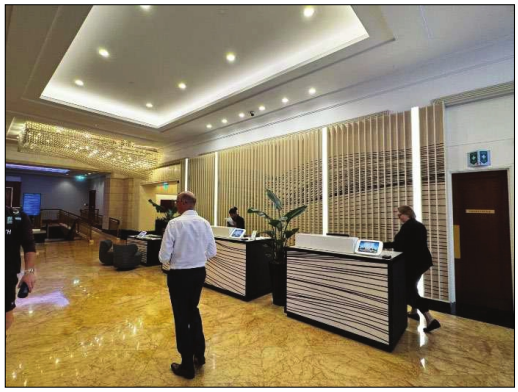
5.4 Photographs



Porte-cochere



Ground Floor Lobby



Reception Desks



Lift Lobby



Firewater Grille Restaurant



Lobby Bar



Bedroom Corridor



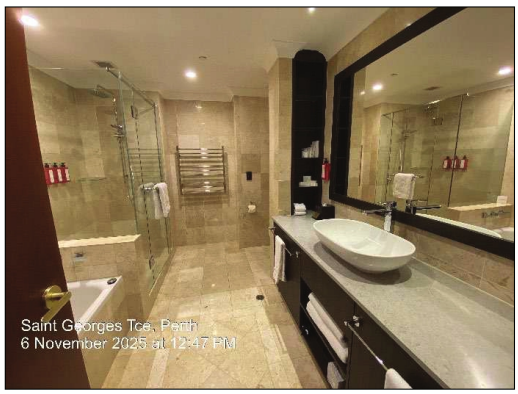
Bedroom 510 – King (refurbished)



Bathroom 510 (Refurbished)



Bedroom C205 – Club Room (Refurbished)



Bathroom C205 (Refurbished)



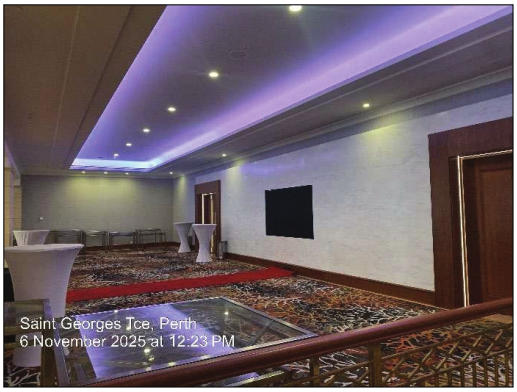
Bedroom 423 – Suite (Not Refurbished)



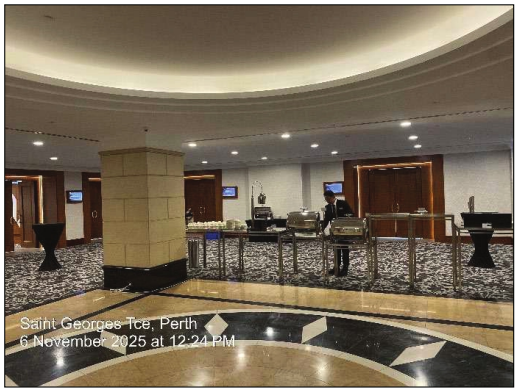
Bedroom Corridor – Level 4 (Not Refurbished)



Club Lounge (Level 14)



Breakout Area (Ground Level)



Breakout Lounge (Basement B1)



Ballroom (Ground Level)



Breakout Area (Ground Level)



Gymnasium



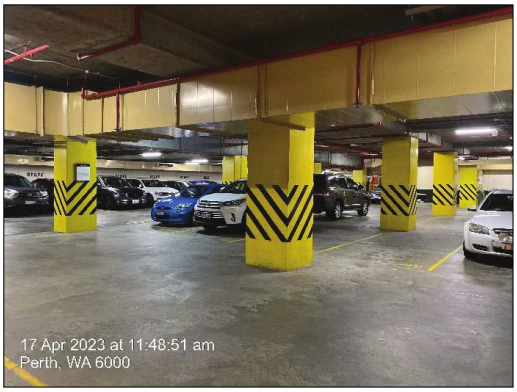
Swimming Pool



Basement Level Meeting Room



Exterior from St Georges Terrace



Car Park (previous photo)



Boilers in Level 15 Plant Room

5.5 Views / Outlook

North	▪ View over apartment/office buildings
East	▪ Views over office buildings
South	▪ Views over Commonwealth Law Court and Swan River
West	▪ Views over Government House, Supreme Court Gardens and Perth CBD
General Comments	▪ There are good views from the hotel towards Perth CBD and office buildings nearby. The bedrooms on the southern side of the Hotel enjoy a view over the river. Due to the narrow windows, the views are partially restricted.



View south from upper levels



View north from upper levels

5.6 Age & Condition

Year of Construction	▪ Circa 1965
Last Refurbishment / Renovation	▪ Converted to a hotel in 1996. The main restaurant was renovated in 2013. The hotel lobby was upgraded in 2024 to include new reception desks and lighting, along with the basement level conference rooms and break out areas. The majority of bedrooms were refurbished over a phased period between 2019 and 2025. The bedrooms on level 3 are currently under refurbishment and level 4 rooms due next year, to include the bedroom corridors. The level 3 and 4 refurbishments are slightly scaled back compared to the rooms on higher levels. ▪ During the renovations, two bedrooms were combined to form a suite, and the Presidential Suite was expanded, hence the total number of bedrooms reduced from 306 to 303.
Overall Condition	▪ Generally, the property is well maintained. The bedrooms present well, but would benefit from additional colour and minor final decorative touches to add more character.
Capex Plan	▪ We are advised by the owners that the remaining bedrooms will be refurbished, along with the ground floor lobby bar, all lift lobby's and some plant and equipment. ▪ We have been provided with a capex schedule for YE January 2026 and 2027. We are advised that the approved works of $745,000 for YE January 2026 are already underway and are assumed to have been completed by our date of valuation of 31 January 2026. We have only allowed for capex of $2,960,000 in our valuation for works scheduled in YE January 2027. We summarise the capex plan below:

Description	Cost
YE Jan 2026	
Level 4 Bedrooms	$450,000
Façade Repairs	$40,000
Kitchen Flooring	$75,000
Waterproofing – Gym / Fire Escape / Façade	$80,000
Ballroom Chairs	$70,000
Swimming Pool	$30,000
YE 2026 Sub Total	**$745,000**
YE Jan 2027	
Loading Dock - Wall plating, drains, air curtains, flooring, compressor relocation	$100,000
DB Main Kitchen/Lobby	$300,000
Chiller upgrade	$900,000
Lift Lobby Upgrade 12 Levels at $8000 each	$96,000
CO2 Exhaust Car Park	$70,000
Removal Old Water Tower Roof	$40,000
Bar upgrade	$860,000
Façade repairs	$64,000
Staff Room upgrade (lockers + flooring)	$80,000
Ad Hoc operational capex	$100,000
Level 3 upgrade	$310,000
Kitchen Equipment (New on the List)	$40,000
YE 2027 Sub Total	**$2,960,000**
TOTAL BUDGET	**$3,705,000**

Source: Amuret Pty Ltd

FF&E Reserve	▪ We would normally expect approximately 3% to 4% of total revenue each year to cover day-to-day repairs and maintenance items funded from cashflow. However, significant items, such as refurbishments, would come out of an FF&E Reserve account, which can accrue an additional 3% to 4% of total revenue per annum. An annual allowance would reduce the impact on cashflow in any particular year and should be sufficient to cover most upgrades and improvements. We have made an FF&E allowance of 3% of total revenue within our calculation, in addition to day-to-day repairs and maintenance, to arrive at our opinion of value. However, we are aware that the Hotel does not currently have an FF&E Reserve account.

We are not Structural Engineers	*We are not qualified to carry out nor have we sighted a structural survey/report of the building, accordingly we are not qualified to express an expert opinion as to the structural integrity of the building. We were also unable to inspect parts of the premises that were unexposed or inaccessible and therefore cannot say that such parts are free from defects.*

5.7 Asbestos

Likelihood of Asbestos	▪ Given that the property was built pre-1990, asbestos risk exists. Accordingly, it is recommended that an appropriate report be commissioned and reviewed by the reliant party.
Asbestos Report	▪ Not available.
We are not Hazardous Materials Experts	*Savills Valuations Pty Ltd is not an expert in the identification of Asbestos and no warranty can be given that the improvements are free from Asbestos without the benefit of any Asbestos Audit Report, prepared by a suitably qualified expert.* *This valuation is predicated on the basis that the subject property is free from risk of contamination from Asbestos. Should the lender require confirmation that the subject property is free from Asbestos, then we recommend obtaining an Asbestos Audit Report (prepared by a suitably qualified expert) and that a copy of this report be forwarded to the valuer for comment.*

5.8 Construction Quality & Compliance

Overview	▪ Our opinion of Market Value is provided on the basis that the subject property has been constructed in a tradesman like manner using new, quality materials and having regard to modern building and engineering techniques. The valuation assumes that: - A detailed report of the structure and service installations would not reveal any defects requiring significant expenditure. - The building complies with all relevant statutory requirements in respect of matters such as health, building and fire safety regulations, and has been built in accordance with the provisions of the Building Code of Australia. ▪ A Certificate of Compliance and Certification of building materials within the development has not been sighted nor confirmed. This valuation report has been prepared under the assumption that the building materials used, as well as the application and installation of those materials, comply with all approvals, regulatory requirements and codes. Should this not be the case, we reserve the right to review our valuation.

6 Sustainability & ESG

Sustainability & ESG	▪ 'Environmental, Social and Governance' criteria are a set of standards which can be used to measure the performance of a business or investment in terms of sustainability. These criteria are increasingly being integrated into real estate, including to determine value. At a property level, this includes environmental and climate impacts, the impact of buildings on the health and wellbeing of tenants and local communities, and how a building is managed to encourage sustainable practices. ▪ The real estate sector accounts for approximately 40 per cent of annual global greenhouse gas (GHG) emissions. Consequently, an increased focus is being placed on the role of the sector to reduce emissions in line with wider global climate goals. Under the 2015 Paris Agreement, countries signed up to reduce their GHG emissions by 2050 to limit global warming to well below 2°C, and pursue efforts to limit warming to 1.5°C. ▪ In response, the Australian Government set legislative targets to achieve "Net Zero" by 2050 and to reaching emissions levels of 43% below 2005 by 2030. More recently, it has committed to the introduction of mandatory climate-related financial disclosures for Australia's largest companies, beginning the financial year commencing on or after 1 January 2025. ▪ Energy regulations including the Commercial Building Disclosure (CBD) Program established by the Building Energy Efficiency Disclosure Act 2021 and managed by the Australian Government Department of Climate Change, Energy, Environment and Water, along with the NABERS national rating system that measures environmental performance of Australian buildings and tenancies aim to promote energy efficiency in buildings and accelerate the deployment of renewable energy sources in the construction sector. ▪ Impacts of ESG regulations on the commercial real estate sector include: – Complying with laws and regulations. – Meeting occupier, market and other stakeholder requirements. – Making "responsible" investment decisions. – Promoting consistency and comparability between markets. ▪ The evolution of ESG has resulted in previously unforeseen risk factors for property investors, the consequences of which may include but are not limited to increases in outgoings and capital expenditure for property assets to be ESG compliant. Current and future requirements are difficult to quantify as at the date of valuation as the issue continues to evolve, however we have attempted to quantify them within this valuation based upon our understanding of known issues at the date of report preparation. ▪ The subject property has been analysed for both its site-specific and building-specific Environmental, Social and Governance characteristics, including reference to the Savills ESG Questionnaire and this has informed our overall assessment of value. Note that our observations do not represent an exhaustive list of ESG related indicators.

ENVIRONMENT	Environmental sustainability concerns the responsibility to use natural resources and ecosystems in a way that does not deplete them. Within real estate, this includes considerations such as energy efficiency, greenhouse gas emissions, water and waste management, use of renewable resources, biodiversity conservation and resilience to climate change.			
Energy	**NABERS Energy** **N/A**	**NABERS Water** **N/A**	**NABERS Waste** **N/A**	**Greenstar Rating** **N/A**
Renewables	**Production**	Nil		
	Storage	Nil		
	Purchase	Nil		
Materials	**Structure**	Nil		
	Tenancies	Nil		
SOCIAL	Social sustainability captures the intersection between individuals, communities, and the planet. In real estate, we often examine the impacts a building has on user health and wellbeing and social value outcomes affecting people, supply chains, residents, occupiers, and wider communities. The aspects that are considered in this tool include the social amenities on-site, location of the building in relation to public transport nodes and other amenities, accessibility and inclusivity and the experience of the building users.			
Mobility	EV Charging Points			**No**
	Bicycle Parking Spaces			**Yes**
	End Of Trip (Changerooms, Lockers)			**Yes**
	Amenity (Gym, BBQ area)			**Yes**
Access	Disabled Access Compliance			**Yes**
	Transit Routes/Connectivity			**Good**
	Public Transport			**Good**
	Retail/Convenience Amenity			**Good**
	Green Amenity (Parks)			**Good**
	Walkability			**Good**
GOVERNANCE	Governance refers to the set of systems and processes for decision-making, accountability, risk management and transparency. Effective governance can ensure that a building is operated in an ethical and responsible manner.			
	Landlord ESG Policy			**No**
	Property Management ESG Policy			**No**
	Green Leases			**No**

Based upon the above, we make the following observations regarding the subject property:

Is the property considered to meet the sustainability and ESG criteria expected, having regard to its market standing within the broader market?	No
If "no" to above, has the client provided a budget estimate to meet the sustainability and ESG criteria expected?	No
Will the current ESG status of the building impact tenant or purchaser demand?	No

It is acknowledged that some capex may be required in order to future proof the building against ESG requirements that may be introduced over time.

Sustainability & ESG (Cont.)	▪ Note that our comments above are provided in the capacity of a Real Property Valuer and as such, are not made from the position of an expert on Sustainability and ESG matters and must be accepted on that basis.

7 Tenancy Details

7.1 Occupational Agreements

Owner Operated	▪ We have assumed vacant possession is available and adopted market terms for a hypothetical hotel management agreement. We note there is a lease agreement and management agreement between related entities which has been excluded for the purpose of this assessment.
Hotel Management Agreement	▪ There is a management services agreement between the tenant, Narymal Pty Ltd, and the hotel manager Low Keng Huat (Singapore) Limited. We are advised the agreement is renewed on an annual basis and is to cover the cost of management and supervision from the owners head office in Singapore.

Management Services Agreement	
Commencing Date	1 February 2025
End Date	31 January 2026 (renewable upon expiry subject to changes in terms and conditions mutually agreed upon)
Owner	Narymal Pty Ltd ("NPL")
Manager	Low Keng Huat (Singapore) Limited ("LKHS")
Scope of Engagement	Management services including operational, strategic, organisation and development review of hospitality business in Australia
Management Fee	Monthly management service fee – AUD$17,000 or, annually of AUD$204,000

Source: Hotel Management Agreement

Comments on HMA	▪ The management services agreement does not reflect market terms and is between related entities. ▪ For the purpose of our valuaiton, and to make direct comparisons to hotel sales, we have adopted the following market terms within our cashflow forecasts.

Base Fee	1.0% of Gross Revenue
Incentive Fee	5.0% of AGOP if AGOP is less than 30% 6.0% of AGOP if AGOP is between 30% and 35% 7.0% of AGOP if AGOP is between 35% and 40% 8.0% of AGOP if AGOP is above 40%
FF&E Reserve	3.0% of Total Revenue

Lease

- We have received a lease dated 1 February 2025 between Amuret Pty Ltd and Narymal Pty Ltd. We are advised the landlord and the tenant are related companies. We provide below a summary of the lease:

Lease 1/2/2024	
Landlord	Amuret Pty Ltd (in its capacity as Trustee of the Amuret Trust)
Tenant	Narymal Pty Ltd
Premises	1 St George's Terrace, Perth
Commencement Date	1 February 2025
Term	1 year
Further Term	1 further term of 1 year
Current Rent	$5,200,000 per annum
Market Rent Review	1 February 2026
Turnover Rent	5% of Gross Sales in excess of $40,000,000 No turnover rent is payable if Gross Sales are less than $40,000,000.
Outgoings	The Landlord must pay for the local government rates and charges, water rates and charges and land tax. The Tenant must pay for all services in connection with the Premises, including electricity, gas, water and telephone services.
GST	Any GST must be paid by the Recipient to the Supplier
Repairs, Refurbishment and Alterations	The Tenant must keep the Premises in the same condition as it was in at the date the Tenant first entered occupation of the Premises; repair and maintain the Landlord's Fixtures. The Tenant must ensure any alterations are carried out in accordance with plans approved by the Landlord and to the Landlord's satisfaction.
Insurance	The Landlord must maintain insurance in the joint names of the Landlord and the Tenant for: - Public liability for the amount of $10 million concerning 1 single event - Any windows and other glass in the Premises for the full replacement value The Tenant must insure the Tenant's Property.
Licences and Permits	The Tenant must maintain all licences and permits required for the Tenant's use of the Premises.
Termination of Lease	The Landlord may terminate this lease if the Rent is in arrears for 14 days or the Tenant breaches this Lease and does not remedy the breach within 14 days of receipt of written notice from the Landlord.
Compensation	If the Premises are destroyed or damaged, the Tenant is not entitled to receive any compensation from the Landlord.

Source: Lease Agreement Feb 2025

Comments on Lease

- The lease agreement is between Amuret Pty Ltd and Narymal Pty Ltd. We have been advised that Amuret Pty Ltd is the asset owner company and Narymal Pty Ltd is the operating company. Both Amuret Pty Ltd and Narymal Pty Ltd are subsidies of Low Keng Huat (Singapore) Limited ("LKHS"). The principal activities of Amuret Pty Ltd is investment whereas the main activities for Narymal Pty Ltd is hotel management.
- We are aware that the hotel is currently operated under a Management Services Agreement between the operating company and the owner and is renewed annually on 1 February.
- The lease and management services agreement can be terminated at short notice. The flexibility of the hotel management agreement indicates that vacant possession is available and the hotel could be attractive to both international and domestic investors as they can either owner operate or install their preferred operator. The availability of vacant possession could potentially add to the pool of investors seeking to acquire the subject property.

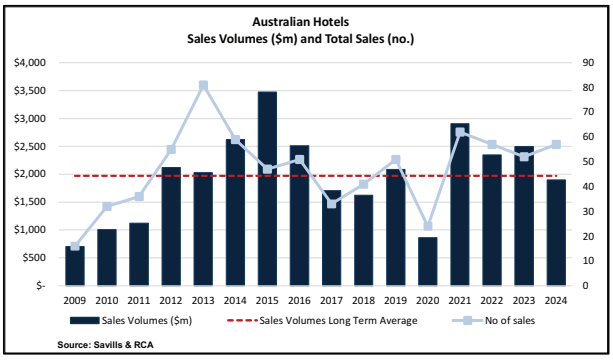
7.2 Brand Analysis

Duxton	▪ Low Keng Huat Limited (LKHS) provides management services to Narymal Pty Ltd. LKHS is a construction, property development, hotels and investment company founded in 1969. The company was founded by Tan Sri Dato Low Keng Huat and his three brothers and was a general building construction company. ▪ LKHS now owns and operates the Duxton Perth and owns the Citadines Balestier and Lyf @ Farrer, both serviced apartments operated and managed by The Ascott Group. The Company's property development business is mainly in Singapore and Malaysia.

8 Hotel Market Commentary

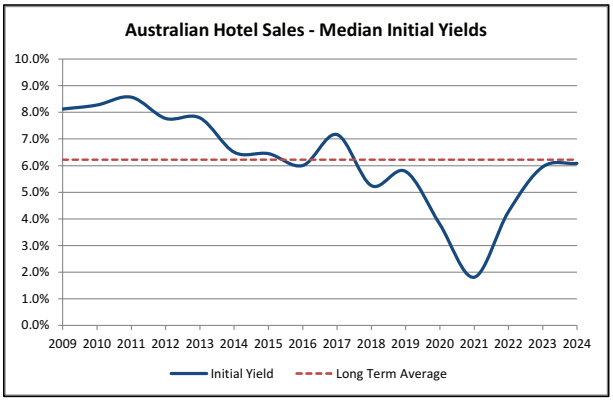
8.1 Australian Hotels

National Hotel Sales



- The adjacent chart is an overview of hotel sales above $5m for CY2009 to CY2024.
- During CY2024 transaction volumes slowed further with some investors pausing until there is clarity on the continued upward movement in the cost of debt. We are aware of a number of transactions under due diligence, representing strong parameters, although it is clear deals are taking longer to complete.
- 2015 remains the golden year for hotel accommodation sales above $5m, with total volumes nearly $3.5bn. 2021 saw a resurgence due to cheap debt and a belief that EBITDA levels would eventually return post COVID.
- Sales volumes for CY2021 exceeded $2.8bn.
- Despite the slowdown CY2023 saw nearly $2.5bn of hotel transactions above $5m, above the long-term average of nearly $2bn.
- For CY2024 there were 57 transactions with total sales volume by dollar amount equalling $1.9bn, falling short of the CY2023 sales volume of $2.5bn, despite comprising a greater number of transactions.
- We anticipate transaction volumes to remain at this level or increase further in CY2025 as the cost of debt is looking to ease.

National Hotel Median Yields



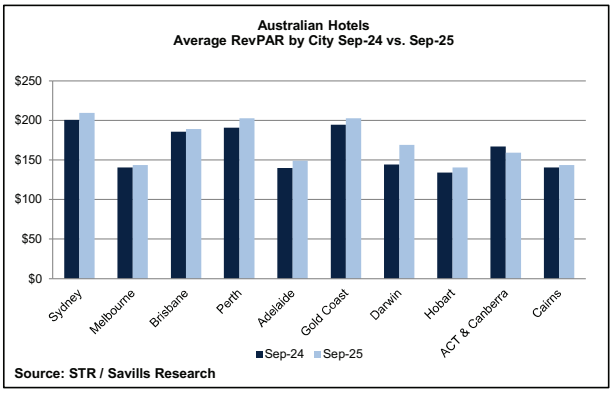
- The return of positive EBITDA levels resulted in hotel initial yields softening to 5.96% in CY2023 from 4.50% the prior year.
- Initial yields for CY2024 have slightly moderated with an average of 6.08% but remains below the long-term average of 6.22%.
- Investors are focusing attention on repositioning opportunities where assets are underperforming and require capital investment. Hence initial yields remain low in the short term until the business matures.

8.2 National Hotel Trade

National Hotel Key Performance Indicators (YTD September 2025 (CY))

City	Occupancy	ADR	RevPAR	RevPAR Change
Australia	72.2%	$239.83	$173.04	5.4%
Adelaide	74.8%	$199.40	$149.17	3.8%
Brisbane	75.7%	$249.77	$189.12	10.4%
Cairns	78.0%	$213.91	$166.86	6.6%
Canberra & ACT	71.9%	$191.38	$137.64	-0.2%
Melbourne	72.6%	$217.35	$157.74	4.5%
Perth	**79.6%**	**$233.53**	**$185.99**	**7.6%**
Sydney	80.1%	$269.39	$215.80	6.6%
Gold Coast	67.3%	$273.42	$183.93	-0.7%
Darwin	63.5%	$215.30	$136.81	8.2%
Hobart Area	76.6%	$207.51	$158.86	7.3%

Source: STR

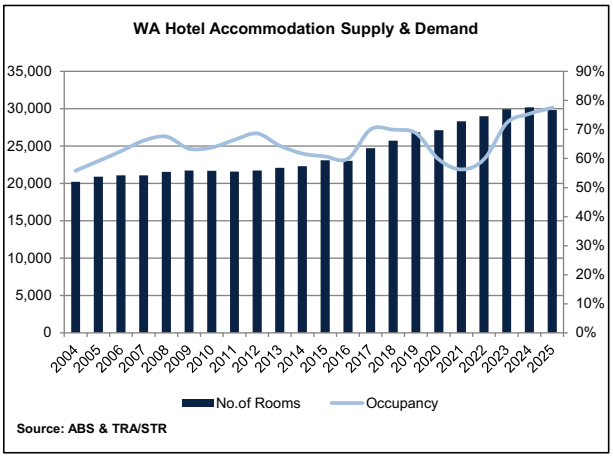


Source: STR / Savills Research

- The review of YTD September 2025 STR Global data indicates that RevPAR has recorded a 5.4% increase year-on-year compared to the same period in 2024, reaching $173.04.
- All major Australian markets, excluding Canberra and the Gold Coast, recorded positive RevPAR growth, with Brisbane, Darwin, Perth and Hobart showing the strongest increases.
- Brisbane recorded the strongest RevPAR growth for YTD September 2025, increasing by 10.4%, driven primarily by an 9.4% rise in ADR compared to the same period last year, while occupancy remains stable.
- Darwin recorded the second-highest RevPAR growth at 8.2%, supported by a 6.6% increase in occupancy and a 1.5% rise in ADR.
- Perth remains one of the leading hotel performance growth markets, with RevPAR increasing 7.6%, primarily due to ADR growth of 5.3% in comparison to the year prior.
- Sydney and Melbourne are recognised as Australia's primary gateway cities.
- Sydney recorded a 6.6% increase in RevPAR, driven by a 4.2% rise in occupancy, with ADR increasing 2.2%.
- In Melbourne, ADR has stabilised, while occupancy grew by 4.4%, resulting in a 4.5% uplift in RevPAR.
- The Gold Coast recorded a stabilisation in trade with RevPAR falling 0.7%. This was driven by a 2.9% drop in occupancy, partially offset by a 2.2% increase in ADR. The decline is primarily attributed to the impact of Cyclone Alfred, which affected the Gold Coast more significantly than Brisbane.
- For the remainder of CY2025, RevPAR growth is expected to moderate, as market stabilisation has been reached across most locations. Melbourne is anticipated to remain on its recovery trajectory for a further two years, while Sydney is likely to experience continued occupancy uplift throughout CY2025.

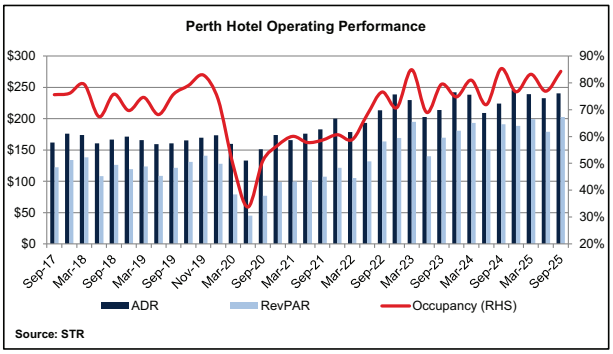
8.3 Western Australia Hotel Market Overview

WA Hotel Room Supply and Demand



- Over the last 10 years the number of rooms in WA has increased by 29.1%.
- As at June 2025, in WA there were 29,823 rooms compared to 28,303 rooms five years earlier.
- More recent data for Perth indicates there are 161 hotels (16,243 hotel rooms) as at September 2025.

Perth Hotel Trade Performance



- STR data for CY2024 indicated robust hotel performance growth in Perth, with RevPAR increasing by 7.2% to $180.42, supported by an occupancy rate of 79.4% and an ADR of $227.31.
- This positive trend has continued into 2025, with YTD September RevPAR increasing by a further 7.6%.

9 Tourism Statistics

9.1 Australian Tourism

International Visitor Arrivals in Australia (CY)



- International visitor arrivals to Australia surged by 1,400% in CY2022, following declines of 79.01% in CY2020 and 87.74% in CY2021 due to the COVID-19 pandemic.
- Further increases in visitor arrivals have occurred beyond the initial post-pandemic recovery.
- In CY2023, arrivals rose by 94.44%, followed by a further 14.97% increase in CY2024. However, international visitor arrivals to Australia remain 17.4% below the historic peak recorded in CY2018.
- Australia's top 3 international markets for CY2024 were New Zealand with 1.3 million trips, China with 829,000 trips, and the United States with 669,000 trips.
- TRA forecasts international arrivals to grow by 9.17% annually until 2029, reaching an estimated 11.75 million visitors in CY2029.
- Despite the gradual increase in visitor arrivals, international visitor nights and expenditure have reached record highs, with 295 million visitor nights and $33 billion recorded for CY2024.
- TRA data for CY2024 indicates that 42.4% of visitors travelled for holidays, 34.1% for visiting friends and relatives (VFR), and 10.2% for business purposes.

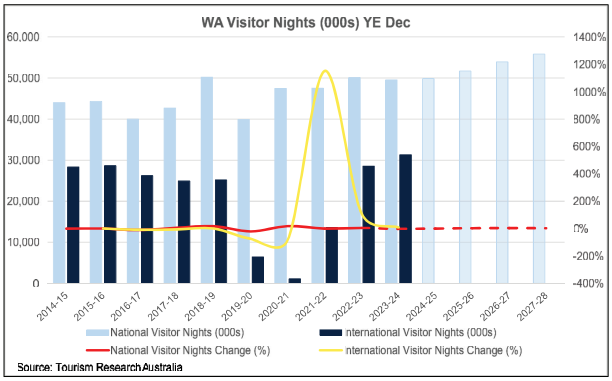
Domestic Visitor Nights in Australia (CY)



- Domestic travel experienced significant growth following the pandemic but has since begun to stabilise.
- CY2024 domestic travel results were similar to those of CY2023, with domestic trips increasing by 2.12%, visitor nights declining by 1.23%, and spend rising by 0.89%.
- National visitor nights for CY2024 remain 4.89% below pre-pandemic levels recorded in CY2019.
- The latest TRA forecasts indicate that domestic visitor nights are expected to grow by 3.30% per annum until 2029, reaching 467 million visitor nights in CY2029.
- TRA data for CY2024 shows that 43.7% of travel was for holidays, 29.8% for visiting friends and relatives (VFR), and 21.2% for business purposes.

9.2 Western Australia Tourism

Historical & Forecast Visitor Nights in WA



- Western Australia has seen substantial growth in visitor nights following the pandemic. Recent data indicates that international visitor nights continue to rise, while domestic visitor nights have stabilised.
- According to the latest TRA data for YE December 2024, international visitor nights increased by 9.63% compared to 2023, reaching record levels. This surpasses the previous peak in 2016 by 9.27%.
- For YE December 2024, national visitor nights stabilised, recording a slight decline of 1.21% compared to 2023. Despite this decrease, national visitor nights reached record levels in 2023 and remain well above pre-pandemic figures.
- TRA's latest forecasts project that domestic visitor nights in Western Australia will grow at an annual rate of 3.04%.

WA & Perth International Visitor Numbers, Visitor Nights and Spend

WA IVS	CY Dec 2019	CY Dec 2020	CY Dec 2021	CY Dec 2022	CY Dec 2023	CY Dec 2024
Visitor Numbers (000s)	996	220	15	398	787	865
change	3.31%	-77.91%	-93.32%	2611.46%	97.62%	9.91%
Visitor Nights (000s)	25,189	6,443	1,087	13,605	28,553	31,304
change	1.05%	-74.42%	-83.13%	1151.61%	109.87%	9.63%
Spend ($m)	2,385	552	82	1,053	2,336	2,625
change	6.73%	-76.86%	-85.14%	1184.15%	121.84%	12.37%

Source: TRA

Perth IVS	CY Dec 2019	CY Dec 2020	CY Dec 2021	CY Dec 2022	CY Dec 2023	CY Dec 2024
Visitor Numbers (000s)	954				743	813
change	4.15%				-22.12%	9.42%
Visitor Nights (000s)	19,429				22,188	25,748
change	-1.67%				14.20%	16.04%
Spend ($m)	1,959				1,949	2,268
change	5.72%				-0.51%	16.37%

Source: TRA

- International visitation data for Australian cities during the pandemic period remains limited.
- Western Australia has experienced consistent growth in international visitation since CY2022. For CY2024 visitor numbers increased by 9.91%, visitor nights by 9.63%, and visitor spending by 12.37% compared to the previous year.
- Perth has seen strong international growth post-pandemic, with CY2024 recording a 9.42% increase in visitor numbers, a 16.04% rise in visitor nights, and a 16.37% increase in visitor spending.
- International visitor nights and spending in both Western Australia and Perth have reached record levels for CY2024.

WA & Perth National Visitor Numbers, Visitor Nights and Spend

WA NVS	CY Dec 2019	CY Dec 2020	CY Dec 2021	CY Dec 2022	CY Dec 2023	CY Dec 2024
Visitor Numbers (000s)	11,022	8,761	9,824	10,524	11,074	10,854
change	11.73%	-20.51%	12.13%	7.13%	5.23%	-1.98%
Visitor Nights (000s)	50,235	39,916	47,468	47,540	50,138	49,533
change	17.68%	-20.54%	18.92%	0.15%	5.46%	-1.21%
Spend ($m)	8,562	6,090	8,268	10,068	12,072	11,506
change	18.94%	-28.88%	35.76%	21.77%	19.91%	-4.69%

Source: TRA

Perth NVS	CY Dec 2019	CY Dec 2020	CY Dec 2021	CY Dec 2022	CY Dec 2023	CY Dec 2024
Visitor Numbers (000s)	4,704	3,127	3,443	4,344	4,458	4,449
change	4.21%	-33.52%	10.09%	26.18%	2.63%	-0.20%
Visitor Nights (000s)	15,555	10,275	12,317	13,960	15,439	15,116
change	-2.14%	-33.94%	19.87%	13.34%	10.60%	-2.09%
Spend ($m)	3,903	1,976	2,893	4,512	5,424	5,329
change	9.67%	-49.37%	46.41%	55.96%	20.21%	-1.75%

Source: TRA

- Domestic visitation to both Western Australia and Perth stabilised in CY2024.
- Western Australia saw a decline in domestic visitor numbers by 1.98%, visitor nights by 1.21%, and visitor spending by 4.69%.
- While national visitor numbers and nights remain below pre-pandemic levels, spending surpassed previous highs in CY2023 and remains significantly higher.
- Domestic visitation to Perth also stabilised in CY2024, with visitor numbers decreasing by 0.20%, visitor nights by 2.09%, and spending by 1.75% compared to the previous year.

Western Australia Domestic Overnight Trips, Visitor Nights, Spend (DoTS)

WA DoTS	Jun Qtr 2024	Jun Qtr 2025
Overnight Trips ('000s)	2,345	2,465
change		5.12%
Visitor Nights ('000s)	8,256	8,587
change		4.01%
Regional Expenditure ($M)	2,652	2,270
change		-14.40%

Source: TRA

- The DoTS results provide insights into how Australian residents travel within the country, including national, state, and territory data on the number of trips taken, nights spent, and trip expenditure.
- TRA data shows that domestic travel declined in the June Quarter of 2025 compared to the same period in 2024.
- In Western Australia the trend was more positive, overnight trips increased by 5.12%, visitor nights increased by 4.01%, however regional expenditure dropped by 14.40% compared to the June Quarter of 2024.

9.3 Perth Airport

Perth Airport Statistics



Source: Perth Airport

- Perth airport experienced year on year growth in passenger numbers between FY2005 and FY2014 averaging 7.8% per annum, before experiencing small annual declines of 0.9% per annum up to FY2020.
- Domestic passenger numbers were significant at in excess of 9 million in FY2013 compared to 3.7 million international passengers. However, domestic passenger numbers declined to 8 million by FY2019.
- The impact of COVID-19 resulted in an overall 24.7% decline in total passenger numbers for FY2020 and 65.1% for FY2021.
- Data shows a 45.8% increase in total passenger numbers for FY2023 and an additional 135.8% increase in FY2024.
- Latest data for FY2025 indicate a 7.3% increase in international passengers to Perth Airport, and 18.5% increase in domestic passengers, overall resulting in a 11.1% increase.
- In FY2025 domestic passenger numbers finally exceeded 9 million for the first time since FY2013.

10 Competition

10.1 Existing Hotels

Existing Competition

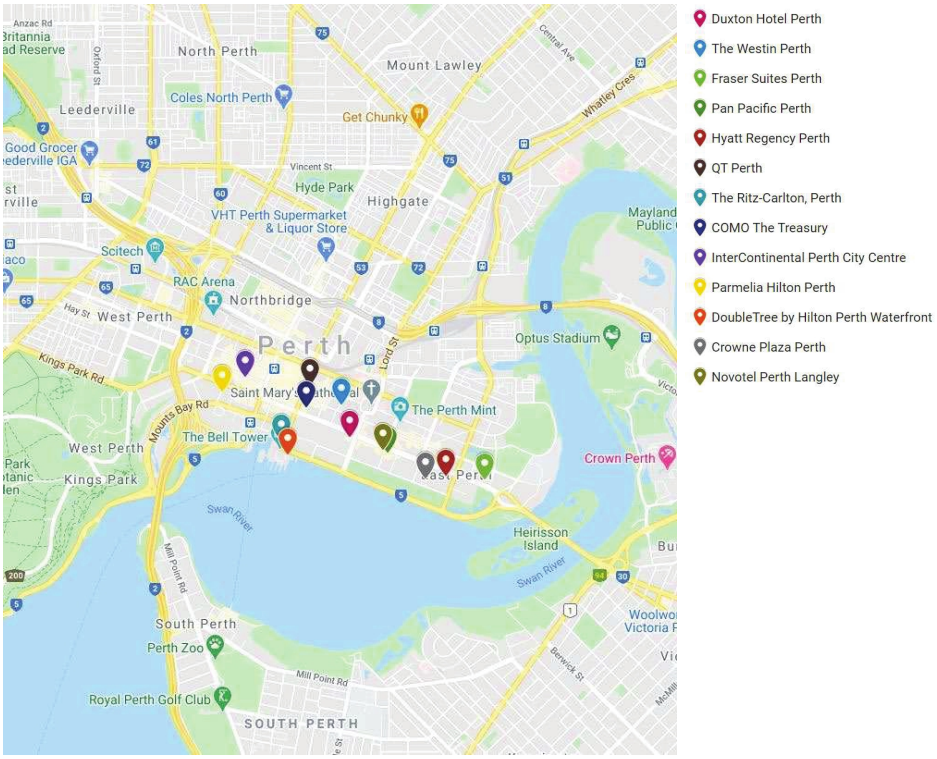
- All hotels in Perth could be seen as competition. We provide below the hotels we believe are most appropriate to be considered competition for the subject hotel. Below we have included a standard room weekend and midweek booking in February 2026 and the Tripadvisor rating based on 66 hotels in Perth.

Hotel	Rooms	Grading	Tripadvisor Rating	Midweek Rate	Weekend Rate
Duxton Hotel, 1 St George's Terrace (subject)	**303**	**5 star**	**23**	**$340**	**$340**
The Westin, 480 Hay Street	368	5 star	13	$489	$469
Fraser Suites, 10 Adelaide Terrace (recently closed)	236	5 star	NA	NA	NA
Pan Pacific, 207 Adelaide Terrace	486	5 star	24	$333	$332
Residences on Langley (former Hyatt Regency), 90 Adelaide Terrace	367	5 star	54	$231	$318
QT Perth, 133 Murray Street	184	5 star	10	$403	$475
Ritz-Carlton, 1 Barrack Street	205	5 star	21	$609	$1,099
COMO The Treasury, 1 Cathedral Avenue	48	5 star	1	$801	$1,136
InterContinental Perth City Centre, 815 Hay Street	240	5 star	14	$450	$493
Parmelia Hilton, 14 Mill Street	308	5 star	34	$398	$436
Doubletree by Hilton Waterfront, 1 Barrack Square	229	4.5 star	18	$440	$553
Crowne Plaza Perth, 54 Terrace Road	189	4 star	39	$465	$441
Novotel Perth Langley, 221 Adelaide Terrace	256	4 star	33	$206	$239

Source: Savills & Tripadvisor

- Corporate demand is strong during the week, but staycations and special entertainment and sporting events in Perth is keeping pricing high at weekends.

Competition Map	▪ We provide below a map showing the location of the main hotels in the area.



Source: Map data © 2019 Google

10.2 New Supply

New Hotel Supply

- According to STR, as at September 2025 there were 161 hotels (16,243 hotel rooms) in Perth and surrounding suburbs, of which STR collected data from 99 hotels (13,095 rooms).
- We are aware of 14 projects anticipated to deliver 2,453 rooms over the coming years that are either under construction, with development approval, awaiting development approval or mooted. There were hotels originally mooted to open in 2021 and 2022, but construction has not yet started, and it is not clear whether these projects will proceed.
- Further announcements of new hotel projects are likely over the coming years. We anticipate the delivery of approximately 2,453 new hotel rooms over the next decade. This projection includes 190 rooms in 2025 and 263 rooms in 2026, as outlined in the table below, along with an estimated 250 new hotel rooms per year thereafter to account for future project announcements.
- In terms of forecasting market performance, this is always difficult to predict but due to high inflation, increased costs of construction and higher cost of debt there are challenges in achieving a feasible hotel development. A development may seem to be proceeding but unless we are directly involved in the development, we are not aware of any funding difficulties or strategy of the developer. In many cases a hotel development may not proceed.

Hotel	Rooms	Rating	Status	Opening Date	In Forecast
Moxy, 195 Hay Street	150	4	Approved	2022	N
Adina Freemantle	141	4	Proposed	2022	N
Garden Inn by Hilton Cockburn	146	3.5	Approved	2022	N
Total Rooms in 2022	**437**				**0**
Courtyard by Marriott, 609 Wellington Street	332	4	Approved	2023	N
Leadlight Hotel, Northbridge	126	4	Planning	2023	N
DoubleTree by Hilton Fremantle	168	4	Approved	2023	N
Total Rooms in 2023	**626**				**0**
Courtyard by Marriott, Murdoch	150	4	Open	2024	Y
Total Rooms in 2024	**150**				**150**
Veriu, 248 New castle Street, Northbridge	100	4	Proposed	2025	N
EQ West, Elizabeth Quay, Perth	190	TBC	Construction	2025	Y
Total Rooms in 2025	**290**				**190**
Dorsett Hotel, Perth City Link	263	4	Construction	2026	Y
Radisson Red West Perth	129	4.5	Possible	2026	N
Total Rooms in 2026	**392**				**263**
Pickle District Hotel, New castle Street, West Perth	120	4	Proposed	2027	Y
Pullman Perth Airport	240	5	Proposed	2028	Y
7 Belgravia Street, Belmont	240		Approved	TBC	N
246 Adelaide Terace, Perth	361	4.5	Proposed	TBC	N
96 Beaufort Street, Northbridge	270		Approved	TBC	N
Amara Business Hotel	266		Proposed	TBC	N
Duxton extension	126	5	Approved	TBC	N
647-657 Murray St, West Perth	64		Approved	TBC	N
131 New castle St, Northbridge	84		Planning	TBC	N
Perth Airport, 2 Tow ers	TBC		Planning	TBC	N
Total Rooms Beyond 2026	**1,771**				**240**
Total Rooms (2025 and beyond)	**2,453**				**693**

- As indicated in the table above, we have included some hotel projects within our market forecasts which we believe are more likely to proceed based upon our market information.

11 The Business

11.1 Analysis of the Business

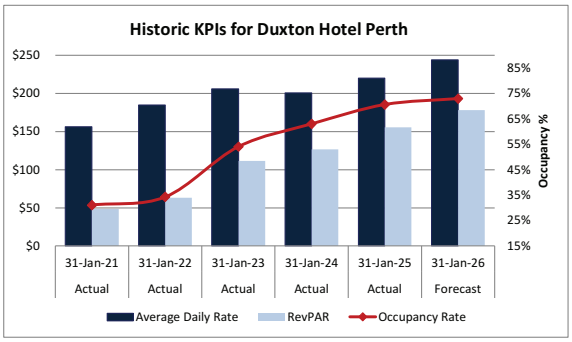
Star Rating	▪ The Duxton Hotel trades as a 5-star hotel, or Upper Upscale hotel.
Tripadvisor Rating	▪ The reviews for the subject property are generally good with the location, spacious rooms, food and cleanliness mentioned in a positive light. However, comments of service standards from some guests, Wi-Fi issues and dated bathrooms attract the most negative reviews.

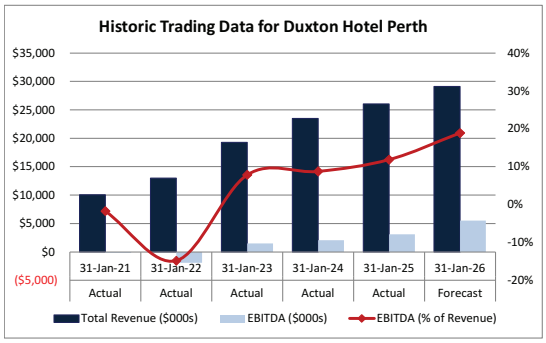
Traveller Rating	Number of Reviews	Percentage
Excellent	649	40.51%
Good	539	33.65%
Average	255	15.92%
Poor	89	5.56%
Terrible	70	4.37%
Total	**1,602**	**100.00%**

Source: Tripadvisor as at 17 November 2025

Historic Trading Information

- We have received a copy of the hotel's key performance indicators for YE January 2014 through to 2025 from Hotel Management. More detailed hotel management accounts are available from YE January 2021. A forecast for YE January 2026 has been made available, but no budget approved for YE January 2027. Each financial year commences 1 February.
- The hotel has experienced disruption over the last few years due to in house refurbishment projects. Bedroom inventory was 306 rooms, but reduced to 283 rooms in YE January 2022, 280 rooms in YE January 2023, back to 305 rooms in YE January 2024, then reduced to 287 rooms in YE January 2025 and 289 rooms for YE January 2026. The revised full inventory will be 303 bedrooms for YE January 2027, but the level 3 and 4 bedroom refurbishments will result in a reduction of rooms available.
- The disruptions have impacted occupancy, which was 54.1% in 2023, improving to 63.0% in 2024 and 70.7% in 2025. The forecast for YE January 2026 is occupancy of 73.0%. The Perth market has performed at close to 80% for the last two years, therefore occupancy at the Duxton has been below market levels.
- ADR has improved from $156.39 in YE January 2021, increasing to $220.16 for YE January 2025 and a forecast of $244.08 for YE January 2026. Historically the hotel has traded at an ADR premium to the Perth market of between 1.01 and 1.12, but declined in the last two years to 0.91 and 0.96 fairshare. This is partly due to disruption caused by bedroom refurbishment, but also the increase in 5-star hotel competition and the competitors ability to yield higher rates in high demand periods. Once the bedroom upgrades are completed, we would anticipate potential for both occupancy and ADR growth.
- The hotel includes reasonable F&B and conference facilities. Room revenue accounts for between 50% and 60% of total revenue, with combined F&B and C&E revenue accounting for 34% of revenue in YE January 2025 and forecast at 32.4% in YE January 2026. Car parking also provides a significant amount of MOD revenue.
- Operating costs are high with the hotel achieving a low EBITDA of 8.8% in YE January 2024, 11.9% in 2025 and 18.9% forecass in YE January 2026. The hotel management accounts exclude management fees and an FF&E Reserve, but include a depreciation amount and internal rental, which we have added back.
- We provide our own summary of trade in the table and graphs below.





Duxton Hotel Perth

Historic / Forecast Financial Results

	Actual		Actual		Actual		Actual		Actual		Forecast	
Months	12		12		12		12		12		12	
Period Ending	Jan-21		Jan-22		Jan-23		Jan-24		Jan-25		Jan-26	
Number of Bedrooms	306		283		280		305		287		289	
Occupancy	31.1%		34.3%		54.1%		63.0%		70.7%		73.0%	
ADR AUD$	156.39		184.95		206.06		200.87		220.16		244.08	
RevPAR	48.64		63.45		111.47		126.64		155.56		178.18	
RevPAR (Change)			30.4%		75.7%		13.6%		22.8%		14.5%	
Total RevPOR	288.65		366.95		349.44		334.87		351.32		378.64	
Total RevPOR (Change)			27.1%		-4.8%		-4.2%		4.9%		7.8%	
Figures in $000s AUD$	000's	Ratio	000's	Ratio	000's	Ratio	000's	Ratio	000's	Ratio	000's	Ratio
Revenue												
Rooms	5,447	54.2%	6,554	50.4%	11,385	59.0%	14,098	60.0%	16,333	62.7%	18,767	64.5%
Food & Beverage	3,973	39.5%	5,750	44.2%	7,224	37.4%	8,677	36.9%	8,864	34.0%	9,438	32.4%
Room Hire	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Spa / Leisure	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Minor Operating Depts	62	0.6%	34	0.3%	1	0.0%	0	0.0%	0	0.0%	0	0.0%
Rent & Other Income	572	5.7%	664	5.1%	697	3.6%	728	3.1%	866	3.3%	907	3.1%
Total Revenue	**10,054**	**100.0%**	**13,002**	**100.0%**	**19,306**	**100.0%**	**23,503**	**100.0%**	**26,064**	**100.0%**	**29,113**	**100.0%**
Departmental Costs												
Rooms	2,656	48.7%	3,730	56.9%	5,157	45.3%	6,004	42.6%	6,595	40.4%	7,116	37.9%
Food & Beverage	3,034	76.4%	5,516	95.9%	6,520	90.3%	7,644	88.1%	7,788	87.9%	8,014	84.9%
Room Hire	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Spa / Leisure	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Minor Operating Depts	70	112.6%	73	213.3%	30	4729.1%	0	0.0%	0	0.0%	0	0.0%
Rent & Other Income	133	23.2%	698	105.2%	641	92.1%	430	59.1%	431	49.7%	446	49.1%
Total Departmental Costs	5,892	58.6%	10,018	77.1%	12,349	64.0%	14,078	59.9%	14,814	56.8%	15,575	53.5%
Gross Operating Income	4,162	41.4%	2,984	22.9%	6,958	36.0%	9,425	40.1%	11,250	43.2%	13,537	46.5%
Undistributed Expenses												
Administrative & General & IT	1,017	10.1%	1,446	11.1%	1,733	9.0%	2,788	11.9%	3,042	11.7%	2,754	9.5%
Sales & Marketing	617	6.1%	680	5.2%	688	3.6%	1,185	5.0%	1,365	5.2%	1,557	5.3%
Property Operations & Maintenance (	1,011	10.1%	1,070	8.2%	1,356	7.0%	1,508	6.4%	1,668	6.4%	1,679	5.8%
Utilities	485	4.8%	517	4.0%	572	3.0%	659	2.8%	803	3.1%	850	2.9%
Base Management Fee	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Other	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total Undistributed Expenses	3,130	31.1%	3,713	28.6%	4,349	22.5%	6,141	26.1%	6,877	26.4%	6,840	23.5%
Gross Operating Profit	**1,033**	**10.3%**	**-729**	**-5.6%**	**2,609**	**13.5%**	**3,284**	**14.0%**	**4,373**	**16.8%**	**6,698**	**23.0%**
GOP Per Room	*3*		*-3*		*9*		*11*		*15*		*23*	
Fixed Costs												
Insurance	152	1.5%	153	1.2%	163	0.8%	193	0.8%	160	0.6%	157	0.5%
Property Rates & Taxes	889	8.8%	892	6.9%	829	4.3%	861	3.7%	979	3.8%	940	3.2%
Franchise Fee	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Management Incentive Fee	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Service Payment	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Capital Renew al/FFE Reserve	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Other	165	1.6%	153	1.2%	100	0.5%	173	0.7%	142	0.5%	102	0.4%
Total Fixed Costs	1,206	12.0%	1,198	9.2%	1,092	5.7%	1,227	5.2%	1,281	4.9%	1,199	4.1%
EBITDAR	**-174**	**-1.7%**	**-1,927**	**-14.8%**	**1,517**	**7.9%**	**2,057**	**8.8%**	**3,092**	**11.9%**	**5,499**	**18.9%**
Rent Payable	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Rent Receivable	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
EBITDA	**-174**	**-1.7%**	**-1,927**	**-14.8%**	**1,517**	**7.9%**	**2,057**	**8.8%**	**3,092**	**11.9%**	**5,499**	**18.9%**
EBITDA Per Room	*-1*		*-7*		*5*		*7*		*11*		*19*	

Source: Hotel Management

Competitor Set

- We have been provided with an STR competitor set report for January to mid-October 2025, which includes KPIs for Pan Pacific Perth, Parmelia Hilton Perth, Novotel Langley Perth, QT Perth and Novotel Perth Murray Street.
- The data suggests the subject hotel achieved an occupancy fairshare of 0.94 to 1.14 and an ADR fairshare of 0.93 to 1.24. During October the hotel regularly achieved 100% occupancy and was the best performing hotel in the competitor set, but at a discounted ADR. The subject hotel is performing well and has improved market share and ADR since the bedroom upgrades.

STR Comp Set		Occupancy			ADR			RevPAR	
Month	Subject	Comp Set	Fairshare	Subject	Comp Set	Fairshare	Subject	Comp Set	Fairshare
Jan-25	63.7%	65.8%	0.97	$260.61	$209.71	1.24	$166.08	$137.96	1.20
Feb-25	79.1%	80.7%	0.98	$266.29	$223.70	1.19	$210.73	$180.44	1.17
Mar-25	82.9%	78.8%	1.05	$272.34	$230.43	1.18	$225.77	$181.55	1.24
Apr-25	75.1%	73.9%	1.02	$264.88	$223.26	1.19	$198.99	$165.09	1.21
May-25	75.8%	73.9%	1.03	$270.94	$228.30	1.19	$205.27	$168.70	1.22
Jun-25	81.4%	71.5%	1.14	$260.13	$226.99	1.15	$211.87	$162.39	1.30
Jul-25	73.7%	78.6%	0.94	$247.65	$213.82	1.16	$182.42	$168.01	1.09
Aug-25	83.1%	79.2%	1.05	$254.11	$227.14	1.12	$211.09	$179.91	1.17
Sep-25	83.4%	83.0%	1.01	$269.73	$237.80	1.13	$224.91	$197.27	1.14
MTD Oct 25	95.3%	89.0%	1.07	$293.11	$313.69	0.93	$279.35	$291.62	0.96

Source: Primary STR Comp Set Jan-Sept 2025 & MTD 28 Oct 25

Revenue by Room Segment

- We have been provided with a room report for YE January 2025, which gives a breakdown of revenue per room type and also each market segment. The data indicates nearly 12% of room revenue is from airline crew at close to 100 rooms per night. The ADR for airline crew is $139.97, the lowest except for packages and leisure group. Government and In House Conferences provide ADR of $510,90 and $489.78 respectively but a combined 4.7% of room revenue. BAR ('Best Available Rate') is the main source of revenue at low ADR, via OTAs.
- In terms of room types, the river view rooms (and Presidential Suite) command the highest rates. The Deluxe rooms provide the highest revenue and room count, but a low ADR of $201.73.
- We summarise the room revenue data below.

Segment	Rooms Sold	ADR	Revenue	% Revenue
Corporate Negotiated	9,537	$203.54	$1,941,165	11.9%
Consortia	2,701	$231.48	$625,224	3.8%
Government	2,423	$199.07	$482,335	3.0%
Crew	12,368	$155.35	$1,921,324	11.8%
Bar	16,160	$145.36	$6,846,650	41.9%
Discount	4,519	$211.89	$741,648	4.5%
Packages	6,751	$65.76	$1,302,388	8.0%
Wholesale	5,158	$163.42	$845,538	5.2%
Conference Inhouse	1,875	$489.78	$281,433	1.7%
Groups Corporate	2,277	$180.55	$410,148	2.5%
Groups Leisure	5,043	$91.16	$937,232	5.7%
Industry	33	$195.00	$2,605	0.0%
Family and Friends	32	$195.00	$1,874	0.0%
F.O.C	364	$0.00	$0	0.0%
TOTAL	**73,514**	**$218.70**	**$16,333,311**	**100.0%**

Room Type	Rooms Sold	ADR	Revenue	% Revenue
Presidential Suite	61	$655.87	$40,008	0.2%
Suite	2,012	$281.35	$566,084	3.5%
Club Room - River	1,210	$335.82	$406,348	2.5%
Club Room - City	4,825	$282.08	$1,361,016	8.3%
Superior - River	0	$0.00	$0	0.0%
Superior	1,784	$218.31	$389,468	2.4%
Deluxe - River	8,710	$259.45	$2,259,824	13.8%
Deluxe	55,705	$201.73	$11,237,274	68.8%
Non-Occupancy Revenue	0	$0.00	$73,289	0.4%
TOTAL	**74,307**	**$219.81**	**$16,333,311**	**100.0%**

Source: Hotel Management



Comments on Historic Trade	▪ We provide below an analysis of historic trade. ▪ Following our discussions with hotel management we have included our comments on any trends, areas for potential improvement or identified any fluctuations in performance and reasons for such variances.

Duxton Hotel Perth

Trading Analysis

		Actual	Actual	Actual	Actual	Actual	Forecast	*Benchmark*	Comments
Months		12	12	12	12	12	12	*Perth*	
Period Ending		Jan-21	Jan-22	Jan-23	Jan-24	Jan-25	Jan-26	*(All)*	
Rooms									
Occupancy		31.1%	34.3%	54.1%	63.0%	70.7%	73.0%		Gradual improvement. But disruptions still evident.
ADR AUD$		156.39	184.95	206.06	200.87	220.16	244.08		Refurbishments improving ADR.
Revenue	RevPAR	48.64	63.45	111.47	126.64	155.56	178.18		RevPAR growth of 22.8% in FYE25.
	POR	156.39	184.95	206.06	200.87	220.16	244.08		
Costs	POR	76.24	105.28	93.34	85.54	88.90	92.55	*63.41*	Room costs above benchmark. Potential for
	% Room Rev	48.7%	56.9%	45.3%	42.6%	40.4%	37.9%	*33.4%*	improvement. Only Duxton hotel in Australia. OTA commissions reduced room profit margins.
Food & Beverage									
Revenue	POR	114.06	162.28	130.76	123.63	119.48	122.76	*68.46*	Reasonable F&B revenue and operating costs, which
Costs	% F&B Rev	76.4%	95.9%	90.3%	88.1%	87.9%	84.9%	*86.7%*	reflects significant C&E facilities.
Room Hire									
Revenue	POR	0.00	0.00	0.00	0.00	0.00	0.00		
Costs	% Room Hire Rev	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		
Spa / Leisure									
Revenue	POR	0.00	0.00	0.00	0.00	0.00	0.00		
Costs	% Spa / Leisure Rev	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		
Minor Operating Depts									
Revenue	POR	1.78	0.97	0.01	0.00	0.00	0.00	*5.57*	
Costs	% MOD Rev	112.6%	213.3%	4729.1%	0.0%	0.0%	0.0%	*37.0%*	
Rent & Other Income									
Revenue	POR	16.43	18.74	12.61	10.37	11.67	11.80	*12.43*	70% is parking. Remainder is laundry and other minor
Costs	% ROI Rev	23.2%	105.2%	92.1%	59.1%	49.7%	49.1%	*1.7%*	revenue. Above market operating costs.
A&G & IT	POR	29.19	40.80	31.37	39.72	41.00	35.82	*18.79*	High costs. Only hotel in Australia, therefore no
	% Total Rev	10.1%	11.1%	9.0%	11.9%	11.7%	9.5%	*6.8%*	savings associated with centralised costs.
S&M	POR	17.72	19.20	12.45	16.88	18.40	20.25	*15.38*	In line with benchmark, However, benchmark includes
	% Total Rev	6.1%	5.2%	3.6%	5.0%	5.2%	5.3%	*5.6%*	large branded hotels. Costs are high for an independent hotel.
POM	POR	29.02	30.20	24.53	21.49	22.49	21.84	*9.95*	Costs high due to aging building. Potential for savings
	% Total Rev	10.1%	8.2%	7.0%	6.4%	6.4%	5.8%	*3.6%*	post completion of refurbishments. No FF&E Reserve therefore POM costs higher as compensation.
Utilities	POR	13.93	14.59	10.36	9.39	10.82	11.05	*9.72*	In line with benchmark.
	% Total Rev	4.8%	4.0%	3.0%	2.8%	3.1%	2.9%	*3.5%*	
GOP	POR	29.64	-20.58	47.22	46.80	58.94	87.11	*90.76*	Below expectations due to high operating costs and
	% Total Rev	10.3%	-5.6%	13.5%	14.0%	16.8%	23.0%	*32.8%*	lower than expected occupancy levels.
Fixed Costs	POR	34.63	33.81	19.76	17.48	17.27	15.59	*18.70*	Exclude management fees and FF&E Reserve.
	% Total Rev	12.0%	9.2%	5.7%	5.2%	4.9%	4.1%	*6.8%*	
EBITDA	POR	-4.99	-54.40	27.46	29.31	41.67	71.52	*64.70*	Below benchmark. Expect improvement post
	% Total Rev	-1.7%	-14.8%	7.9%	8.8%	11.9%	18.9%	*23.4%*	completion of room refurbishment and occupancy growth.

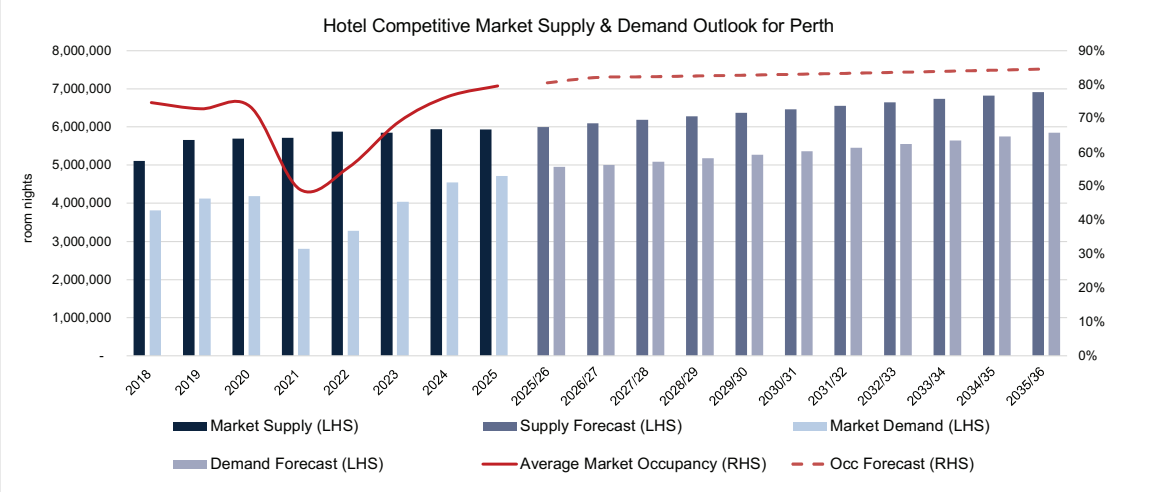
11.2 Savills Trade Projections

Fair Maintainable Trade	▪ We have undertaken our own assessment of Fair Maintainable Trade (FMT) based upon a reasonably efficient operator of hotel businesses. ▪ Our cash flow is over a 10-year period, although later in this report we provide the next five years' projections. ▪ Our projections aim to reflect trade being achieved in surrounding hotels, after adjustments, and profit margins adopting industry averages. ▪ The accounts have been created in accordance with the eleventh edition of the Uniform System of Accounts for the Lodging Industry. ▪ The projections of income and expense are largely based on predictions about how the overall hotel market in the area is going to perform. These predictions are hard to make and have a high degree of variability. Accordingly, should the market not perform in line with expectations, the hotel's performance will similarly be impacted. ▪ ***It is important to note that we have relied upon the accuracy and validity of the financial information provided for the purpose of our valuation. If further accounts or information is provided at a later date we reserve the right to amend our valuation accordingly.*** ▪ Our full projections and Valuation calculations are attached as an Appendix.
Sources of Data	▪ Historic and forecast trade of the subject hotel provided by management ▪ Australian Bureau of Statistics (ABS) ▪ Tourism Research Australia (TRA) – International Visitor and National Visitor Surveys ▪ STR ▪ Deloitte Access Economics
CPI Forecast	▪ In sourcing our inflation forecast we have had reference to the All Groups Consumer Price Index released by Deloitte Access Economics as at September 2025, which forecasts an average CPI growth of 2.44% per annum for WA for the next 10 years.

Inflation Forecasts	**2026/27**	**2027/28**	**2028/29**	**2029/30**	**2030/31**
CPI % Change	2.35%	2.29%	2.32%	2.38%	2.40%
	2031/32	**2032/33**	**2033/34**	**2034/35**	**2035/36**
CPI % Change	2.52%	2.59%	2.54%	2.49%	2.49%

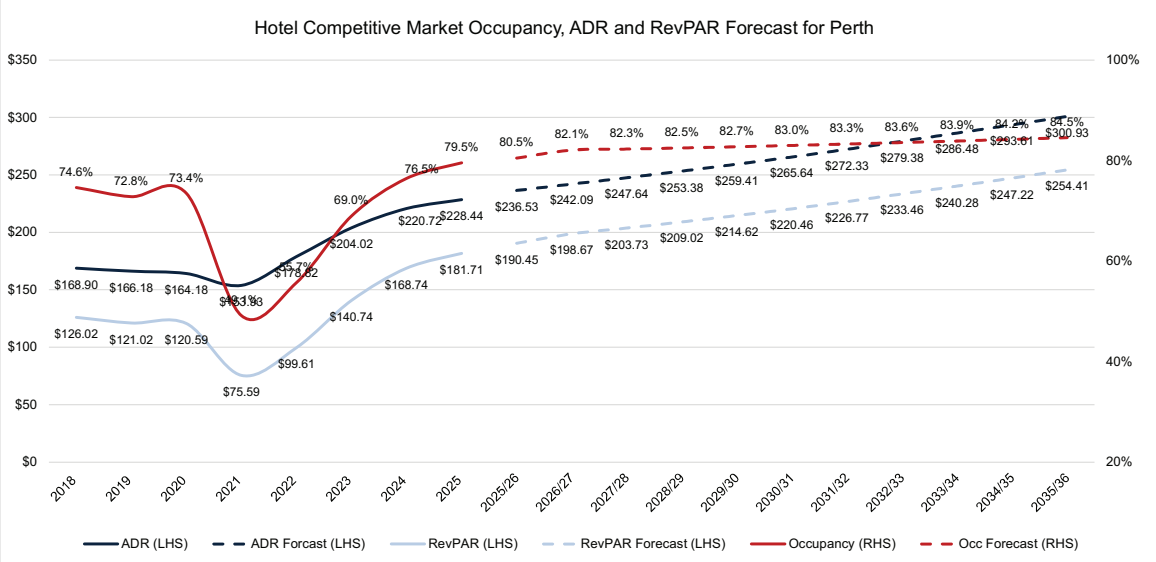
Sources: Deloitte Access Economics

Market Forecasts – Supply & Demand	▪ We provide below Savills forecast demand and supply growth including historic trends for Perth provided by STR.



Source: Savills & STR

Market Forecasts – Key Performance Indicators	▪ Below is the Savills forecast occupancy, ADR and RevPAR market performance taking into account historic trends and forecast growth in demand and supply. The historic and forecast data is for the financial year end January so we can make direct comparisons with the subject hotel performance. ▪ Our market forecast for YE January 2026 is based on actual market data to September 2025.



Source: Savills & STR

Fairshare Analysis

- The table below compares the historic and forecast average room rates and occupancy levels of the Perth market with Savills forecast average room rates and occupancy levels for the subject property.

Fair Share Analysis for the Duxton Hotel Perth

ADR and Room Yield in expressed in AUD$

PERIOD	YEAR END	OCCUPANCY (%)			AVERAGE DAILY RATE ($)			ROOM YIELD		
	JAN	Market	Subject	Index	Market	Subject	Index	Market	Subject	Index
Historical										
	2018	74.6%	60.1%	0.81	168.90	189.03	1.12	126.02	113.60	0.90
	2019	72.8%	58.9%	0.81	166.18	171.07	1.03	121.02	100.74	0.83
	2020	73.4%	62.7%	0.85	164.18	167.03	1.02	120.59	104.81	0.87
	2021	49.1%	31.1%	0.63	153.93	156.39	1.02	75.59	48.64	0.64
	2022	55.7%	34.3%	0.62	178.82	184.95	1.03	99.61	63.45	0.64
	2023	69.0%	54.1%	0.78	204.02	206.06	1.01	140.74	111.47	0.79
	2024	76.5%	63.0%	0.82	220.72	200.87	0.91	168.74	126.64	0.75
	2025	79.5%	70.7%	0.89	228.44	220.16	0.96	181.71	155.56	0.86
	AVE	68.8%	54.4%	0.79	185.65	186.95	1.01	129.25	103.11	0.80
Budget	2025/26	80.5%	70.6%	0.88	236.53	255.07	1.08	190.45	154.48	0.81
Forecast	2025/26	80.5%	73.0%	0.91	236.53	244.08	1.03	190.45	178.18	0.94
Savills Forecast			Savills Forecast	Savills Index		Savills Forecast	Savills Index		Savills Forecast	Savills Index
0	2025/26	80.5%			236.53			190.45		
1	2026/27	82.1%	73.9%	0.90	242.09	248.14	1.025	198.67	183.28	0.92
2	2027/28	82.3%	78.2%	0.95	247.64	260.02	1.05	203.73	203.22	1.00
3	2028/29	82.5%	78.4%	0.95	253.38	266.05	1.05	209.02	208.50	1.00
4	2029/30	82.7%	78.6%	0.95	259.41	272.38	1.05	214.62	214.08	1.00
5	2030/31	83.0%	78.8%	0.95	265.64	278.92	1.05	220.46	219.91	1.00
6	2031/32	83.3%	79.1%	0.95	272.33	285.95	1.05	226.77	226.20	1.00
7	2032/33	83.6%	79.4%	0.95	279.38	293.35	1.05	233.46	232.87	1.00
8	2033/34	83.9%	79.7%	0.95	286.48	300.81	1.05	240.28	239.67	1.00
9	2034/35	84.2%	80.0%	0.95	293.61	308.30	1.05	247.22	246.60	1.00
10	2035/36	84.5%	80.3%	0.95	300.93	315.97	1.05	254.41	253.77	1.00
	AVE	83.0%	78.6%		CAG 2.4%	2.7%		CAG 2.9%	3.7%	

CAG = Compound Annual Growth

Source : Historical market data supplied by STR
Forecast by Savills Hotels
Region : Perth

Comments on Fairshare	▪ Our forecast ADR includes an allowance for third party commissions and is reported net of GST. ▪ We anticipate that fair management would seek to increase occupancy and ADR from the current rates. In order to achieve this, two strategies can be adopted. Firstly, we anticipate immediate market penetration and rate growth through rebranding. Secondly, we have assumed completion of the bedroom refurbishments, lift lobby upgrades and ground floor lobby bar modernisation. ▪ We have adopted an ADR fairshare of 1.025 to market in YE Jan 2026, increasing to 1.05 in YE Jan 2026, as the benefit of the bedroom refurbishment flows through to ADR. This is an increase in ADR fairshare of 0.96 in YE Jan 25 and owner's forecast of 1.03 in YE Jan 26. ▪ We anticipate that fair management would seek to increase occupancy from current levels (0.89 fairshare in FY Jan 25) to 0.90 in YE Jan 26 to reflect trade disruption whilst completing the bedroom refurbishments. We stabilise occupancy at 0.95 fairshare from YE Jan 27, which is close to 80% levels. This is still at a discount to the Perth market and reflects the large room inventory. We believe our forecasts are reasonable, although some hotel operators may be more optimistic. ▪ We have adopted an average market demand growth rate of 1.68% per annum over the next 10 years from YE Jan 2027, which is a combination of GDP forecasts for Australia and GSP for WA (supplied by Deloitte Access Economics), blended forecast growth of international and domestic visitors to Perth (supplied by the Tourism Forecasting Committee) and historic RevPAR performance for the area (supplied by STR). ▪ Savills projections foresee the addition of 2,513 new rooms over the next 10 years, representing an average annual growth rate of around 1.43% over the period against forecast average annual demand growth of 1.68% over the same period. This results in improved occupancy over the next 10 years. Should demand not increase as forecast and new supply increase ahead of forecasts, then the result would be lower market occupancy, which would have a negative impact on value of the subject property. ▪ The ADR market growth rate in YE Jan 2025 was 3.50%, which we forecast to increase slightly by 1.00% in YE Jan 26 based on YTD Sept actual trade. We anticipate ADR growth in line with CPI over the next 10 years. The result is an average annual RevPAR growth of 2.94% over the 10 years from YE Jan 27.
Management Fees	▪ The property is managed by the owner, which reflects a zero Base Management Fee and Management Incentive Fee. These fees are usually relevant for a branded hotel operated by a third party hotel operator. ▪ For the purpose of our valuation we have assumed a likely purchaser would enter into a HMA with a national or international brand and we have therefore adopted market HMA fees within our trade forecasts going forward. Our market HMA terms are provided in Section 7.1 of this report.

Savills Trade Forecasts	▪ Taking into account the fair market share analysis above we provide below our opinion of trade for the next 5 years. Our forecasts commence from the current financial year and before the allowance for capex in YE Jan 2027.

Duxton Hotel Perth

Savills Hotel Trading Forecast										
Period	1		2		3		4		5	
YEAR ENDING JAN	2027		2028		2029		2030		2031	
Number of Bedrooms	303		303		303		303		303	
Occupancy	73.9%		78.2%		78.4%		78.6%		78.8%	
ADR AUD$	248.14		260.02		266.05		272.38		278.92	
ADR Change			4.8%		2.3%		2.4%		2.4%	
RevPAR	183.28		203.22		208.50		214.08		219.91	
RevPAR (Change)			10.9%		2.6%		2.7%		2.7%	
Total RevPOR	381.76		403.13		412.48		422.30		432.43	
Total RevPOR (Change)			5.6%		2.3%		2.4%		2.4%	
Figures in $000s AUD$	000's	Ratio	000's	Ratio	000's	Ratio	000's	Ratio	000's	Ratio
Revenue										
Rooms	20,269	65.0%	22,537	64.5%	23,059	64.5%	23,677	64.5%	24,321	64.5%
Food & Beverage	9,979	32.0%	11,356	32.5%	11,619	32.5%	11,930	32.5%	12,255	32.5%
Room Hire	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Spa / Leisure	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Minor Operating Depts	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Rent & Other Income	936	3.0%	1,048	3.0%	1,073	3.0%	1,101	3.0%	1,131	3.0%
Total Revenue	**31,184**	**100.0%**	**34,941**	**100.0%**	**35,750**	**100.0%**	**36,708**	**100.0%**	**37,706**	**100.0%**
Departmental Costs										
Rooms	7,702	38.0%	7,775	34.5%	7,840	34.0%	8,050	34.0%	8,269	34.0%
Food & Beverage	8,731	87.5%	9,652	85.0%	9,876	85.0%	10,141	85.0%	10,416	85.0%
Room Hire	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Spa / Leisure	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Minor Operating Depts	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Rent & Other Income	468	50.0%	524	50.0%	536	50.0%	551	50.0%	566	50.0%
Total Departmental Costs	16,902	54.2%	17,952	51.4%	18,252	51.1%	18,741	51.1%	19,251	51.1%
Gross Operating Income	14,282	45.8%	16,989	48.6%	17,498	48.9%	17,967	48.9%	18,455	48.9%
Undistributed Expenses										
Administrative & General & IT	2,885	9.3%	3,005	8.6%	3,039	8.5%	3,120	8.5%	3,205	8.5%
Sales & Marketing	1,637	5.3%	1,747	5.0%	1,788	5.0%	1,835	5.0%	1,885	5.0%
Property Operations & Maintenance	1,247	4.0%	1,310	3.8%	1,341	3.8%	1,377	3.8%	1,414	3.8%
Utilities	858	2.8%	961	2.8%	983	2.8%	1,009	2.8%	1,037	2.8%
Base Management Fee	312	1.0%	349	1.0%	358	1.0%	367	1.0%	377	1.0%
Other	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total Undistributed Expenses	6,938	22.3%	7,372	21.1%	7,508	21.0%	7,709	21.0%	7,918	21.0%
Gross Operating Profit	**7,344**	**23.6%**	**9,617**	**27.5%**	**9,990**	**27.9%**	**10,258**	**27.9%**	**10,537**	**27.9%**
GOP Per Room	*24*		*32*		*33*		*34*		*35*	
Fixed Costs										
Insurance	157	0.5%	160	0.5%	164	0.5%	168	0.5%	172	0.5%
Property Rates & Taxes	767	2.5%	785	2.2%	803	2.2%	822	2.2%	842	2.2%
Franchise Fee	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Management Incentive Fee	367	1.2%	481	1.4%	500	1.4%	513	1.4%	527	1.4%
Service Payment	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Capital Renew al/FFE Reserve	936	3.0%	1,048	3.0%	1,073	3.0%	1,101	3.0%	1,131	3.0%
Other	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total Fixed Costs	2,227	7.1%	2,474	7.1%	2,539	7.1%	2,604	7.1%	2,672	7.1%
EBITDAR	**5,117**	**16.4%**	**7,143**	**20.4%**	**7,451**	**20.8%**	**7,654**	**20.9%**	**7,865**	**20.9%**
Rent Payable	107	0.3%	109	0.3%	112	0.3%	114	0.3%	117	0.3%
Rent Receiveable	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
EBITDA (before Cap Ex)	**5,011**	**16.1%**	**7,033**	**20.1%**	**7,340**	**20.5%**	**7,540**	**20.5%**	**7,748**	**20.5%**
EBITDA Per Room	*17*		*23*		*24*		*25*		*26*	



Forecast Analysis

- In the table below we compare and comment upon the average room rates and occupancy levels of the market with Savills forecasts for the subject hotel. We also summarise the revenue and operating cost assumptions with a comparison to Perth hotel market benchmarks.
- Please note that the vertical totals in the benchmarks may not add up as averages are based on respondents that contribute for each specific line items.
- The summary and comments relate the next 5 years of trade.

Duxton Hotel Perth

Analysis of Projections

Period		Actual	Actual	Actual	Actual	Actual	Forecast	*Benchmark*	1	2	3	4	5	
YEAR ENDING JAN		Jan-21	Jan-22	Jan-23	Jan-24	Jan-25	Jan-26	*Perth*	2027	2028	2029	2030	2031	Comments
Room Revenue														
Market Occupancy		49.1%	55.7%	69.0%	76.5%	79.5%	80.5%		82.1%	82.3%	82.5%	82.7%	83.0%	Perth occupancy continues to improve.
Subject		31.1%	34.3%	54.1%	63.0%	70.7%	73.0%		73.9%	78.2%	78.4%	78.6%	78.8%	Reasonable to increase Occ closer to market.
Index		0.63	0.62	0.78	0.82	0.89	0.91		0.90	0.95	0.95	0.95	0.95	Adopt slight discount to market for room count.
Market ADR		153.93	178.82	204.02	220.72	228.44	236.53		242.09	247.64	253.38	259.41	265.64	Strong market growth, but slow down to CPI.
Subject ADR		156.39	184.95	206.06	200.87	220.16	244.08		248.14	260.02	266.05	272.38	278.92	Potential growth assuming rebrand and upgrades.
Index		1.02	1.03	1.01	0.91	0.96	1.03		1.025	1.05	1.05	1.05	1.05	
Market RevPAR		75.59	99.61	140.74	168.74	181.71	190.45		198.67	203.73	209.02	214.62	220.46	
Subject RevPAR		48.64	63.45	111.47	126.64	155.56	178.18		183.28	203.22	208.50	214.08	219.91	Overall RevPAR in line with Perth market. But
Index		0.64	0.64	0.79	0.75	0.86	0.94		0.92	1.00	1.00	1.00	1.00	potential for further improvement going forward.
Inflation									2.4%	2.3%	2.3%	2.4%	2.4%	Deloitte Access Economics CPI forecasts.
Inflation Index	1.00								1.02	1.05	1.07	1.10	1.12	
Deflated RevPAR									179.07	194.11	194.63	195.20	195.81	
Real Change										8.4%	0.3%	0.3%	0.3%	
Other Revenue														
Food & Beverage	POR	114.06	162.28	130.76	123.63	119.48	122.76	*68.46*	122.16	131.02	134.06	137.25	140.54	Conference venue expected to remain popular.
Room Hire	POR	0.00	0.00	0.00	0.00	0.00	0.00	*0.00*	0.00	0.00	0.00	0.00	0.00	Included in F&B revenue.
Spa / Leisure	POR	0.00	0.00	0.00	0.00	0.00	0.00	*0.00*	0.00	0.00	0.00	0.00	0.00	
Minor Operating Depts	POR	1.78	0.97	0.01	0.00	0.00	0.00	*5.57*	0.00	0.00	0.00	0.00	0.00	
Rent & Other Income	POR	16.43	18.74	12.61	10.37	11.67	11.80	*12.51*	11.45	12.09	12.37	12.67	12.97	Mainly car parking revenue.
Total Revenue	POR	288.65	366.95	349.44	334.87	351.32	378.64	*276.55*	381.76	403.13	412.48	422.30	432.43	Above benchmark due to significant non-room revenue. But potential for growth driven by rooms.
Departmental Costs														
Rooms	POR	76.24	105.28	93.34	85.54	88.90	92.55	*63.41*	94.29	89.71	90.46	92.61	94.83	Above benchmark, but potential for improvement.
Food & Beverage	% F&B Rev	76.4%	95.9%	90.3%	88.1%	87.9%	84.9%	*86.7%*	87.5%	85.0%	85.0%	85.0%	85.0%	F&B costs hard to keep below 85%.
Room Hire	% Rm Hire Rev	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	*0.0%*	0.0%	0.0%	0.0%	0.0%	0.0%	
Spa / Leisure	% Leisure Rev	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	*0.0%*	0.0%	0.0%	0.0%	0.0%	0.0%	
Minor Operating Depts	% MOD Rev	112.6%	213.3%	4729.1%	0.0%	0.0%	0.0%	*37.0%*	0.0%	0.0%	0.0%	0.0%	0.0%	
Rent & Other Income	% ROI Rev	23.2%	105.2%	92.1%	59.1%	49.7%	49.1%	*2.3%*	50.0%	50.0%	50.0%	50.0%	50.0%	Costs in line with recent trends.
Undistributed Expenses														
Administrative & General & IT	POR	29.19	40.80	31.37	39.72	41.00	35.82	*18.79*	35.31	34.67	35.06	35.90	36.76	High, but seek to reduce increases.
Sales & Marketing	POR	17.72	19.20	12.45	16.88	18.40	20.25	*15.38*	20.04	20.16	20.62	21.11	21.62	Adjust costs to reflected branded hotel.
Property Operations & Maintenance (	POR	29.02	30.20	24.53	21.49	22.49	21.84	*9.95*	15.27	15.12	15.47	15.84	16.22	Reduce costs following upgrades.
Utilities	POR	13.93	14.59	10.36	9.39	10.82	11.05	*9.72*	10.50	11.09	11.34	11.61	11.89	In line with market levels.
Base Management Fee	% of Gross Rev	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	*1.5%*	1.0%	1.0%	1.0%	1.0%	1.0%	Reflects market HMA terms.
Other	POR	0.00	0.00	0.00	0.00	0.00	0.00	*2.57*	0.00	0.00	0.00	0.00	0.00	
Gross Operating Profit	Per Room pa	3,374	-2,577	9,325	10,769	15,243	23,211	*23,937*	24,237	31,738	32,972	33,855	34,776	Currently in line with benchmark per room, but potential for growth once works are completed.
Fixed Costs														
Insurance	POR	4.36	4.32	2.95	2.75	2.15	2.04	*0.68*	1.92	1.85	1.89	1.93	1.97	In line with actual costs, increased by CPI.
Property Rates & Taxes	POR	25.53	25.19	15.01	12.27	13.20	12.23	*6.87*	9.39	9.05	9.26	9.46	9.65	In line with actual costs, increased by CPI.
Franchise Fee	% Room Rev	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	*0.0%*	0.0%	0.0%	0.0%	0.0%	0.0%	
Management Incentive Fee	% of GOP	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	*2.3%*	5.0%	5.0%	5.0%	5.0%	5.0%	Reflects market HMA terms.
Service Payment	POR	0.00	0.00	0.00	0.00	0.00	0.00	*0.00*	0.00	0.00	0.00	0.00	0.00	
Capital Renewal/FFE Reserve	% of Gross Rev	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	*1.7%*	3.0%	3.0%	3.0%	3.0%	3.0%	Reflects market HMA terms.
Other	POR	4.75	4.30	1.81	2.46	1.92	1.33	*0.13*	0.00	0.00	0.00	0.00	0.00	
EBITDA	Per Room pa	-568	-6,811	5,423	6,746	10,777	19,057	*17,064*	16,537	23,212	24,224	24,883	25,572	Stabilised EBITDA (after ground rent) of circa $25,000 per room is reasonable.

12 Sales Evidence

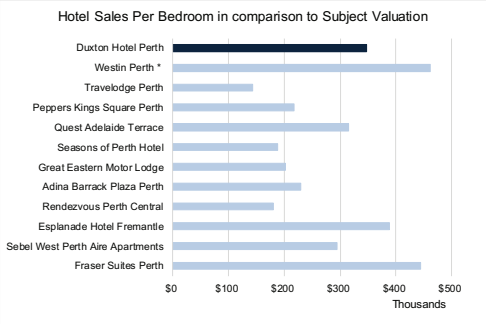
12.1 Hotels

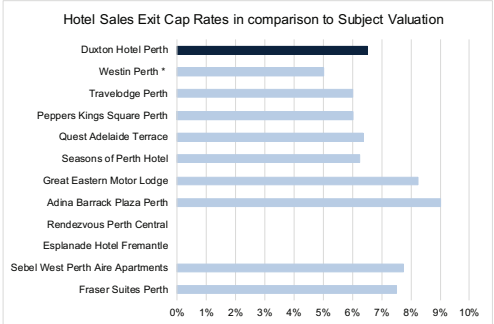
Analysis of Market Evidence

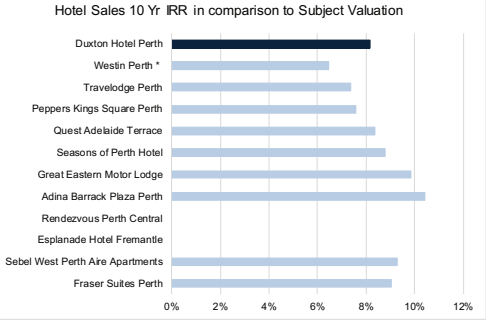
- In assessing the market value of the subject, we have taken into consideration the sales evidence detailed across the following pages.
- We summarise the relevant hotel sales in the table below. We have included our opinion of valuation of the subject hotel in the table for ease of reference to the sales listed.

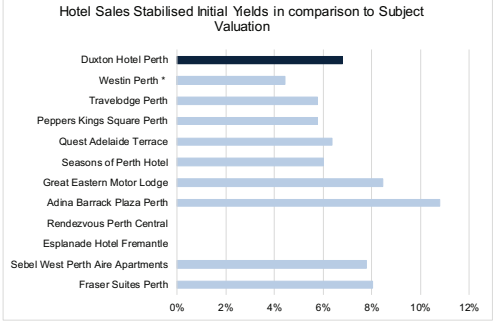
Date	Hotel	Sale Price	Rooms	Price Per Room	Passing Yield	Initial Yield	Stabilised Yield	Income Cap Rate	Terminal Cap Rate	Discount Rate	5 Yr IRR	10 Yr IRR
Jun-25	Fraser Suites Perth	$105,000,000	236	$444,915	-	6.44%	8.02%	7.25%	7.50%	9.50%	8.86%	9.04%
May-25	Sebel West Perth Aire Apartments	$18,888,888	64	$295,139	7.05%	7.59%	7.77%	7.50%	7.75%	9.75%	8.77%	9.27%
Jul-24	Esplanade Hotel Fremantle	$116,500,000	300	$388,333	-	-	-	-	-	-	-	-
May-24	Rendezvous Perth Central	$18,500,000	103	$179,612	-	-	-	-	-	-	-	-
Jan-24	Adina Barrack Plaza Perth	$23,000,000	100	$230,000	9.46%	10.86%	10.79%	9.00%	9.00%	11.00%	9.83%	10.40%
Nov-23	Great Eastern Motor Lodge	$40,000,000	198	$202,020	10.19%	8.44%	8.44%	8.00%	8.25%	10.25%	9.44%	9.85%
May-23	Seasons of Perth Hotel	$22,500,000	120	$187,500	1.82%	9.44%	6.00%	6.00%	6.25%	8.75%	9.54%	8.78%
Aug-22	Quest Adelaide Terrace	$41,000,000	130	$315,385	6.34%	6.29%	6.35%	-	6.35%	7.85%	-	8.36%
Jul-22	Peppers Kings Square Perth	$26,000,000	120	$216,667	-	-0.41%	5.75%	5.75%	6.00%	7.50%	7.29%	7.59%
Jul-21	Travelodge Perth	$18,100,000	127	$142,520	3.57%	1.36%	5.75%	5.75%	6.00%	7.50%	6.78%	7.36%
Nov-18	Westin Perth *	$170,000,000	368	$461,957	-	3.00%	4.43%	4.25%	5.00%	7.00%	5.40%	6.45%
Subject Valuation	**Duxton Hotel Perth**	**$105,000,000**	**303**	**$346,535**	**5.24%**	**4.64%**	**6.80%**	**6.25%**	**6.50%**	**8.50%**	**7.75%**	**8.14%**
	Low	*$18,100,000*	*64*	*$142,520*	*1.82%*	*-0.41%*	*4.43%*	*4.25%*	*5.00%*	*7.00%*	*5.40%*	*6.45%*
	Median of Sales	*$26,000,000*	*127*	*$230,000*	*6.70%*	*6.44%*	*6.35%*	*6.63%*	*6.35%*	*8.75%*	*8.82%*	*8.78%*
	High	*$170,000,000*	*368*	*$461,957*	*10.19%*	*10.86%*	*10.79%*	*9.00%*	*9.00%*	*11.00%*	*9.83%*	*10.40%*

** The Westin sale was a total consideration of $205m, with the buyer allocating $35m to the retail and office development land*









Comparability	▪ We provide below additional commentary of the most appropriate sales and the comparability to the subject property, with full page sales analysis (where available) on the subsequent pages: ▪ **Fraser Suites, WA:** - Luxury 5-star hotel comprising 236 rooms. - Constructed in 2012. - Freehold strata tenure. - Sold with vacant possession. - Hotel comprises 11 individual strata lots spanning ground floor to Level 2. - Purchased by the WA Government with the intention to convert to long-term social housing. - Sale reflects a terminal capitalisation rate of 7.50% and a capital rate of $444,915 per room. - We consider it appropriate to adopt a firmer terminal capitalisation rate but a lower capital rate per room for the subject property. ▪ **Sebel West Perth Aire Apartments, WA:** - Freehold strata serviced apartment hotel, with 64 lots held in one line. - The hotel forms part of a 22-storey mixed-use building, occupying Levels 1 to 4 and comprising 64 studio rooms, each with a kitchenette and private balcony. - Located immediately west of the Perth CBD. - Vacant possession available upon sale. - Sold reflecting a capital rate of $295,139 per room and a terminal capitalisation rate of 7.75%. - We consider it appropriate to adopt a firmer terminal capitalisation rate and a higher capital rate per room for the subject property. ▪ **Rendezvous Perth Central, WA:** - 103 room full-service hotel located in the Perth CBD. - Dated internally but superior standard of accommodation. - The sale has not been fully analysed at the time of writing and has been acquired for alternative use. - The sale reflects a capital rate of $179,612 per room. - We believe it is appropriate to adopt a higher capital rate per room for the subject property. ▪ **Adina Barrack Plaza, WA:** - Inferior stratum title serviced apartment hotel forming part of mixed-use development. - Superior location situated at northern end of Perth CBD. - Dated accommodation, in need of refurbishment. - Leased to Medina Property Services Pty Ltd TA Adina Apartment Hotels expiring 30 June 2027, with 5-year option. Base rent of $1,000.000 with turnover rent of 38% of total revenue less base rent. - Sale reflects a capital rate per room of $230,000 and terminal capitalisation rate of 9.00%. - We believe it is appropriate to adopt a higher capital rate per room and firmer terminal capitalisation rate for the subject property.
Market Parameters	▪ Based on the evidence and commentary above, we believe it is appropriate to adopt the following market parameters to the subject property:

Market Parameters	Range		
Exit Capitalisation Yield	6.25%	to	6.75%
Discount Rate	8.25%	to	8.75%
Income Capitalisation Rate	6.00%	to	6.50%
Price Per Room	$325,000	to	$375,000

Fraser Suites Perth, 10 Adelaide Terrace, East Perth, WA 6004





Details	
Sale Price	$105,000,000
Sale Date	June 2025
Tenure	Freehold Strata
Vendor	Fraser Perth Pty Ltd
Purchaser	Department of Communities WA
Operator	Frasers Hospitality, under Fraser Suites brand
Number of Keys	236
Analysis	
$ per Room	$444,915
Initial Yield (Yr 1)	6.44% (^)
Initial Yield (Stabilised)	8.02% (^)
Income Cap Rate	7.25% (^)
Exit Cap Rate (10 Yr)	7.50% (^)
Discount Rate	9.50% (^)
IRR (10 Yr)	9.04% (^)

Description

- The subject comprises a luxury 5-star hotel, along with commercial and retail units, constructed in 2012.
- Located in the inner-city suburb of East Perth, approximately 1 kilometre east of the Perth CBD, within the Local Government Area of the City of Perth.
- The property is held under freehold strata title, with the owner-operated going concern hotel contained within a single certificate of title, and the commercial and retail units spread across 11 individual strata lots. Lots 1 to 12 on Strata Plan 55728.
- The subject property comprises 19 storeys with two basement levels for car parking and includes 236 guest keys from Level 3 and above, with each guest room incorporating a fully equipped kitchenette. The room sizes range from 30-35m2 for a Studio Deluxe, 65m2 for a one-bedroom apartment and 95m2 for the two-bedroom apartments.
- The property also features a ground floor restaurant and lobby bar, reception, conference rooms on Level 1, as well as a gymnasium and swimming pool.
- The commercial and retail units are positioned at the western end of the development, extending from the Ground Floor to Level 3. The strata units vary in standard and amenity, with the majority vacant at the time of sale. The total lettable area of the commercial units are 2,161m2.
- The property includes 59 car parks allocated to the hotel and an additional 28 spaces designated for the retail and commercial components.
- Vacant possession available upon sale.

Comments

(^) Based on our 10-year trade forecasts. Our sale analysis assumes the property will be rebranded and operated under a standard HMA, with fees including a 1% base fee on Total Revenue, 7% incentive fee on Gross Operating Profit, and a 3% FF&E Reserve. Our forecasts include net income from the commercial and retail strata units, based on market rents and allowing for leasing costs, incentives, and agent fees.

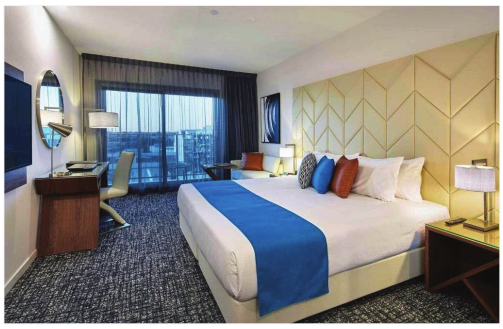
We have hypothetically apportioned $8 million of the total sale consideration to the commercial and retail strata units, which results in an adjusted price per key of $411,017 to the serviced apartment component.

Sold with vacant possession.

Purchased by the Western Australian State Government and is anticipated to be converted to long-term social housing.

The Sebel West Perth Aire Apartments, 659 Murray Street, West Perth, WA 6005





Details	
Sale Price	$18,888,888
Sale Date	April 2025
Tenure	Freehold Strata
Vendor	ZACD Group Ltd
Purchaser	Capital Bay Investment Pty Limited
Operator	Owner Operated under Accor franchise
Number of Keys	64
Occupancy	78.1% (*)
Avg. Daily Rate	$206 (*)

Analysis	
$ per Room	$295,139
Passing Yield	7.05% (*)
Initial Yield (Yr 1)	7.59% (^)
Initial Yield (Stabilised)	7.77% (^)
Income Cap Rate	7.50% (^)
Exit Cap Rate (10 Yr)	7.75% (^)
Discount Rate (10 Yr)	9.75% (^)
IRR (10 Yr)	9.27% (^)

Description

- The subject property comprises a freehold strata serviced apartment hotel, with Lots 1 to 64 held in one line.
- The hotel forms part of a 22-storey building completed in 2018, occupying the first four levels and comprising 64 studio apartments, each featuring a kitchenette and private balcony. The hotel includes a lobby, reception, luggage room, and 65 car parking spaces, and benefits from access to shared facilities including a 22-metre outdoor swimming pool, games room, and gymnasium, which are shared with the Aire Apartments located on the upper floors of the development.
- The property is located immediately west of Perth's CBD.
- The Sebel West Perth Aire Apartments is owner operated under a franchise agreement with Accor, with a 15-year term commencing from July 2018.
- Vacant possession was available upon sale.

Comments

(*) Indicative trading performance for FY2024, based on figures provided by the selling agent, with no formal management accounts sighted.

(^) Based on our 10-year trade forecasts. We have assumed vacant possession, included notional strata levies and adopted market HMA terms, with fees including a 1% base fee of Total Revenue, 7% incentive fee on Gross Operating Profit, and a 3% FF&E Reserve.

Sold by JLL via an expressions of interest campaign.

ZACD Group (Hong Kong based investors) sold to Capital Bay Investment Pty Limited, who have decided to retain the Sebel brand.

Adina Barrack Plaza, 138 Barrack Street, Perth, WA





Details	
Sale Price	$23,000,000
Sale Date	Jan 2024
Number of Keys	100
Tenure	Stratum Title
Vendor	John Scaffidi
Purchaser	Serene Capital
Lessee / Brand	Medina (TFE) / Adina Brand
Occupancy (*)	81.0%
ADR (*)	$198.29
RevPAR (*)	$159.80
Net Rent (*)	$2,171,000

Analysis	
$ per room	$230,000
Passing Yield (FY 2023)	9.46% **
Initial Yield	10.86% ^
Stabilised Initial Yield	10.79% ^
Income Capitalisation Rate	9.00% ^
Terminal Yield	9.00% ^
IRR 5 year	9.83% ^
IRR 10 year	10.40% ^

Description

- The Adina Barrack Plaza comprises a stratum title serviced apartment hotel which forms part of a mixed-use development.
- The property is situated at the northern end of the Perth CBD, close to Barrack Street's junction with Wellington Street, a short walk from Perth rail station.
- The property forms part of Barrack Plaza, which was completed in 2006. There are 100 serviced apartments on 2nd to 9th floors and 48 residential apartments on 10th to 15th floors. There are 74 car parking spaces on basement, ground and first floor level and 3 ground floor retail shops. The serviced apartments comprise a mix of studio, one- and two-bedroom apartments.
- The façade of the original 1847 Railway Hotel was retained. The hotel buildings were classified by the National Trust in March 1991 as a place of cultural heritage.
- The property sits on a 1,854sqm site and the development totals 10,417sqm, of which the subject hotel comprises 7,476sqm.
- The hotel is leased to Medina Property Services Pty Ltd TA Adina Apartment Hotels for 20 years to 30 June 2027, with one 5-year option to extend. The based rent is $1,000,000, with a turnover rent of 38% of total revenue, less base rent. There are no rent reviews.
- The ground floor restaurant and outdoor area is subleased to The Drunk Elephant Bar & Bistro for 5 years (plus 2 x 5-year options) from 1 January 2022 at a passing rent of $72,100 per annum (CY2023), subject to annual 3% rental increases.

Comments

Acquired by Serene Capital, with the intention to terminate the Adina lease in the short term and convert into a HMA, plus $2.7m capital investment.

(*) Based on actual hotel KPI's in FY2022.

(**) Based on actual hotel KPI's and net rent in FY2023.

(^) We have prepared trade forecasts assuming the hotel lease expires on 30 June 2027, continuing to trade under the Adina brand but subject to a HMA from 1 July 2027 at a base fee at 1% of revenue, incentive fee at 7% of AGOP and an FF&E Reserve at 3% of total revenue. We have also allowed for $2.7m capital investment to upgrade the facilities. Our stabilised initial yield is applied to our forecast EBITDA post conversion to a HMA.

13 Valuation Methodology – 'As Is'

13.1 Introduction

Overview	▪ In arriving at an opinion of value, relevant market and economic factors have been considered, and in particular, recent sales transactions of comparable properties. ▪ This Valuation is determined on the basis that the property, the title thereto and its use is not affected by any matter other than that mentioned in this report. Furthermore, it has been assumed that reasonable resources are available in negotiating the sale and exposing the property to the market. ▪ Included in the amount of this Valuation are normal fixtures, fittings and equipment (FF&E).
Valuation Approaches	▪ Discounted Cash Flow ("DCF") – 5 & 10 years ▪ Income Capitalisation; and ▪ Direct Comparison
Valuation Analyses	▪ Savills Valuations Pty Ltd employs industry recognised valuation methodologies in estimating the value of a property, having regard to the definition of market value and market based evidence. The result is the best estimate of value Savills Valuations Pty Ltd can produce, but it is an estimate and not a guarantee, and it is fully dependent upon the accuracy of the assumptions made in this report and market conditions at the date of valuation. ▪ Market information has not been independently verified, and its reliability cannot be guaranteed. The reliant party accepts the risk that if any of the unverified information/advice provided by others and referred to in this valuation is incorrect, then this may have an effect on the valuation.

13.2 Discounted Cash Flow Approach

Hotel Going Concern (Subject to notional HMA)	▪ We have analysed the historic trading results but have not solely relied upon these. We have valued the subject property having regard to the trading figures as well as our own evaluation of potential profit and loss figures based upon our experience in the market. We assumed the subject property will be sold as a going concern on a walk-in walk-out basis. ▪ Whilst the hotel is currently owner operated with related entities entering into a lease and management agreement, we have assumed vacant possession can be obtained on sale. We are of the opinion the profile of subject property is most likely to result in a purchaser entering into market management terms with a suitably experienced hotel operator. As such we have adopted notional market HMA terms. ▪ We believe the existing use as a hotel is the highest and best use and any other use would be subject to development approval. ▪ It is important to note that we have relied upon the accuracy and validity of the financial information provided for the purpose of our Valuation. If further accounts or information are provided at a later date we reserve the right to amend our Valuation accordingly. ▪ A discounted cash flow analysis has been prepared taking into account the ability of the property to generate income over a 5 and 10-year period based on certain assumptions. Provision is made for room rate and occupancy growth throughout the time horizon and also capital expenditure through an FF&E reserve. Each year's net operating income during the period is discounted to arrive at the present value of expected future cash flows. The property's anticipated sale value at the end of the period (i.e. its terminal or reversionary value) is also discounted to its present value and added to the discounted income stream to arrive at the total present Market Value of the property. ▪ **We have allowed for approximately $2,960,000 to complete the bedroom refurbishments, other public area upgrades as per hotel managements estimates in YE January 2027, which results in a reduced cashflow over the next 12 months.** ▪ We draw your attention to the fact that this analysis is based on projections considered in the light of available data; however, market conditions will change over time including being influenced by internal and external factors against which a review of assumptions may be warranted. For this reason, we stress that reliance of such projections must be made with full acceptance of their limited reliability and with due consideration of the commercial risks related to such forecasts. ▪ In particular, we stress the DCF exercise appended hereto has been undertaken for the sole purpose of assisting in the determination of the current Market Value of the property and we make no guarantees or warranty as to the accuracy of the future hotel income stream projections in so far as they relate to market movements in occupancy and room rate. ▪ Our discounted cash flow calculations are included on the following pages.

5 Year DCF Analysis		Valuation Date:	30-Nov-25
Exit Capitalisation Yield:	6.25%	Adopted DCF Valuation:	**$103,700,000**
Discount Rate:	8.25%	Price Per Room:	$342,244
Acquisition Costs:	6.00%	Initial Yield (Year 1 EBITDA):	1.98%
Disposal Costs:	1.00%	Initial Yield (Stabilised EBITDA):	7.08%

Duxton Hotel Perth YEAR ENDING JAN	2026/27	2027/28	2028/29	2029/30	2030/31
Number of Bedrooms	303	303	303	303	303
Occupancy Rate	73.9%	78.2%	78.4%	78.6%	78.8%
Average Daily Rate	$248.1	$260.0	$266.1	$272.4	$278.9
RevPAR	$183.3	$203.2	$208.5	$214.1	$219.9
Figures in $000s AUD$					
Total Revenue	**31,184**	**34,941**	**35,750**	**36,708**	**37,706**
Departmental Costs	16,902	17,952	18,252	18,741	19,251
Undistributed Expenses	6,627	7,023	7,150	7,342	7,541
Base Management Fee	312	349	358	367	377
Base Management Fee (%)	*1.0%*	*1.0%*	*1.0%*	*1.0%*	*1.0%*
Gross Operating Profit	**7,344**	**9,617**	**9,990**	**10,258**	**10,537**
Incentive Management Fee	367	481	500	513	527
Incentive Management Fee (%)	*5.0%*	*5.0%*	*5.0%*	*5.0%*	*5.0%*
Franchise Fee	0	0	0	0	0
Fixed Costs	924	945	967	990	1,014
FF&E Reserve	936	1,048	1,073	1,101	1,131
EBITDAR	5,117	7,143	7,451	7,654	7,865
Rent Payable	107	109	112	114	117
Rent Receiveable	0	0	0	0	0
EBITDA (before Cap Ex)	**5,011**	**7,033**	**7,340**	**7,540**	**7,748**
EBITDA (% of Total Revenue)	16.1%	20.1%	20.5%	20.5%	20.5%
Capital Expenditure	2,960	0	0	0	0
EBITDA (after Cap Ex)	**2,051**	**7,033**	**7,340**	**7,540**	**7,748**

Asset Acquisition	-$103,730						
Acquisition Costs	-$6,224						
Asset Sale		One Off Refurbishment/Capex			0		$126,993
Disposal Costs							-$1,270
NPV of Cashflow	109,954	1,971	6,245	6,020	5,713	5,423	84,582
Running Yield (EBITDA)		*2.0%*	*6.8%*	*7.1%*	*7.3%*	*7.5%*	

Sensitivity Analysis	EBITDA Variance				
Exit Capitalisation Yield	10.0%	5.0%	0.0%	-5.0%	-10.0%
6.75%	105,040	100,265	95,491	90,716	85,941
6.50%	109,199	104,235	99,271	94,308	89,344
6.25%	113,693	108,525	103,700	98,189	93,021
6.00%	118,563	113,174	107,785	102,396	97,006
5.75%	123,860	118,230	112,600	106,970	101,340

This analysis is purely for the purposes of a guide and sets out one permutation in support of our opinion of value.

Duxton Hotel, No.1 St Georges Terrace, Perth, WA 6000 | Ref GW25061373
30 November 2025

savills

10 Year DCF Analysis			Valuation Date:	30-Nov-25
Exit Capitalisation Yield:	6.50%		Adopted DCF Valuation:	$104,100,000
Discount Rate:	8.50%		Price Per Room:	$343,564
Acquisition Costs:	6.00%		Initial Yield (Year 1 EBITDA):	1.97%
Disposal Costs:	1.00%		Initial Yield (Stabilised EBITDA):	7.05%

savills

Duxton Hotel Perth YEAR ENDING JAN		2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36	
Number of Bedrooms		303	303	303	303	303	303	303	303	303	303	
Occupancy Rate		73.9%	78.2%	78.4%	78.6%	78.8%	79.1%	79.4%	79.7%	80.0%	80.3%	
Average Daily Rate		$248.1	$260.0	$266.1	$272.4	$278.9	$285.9	$293.4	$300.8	$308.3	$316.0	
RevPAR		$183.3	$203.2	$208.5	$214.1	$219.9	$226.2	$232.9	$239.7	$246.6	$253.8	
Figures in $000s AUD$												
Total Revenue		**31,184**	**34,941**	**35,750**	**36,708**	**37,706**	**38,891**	**39,930**	**41,096**	**42,283**	**43,632**	
Departmental Costs		16,902	17,952	18,252	18,741	19,251	19,856	20,386	20,982	21,588	22,276	
Undistributed Expenses		6,627	7,023	7,150	7,342	7,541	7,778	7,986	8,219	8,457	8,726	
Base Management Fee		312	349	358	367	377	389	399	411	423	436	
Base Management Fee (%)		*1.0%*	*1.0%*	*1.0%*	*1.0%*	*1.0%*	*1.0%*	*1.0%*	*1.0%*	*1.0%*	*1.0%*	
Gross Operating Profit		**7,344**	**9,617**	**9,990**	**10,258**	**10,537**	**10,868**	**11,158**	**11,484**	**11,816**	**12,193**	
Incentive Management Fee		367	481	500	513	527	543	558	574	591	610	
Incentive Management Fee (%)		*5.0%*	*5.0%*	*5.0%*	*5.0%*	*5.0%*	*5.0%*	*5.0%*	*5.0%*	*5.0%*	*5.0%*	
Franchise Fee		0	0	0	0	0	0	0	0	0	0	
Fixed Costs		924	945	967	990	1,014	1,039	1,066	1,093	1,120	1,148	
FF&E Reserve		936	1,048	1,073	1,101	1,131	1,167	1,198	1,233	1,268	1,309	
EBITDAR		5,117	7,143	7,451	7,654	7,865	8,119	8,336	8,584	8,836	9,126	
Rent Payable		107	109	112	114	117	120	123	126	129	133	
Rent Receiveable		0	0	0	0	0	0	0	0	0	0	
EBITDA (before Cap Ex)		**5,011**	**7,033**	**7,340**	**7,540**	**7,748**	**7,999**	**8,213**	**8,458**	**8,707**	**8,993**	
EBITDA (% of Total Revenue)		16.1%	20.1%	20.5%	20.5%	20.5%	20.6%	20.6%	20.6%	20.6%	20.6%	
Capital Expenditure		2,960	0	0	0	0	0	0	0	0	0	
EBITDA (after Cap Ex)		**2,051**	**7,033**	**7,340**	**7,540**	**7,748**	**7,999**	**8,213**	**8,458**	**8,707**	**8,993**	
Asset Acquisition	-$104,050											
Acquisition Costs	-$6,243			One Off Refurbishment/Capex			0					
Asset Sale												$141,732
Disposal Costs												-$1,417
NPV of Cashflow	110,293	1,969	6,223	5,986	5,667	5,367	5,107	4,833	4,587	4,352	4,143	62,059
Running Yield (EBITDA)		*2.0%*	*6.8%*	*7.1%*	*7.2%*	*7.4%*	*7.7%*	*7.9%*	*8.1%*	*8.4%*	*8.6%*	

Sensitivity Analysis	EBITDA Variance				
Exit Capitalisation Yield	10.0%	5.0%	0.0%	-5.0%	-10.0%
7.00%	105,660	100,857	96,055	91,252	86,449
6.75%	109,695	104,709	99,723	94,737	89,750
6.50%	114,043	108,860	104,100	98,492	93,308
6.25%	118,743	113,346	107,948	102,551	97,153
6.00%	123,838	118,209	112,580	106,951	101,322

This analysis is purely for the purposes of a guide and sets out one permutation in support of our opinion of value.

13.3 Income Capitalisation Approach

Income Capitalisation (Subject to notional HMA)

- The capitalisation methodology involves the application of a market yield to the forecast net income to the owner of the property to arrive at a capital value. We have then discounted the core value and made an adjustment for inflation and EBITDA shortfall during the trade up period.
- The net income used is after management fees and FF&E Reserve for a branded managed hotel, but before such costs if owner operated. We are of the opinion the profile of subject property is most likely to result in a purchaser entering into market management terms with a suitably experienced hotel operator. As such we have deducted notional management fees and FF&E Reserve. The net income is before interest, taxation, depreciation and amortisation (EBITDA). There is no allowance for acquisition or disposal costs when adopting this method.
- To arrive at the Market Value we have capitalised our stabilised forecast EBITDA in 2028/29 of $7,339,786 in perpetuity at an adopted market yield of 6.25%. To arrive at the current value we have made an adjustment for deflation, deducted the present value of the shortfall in EBITDA between YE 2027 and YE 2029 of $2,429,141 and deducted $2,960,000 for refurbishments.
- We have arrived at a rounded value of $106,800,000 under this approach. A summary of our capitalisation calculations are as follows:

Income Capitalisation Approach			
Net Operating Income / EBITDA	Year 3	$7,339,786	
Capitalisation Yield		6.25%	$117,436,569
Deflation Factor (to Year 1)			0.9552
Less PV of Shortfall to Reach Stabilised Trade			-$2,429,141
Less Capital Expenditure			-$2,960,000
Net Value			$106,782,298
Valuation (rounded)			**$106,800,000**
Value Per Room		303	$352,475
Running Yield Analysis - Based on Savills Forecasts			
EBITDA in 2026/27		$2,050,573	1.92%
EBITDA in 2027/28		$7,033,380	6.59%
EBITDA in 2028/29		$7,339,786	6.87%
EBITDA in 2029/30		$7,539,640	7.06%
EBITDA in 2030/31		$7,748,262	7.25%

Sensitivity – Capitalisation Rate & EBITDA

- We have undertaken an income capitalisation sensitivity analysis that produces the following range of values based upon variances to capitalisation rate and EBITDA variance:

Sensitivity Analysis	EBITDA Variance				
Capitalisation Multiple	10.00%	5.00%	0%	-5.00%	-10.00%
6.75%	$108,859,546	$103,666,424	$98,473,302	$93,280,180	$88,087,058
6.50%	$113,253,727	$107,860,869	$102,468,011	$97,075,154	$91,682,296
6.25%	$117,999,441	$112,390,869	$106,800,000	$101,173,726	$95,565,154
6.00%	$123,140,632	$117,298,370	$111,456,107	$105,613,845	$99,771,583
5.75%	$128,728,883	$122,632,610	$116,536,336	$110,440,062	$104,343,788

Sensitivity – ADR & Occupancy

- We have undertaken an income capitalisation sensitivity analysis that produces the following range of values based upon variances to ADR and Occupancy at stabilised trade:

Sensitivity Analysis	ADR Change				
Occupancy Rate	-5.00%	-2.50%	0%	2.50%	5.00%
73.37%	$72,423,296	$80,792,796	$89,162,297	$97,531,797	$105,901,297
75.87%	$80,792,796	$89,382,547	$97,972,297	$106,562,047	$115,151,798
78.37%	$89,162,297	$97,972,297	$106,800,000	$115,592,298	$124,402,298
80.87%	$97,531,797	$106,562,047	$115,592,298	$124,622,548	$133,652,799
83.37%	$105,901,297	$115,151,798	$124,402,298	$133,652,799	$142,903,299

- The above table is designed to provide an indication of variations to market value under the income capitalisation approach following changes in both ADR and occupancy. It is provided as a guide only to demonstrate the sensitivity to value due to variances in room revenue. Most hotel businesses are flexible and able to adjust operating costs and other revenue streams to lesson or enhance the impact of any changes to room rate or occupancy.

13.4 Direct Comparison

Direct Comparison Approach

- We have reviewed the comparable sales on a rate per room as a check approach to the DCF and Capitalisation approaches to Valuation of the hotel in existing condition.
- After making adjustments for various factors that affect value, include the location, size, age, condition, standard of the hotel and proposed capex, we have adopted the following capital rate range:

Component	Number	Rate Per Room	Range	Direct Comparison Approach to Value
		$325,000	$98,475,000	
Bedrooms	**303**	**$350,000**	**$106,050,000**	**$106,050,000**
		$375,000	$113,625,000	
Less,	One Off Refurbishment/Capex			$0
Direct Comparison Approach Value (say)				**$106,100,000**

13.5 Reconciliation of Values

Valuation Reconciliation

- We summarise below the valuation reconciliation of the subject hotel:

Valuation Methodology				
10 year DCF	Discount Rate		8.50%	$104,100,000
	Exit Capitalisation Rate		6.50%	
5 year DCF	Discount Rate		8.25%	$103,700,000
	Exit Capitalisation Rate		6.25%	
Income Capitalisation	Capitalisation Rate		6.25%	$106,800,000
Direct Comparison - Price Per Room	$325,000	$98,475,000		
	$375,000	$113,625,000		
	Less Cap Ex	$0		Say $106,100,000

ADOPTED MARKET VALUE (rounded)	$105,000,000
Value Per Room	$346,535
Passing Yield against EBITDA in 2026	5.24%
Initial Yield (Yr 1 Forecast - pre capex)	4.64%
Initial Yield (Stabilised)	6.80%
5 Yr IRR	7.75%
10 Yr IRR	8.14%

- Having regard to the above noted calculations, we have adopted a market value of $105,000,000. The adopted value reflects an initial yield of 6.80% based on the stabilised year 3, an IRR of 8.14% and a capital rate of $346,535 per bedroom, which is within the market parameters of the sales evidence detailed in this report.

14 Marketing Period & Buyer Profile

Marketing Period	▪ We believe that the subject property would normally be saleable following the completion of an appropriate marketing campaign within a 6-month period.
Buyer Profile	▪ Given the subject property's price bracket, potential for rebranding, location and profile we consider it is likely to attract interest from domestic based investors, overseas funds, private high net worth individuals from Australia and overseas.

15 Insurance Recommendation

Methodology

- We consider the insurable value of the improvements erected upon the subject land on a replacement cost basis (inclusive of escalation clause and professional fees, demolition, removal of debris, but excluding loss of income) to be:

$159,700,000 (*)

(One Hundred and Fifty Nine Million Seven Hundred Thousand Dollars)

(*) This Valuation amount is exclusive of Goods and Services Tax.

- We provide below a breakdown of our calculations:

Description	No of Rooms	Ratio	Total Rooms	Build Rate per Room	Cost Of Construction
Building	303	Rooms	303	$400,000	
	Factor	2.5%	Uplift		$124,230,000
TOTAL					**$124,230,000**
External Areas				0.5%	$621,150
SUB TOTALS					**$124,851,150**
Other Costs					
FF&E	303	Rooms		$25,000	$7,575,000
Demolition			5.0%		$6,242,558
Contingency			5.0%		$6,242,558
SUB TOTAL					**$144,911,265**
Planning					$10,000
Building Regs					$10,000
Out Buildings					$0
Loss of Income					NA
SUB TOTAL					**$144,931,265**
Add Professional Fees			7.5%		$10,869,845
SUB TOTAL					**$155,801,110**
Contract Sum Factorisation			2.5%		$3,895,028
GROSS BUILD COSTS EXCLUSIVE OF GST					**$159,696,138**
				Say	**$159,700,000**

- Whilst we have provided an insurance recommendation, we advise the above assessment should be taken as indicative only and should a precise estimate be required then this would be the province of a Quantity Surveyor and/or an Architect. Furthermore, that the reliant party is cognisant of the risk of the subject property being underinsured where an existing policy has not kept pace with the recent cost escalation.

16 Company Qualifications

Reliance & Liability	▪ Where this report has not been prepared by a senior executive of this Company the report has been countersigned to verify the report is issued by this Company. Any reliance upon this report should therefore be based upon the actual possession or sighting of an original document duly signed and countersigned in the before mentioned manner. ▪ This valuation is prepared on the specific instructions of **The Board of Directors, Low Keng Huat (Singapore) Limited** for financial reporting purposes. This report should not be relied upon by anyone other than The Board of Directors, Low Keng Huat (Singapore) Limited whether for that purpose or otherwise. ▪ Neither the whole nor any part of this valuation can be republished in any way, including but not limited to any circular or statement or communications with third parties, without first obtaining our express written consent. ▪ Savills Valuations Pty Ltd accepts no responsibility to third parties nor does it contemplate that this report will be relied upon by third parties. We invite other parties who may come into possession of this report to seek our written consent to them relying upon this report and we reserve our rights to review the contents in the event that our consent is sought. ▪ This Valuation is current at the date of valuation only. The value assessed herein may change significantly and unexpectedly over a relatively short period of time (including as a result of general market movements or factors specific to the particular property). Liability for losses arising from such subsequent changes in value is excluded as is liability where the valuation is relied upon after the expiration of 90 days from the date of valuation, or such earlier date if you become aware of any factors that have any effect on the valuation. ▪ Liability limited by a scheme approved under Professional Standards Legislation. ▪ This valuation is not to be relied upon, in any event, beyond 90 days from the date of valuation.

17 Valuation

We assess the adopted **Market Value** of the subject, as at 30 November 2025, and subject to the condition of the property as at the date of inspection of 6 November 2025 and subject to the details referred to herein, to be:

Market Value 'As Is'

$105,000,000 (*)

(One Hundred Five Million Dollars)

(*) This valuation amount is exclusive of a Goods and Services Tax and is expressed in $AUD.

We have assessed the market value of the property in accordance with the Market Value definition referred to in Section 3.3 of this report. In the event that a sale was to occur in circumstances not reflecting that Market Value definition, the price realised may be at a substantial discount to the Market Value assessed.

Prepared by **Savills Valuations Pty Ltd.**

Adrian Archer AAPI FRICS
National Director
Certified Practising Valuer
Licensed Valuer No. 44834
For the State of Western Australia

Mark Foster Key AAPI FRICS *
State Director
Certified Practicing Valuer
Licensed Valuer No. 44047
For the State of Western Australia
Supervising Member *

*** Whilst not having inspected the property, I the supervising member, acting in capacity as a Supervising Member, have reviewed the draft Valuation Report and working papers, and based upon that review and questioning of the Primary Valuer (as appropriate), I am satisfied there is a reasonable basis for the valuation process undertaken and the methodology adopted by the Primary Valuer.**

APPENDIX G – EXTRACTS FROM THE COMPANY'S CONSTITUTION

The relevant regulations in the Constitution relating to the rights of Shareholders in respect of capital, dividends and voting have been extracted from the Constitution and are reproduced below.

Unless otherwise defined, all terms and expressions used in the extracts below shall have the same meanings as ascribed to them in the Constitution and/or the Companies Act. The Constitution is available for inspection during normal business hours at the registered address of the Company at 80 Marine Parade Road, #18-05/09, Parkway Parade, Singapore 449269 from the date of this Circular up to (and including) the Closing Date.

1. RIGHTS IN RESPECT OF CAPITAL

ISSUE OF SHARES

4. (A) Subject to the Act and these Regulations, no shares may be issued by the Directors without the prior approval of the Company in General Meeting pursuant to Section 161 of the Act, but subject thereto, and to Regulation 5, and to any special rights attached to any shares for the time being issued, the Directors may allot (with or without conferring a right of renunciation) or grant options over or otherwise dispose of the same to such persons on such terms and conditions and for such consideration and at such time and subject or not to the payment of any part of the amount thereof in cash as the Directors may think fit, and subject to applicable laws and such limitation thereof as may be prescribed by the Singapore Exchange, as applicable, any shares may be issued with such preferential, deferred, qualified or special rights, privileges, conditions or restrictions, whether as regards dividend, return of capital, voting or otherwise, as the Directors may think fit, and preference shares may be issued which are or at the option of the Company are liable to be redeemed, the terms and manner of redemption being determined by the Directors, Provided Always that:-

(a) no shares shall be issued so as to transfer a controlling interest (as defined in the listing rules of the Singapore Exchange, as the same may be amended from time to time) in the Company without prior approval of the Company in General Meeting;

(b) the rights (including voting rights) attaching to the shares of a class other than the ordinary shares shall be expressed in the resolution creating the same and in this Constitution; and

(c) the Company may issue shares for which no consideration is payable to the Company.

(B) The Directors may, at any time after the allotment of any share but before any person has been entered in the Register of Members or (as the case may be) the Depository Register as the holder, recognise a renunciation thereof by the allottee in favour of some other person and may accord to any allottee of a share a right to effect such renunciation upon and subject to such terms and conditions as the Directors may think fit to impose. The Company shall not obliged to enter the names and particulars of the Depositors in its Register of Members.

(C) Except so far as otherwise provided by the conditions of issue or by these presents, all new shares shall be issued subject to the provisions of the Statutes and of these presents with reference to allotment, payment of calls, lien, transfer, transmission, forfeiture or otherwise.

5. (A) Subject to any direction to the contrary that may be given by the Company in General Meeting or except as permitted by the listing rules of the Singapore Exchange (as the same may be amended from time to time), all new shares of whatever kind shall, before issue, be offered to such persons who as at the date of the offer are entitled to receive notices from the Company of General Meetings in proportion, as nearly as the circumstances admit, to the amount of the existing shares to which they are entitled. The offer shall be made by notice specifying the number of shares offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and, after the expiration of that time or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares offered, the Directors may dispose of those shares in such manner as they think most beneficial to the Company. The Directors may likewise so dispose of any new shares which (by reason of the ratio which the new shares bear to shares held by persons entitled to an offer of new shares) cannot, in the opinion of the Directors, be conveniently offered under this Regulation.

(B) Notwithstanding Regulation 5(A) but subject to the Statutes and listing rules of the Singapore Exchange, the Company may by Ordinary Resolution in General Meeting give to the Directors a general authority, either unconditionally or subject to such conditions as may be specified in the Ordinary Resolution, to issue shares (whether by way of rights, bonus or otherwise) where the aggregate number of shares to be issued pursuant to such authority does not exceed any applicable limit as may be prescribed by the listing rules of the Singapore Exchange (as the name may be amended from time to time).

(C) Notwithstanding Regulation 5(A) but subject to the Act, the Directors shall not be required to offer any new shares to Members to whom by reason of foreign securities laws such offers may not be made without registration of the shares or a prospectus or other document, but to sell the entitlements to the new shares on behalf of such Members in such manner as they think most beneficial to the Company.

6. (A) The Company may exercise the powers of paying commissions conferred by the Statutes to the full extent thereby permitted provided that the rate or amount of the commissions paid or agreed to be paid shall be disclosed in the manner required by the Statutes. Such commissions may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in one (1) way and partly in the other. The Company may also on any issue of shares pay such brokerage as may be lawful.

(B) Any expenses (including commissions or brokerage) incurred directly by the Company in the issue of new shares may be paid out of the proceeds of the issue or the Company's share capital. Such payment shall not be taken as reducing the amount of share capital in the Company.

7. Where any shares are issued for the purpose of raising money to defray the expense of the construction of any works or buildings, or the provision of any plant which cannot be made profitable for a lengthened period, the Company may pay interest on so much of that share capital (except treasury shares) as is for the time being paid up for the period and subject to the conditions and restrictions mentioned in the Act and may charge the same to capital as part of the cost of the construction of the works or buildings or the provision of the plant, subject to the conditions and restrictions mentioned in the Act.

8. (A) In the event of preference shares being issued, the total number of issued preference shares shall not exceed the total number of issued ordinary shares at any time, and preference shareholders shall have the same rights as ordinary shareholders as regards receiving of notices, reports and financial statements and attending General Meetings of the Company, and preference shareholders shall also have the right to vote at any meeting convened for the purposes reducing capital or winding-up or sanctioning a sale of the undertaking or where the proposal to be submitted to the meeting directly affects their rights and privileges or when the dividend on the preference shares is more than six (6) months in arrear.

(B) The Company has power to issue further preference capital ranking equally with, or in priority to, preference shares already issued.

(C) The provisions of these Regulations relating to the transfer, transmission and certification of shares shall not apply to any transactions affecting book-entry securities (as defined in the Act).

VARIATION OF RIGHTS

9. (A) Whenever the share capital of the Company is divided into different classes of shares, the special rights attached to any class may, subject to the provisions of the Statutes and applicable laws and the provisions of the Listing Manual and such limitations thereof as may be prescribed by the Singapore Exchange, as applicable, be varied or abrogated either with the consent in writing of the holders of three-quarters of the issued shares of the class or with the sanction of a Special Resolution passed at a separate General Meeting of the holders of the shares of the class (but not otherwise) and may be so varied or abrogated either whilst the Company is a going concern or during or in contemplation of a winding-up. To every such separate General Meeting all the provisions of these presents relating to General Meetings of the Company and to the proceedings thereat shall *mutatis mutandis* apply, except that the necessary quorum shall be two (2) persons at least holding or representing by proxy at least one-third of the issued shares of the class and that any holder of shares of the class present in person or by proxy may demand a poll and that every such holder of shares of the class present in person or by proxy may demand a poll and that every holder shall on a poll have one (1) vote for every share of the class held by him, Provided always that where the necessary majority for such a special Resolution is not obtained at such General meeting, consent in writing if obtained from the holders of three-quarters of the issued shares of the class concerned within two (2) months of such General Meeting shall be as valid and effectual as a special resolution carried at such General meeting. The foregoing provisions of this Regulation shall apply to the variation or abrogation of the special rights attached to some only of the shares of any class as if each group of shares of the class differently treated formed a separate class the special rights whereof are to be varied.

(B) The special rights attached to any class of shares having preferential rights shall not unless otherwise expressly provided by the terms of issue thereof be deemed to be varied by the creation or issue of further shares ranking as regards participation in the profits or assets of the Company in some or all respects *pari passu* therewith but in no respect in priority thereto.

ALTERATION OF SHARE CAPITAL

10. Subject to applicable laws and the provisions of the Listing Manual and such limitations thereof as may be prescribed by the Singapore Exchange, as applicable, the Company may from time to time by Ordinary Resolution increase its capital by such sum to be divided into shares as the resolution shall prescribe.

11. (A) Subject to applicable laws and the provisions of the Listing Manual and such limitations thereof as may be prescribed by the Singapore Exchange, as applicable, the Company may from time to time by Ordinary Resolution alter its share capital in the manner permitted under the Act and applicable laws, including (without limitation):-

(a) consolidate and divide all or any of its share capital;

(b) cancel any shares which, at the date of the passing of the resolution, have not been taken, or agreed to be taken, or which have been forfeited by any person and diminish its capital by the number of the shares so cancelled;

(c) sub-divide its shares, or any of them, (subject, nevertheless, to the provisions of the Statues), and so that the resolution whereby any share is sub-divided may determine that, as between the holders of the shares resulting from such sub-division, one (1) or more of the shares may, as compared with the others, have any such preferred, deferred or other special rights, or be subject to any such restrictions, as the Company has the power to attach to unissued or new shares;

(d) subject to the provisions of the Statutes, convert its share capital or any class of shares from one (1) currency to another currency.

(B) The Company may by Special Resolution, subject to the provisions of the Statutes, convert any class of shares into any other class of shares.

12. (A) The Company may reduce its share capital or other undistributable reserve in any manner and with and subject to any incident authorised and consent required by law.

(B) The Company may, subject to and in accordance with the Act, purchase or otherwise acquire shares in the issued share capital of the Company on such terms and in such manner as the Company may from time to time think fit. Any shares purchased or acquired by the Company as aforesaid shall be dealt with in accordance with the provisions of the Act and any other relevant rule, law or regulation enacted or promulgated by any relevant competent authority from time to time.

(C) Without prejudice to the generality of the foregoing, upon cancellation of any share purchased or otherwise acquired by the Company pursuant to these Regulations, the number of issued shares of the Company shall be diminished by the number of the shares so cancelled, and, where any such cancelled share was purchased or acquired out of the capital of the Company, the amount of share capital of the Company shall be reduced accordingly.

SHARE CERTIFICATES

13. Every person whose name is entered as a Member in the Register of Members shall be entitled without payment to one (1) share certificate under the Seal or signed in the manner set out in the Act in respect of each class of shares held by him for all his shares in that class or several certificates in reasonable denominations each for one (1) or more of his shares in any one (1) class upon payment of $2.00 (or such lesser sum as the Director shall from time to time determine) for every certificate after the first. Every share certificate shall be issued in accordance with the requirements of the Act and be under the Seal or signed in the manner set out in the Act. No certificate shall be issued representing shares of more than one (1) class.

14. (A) The Company shall not be bound to register more than three (3) persons as the holder of a share except in the case of executors or administrators of the estate of a deceased Member.

    (B) In the case of a share held jointly by several persons the Company shall not be bound to issue more than one (1) certificate therefor and delivery of a certificate to any one (1) of the joint holders shall be sufficient delivery to all.

15. Every person whose name is entered as a Member in the Register of Members shall be entitled, within ten (10) market days of the closing date for applications to subscribe for an issue of shares of the Company or ten (10) market days or such period as may be prescribed by the Singapore Exchange from time to time after the date of lodgement of a registrable transfer of shares to the Company (as the case may be), to one (1) certificate for all his shares of any one (1) class or to several certificates in reasonable denominations each for a part of the shares so allotted or transferred.

16. (A) Where a Member transfers part only of the shares comprised in a certificate or where a Member requires the Company to cancel any certificate or certificates and issue new certificates for the purpose of subdividing his holding in a different manner the old certificate or certificates shall be cancelled and a new certificate or certificates for the balance of such shares (in the case of transfer) and the whole of such shares (in the case of subdivision) issued in lieu thereof and the Member shall pay (in the case of subdivision) a maximum fee of $2 for each new certificate or such other fee as the Directors may from time to time determine having regard to any limitation thereof as may be prescribed by any Stock Exchange upon which the shares in the Company may be listed. Where some only of the shares comprised in a share certificate are transferred the new certificate for the balance of such shares shall be issued in lieu without charge.

    (B) Any two (2) or more certificates representing shares of any one (1) class held by any Member may at his request be cancelled and a single new certificate for such shares issued in lieu without charge.

17. Subject to the provisions of the Statutes, if any share certificate shall be defaced, worn out, destroyed, lost or stolen, it may be renewed on such evidence being produced and a letter of indemnity (if required) being given by the shareholder, transferee, person entitled, purchaser, Member firm or Member company of any Stock Exchange upon which the Company is listed or on behalf of its client as the Directors of the Company shall require, and (in case of defacement or wearing out) on delivery up of the old certificate and in any case on payment of such sum not exceeding $2 as the Directors may from time to time require. In the case of destruction, loss or theft, a shareholder or person entitled to whom

such renewed certificate is given shall also bear the loss and pay to the Company all expenses incidental to the investigations by the Company of the evidence of such destruction of loss.

CALLS ON SHARES

18. The Directors may from time to time make calls upon the Members in respect of any moneys unpaid on their shares but subject always to the terms of issue of such shares. A call shall be deemed to have been made at the time when the resolution of the Directors authorising the call was passed and may be made payable by instalments.

19. Each Member shall (subject to receiving at least fourteen (14) days' notice specifying the time or times and place of payment) pay to the Company at the time or times and place so specified the amount called on his shares. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof. A call may be revoked or postponed as the Directors may determine.

20. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest on the sum from the day appointed for payment thereof to the time of actual payment at such rate (not exceeding ten per cent. (10%) per annum) as the Directors determine but the Directors shall be at liberty in any case or cases to waive payment of such interest wholly or in part.

21. Any sum which by the terms of issue of a share becomes payable upon allotment or at any fixed date shall for all the purpose of these presents be deemed to be a call duly made and payable on the date on which by the terms of issue the same becomes payable. In case of non-payment all the relevant provisions of these presents as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

22. The Directors may on the issue of shares differentiate between the holders as to the amount of calls to be paid and the times of payment.

23. The Directors may if they think fit receive from any Member willing to advance the same all or any part of the moneys uncalled and unpaid upon the shares held by him and such payment in advance of calls shall extinguish *pro tanto* the liability upon the shares in respect of which it is made and upon the money so received (until and to the extent that the same would but for such advance become payable) the Company may pay interest at such rate (not exceeding eight per cent. (8%) per annum) as the Member paying such sum and the Directors may agree. Capital paid on shares in advance of calls shall not while carrying interest confer a right to participate in profits.

FORFEITURE AND LIEN

24. If a Member fails to pay in full any call or instalment of a call on the due date for payment thereof, the Directors may at any time thereafter serve a notice on him requiring payment of so much of the call or instalment as is unpaid together with any interest which may have accrued thereon and any expenses incurred by the Company by reason of such non-payment.

25. The notice shall name a further day (not being less than fourteen (14) days form the date of service of the notice) on or before which and the place where the payment required by the notice is to be made, and shall state that in the event of non-payment in accordance therewith the shares on which the call has been made will be liable to be made forfeit.

26. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which such notice has been given may at any time thereafter, before payment of all calls and interest and expenses due in respect thereof has been made, be made forfeit by a resolution of the Directors to that effect. Such forfeiture shall include all dividends declared in respect of the forfeit share and not actually paid before forfeiture. The Directors may accept a surrender of any share liable to be made forfeit hereunder.

27. A share so made forfeit or surrendered shall become the property of the Company and may be sold, re-allotted or otherwise disposed of either to the person who was before such forfeiture or surrender the holder thereof or entitled thereto or to any person upon such terms and in such manner as the Directors shall think fit and at any time before a sale, re-allotment or disposition the forfeiture or surrender may be cancelled on such terms as the Directors think fit. The Directors may, if necessary, authorise some person to transfer or effect the transfer of a forfeit or surrendered share to any such other person as aforesaid.

28. A Member whose shares have been made forfeit or surrendered shall cease to be a Member in respect of the shares but shall notwithstanding the forfeiture or surrender remain liable to pay to the Company all moneys which at the date of forfeiture or surrender were presently payable by him to the Company in respect of the shares with interest thereon at eight per cent. (8%) per annum (or such lower rate as the Directors may determine) from the date of forfeiture or surrender until payment and the Directors may at their absolute discretion enforce payment without any allowance for the value of the shares at that time of forfeiture or surrender or waive payment in whole or in part.

29. The Company shall have a first and paramount lien on every share (not being a fully paid share) for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such share and for all moneys as the Company may be called upon by law to pay in respect of the shares of the Member or deceased Member. The Directors may waive any lien which has arisen and may resolve that any share shall for some limited period be exempt wholly or partially from the provisions of this Regulation.

30. The Company may sell in such manner as the Directors think fit any share on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable nor until the expiration of fourteen (14) days after a notice in writing stating and demanding payment of the sum presently payable and giving notice of intention to sell in default shall have been given to the holder for the time being of the share or the person entitled thereto by reason of his death or bankruptcy.

31. The net proceeds of such sale after payment of the costs of such sale shall be applied in or towards payment or satisfaction of the debts or liabilities and any residue shall be paid to the person entitled to the shares at the time of the sale or to his executors, administrators or assigns, as he may direct. For the purpose of giving effect to any such sale the Directors may authorise some person to transfer the shares sold to the purchaser.

32. A statutory declaration in writing that the declarant is a Director or the Secretary of the Company and that a share has been duly made forfeit or surrendered or sold to satisfy a lien of the Company on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share. Such declaration and the receipt of the Company for the consideration (if any) given for the share on the sale, re-allotment or disposal thereof together with the share certificate delivered to a purchaser or allottee thereof (or where the purchaser or allottee is a Depositor, the Depository) shall (subject to the execution of a transfer if the same be required) constitute

a good title to the share and the person to whom the share is sold, re-allotted or disposed of shall be registered as the holder of the share (or, where such person is a Depositor, the Company will procure that his name is entered in the Depository Register in respect of the share so sold, re-allotted, or disposed of) and shall not be bound to see to the application of the purchase money (if any) nor shall his title to the share be affected by any irregularity or invalidity in the proceedings relating to the forfeiture, surrender, sale, re-allotment or disposal of the share.

TRANSFER OF SHARES

33. All transfers of shares shall be effected by written instruments of transfer in the form for the time being approved by the Directors and each Stock Exchange upon which the Company may be listed. An instrument of transfer shall be signed by or on behalf of both the transferor and the transferee and be witnessed, provided that CDP shall not be required to sign, as transferee, any instrument of transfer relating to any transfer of shares to tit during such period as the Directors may think fit. The transferor shall be deemed to remain the holder of the shares concerned until the name of the transferee is entered in the Register of Members in respect thereof.

34. The Registers of Members and of Transfers maybe closed at such times and for such period as the Directors may from time to time determine, provided always that such registers shall not be closed for more than thirty (30) days in any year, and that the Company shall give prior notice of each such closure as may be required to any Stock Exchange upon which the Company may be listed, stating the period and purpose or purposes for which the closure is made.

35. (A) There shall be no restriction on the transfer of fully paid up shares (except where required by law or the listing rules of the Singapore Exchange) but the Directors may in their discretion decline to register any transfer of shares: (a) where the registration of the transfer would result in a contravention of or failure to observe the provisions of the law or the rules and requirements of any Stock exchange on which the shares of the Company are listed; (b) where the transfer is in respect of any partly paid shares for which a call has been made and is unpaid; or (c) upon which the Company has a lien Provided always that in the event of the Directors refusing to register a transfer of shares, they shall within ten (10) market days beginning with the day on which the application for a transfer of shares was made, serve a notice in writing to the applicant stating the facts which are considered to justify the refusal as required by the Statues.

(B) The Directors may decline to register any instrument of transfer unless:

(a) such fee not exceeding $2 as the Directors may from time to time require is paid to the Company in respect thereof;

(b) the instrument of transfer, duly stamped in accordance with any law for the time being in force relating to stamp duty, is deposited at the Office or at such other place (if any) as the Directors may appoint accompanied by the certificates of the shares to which it relates, and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer and, if the instrument of transfer is executed by some other person on his behalf, the authority of the person so to do; and

(c) the instrument of transfer is in respect of only one (1) class of shares.

36. All instruments of transfer which are registered may be retained by the Company.

37. The Company shall be entitled to destroy all instruments of transfer which have been registered at any time after the expiration of six (6) years from the date of registration thereof and all dividend mandates and notifications of change of address at any time after the expiration of six (6) years from the date of recording thereof and all share certificates which have been cancelled at any time after the expiration of six (6) years from the date of the cancellation thereof and it shall conclusively be presumed in favour of the Company that every entry in the Register of Members purporting to have been made on the basis of an instrument of transfer or other document so destroyed was duly and properly made and every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered and every share certificate so destroyed was a valid and effective certificate duly and properly cancelled and every other document hereinbefore mentioned so destroyed was a valid and effective document in accordance with the recorded particular thereof in the books or records of the Company, Provided always that:-

(a) the Company shall adequately record for future reference the information required to be contained in any company records;

(b) the provisions aforesaid shall apply only to the destruction of a document in good faith and without notice of any claim (regardless of the parties thereto) to which the document might be relevant;

(c) nothing herein contained shall be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than as aforesaid or in any other circumstances which would not attach to the Company in the absence of this Regulation; and

(d) references herein to the destruction of any document include references to the disposal thereof in any manner.

TRANSMISSION OF SHARES

38. In case of the death of a Member whose name is entered in the Register of Members, the survivor or survivors where the deceased was a joint holder, and the executors or administrators of the deceased, where he was a sole or only surviving holder, shall be the only person(s) recognised by the Company as having any title to his interest in the shares. Any person becoming entitled to the legal title in a share in consequence of the death or bankruptcy of a person whose name is entered in the Register of Members may (subject as hereinafter provided) upon supplying to the Company such evidence as the Directors may reasonably require to show his legal title to the share, either be registered himself as holder of the share upon giving the Company notice in writing of his desire or transfer such share to some other person. All limitations, restrictions and provisions of these Regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or bankruptcy of the person whose name is entered in the Register of Members had not occurred and the notice of transfer where the transfer were a transfer executed by such person. In the case of the death of a Member who is a Depositor, the survivor or survivors where the deceased was a joint holder, and the executors or administrators of the deceased, where he was the sole or only surviving holder and where such executors or administrators are entered in the Depository Register in respect of any shares of the deceased Member, shall be the only person(s) recognised by the Company as having title to his interest in the shares. Nothing in this Regulation 38 shall release the estate of a deceased holder (whether sole or joint) from any liability in respect of any share held by him.

39. Any person becoming entitled to a share in consequence of the death or bankruptcy of a Member may (subject as hereinafter provided) upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the share either be registered himself as holder of the share upon giving to the Company notice in writing of such his desire or transfer such share to some other person. All the limitations, restrictions and provisions of these presents relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or bankruptcy of the Member had not occurred and the notice or transfer were a transfer executed by such Member.

40. Save as otherwise provided by or in accordance with these presents, a person becoming entitled to a share in consequence of the death or bankruptcy of a Member (upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the share) shall be entitled to the same dividends and other advantages as those to which he would be entitled if he were the registered holder of the share except that he shall not be entitled in respect thereof (except with the authority of the Directors) to exercise any right conferred by membership in relation to meetings of the Company until he shall have been registered as a Member in respect of the share.

41. There shall be paid to the Company in respect of the registration of any probate or letters of administration or certificate of death or stop notice or power of attorney or other document relating to or affecting the title to any shares or otherwise for making any entry in the Register of Members affecting the title to any shares such fee not exceeding $2 as the Directors may from time to time require or prescribe.

EXCLUSION OF EQUITIES

42. Except as required by law, no person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by or compelled in any way to recognise any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these Regulations or by law otherwise provided) any other right in respect of any share, except an absolute right to the entirety thereof in the person (other than CDP) entered in the Register of Members as the registered holder or (as the case may be) the person whose name is entered in Depository Register in respect of that share.

STOCK

43. The Company may from time to time by Ordinary Resolution convert any paid-up shares into stock and may from time to time by like resolution reconvert any stock into paid-up shares.

44. The holders of stock may transfer the same or any part thereof in the same manner and subject to the same Regulation as and subject to which the shares from which the stock arose might previously to conversion have been transferred (or as near thereto as circumstances admit) but no stock shall be transferable except in such units (not being greater than the amount paid on the shares from which the stock arose) as the Directors may from time to time determine.

45. The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividend, return of capital, voting and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except as regards participation in the profits or assets of the Company) shall be conferred by an amount of stock which would not, if existing in shares, have conferred such privilege or advantage, and no such conversion shall affect or prejudice any preference or other special privileges attached to the shares so converted.

2. RIGHTS IN RESPECT OF VOTING

GENERAL MEETINGS

46. Save as otherwise permitted under the Act, an Annual General Meeting shall be held at such time and place in Singapore as may be determined by the Directors, subject to and in accordance with the provisions of the Act. All other General Meetings shall be called Extraordinary General Meetings.

47. The Directors may whenever they think fit, and shall on requisition in accordance with the Statutes, proceed with proper expedition to convene an Extraordinary General Meeting.

NOTICE OF GENERAL MEETINGS

48. An Annual General Meeting and any Extraordinary General Meeting at which it is proposed to pass a Special Resolution or (save as provided by the Statutes) a resolution of which special notice has been given to the Company, shall be called by twenty-one (21) days' notice in writing at the least and any other Extraordinary General Meeting by fourteen (14) days' notice in writing at the least. The period of notice shall in each case be exclusive of the day on which it is served or deemed to be served and of the day on which the meeting is to be held and shall be given in manner hereinafter mentioned to all Members other than such as are not under the provisions of these presents entitled to receive such notices from the Company, provided that a General Meeting notwithstanding that it has been called by a shorter notice and subject to compliance with listing rule requirements than that specified above shall be deemed to have been duly called if it is so agreed:-

(a) in the case of an Annual General Meeting by all the Members entitled to attend and vote thereat; and

(b) in the case of an Extraordinary General Meeting by a majority in number of the Members having a right to attend and vote thereat, being a majority together holding not less than ninety-five per cent. (95%) of total voting rights of all the Member having that right.

Provided also that the accidental omission to give notice to or the non-receipt of notice by any person entitled thereto shall not invalidate the proceedings at any General Meeting. At least fourteen (14) days' notice of any General Meeting shall be given by advertisement in the daily press and in writing to any Stock Exchange upon which the Company may be listed, provided always that in the case of any Extraordinary General Meeting at which it is proposed to pass a Special Resolution, at least twenty-one (21) days' notice in writing of such Extraordinary General Meeting shall be given to any Stock exchange upon which the Company may be listed.

49. (A) Every notice calling a General Meeting shall specify the place and the day and hour of the meeting, and there shall appear with reasonable prominence in every such notice a statement that a Member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of him and that a proxy need not be a Member of the Company.

(B) In the case of an Annual General Meeting, the notice shall also specify the meeting as such.

(C) In the case of any General Meeting at which business other than routine business ("special business") is to be transacted, the notice shall specify the general nature of such business, and if any resolution is to be proposed as a Special Resolution, the notice shall contain a statement to that effect.

50. Routine business shall mean and include only business transacted at an Annual General Meeting of the following classes, that is to say:-

(a) declaring dividends;

(b) receiving and adopting the financial statements, the statements of the Directors and Auditors and other documents required to be attached or annexed to the financial statements;

(c) appointing or re-appointing Directors to fill vacancies arising at the meeting on retirement whether by rotation or otherwise;

(d) re-appointing the retiring Auditors (unless they were last appointed otherwise than by the Company in General Meeting);

(e) fixing the remuneration of the Auditors or determining the manner in which such remuneration is to be fixed; and

(f) fixing the remuneration of the Directors proposed to be paid under Regulation 76.

51. Any notice of a General Meeting to consider special business shall be accompanied by a statement regarding the effect of any proposed resolution on the company in respect of such special business.

PROCEEDINGS AT GENERAL MEETINGS

52. The Chairman of the Board of Directors, failing whom the Deputy Chairman, shall preside as chairman at a General Meeting. If there be no such Chairman or Deputy Chairman, or if at any meeting neither be present within five (5) minutes after the time appointed for holding the meeting and willing to act, the Directors present shall choose one (1) of their number (or, if no Director be present or if all the Directors present decline to take the chair, the Members present shall choose one (1) of their number) to be chairman of the meeting.

53. No business other than the appointment of a chairman shall be transacted at any General Meeting unless a quorum is present at the time when the meeting proceeds to business. Save as herein otherwise provided, the quorum at any General Meeting shall be two (2) Members present in person or proxy.

54. If within thirty (30) minutes from the time appointed for a General Meeting (or such longer interval as the chairman of the meeting may think fit to allow) a quorum is not present, the meeting, if convened on the requisition of Members, shall be dissolved. In any other case it shall stand adjourned to the same day in the next week (or if that day is a public holiday then to the next business day following that public holiday) at the same time and place or such other day, time or place as the directors may by not less than ten (10) days' notice appoint.

55. The chairman of any General Meeting at which a quorum is present may with the consent of the meeting (and shall if so directed by the meeting) adjourn the meeting from time to time (or *sine die*) and from place to place, but no business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place. Where a meeting is adjourned sine die, the time and place for the adjourned meeting shall be fixed by the Directors. When a meeting is adjourned for thirty days or more or *sine die*, not less than seven (7) days' notice of the adjourned meeting shall be given in like manner as in the case of the original meeting.

56. Save as hereinbefore expressly provided, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

57. If an amendment shall be proposed to any resolution under consideration but shall in good faith be ruled out of order by the chairman of the meeting, the proceedings on the substantive resolution shall not be invalidated by any error in such ruling, in the case of a resolution duly proposed as a Special Resolution, no amendment thereto (other than a mere clerical amendment to correct a patent error) may in any event be considered or voted upon.

58. (A) Where required by applicable laws or the provisions of the Listing Manual, and unless waived by the relevant authority or pursuant to applicable law, all resolutions at General Meetings shall be voted by poll.

(B) Subject to Regulation 58(A), at any General Meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded by:–

(a) the chairman of the meeting; or

(b) not fewer than two (2) Members present in person or by proxy and entitled to vote; or

(c) any Member present in person or by proxy or, where such Member has appointed two (2) proxies, any one (1) of such proxies, or any number or combination of such Members or proxies, holding or representing, as the case may be, not less than five per cent. (5%) of the total voting rights of all the Members having the right to vote at the meeting; or

(d) any Member present in person or by proxy or, where such Member has appointed two (2) proxies, any one (1) of such proxies, or any number or combination of such Members or proxies, holding or representing, as the case may be, shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to or not less than five per cent. (5%) of the total sum paid on all the shares conferring that right (excluding treasury shares);

Provided always that no poll shall be demanded on the choice of a Chairman or on a question of adjournment, a demand for a poll may be withdrawn only with the approval of the meeting.

59. Unless a poll is required a declaration by the chairman of the meeting that a resolution has been carried, or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the minute book, shall be conclusive evidence of that fact without proof of the number or proportion of the votes recorded for or against such resolution. If a poll is required, it shall be taken in such manner (including the use of ballot or voting papers or tickets) as the chairman of the meeting may direct, and the result of the poll shall be deemed to be resolution of the meeting at which the poll was demanded. The chairman of the meeting may (and it so directed by the meeting or if required by the meeting shall) appoint at least one (1) scrutineer for each General Meeting who shall be independent of the persons undertaking the polling process and may adjourn the meeting to some place and time fixed by him for the purpose of declaring the result of the poll.

60. In the case of an equality of votes, whether on a show of hand or on a poll, the chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a casting vote.

61. A poll demanded on any question shall be taken either immediately or at such subsequent time (not being more than thirty (30) days from the date of the meeting) and place as the chairman may direct. No notice need be given of a poll not taken immediately. The demand for a poll shall not prevent the continuance of the meeting for the transaction of any business other than the question on which the poll has been demanded.

VOTES OF MEMBERS

62. Subject to any special rights or restrictions as to voting attached by or in accordance with these Regulations to any class of shares, each Member entitled to vote may vote in person or by proxy. Every Member who is present in person or by proxy shall:

(a) on a poll, have one (1) vote for every share which he holds or represents; and

(b) on a show of hands, have one (1) vote, Provided always that:

(i) in the case of a Member who is not a relevant intermediary and who is represented by two (2) proxies, only one of the two (2) proxies as determined by that Member or, failing such determination, by the Chairman of the meeting (or by a person authorised by him) in his sole discretion shall be entitled to vote on a show of hands; or

(ii) in the case of a Member who is a relevant intermediary and who is represented by two (2) or more proxies, each proxy shall be entitled to vote on a show of hands.

For the purpose of determining the number of votes which a Member, being a Depositor, or his proxy may cast at any General Meeting on a poll, the reference to shares held or represented shall, in relation to shares of that Depositor, be the number of shares entered against his name in the Depository Register as at seventy-two (72) hours before the time of the relevant General meeting as certified by CDP to the Company.

63. In the case of joint holders of a share, any one (1) of such holders may vote in person or by proxy, but if more than one (1) such holder be present at a meeting, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders and for this purpose seniority shall be determined by the order in which the names stand in the Register of Members or (as the case may be) the Depository Register in respect of the share.

64. Where in Singapore or elsewhere a receiver or other person (by whatever name called) has been appointed by any court claiming jurisdiction in that behalf to exercise powers with respect to the property or affairs of any Member on the ground (however formulated) of mental disorder, the Directors may in their absolute discretion, upon or subject to production of such evidence of the appointment as the Directors may require, permit such receiver or other person on behalf of such Member to vote in person or by proxy at any General Meeting or to exercise any other right conferred by membership in relation to meetings of the Company.

65. No Member shall be entitled in respect of shares held by him to vote at a General Meeting either personally or by proxy or to exercise any other right conferred by membership in relation to the meetings of the Company if any call or other sum presently payable by him to the Company in respect of such shares remains unpaid.

66. No objection shall be raised as to the admissibility of any vote except at the meeting or adjourned meeting at which the vote objected to is or may be given or tendered and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection shall be referred to the chairman of the meeting whose decision shall be final and conclusive.

67. On a poll, votes may be given either personally or by proxy and a person entitled to more than one (1) vote need not use all his votes or cast all the votes he uses in the same way.

68. (A) Save as otherwise provided in the Act:-

(a) a Member who is not a relevant intermediary may appoint not more than two (2) proxies to attend, speak and vote at the same General Meeting. Where such Member appoints two (2) proxies, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy; and

(b) a Member who is a relevant intermediary may appoint more than two (2) proxies to attend, speak and vote at the same General Meeting, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such Member. Where such Member appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.

(B) In any case where a Member is a Depositor, the Company shall be entitled and bound:

(a) to reject any instrument of proxy lodged by any Depositor if the Depositor is not shown to have any shares entered against his name in the Depository Register as at seventy-two (72) hours before the General Meeting at which the proxy is to act as certified by CDP to the Company; and

(b) subject to Regulation 68 (E), to accept as the maximum number of votes which in aggregate the proxy or proxies appointed by the Depositor is or are able to cast on a poll a number which is the number of shares entered against the name of that Depositor in the Depository Register as at seventy-two (72) hours before the time of the relevant General Meeting as certified by CDP to the Company.

(C) The Company shall be entitled and bound, in determining rights to vote and other matters in respect of a completed instrument of proxy submitted to it, to have regard to the instructions (if any) given by and the notes (if any) set out in the instrument of proxy.

(D) A proxy need not be a Member.

(E) As set out in Regulation 68 (F) and in any other case, the Chairman has the absolute discretion, to direct than an instrument appointing a proxy of a Depositor shall be rendered invalid merely by reason of any discrepancy between the Depositor's shareholding specified in the instrument of proxy or, where the same has been apportioned between two (2) proxies, the aggregate of the proportions of the Depositor's shareholding they are specified to represent, and the true balance standing to the Securities Account of the Depositor as appears on the Depository Register seventy-two (72) hours before the General Meeting unless the intentions of the Depositor cannot be clearly ascertained from a plain reading of the instrument of proxy.

(F) (a) In a poll, the maximum number of shares that a proxy can cast shall be:–

(i) the Depositor's shareholding specified in the instrument of proxy if that shareholding does not exceed the true balance standing to the Securities Account of the Depositor as appears in the Depository Register seventy-two (72) hours before the General Meeting; or

(ii) restricted to the true balance standing to the Securities Account of the Depositor as appears on the Depository Register seventy-two (72) hours before the General Meeting, if the Depositor's shareholding specified in the instrument of proxy is more than the aforesaid true balance standing in the Securities Account of the Depositor.

(b) A proxy is required to cast his vote in the manner as specified in the instrument of proxy and in the absence of any instructions by the Depositor, he can cast his vote in any manner he deems fit. Nothing in this Regulation shall require the Company, the Directors or the Chairman to ensure that a proxy complies with the provisions of these Regulations.

(G) A Member who has deposited an instrument appointing any number of proxies to vote on his behalf at a General Meeting shall not be precluded from attending and voting in person at that General Meeting. Any such appointment of all the proxies concerned shall be deemed to be revoked upon the attendance of the Member appointing the proxy/proxies at the relevant General Meeting.

69. (A) An instrument appointing a proxy for any Member shall be in writing in any usual or common form or in any other form which the Directors may approve and:–

(a) in the case of an individual Member shall be:–

(i) signed by the appointor or his attorney if the instrument is delivered personally or sent by post; or

(ii) authorised by that individual through such method and in such manner as may be approved by the Directors, if the instrument is submitted by electronic communication; and

(b) in the case of a Member which is a corporation shall be:–

(i) either given under its common seal or signed on its behalf by an attorney or a duly authorised officer of the corporation if the instrument is delivered personally or sent by post; or

(ii) authorised by that corporation through such method and in such manner as may be approved by the Directors, if the instrument is submitted by electronic communication.

The Directors may, for the purposes of Regulations 69(A)(a)(ii) and 69(A)(b)(ii), designate procedures for authenticating any such instrument, and any such instrument not so authenticated by use of such procedures shall be deemed not to have been received by the Company.

(B) The signatures on or authorisation of an instrument of proxy need not be witnessed. Where an instrument appointing a proxy is signed or authorised on behalf of a Member by an attorney, the power of attorney or other authority or a duly certified copy thereof shall (failing previous registration with the Company) be lodged with the instrument of proxy pursuant to the Regulation 70, failing which the instrument of proxy may be treated as invalid.

(C) In the event that forms of proxy are sent to the Members together with any notice of a General Meeting, the accidental omission to include the form of proxy to, or the non-receipt of such form of proxy by, any person entitled to receive such notice shall not invalidate any resolution passed or any proceeding at such meeting.

(D) The Directors may, in their absolute discretion approve the method and manner for an instrument appointing a proxy to be authorised, and designate the procedure for authenticating an instrument appointing a proxy, as contemplated in Regulations 69(A)(a)(ii) and 69(A)(b)(ii) for application to such Members or class of Members as they may determine. Where the Directors do not so approve and designate in relation to a Member (whether a class or otherwise), Regulation 69(A)(a)(i) and/or (as the case may be) Regulation 69(A)(b)(ii) shall apply.

70. (A) An instrument appointing a proxy:

(a) if sent personally or by post, must be left at such place or one (1) of such places (if any) as may be specified for that purpose in or by way of note to or in any document accompanying the notice convening the meeting (or, if no place is so specified, at the Office); or

(b) if submitted by electronic communication, must be received through such means as may be specified for that purpose in or by way of note to or in any document accompanying the notice convening the meeting,

and in either case, not less than seventy-two (72) hours before the time appointed for the holding of the meeting or adjourned meeting or (in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) for the taking of the poll at which it is to be used, and in default shall not be treated as valid. The instrument shall, unless the contrary is stated thereon, be valid as well for any adjournment of the meeting as for the meeting to which it relates. Provided that an instrument of proxy relating to more than one (1) meeting (including any adjournment thereof) having once been so delivered in accordance with this Regulation 70 for the purposes of any meeting shall not require again to be delivered for the purposes of any subsequent meeting to which it relates.

(B) The Directors may, in their absolute discretion, and in relation to such Members or class of Members as they may determine, specify the means through which instruments appointing a proxy may be submitted by electronic communications, as contemplated in Regulation 70(A)(b). Where the Directors do not so specify in relation to a Member (whether of a class or otherwise), Regulation 70(A)(a) shall apply.

71. An instrument appointing a proxy shall be deemed to confer authority to include the right to demand or join demanding a poll and to speak at the meeting.

72. A vote cast by proxy shall not be invalidated by the previous death or mental disorder of the principal or by the revocation of the appointment of the proxy or of the authority under which the appointment was made provided that no intimation in writing of such death, mental disorder or revocation shall have been received by the Company at the Office at least one (1) hour before the commencement of the meeting or adjourned meeting or (in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) the time appointed for the taking of the poll at which the vote is cast.

CORPORATIONS ACTING BY REPRESENTATIVES

73. Any corporation which is a Member of the Company may by resolution of its directors or other governing body authorise such person as it thinks fits to act as its representative at any meeting of the Company or of any class of Members of the Company. The person so authorised shall be entitled to exercise the same powers on behalf of such corporation as the corporation could exercise if it were an individual Member of the Company and such corporation shall for the purposes of these presents be deemed to be present in person at any such meeting if a person so authorised is present thereat.

4. RIGHTS IN RESPECT OF DIVIDENDS AND RESERVES

RESERVES

119. The Directors may from time to time set aside out of the profits of the Company and carry to reserve such sums as they think proper which, at the discretion of the Directors, shall be applicable for any purpose to which the profits of the Company may properly be applied and pending such application may either be employed in the business of the Company or be invested. The Directors may divide the reserve into such special funds as they think fit and may consolidate into one (1) fund any special funds or any parts of any special funds into which the reserve may have been divided. The Directors may also, without placing the same to reserve, carry forward any profits. In carrying such sums to reserve and in applying the same the Directors shall comply with the provisions of the Statues.

DIVIDENDS

120. The Company may by Ordinary Resolution declare dividends but no such dividend shall exceed the amount recommended by the Directors.

121. If and so far as in the opinion of the Directors the profits of the Company justify such payments, the Directors may declare and pay the fixed dividends on any class of shares carrying a fixed dividend expressed to be payable on fixed dates on the half-yearly or other dates prescribed for the payment thereof and may also from time to time declare and pay interim dividends on shares of any class of such amounts and on such dates and in respect of such periods as they think fit.

122. Unless and to the extent that the rights attached to any shares or the terms of issue thereof otherwise provide, and subject to the Act, all dividends shall be declared and paid according to the number of issued and fully paid shares. Where shares are partly paid, dividends shall be apportioned and paid proportionately to the amount paid or credited as paid thereon. For the purposes of this Regulation no amount paid on a share in advance of calls shall be treated as paid on the share.

123. No dividend shall be paid otherwise than out of profits available for distribution under the provisions of the Statutes.

124. No dividend or other moneys payable on or in respect of a share shall bear interest as against the Company.

125. (A) The Directors may retain any dividend or other moneys payable on or in respect of a share on which the Company has a lien and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.

(B) The Directors may retain the dividends payable upon shares in respect of which any person is under the provisions as to the transmission of shares hereinbefore contained entitled to become a Member, or which any person is under those provisions entitled to transfer, until such person shall become a Member in respect of such shares or shall transfer the same.

126. The waiver in whole or in part of any dividend on any share by any document (whether or not under seal) shall be effective only if such document is signed by the shareholder (or the person entitled to the share in consequence of the death or bankruptcy of the holder) and delivered to the Company and if or to the extent that the same is accepted as such or acted upon by the Company.

127. The Company may upon the recommendation of the Directors by Ordinary Resolution direct payment of a dividend in whole or in part by the distribution of specific assets (and in particular of paid-up shares or debentures of any other company) and the Directors shall give effect to such resolution. Where any difficulty arises in regard to such distribution, the Directors may settle the same as they think expedient and in particular may issue fractional certificates, may fix the value for distribution of such specific assets or any part thereof, may determine that cash payments shall be made to any Members upon the footing of the value so fixed in order to adjust the rights of all parties and may vest any such specific assets in trustees as may seem expedient to the Directors.

128. Any dividend or other moneys payable in cash on or in respect of a share may be paid by cheque or warrant sent through the post to the registered address of the Member or person entitled hereto (or, if two (2) or more persons are registered as joint holders of the share or are entitled thereto in consequence of the death or bankruptcy of the holder, to any one (1) of such persons) or to such person and such address as such Member or person or persons may by writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent or to such person as the holder or joint holders or person or persons entitled to the share in consequence of the death of bankruptcy of the holder may direct and payment of the cheque or warrant by the banker upon whom it is drawn shall be a good discharge to the Company. Every such cheque or warrant shall be sent at the risk of the person entitled to the money represented thereby.

128A. The payment by the Directors of any unclaimed dividends or other moneys payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect thereof. All dividends unclaimed after being declared may be invested or otherwise made use of by the Directors for the benefit of the company and any other dividend unclaimed after a period of six (6) years from the date of declaration of such dividend may be forfeited and if so shall revert to the Company but the Directors may at any time thereafter at their absolute discretion annul any such forfeiture and pay the dividend so forfeited to the person entitled thereto prior to the forfeiture. If the Depository returns any such dividend or monies to the Company, the relevant Depositor shall not have any right or claim in respect of such dividend or moneys against the Company if a period of six (6) years has elapsed from the date of the declaration of such dividend or the date on which such other moneys are first payable. For the avoidance of doubt no Member shall be entitled to any interest, share of revenue or other benefit arising from any unclaimed dividends, howsoever and whatsoever.

129. (A) If two (2) or more persons are registered as joint holder of any share, or are entitled jointly to a share in consequence of the death or bankruptcy of the holder, any one (1) of them may give effectual receipts for any dividend of other moneys payable or property distributable on or in respect of the share.

(B) The Company shall be entitled to pay any dividends payable to a Depositor to CDP and, to the extent of the payment made to CDP, the Company shall be discharged from any and all liability in respect of that payment.

130. Any resolution declaring a dividend on shares of any class, whether a resolution of the Company in General Meeting or a resolution of the Directors, may specify that the same shall be payable to the persons registered as the holders of such shares at the close of business on a particular date and thereupon the dividend shall be payable to them in accordance with their respective holdings so registered, but without prejudice to the rights *inter se* in respect of such dividend of transferors and transferee of any such shares.

131. (A) The Directors may, with the sanction of an Ordinary Resolution of the Company (including any Ordinary Resolution passed pursuant to Regulation 5(8)), issue bonus shares for which no consideration is payable to the Company or capitalise any sum standing to the credit of any of the Company's reserve accounts (including undistributable reserve) or any sum standing to the credit of profit and loss account by appropriating such sum to the holders of shares on the Register of Members or (as the case may be) the Depository Register at the close of business on the date of the Ordinary Resolution (or such other date as may specified therein or determined as therein provided) or (in the case of an Ordinary Resolution passed pursuant to Regulation 5(8)), on such other date as may be determined by the Directors in proportion to their then holdings of shares and applying such sum on their behalf in paying up in full unissued shares or (subject to any special rights previously conferred on any shares or class of shares for the time being issued) unissued shares of any other class not being redeemable shares, for allotment and distribution credited as fully paid up to and amongst them as bonus shares in the proportion aforesaid. The Directors may do all acts and things considered necessary or expedient to give effect to any such capitalisation or bonus issue, with full power to the Directors to make such provisions as they think fit for any fractional entitlements which would arise on the basis aforesaid (including provisions whereby fractional entitlements are disregarded or the benefit thereof accrues to the Company rather than to the Members concerned). The Directors may authorise any person to enter on behalf of all the Members interested into an agreement with the Company providing for any such capitalisation and matters incidental thereto and any agreement made under such authority shall be effective and binding on all concerned.

(B) In addition and without prejudice to the power to capitalise profits and other moneys provided for by Regulation 131(A), the Directors shall have the power to capitalise any undivided profits or other moneys of the Company not required for the payment or provision of any dividend on any shares entitled to cumulative or non-cumulative preferential dividends (including profits or other moneys carried and standing to any reserve or reserves) and to apply such profits or other moneys in paying up in full unissued shares on terms that such shares shall, upon issue, be distributed (credited as fully paid up) to, and held by or the benefit of, participants of any share incentive or option scheme or plan implemented by the Company and approved by shareholders in General Meeting in such manner and on such terms as the Directors shall think fit.

SCRIP DIVIDEND SCHEME

132. Whenever the Directors or the Company in general meeting have resolved or proposed that a dividend (including an interim, final, special or other dividend) be paid or declared on the ordinary share capital of the Company, the Directors subject to compliance with listing rule requirements may further resolve that Members entitled to such dividend be entitled to elect to receive an allotment of ordinary shares credited as fully paid in lieu of cash in respect of the whole or such part of the dividend as the Directors may think fit. In such case, the following provisions shall apply:

(a) the basis of any such allotment shall be determined by the Directors;

(b) the Directors shall determine the manner in which Members shall be entitled to elect to receive an allotment of ordinary shares credited as fully paid in lieu of cash in respect of the whole or such part of any dividend in respect of which the Directors shall have passed such a resolution as aforesaid, and the Directors may make such arrangements as to the giving of notice to Members, providing for forms of election for completion by Members (whether in respect of a particular dividend or dividends or generally), determining the procedure for making such elections or revoking the same and the place at which and the latest date and time by which any forms of election or other documents by which elections are made or revoked must be lodged, and otherwise make all such arrangements and do all such things, as the Directors consider necessary or expedient in connection with the provisions of this Regulation 132;

(c) the right of election may be exercised in respect of the whole of that portion of the dividend in respect of which the right of election has been accorded Provided That the Directors may determine, either generally or in any specific case, that such right shall be exercisable in respect of the whole or any part of that portion; and

(d) the dividend (or that part of the dividend in respect of which a right of election has been accorded) shall not be payable in cash on ordinary shares in respect of which the share election has been duly exercised (the "elected ordinary shares") and in lieu and in satisfaction thereof ordinary shares shall be allotted and credited as fully paid to the holders of the elected ordinary shares on the basis of allotment determined as aforesaid and for such purpose and notwithstanding any provision of the Regulations to the contrary, the Directors shall be empowered to do all things necessary and convenient for the purpose of implementing the aforesaid, including, without limitation, the making of each necessary allotment of shares and of each necessary appropriation, capitalisation, application, payment and distribution of funds which may be lawfully appropriated, capitalised, applied, paid or distributed for the purpose of the allotment and without prejudice to the generality of the foregoing the Directors may (i) capitalise and apply the amount standing to the credit of any of the Company's reserve accounts or any sum standing to the credit of the profit and loss account or otherwise available for distribution as the Directors may determine, such sum as may be required to pay up in full the appropriate number of ordinary shares for allotment and distribution to and among the holders of the elected ordinary shares on such basis, or (ii) apply the sum which would otherwise have been payable in cash to the holders of the elected ordinary shares towards payment of the appropriate number of ordinary shares for allotment and distribution to and among the holders of the elected ordinary shares on such basis.

133. (A) The ordinary shares allotted pursuant to the provisions of Regulation 132 shall rank *pari passu* in all respects with the ordinary shares then in issue save only as regards participation in the dividend which is the subject of the election referred to above (including the right to make the election referred to above) or any other distributions, bonuses or rights paid, made, declared or announced prior to or contemporaneous with the payment or declaration of the dividend which is the subject of the election referred to above, unless the Directors shall otherwise specify.

(B) The Directors may do all acts and things considered necessary or expedient to give effect to any appropriation, capitalisation, application, payment and distribution of funds pursuant to the provisions of Regulation 132, with full power to make such provisions as they may think fit in the case of fractional entitlements to shares (including, notwithstanding any provision to the contrary in these Regulations, provisions whereby, in whole or in part, fractional entitlements are disregarded or rounded up or down, or whereby the benefit of fractional entitlements accrues to the Company rather than the Members) and to authorise any person to enter on behalf of all the Members interested into an agreement(s) with the Company providing for any such appropriation, capitalisation, application, payment and distribution of funds and matters incidental thereto and any agreement made under such authority shall be effective and binding on all concerned.

134. The Directors may, on any occasion when they resolve as provided in Regulation 132, determine the rights of election under that paragraph shall not be made available to the persons who are registered as holders of ordinary shares in the Register of Members or (as the case may be) in the Depository Register, or in respect of ordinary shares the transfer of which is registered, after such date as the Directors may fix subject to such exceptions as the Directors think fit and, in such event, Regulations 132 to 136 shall be read and construed subject to such determination.

135. The Directors may, on any occasion when they resolve as provided in Regulation 132, further determine that no allotment of shares or rights of election for ordinary shares under that paragraph shall be made available or made to Members whose registered addresses entered in the Register of Members (or as the case may be) the Depository Register is outside Singapore or to such other Members or class of Members as the Directors may in their sole discretion decide and in such event the only entitlements of the Members aforesaid shall be to receive in cash the relevant dividend resolved or proposed to be paid or declared.

136. Notwithstanding the foregoing Regulations 132 to 136, if at any time after the Directors' resolution to apply the provisions of Regulation 132 in relation to any dividend but prior to the allotment of ordinary shares pursuant thereto, the Directors shall consider that by reason of any event or circumstance (whether arising before or after such resolution) or by reason of any matter whatsoever it is no longer expedient or appropriate to implement that proposal, the Directors may at their absolute discretion and without assigning any reason therefore, as they deem fit, cancel the proposed application of Regulation 132.