FIGTREE HOLDINGS LIMITED
Company Registration No. 201315211G

DISCLAIMER OF OPINION BY THE INDEPENDENT AUDITORS ON THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 ("FY2024")

Pursuant to Rule 704(4) of the Listing Manual Section B: Rules of Catalist ("**Catalist Rules**") of the Singapore Exchange Securities Trading Limited, the Board of Directors (the "**Board**") of Figtree Holdings Limited (the "**Company**" and together with its subsidiaries, the "**Group**") wishes to announce that the Company's independent auditor, Foo Kon Tan LLP (the "**Independent Auditor**"), has in its Independent Auditor's Report dated 4 April 2025 (the "**Independent Auditor's Report**"), issued a disclaimer of opinion ("**Disclaimer of Opinion**") for the Group's audited consolidated financial statements for FY2024 ("**Financial Statements**") in relation to:

1) Use of the going concern assumption; and
2) Impairment of investments in an associate – DC Alliance Pte. Ltd. ("**DC Alliance**") and its subsidiaries ("**DC Alliance Group**").

The Independent Auditor's Report, together with an extract of the relevant note to the Financial Statements, are attached to this announcement as Appendix 1 and Appendix 2 respectively. They can also be found in the Annual Report for FY2024 on pages 48 to 51 and pages 57 to 58 respectively. Shareholders and potential investors of the Company are advised to read this announcement in conjunction with the Independent Auditor's Report and the Financial Statements which are included in the Company's Annual Report for FY2024, of which the Company will be releasing via SGXNet by 15 April 2025, in its entirety.

With reference to item (1) above, the Board is of the view that Rule 1303(3)(c) of the Catalist Rules does not apply to the Company's present situation as the Group and Company will be able to operate as a going concern, taking into account the Group's ability to generate sufficient positive cash flow from its operations and its ability to obtain necessary fundings to meet its obligations as and when they fall due.

On the basis of the above, the Board is of the view that sufficient information for trading of the Company's securities to continue in an orderly manner has been disclosed herein, previously, and in the Financial Statements, and confirms that all material information in relation to the Group has been provided for trading of the Company's shares to continue.

Accordingly, the Board is of the view that no suspension of trading of the Company's shares pursuant to Rule 1303(3)(c) of the Catalist Rules is required as there is no other material information that Shareholders should be aware of.
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Shareholders and potential investors are reminded to exercise caution when dealing in the securities of the Company and should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers if they are in doubt about the actions that they should take.

BY ORDER OF THE BOARD

Siaw Ken Ket @ Danny Siaw
Managing Director
8 April 2025

About Figtree Holdings Limited

*Founded in 2009, Figtree Holdings Limited ("**Figtree**" or the "**Company**", and together with its subsidiaries and associates, the "**Group**"), is a provider of commercial and industrial real estate solutions. The Group typically acts as the main contractor for its projects in Singapore, covering new construction, A&A works on existing buildings as well as refurbishment and upgrading of existing buildings. In China and Malaysia, the Group provides design, project and construction management consulting services.*

The Group has established a strong presence in China in the property development sector with a diverse portfolio of residential, commercial and industrial properties. The Group continues to explore suitable property development and investment opportunities in Australia.

Figtree was listed on SGX Catalist on 11 November 2013.

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*This announcement has been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "**Sponsor**"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "**Exchange**") and the Exchange assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.*

The contact person for the Sponsor is Ms Foo Jien Jieng, 16 Collyer Quay, #10-00 Collyer Quay Centre, Singapore 049318, sponsorship@ppcf.com.sg

APPENDIX 1

Report on the Audit of the Financial Statements

Disclaimer of Opinion

We were engaged to audit the financial statements of Figtree Holdings Limited (the "Company") and its subsidiaries (collectively, 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 December 2024, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the year then ended, and notes to the financial statements, including material accounting policy information.

We do not express an opinion on the accompanying consolidated financial statements of the Group and statement of financial position of the Company. Because of the significance of the matters described in the *Basis for Disclaimer of Opinion* section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

Basis for Disclaimer of Opinion

We expressed a disclaimer of opinion in our independent auditor's report dated 12 July 2024 in relation to the financial statements for the financial year ended 31 December 2023 ("FY2023") due to the following matters:

(i) Use of going concern assumption; and
(ii) Impairment of investment in an associate – DC Alliance Pte. Ltd. ("DC Alliance") and its subsidiaries ("DC Alliance Group")

An update of the above matters is as follows:

(i) <u>Use of the going concern assumption</u>

The following factors indicated the existence of multiple material uncertainties that may cast significant doubt on the Group and the Company's ability to continue as going concerns,

1. As at 31 December 2024, the Company reported net current liabilities (excluding "amounts due to subsidiaries") of $1,119,845;

2. The Group reported a net loss after tax of $5,019,703 for the financial year ended 31 December 2024;

3. As at 31 December 2024, the Group reported an adjusted deficiency in net current assets of $1,121,175 having excluded a loan to associate with a carrying amount of $12,461,235 which is in default, as it is not probable that there will be cash inflows to the Group from the settlement of the loan in the next 12 months from the reporting date (refer to Note 14 to the financial statements); and

4. The going concern assumption is dependent on the continued financial support from a corporate shareholder.

Notwithstanding the above, management has prepared the financial statements on a going concern basis for reasons disclosed in Note 2.1.

However, based on the information available to us, we were not able to obtain sufficient appropriate audit evidence to satisfy ourselves whether the use of the going concern assumption in the preparation of these financial statements was appropriate because the ability of the Group and the Company to remain as going concerns and meet its liabilities as and when they fall due are dependent on certain assumptions that are premised on future events stated in Note 2.1, the outcome of which are inherently uncertain and could also affect the timing of anticipated cash flows.

If the Group and the Company were unable to continue in operational existence for the foreseeable future, the Group and the Company may be unable to discharge its liabilities in the normal course of business and adjustments might have to be made to reflect the situation that assets might need to be realised other than in the normal course of business and at amounts which could differ significantly from the amounts at which they were recorded in the balance sheet. In addition, the Group and the Company might have to reclassify its non-current assets as current assets and non-current liabilities as current liabilities. No such adjustments had been made to these financial statements. Notwithstanding the above, management has prepared these financial statements on a going concern basis. We are, however, unable to determine the adjustments that may be necessary as a result of these uncertainties.

(ii) Impairment of investment in an associate – DC Alliance Pte. Ltd. ("DC Alliance") and its subsidiaries ("DC Alliance Group")

DC Alliance is primarily an investment holding company, having a 100% equity interest in Pier DC Pty Ltd ("Pier DC"), a ready-for-service uptime Certified Tier III facility located in Australia. As at 31 December 2024, the Group's share of equity interest in DC Alliance was 26.85% (2023: 27.31%) with a carrying amount of $1,015,070 (2023 - $1,647,676).

In the current financial year, DC Alliance Group continues to report total comprehensive loss of $2,354,000 (FY2023 – $2,384,000) as disclosed in Note 13 to the financial statements which is an indicator of impairment of the Group's investment in DC Alliance in accordance with SFRS(I) 1-36 - *Impairment of Assets*. Management determined the recoverable amount of its investment in DC Alliance Group based on its Residual Net Assets Value ("RNAV") as at 31 December 2024. The RNAV is premised on the recoverable amount of the property, plant and equipment ("Fixed Assets") owned by Pier DC. The Fixed Assets include leasehold improvements, generators, chillers, server racks, uninterrupted power supply units and switchboards.

In the previous financial year, DC Alliance's management had engaged an external valuer to perform a valuation on the Fixed Assets, prepared in accordance with the International Financial Reporting and Valuation Standards. The recoverable amount of Fixed Assets was based on the market approach using the depreciation replacement cost method which has exceeded the carrying amount of the Fixed Assets of Pier DC at the balance sheet date. However, based on the limited information made available to us by the management expert, we were unable to ascertain the reasonableness of the assumptions used in the assessment of the recoverable amount of the Fixed Assets and consequently, we were unable to obtain sufficient appropriate evidence on the appropriateness of the carrying value of the Group's interest in DC Alliance Group as at 31 December 2023.

In FY2024, DC Alliance's management engaged another external valuer to perform a valuation on the Fixed Assets, prepared in accordance with the International Financial Reporting and Valuation Standards. The recoverable amount of Fixed Assets as at 31 December 2024 was based on the market approach using the depreciation replacement cost method which has exceeded the carrying amount of the Fixed Assets of Pier DC at the balance sheet date. Accordingly, with reference to the Group's share of the RNAV of the DC Alliance Group, management assessed that no impairment was required in respect of the Group's carrying amount of its investment in DC Alliance Group.

Despite the resolution of the matter as described above in the current financial year, we are unable to ascertain whether (a) the carrying amount of the Group's interest in DC Alliance amounting to $1,647,676 and $2,299,417 as at 31 December 2023 and 1 January 2023, respectively, had been properly reported and presented in the consolidated statement of financial position and (b) any impairment loss is required to be recognised in the consolidated statement of comprehensive income in the previous financial year ended 31 December 2023, which may have a possible effect on the comparability of the current and corresponding figures.

(iii) Comparative information

In respect of the Group’s investments in Vibrant Pucheng Logistics (Chongqing) Co., Ltd (“Vibrant Pucheng”) and Vibrant Properties Pte Ltd (“VPPL”), we had previously highlighted in our FY 2023 audit opinion that we were unable to ascertain whether the reversals of (a) the impairment loss in respect of the Group’s interest in Vibrant Pucheng amounting to $670,000 which was recorded in the consolidated statement of comprehensive income in FY 2023 should instead be recognised in FY 2022 or in prior years; and (b) a group-level adjustment to write down the carrying amount of the investment property owned by an associate of VPPL amounting to $1,618,371 in the consolidated statement of comprehensive income in FY 2023 should instead be recognised in FY 2022 or in prior years. The above adjustments made by management in FY 2023 may have a possible effect on the comparability of the current and corresponding figures.

Responsibilities of Management and Those Charged with Governance 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 Singapore Companies Act 1967 (the “Act”) and the Singapore Financial Reporting Standards in Singapore (International) (“SFRS(I)”), 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.

Those charged with governance’s responsibilities include overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our responsibility is to conduct the audit of the financial statements in accordance with Singapore Standards on Auditing and to issue an auditor’s report. However, because of the matters described in the *Basis of Disclaimer of Opinion* section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

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 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.

Report on Other Legal and Regulatory Requirements

In our opinion, in view of the significance of the matters referred to in the *Basis for Disclaimer of Opinion* section of our report, we do not express an opinion on whether 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 Kong Chih Hsiang, Raymond.

Foo Kon Tan LLP
Public Accountants and
Chartered Accountants

APPENDIX 2

Note 2.1 Basis of preparation

Going concern assumption

The following factors indicated the existence of multiple material uncertainties that may cast significant doubt on the Group and the Company's ability to continue as going concerns,

- The Company's net current liabilities (excluding "amounts due from/to subsidiaries") of $1,119,845 (2023 - $1,322,867) as at 31 December 2024;

- The Group reported a net loss for the year of $5,019,703 (2023 - $3,296,688 (restated)) for the financial year ended 31 December 2024;

- As at 31 December 2024, the Group reported an adjusted deficiency in working capital of $1,121,175 having excluded a loan to associate with a carrying amount of $12,461,235 which is in default, as it is not probable that there will be cash inflows to the Group from the settlement of the loans in the next 12 months from the reporting date (refer to Note 14 to the financial statements); and

- The going concern assumption is dependent on the continued financial support from a corporate shareholder.

Notwithstanding the above and barring any unforeseen circumstances, the directors are of the view that the use of going concern assumption in the preparation of the financial statements is appropriate having considered the following:

(a) The Group and the Company are still in net current assets position of $11,340,060 (2023 - $15,898,422) and $15,461,374 (2023 - $16,899,872), respectively;

(b) Based on the cash flow forecast, the Group is able to generate positive cash flows from its operations;

(c) The Company is evaluating various options to raise and/or obtain additional working capital; and

(d) Subsequent to year end, a corporate shareholder of the Company provided interest-bearing loans of $0.80 million for working capital purpose. These additional loans, together with the outstanding loans due to the Company's corporate shareholder as at 31 December 2024, are secured by a share charge over the Company's subsidiary's interest in an associate, who is the legal owner of an investment property in the People's Republic of China ("PRC").

Based on the above, the directors have reasons to believe that the Group and the Company will be able to generate sufficient positive cash flow from its operations and raise/obtain the necessary fundings to meet its obligations as and when they fall due.

If the Group and the Company are unable to continue in operational existence for the foreseeable future, the Group and the Company may be unable to discharge its liabilities in the normal course of business and adjustments may have to be made to reflect the situation that assets may need to be realised other than in the normal course of business and at amounts which could differ significantly from the amounts at which they are currently recorded in the balance sheet. In addition, the Group and the Company may have to reclassify its non-current assets as current assets and non-current liabilities as current liabilities. No such adjustments have been made to these financial statements.