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HIAP HOE

FORGING NEW FRONTIERS

HIAP HOE LIMITED

ANNUAL REPORT 2023

ABOUT HIAP HOE

Hiap Hoe Limited is a regional premium real estate group listed on the Mainboard of the Singapore Stock Exchange. Known for the development of luxury and mid-tier residential as well as hotel-cum-commercial properties that are distinct in design and preferred for their excellent location and investment prospects, the Group holds a diversified portfolio of hospitality, retail, commercial and residential assets.

Hiap Hoe's flagship development is Zhongshan Park, the integrated hotel-cum-commercial development along Balestier Road that sits just opposite the historic Sun Yat-Sen Nanyang Memorial Hall, a national monument that pays tribute to the father of the 1911 Chinese Revolution. Comprising Aloft Singapore Novena, the Aloft brand's first in Singapore and its largest in the world, Zhongshan Mall and an office tower, the development has a strong heritage connection and old world charm.

Other properties in the Group's local portfolio include distinctive projects such as Skyline 360° At St Thomas Walk, Waterscape At Cavenagh, The Beverly, Signature At Lewis and HH@Kallang.

In 2013, Hiap Hoe set its sights overseas and acquired assets in prime locations in Australia that fitted the Group's strategy of growing its recurring income stream. Hiap Hoe's inaugural integrated hotel-cum-residential development project, Marina Tower, Melbourne further expanded the Group's hospitality portfolio in Australia and, by 2017, Hiap Hoe had entered into the United Kingdom's hospitality industry with the purchase of Holiday Inn Express Trafford City in Manchester. In 2023, the Group added the Great Eastern Motor Lodge, Perth, Western Australia to its international portfolio.

Hiap Hoe's strategic acquisition of SuperBowl Holdings Limited in 2014 consolidated its position as a sizeable player in the real estate industry and brought in additional revenue streams from a leasing business and leisure activities, allowing the Group to achieve greater income stability.

VISION

A richer life for each of us.

MISSION

To provide sustainable long term returns to our stakeholders as we uphold our leading reputation as a homegrown premium developer of quality developments. Only the best carries our signature.

OUR BUSINESS

PROPERTY DEVELOPMENT & INVESTMENTS

- An integrated development at Zhongshan Park that comprises Hiap Hoe Building office tower, a shopping mall and two hotel towers under the Aloft hospitality brand, Aloft Singapore Novena.
- Development of residential and industrial properties in Singapore as well as in Melbourne, Australia.
- Property investments in retail and office spaces located across prime areas in Singapore.
- Two commercial office buildings at strategic locations in Perth, Australia for recurring income streams.

HOSPITALITY

- Aloft Singapore Novena, the largest Aloft hotel in the world, in Singapore's Balestier neighbourhood comprising two towers with a total of 781 rooms and 4 suites.
- The Four Points by Sheraton, a 16-storey hotel with 273 rooms in Melbourne, Australia, under management by Marriott International [(1)].
- Aloft Hotel, under management by Marriott International, a 15-storey hotel with 224 rooms in Perth, Australia.
- Holiday Inn Express Trafford City, a 6-storey modular hotel with 220 rooms in Manchester, the United Kingdom.
- Great Eastern Motor Lodge, an apartment hotel with 198 keys and 180 parking spaces along the Great Eastern Highway in Perth, Australia [(2)].

INVESTMENTS

- Over S$280 million of investments in a diversified portfolio comprising listed equities, fixed income, and mutual and private equity funds for both quoted and unquoted investments.
- The Group diversifies its investments by business sector and by country, with a heavy focus on real estate and hospitality assets.

LEISURE

- SuperBowl, SouthEast Asia's leading provider of indoor sports and recreation facilities, operating in eight centres at various locations in Singapore. It is one of the largest owners and operators of bowling centres in Singapore, with 180 bowling lanes in total.

(1) The Group entered into a sale and purchase agreement on 2 February 2024 to sell the Four Points by Sheraton, Melbourne Docklands to WFM Financial Holdings Pty Ltd.

(2) The Group entered into a Sale and Purchase Agreement on 19 December 2023 to acquire the Great Eastern Motor Lodge located at Rivervale, Western Australia from S & C Christie Pty Ltd as trustee for the S & C Christie Family Trust. The completion of the sale and purchase of the Property took place on 11 March 2024.

CHAIRMAN & CEO MESSAGE

Dear Shareholders,

On behalf of the Board of Directors, we are pleased to present Hiap Hoe's Annual Report for the financial year ended December 2023 ("**FY 2023**").

As world economies continue to normalize in the wake of the Covid-19 pandemic, we have been actively seeking new opportunities, which has resulted in the launch of Aloft Singapore Novena, and the A$40 million acquisition of the Great Eastern Motor Lodge at Rivervale, Western Australia during the year.

The Great Eastern Motor Lodge, sitting on a 11,892 sq m freehold site and offering 198 apartments with 180 parking spaces, presents a prime investment opportunity with high occupancy rates and is expected to further bolster our recurrent income streams.

Enriching our Singapore portfolio: Aloft Singapore Novena launches

Part of Marriott Bonvoy's portfolio of 30 extraordinary brands, Aloft Hotels caters to a music-loving crowd with an eye for great design by offering vibrant, social spaces and through innovative music programming. Our franchise agreement with Luxury Hotels International of Hong Kong Limited enabled us to bring the Aloft brand into our Singapore fold as Aloft Singapore Novena, the first property of the brand in Singapore. This new offering, also the largest Aloft property in the world, is a rebrand of our properties at 16 Ah Hood Road and 1 Jalan Rajah. Renovation work commenced in H2 2023 and the hotel was launched to great fanfare on 18 September 2023.

Strengthening our local portfolio

The Group remains committed to upholding our reputation as a premium real estate group with a diversified portfolio of hospitality, retail, commercial and residential assets globally. Our efforts to strengthen our recurring income base through better rental yields and occupancy rates of our properties remain a key objective, as will conserving our liquidity while maintaining a stable balance sheet and cash position.

Our leasing portfolio at Zhongshan Mall and the Hiap Hoe Building office tower recorded a 100% and 95% committed occupancy rate in FY 2023 respectively. The occupancy rates in Orchard Towers rose to 48% in FY 2023, up from 44% in the financial year ended December 2022 ("**FY 2022**"), a sign that tenants are being drawn to this prime location now the Police Licensing & Regulatory Department that has ceased issuing Public Entertainment Licenses for the property. The Group's additional rental income streams from the leasing business, contributed from SuperBowl's group of properties, continued to provide greater income stability for the Group.

Our eight SuperBowl centres are located across Singapore and we continue to position these as lifestyle hubs and family-centric entertainment centres serving townships and residents across all ages.

We will focus on strengthening recurring income, exploring acquisition opportunities and capitalising on investments when the timing is right.

Other strategic overseas investments continue to add value

Our Aloft Perth hotel has proven to be a stellar acquisition and we believe the property will continue to contribute positively to the Group's performance. Our 25 Rowe Avenue and 130 Stirling Street office properties also continue to generate steady positive and recurring revenue streams, maintaining high occupancies rates of 81% and 71% respectively in FY 2023.

Marina Tower, our waterfront site at Docklands, Melbourne, was acquired in December 2013 and was developed into an integrated residential-cum-hotel development project. The project comprises a hotel, Four Points by Sheraton Melbourne Dockland, and two residential towers of total 461 residential units. The group had a balance of six unsold units as at end 2023. We entered into a Sale & Purchase Agreement with WFM Financial Holdings Pty Ltd in February this year to dispose of the hotel, Four Points by Sheraton for A$96 million. The completion of the disposal occurred on 8 April 2024 which resulted in the Group recognising a net gain on disposal of approximately A$24.5 million in the financial year ending 31 December 2024. The Group intends to use the proceeds of the disposal for repayment of the Group's bank borrowings and for working capital use.

Against the backdrop of a weakening UK economy, our

CHAIRMAN & CEO MESSAGE (CONTINUED)

hotel at Holiday Inn Express Trafford City, Manchester has performed in line with expectations. It continues to provide promise, given its strategic location near the Old Trafford football stadium and Trafford Centre, as well as its proximity to the city centre.

Financial Performance

The Group recorded revenue of S$111.9 million in FY 2023, a decrease of S$7.5 million from S$119.4 million recorded in FY 2022. The decrease was mainly due to the loss of revenue from our two Singapore hotels, which were closed for three months for refurbishment works to be rebranded as the new Aloft Singapore Novena. The Group recorded an increase in rental revenue from S$27.0 million in FY 2022 to S$28.9 million in FY 2023, mainly due to the higher occupancies in the Group's properties. The Group's leisure business fared well in the year in review, with a 11% higher revenue of S$11.2 million in FY 2023.

Included in Other Income of S$19.7 million was a gain of S$13.2 million on the disposal of two units of investment properties at Skyline 360° at St Thomas Walk.

Foreign exchange loss of S$2.6 million in FY 2023 was recorded by the Group as compared to a loss of S$3.2 million in FY 2022, mainly due to the fluctuations of the Australian dollar, Euro and United States dollar exchange rates against the Singapore dollar. The Group recorded a fair value gain of S$26.4 million in financial instruments across asset classes and particularly from the Group's investments in the hospitality sector internationally. This is in contrast to the fair value loss of S$29.2 million recorded in FY 2022.

Included in Other expense of S$58.0 million were higher operating costs and expenses for upkeep and maintenance of properties, marketing related expenses, the inventory write-off of S$2.0 million due to the rebranding of our two Singapore properties to Aloft Singapore Novena and an impairment loss of S$1.2 million on the investment property at Stirling Street in Perth.

The Group registered a profit after tax of S$5.5 million in FY 2023 versus a loss after tax of S$22.1 million in FY 2022.

As at 31 December 2023, the net asset value per share for the Group was S$1.53 and the Group's financial standing remains strong, with shareholders' equity attributable to owners of the Company at S$719.7 million.

Looking Forward

FY 2023 brought challenges and hope as operations returned to normal following the trials of the Covid-19 pandemic. The Group expects growth in the hospitality industry to remain dampened by weakening global financial confidence in the coming year, but expect this to be mitigated by improved rental yields and occupancy rates of the Group's properties. The Group will continue to face challenges from high interest rates, higher inflation and global uncertainties, and as such, our investments portfolios may be affected by market volatility. The Group is focused on maintaining a healthy balance sheet, and will continue to exercise prudence with respect to non-essential capital and operating expenditure. In addition, the Group will continue to explore acquisition opportunities and capitalise when the timing is right, with the aim of delivering sustainable returns to our shareholders.

Dividend

The Group declared an interim dividend of 0.10 Singapore cents per ordinary share in August 2023. To thank our shareholders for their continued support, the Board of Directors is pleased to recommend a final one-tier tax exempt dividend of 0.50 Singapore cents per ordinary share, both for FY 2023 and for the preceding FY 2022.

Acknowledgements

We would like to take this opportunity to thank our fellow Board Members, including those who left us in the year, for their invaluable guidance, stewardship and support over the financial year and we welcome our new Board Members, who start this journey with us. Much appreciation and thanks go to our management team and staff for their hard work and dedication and for staying the course. We would also like to express our heartfelt gratitude to our shareholders and all other stakeholders for their continued support and belief in the Group's business.

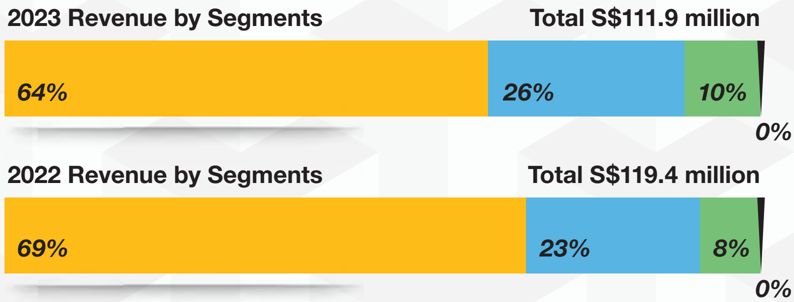
Teo Ho Beng
Executive Chairman

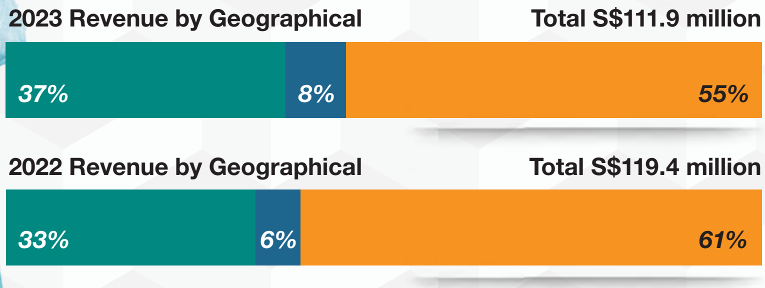
Teo Keng Joo, Marc
Chief Executive Officer

FINANCIAL HIGHLIGHTS

	2023 $'000	2022 $'000	2021 $'000	2020 $'000	2019 $'000
Group Income Statements					
Revenue	**111,887**	119,399	93,688	79,552	132,220
Profit/(Loss) before Tax	**6,080**	(23,609)	26,535	(36,838)	24,028
Net Profit/(Loss) Attributable to Owners of the Company	**5,559**	(22,001)	21,196	(36,709)	22,100
Group Balance Sheets					
Non-Current Assets	**1,129,432**	1,208,123	1,258,473	1,274,596	1,290,525
Current Assets	**459,821**	361,821	370,189	318,577	343,040
Current Liabilities	**307,325**	412,003	392,224	522,699	654,735
Non-Current Liabilities	**559,057**	436,310	480,575	329,665	205,194
Equity Attributable to Owners of the Company	**719,744**	718,446	752,511	737,447	770,162
Per Share Data (Cents)					
Earnings Attributable to Owners of the Company (Basic)	**1.18**	(4.67)	4.50	(7.80)	4.70
Net Assets Value	**152.96**	152.68	159.92	156.72	163.67
Dividend	**0.60**	0.75	0.50	1.00	1.50
Financial Ratios					
Debt Equity Ratio (Times) [1]	**1.05**	1.04	1.03	1.02	0.98
Net Debt Equity Ratio (Times) [2]	**1.00**	0.97	0.99	1.00	0.96
Current Ratio (Times)	**1.50**	0.88	0.94	0.61	0.52
Dividend Yield (%)	**0.94**	1.00	0.77	1.55	1.88
Dividend Payout (%)	**50.79**	(16.04)	11.10	(12.82)	31.94

Revenue by Segments	2023 $'000	2022 $'000
Hotel Income	71,400	81,932
Rental and Carpark Income	28,941	26,970
Leisure Business	11,218	10,131
Development Properties	328	366
	111,887	119,399





Revenue by Geographical	2023 $'000	2022 $'000
Australia	41,853	39,247
United Kingdom	8,463	7,174
Singapore	61,571	72,978
	111,887	119,399

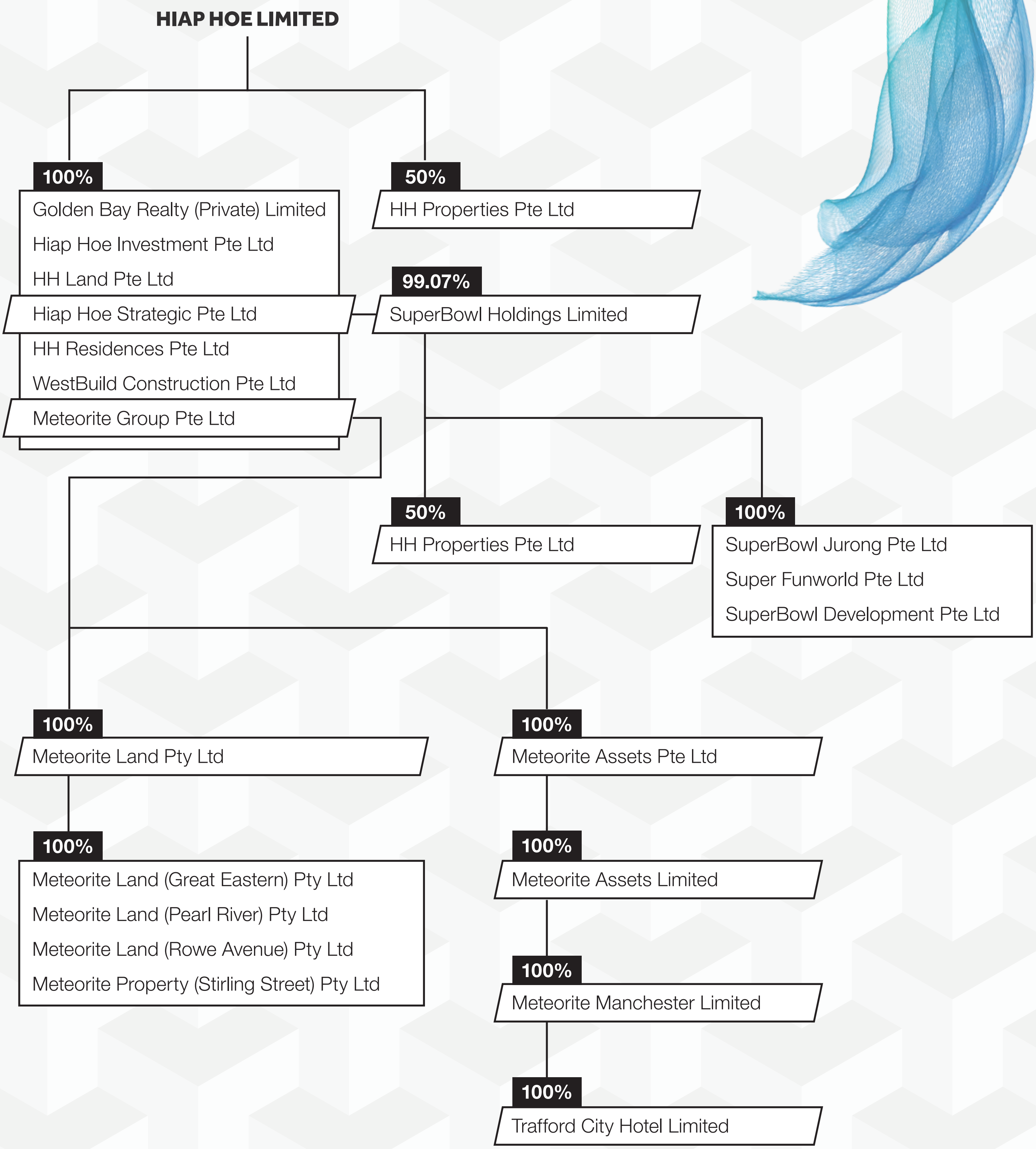
Notes

(1) Debt includes amount due to related companies (non-trade) and lease liabilities.

(2) Net debt is debt less cash and short-term deposits.

GROUP STRUCTURE

AS AT 31 DECEMBER 2023



BOARD OF DIRECTORS

TEO HO BENG
Executive Chairman
Last re-elected in 2021

Mr Teo was appointed as Director of Hiap Hoe Group in 1983. He was redesignated as Executive Chairman and relinquished his role as the Chief Executive Officer in Hiap Hoe Group on 2 January 2024. Mr Teo held the position as Chief Executive Officer from 2006 and was previously the Executive Chairman of the Board from May 2012 to May 2017. Mr Teo has more than 42 years of experience in the construction and property industries, and over 27 years of experience in the leisure industry. Mr Teo is responsible for the formulation of corporate strategies and policies for Hiap Hoe, and the implementation of these strategies by senior management at the operations level. Mr Teo chairs the financial investment committee for the Group's investment portfolios and senior management meetings to monitor Hiap Hoe's performances, including oversees management, budgeting and forecasting processes to ensure there is prudent financial management. Mr Teo also sits on the board of Ley Choon Group Holdings Limited as Non-Executive Director.

TEO KENG JOO, MARC
Chief Executive Officer
Last re-elected in 2021

Mr Teo was appointed as Executive Director on 11 May 2017 and was redesignated as Chief Executive Officer in Hiap Hoe Group on 2 January 2024. Mr Teo oversees the Group's hospitality portfolio and is responsible for the Group's overseas expansion plans and corporate investments. Mr Teo also heads Project Management and Business Development in Singapore and Australia. Prior to joining Hiap Hoe, Mr Teo spent two years with Ernst & Young Singapore. Mr Teo graduated from Nanyang Technological University with a Bachelor of Accountancy (First Class Honours) degree and holds a diploma in Quantity Surveying conferred by Global School of Technology & Management and articulated by Heriot Watt University, UK.

CHAN KUM ONN ROGER
Lead Independent Non-Executive Director

Mr Chan was appointed an Independent Non-Executive Director of Hiap Hoe on 3 May 2023 and was subsequently appointed as the Lead Independent Director on 2 January 2024. Mr Chan has over 40 years of experience in auditing, accounting and taxation work and has been a practising Chartered Accountant since 1980. He is currently an Executive Director of R Chan & Associates PAC (Chartered Accountants of Singapore). Mr Chan is also experienced in insolvency, corporate secretarial and management consultancy work. His clients include many small and medium sized enterprises and subsidiaries and branches of multinational corporations covering a diverse range of industries. Mr Chan is a Fellow member of The Association of Chartered Certified Accountants, a member of the Institute of Singapore Chartered Accountants, a member of the Singapore Institute of Directors and an Accredited Tax Advisor (Income Tax and GST) of the Singapore Chartered Tax Professionals.

BOARD OF DIRECTORS

ONG SEET JOON AMOS

Independent Non-Executive Director

Mr Ong was appointed an Independent Non-Executive Director of Hiap Hoe on 2 January 2024. Mr Ong has three decades of commercial banking experience, spanning across areas such as strategy and budgeting, asset-liability management, business development, credit risk & marketing, client coverage and solutioning, as well as general management. Mr Ong was with Maybank from 1992 to 2021. He held various positions including Country Head of Maybank Hong Kong, President and Chief Executive Officer of Maybank Philippines Inc. and Head of Client Coverage and Global Banking at Maybank Singapore. Mr Ong co-founded A3 Capital Pte Ltd, a privately held specialist real estate investment platform based in Singapore undertaking Real Estate Fund Management, Asset Management and Syndication, and is a Co-Managing Partner there. Mr Ong holds a Master of Economics degree from Macquarie University and graduated with a Bachelor of Arts (Economics) with First Class Honours from London Metropolitan University.

KWOK CHUI LIAN

Independent Non-Executive Director

Ms Kwok was appointed an Independent Non-Executive Director of Hiap Hoe on 2 January 2024. Ms Kwok started her career with Citibank and has 20 years of extensive experience in OCBC and held various senior positions during her tenure in the Bank. She was the President and Chief Executive Officer of AFC Merchant Bank (AFC) from 2008 to 2017 and retired recently from her position as advisor to the Chief Executive Officer in Resona Merchant Bank Asia Limited. During her tenure at AFC, she also held the position of Secretary General of the ASEAN Bankers Association. Ms Kwok holds a Bachelor of Arts (Hons) degree in Economics. She is a Fellow of The Institute of Chartered Secretaries and Administrators and a Fellow member of Singapore Institute of Directors. Ms Kwok has attended executive management programmes at both Wharton-SMU University in 2004 (General Management Program) and The Wharton School at the University of Pennsylvania in 2006 (The Leadership Journey-Creating and Developing your leadership). Ms Kwok was an Independent Non-Executive Director of Hiap Hoe from September 2012 to April 2015.

KEY MANAGEMENT

ROLAND TEO HO KANG

Executive Director of Subsidiaries

Mr Teo has more than 27 years of experience in the property and leisure industries and is responsible for overseeing the marketing and promotion of Hiap Hoe's properties and their performance. He also takes care of the Group's product development and staff development. Mr Teo holds a Bachelor in Business Administration from the American Intercontinental University.

TEO POH SIM AGNES

Head, HR & Admin

Ms Teo joined the Group in February 2003 and is responsible for formulating the human resource and administration policies of the Group. Ms Teo has more than 14 years of experience in human resource and administration and oversees the Group payroll, staff welfare and staff development as well as general administration matters. Ms Teo holds a Bachelor of Arts degree from the Pacific Union College (USA).

TEO HO KHEONG ANDREW

Executive Director of Subsidiaries

Mr Teo has been appointed as Executive Director of a few major subsidiaries of the Group. Mr Teo is responsible for the business development of SuperBowl's bowling business and assists in the formulation of its operational and marketing plans.

IRENE CHEAH LAN KWEE

Chief Financial Officer

Ms Cheah is responsible for overall finance, compliance, corporate governance, treasury function and accounting aspects of the Group. Ms Cheah joined the Group as a Financial Controller in June 2015 and prior to joining the Group, she was the Vice President Finance with The Straits Trading Company Limited and was responsible for financial and management reporting, budget, tax as well as cash and risk management in relation to the Group's various business segments. She was also actively involved in some of the Group's merger and acquisition projects. Ms Cheah is a Chartered Accountant of Singapore and is a Fellowship member of The Association of Chartered Certified Accountants.

RISK MANAGEMENT

Risk management is an integral part of the management of our Group's business. The Group's risk management framework is designed to enable Management to address operational risks, financial risks and compliance risks of key operating units within the Group. Risk management and control procedures are reviewed and updated regularly to reflect changes in market conditions and the activities of the Group. The following sets out an overview of the key risks faced by the Group, the nature and the extent of the Group's exposure to these risks and the mitigating actions in place to address these risks.

INTEREST RATE EXPOSURE

Changes in interest rate are a major influence on the bottom line because the Group's investments are mainly financed through bank borrowings. Interest rate risk is managed by arranging different credit facilities with various banks at competitive rates. The Group minimises interest rate risk by considering cash flow forecasts, terms of debt obligations and market outlook. Interest rate hedging instruments are also explored, where appropriate.

FOREIGN EXCHANGE RISK

The Group is exposed to foreign exchange risk as a result of its foreign operations in Australia and United Kingdom and its trading investments. The Group uses loans in foreign currency to hedge its exposure to foreign exchange risk on both its trading investments and investments in foreign operations. The Group also considers forward currency contracts to manage these exposures, where appropriate.

LIQUIDITY RISK

Liquidity risk is the risk that the Group will encounter difficulty in meeting its financial obligations due to shortage of funds. The Group's exposure to liquidity risk arises primarily from mismatches between the maturities of financial assets and liabilities. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities.

MARKET PRICE RISK

Market price risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market prices (other than interest or exchange rates). The Group is exposed to equity price risk arising from its trading investments. The Group does not have exposure to commodity price risk.

BUSINESS CONTINUITY RISK

In order to sustain the business as a real estate developer, the Group needs to acquire land at competitive prices for development, but such opportunities are not always available due to industry outlook and consumer demand. To ensure continual growth, the Group has diversified its reliance on development of residential properties by venturing into hospitality, leasing and leisure businesses for stable recurring income streams.

OPERATIONS REVIEW

Aloft Singapore Novena.

PROPERTY DEVELOPMENT AND INVESTMENTS

A good portion of our local portfolio of properties enjoyed full or near full occupancy rates in the year in review. The 13-storey Hiap Hoe Building office tower, the 50,000-sq-ft 2-storey Zhongshan Mall, and two hotel towers under the Aloft hospitality brand, Aloft Singapore Novena, make up the Group's 190,000-sq-ft integrated development at Zhongshan Park. Zhongshan Mall was fully occupied in FY 2023 as was our property at 1 and 3 Yuan Ching Road. Hiap Hoe Building office tower only had one vacant unit at the year end. Meanwhile, the occupancy rate for HH@Kallang, the Group's freehold light industry building located in the heart of Singapore's key growth areas, Paya Lebar Central and the city centre, went up from 90% to 98% in FY 2023.

Orchard Towers is our mixed development in a prime location in Orchard Road. The occupancy rate of the Group's 21 retail spaces and 38 offices in the property increased from 44% in FY 2022 to 48% in FY 2023 and, with the withdrawal of the Public Entertainment License by the Police Licensing & Regulatory Department, we anticipate improved vibe for the location in the coming year.

On the regional front, the Group will adopt a cautious but strategic approach to adding value to its investments while seeking new growth avenues. Located along the northern fringe of Perth's Central Business District, the Group's A-grade seven-storey commercial property at 130 Stirling Street in Australia has an

21 on Rajah, a Halal-certified buffet restaurant at the East Wing.

W XYZ Bar for live acoustic sets.

occupancy rate of 76% in FY 2023. With 11,801 sq m and 263 sq m of office and retail space respectively, the property is intertwined with key transportation networks such as the Perth Central and McIver railway stations, which offer easy access to the rest of the city.

Hiap Hoe's other commercial property in Perth, an office building at 25 Rowe Avenue, spans 10,571 sq m of net lettable area and is in proximity of multiple blue-chip companies in Rivervale. The Group is confident that this investment, with a high 81% occupancy rate currently, will reinforce its recurring income stream for years to come.

HOSPITALITY

The Group brought the Aloft brand into Singapore in 2023 with the opening of Aloft Singapore Novena. This rebranding of our 16 Ah Hood Road and 1 Jalan Rajah properties brings vibrant and flexible spaces to the Balestier neighbourhood with an eclectic mix of local cuisines, culture and entertainment. Designed by the award-winning KKS International, Aloft Singapore Novena champions personality and passion for music. Noteworthy interior features include an 85-inch video wall in the hotel lobby showcasing electronic art from renowned artists like Refik Anadol and Jonathan Monaghan. The property takes up two towers across 781 rooms and 4 suites and offers diverse dining and entertainment options including Yue, a modern Chinese restaurant; 21 on Rajah, a halal-certified buffet restaurant featuring innovative Mediterranean and Asian buffet cuisine;

The Group's latest aquisition – the Great Eastern Motor Lodge in Perth, Australia.

Re:fuel by Aloft, providing "grab-and-go" 24/7 flexibility; and the brand's signature WXYZ bar, the social hub of the hotel at the lobby.

The hotel, the largest in the Aloft portfolio worldwide, also features two Re:charge gyms, one in each wing, as well as the Splash Pool on an open deck. The hotel's five state-of-the-art meeting spaces cater to an array of meeting sizes and types while the outdoor event lawn is the perfect outdoor event space for a birthday party or intimate wedding reception.

The Group added to its Perth portfolio in the year with the acquisition of the Great Eastern Motor Lodge, located along the Great Eastern Highway in Western Australia. The property sits on a 11,892 sq m freehold site and offers 198 apartments and 180 carparking spaces. It benefits from an array of transport connections and serves as a focal point of the inner-city suburb of Rivervale, an area currently undergoing a comprehensive regeneration involving multiple residential, commercial and lifestyle venue developments.

The Group owns Aloft Perth Hotel in Australia, which has 224 rooms and is managed by Starwood Australia Hotels Pty Ltd, part of Marriott International. The hotel recorded a more than 89% occupancy rate in FY 2023.

The Group entered into a sale and purchase agreement on 2 February 2024 to sell the Four Points by Sheraton, Melbourne Docklands to WFM Financial Holdings Pty Ltd for A$96 million. The asset was part of the Group's initial integrated development at Melbourne Docklands which also comprised two residential towers, 43 storeys and 36 storeys, with a total of 461 residential units.

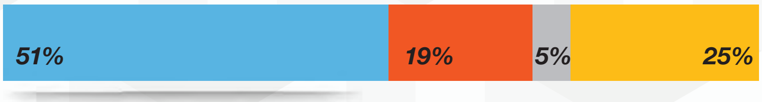
In United Kingdom, the Group's 220-room Holiday Inn Express in Trafford City, Mercury Way, Manchester is

OPERATIONS REVIEW

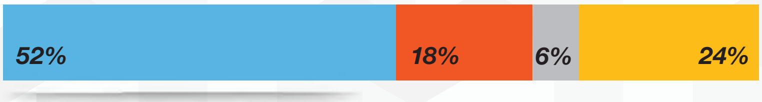
By Sector	2023 $'000	2022 $'000
Real Estate (including Hospitality)	174,193	154,529
Financials	63,452	53,312
Technology/Communications	18,020	16,599
Others*	86,238	72,728
Total	341,903	297,168

*Others includes investment in mutual funds, healthcare, energy etc.

2023 Sector Exposure for Investment Portfolio - Total S$341.9 million



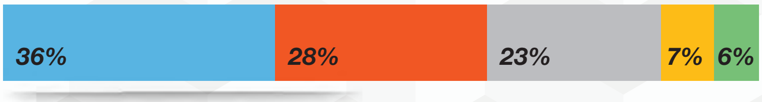
2022 Sector Exposure for Investment Portfolio - Total S$297.2 million



By Currency	2023 $'000	2022 $'000
United States Dollar US$	108,704	107,048
Euro €	109,935	82,107
Singapore Dollar S$	75,636	67,005
Australian Dollar A$	28,086	21,808
Others	19,542	19,200
	341,903	297,168

2023 Currency Denomination for Investment Portfolio – Total S$341.9 million

2022 Currency Denomination for Investment Portfolio – Total S$297.2 million



located in the city's high-growth region. The Metrolink line connecting Trafford City to Manchester City Centre offers good accessibility to the hotel. The hotel recorded a higher revenue by 18% in FY 2023 as compared to FY 2022, reflecting continued recovery toward pre-pandemic levels.

LEISURE

There are currently eight SuperBowl centres situated islandwide. The outlets are at Khatib HomeTeamNS Clubhouse, HomeTeamNS-JOM, SAFRA Tampines, Keat Hong Community Club, SuperBowl Mount Faber, SuperBowl Toa Payoh, SuperBowl Jurong and Siglap Community Club. All outlets continued to contribute to the Group's leisure income during the year.

INVESTMENTS

The market value of the Group's trading investment portfolio stands at S$341.9 million at the end of 2023 as compared to S$297.2 million the year before. The Group recorded a mark-to-market gain of S$26.4 million in the year particularly contributed from the Group's investments in the hospitality sector internationally as compared to a mark-to-market loss of S$29.2 million in FY 2022. The Group maintains a diversified investment portfolio across different asset classes and geographies, with the objective to generate income and achieve capital appreciation over the long term.

Included in the Group's investment in A2I was the investment in AccorInvest Group, which owns or leases hotels mainly operated by the Accor Group. In leveraging the unique strengths and resources of our partners with their larger scale, this investment allows the Group to gain access to strategic properties primarily located in Europe while reducing the risks associated with active management of foreign properties.

The Group's portfolio comprises both quoted (listed bonds and equities) and unquoted (unlisted bonds, mutual and private equity funds) investments and can be sold from time to time for liquidity management. This diversification allows us to manage our investment risks in a prudent way, while maintaining exposure to real estate (including hospitality) assets.

SUSTAINABILITY REPORT

BOARD STATEMENT

Dear Stakeholders,

The Board of Directors ("**Board**" or "**Directors**") of Hiap Hoe Limited ("**Company**" and together with its subsidiaries, "**Hiap Hoe**" or "**HHL**" or the "**Group**") is pleased to present Hiap Hoe's annual Sustainability Report ("**Report**") for the financial year ended on 31 December 2023 ("**FY 2023**").

Hiap Hoe Limited stands as a regional premium real estate group. Known for the development of luxury and mid-tier residential as well as hotel-cum-commercial properties, the Group holds a diversified portfolio of hospitality, retail, commercial and residential assets. Hiap Hoe is also in the business of providing leisure and recreation facilities, operating in eight bowling centres situated islandwide. As we expand our business, our objective is to operate in a manner that enhance society, uphold human rights, minimise our environmental impact, and foster sustainable business practices.

The Group recognises the challenges associated with climate-related considerations incorporating sustainability into our operations. Key challenges encompass ensuring compliance with regulations and substituting existing products and services with lower emissions options. Despite these challenges, we are keenly aware of numerous prospects for growth and advancement. For instance, the Group utilises water and energy-efficient fixtures and fittings, adopts energy-saving LED lights, and advocates for recycling and digitalisation.

Our Sustainability Committee ("**SC**") plays a vital role in overseeing and updating the Board and Management about the Group's policies, strategies and initiatives regarding sustainability measures. The annual materiality assessment conducted by the SC reaffirmed the material topics and embedded their underlying implications into our strategic direction. As we continue our sustainability journey, there will be ongoing reviews and adjustments to our performance indicators and targets to ensure alignment with our business objectives. Furthermore, we are committed to enhancing engagement with stakeholders, aiming to improve our sustainability efforts and practices, and fostering the development of a resilient, long-term business.

We greatly appreciate the support provided by all our stakeholders along this journey, and look forward to working with all stakeholders to build a sustainable future together.

Yours faithfully,

Teo Ho Beng
Executive Chairman

Teo Keng Joo, Marc
Chief Executive Officer

ABOUT THIS REPORT

Scope of Report

This report focuses on HHL's longstanding conviction to Economic, Environment, Social and Governance integration. The data and information presented in this Report covers the reporting period from 1 January 2023 to 31 December 2023 ("**FY 2023**"), unless stated otherwise. The scope of this report includes our businesses as follows:

- Hospitality – Aloft Singapore Novena and Aloft Perth
- Property rental – Zhongshan Mall and Hiap Hoe Office Building
- Leisure – Superbowl Bowling Centres
- Corporate office operations

The aforementioned operations were selected as part of the reporting scope as assets have material contribution to the Group's revenue.

Reporting Framework

This Report has been reviewed by the Board and was prepared in line with the sustainability reporting requirements of Rules 711A and 711B of the Listing Manual – Mainboard Rules of Singapore Exchange Securities Trading Limited ("SGX-ST"). The Report is prepared with reference to the Global Reporting Initiative ("GRI") Standards 2021 as it is a globally recognised and widely adopted framework, which enables our stakeholders to compare our sustainability performance against our industry peers. As the Group is classified within the Materials and Buildings industry, it is mandatory for HHL to adhere to the reporting guidelines outlined by the Task Force on Climate-Related Financial Disclosures ("**TCFD**") starting from FY 2024.

Report Content and Quality

This Report develops our sustainability strategies, policies, and performances by providing more quantitative goals and targets to support our corporate values, as well as addressing the key concerns and issues that HHL's stakeholders have frequently raised. To maintain consistency and content quality, we have applied GRI's eight principles of accuracy, balance, clarity, comparability, completeness, sustainability context, timeliness, and verifiability.

Assurance

The Group has not sought external assurance for the information presented in this Report. Internal review on the Group's sustainability reporting policies, processes and internal controls has been completed.

Feedback

As part of our continuous efforts on substantiating our sustainability efforts along with improving our policies and performance, we value any question, comment, or feedback on any aspect of this Report. Please write to: hiaphoe@hiaphoe.com.

OUR SUSTAINABILITY COMMITTEE

At HHL, the Sustainability Committee ("**SC**") is established to assist the Board of Directors in overseeing the Group's sustainability policies and strategies, which entails climate-related challenges. The Board regularly reviews environmental trends and evaluates potential climate-related risks and opportunities to maintain strategic risk management oversight. The Board also determines salient sustainability factors, including climate-related metrics and targets.

Led by the Group's Chief Executive Officer ("**CEO**"), the SC is supported by department heads from various functional division within the Group. The SC receives regular updates on the progress of the Group's core sustainability initiatives, as well as review the Group's workplace and human rights practices. To ensure the effective integration of sustainability initiatives into our strategic planning and day-to-day business activities, we established the Sustainability Working Team ("**SWT**") as an integral component of our corporate governance structure.

The roles and responsibilities of the SC and SWT are specified as below:

DESIGNATION	ROLES	RESPONSIBILITIES
Chief Executive Officer	▪ Oversees the Group's strategic formulation and vision ▪ Approves the Group's sustainability strategies and action plans to address its climate-related risks and impacts	▪ Provides strategic guidance and formulate Group's sustainability strategy ▪ Identifies climate-related risks and opportunities ▪ Reviews climate-related metrics and targets ▪ Manages day-to-day operations pertaining to ESG performances of the Group ▪ Evaluates ESG risks and monitor climate-related performances in the Group's business practices
Chief Financial Officer	▪ Member of the SC to support sustainability practices ▪ Support to foster a culture of sustainability, especially across the Accounts Department	▪ Reviews the financial performances of climate-related risks and opportunities undertaken by the Group ▪ Coordinates reporting and disclosures ▪ Ensures legal compliances with relevant financial-related requirements ▪ Promotes recycling practices and cultivate sustainability habits across the Group
Sustainability Working Team	▪ Support to foster a culture of sustainability	▪ Works closely with the SC to assess and manage climate-related risks and opportunities

As at the date of this Sustainability Report, in accordance with Rule 720(7) of the SGX Rulebooks - Mainboard Rules, the Company fully complied with the requirement for directors to undergo mandatory training. All members of our Board have completed sustainability training courses prescribed by the SGX-ST.

STAKEHOLDER ENGAGEMENT

Recognising the importance of maintaining continuous and transparent communication with our stakeholders, Hiap Hoe acknowledges the significance of active involvement in addressing any issues the stakeholders may raise. Their input plays a crucial role in helping us prioritise actions within our sustainability initiatives.

We regularly engage with our stakeholders to actively seek their feedback and comprehend their concerns related to sustainability and our business. This ongoing engagement has served as a valuable source of input for our development activities, enabling us to closely align with their needs, interests, and expectations. We have identified five primary stakeholders, including employees, customers, suppliers, shareholders, and regulators.

	Concerns	Engagement Platform
Employees	• Occupational health and safety • Fair labour practices and compensation • Professional development • Staff bonding • Intranet platform for policies, news and benefits	• Trainings and team building • Grievance/feedback channels • Regular reviews and appraisals • Intranet platform • Email and notice board • Mobile application RD Connect
Customers	• Service quality and excellence • Timely follow-up on customer feedback • Food safety • Information and data security	• Feedback channels (e.g. email, telephone, and social media) • Corporate website, email and newsletters
Suppliers	• Clear two-way communication channels • Timely feedback regarding materials/services provided	• Quotations and request for proposal • Suppliers' meetings • Safety briefing and declarations
Shareholders and Regulators	• Business resilience and financial performance • Business strategy and direction • Corporate governance and compliance • Transparent and timely communications of information	• Results announcements and news releases • Corporate website and email • Annual general meetings • Periodic reporting • Annual reports

MATERIALITY ASSESSMENT

To stay informed about material and salient sustainability issues, the Group periodically evaluates and benchmarks its business operations. This annual assessment involves an examination of the dynamic business landscape, taking into account emerging global trends, stakeholders' opinions and latest regulatory developments.

Hiap Hoe embraces an inclusive approach to consider and balance the needs and interests of stakeholders as part of its overall responsibility to safeguard the Group's best interests. In 2017, Hiap Hop engaged an external consultant to perform a materiality assessment aimed at identifying relevant material topics and indicators. Following a four-step process aligned with GRI Standards reporting guidelines, the materiality assessment received approval from Hiap Hoe's Sustainability Committee and subsequently from the Board.

As the Group transitions into FY 2023, HHL has done a re-assessment of the material topics and has re-classified the material topics to be more aligned with GRI topic standards. It is highlighted that there are no significant changes to the indicators reported.

The Group's material Economic, Environmental, Social and Governance ("**EESG**") topics are as follows:

ECONOMIC	ENVIRONMENTAL	SOCIAL	GOVERNANCE
High Priority			
▪ Sustainable Economic Growth	▪ Energy and Carbon Footprint ▪ Water Conservation		
Moderate Priority			
		▪ Fair Employment Practices ▪ Employee Training and Development ▪ Occupational Health and Safety ▪ Customer Health and Safety	▪ Customer Privacy
Low Priority			
	▪ Resource Efficiency and Waste Management		▪ Business Ethics and Anti-corruption

OUR RESPONSE TO EESG RISKS & OPPORTUNITIES

At Hiap Hoe, we consider the identification of risks and opportunities related to EESG factors crucial for making well-informed decisions and implementing appropriate mitigation measures. The table provided below describes our measures for mitigating identified risks and capitalising on opportunities across all material topics related to EESG.

Hiap Hoe's EESG Considerations	Hiap Hoe's Material Topics	Identified Risks Exposure to Hiap Hoe	Existing/Upcoming Mitigation Actions by Hiap Hoe
Economic	▪ Sustainable Economic Growth	▪ Poor economic performance impacts the interests of our employees, business partners, shareholders, and stakeholders	▪ Ensure that the hospitality business maintains its ranking for service quality ▪ Continue to conduct proper building maintenance to preserve building value and provide positive guest experiences ▪ Aim to provide the latest technology and enhance customer experiences within our leisure business
Environmental	▪ Energy and Carbon Footprint ▪ Water Conservation ▪ Resource Efficiency and Waste Management	▪ Exposure to physical and transition risks such as extreme weather exposure to assets and stringent regulation such as carbon tax ▪ Changing market preference for green buildings ▪ Poor water and waste management leads to increase in operational expenditure	▪ Integrate climate risk into risk management ▪ Develop physical and transition climate risk assessment and mitigation plans ▪ Set energy & emission reduction targets ▪ Adopt smart building technologies such as integrated building system that switches off electrical appliances when door access cards are removed, and upgrade of energy efficient LED lights ▪ Regular maintenance of air-conditioning system ▪ Introduce biodegradable packaging for amenities provided to hotel guests
Social	▪ Fair Employment Practices ▪ Employee Training and Development ▪ Occupational Health and Safety	▪ Safety lapses by contractors ▪ Regulatory fines due to failure of health and safety enforcement ▪ Employee disengagement and dissatisfaction ▪ High turnover rates ▪ Low productivity ▪ Employees lacking required skills	▪ Recruit and retain talent by ensuring the physical and mental well-being of employees ▪ Build an environment that supports career development and skills advancement ▪ Flexible working arrangements

Hiap Hoe's EESG Considerations	Hiap Hoe's Material Topics	Identified Risks Exposure to Hiap Hoe	Existing/Upcoming Mitigation Actions by Hiap Hoe
	▪ Customer Health and Safety	▪ Loss of revenue and loss of customers due to poor product and service quality, and health and safety enforcement in place	▪ Continue to maintain SG Clean certification
Governance	▪ Business Ethics and Anti-corruption	▪ Bribery and corruption, leading to financial and reputational loss	▪ Robust Code of Conduct, Business Ethics and Anti-corruption policies are in place and reviewed periodically
	▪ Customer Privacy	▪ Customer data breaches leading to reputational and financial loss	▪ Established customer personal data protection policies and procedures ▪ Established strong data management and controls

SUSTAINABLE ECONOMIC GROWTH

TARGET FOR FY 2023
The Group strives to improve the rental yields and occupancy rates of the Group's properties to strengthen the recurring income base.

At Hiap Hoe, we understand the inherent link between sustainability practices and economic performance. We emphasise the significance of integrating sustainability practices into our business strategies as a fundamental element for Hiap Hoe to attain sustainable economic growth in the face of evolving and challenging conditions.

In FY 2023, the Group generated $111.9 million of economic value[1], a decrease of 6.3% from FY 2022. Moreover, the Group distributed $32.6 million of the economic value generated through employee benefits expense.

For more details on our financial performance and results, please refer to our FY 2023 Financial Statements.

Our target is to consistently enhance shareholder value while exercising caution in adapting to unpredictable market conditions. We remain vigilant in addressing rising costs influenced by inflationary pressures. We strive to enhance the quality of our assets, ensuring safety for both our employees and customers. With the overarching objective of increasing profitability, we will focus on enhancing our operational efficiencies.

ENVIRONMENTAL SUSTAINABILITY

Climate-related considerations are recognised as a material concern and our focus this year has been on understanding how climate-related risks and opportunities will impact the Group in a changing climate. We have also progressively implemented measures to reduce carbon footprint resulted from our business practices, to ensure resilience against a range of physical and transition risks.

[1] Economic value generated is the revenue of the whole Group's operations during the reporting period.

TCFD Climate Risk Analysis

Governance

At Hiap Hoe Limited we are committed to the highest standards of corporate governance. The Group's corporate governance framework establishes and maintains an ethical corporate environment, which aims to protect and enhance the interest of all stakeholders.

The Board has overall responsibility to ensure climate related risks and opportunities, are effectively managed. The SC supports the Board by leading the Group's sustainability agenda. The SC is responsible for overseeing and making recommendations to the Board on sustainability matters, which includes the review of the Group's sustainability policies, practices, performance, targets and progress on climate-related measures and initiatives. Please refer to Our Sustainability Committee section for further details of the Group's sustainability governance.

Group Strategy

In FY 2023, Hiap Hoe performed a review of the qualitative climate risk assessment exercise conducted on assets in Singapore and Australia. This process involved the identification and evaluation of potential risks and opportunities associated with climate change that could impact our business and operations. Senior management participated in recognising Hiap Hoe's exposure to climate impacts and assessing the significance of related risks and opportunities.

Hiap Hoe has also performed a scenario analysis on climate-related risks and opportunities. The climate scenario analysis serves as a tool to understand how the identified climate-related risks and opportunities could impact future operations of the Group. Hiap Hoe's preliminary evaluation considers the following two scenarios based on the Intergovernmental Panel on Climate Change ("**IPCC**"): (1) a best-case scenario where the global average temperature increases by less than 2°C; and (2) a business as usual with no mitigation scenario where temperatures increase more than 4°C by the end of the century. The key characteristics of the selected scenarios are outlined below:

Scenario	Paris-aligned scenario (below 2°c)	No mitigation scenario (4°c)
Rationale	In this scenario, the world manages to reduce CO_2e emissions through several measures, such as legislation, global carbon taxes, and major shifts in consumption patterns and lifestyles. This scenario is selected to assess the transition impacts in an economy shifting to a low carbon world. It reflects actions required to limit global warming to under 2°C.	In this scenario, the world fails to curb rising CO_2e emissions by Year 2100. Legislation and carbon taxes are expected to play a less significant role in this scenario, whereas impacts from extreme weather events are assumed to grow in magnitude. This scenario is selected to assess the physical risks under a high-emission scenario.
Underlying model	This model considers factors such as greenhouse gas emissions, energy transition scenarios, technological advancements, and policy developments. It serves as a foundation for the Group to analyse how different climate scenarios may impact its business operations, and financial performance over the short-, medium-, and long-term time horizon.	IPCC Representative Concentration Pathway 8.5, mostly long term. This model considers factors such as increased frequency of extreme weather events, rising sea levels, impacts on ecosystems, and disruptions to global supply chains. Climate models and scientific assessments play a key role in shaping the narrative of such scenarios.

Scenario	Paris-aligned scenario (below 2°c)	No mitigation scenario (4°c)
Assumption	Global adoption of renewable energy, advancements in technology, regulatory frameworks, and changes in consumer behavior. Additionally, assumptions related to the physical impacts of climate change, such as sea-level rise and extreme weather events, are considered. This scenario assumes a collective global effort to mitigate climate change and transition towards a low-carbon economy.	The continuation of high greenhouse gas emissions limited global efforts to reduce carbon emissions, and a lack of significant policy measures to address climate change. It may also assume limited technological advancements in clean energy and low levels of international cooperation to achieve climate goals.

Risk Management

Considering the two scenarios outlined, the Group has identified six climate-related risks and one opportunity. The use of scenario analysis allows the Group to proactively address factors that could impact its operations in the context of climate considerations. In FY 2023, the Group reviewed its approach to climate-related risk management through meeting between the SC and its external consultant. This process enhanced the Group's understanding of climate-related risks and opportunities, providing insights into the potential effects of various scenarios on its business.

Risk and Category	Risk Description	Impact of Risk	Existing or Planned Mitigation Actions
		Transition Risk	
Increase carbon pricing of GHG emission	Higher carbon prices on electricity generation due to the growing number of carbon pricing policies will impact companies that fail to decarbonise their generating assets. The rise of retail electricity prices may directly impact real estate management in the form of larger utility bills.	▪ A higher carbon price will lead to increased fuel, energy, and waste disposal costs, thereby impacting overall operating costs, capital expenditure, and profitability.	▪ Installation of certified high efficiency rating appliances such as automatic controls for the lightings and air-conditioning system by detecting the occupancy rate of the guest room to minimise energy consumption. ▪ Engage with tenants to encourage reduction in energy and water consumption, carbon emissions and promote an efficient waste management.
Mandates on and regulation of existing products and services	Increasing trend towards enforcing higher building standards for environmental management and energy efficiency. Companies that are not prepared for likely policy changes over the next decade could face penalties, fine or suffer damage to their reputations.	▪ Reduced demand for buildings not green-certified, hence affecting revenue from leased assets. ▪ Failure to comply with new building regulations leads to fines, penalties, litigation issues, and affecting company's reputation.	▪ Installation of certified high efficiency rating appliances such as automatic controls for the lightings and air-conditioning system by detecting the occupancy rate of the guest room.

Risk and Category	Risk Description	Impact of Risk	Existing or Planned Mitigation Actions
Transition to lower emissions technology	Changes in the energy mix and the shift towards low-carbon technologies that result from the transition to a low-carbon economy. This transition is expected to accelerate to as countries move to implement their commitments under the Paris Agreement.	▪ There will be a capital expenditure involved in acquiring lower emission technology to retrofit existing buildings. ▪ Poor retrofitting of new energy-efficient technologies can also result in low usability.	▪ Screen through suppliers to engage responsible suppliers and consultants for built environment work such as retrofitting existing buildings.
Physical Risk			
Change in average temperature	Global temperature increase will bring about increased demand in cooling loads, particularly in urban agglomerations where heat island effects may prevail over the summer months. Lack of attention to extreme heat events may bring about overheating in buildings.	▪ High temperatures can be ameliorated by suitable adjustment to the air conditioning systems. This may lead to increase in energy consumption and cost to cool buildings especially in highly urbanised areas, leading to greater Scope 1 and 2 emissions. ▪ Higher temperatures could also lead to bodily stress and result in increase in heat exhaustion or heat stroke, thus reducing employee's productivity.	▪ Achieve green certified buildings across our key business portfolio. ▪ Installation of certified high efficiency rating appliances such as automatic controls for the lightings and air-conditioning system by detecting the occupancy rate of the guest room.
Change in precipitation	Climate change projections suggest an increase in the frequency of intense precipitation events which could cause an increased intensity and frequency of flood events.	▪ Possible flooding in developed areas with lack of effective stormwater drainage system. ▪ Increase in the frequency of intense precipitation events could cause an increased intensity and frequency of flood events. Flooding events can cause damage to infrastructure and are expensive to repair.	▪ Add structural measures such as humps and flood barriers to protect the basement levels from flooding.

Risk and Category	Risk Description	Impact of Risk	Existing or Planned Mitigation Actions
Sea Level Rise	Sea level rise as an increase in the average sea level caused by the expansion of seawater due to warming and the melting of land- based ice, such as glaciers and ice sheets.	▪ Sea level rise would increase the risk of key infrastructure and property getting submerged. ▪ Properties prone to water damage would also be expensive to repair.	▪ Add structural measures such as humps and flood barriers to protect the basement levels from flooding. ▪ Raise the height of buildings and operational rooms located at low- lying flood-prone sites where possible. ▪ Implement adequate cooling technology to facilitate equipment functioning.
Opportunities			
Use of new technologies	The potential to improve financial performance by adopting low-carbon and climate-resilient technologies and business practices.	▪ The use of new technologies can provide competitive advantages, such as increased energy efficiency, reduced emissions, and improved resilience to the physical impacts of climate change.	▪ Aloft Singapore Novena is currently striving to attain certification from the Global Sustainable Tourism Council ("GSTC"2).Whereas, Aloft Perth adheres to the Marriott APEC Sustainability scorecard[3].

Performance Metrics and Targets – Energy and Carbon Footprint

Target for FY 2023	Performance in FY 2023
To achieve 1% reduction of electricity consumption for Ramada Hotel, Days Hotel and Aloft Perth from prior year.	Our Singapore hotels, previously operated under Wyndham (Days and Ramada), ceased operations in June 2023 and transitioned to Marriott thereafter. Due to the hotels having only around 10 months of operations in 2023, the targets set in FY 2022 may not be directly comparable. However, the Group has achieved a 6.2% reduction in its total electricity usage in FY 2023, excluding SuperBowl.

At Hiap Hoe, our dedication to minimising our carbon footprint involves initiatives aimed at reducing energy consumption. Given the nature of our operations, there is a substantial consumption of energy and generation of emissions. The Group remains unwavering in its commitment to seek opportunities for enhancing environmental and sustainability performance, implementing viable initiatives to decrease energy consumption and emissions.

Specifically, at Aloft Perth, we have adopted Marriott International Serve360. This commitment aligns with the 2025 Sustainability and Social Impact Goals, as well as the UN Sustainable Development Goals. Serve360 reflects Marriott's pledge to create positive and sustainable impacts across its operations, including Aloft Perth. Additionally, Aloft Perth leverages tools and technology provided by Marriott, such as the Marriott Environmental Sustainability Hub ("**MESH**"), to effectively manage environmental performance.

[2] The GSTC certification sets standards and criteria for sustainable tourism, covering areas such as environmental conservation, and socio-economic benefits to local communities. Achieving GSTC certification demonstrates a commitment to environmentally and socially responsible tourism practices.
[3] Certification will begin toward the end of this year, subject to completion of designated tasks outlined in the scorecard.

Total Energy Consumption and Energy Intensity

Total electricity consumption (MWh)

Entity	FY 2022	FY 2023
Corporate Office	1,045	1,024
Zhongshan Mall	6,462	6,161
Aloft Singapore Novena	7,005	6,150
Aloft Perth	2,309	2,451
Total electricity consumption (less SuperBowl)	**16,821**	**15,786**
SuperBowl[4]	2,861	2,905
Total electricity consumption	**19,682**	**18,691**
Revenue ($'000)	119,399	111,887
Electricity intensities (Total electricity consumption/ Revenue)	**0.16**[5]	**0.17**

In FY 2023, our total electricity consumption (excluding SuperBowl) amounted to 15,786 MWh, representing a 6.2% decrease from FY 2022. To enhance the completeness of our reporting, we have incorporated the electricity consumption data from our leisure business into this year's disclosure. Our electricity consumption intensity has remained relatively stable at 0.17.

Total fuel consumption

The Group's fuel usage encompasses natural gas utilised in our hospitality operations for heating and cooking, as well as diesel and petrol consumption by the Group's vehicles. Additionally, it includes diesel consumption for the E-source utilised at our office block.

Fuel Type	Units	FY 2022	FY 2023
Natural gas (Aloft Perth)	MJ	4,668,578	4,736,725
Natural gas (Aloft Singapore Novena)	Litres	93,002,331	80,442,000
Petrol	Litres	14,339	18,561
Diesel (Mobile Vehicles)	Litres	4,271	4,631
Diesel (E- Source)	Litres	18	20

Scope 1 Emissions and Emissions Intensity

	FY 2022	FY 2023
Natural gas usage (Stationary) - Aloft Perth (tCO_2e)	262	266
Natural gas usage (Stationary) - Aloft Singapore Novena (tCO_2e)	202	175
Diesel usage (Stationary) - Corporate Office (tCO_2e)	0.05	0.05
Diesel/ Petrol usage (Mobile) (tCO_2e)	44	55
Total Scope 1 GHG emissions (tCO_2e)	**508**	**496**
Revenue ($'000)	119,399	111,887
Scope 1 GHG emissions intensities (tCO_2e/ Revenue)	**0.0043**[6]	**0.0044**

[4] We only commenced the tracking of the metric in FY 2023. FY 2023 will be used as the base year for comparison of electricity usage in subsequent reporting periods.

[5] The electricity intensity for FY 2022 was recomputed using revenue as the metric, as revenue is a better measure of our operations activity. This adjustment offers a more accurate reflection and enhances comparability of the intensity measurements.

[6] The Scope 1 GHG emission intensity for FY 2022 was recomputed using revenue as the metric, as revenue is a better measure of our operations activity. This adjustment offers a more accurate reflection and enhances comparability of the intensity measurements.

The Scope 1 emissions generated by our hospitality sector originate from stationary combustion of natural gas and the fuel consumption of company-owned vehicles. In FY 2023, our total Scope 1 GHG emissions reached 496 tCO2e, representing a 2.4% decrease from FY 2022. Our intensity of Scope 1 GHG emissions remained relatively consistent.

Scope 2 Emissions and Emissions Intensity

	FY 2022	FY 2023
Aloft Singapore Novena (tCO_2e)	2,992	2,565
Aloft Perth (tCO_2e)	1,501	1,593
Corporate Office (tCO_2e)	436	427
Zhongshan Mall (tCO_2e)	2,694	2,566
SuperBowl (tCO_2e)	1,193	1,212
Total Scope 2 GHG emissions (tCO_2e)	**8,816**	**8,363**
Revenue ($'000)	119,399	111,887
Scope 2 GHG emissions intensities (tCO_2e/ Revenue)	**0.074**[7]	**0.075**

Our Scope 2 emissions mainly stem from the electricity consumed in our offices, malls, hotels, buildings, and the bowling centres. In FY 2023, our total Scope 2 greenhouse gas (GHG) emissions decreased by 5.1% as a result of our implemented electricity-saving measures. However, the GHG emission intensity has remained relatively stable.

We are committed to implementing measures to reduce energy consumption, aiming to offset any potential increase in electricity usage and diligently working towards achieving our established target. Additionally, we consistently monitor and track our electricity consumption by incorporating energy-saving and energy-efficient practices, including the activation of power-saving modes on electrical appliances when not in use, and the substitution of fluorescent lights with energy-efficient LED alternatives.

Energy Reduction Measures:

- Continuous monitoring of weather conditions and adjustment of air-conditioning temperatures to appropriate levels. Air-conditioners are also automatically switch off in rooms once door access cards are removed;
- Ensure air-conditioning systems are regularly maintained and serviced to optimise efficiency and reduce energy consumption;
- Ensuring air-conditioners in corridors are switched down to “fan mode” during low-occupancy periods to conserve electricity; and
- On-going projects to replace existing florescent lights with energy efficient LED lights.

[7] The Scope 2 GHG emission intensity FY 2022 was recomputed using revenue as the metric, as revenue is a better measure of our operations activity. This adjustment offers a more accurate reflection and enhances comparability of the intensity measurements.

Water Conservation

Target for FY 2023	Performance in FY 2023
To achieve 1% reduction of water consumption for Ramada Hotel, Days Hotel and Aloft Perth from prior year	Our Singapore hotels, previously operated under Wyndham (Days and Ramada), ceased operations in June 2023 and transitioned to Marriott thereafter. Due to the hotels having only around 10 months of operations in 2023, the targets set in FY 2022 may not be directly comparable. However, the Group has reduced its total water consumption by 16.3% in FY 2023.

Singapore is acknowledged as one of the most water-stressed countries globally. At Hiap Hoe, water withdrawal for our assets in Singapore is sourced from the national water provider, Public Utilities Board ("**PUB**"). The water supplied by PUB is classified as freshwater, adhering to Singapore's drinking water quality standards regulated by the Environmental Public Health ("**EPH**") (Water Suitable for Drinking) (No.2) Regulations 2019, which align with the World Health Organization ("**WHO**") Guidelines for Drinking-water Quality (≤1,000 mg/L Total Dissolved Solids). Effluent discharge from facilities such as kitchens, hotels, and public bathrooms complies with standards established by regulatory authorities.

In Australia, particularly Western Australia, water resources are facing escalating demand due to population growth and climate change. According to the Water Corporation, Western Australia's water supplier, water is sourced from four main outlets: desalination, groundwater, dams, and groundwater replenishment. Water is distributed through licensed and regulated public drinking water supply systems. For Aloft Perth, water withdrawal is from a single third-party water source provided by the Water Corporation. Effluent discharge from on-site facilities follows regulatory guidelines.

Our water consumption across our business and properties are as follows:

	FY 2022	FY 2023
Aloft Singapore Novena (‘000 m^3)	59.8	43.5
Aloft Perth (‘000 m^3)	25.1	26.0
Corporate Office (‘000 m^3)	3.3	2.9
Zhongshan Mall (‘000 m^3)	24.7	21.1
SuperBowl (‘000 m^3)	7.4	7.2
Total water consumption (‘000 m^3)	**120.3**	**100.7**
Revenue ($’000)	119,399	111,887
Water consumption intensities (m^3/ Revenue)	**1.01**[8]	**0.90**

We have implemented a series of water-saving initiatives through our Environmentally Friendly Program across our hotel operations. To manage and minimise water consumption, we offer hotel guests the choice of not having their sheets changed daily by our room attendants. Guests are encouraged to communicate their preferences through card instructions if they do not wish to have bed linens or towels replaced. Since the introduction of this program, we have received positive feedback and strong support from approximately 52% of our hotel guests who actively participate in water-saving initiatives during their stay.

Singapore and Australia are recognised as water-scarce countries according to the Aqueduct Water Risk Atlas tool. Therefore, all water withdrawal is considered to be from water stress areas. The provided chart offers an estimated breakdown of our water sources PUB and Western Australia's Water Corporation.

[8] The water consumption intensity FY 2022 was recomputed using revenue as the metric, as revenue is a better measure of our operations activity. This adjustment offers a more accurate reflection and enhances comparability of the intensity measurements

In Singapore, about 25% of our water demand is supplied by water in catchment areas and imported water, 35% by desalinated water, and the remaining 40% by NEWater. According to PUB's "Our Water, Our Future" report, all potable water and NEWater are classified as freshwater with Total Dissolved Solids levels of less than 1,000mg/L.

In Western Australia, about 35% of our water requirements are fulfilled through desalination, 20% through groundwater, 26% through dams, and the remaining 3% through groundwater replenishment.

In FY 2023, the following initiatives were taken to manage water consumption:

	FY 2023
Aloft Singapore Novena	▪ Water plants in the Sky Lounge using an automatic irrigation water system; ▪ Use a water pressure regulator to reduce water pressure and therefore reducing water consumption; ▪ Usage of sensors for taps in public areas; and ▪ Dual flushing system.
Aloft Perth	▪ Use of pressure restricting valves; ▪ Use of low flow rate taps and showers; and ▪ Linen change program for long staying guests

Resource Efficiency and Waste Management

Target for FY 2023	Performance in FY 2023
To achieve 2% reduction of waste generation for Ramada Hotel, Days Hotel and Aloft Perth from prior year	Our Singapore hotels, previously operated under Wyndham (Days and Ramada), ceased operations in June 2023 and transitioned to Marriott thereafter. Due to the hotels having only around 10 months of operations in 2023, the targets set in FY 2022 may not be directly comparable. However, the total weight of non-hazardous waste directed to disposal reduced 4.7% in FY 2023.

Hiap Hoe is dedicated to resource efficiency and actively works towards minimising waste in our daily business operations. Our hotel operations play a significant role in waste generation, primarily from municipal waste such as food, single-use utensils, and amenities. To address this, we have implemented various measures, including the replacement of single-use plastic toiletries with larger, refillable amenities. Additionally, we use eco-friendly packaging for items like vanity kits, dental kits, sewing kits, shower caps, combs, and sanitary bags. Upon guests' arrival, they are informed that these items are available upon request to reduce unnecessary consumption.

We continually explore opportunities to reduce waste and introduce waste management initiatives. In FY 2023, for Aloft Singapore Novena, Corporate Office and Zhongshan Mall, the total weight of non-hazardous waste diverted from disposal increased 33.1% as compared to FY 2022. The rise in recovery aligns with our commitment to implementing waste management programs, with a focus on reducing food waste and the use of single-use amenities. The initiatives undertaken in FY 2023 aimed at decreasing waste generation include the following:

- Encourage the use of reusable cups and bags to reduce single use items;
- Using recycled water from the fish tank to water wall plants;
- Encourage the recycling of metal cans;
- Utilising rechargeable batteries;

- Excess fruits for guests are placed in at R3 for employee consumption; and
- Utilised food waste to make organic compost. Compost is then used as fertiliser.

Throughout all our properties, we maintain ongoing communication with our cleaners to separate waste into recyclable and non-recyclable categories for daily collection by third-party waste vendors. Looking ahead, we are committed to integrating waste management initiatives across all our business operations to minimise waste generation wherever feasible.

Total weight of non-hazardous waste diverted from disposal

	FY 2022		FY 2023	
	Amount (metric tons)	Recovery methods	Amount (metric tons)	Recovery methods
Corporate Office and Zhongshan Mall	11.01	Recycling & Onsite	13.82	Recycling & Onsite
Aloft Singapore Novena	15.84	Other recovery operations & Offsite	21.91	Other recovery operations & Offsite
Aloft Perth	Nil		Nil	
Total waste generation (metric tons)	**26.85**		**35.73**	

Total weight of non-hazardous waste directed to disposal

	FY 2022		FY 2023	
	Amount (metric tons)	Disposal methods	Amount (metric tons)	Disposal methods
Corporate Office and Zhongshan Mall	300	Landfilling & Onsite	281	Landfilling & Onsite
Aloft Singapore Novena	396		382	
Aloft Perth	Nil		Nil	
Total waste generation (metric tons)	**696**		**663**	

Our Targets

Moving forward, as part of our ongoing commitment to sustainable business practices, Hiap Hoe aims to proactively implement climate actions that contribute positively to the environment. We have revised our targets from the prior year to the following to be more aligned with the environmental efforts of the government:

Material Topics	Perpetual Targets
Energy and Carbon Footprint	To achieve 3% reduction of electricity consumption intensity and GHG emissions intensity from prior year.
Water Conservation	To achieve 3% reduction of water consumption intensity from prior year.
Resource Efficiency and Waste Management	To achieve 3% reduction of waste generation intensity from prior year.

In addition to the above environmental targets, Hiap Hoe has also established the following implementation roadmap to improve our sustainability and climate-related disclosures:

FY2024	FY2025
• Conduct assessment of scope 3 emissions • Assessment of quantitative climate-related impact on financials • Review the required industry-based topics and metrics under IFRS S2, and prepare for the required data collection • Perform assessment to align climate-related targets with net-zero target • Review business strategies and operational processes to incorporate carbon mitigating strategies/ measures aligned with net-zero target	• Report scope 3 emissions • Disclosure of quantitative climate-related impact • Data collection and disclosure for industry-based topics and metrics under IFRS S2 • Implement carbon mitigating strategies/ measures

SOCIAL

Fair Employment Practices

Target for FY 2023	Performance in FY 2023
Zero reported incidents of discrimination	Zero reported incidents of discrimination

Hiap Hoe acknowledges the significance of fair employment practices in creating a positive and supportive work environment for our employees. By promoting equal opportunities and cultivating a safe and healthy workplace, Hiap Hoe ensures the well-being of its workforce while attracting and retaining top talent. Moreover, the Group is dedicated to fostering a culture of fairness and inclusivity, valuing each employee and treating them with dignity and respect. Moreover, Hiap Hoe is committed to attracting and retaining talent from a variety of backgrounds and promoting diversity within the workplace, contributing to a more dynamic and innovative business culture.

Our approach to fair employment involves regular review and implementation of policies and practices in accordance with local laws and regulations. We prioritise employee health and safety, and continue to invest in talent management programs, providing employees with opportunities for professional growth and development. Hiap Hoe takes a firm stand against all forms of discrimination based on race, gender, or religion and holds the belief that all employees should have equal opportunities for advancement and professional development. The Business Code of Conduct serves as a guide to all employees on Hiap Hoe's practices regarding non-discrimination. The Code elaborates on topics such as working in a diverse environment, provision of equal employment opportunities, employee protection against harassment and biasness. There were zero reported incidents of discrimination in FY 2023, and we strive to maintain our performance in this aspect.

<u>Our Board diversity</u>
As of 2 January 2024, we have a total of 5 Directors for our Group, consisting of 3 Independent Directors and 2 Executives. In 2023, a board diversity policy has been adopted. This policy recognises the importance of having an effective and diverse Board, taking into consideration the benefits of all aspects of diversity, including diversity of skills, experience, background, gender, age, ethnicity and other relevant factors.

More information on our Board diversity is available in the Corporate Governance section of our FY 2023 Annual Report.

Our employees[9]

Hiap Hoe recognises that our employees are the foundational operational support for the continual success of our business operations. We have introduced employee retention strategies to provide assurance of our employees' job security at Hiap Hoe to ensure the continuity of our business and employment of our employees. Our detailed employment profile for FY 2023 is as follows:

Employee Headcount (by Gender, Age, and Region)[10]

Workforce	FY 2023		FY 2022	
	No. of Headcount	% of Total Headcount	No. of Headcount	% of Total Headcount
By Gender				
Male	232	53	258	55
Female	202	47	207	45
By Age Group				
Under 35 years old	182	42	191	41
36-55 years old	181	42	194	42
Over 56 years old	71	16	80	17
By Region				
Singapore	333	77	371	80
Australia	101	23	94	20
TOTAL	**434**	**100**	**465**	**100**

New Employee Hires (by Gender, Age, Region)

Workforce	FY 2023	FY 2022
By Gender		
Male	81	104
Female	66	79
By Age Group		
Under 35 years old	99	129
36-55 years old	37	44
Over 56 years old	11	10
By Region		
Singapore	108	142
Australia	39	41
Total	**147**	**183**
New Hire Rate[11] (%)	**32.7**	**43.9**

[9] The employee numbers exclude all Board of Directors.
[10] The employee headcounts include both permanent and temporary employees.
[11] Rate of new hire was calculated by: Number of new hires/ Average number of employees.

Employee Turnover (by Gender, Age, Region)

Workforce	FY 2023	FY 2022
By Gender		
Male	72	82
Female	65	80
By Age Group		
Under 35 years old	78	97
36-55 years old	46	57
Over 56 years old	13	8
By Region		
Singapore	92	112
Australia	45	50
Total	**137**	**162**
Turnover Rate[12] (%)	**30.5**	**38.9**

Employee Training and Development

Hiap Hoe strongly values continuous learning as a cornerstone for personal and professional advancement, growth, and enrichment, therefore we constantly provide trainings for our employees to stay skilled and relevant to the current times. We also introduced the practice of job rotation for internal employee to encourage employee engagement and flexible workforce and increase employee experience. Moving forward, the Group will look out for more relevant employee trainings to upskill our employees.

At Aloft Singapore Novena, we have implemented a range of employee skills enhancement programmes. These include New Brand and Culture Training, a comprehensive initiative conducted during the transition to the Marriott brand. Associates underwent intensive training sessions to familiarise themselves with the new branding and cultural aspects. The hotel's renovation and revamp in 2023 led to changes in operational systems. As a result, technical systems training became necessary to ensure that our staff could effectively navigate the updated systems.

Our commitment to continuous learning extends to the Online Learning Portal. Leveraging Marriott Global Source, we provide extensive online training tailored to specific job scopes. The Digital Learning Zone ("**DLZ**") serves as a personalised training platform, acting as a central access point for all employees. This platform encompasses compliance training, job-specific functions, and opportunities for personal and professional development exploration. We also utilise a tool called "Become," which empowers associates to assess their current capacities and identify the competencies required to achieve their goals in a practical way.

In FY 2023, we introduced two new targeted training programmes: Embark, designed for supervisory level associates, and Envision, tailored for managers. To ensure effective implementation, certified departmental trainers have been introduced, responsible for overseeing the training of their respective teams. Furthermore, we offer various opportunities for taskforce involvement, cross-department exposure training, and participation in discipline-specific conferences to enrich the learning experiences of our associates.

In addition to our skills enhancement initiatives, Aloft Singapore Novena conducts transition assistance programmes. The hotel actively participates in the early adoption of the senior workers grant, practicing retirement at age 65 and offering re-employment up to age 70. Senior workers aged 65 and above receive annual health screenings to ensure their fitness for their roles. In rare instances where a senior worker is no longer employable, discussions regarding the conclusion of re-employment contracts take place 3-5 months prior to contract expiry.

[12] Rate of turnover was calculated by: Number of turnovers/ Average number of employees.

Aloft Singapore Novena has been committed to fostering continuous learning, and the average training hours are outlined below, categorised by gender and employment level:

Category	FY 2023	FY 2022
Male	72	21
Female	121	28
Managerial Level[13]	97	23
Non-managerial Level[14]	89	25

The average training hours of Aloft Perth in FY 2023 is outlined below, categorised by gender and employment level.

Category	FY 2023
Male	47
Female	45
Managerial Level[15]	47
Non-managerial Level[16]	45

All average training hours outlined above only applies for full-time employees.

In FY 2023, 100% of our employees have received a regular performance and career development review, both by gender and employee category (Management and Employees).

Occupational Health and Safety

Hiap Hoe recognises the importance of occupational health and safety for our employees, and our approach to managing occupational health and safety is focused on continuous improvement and risk mitigation. We have established a comprehensive occupational health and safety management system to monitor incidents that occur across our hospitality businesses, ensuring that a safe and healthy work environment is maintained.

Work, Health, and Safety ("**WHS**") training is an ongoing and integral part of our associates' employment journey. This commitment to safety includes an Occupational Health and Safety ("**OHS**") Welcome session during their New Hire Orientation, covering essential topics such as evacuation plans, basic first aid, emergency response procedures, reporting protocols, and awareness of fire hazards and extinguishers. The effectiveness of our WHS training is continuously monitored through various methods, including random quizzes, audits, re-training sessions, and classroom discussions. The OHS Committee actively identifies any gaps within departments, prompting the provision of additional training to address specific needs and enhance overall safety awareness. This comprehensive approach reflects our dedication to maintaining a secure and informed work environment for all associates.

Our health and safety policies, based on industry wide best practices, aim to reduce the risk of accidents and incidents and protect employees' well-being. Hiap Hoe conducts regular risk assessments to identify potential hazards and put in place mitigation actions for risks identified. For our hospitality business, 100% of all our employees covered by occupational health and safety system that is internally and externally audited. In addition, employees are encouraged to remove themselves from and report any work-related hazards and hazardous situations without fear of reprisal. All incidents reported are investigated promptly and resolved effectively. To raise awareness of occupational health and safety issues among employees, health and safety trainings are conducted for employees in the hospitality business. These trainings are conducted on an annual basis.

[13] Managerial: Associates in the category Executive Committee, Head of Department, Executive.
[14] Non-managerial: Associates in the category Non-Management.
[15] Managerial: Duty Manager, Assistant Managers and Department Managers.
[16] Non-managerial: Supervisor Level and below

In FY 2023, the breakdown of the injury rate, in comparison to the previous year of our employees, is as follows:

Indicator	FY 2023	FY 2022
Fatalities as a result of work-related injury	0	0
High-consequence work-related injuries	0	0
Number of recordable work-related injuries, excluding high-consequence work-related injuries	14[17]	12
Number of hours worked	478,192	441,584
Rate of recordable work-related injuries, excluding high-consequence work-related injuries[18]	**5.86**	**5.43**

Moreover, the breakdown of the injury rate, in comparison to the previous year of workers who are not employees, is as follows:

Indicator	FY 2023	FY 2022
Fatalities as a result of work-related injury	0	0
High-consequence work-related injuries	0	0
Number of recordable work-related injuries, excluding high-consequence work-related injuries	3[19]	5
Number of hours worked	169,541	161,304
Rate of recordable work-related injuries, excluding high-consequence work-related injuries[20]	**3.54**	**6.20**

In FY 2023, there were no number of fatalities due to work-related ill health or recordable work-related ill health for all of our employees and workers who are not employees.

Customer Health and Safety

Hiap Hoe acknowledges the responsibility to prioritise the health and safety of our customers, recognising that their satisfaction serves as a crucial indicator of the quality of our services. Ensuring a safe and secure environment not only fosters a positive experience for everyone but is also fundamental for attracting and retaining customers. Therefore, it remains imperative for us to consistently prioritise health and safety.

In pursuit of this objective, we have established comprehensive safety protocols and guidelines. These measures enable us to identify areas of risk, review underlying causes, and implement mitigating actions to proactively prevent incidents. These procedures and guidelines have been communicated to our guests and tenants. Some of the key policies include: Emergency Business Continuity Plan; and Guidelines to manage customer's feedback.

Twice a year, both the Hiap Hoe office building and Zhongshan Mall conduct fire drills. Regular fire drills serve as a safety precaution to safeguard our employees and tenants in the event of an actual fire emergency. Moreover, these drills are essential for identifying any weaknesses in our fire safety plan and provide an opportunity for practicing responses to a fire emergency in a controlled setting.

For Aloft Perth, fire safety training takes place quarterly, complemented by biannual fire drills. Additionally, team members at Aloft Perth are certified in First Aid, equipped with the necessary skills to provide assistance during medical emergencies. To ensure the continued proficiency of these team members and keep them updated on

[17] The main types of work-related injuries are strains and sprains.
[18] Rate of fatalities/ high-consequence work-related injuries/ Recordable work-related injuries was calculated by Number of fatalities/ high-consequence/ recordable as a result of work-related injury/ Number of hours worked x 200,000.
[19] The main types of work-related injuries are strains and sprains.
[20] Rate of fatalities/ high-consequence work-related injuries/ Recordable work-related injuries was calculated by Number of fatalities/ high-consequence/ recordable as a result of work-related injury/ Number of hours worked X 200,000.

changes in first aid procedures, they are required to attend annual first aid refresher training facilitated by a certified external party. Monthly fire inspections are conducted across all our hospitality businesses to confirm the implementation and adherence to all fire safety protocols.

Our Targets

Moving forward, with our unwavering dedication to corporate social responsibility and the creation of impactful social value, we have established the following targets.

Material Topics	Perpetual Targets
Fair Employment Practices	▪ Promote a diverse and balanced genders and age groups in workforce. ▪ Maintain on par with the industrial average monthly turnover rate. ▪ Build a strong organisational culture and values that resonate with employees and promote long-term commitment.
Employee Training and Development	▪ Offer internal and external trainings that are essential and beneficial to the development and career progression of our employees at all levels. ▪ Increase the average training hours by 2% from prior year.
Occupational Health and Safety	▪ Maintain zero incident of non-compliances with regulatory standards related to the health and safety of employees, customers, and workplace. ▪ Maintain zero incidents related to work-related injuries, fatalities.
Customer Health and Safety	▪ Maintain zero incident of non-compliances with regulatory standards related to the health and safety of customers.

GOVERNANCE

Target for FY 2023	Performance in FY 2023
Zero confirmed incidents of bribery or corruption	Zero confirmed incidents of bribery or corruption
Zero complaints concerning breaches of customer privacy	Zero confirmed incidents of bribery or corruption
Zero incidents of non-compliance with environmental and socioeconomic laws or regulations	Zero confirmed incidents of bribery or corruption

Hiap Hoe acknowledges the critical role of robust governance and ethical standards in building trust among stakeholders and attaining sustained financial success. Given the significance of sound governance, we have instituted policies to foster integrity in our operations and engagements with business associates. This initiative aims to uphold the utmost standards of corporate governance and ensure adherence to relevant laws and regulations.

Business Ethics and Anti-Corruption

The Board of Directors has instilled a company culture at Hiap Hoe that prioritises accountability and ethical conduct. The Group maintains a stringent policy against corruption and the violation of laws and regulations, as reflected in the Code of Conduct, Business Ethics, and Anti-corruption policies applicable to all employees. To foster awareness and encourage ethical behaviour across our value chain, these policies are communicated to new hires and easily accessible to all employees through the company intranet, ensuring comprehensive understanding and compliance.

Employees are obligated to submit an annual conflict of interest declaration, ensuring their awareness of and adherence to the Group's policies regarding conflicts of interest. This declaration serves as a mechanism to identify and disclose any actual or potential conflicts. Disciplinary actions will be taken against any individual found to have violated our anti-corruption policies.

To facilitate reporting, our whistle-blowing channel provides a secure and anonymous means for employees, stakeholders, or the public to voice concerns or report suspected improprieties. This channel enables individuals to report sensitive information without fear of retaliation, ensuring that reported incidents are properly investigated and addressed.

Both Aloft Singapore Novena and Aloft Perth are managed by Marriot International. The hospitality businesses are required to follow the Group wide business principles. The business principles are also communicated to all employees and are made accessible through the Group's intranet.

Customer Privacy
With the global increase in data exchange and rapid technological advancements, safeguarding customer privacy has emerged as a paramount concern for Hiap Hoe. Given the daily collection of personal data by our businesses, prioritising the protection of our customers' information is essential for both us and our stakeholders. To uphold customer privacy, we have instituted policies aimed at securing their data and mitigating potential risks associated with breaches of data privacy.

Hiap Hoe employs a robust governance and control framework to effectively mitigate data privacy risks. Privacy Policies have been developed in alignment with local regulations, specifically the Personal Data Protection Act ("**PDPA**"), outlining principles governing the collection, management, and utilisation of the personal data provided to us. All new employees undergo a briefing on our data privacy policy during onboarding, and regular refresher briefings are conducted biannually by the Information Technology department.

Various security measures have been implemented to safeguard customer information. Recognised security software has been deployed to protect sensitive information, and customer data is stored in a secure cloud database with embedded security controls. Practices are in place to safeguard data on the platform from unauthorised processing activities. Additionally, a firewall has been installed on our internal network to prevent unauthorised access. The IT department oversees systems and data security and makes necessary adjustments as required.

Our Targets
Moving forward, to operate in an ethical and responsible manner, we rely on and will continue to strengthen strong governance and compliance, as well as uphold the highest standards of integrity in safeguarding our customer data and privacy. We have established the following targets:

Material Topics	Perpetual Target
Business Ethics and Anti-corruption	To achieve zero confirmed incidents of bribery or corruption.
Customer Privacy	To achieve zero complaints concerning breaches of customer privacy.

GRI CONTENT INDEX

Hiap Hoe Limited has reported the information cited in this GRI content index for the period 1 January 2023 to 31 December 2023 with reference to the GRI Standards.

GRI Standard	Disclosure Number & Title	Section Reference	Page Reference
GRI 2: General Disclosures 2021	2-1 Organisational details	Annual Report: About Hiap Hoe and Our Business	1
	2-2 Entities included in the organisation's sustainability reporting	Sustainability Report: About this report	15
	2-3 Reporting period, frequency and contact point	Sustainability Report: About this report	15
	2-4 Restatements of information	-	26, 27
	2-5 External assurance	Hiap Hoe has not sought external assurance for this reporting period, and may consider it in the future	-
	2-6 Activities, value chain and other business relationships	Annual Report: Our Business	1
	2-7 Employees	Sustainability Report: Social Performance	31
	2-8 Workers who are not employees	HHL do not have worker who are not employees and whose work is controlled by the Group	-
	2-9 Governance structure and composition	Annual Report: Board of Directors Sustainability Report: Our Sustainability Committee	6, 7 16
	2-10 Nomination and selection of the highest governance body	Annual Report: Board Membership	49, 50
	2-11 Chair of the highest governance body	Annual Report: Board of Directors	46, 47, 48, 49
	2-12 Role of the highest governance body in overseeing the management of impacts	Sustainability Report: Our Sustainability Committee	16
	2-13 Delegation of responsibility for managing impacts	Sustainability Report: Our Sustainability Committee	16
	2-14 Role of the highest governance body in sustainability reporting	Sustainability Report: Our Sustainability Committee	16
	2-15 Conflicts of interest	Sustainability Report: Governance	35

GRI Standard	Disclosure Number & Title	Section Reference	Page Reference
	2-16 Communication of critical concerns	Annual Report: Whistle-Blowing Policy	58
	2-17 Collective knowledge of the highest governance body	Annual Report: Board Performance	50, 51
	2-18 Evaluation of the performance of the highest governance body	Annual Report: Board Performance	50, 51
	2-19 Remuneration policies	Annual Report: Remuneration Matters	51, 52, 53, 54
	2-20 Process to determine remuneration	Annual Report: Remuneration Matters	51, 52, 53, 54
	2-21 Annual total compensation ratio	To avoid poaching of staff and in the interest of privacy and confidentiality HHL is not at liberty to disclose this information. However, HHL has disclose the remunerations of Directors in bands within the Annual Report to provide more information	51, 52, 53, 54
	2-22 Statement on sustainable development strategy	Sustainability Report: Board Statement	14
	2-23 Policy commitments	Throughout the Annual Report and Sustainability Report	-
	2-24 Embedding policy commitments	Throughout the Annual Report and Sustainability Report	-
	2-25 Processes to remediate negative impacts	Our Response to EESG Risks & Opportunities	19
	2-26 Mechanisms for seeking advice and raising concerns	Annual Report: Corporate Governance	55, 58
	2-27 Compliance with laws and regulations	Sustainability Report: Customer Health and Safety, Good Governance	35, 36
	2-28 Membership associations	No membership associations	-
	2-29 Approach to stakeholder engagement	Sustainability Report: Stakeholder Engagement	17
	2-30 Collective bargaining agreements	There are no collective bargaining agreements in place	-
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Sustainability Report: Materiality Assessment	18
	3-2 List of material topics		
Topic-specific disclosure			

GRI Standard	Disclosure Number & Title	Section Reference	Page Reference
Sustainable Economic Growth **GRI 3: Material Topics 2021 / GRI 201: Economic Performance 2016**			
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Report: Materiality Assessment	20
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Sustainability Report: Economic	20
Energy and Carbon Footprint GRI 3: Material Topics 2021 / GRI 302: Energy 2016/ GRI 305: Emissions 2016			
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Report: Materiality Assessment	24
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	Sustainability Report: Energy and Carbon Footprint	25, 26
	302-3 Energy intensity		
	302-5 Reductions in energy requirements of products and services		
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Sustainability Report: Energy and Carbon Footprint	25, 26
	305-2 Energy indirect (Scope 2) GHG emissions		
	305-4 GHG emissions intensity		
Water and Effluents GRI 3: Material Topics 2021 / GRI303: Water and Effluents 2018			
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Report: Materiality Assessment	27, 28
GRI 303: Water and Effluents 2018	303-5 Water Consumption	Sustainability Report: Water Conservation	27, 28
Resource Efficiency and Waste Management GRI 3: Material Topics 2021 / GRI306: Waste 2020			
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Report: Materiality Assessment	28, 29
GRI 306: Waste 2020	306-3 Waste generated	Sustainability Report: Resource Efficiency and Waste Management	28, 29
Fair Employment Practices GRI 3: Material Topics 2021 / GRI 401: Employment 2016			

GRI Standard	Disclosure Number & Title	Section Reference	Page Reference
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Report: Materiality Assessment	30, 31, 32
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Sustainability Report: Social Performance	30, 31, 32
Occupational Health and Safety GRI 3: Material Topics 2021 / GRI 403: Occupational Health and Safety 2018			
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Report: Materiality Assessment	33, 34
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Sustainability Report: Occupational Health and Safety	33, 34
	403-2 Hazard identification, risk assessment, and incident investigation		
	403-3 Occupational health services		
	403-5 Worker training on occupational health and safety		
	403-6 Promotion of worker health		
	403-8 Workers covered by an occupational health and safety management system		
	403-9 Work-related injuries		
	403-10 Work-related ill health		
Employee Training and Development GRI 3: Material Topics 2021 / GRI 404: Training and Education 2016			
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Report: Materiality Assessment	33, 34
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Sustainability Report: Employee Training and Development	32, 33
	401-2 Programs for upgrading employee skills and transition assistance programs		32, 33
	404-3 Percentage of employees receiving regular performance and career development reviews		32, 33

GRI Standard	Disclosure Number & Title	Section Reference	Page Reference
Customer Health and Safety GRI 3: Material Topics 2021 / GRI 416: Customer Health and Safety			
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Report: Materiality Assessment	34
GRI 416 Customer Health and Safety	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Sustainability Report: Customer Health and Safety	34
Business Ethics and Anti-Corruption GRI 3: Material Topics 2021 / GRI 205: Anti-Corruption 2016			
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Report: Materiality Assessment	35, 36
GRI 205: Anti-Corruption 2016	205 -3 Confirmed incidents of corruption and actions taken	Sustainability Report: Business Ethics and Anti-Corruption	35, 36
Customer Privacy GRI 3: Material Topics 2021 / GRI 418: Customer Privacy 2016			
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Report: Materiality Assessment	36
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Sustainability Report: Customer Privacy	36

TCFD DISCLOSURES

Governance		
TCDF 1(a)	Describe the board's oversight of climate-related risks and opportunities.	Sustainability Report: Our Sustainability Committee (Page 16)
TCFD 1(b)	Describe management's role in assessing and managing climate-related risks and opportunities.	
Strategy		
TCFD 2(a)	Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.	Sustainability Report: Group Strategy (Page 21 and 22)
TCFD 2(b)	Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.	
TCFD 2(c)	Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	
Risk Management		
TCFD 3(a)	Describe the organisation's processes for identifying and assessing climate-related risks.	Sustainability Report: Risk Management (Page 22, 23 and 24)
TCFD 3(b)	Describe the organisation's processes for managing climate-related risks.	
TCFD 3(c)	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.	
Metrics and Targets		
TCFD 4(a)	Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	Sustainability Report: Performance Metrics and Targets (Page 24, 25, 26, 29 and 30)
TCFD 4(b)	Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 GHG emissions, and the related risks.	
TCFD 4(c)	Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets	

CORPORATE GOVERNANCE

The Board of Directors (the "**Board**" or the "**Directors**") of Hiap Hoe Limited (the "**Company**" and together with its subsidiaries, the "**Group**") is committed to upholding effective corporate procedures and policies in compliance with the Code of Corporate Governance 2018 (the "**Code**"). The Board believes that good corporate governance establishes and maintains an ethical corporate environment, which protects and enhances the interests of all shareholders.

This report describes the Company's corporate governance processes and activities that were in place throughout the financial year ended 31 December 2023 ("**FY 2023**"), with specific references made to the principles and guidelines as set out in the Code. The Company has provided the rationale for each area where it has not complied with the Code, and in such cases the Company would re-assess its deviation from the relevant guidelines and implement the recommended procedures as and when it deems it appropriate to do so.

BOARD MATTERS

The Board's conduct of affairs

Principle 1: The Company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the Company.

The Board totals five (5) Board members and currently comprises two (2) Executive Directors (one of whom is the Executive Chairman of the Company, and another who is the Chief Executive Officer ("**CEO**")), and three (3) Non-Executive Independent Directors. Collectively, they possess the right core competencies and diversity of experience and gender, which enables them to contribute to the overall effective management of the Group.

The Directors are fiduciaries who act objectively in the best interests of the Company and hold the Company's management team (the "**Management**") accountable for performance. The Board has in place a code of conduct and ethics, sets appropriate tone from the top and desired organisational culture and ensures proper accountability within the Company. Any Director who faces conflicts of interest is required to recuse himself from discussions and decisions involving the issues of conflict.

The role of the Board pursuant to its terms of reference includes the following:

(a) meeting regularly to review and approve matters such as those relating to the Company's strategic directions, appointment of Directors and key management personnel, business results, and major funding and investment proposals;
(b) reviewing the financial performance of the Group;
(c) supervising the management of the business and affairs of the Group;
(d) reviewing the adequacy of the Group's internal controls and risk management framework;
(e) setting the Group's values and standards (including ethical standards), and ensuring that obligations to shareholders and other stakeholders are understood and met;
(f) assuming responsibility for the corporate governance of the Group; and
(g) ensuring that all decisions are made in the interests of the Group.

The Board has separate and independent access to the Management and is free to request for further clarification and information from the Management on all matters within their purview. The Board will conduct at least two (2) meetings in a year and ad hoc meetings will be convened, when required. The Company's Constitution provides for the Board to convene meetings via telephone conferences and electronic means. In addition to holding meetings, important matters concerning the Group are also put to the Board for its decision by way of written resolutions.

In order to provide an independent oversight and to discharge its responsibilities more efficiently, the Board has delegated certain functions to various committees (the "**Committees**"). These Committees are the Audit and Risk Committee ("**ARC**"), the Remuneration Committee ("**RC**"), and the Nominating Committee ("**NC**"). The respective committees have written terms of reference setting out their compositions, authorities and duties. The chairman of the respective Committees will report and update the Board on the outcome of the Committee meetings and their recommendations on the specific agendas mandated to the Committee by the Board.

CORPORATE GOVERNANCE

The Board accepts that, while these Committees have the authority to examine particular issues and will report back to the Board with their decision and/or recommendations, the ultimate responsibility on all matters lies with the Board. In particular, the Board notes that it has overall responsibility for putting in place a framework of good corporate governance in the Group, including the processes for financial reporting and compliance.

Board members are provided with complete, adequate and timely information from the Management on an ongoing basis and as and when requested by them and all relevant information on material events and transactions are circulated to the Directors as and when they arise. Draft announcements, along with sufficient information relating to the context of the relevant announcement as communicated by email or tele-conversations, will be circulated to the Board for review and approval before dissemination to the shareholders via SGXNet.

The Company's joint company secretaries (the "**Joint Company Secretaries**") would assist the Management to prepare the board papers of the Board and Committee meetings for circulation. The Directors receive the board papers at least two (2) days before the meeting so that they have ample time to review the documents. The board papers include, among others, the following documents and details:

- background or explanation on matters brought before the Board and Committees for their decision or information, including issues being dealt with by Management, relevant forecasts, announcements and projections; and
- minutes of the previous Board and Committee meeting.

All Board members have separate and independent access to the advice and services of the Joint Company Secretaries. The Joint Company Secretaries are responsible for ensuring that Board procedures (including those stipulated in the Company's Constitution) are followed and that applicable rules and regulations (including the requirements of the Companies Act 1967 and the SGX-ST Listing Manual) are complied with. At least one Joint Company Secretary and/or her representatives are present at all Board meetings, to ensure that Board procedures are complied with and to provide advice and guidance on matters of corporate governance as well as on legal and regulatory compliance. The appointment and cessation of the Joint Company Secretaries is subject to the approval of the Board.

Should Directors, whether as a group or individually, need independent advice to fulfil their duties, they may obtain independent professional advice, if necessary, at the Company's expense.

Records of the attendance of the Directors at the various meetings held during FY 2023 are as follows:

Name of Director	Board	Audit and Risk Committee	Remuneration Committee	Nominating Committee
Number of meetings held:	2	2	1	1
Number of meetings attended:				
Mr Ronald Lim Cheng Aun(4)	2	2	1	1
Mr Teo Ho Beng	2	2*	1*	1*
Mr Roland Teo Ho Kang(1)	0	N.A.	N.A.	N.A.
Mr Teo Keng Joo, Marc	2	2*	1*	1*
Mr Koh Kok Heng, Leslie(4)	2	2	1	1
Mr Chan Boon Hui(1)	1	1	1	1
Mr Chan Kum Onn Roger(2)	1	1	0	0
Ms Kwok Chui Lian(3)	0	0	0	0
Mr Ong Seet Joon Amos(3)	0	0	0	0

*Attendance by invitation.

Notes:

(1) Mr Roland Teo Ho Kang and Mr Chan Boon Hui resigned as Managing Director and Non-Executive Director respectively with effect from 3 May 2023.

(2) Mr Chan Kum Onn Roger was appointed as a Non-Executive Independent Director with effect from 3 May 2023.

(3) Ms Kwok Chui Lian and Mr Ong Seet Joon Amos were only appointed as Non-Executive Independent Directors on 2 January 2024 and therefore did not attend any meetings during FY 2023.

(4) Mr Ronald Lim Cheng Aun and Mr Koh Kok Heng, Leslie had retired as Independent Non-Executive Chairman and Independent Non-Executive Director respectively with effect from 2 January 2024.

The Board has adopted internal guidelines setting out, *inter alia*, the following matters which require the Board's approval:

(a) transactions involving a conflict of interest for any substantial shareholder or Director;
(b) material acquisitions and disposals of assets;
(c) corporate or financial restructuring and share issuances, dividends and other returns to shareholders; and
(d) matters as specified under the Company's interested person transaction policy.

The Company also ensures that all Directors understand the Company's business as well as their directorship duties. Newly-appointed Directors are provided with background information about the Group and are invited to visit the Group's operations and facilities to have an understanding of the Group's business operations. Formal letters were issued to newly-appointed Directors upon their appointment explaining their statutory and other duties and responsibilities as a Director of the Company. In line with Rule 201(5)(a) of the SGX-ST Listing Manual, the Company will arrange for newly-appointed directors who have no prior experience as directors of an issuer listed on the SGX to undergo the mandatory SGX prescribed training on their roles and responsibilities unless the NC otherwise at its discretion waives the need for the newly-appointed Director to attend the mandatory SGX prescribed training. It is noted that both Ms Kwok Chui Lian and Mr Ong Seet Joon Amos had prior experience as directors of an issuer listed on the SGX-ST, and as such, do not have to undergo the mandatory SGX prescribed training.

Directors are encouraged to participate in seminars, discussion groups, or external training programmes to be kept abreast of the latest developments relevant to the Group's businesses and to develop and maintain their skills and knowledge at the Company's expense. The Board also receives updates from time to time, particularly on relevant new laws and regulation, changing commercial risks, and business conditions from the Company's relevant advisors and the Management.

As at the date of this Annual Report, the Directors have attended the mandatory sustainability training courses prescribed by the SGX-ST. The Directors have also attended briefings by the external auditor on the changes and amendments to the accounting standards for FY 2023.The Directors have also attended other external programmes and seminars such as Highlights of SGX Mainboard Rules Amendments 2020-2022 organised by The Society of Remisiers (Singapore) Continuing Education Centre 2024.

BOARD COMPOSITION AND GUIDANCE

Principle 2: The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the Company.

The Board currently comprises two (2) Executive Directors and three (3) Non-Executive Independent Directors. As at the date of this Annual Report, the Non-Executive Independent Directors make up a majority of the Board. Accordingly, there is a strong and independent element in the Board and the Company is in compliance with the Code. The members of the Board are as follows:

Executive Directors

Mr Teo Ho Beng (Executive Chairman)

Mr Teo Keng Joo, Marc (CEO)

CORPORATE GOVERNANCE

Non-Executive Independent Directors

Mr Chan Kum Onn Roger (Lead Independent Director)

Ms Kwok Chui Lian

Mr Ong Seet Joon Amos

As at the date of this Annual Report, the position of Executive Chairman is held by Mr Teo Ho Beng. Whilst the Chairman is not independent, it is noted that Non-Executive Independent Directors make up a majority of the Board, in accordance with Provision 2.2 of the Code, thereby ensuring proper balance of power and authority in the Group.

Provision 2.3 of the Code states that Non-Executive Directors should make up a majority of the Board to avoid undue influence of the management over the Board and ensure appropriate checks and balances are in place. The Board currently has three (3) Non-Executive Directors Independent Directors which make up a majority of the Board. Accordingly, the Board believes that there is a sufficiently strong independent element on the Board to maintain appropriate checks and balances and avoid undue influence of the Management on the Board's decision making process. The Company further believes that the existing Board composition is also consistent with the intent of Principle 2 of the Code as the Non-Executive Independent Directors, who chair the Board committees, are independent and are able to provide the appropriate level of independence and diversity of thought and background and to make decisions in the best interests of the Company.

The independence of each Non-Executive Independent Director is reviewed annually by the NC. The NC has adopted the Code's and SGX-ST Listing Manual's definition of what constitutes an independent director in its review. Pursuant to Provision 2.1 of the Code, an "independent" director is one who is independent in conduct, character and judgement, and has no relationship with the Company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the director's independent business judgement in the best interests of the Company. Under Rule 210(5)(d) of the SGX-ST Listing Manual, a director will not be considered independent (i) if he is employed or has been employed by the Company or any of its related corporations for the current or any of the past three (3) financial years, (ii) if he has an immediate family member who is employed or has been employed by the Company or any of its related corporations for the current or any of the past three (3) financial years, and whose remuneration is determined by the remuneration committee of the Company, or (iii) if he has been a director of the Company for an aggregate period of more than nine (9) years.

The Board has identified each of the Company's Non-Executive Independent Directors to be independent, after determining, taking into account the views of the NC, whether the Director is independent in character and judgement and whether there are relationships or circumstances which are likely to affect, or could appear to affect, the Director's judgement. Each Director is required to disclose to the Board any such relationships or circumstances as and when it arises. In addition, every year, each Non-Executive Independent Director is required to complete the Director's independence form to confirm his or her independence annually based on the guidelines set out in the Code.

The Board's and Committees' structure, size and composition are reviewed annually by the NC. The NC, with the concurrence of the Board, is of the view that the Board's and Committees' current size is appropriate and has the right mix of skills, knowledge and experience given the nature and scope of the Group's operations, and other aspects of diversity such as gender and age. The Directors as a group provide a diversity of skills, knowledge, as well as extensive experience in business management, strategic planning, and knowledge in accounting and finance, all of which are crucial in steering the Group towards the direction of growth and in avoiding group think and fostering constructive debate.

In reviewing the appointments of new Directors (including any future appointments of new Directors), the Board together with the NC ensures that it sets the relevant objectives to promote and achieve diversity on the Board. In discharging its duties, the Board and the NC shall give due regard to the benefits of all aspects of diversity and strive to ensure that the Board is appropriately balanced to support the long-term success of the Company. The main objective is to continue to maintain the appropriate balance of perspectives, skills and experience on the Board to support the long-term success of the Company.

CORPORATE GOVERNANCE

The Company has adopted a board diversity policy which recognises the importance of having an effective and diverse Board, taking into consideration the benefits of all aspects of diversity, including diversity of skills, experience, background, gender, age, ethnicity and other relevant factors. In reviewing the board composition, the NC will consider the balance of skills, experience, director independence, potential impact on boardroom dynamics, other principal commitments, previous employment held in the Company, if any, and knowledge of the Company on the Board and the diversity representation of the Board. High emphasis is placed on ensuring a balanced composition of skills and experience at the Board level in order to provide a range of perspectives, insights and challenge that enable the Board to discharge its duties and responsibilities effectively, support good decision making in view of the core businesses and strategy of the Group, and support succession planning and development of the Board. Further to this, the Board and the NC will also continue to take into consideration the need for diversity on the Board in the appointment of new Directors in line with the intent of Principle 2 of the Code. The Board consists of directors with ages ranging from late 30s to early 70s, who have served on the Board for different tenures. The Company is pleased to note that there is currently one (1) female Director on the Board, in line with its board diversity policy.

The Board notes that the Company's Non-Executive Independent Directors are able to constructively challenge the Management's mindset and planning, with a view to the best interests of the Group. They also play a crucial role in helping the Management develop proposals on business strategy and in reviewing the performance of the Management. The Company would arrange to avail the Company's premises for use by the Non-Executive Independent Directors at any time to meet regularly without the presence of the Management.

Details of the Directors' academic and professional qualifications can be found on pages 6 and 7 of the Annual Report.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Principle 3: There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision making.

To ensure an appropriate balance of power, increased accountability and greater capacity of the Board for independent decision making, the Chairman and CEO are separate persons. Mr Teo Ho Beng is the Executive Chairman of the Company, while Mr Teo Keng Joo, Marc, the son of Mr Teo Ho Beng, is the CEO of the Company. Notwithstanding this relationship, the Board is of the view that there is a clear division of responsibilities between the two roles with adequate accountability.

As the Executive Chairman, Mr Teo Ho Beng performs the following in relation to Board proceedings:

(a) schedule meetings that enable the Board to perform its duties responsibly while not interfering with the Company's operations;
(b) prepare meeting agendas in consultation with the CEO and the Management;
(c) exercise control over quality, quantity and timelines of the flow of information between the Management and the Board;
(d) promote a culture of openness and debate at the Board;
(e) facilitate the effective contribution of the Non-Executive Independent Directors in particular to the Board and Group affairs; and
(f) assist in ensuring compliance by the Company with the Code's guidelines on corporate governance.

The Executive Chairman and CEO is responsible for the day-to-day management of the Group and in developing the businesses of the Group. Major decisions made by the Executive Chairman and CEO, are reviewed by the ARC and approved by the Board.

In line with Provision 3.3 of the Code, since the Chairman is not independent, the Board has appointed Mr Chan Kum Onn Roger as the Lead Independent Director to provide leadership when the Executive Chairman is conflicted. The Lead Independent Director is available to Shareholders where they have concerns for which contact through normal channels of communication with the Executive Chairman, CEO or the Management has failed to resolve or for which such contact is inappropriate or inadequate.

CORPORATE GOVERNANCE

In line with the Code, the Non-Executive Independent Directors, led by the Lead Independent Director, meet at least once a year without the presence of the other Executive Directors and the Management. After such meetings, the Lead Independent Director would provide feedback to the Executive Chairman and CEO.

As such, the Board is of the view that there is a clear division of responsibilities between the Board and the Management and there are adequate safeguards in place to ensure a balance of power and authority on the Board, such that no one individual represents a considerable concentration of power.

BOARD MEMBERSHIP

Principle 4: The Board has a formal and transparent process for the appointment and re-appointment of directors, taking into account the need for progressive renewal of the Board.

The NC comprises entirely of three (3) Non-Executive Independent Directors and they are:

1) Ms Kwok Chui Lian (Chairman of the NC);
2) Mr Chan Kum Onn Roger; and
3) Mr Ong Seet Joon Amos.

The principal functions of the NC based on its terms of reference include the following:

(a) identifying and making recommendations to the Board as to the Directors who are to retire by rotation and who are to be put forward for re-election at each annual general meeting ("**AGM**") of the Company;
(b) determining annually whether or not a Director is independent;
(c) deciding, in relation to a Director who has multiple board representations, whether or not such Director is able to and has been adequately carrying out his or her duties as a Director of the Company;
(d) identifying and nominating candidates for the approval of the Board to fill vacancies in the Board as and when they arise;
(e) reviewing and making recommendations to the Board regarding the Board's structure, size, composition, and core competencies, having regard at all times to the principles of corporate governance and the Code;
(f) reviewing succession plans for directors, in particular the appointment and/or replacement of the Chairman, CEO and key management personnel;
(g) appointment and re-appointment of Directors;
(h) creating the process and criteria for evaluating the effectiveness of the Board, as a whole, the Committees and the contribution of the Directors to the effectiveness of the Board; and
(i) reviewing training and professional development programmes.

New Directors are appointed by way of a Board resolution after the NC has approved their nomination. These new Directors must submit themselves for re-election at the next AGM of the Company in accordance with Regulation 91 of the Company's Constitution. The NC would through various avenues, source for suitable candidates as new Director(s) and appraise the candidates to ensure they have the relevant experience and calibre to contribute effectively to the Group. These avenues include the Directors' personal contacts, search companies or through internal assessments conducted on any suitable candidates within the Group. As and when necessary, the Company will release announcements on the appointments or cessations of its Directors via SGXNet.

The NC makes recommendations to the Board on all Board appointments and re-nominations. The NC has conducted the annual review of the Directors' independence based on the circumstances set forth in Provision 2.1 of the Code. The NC, having evaluated the independence of each of the Non-Executive Independent Directors, is of the view that Mr Chan Kum Onn Roger, Ms Kwok Chui Lian and Mr Ong Seet Joon Amos are independent.

The Company's Constitution provides for at least one-third of the Directors to retire from office by rotation at each AGM. The retiring Directors shall be eligible for re-election at the AGM. Pursuant to Rule 720(4) of the SGX-ST Listing Manual, all directors submit themselves for re-nomination and re-appointment at least once every three years.

CORPORATE GOVERNANCE

The Board has accepted the NC's nomination of Mr Teo Ho Beng and Mr Teo Keng Joo, Marc, who are retiring pursuant to Regulation 106 of the Company's Constitution for re-election at the Company's forthcoming AGM. It is further noted that the re-election of Mr Chan Kum Onn Roger, Ms Kwok Chui Lian and Mr Ong Seet Joon Amos who are retiring pursuant to Regulation 91 of the Company's Constitution will be proposed at the Company's forthcoming AGM.

The NC is also tasked with deciding whether or not a Director is able to and has been adequately carrying out his or her duties as a Director, particularly when he has multiple board representations. For the avoidance of doubt, all Directors are required to declare their board representations to the Board and the Management. As a guide, Directors should not have more than six (6) listed companies board representations and other principal commitments. None of the Non-Executive Independent Directors have more than six (6) listed companies board representations and other principal commitments. After conducting reviews, the NC is satisfied that sufficient time and attention are being given by the Directors to the affairs of the Group and that the Directors have been adequately carrying out their duties as Directors of the Company.

Details of the appointment of each Director, including the date of initial appointment and the date of last re-election as a Director of the Company, as well as their directorships in other listed companies, both current and for the preceding three (3) years, are set out below:

Name of Director	Date of Initial Appointment	Date of Last Re-election	Directorship in Listed Companies	
			Past Preceding 3 years	Present
Mr Teo Ho Beng	16 January 2003	29 April 2021	-	Ley Choon Group Holdings Limited
Mr Teo Keng Joo, Marc	11 May 2017	29 April 2021	-	-
Mr Chan Kum Onn Roger	3 May 2023	Not applicable	-	-
Ms Kwok Chui Lian	2 January 2024	Not applicable	-	-
Mr Ong Seet Joon Amos	2 January 2024	Not applicable	-	1. Koh Brothers Group Ltd 2. Tiong Seng Holdings Ltd

BOARD PERFORMANCE

Principle 5: The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its board committees and individual directors.

Once every financial year, all Directors are requested to complete a Board performance evaluation questionnaire to assess the overall effectiveness of the Board for the year under review. The Joint Company Secretaries will compile the Directors' responses to the questionnaire into a summarised report and circulate the same to the Board for discussion. The results of the exercise are reviewed by the NC before submission of the same to the Board for further discussion. The Board will determine areas for improvement and methods to enhance Board effectiveness.

For FY 2023, the NC had evaluated the Board's performance as a whole, including the participation and contribution of the Non-Executive Chairman and the individual Directors to the Management of the Company at Board and Committee Meetings. Ms Kwok Chui Lian and Mr Ong Seet Joon Amos abstained from participating in the evaluation of the Board's performance for FY 2023 as they were only appointed as directors on 2 January 2024. To assess the effectiveness of the Board as a whole, the factors considered by the NC include but are not limited to:

(a) the current size and composition of the Board;
(b) the discussion and decision-making processes of the Board (including quality of the Board's conduct of meetings);
(c) the Board's access to information;
(d) the observation of risk management and internal control policies by the Board; and
(e) the performance of the Board (including the Board's performance in relation to the discharge of its principal responsibilities in terms of the financial indicators set out in the Code).

For FY 2023, the NC has also evaluated the performance of the Directors. To assess the contribution of each individual Director, the factors evaluated by the NC include but are not limited to:

(a) his or her participation at the meetings of the Board;
(b) his or her ability to contribute to the discussions conducted by the Board and to constructively challenge and contribute effectively to the Board;
(c) his or her ability to evaluate the Company's strength and weaknesses and make informed business decisions;
(d) his or her ability to interpret the Company's financial reports and contribute to the formulation of strategies, budgets and business plans that are compatible with the Group's vision and existing business strategy;
(e) his or her compliance with the policies and procedures of the Group;
(f) his or her performance of specific tasks delegated to each Director;
(g) his or her disclosure of any related person transactions or conflicts of interest; and
(h) for Independent Directors, his or her independence from the Group and the Management.

With respect to FY 2023, the Board, in consultation with the NC, considered the performance of each individual Director and the Board to be satisfactory. For the avoidance of doubt, each member of the NC abstained from voting on any resolution in respect of the assessment of his performance or re-nomination as Director.

For FY 2023, the Board had also evaluated the performance of the ARC, NC and RC. Ms Kwok Chui Lian and Mr Ong Seet Joon Amos abstained from participating in the evaluation of the ARC's, NC's and RC's performance for FY 2023 as they were only appointed as directors on 2 January 2024. To assess the performance of each Committee, the factors evaluated by the Board include but are not limited to:

(a) the ARC/NC/RC's ability to function properly and to discharge its responsibility effectively;
(b) the ARC/NC/RC's meetings are conducted in a manner that allows a frank and candid exchange of views;
(c) there is strong support from Management in the preparation and submission of papers for discussion;
(d) papers for meetings are distributed to members in advance and they do contain adequate details on issues for discussion;
(e) members do have sufficient expertise and knowledge to ask searching questions and challenge Management on its judgement and findings on issues for discussion; and
(f) ARC/NC/RC will not hesitate to seek outside third party professional and expert advice as and when the need arises.

The Board considered the performance of the ARC, NC and RC to be satisfactory in FY 2023.

REMUNERATION MATTERS

Principle 6: The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her own remuneration.

Principle 7: The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the Company, taking into account the strategic objectives of the Company.

CORPORATE GOVERNANCE

Principle 8: The Company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.

The RC comprises entirely of Non-Executive Directors, the majority of whom (including the Chairman of the RC) are Non-Executive Independent Directors and they are:

1) Mr Ong Seet Joon Amos (Chairman of the RC);
2) Mr Chan Kum Onn Roger; and
3) Ms Kwok Chui Lian.

One of the key roles of the RC is to review and recommend to the Board a general framework of remuneration for the Directors and the key management personnel and the specific remuneration packages for each Director as well as for the key management personnel. The RC also considers all aspects of remuneration, including termination terms, to ensure they are fair. For the avoidance of doubt, no Director or member of the RC is involved in deciding his or her own remuneration. The Company has not engaged any remuneration consultants.

Remuneration matters concerning the Board, key management personnel, and employees who are immediate family members of a Director

The Company adopts a remuneration policy for Executive Directors and key management personnel, which comprises a fixed component and a variable component. The fixed component is in the form of a monthly base salary, whereas the variable component is in the form of a variable bonus that is linked to the performance of the Company and the individual. The variable bonus is aligned with the interests of shareholders and other stakeholders and promotes the long-term success of the Company.

The RC's objective is to establish and maintain a level of remuneration that would be appropriate to attract, retain and motivate the Directors and key management personnel to run the Company successfully in the long term. The RC has adopted a framework of remuneration for the Board and determined specific remuneration packages for each Executive Director. The recommendations of the RC are submitted to the Board for endorsement.

The Executive Directors have service agreements which are renewed annually. The service agreements may be terminated by either the Company or the Executive Directors by giving six (6) months' written notice to the other party. The RC also reviews the Company's obligations arising in the event of termination of the Executive Directors and key management personnel's contracts of service to ensure that such contracts of service contain fair and reasonable termination clauses which are not overly generous.

The Company is of the view that there is no requirement to institute contractual provisions to allow the Company to reclaim incentive components of Executive Directors' remuneration paid in prior years in exceptional circumstances of misstatement of financial results, or of misconduct resulting in financial loss, as they owe a fiduciary duty to the Company and the Company should be able to avail itself to remedies against the Executive Directors in the event of such breach of fiduciary duties.

Non-Executive Directors, including Non-Executive Independent Directors, are paid Directors' fees, taking into consideration individual contribution, including effort, attendance at various meetings, time spent and responsibilities held at the Committee level. The breakdown of those fees is as follows:

Independent / Non-Executive Director	$40,000
Chairman of Audit and Risk Committee	$15,000
Chairman of Remuneration Committee	$ 5,000
Chairman of Nominating Committee	$ 5,000

Such fees are subject to the approval of shareholders at the AGM every year.

The members of the RC possess general knowledge in the field of executive remuneration and/or compensation and have access to external professional advice. The RC ensures that in the event of such advice being sought,

CORPORATE GOVERNANCE

existing relationships, if any, between the Company and its appointed remuneration consultants will not affect the independence and objectivity of the remuneration consultants. In setting remuneration packages, the Company takes into consideration the remuneration and employment conditions within the same industry and in comparable companies, as well as the Group's relative performance and the performance of the individuals. To avoid poaching of the Company's staff and in the interest of privacy and confidentiality of remuneration matters and taking into consideration the relative size as well as the competitive business environment in which the Group operates in, the Company is not disclosing the precise remuneration and in aggregate the total remuneration of the Directors and top key management personnel of the Group in the Annual Report. The Company also took into consideration the disadvantages which would be caused to the Group's business interest would far outweigh the benefits of such disclosure as well as the sensitivity of remuneration matters and the need to maintain the confidentiality of the remuneration packages of the Directors and top key management personnel of the Group. However, the Company shall disclose the remunerations in bands of S$250,000 and provide a detailed breakdown in percentage terms of the same. In view of the aforementioned reasons, the Company believes that whilst it has not disclosed the precise remuneration and in aggregate total remuneration of the Directors and top key management personnel of the Group, its current disclosure is consistent with the intent of Principle 8 of the Code as shareholders are still given information on the level and mix of remuneration in percentage terms and that the interests of shareholders will not be prejudiced as a result of such non-disclosure of the total remuneration in dollar terms for the Directors as well as for key management personnel. In line with the recent amendments to the Listing Rules, the Company will disclose the exact amount and breakdown of remuneration paid to its individual directors and the CEO by the Company and its subsidiaries for the financial year ending 31 December 2024.

Details of the remuneration of the Directors (in percentage terms) are as follows:

Directors' Remuneration	Fees(1)	Salary(2)	Bonus(3)	Other Benefits(4)	Total
$250,000 and below					
Mr Ronald Lim Cheng Aun*	100%	-	-	-	100%
Mr Koh Kok Heng, Leslie*	100%	-	-	-	100%
Mr Chan Boon Hui#	100%	-	-	-	100%
Mr Chan Kum Onn Roger#	100%	-	-	-	100%
Between $250,001 to $500,000					
Mr Teo Keng Joo, Marc	-	70%	24%	6%	100%
Between $750,001 to $1,000,000					
Mr Roland Teo Ho Kang#	-	77%	20%	3%	100%
Between $2,250,001 to $2,500,000					
Mr Teo Ho Beng	-	76%	23%	1%	100%

Notes:

* Mr Ronald Lim Cheng Aun and Mr Koh Kok Heng, Leslie had retired as Independent Non-Executive Chairman and Independent Non-Executive Director respectively with effect from 2 January 2024.

On 3 May 2023, Mr Chan Kum Onn Roger was appointed as a Non-Executive Independent Director, while Mr Roland Teo Ho Kang and Mr Chan Boon Hui had resigned as the Managing Director and a Non-Executive Director respectively.

(1) Directors' fee proposed for FY 2023.
(2) Salary includes gross salary and Central Provident Fund ("**CPF**") contribution.
(3) Bonus includes salary and CPF contribution.
(4) Other benefits include use of the company car and its maintenance costs.

CORPORATE GOVERNANCE

The range of gross remuneration received by the top five (5) executives (excluding Executive Directors and CEO) of the Group is as follows:

Top Five (5) Executives' Remuneration	Salary(1)	Bonus(2)	Other Benefits(3)	Total
Between $250,001 to $500,000				
Ms Teo Poh Sim Agnes	73%	22%	5%	100%
Ms Irene Cheah Lan Kwee	77%	23%	-	100%
$250,000 and below				
Mr Teo Ho Kheong Andrew	76%	13%	11%	100%
Ms Teo Poh Leng Jocelyn	72%	12%	16%	100%
Ms Teo Poh Ho Josephine	79%	14%	7%	100%

Notes:

(1) Salary includes gross salary and CPF contribution.
(2) Bonus includes salary and CPF contribution.
(3) Other benefits include use of the company car and its maintenance costs.

The remuneration of employees who are immediate family members of a Director or the CEO is disclosed below:

Remuneration Bands	Number of Employees
$100,001 to $150,000	1
$150,001 to $200,000	2
$200,001 to $250,000	1
$300,001 to $350,000	1

Ms Sin Wong Chan is the wife of Mr Teo Ho Beng and mother of Mr Teo Keng Joo, Marc, whose remuneration ranged between $100,001 and $150,000 for FY 2023.

Ms Teo Poh Ho Josephine and Ms Teo Poh Leng Jocelyn are the sisters of Mr Teo Ho Beng whose remuneration ranged between $150,001 and $200,000 for FY 2023.

Mr Teo Ho Kheong Andrew is the brother of Mr Teo Ho Beng whose remuneration ranged between $200,001 and $250,000 for FY 2023.

Ms Teo Poh Sim Agnes is the sister of Mr Teo Ho Beng whose remuneration ranged $300,001 and $350,000 for FY 2023.

Save for the remuneration of Ms Sin Wong Chan, the amount and breakdown of the remuneration of the immediate family members of substantial shareholders or Director or CEO of the Company has been disclosed in percentage terms under the remuneration table above for the top five (5) executives.

Save as disclosed above, there are no employees who are substantial shareholders of the company, or are immediate family members of a director, the CEO, or a substantial shareholder of the Company, and whose remuneration exceed S$100,000 during FY 2023.

In respect of the Company's decision not to disclose the amounts and breakdown of the remuneration of employees who are immediate family members of a substantial shareholder, Director or CEO of the Company ("**Related Employees**") in dollar terms, this decision was taken after careful deliberation and taking into consideration the confidential nature and sensitivity of remuneration matters, the relative size of the Group as well as the competitive business environment in which the Group operates in. The Company also took into consideration the disadvantages which would be caused to the Group's business interest would far outweigh the benefits of such disclosure and as well as the sensitivity of remuneration matters and the need to maintain the confidentiality of the remuneration package of the Related Employees.

CORPORATE GOVERNANCE

The Company has adopted a disclosure of the remuneration band which each Related Employee falls within and which would still enable shareholders to understand the Company's remuneration structure for Related Employees.

The Company believes that notwithstanding its decision not to disclose the amounts and breakdown of the remuneration of Related Employees, its current disclosure is consistent with the intent of Principle 8 of the Code and that the interests of shareholders will not be prejudiced as a result of such non-disclosure of the total remuneration in dollar terms for the Related Employees.

The Company currently does not have any long-term incentive scheme or employee share option scheme.

ACCOUNTABILITY AND AUDIT

The Board is accountable to shareholders for the management of the Group. The Board is mindful of its obligations to provide an assessment of the Company's performance and updates shareholders on the operations and financial position of the Company through half yearly results announcements through SGXNet. The Board will also release timely announcements of other matters to ensure full disclosure of material information, as prescribed by the SGX-ST Listing Manual and other relevant rules and regulations. In particular, price sensitive information is publicly announced before it is communicated to any other interested person.

The Management, who is accountable to the Board, provides the Board with the necessary financial information for the discharge of the Board's disclosure duties. The Board is provided with periodic financial reports and other relevant disclosure documents, where appropriate, by the Management.

Further to the above, the Company also completes and submits compliance checklists to SGX-ST (if applicable and when required) to ensure that all announcements, circulars or letters to shareholders comply with the requirements set out in the SGX-ST Listing Manual. The Board is also notified by the Management, the Joint Company Secretaries, and the Company's auditors on any statutory changes or updates in regulatory or accounting standards affecting the Group. The Board will, after reviewing the necessary documents and/or discussions at any Board or Committee meetings, take action where it deems appropriate to do so to ensure that the Group complies with the prescribed requirements.

RISK MANAGEMENT AND INTERNAL CONTROLS

Principle 9: The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls to safeguard the interests of the Company and its shareholders.

The Board determines the nature and extent of the significant risks which the Company is willing to take in achieving its strategic objectives and value creation. The Company has put in place a risk management and internal controls system in relation to the Group's financial, operational, compliance and information technology controls. Risk management and internal controls are detailed in formal instructions, standard operating procedures, and financial authority limits policies. The principal aim of the internal control system (including financial, operational, compliance and information technology controls) and risk management system is to safeguard shareholders' investments and the Group's assets.

The Management maintains the risk management and internal controls system and the Board monitors the Group's risks through the ARC and the Company's internal auditors. In designing these controls, the Company has considered the risks to which the business is exposed, the likelihood of such risks occurring and the costs of protecting against them.

The Group maintains a system of internal controls for all companies within the Group. The Board acknowledges that it is responsible for the overall internal controls framework, but recognises that no cost-effective internal control system will preclude all errors and irregularities, as such systems are designed to manage rather than eliminate all risks of failure in achieving business objectives. The internal controls system is implemented to provide reasonable, but not absolute, assurance against material misstatement or loss, with a view to safeguard shareholders' investments and the Group's assets.

CORPORATE GOVERNANCE

The Group has adopted the Enterprise Risk Management ("**ERM**") framework pursuant to which it has established risk management policies and guidelines for adoption. The ERM framework is designed to enable Management to address the operational risks, financial risks, compliance risks of key operating units in the Group. The ERM sets out the following processes:

(a) identifying each risk factor which the Group is exposed to;
(b) quantifying each exposure's size in terms of cash valuations;
(c) inserting these figures into a risk estimation calculation and mapping out the results;
(d) identifying the Group's overall risk exposures as well as the contribution to the overall risk as derived from each risk factor;
(e) setting up a process to report on these risks periodically to the Management, who will set a committee of division heads and executives to determine capital allocations, risk limits, and risk management policies; and
(f) monitoring the Group's compliance with these policies and risk limits.

The ERM provides a point of reference for the Company to address the on-going changes and challenges in its business environment, manage and reduce commercial uncertainties, facilitate shareholder value creation process, and assist the ARC and the Board in discharging their responsibilities.

The ARC is responsible for overseeing the internal controls and risk management of the Group and the Board of Directors reviews the adequacy and effectiveness of the key internal controls including financial, operational, compliance and information technology controls, as well as risk management systems on an on-going basis, such reviews of which are carried out internally or with the assistance of any competent third parties. In particular, it was noted by the ARC and the Board that the Company's external auditors confirmed that proper accounting records are maintained for FY 2023 and that the financial information used for business purposes and for publication in the relevant financial period is reliable. The internal and external auditors, pursuant to their respective terms of appointment, report to the ARC any audit findings relating to internal controls, and the ARC reviews the adequacy of the actions taken by the Management to address the recommendations of the internal and external auditors.

In addition, the Board has received assurance from the CEO and the Chief Financial Officer ("**CFO**") for FY 2023 that the financial records have been properly maintained and the financial statements give a true and fair view of the Company's operations and finances.

The Board has also received assurance from the CEO and other key management personnel responsible, regarding the adequacy and effectiveness of the Company's risk management and internal control systems for FY 2023.

Based on the ERM framework and internal controls established and maintained by the Company, work performed in conjunction with the statutory audit, and reviews performed by the Management, various Committees and the Board in respect of the internal controls (including financial, operational, compliance and information technology controls) and the risk management system, the Board, having concurred with the ARC, is satisfied with the adequacy and effectiveness of the issuer's internal controls (including financial, operational, compliance and information technology control) and risk management systems for FY 2023. The Company has thereby complied with Rule 1207(10) of the SGX-ST Listing Manual.

AUDIT AND RISK COMMITTEE

Principle 10: The Board has an Audit Committee which discharges its duties objectively.

The ARC comprises entirely of Non-Executive Directors, the majority of whom (including the Chairman of the ARC) are Non-Executive Independent Directors, and the members are as follows:

1) Mr Chan Kum Onn Roger (Chairman of the ARC);
2) Ms Kwok Chui Lian; and
3) Mr Ong Seet Joon Amos.

CORPORATE GOVERNANCE

The role of the ARC is to assist the Board of Directors in the execution of its corporate governance responsibilities within its terms of reference and requirements.

The functions of the ARC include:

(a) reviewing any significant financial reporting issues and judgements so as to preserve the integrity of the financial statements of the Company and any announcements relating to the Company's financial performance;
(b) reviewing with the external auditors, the audit plan, their evaluation of the adequacy of the Company's system of internal accounting controls, their audit report, the Management's letter and the Management's responses;
(c) reviewing the assurance from the CEO and the CFO on the financial records and financial statements;
(d) reviewing the half year and full year financial statements before submission of the same to the Board for approval;
(e) reviewing annually the scope and results of the internal controls and risk management system including the adequacy and effectiveness of the internal audit functions;
(f) reviewing the assistance given by the Management to the external auditors;
(g) overseeing the internal controls and risk management of the Company and assessing the adequacy and effectiveness of these internal controls and risk management systems;
(h) reviewing the scope and results and the cost-effectiveness, the independence and objectivity of the external auditors and internal audit function, annually, and the nomination of the external auditors' re-appointment as auditors of the Company;
(i) making recommendations to the Board on (i) the proposals to the shareholders on the appointment and removal of external auditors and (ii) the remuneration and terms of engagement of the external auditors;
(j) reviewing all non-audit services provided by the external auditors so as to ensure that any provision of such services would not affect the independence of the external auditors;
(k) investigate any matters within its terms of reference;
(l) reviewing interested person transactions falling within the scope of the SGX-ST Listing Manual; and
(m) reviewing and overseeing arrangements by which employees of the Group may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters and ensure that arrangements are in place for such concerns to be raised and independently investigated and for appropriate follow up actions to be taken.

The Board is of the opinion that the members of the ARC have sufficient expertise and experience to discharge their duties effectively. The ARC Chairman and the ARC members have relevant accounting or related financial management expertise and experience.

The ARC has full access to all records concerning staff personnel and other relevant information which the ARC considers necessary to enable it to properly discharge its function, and has full discretion to invite any Director and/or executive officer to attend its meetings. Each member of the ARC shall abstain from voting on any resolutions in respect of matters which he has an interest in. The ARC expects to receive full co-operation from the Management and external auditors in this respect.

The ARC met twice during FY 2023. The ARC meets with the external auditors without the presence of the Company's Management at least once a year and this was observed in FY 2023. For the avoidance of doubt, no former partner or director of the Company's existing audit firm is a member of the ARC.

The aggregate amount of fees paid to the external auditors amounted to approximately S$420,000 for audit services and S$68,000 for non-audit services performed during FY 2023.

In selecting suitable audit firms, the ARC relies on the Quality Indicators Disclosure Framework published by the Accounting and Corporate Regulatory Authority and takes into account several considerations such as the adequacy of the resources and experience of the auditing firm and the audit engagement partner assigned to the audit, the firm's other audit engagements, the current size and complexity of issues of the Group being audited, and the number and experience of supervisory and professional staff assigned to the audit.

CORPORATE GOVERNANCE

The ARC has conducted a review of all non-audit services provided by the external auditors for FY 2023, and is satisfied with the independence and objectivity of the external auditors. The ARC has recommended to the Board that Messrs Ernst & Young LLP be nominated for re-appointment as auditors at the forthcoming AGM.

Save for the Group’s subsidiaries incorporated in the United Kingdom, the Company and all its Singapore subsidiaries are audited by Messrs Ernst & Young LLP and the Group’s subsidiaries incorporated in Australia are audited by member firms of EY Global. The ARC and the Board has reviewed the appointment of HLB Beever and Struthers, Manchester as the audit firm of its subsidiaries incorporated in the United Kingdom and is of the view that the appointment does not comprise the standard and effectiveness of the audit of the Group and that the Group has complied with Rule 716 of the SGX-ST Listing Manual.

The external auditors regularly update the ARC on the changes to accounting standards and issues which will have a direct impact on financial statements.

The Company has also established a Code of Conduct and Business Ethics which applies to all employees of the Group. The areas covered include conduct at the workplace, business conduct, protection of the Company’s assets, confidentiality of information, and potential conflicts of interest. Directors, key executives, and employees are expected to observe and uphold high standards of integrity which are in compliance with the Company’s policies and regulations.

Whistle-Blowing Policy

The Company has in place a whistle-blowing framework, endorsed and overseen by the ARC, pursuant to which employees of the Group have direct access to the Chairman of the ARC to raise concerns about possible corporate improprieties in matters of financial reporting or other matters. The objective of such arrangements is to ensure both independent investigation of such matters and appropriate follow-up action are taken, and that employees or external parties making any reports in good faith will be able to do so with the confidence that they will be treated fairly and protected from reprisal or detrimental or unfair treatment. The ARC is responsible for the oversight and monitoring of whistleblowing matters. The Company will ensure the confidentiality of any whistle-blower and allow disclosures to be made anonymously.

There were no whistle-blowing letters received during FY 2023 and as of the date of this Annual Report.

INTERNAL AUDIT

Rule 719(3) of the SGX-ST Listing Manual: The company must establish and maintain on an ongoing basis, an effective internal audit function that is adequately resourced and independent of the activities it audits.

The Company has established and maintains on an ongoing basis, an effective internal audit function that is adequately resourced and independent of the activities it audits. The internal audit function is out-sourced to a public accounting firm, Baker Tilly Consultancy (Singapore) Pte Ltd (“**Baker Tilly Singapore**”).

Baker Tilly Singapore is the member firm of the top 10 international accounting network. It is currently the outsourced internal auditor for a number of companies listed on the Singapore and Hong Kong Stock Exchanges. It has extensive experience in performing internal audits in the manufacturing, hospitality, real estate, retail, trading and non-profit sector, amongst others.

The team from Baker Tilly Singapore conducts its internal audits in line with the International Professional Practices Framework (IPPF) established by The Institute of Internal Auditors. The internal audit team is adequately staffed and comprises an Engagement Partner, Engagement Manager, Lead Consultants and a number of Consultants necessary to fulfil the engagement requirements. The engagement team is well qualified and possesses relevant professional qualifications such as Master of Business Administration, Certified Internal Auditor, Certification in Risk Management Assurance and other designations such as Chartered Accountant.

The internal auditors report primarily to the chairman of the ARC and the ARC is satisfied that the internal auditors are staffed by qualified and experienced personnel. The ARC also decides on the appointment, termination and remuneration of the internal auditors.

CORPORATE GOVERNANCE

The internal auditors plan their internal audit schedules in consultation with the Management, but remain independent of the Management in its operations. The internal auditors have unfettered access to all the Company's documents, records, properties and personnel, including the ARC and have appropriate standing within the Company. The audit plan is submitted to the ARC for approval prior to the commencement of the internal audit. The ARC reviews the activities of the internal auditors on a regular basis, including overseeing and monitoring the implementation of improvements required with regard to internal control weaknesses that have been identified and where necessary, meets with the internal auditors (without management) to discuss the activities. The internal auditors completed one (1) review in FY 2023 in accordance with the internal audit plan approved by the ARC. The findings and recommendations of the internal auditors, Management's responses, and Management's implementation of remedial actions have been reviewed by the ARC.

The ARC also reviews and approves the audit plan from the internal auditors. The ARC is satisfied that the internal audit function is effective, adequately resourced and independent for the year ended 31 December 2023.

SHAREHOLDER RIGHTS AND CONDUCT OF GENERAL MEETINGS

Principle 11: The Company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the Company. The Company gives Shareholders a balanced and understandable assessment of its performance, position and prospects.

All shareholders are treated fairly and equitably to facilitate the exercise of their ownership rights. In line with the continuing disclosure obligations of the Company pursuant to the SGX-ST Listing Manual and the Companies Act 1967, the Board's policy is that all shareholders should be informed in a comprehensive manner and on a timely basis of all material developments that impact the Group.

The Group believes in encouraging shareholder participation at general meetings. As such, shareholders are given the opportunity to vote and participate in as well as to express their views and to raise queries to the Board and the Management regarding the proposed resolutions and on matters relating to the operations of the Group during these meetings. The Company also informs shareholders of the rules governing the general meetings. The Chairman of each of the ARC, NC, and RC are also present at the meetings to attend to questions raised by shareholders. The Company's external auditors are invited to attend the Company's AGM and will assist the Directors in addressing relevant queries relating to the conduct of the audit and the preparation and content of the external auditors' report.

The attendance of the Directors of the Company at the Company's general meetings held during FY 2023 are reflected in the table below:

Name of Director	General Meetings
Number of meetings held:	1
Number of meetings attended:	
Mr Ronald Lim Cheng Aun(1)	1
Mr Teo Ho Beng	1
Mr Roland Teo Ho Kang(2)	0
Mr Teo Keng Joo, Marc	1
Mr Koh Kok Heng, Leslie(1)	1
Mr Chan Boon Hui(2)	1
Mr Chan Kum Onn Roger(3)	0
Ms Kwok Chui Lian(4)	0
Mr Ong Seet Joon Amos(4)	0

CORPORATE GOVERNANCE

Notes:

(1) Mr Ronald Lim Cheng Aun and Mr Koh Kok Heng, Leslie had retired as Independent Non-Executive Chairman and Independent Non-Executive Director respectively with effect from 2 January 2024.

(2) Mr Roland Teo Ho Kang and Mr Chan Boon Hui resigned as Managing Director and Non-Executive Director respectively with effect from 3 May 2023.

(3) Mr Chan Kum Onn Roger was appointed as a Non-Executive Independent Director with effect from 3 May 2023, after the Company's annual general meeting held on 28 April 2023.

(4) Ms Kwok Chui Lian and Mr Ong Seet Joon Amos were only appointed as Non-Executive Independent Directors on 2 January 2024 and therefore did not attend any meetings during FY 2023.

The Board considers it to be crucial that the notices of general meetings are distributed on time to the shareholders prior to such general meetings as the notices set out the agendas that will be discussed, some of which may be of interest to the shareholders. A shareholder who is entitled to attend and vote may either vote in person or *in absentia* through the appointment of one or more proxies. However, as the authentication of information purporting to identify an individual as a shareholder still remains a concern, the Company has decided, for the time being, not to accept voting *in absentia* by mail, email or fax.

The Company also ensures separate resolutions are proposed at general meetings on each substantially distinct issue unless the issues are interdependent and so linked as to form one significant proposal. Where the resolutions are "bundled", the Company will make the necessary explanations and material implications in the notice of general meeting. The Company has implemented the practice of voting by poll at its past general meetings. Votes at the forthcoming AGM and all general meetings going forward will be taken by poll so that shareholders are accorded rights proportionate to their shareholding and all votes are counted.

The Joint Company Secretaries prepare minutes of general meetings that include substantial and relevant comments or queries from shareholders relating to the agenda of the meeting and the corresponding responses from the Board and the Management. These minutes are published on the Company's corporate website as soon as practicable. Results of the general meeting are also released as an announcement via SGXNet, detailing the number of votes cast for and against each resolution as well as the respective percentages.

The Company does not have a fixed dividend policy. The form, frequency and amount of dividends will depend on the Company's earnings, general financial condition, results of operations, capital requirement, cash flow, general business conditions, development plans and other factors as the Directors may deem appropriate. In compliance with Rule 704(24) of the SGX-ST Listing Manual, in the event that the Board decides not to declare or recommend a dividend, the Company will expressly disclose the reason(s) for the decision together with the announcement of the relevant financial statements.

Notwithstanding the abovementioned, the Company has been declaring dividends on an annual basis. Any pay-outs are clearly communicated to shareholders via the financial results announcements through SGXNet. For the first half year ended 30 June 2023, the Company had on 14 August 2023 declared an interim dividend of 0.10 Singapore cent per ordinary share. The Company also intends to propose a final dividend of 0.5 Singapore cent per share for FY 2023, such final dividend to be approved by the shareholders at the forthcoming AGM of the Company.

ENGAGEMENT WITH SHAREHOLDERS

Principle 12: The Company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the Company.

The Group strives for timeliness and transparency in its disclosure to shareholders and the public. In addition to the regular dissemination of information through SGXNet, the Company also responds to enquiries from investors, analysts, fund managers, and the press. The Company does not practice selective disclosure and is mindful that all price-sensitive information should be released through SGXNet on a timely basis. Where applicable, and generally at every half year following the release of the Company's half year financial results announcement, press releases on the Group's performance and/or any major developments are also made available on SGXNet.

CORPORATE GOVERNANCE

The Company maintains a website (https://www.hiaphoe.com) which allows the public to be aware of the Group's latest development and businesses. The public can provide feedback to the Company via its electronic mail address or its registered office address. Calls and emails requesting information are generally attended to promptly, taking into consideration the fact that Management may need to consult with the Board or any of the Company's relevant advisors before communicating or disseminating certain information.

The Company's investor relations policy allows for shareholders to contact the Company at the email hiaphoe@hiaphoe.com with questions, where the Company may respond to such questions.

The Company considers advice from its corporate lawyers and professionals on appropriate disclosure requirements before announcing material information to shareholders.

The notices of general meetings setting out the agenda are despatched to shareholders while copies of the Annual Report or circular, explanatory notes, and if necessary, letters to shareholders on the items of special business, are circulated to shareholders at least 14 days before the general meetings called to pass ordinary resolutions or 21 days before general meetings called to pass special resolutions. In accordance with the Company's Constitution, the Company will be despatching physical copies of the Notice of AGM and Proxy Form to shareholders, as well as serving the Notice of AGM, Proxy Form and FY 2023 Annual Report electronically by uploading electronic copies via SGXNet and on the Company's website for shareholders viewing. Notice of the general meeting is also published in one national business newspaper, The Business Times. The Company will not be despatching printed copies of the Annual Report to shareholders.

ENGAGEMENT WITH STAKEHOLDERS

Principle 13: The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders as part of its overall responsibility to ensure that the best interests of the Company are served.

The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the Company are served. The Company has adopted a Code of Conduct, which establishes processes and actions to be take in the event of any reportable conduct and establishes the business conduct expected of all employees as well as the Company's stance to avoid conflict of interests with stakeholders.

In order to create sustainable value for stakeholders and to address sustainability challenges and opportunities which the Company may face, the Company regularly engages with various stakeholders, including employees, suppliers, customers and the regulators and shareholders to gather feedback on the concerns and expectations most important to them. The information on the Company's arrangements to identify and engage with its material stakeholder groups and to manage its relationships with such groups, and the Company's strategy and key areas of focus in relation to the management of stakeholder relationships during FY 2023 will also be set out in the Company's Sustainability Report which is published together with this Annual Report. The Company also maintains its corporate website which may be accessed by stakeholders at: https://www.hiaphoe.com/.

ADDITIONAL INFORMATION

Securities Transactions

In line with Rule 1207(19) under Chapter 12 of the SGX-ST Listing Manual on Dealings in Securities, the Company has adopted an internal compliance code for the reference of its Directors and officers in relation to the dealings with the Company's securities.

Pursuant to Rule 1207(19)(c), the Company will issue Internal Notices reminding its Directors, officers and relevant staff members who have access to unpublished material price sensitive information reminding them that they are prohibited from dealing in the Company's shares during the period commencing one (1) month before the release of the Company's half year financial results and full year financial results and ending on the date of the announcement of the relevant results, and when they are in possession of unpublished material price sensitive information.

CORPORATE GOVERNANCE

The Directors, officers, and employees of the Group are discouraged from dealing in the Company's securities on short-term considerations and are also expected to observe insider trading laws at all times even when dealing in securities within the permitted trading period.

Directors are required to report to the Joint Company Secretaries whenever they deal in the Company's shares and the Joint Company Secretaries will make the necessary announcements in accordance with the requirements of the SGX-ST.

Interested Person Transactions

Name of interested person	Nature of Relationship	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than $100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under the shareholders' mandate pursuant to Rule 920 (excluding transactions less than $100,000)
Hiap Hoe & Co. Pte. Ltd.	A subsidiary of the ultimate holding company, Hiap Hoe Holdings Pte Ltd	Provision of services for maintenance of property to the Company's subsidiary: - HH Properties Pte Ltd (value of transactions amounting to $108,000) Provision of reinstatement works for a property held by the Company's subsidiary: - SuperBowl Jurong Pte Ltd (value of transactions amounting to $112,500)*	Nil
Keng Heng Investment Pte Ltd	A Company in which a Director has controlling interest	Rental of premises to the Company's subsidiary: - HH Properties Pte Ltd (value of transactions amounting to $102,000)	Nil

* It is noted that 50% of the work was completed and an amount of $56,250 was billed in the 12 months ended 31 December 2023.

The ARC has reviewed all interested person transactions for FY 2023, and is satisfied that the transactions are conducted at arm's length and on terms that are fair and reasonable. Other than as disclosed above, there were no interested person transactions that were more than $100,000 during FY 2023. Pursuant to Rule 920 of the SGX-ST Listing Manual, there was no transaction with interested persons for FY 2023 that warrants a shareholders' mandate.

Material Contracts

There were no other material contracts with the Company or its subsidiaries involving the interest of any CEO, Director or controlling shareholder subsisting at the end of FY 2023, other than disclosed in other parts of the Annual Report.

CORPORATE GOVERNANCE

Sustainability Report

Under Practice Note 7.6 - Sustainability Reporting Guide issued by SGX-ST, the Board should determine the environmental, social and governance factors identified as material to the Group's business and ensure that they are monitored and managed. The Board has ultimate responsibility for the issuer's sustainability reporting. In this regard, the Company has established a Sustainability Committee to assist the Board in the execution of its responsibilities.

The Company has made available its full Sustainability Report for FY 2023 together with this Annual Report in accordance with Rule 711A of the Listing Manual.

CORPORATE GOVERNANCE

SUMMARY OF DISCLOSURES – CORPORATE GOVERNANCE

Rule 710 of the Listing Manual requires Singapore-listed companies to describe their corporate governance practices with specific reference to the Code in their Annual Reports for the financial years commencing on or after 1 January 2019. This summary of disclosures describes our corporate governance practices with specific reference to the disclosure requirements in the principles and provisions of the Code.

DIRECTORS' STATEMENT

For the Financial Year Ended 31 December 2023

The Directors are pleased to present their statement to the members together with the audited consolidated financial statements of Hiap Hoe Limited (the "**Company**") and its subsidiaries (collectively, the "**Group**") for the financial year ended 31 December 2023 and the balance sheet of the Company as at 31 December 2023.

In the opinion of the Directors,

(a) the consolidated financial statements of the Group and the balance sheet of the Company are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2023 and of 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 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.

DIRECTORS

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

Teo Ho Beng
Teo Keng Joo, Marc
Chan Kum Onn Roger
Ong Seet Joon Amos (appointed on 2 January 2024)
Kwok Chui Lian (appointed on 2 January 2024)

ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES AND DEBENTURES

Neither at the end of nor at any time during the financial year was the Company 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 any other body corporate.

DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

The following Directors, who held office at the end of the financial year, had, according to the register of Directors' shareholdings required to be kept under Section 164 of the Companies Act 1967, an interest in the shares of the Company and related corporations (other than wholly-owned subsidiaries), as stated below:

DIRECTORS' STATEMENT

For the Financial Year Ended 31 December 2023

DIRECTORS' INTERESTS IN SHARES AND DEBENTURES (CONT'D)

	Direct interest			Deemed interest		
Name of Director	**At the beginning of financial year**	**At the end of financial year**	**At 21 January 2024**	**At the beginning of financial year**	**At the end of financial year**	**At 21 January 2024**
The Company **Hiap Hoe Limited** (Ordinary shares)						
Teo Ho Beng	2,662,100	2,682,100	2,682,100	349,578,726	349,578,726	349,578,726
The immediate and ultimate holding company **Hiap Hoe Holdings Pte Ltd** (Ordinary shares)						
Teo Ho Beng	6,345,664	6,345,664	6,345,664	–	–	–
Subsidiary **SuperBowl Holdings Limited** (Ordinary shares)						
Teo Ho Beng	1,000	1,000	1,000	322,463,480	322,485,480	322,495,480

By virtue of Section 7 of the Companies Act 1967, Mr Teo Ho Beng is deemed to have interests in the shares of each of the wholly-owned subsidiaries of Hiap Hoe Limited, Hiap Hoe Holdings Pte Ltd and SuperBowl Holdings Limited.

Except as disclosed in this statement, no Director who held office at the end of the financial year had interests in shares, share options, warrants or debentures of the Company, or of its related corporations, either at the beginning of the financial year, on the date of appointment as a Director during the financial year (as the case may be), or at the end of the financial year.

OTHER INFORMATION REQUIRED BY THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED

Except as disclosed in Note 32 to the financial statements, no material contracts of the Company and its subsidiaries involving the interests of the Chief Executive Officer, the Directors or controlling shareholders subsisted at the end of the financial year or were entered into since the beginning of the financial year.

DIRECTORS' STATEMENT
For the Financial Year Ended 31 December 2023

AUDIT AND RISK COMMITTEE

The Audit and Risk Committee (the "**ARC**") at the end of the financial year comprises the following members:

Chan Kum Onn Roger (Chairman)
Kwok Chui Lian
Ong Seet Joon Amos

The ARC carried out its functions in accordance with Section 201B(5) of the Companies Act 1967, including the following:

- reviewed the audit plans of the internal and external auditors of the Group and the Company, reviewed the internal auditor's evaluation of the adequacy of the Company's system of internal accounting controls and the assistance given by the Group and the Company's management team (the "**Management**") to the internal and external auditors;
- reviewed the half yearly and annual financial statements and the auditor's report on the consolidated financial statements of the Group and the balance sheet of the Company before their submission to the Board of Directors;
- reviewed effectiveness of the Group's and the Company's material internal controls, including financial, operational, compliance and information technology controls, and risk management, noting the reviews carried out by the Company's internal auditors;
- met with the external auditor, other committees, and the Management in separate executive sessions to discuss any matters that these groups believe should be discussed privately with the ARC;
- reviewed 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;
- reviewed the cost effectiveness and the independence and objectivity of the external auditor;
- reviewed the nature and extent of non-audit services provided by the external auditor;
- recommended to the Board of Directors the external auditor to be nominated, approved the compensation of the external auditor, and reviewed the scope and results of the audit;
- reviewed the assurance from the Chief Executive Officer and the Chief Financial Officer on the financial records and financial statements;
- reported actions and minutes of the ARC to the Board of Directors with such recommendations as the ARC considers appropriate;
- reviewed interested person transactions in accordance with the requirements of the Singapore Exchange Securities Trading Limited's Listing Manual; and
- reviewed and oversaw arrangements by which employees of the Group may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters and ensured that arrangements are in place for such concerns to be raised and independently investigated and for appropriate follow up actions to be taken.

DIRECTORS' STATEMENT

For the Financial Year Ended 31 December 2023

AUDIT AND RISK COMMITTEE (CONT'D)

The ARC, having reviewed all the non-audit services provided by the external auditor to the Group, is satisfied that the nature and extent of such services would not affect the independence of the external auditor. The ARC has also conducted a review of interested person transactions.

The ARC convened two (2) meetings during the year with full attendance from all members*. The ARC also met with the external auditor without the presence of the Company's Management, which it does at least once a year.

Further details regarding the ARC are disclosed in the Report on Corporate Governance.

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

* Ms Kwok Chui Lian and Mr Ong Seet Joon Amos were only appointed as Non-Executive Independent Directors on 2 January 2024 and therefore did not attend any meetings during FY 2023.

INDEPENDENT AUDITOR

Ernst & Young LLP have expressed their willingness to accept re–appointment as auditor.

On behalf of the Board of Directors

Teo Ho Beng
Director

Teo Keng Joo, Marc
Director

Singapore

12 April 2024

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF HIAP HOE LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Hiap Hoe Limited (the "**Company**") and its subsidiaries (collectively, the "**Group**"), which comprise the consolidated balance sheet of the Group and the balance sheet of the Company as at 31 December 2023, and the consolidated income statement, 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.

In our opinion, the accompanying consolidated financial statements of the Group and the balance sheet of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "**Act**") and Singapore Financial Reporting Standards (International) ("**SFRS(I)**") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2023 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the 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.

We have fulfilled our responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF HIAP HOE LIMITED

Key Audit Matters (Cont'd)

Carrying value of investment properties and properties included in property, plant and equipment

As at 31 December 2023, the Group's investment properties and properties included in property, plant and equipment amounted to $553,018,650 and $497,176,892, net of accumulated impairment loss of $4,141,735 and $Nil respectively. In aggregate, these property assets represented 66.1% of the Group's total assets. The assets are accounted using the cost model. For the purpose of assessing whether there is any indication that the asset is impaired, and recoverable amount where necessary, management considers both external and internal sources of information including the fair values appraised by external valuers. The fair value assessment is complex and highly dependent on a range of assumptions made by the valuers. Evolving market and economic conditions have also increased the level of estimation uncertainty. Accordingly, we have identified this as a key audit matter.

As part of the audit, we reviewed and obtained an understanding of the Group's policies and procedures in identifying trigger events for potential impairment and material changes in the carrying value of the property assets. We evaluated the objectivity, independence and expertise of the external valuers. We also assessed the appropriateness of the valuation techniques and basis for the significant assumptions and estimates used, including key valuation adjustments made by the external valuers in response to the changes in market and economic conditions. Where management used fair value as a basis to determine recoverable amount, we evaluated the appropriateness of this basis in light of the relevant accounting standard requirements. Where applicable, we also involved our internal real estate valuation specialists to assist with the review on appropriateness of the key inputs used in the valuation process by comparing against achieved rates and yields of comparable properties. Key inputs evaluated include capitalisation rates, discount rates, terminal yield rates, and relevant market pricing benchmarks. We evaluated the adequacy of the related disclosures in the financial statements relating to the investment properties and properties included in property, plant and equipment in Note 13 and Note 12 to the financial statements.

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF HIAP HOE LIMITED

Key Audit Matters (Cont'd)

Valuation of unquoted investments

The Group has unquoted investments which include fixed income instruments, mutual and private equity funds. These unquoted investments are measured at fair value with corresponding fair value changes recognised in profit or loss. As at 31 December 2023, these investments amounted to $195,441,609.

The fair values of unquoted investments are determined based on various valuation techniques which involve the use of assumptions and estimates determined by financial institutions managing these investments and application of management judgement. Estimation uncertainty exists for the valuation as these investments are not traded in an active market and the valuation techniques involve the use of significant unobservable inputs. The valuation of the unquoted investments was considered a key audit matter given the significance of judgements and estimates involved. Further, evolving market and economic conditions have increased the risk around these judgements and estimates.

As part of the audit, we obtained an understanding of management's processes in determining the valuation of unquoted investments. For unquoted investments managed by financial institutions, we obtained valuation statements issued by the respective financial institutions to compare the fair values recorded by the Group and to verify the existence and ownership of the investments. For material unquoted investments, we also evaluated the reasonableness of the valuation techniques and inputs used by comparing the valuation to supporting financial information of the underlying investees such as audited financial statements and investor reports. For unquoted investments managed by the Group, we evaluated the appropriateness of the valuation techniques, inputs and assumptions used by management. For selected unquoted investments, we also involved our internal valuation specialists to assess the appropriateness of the valuation approach used by management and compared the valuation determined by management with valuation outcomes obtained based on peer companies' valuation multiples in relation to these investments. We checked the arithmetic accuracy of management's fair value computation and evaluated the adequacy of financial statement disclosures in Note 20 and Note 37 to the financial statements.

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 and will 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 identified above 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 on the other information, 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.

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF HIAP HOE LIMITED

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), and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF HIAP HOE LIMITED

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

- 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

Report on Other Legal and Regulatory Requirements

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

The engagement partner on the audit resulting in this independent auditor's report is Lee Wei Hock.

Ernst & Young LLP

Public Accountants and
Chartered Accountants
Singapore

12 April 2024

CONSOLIDATED INCOME STATEMENT

For the Financial Year Ended 31 December 2023

	Note	2023 $	2022 $
Revenue	4	**111,887,305**	119,398,956
Other items of income			
Dividend income		**7,550,701**	8,027,006
Other income	5	**19,731,481**	20,566,930
Impairment loss on trade receivables written back	17	**37,514**	189,288
Interest income	6	**4,896,023**	3,252,741
		32,215,719	32,035,965
Changes in completed properties for sale		**(245,741)**	(288,870)
Employee benefits expense	7	**(32,626,829)**	(30,978,095)
Depreciation of property, plant and equipment	12	**(24,231,833)**	(24,992,206)
Depreciation of investment properties	13	**(9,433,705)**	(9,747,390)
Finance costs	6	**(37,301,454)**	(19,922,004)
Fair value changes in financial instruments	8	**26,449,167**	(29,161,222)
Foreign exchange loss		**(2,575,704)**	(3,204,589)
Impairment loss on trade receivables	17	**(31,069)**	(43,025)
Other expenses	9	**(58,026,241)**	(56,706,954)
Profit/(loss) before tax		**6,079,615**	(23,609,434)
Income tax (expense)/credit	10	**(564,003)**	1,477,000
Profit/(loss) for the year		**5,515,612**	(22,132,434)
Attributable to:			
Owners of the Company		**5,558,842**	(22,000,758)
Non-controlling interests		**(43,230)**	(131,676)
Total		**5,515,612**	(22,132,434)
Earnings per share attributable to owners of the Company (cents per share)			
Basic	11	**1.18**	(4.67)
Diluted	11	**1.18**	(4.67)

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

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the Financial Year Ended 31 December 2023

	2023 **$**	2022 $
Profit/(loss) for the year	**5,515,612**	(22,132,434)
Other comprehensive loss item that may be reclassified subsequently to income statement		
- Foreign currency translation	**(1,437,053)**	(8,535,272)
Other comprehensive loss for the year, net of tax of nil	**(1,437,053)**	(8,535,272)
Total comprehensive income/(loss) for the year	**4,078,559**	(30,667,706)
Attributable to:		
Owners of the Company	**4,121,789**	(30,536,030)
Non-controlling interests	**(43,230)**	(131,676)
Total comprehensive income/(loss) for the year	**4,078,559**	(30,667,706)

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

BALANCE SHEETS

As at 31 December 2023

		Group		Company	
		2023	2022	**2023**	2022
	Note	**$**	$	**$**	$
Non-current assets					
Property, plant and equipment	12	**546,627,198**	607,691,024	**–**	–
Investment properties	13	**553,018,650**	571,784,311	**–**	–
Subsidiaries	14	**–**	–	**617,341,021**	595,691,021
Joint venture	15	**–**	–	**19,718,111**	25,485,948
Other assets	16	**3,606,400**	–	**–**	–
Other receivables	17	**2,689,586**	2,963,366	**–**	–
Lease incentives	17	**10,057,954**	11,525,489	**–**	–
Deferred tax assets	19	**13,431,582**	14,158,780	**–**	–
		1,129,431,370	1,208,122,970	**637,059,132**	621,176,969
Current assets					
Other investments	20	**341,902,855**	297,167,938	**–**	–
Inventories	21	**2,280,326**	2,789,973	**–**	–
Other assets	16	**350,640**	279,660	**–**	–
Trade and other receivables	17	**7,169,966**	6,429,558	**–**	–
Lease incentives	17	**1,356,129**	1,369,365	**–**	–
Prepaid operating expenses		**2,005,720**	1,739,328	**2,831**	5,361
Due from subsidiaries, trade	18	**–**	–	**730,695**	585,395
Due from subsidiaries, non-trade	18	**–**	–	**19,755,020**	18,290,829
Due from a related company, trade	18	**904**	–	**–**	–
Derivatives – assets	22	**161,018**	199,679	**–**	–
Completed properties for sale	23	**1,574,763**	1,844,017	**–**	–
Cash and short-term deposits	24	**41,777,400**	50,001,230	**962,180**	583,605
		398,579,721	361,820,748	**21,450,726**	19,465,190
Asset held-for-sale	25	**61,240,876**	–	**–**	–
		459,820,597	361,820,748	**21,450,726**	19,465,190

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

BALANCE SHEETS

As at 31 December 2023

		Group		Company	
		2023	2022	**2023**	2022
	Note	**$**	$	**$**	$
Current liabilities					
Trade and other payables	26	**8,595,803**	8,927,197	**101,140**	97,701
Derivatives – liabilities	22	**60,686**	66,324	**–**	–
Due to a subsidiary, trade	18	**–**	–	**49,366**	–
Due to subsidiaries, non-trade	18	**–**	–	**136,162,583**	133,242,722
Due to a related company, trade	18	**67,786**	–	**–**	–
Due to a related company, non-trade	18	**25,648**	8,308	**–**	–
Interest-bearing loans and borrowings	27	**281,988,003**	387,015,331	**–**	–
Tax payable		**2,413,966**	3,498,561	**317,770**	133,000
Other liabilities	28	**14,172,817**	12,487,544	**979,853**	960,986
		307,324,709	412,003,265	**137,610,712**	134,434,409
Non-current liabilities					
Interest-bearing loans and borrowings	27	**477,158,725**	356,744,508	**–**	–
Deferred tax liabilities	19	**73,828,924**	76,313,660	**–**	–
Other liabilities	28	**8,068,826**	3,251,311	**–**	–
		559,056,475	436,309,479	**–**	–
Net assets		**722,870,783**	721,630,974	**520,899,146**	506,207,750
Equity attributable to owners of the Company					
Share capital	29	**84,445,256**	84,445,256	**84,445,256**	84,445,256
Treasury shares	30	**(1,101,125)**	(1,101,125)	**(1,101,125)**	(1,101,125)
Reserves	31	**636,400,113**	635,101,674	**437,555,015**	422,863,619
		719,744,244	718,445,805	**520,899,146**	506,207,750
Non-controlling interests		**3,126,539**	3,185,169	**–**	–
Total equity		**722,870,783**	721,630,974	**520,899,146**	506,207,750

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the Financial Year Ended 31 December 2023

Group	Share capital (Note 29)	Treasury shares (Note 30)	Accumulated profits	Capital reserve	Foreign currency translation reserve	Gain on reissuance of treasury shares	Total reserves (Note 31)	Total equity attributable to equity holders of the Company	Non-controlling interests	Total equity
	$	$	$	$	$	$	$	$	$	$
At 1 January 2023	**84,445,256**	**(1,101,125)**	**671,869,106**	**(7,671,719)**	**(29,147,603)**	**51,890**	**635,101,674**	**718,445,805**	**3,185,169**	**721,630,974**
Profit/(loss) for the year	–	–	5,558,842	–	–	–	5,558,842	5,558,842	(43,230)	5,515,612
Foreign currency translation	–	–	–	–	(1,437,053)	–	(1,437,053)	(1,437,053)	–	(1,437,053)
Other comprehensive loss net of tax of nil	–	–	–	–	(1,437,053)	–	(1,437,053)	(1,437,053)	–	(1,437,053)
Total comprehensive income/(loss) for the year	–	–	5,558,842	–	(1,437,053)	–	4,121,789	4,121,789	(43,230)	4,078,559
<u>Contributions by and distributions to owners</u>										
Dividends on ordinary shares (Note 35)	–	–	(2,823,350)	–	–	–	(2,823,350)	(2,823,350)	–	(2,823,350)
Acquisition of non-controlling interests	–	–	–	–	–	–	–	–	(15,400)	(15,400)
Total contributions by and distributions to owners	–	–	(2,823,350)	–	–	–	(2,823,350)	(2,823,350)	(15,400)	(2,838,750)
At 31 December 2023	84,445,256	(1,101,125)	674,604,598	(7,671,719)	(30,584,656)	51,890	636,400,113	719,744,244	3,126,539	722,870,783

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the Financial Year Ended 31 December 2023

Group	Share capital (Note 29) $	Treasury shares (Note 30) $	Accumulated profits $	Capital reserve $	Foreign currency translation reserve $	Gain on reissuance of treasury shares $	Total reserves (Note 31) $	Total equity attributable to equity holders of the Company $	Non-controlling interests $	Total equity $
At 1 January 2022	84,445,256	(1,101,125)	697,399,052	(7,671,719)	(20,612,331)	51,890	669,166,892	752,511,023	3,352,545	755,863,568
Loss for the year	–	–	(22,000,758)	–	–	–	(22,000,758)	(22,000,758)	(131,676)	(22,132,434)
Foreign currency translation	–	–	–	–	(8,535,272)	–	(8,535,272)	(8,535,272)	–	(8,535,272)
Other comprehensive loss net of tax of nil	–	–	–	–	(8,535,272)	–	(8,535,272)	(8,535,272)	–	(8,535,272)
Total comprehensive loss for the year	–	–	(22,000,758)	–	(8,535,272)	–	(30,536,030)	(30,536,030)	(131,676)	(30,667,706)
<u>Contributions by and distributions to owners</u>										
Dividends on ordinary shares (Note 35)	–	–	(3,529,188)	–	–	–	(3,529,188)	(3,529,188)	–	(3,529,188)
Acquisition of non-controlling interests	–	–	–	–	–	–	–	–	(35,700)	(35,700)
Total contributions by and distributions to owners	–	–	(3,529,188)	–	–	–	(3,529,188)	(3,529,188)	(35,700)	(3,564,888)
At 31 December 2022	84,445,256	(1,101,125)	671,869,106	(7,671,719)	(29,147,603)	51,890	635,101,674	718,445,805	3,185,169	721,630,974

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

CONSOLIDATED STATEMENT OF CASH FLOWS

For the Financial Year Ended 31 December 2023

	Note	**2023**	2022
		$	$
Operating activities			
Profit/(loss) before tax		**6,079,615**	(23,609,434)
Adjustments for:			
Impairment loss on trade receivables	17	**31,069**	43,025
Impairment loss on trade receivables written back		**(37,514)**	(189,288)
Amortisation of deferred income	5	**(115,956)**	(80,155)
Amortisation of deferred government grant income	5	**–**	(364,787)
Amortisation of lease incentives		**1,325,821**	1,430,809
Depreciation of investment properties	13	**9,433,705**	9,747,390
Depreciation of property, plant and equipment	12	**24,231,833**	24,992,206
Dividend income from investments		**(7,550,701)**	(8,027,006)
Fair value changes in other investments	8	**(26,415,682)**	29,447,629
Fair value changes in derivative instruments	8	**(33,485)**	(286,407)
Loss/(gain) on disposal of other investments	9,5	**239,152**	(16,338)
Gain on disposal of property, plant and equipment	5	**–**	(41,675)
Gain on disposal of investment properties/assets held-for-sale	25	**(13,245,075)**	(12,909,794)
Impairment loss on investment property	9	**1,195,420**	2,947,917
Write back of impairment loss on property, plant and equipment	5	**–**	(1,305,166)
Finance cost	6	**37,301,454**	19,922,004
Interest income	6	**(4,896,023)**	(3,252,741)
Property, plant and equipment written off	9	**27,720**	16,260
Inventory written off	9	**2,020,186**	–
Exchange difference		**1,770,699**	1,935,297
Operating cash flows before changes in working capital		**31,362,238**	40,399,746
<u>Changes in working capital</u>			
(Increase)/decrease in:			
Due from a related company, trade		**(904)**	–
Due from a related company, non-trade		**–**	45
Inventories		**(1,517,087)**	(29,233)
Other assets		**(67,973)**	44,565
Prepaid operating expenses		**(270,573)**	(285,895)
Completed properties for sale		**245,741**	288,870
Trade and other receivables		**154,130**	955,640
Increase/(decrease) in:			
Due to a related company, trade		**67,786**	(11,021)
Due to a related company, non-trade		**17,340**	(3,971)
Other liabilities		**4,079,616**	3,299,578
Trade and other payables		**(300,929)**	4,027,333
Cash flows generated from operations		**33,769,385**	48,685,657
Income tax paid		**(3,472,265)**	(3,167,918)
Net cash flows generated from operating activities		**30,297,120**	45,517,739

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

CONSOLIDATED STATEMENT OF CASH FLOWS

For the Financial Year Ended 31 December 2023

	Note	**2023** **$**	2022 $
Investing activities			
Dividend income received and return of capital		**7,660,852**	8,089,466
Deposit paid on acquisition of capital assets	A	**(3,534,800)**	–
Interest income received and settlement of derivatives		**4,343,321**	2,642,163
Proceeds from disposal of property, plant and equipment		**–**	291,083
Proceeds from disposal of other investments		**27,849,390**	27,297,356
Proceeds from disposal of investment properties/asset held-for-sale		**20,058,000**	19,677,948
Additions to property, plant and equipment	A	**(21,172,561)**	(2,344,496)
Purchase of other investments		**(46,517,928)**	(38,394,641)
Purchase option deposit received		**–**	103,000
Net cash flows (used in)/generated from investing activities		**(11,313,726)**	17,361,879
Financing activities			
Acquisition of non-controlling interests		**(15,400)**	(35,700)
Dividends paid on ordinary shares by the Company		**(2,823,350)**	(3,529,188)
Interest paid	B	**(30,589,561)**	(17,564,838)
Changes in cash and bank balances pledged		**1,691,985**	8,248,615
Changes in fixed deposits pledged		**(376,678)**	(21,897,621)
Proceeds from loans and borrowings	B	**272,350,308**	44,386,117
Repayment of loans and borrowings	B	**(262,265,318)**	(60,974,386)
Repayment of principal portion of lease liabilities	B	**(3,520,332)**	(3,483,519)
Net cash flows used in financing activities		**(25,548,346)**	(54,850,520)
Net (decrease)/increase in cash and cash equivalents		**(6,564,952)**	8,029,098
Effect of exchange rate changes on cash and cash equivalents		**(143,079)**	(468,499)
Cash and cash equivalents at beginning of year		**18,885,838**	11,325,239
Cash and cash equivalents at end of year (Note 24)		**12,177,807**	18,885,838

A. (i) Additions to property, plant and equipment

During the year, the Group added property, plant and equipment of $24,134,352 (2022: $6,156,348) which included non-cash additions to right-of-use assets of $301,985 (2022: $3,811,852), unpaid purchase of $2,659,807 (2022: $Nil) and the balance of $21,172,561 (2022: $2,344,496) was made in cash.

(ii) Deposit paid on acquisition of capital assets

During the year, the Group entered into a Sale and Purchase Agreement on 19 December 2023 to acquire the Great Eastern Motor Lodge located at Rivervale, Western Australia from S & C Christie Pty Ltd as trustee for the S & Christie Family Trust for A$40,000,000. A deposit of A$4,000,000 was paid on that date.

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

CONSOLIDATED STATEMENT OF CASH FLOWS

For the Financial Year Ended 31 December 2023

B. Reconciliation of liabilities arising from financing activities

			Non-cash changes				
	1 January 2023 $	**Cash flows $**	**Disposal $**	**Interest expense $**	**Foreign exchange movement $**	**New leases $**	**31 December 2023 $**
Lease liabilities	**32,174,060**	**(4,820,813)**	**–**	**1,300,481**	**–**	**301,985**	**28,955,713**
Loans and borrowings	**711,585,779**	**(19,204,090)**	**–**	**36,000,973**	**1,808,353**	**–**	**730,191,015**
	743,759,839	**(24,024,903)**	**–**	**37,301,454**	**1,808,353**	**301,985**	**759,146,728**

			Non-cash changes				
	1 January 2022 $	**Cash flows $**	**Disposal $**	**Interest expense $**	**Foreign exchange movement $**	**New leases $**	**31 December 2022 $**
Lease liabilities	31,855,057	(4,865,403)	(9,330)	1,381,884	–	3,811,852	32,174,060
Loans and borrowings	739,721,456	(32,771,223)	–	18,540,120	(13,904,574)	–	711,585,779
	771,576,513	(37,636,626)	(9,330)	19,922,004	(13,904,574)	3,811,852	743,759,839

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

Notes to the Financial Statements
For the financial year ended 31 December 2023

1. CORPORATE INFORMATION

Hiap Hoe Limited (the "Company") is a limited liability company incorporated and domiciled in Singapore and is listed on the Singapore Exchange Securities Trading Limited (SGX-ST) Mainboard.

The registered office and principal place of business of the Company is located at 18 Ah Hood Road #13-51, Hiap Hoe Building At Zhongshan Park, Singapore 329983.

The principal activities of the Company are those of investment holding and provision of management services. The principal activities of the subsidiaries are disclosed in Note 14 to the financial statements. There has been no significant change in the nature of these activities during the financial year.

Its immediate and ultimate holding company is Hiap Hoe Holdings Pte Ltd, a company incorporated in Singapore. Related companies refer to members of the immediate and ultimate holding company's group of companies.

2. MATERIAL ACCOUNTING POLICY INFORMATION

2.1 Basis of preparation

The consolidated financial statements of the Group and the balance sheet of the Company have been prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)").

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

The financial statements are presented in Singapore Dollars (SGD or $) unless otherwise stated.

2.2 Changes in accounting policies

The accounting policies adopted are consistent with those of the previous financial year except in the current financial year, the Group has adopted all the new SFRS(I) and Amendments to SFRS(I) that are effective for annual periods beginning on or after 1 January 2023. The adoption of these standards did not have any effect on the financial performance of the Group or financial position of the Group and the Company.

2.3 Standards issued but not yet effective

The Group has not adopted the following standards applicable to the Group that have been issued but are not yet effective:

Description	Effective for 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

The Group has performed a preliminary assessment and the directors expect that the adoption of the standards above will have no material impact on the financial statements in the period of initial application.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.4 Basis of consolidation and business combinations

(a) Basis of 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 for the same reporting date as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances.

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.

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

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

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

(b) Business combinations

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

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

In business combinations achieved in stages, previously held equity interests in the acquiree are remeasured to fair value at the acquisition date and any corresponding gain or loss is recognised in profit or loss.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.4 Basis of consolidation and business combinations (Cont'd)

(b) Business combinations (Cont'd)

Non-controlling interests in the acquiree, that are present ownership interests and entitle their holders to a proportionate share of the acquiree's net assets, are recognised on the acquisition date either at fair value, or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets. The measurement basis taken is elected on a transaction-by-transaction basis. All other non-controlling interests are measured at acquisition date fair value, unless another measurement basis is required by SFRS(I)s.

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

2.5 Transactions with non-controlling interests

Non-controlling interest represents the equity in subsidiaries not attributable, directly or indirectly, to owners of the Company, and are represented separately in the consolidated statement of comprehensive income and within equity in the consolidated balance sheet, separately from equity attributable to owners of the Company.

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

2.6 Foreign currency

The financial statements are presented in SGD, which is also the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

(a) Transactions and balances

Transactions in foreign currencies are measured in the respective functional currencies of the Company and its subsidiaries and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the end of the reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of reporting period are recognised in profit or loss. However, in the consolidated financial statements, exchange differences arising on monetary items that form part of the Group's net investment in foreign operations are recognised initially in other comprehensive income and accumulated under foreign currency translation reserve in equity. The foreign currency translation reserve is reclassified from equity to profit or loss of the Group on disposal of the foreign operation.

Notes to the Financial Statements

For the financial year ended 31 December 2023

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.6 Foreign currency (Cont'd)

(b) Consolidated financial statements

For consolidation, the assets and liabilities of foreign operations are translated into SGD at the rate of exchange ruling at the end of the reporting period and their profit or loss are translated at the exchange rates prevailing at the date of the transactions. The exchange differences arising on the translation are recognised in other comprehensive income and accumulated in the foreign currency translation reserve. On disposal of a foreign operation, the component of foreign currency translation reserve relating to that particular foreign operation is recognised in profit or loss.

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

2.7 Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. Subsequent to initial recognition, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. The cost includes the cost of replacing part of the property, plant and equipment and borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying property, plant and equipment. The accounting policy for borrowing costs is set out in Note 2.19. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

When significant parts of property, plant and equipment are required to be replaced in intervals, the Group recognises such parts as individual assets with specific useful lives and depreciation, respectively. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Depreciation is computed on a straight-line basis to allocate the depreciable amount over the estimated useful lives (or lease term, if shorter). Leased assets are depreciated over the shorter of the lease terms and their useful lives unless it is reasonably certain that the Group will obtain ownership by end of the lease term.

The estimated useful lives of property, plant and equipment are as follows:

Freehold properties	- 50 years
Leasehold land and properties	- over remaining period of lease (subject to a maximum of 50 years)
Motor vehicles	- 5 to 10 years
Furniture, fittings and office equipment	- 1 to 20 years
Plant and machinery	- 3 to 15 years
Leased premises	- over remaining period of lease

Freehold land has an unlimited useful life and therefore is not depreciated.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

Notes to the Financial Statements

For the financial year ended 31 December 2023

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.7 Property, plant and equipment (Cont'd)

The residual values, useful lives and depreciation methods are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset is included in profit or loss in the year the asset is derecognised.

2.8 Investment properties

Investment properties are properties that are held to earn rentals or for capital appreciation, or both, rather than for use in the production or supply of goods or services, or for administrative purposes, or for sale in the ordinary course of business. Investment properties comprise completed investment properties and properties that are being constructed or developed for future use as investment properties. Right-of-use assets are classified as investment properties when the definition of an investment property is met.

Plant and machinery included under investment properties are initially measured at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses. Depreciation is calculated on plant and machinery using a straight-line method to allocate the depreciable amounts over the estimated useful lives ranging from 3 to 15 years.

Investment properties are initially measured at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses, similar to the policy for property, plant and equipment. Depreciation is calculated using a straight-line method to allocate the depreciable amounts over the estimated remaining useful lives of a maximum of 50 years for freehold properties, and the remaining period of lease or a maximum of 50 years, whichever is lower for leasehold properties. The residual values, useful lives and depreciation method of investment properties are reviewed, and adjusted as appropriate, at end of each reporting period. The effects of any revision are included in profit or loss when the changes arise.

Investment properties are derecognised 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. Any gains or losses on the retirement or disposal of an investment property are recognised in profit or loss in the year of retirement or disposal.

Transfers are made to or from investment property only when there is a change in use. As the Group uses the cost model, transfers between investment property, owner-occupied property and inventories do not change the carrying amount of the property transferred and they do not change the cost of that property for measurement or disclosure purposes.

2.9 Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount.

Notes to the Financial Statements
For the financial year ended 31 December 2023

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.9 Impairment of non-financial assets (Cont'd)

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows expected to be generated by the asset 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. In determining fair value less costs of disposal, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples or other available fair value indicators.

Impairment losses of continuing operations are recognised in profit or loss in those expense categories consistent with the function of the impaired asset, except for assets that are previously revalued where the revaluation was taken to other comprehensive income. In this case, the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase in other comprehensive income.

2.10 Subsidiaries

A subsidiary is an investee that is controlled by the Group. The Group controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

In the Company's balance sheet, investments in subsidiaries are accounted for at cost less any impairment losses.

2.11 Joint venture

Joint venture relates to entity which the Company has joint control as a result of contractual arrangements, and rights to the net assets of the entity.

The Company accounts for its investments in the joint venture 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 Company'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 Company'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 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 December 2023

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.11 Joint venture (Cont'd)

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

When the Company's share of losses in the joint venture equals or exceeds its interest in the joint venture, the Company 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 Company determines whether it is necessary to recognise an additional impairment loss on the investment in joint venture. The Company 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 Company 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.

At the Group level, the interest in joint venture is reversed and consolidated as a subsidiary, as disclosed in Note 14.

The financial statements of the joint venture are prepared as the same reporting date as the Company. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

2.12 Financial instruments

(a) Financial assets

Initial recognition and measurement

Financial assets are recognised when, and only when, the Group becomes party to the contractual provisions of the instruments.

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.

Trade receivables are measured at the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party, if the trade receivables do not contain a significant financing component at initial recognition.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.12 Financial instruments (Cont'd)

(a) Financial assets (Cont'd)

Subsequent measurement

Investments in debt instruments
Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the contractual cash flow characteristics of the asset. The measurement categories for classification of debt instruments are:

(i) Amortised cost

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and through amortisation process.

(ii) Fair value through other comprehensive income (FVOCI)

Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Financial assets measured at FVOCI are subsequently measured at fair value. Any gains or losses from changes in fair value of the financial assets are recognised in other comprehensive income, except for impairment losses, foreign exchange gains and losses and interest calculated using the effective interest method are recognised in profit or loss. The cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment when the financial asset is de-recognised.

(iii) Fair value through profit or loss (FVPL)

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt instruments that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss in the period in which it arises.

Investments in equity instruments
On initial recognition of an investment in equity instrument that is not held for trading, the Group may irrevocably elect to present subsequent changes in fair value in OCI. Dividends from such investments are to be recognised in profit or loss when the Group's right to receive payments is established. Amount presented in OCI shall not be subsequently transferred to profit or loss. However, the entity may transfer the cumulative gain or loss within equity. For investments in equity instruments which the Group has not elected to present subsequent changes in fair value in OCI, changes in fair value are recognised in profit or loss.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.12 Financial instruments (Cont'd)

(a) Financial assets (Cont'd)

Derivatives
Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. Changes in fair value of derivatives are recognised in profit or loss.

Derecognition
A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income for debt instruments is recognised in profit or loss.

(b) Financial liabilities

Initial recognition and measurement
Financial liabilities are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

Financial liabilities at fair value through profit or loss include financial liabilities held for trading. Financial liabilities are classified as held-for-trading if they are acquired for the purpose of selling in the near term. This category includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships. Subsequent to initial recognition, financial liabilities at fair value through profit or loss are measured at fair value. Any gains or losses arising from changes in fair value of the financial liabilities are recognised in profit or loss.

Subsequent measurement
After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

De-recognition
A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. On derecognition, the difference between the carrying amounts and the consideration paid is recognised in profit or loss.

(c) Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.13 Impairment of financial assets

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss and financial guarantee contracts. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL).

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2.14 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand and demand deposits. These also include bank overdrafts that form an integral part of the Group's cash management.

2.15 Completed properties for sale

Completed properties for sale are properties acquired or being constructed for sale in the ordinary course of business, rather than to be held for the Group's own use, rental or capital appreciation.

Completed properties for sale are held as inventories and are measured at the lower of cost and net realisable value.

The costs of completed properties for sale include:

- Freehold rights for land;
- Amounts paid to contractors for construction; and
- Borrowing costs, planning and design costs, costs of site preparation, professional fees for legal services, property transfer taxes, construction overheads and other related costs.

Notes to the Financial Statements

For the financial year ended 31 December 2023

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.15 Completed properties for sale (Cont'd)

Non-refundable commissions paid to sales or marketing agents on the sale of real estate units are expensed when incurred.

Net realisable value of completed properties for sale is the estimated selling price in the ordinary course of the business, based on market prices at the end of the reporting period and discounted for the time value of money if material, less the estimated costs of completion and the estimated costs necessary to make the sale.

The costs of completed properties for sale recognised in profit or loss on disposal are determined with reference to the specific costs incurred on the property sold and an allocation of any non-specific costs based on the relative size of the property sold.

2.16 Inventories

Inventories, comprising consumables which include smart cards, spare parts and hotel supplies, are stated at the lower of cost and net realisable value. Cost is determined on a first-in first-out basis and includes all costs in bringing the inventories to their present location and condition. Allowance is made, where necessary, for obsolete, slow-moving and defective inventories.

Net realisable value is the estimated selling price in the ordinary course of business less estimated costs necessary to make the sale.

2.17 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 the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. 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. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2.18 Financial guarantee

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

Financial guarantees are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequent to initial recognition, financial guarantees are measured at the higher of the amount of expected credit loss determined in accordance with the policy set out in Note 2.13 and the amount initially recognised less, where appropriate, the cumulative amount of income recognised over the period of the guarantee.

Notes to the Financial Statements

For the financial year ended 31 December 2023

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.19 Borrowing costs

Borrowing costs are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition and construction of that asset. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are being incurred. Borrowing costs are capitalised until the assets are substantially completed for their intended use or sale. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2.20 Employee benefits

(a) Defined contribution plans

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

(b) Employee leave entitlement

Employee entitlements to annual leave are recognised as a liability when they accrue to employees. The estimated liability for leave is recognised for services rendered by employees up to the end of the reporting period.

2.21 Leases

(a) 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.

<u>Right-of-use asset</u>

The right-of-use asset comprises the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Notes to the Financial Statements
For the financial year ended 31 December 2023

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.21 Leases (Cont'd)

(a) As lessee (Cont'd)

Right-of-use asset (Cont'd)

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 as set of in Note 2.7.

If a lease transfers 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.

The right-of-use assets (except for those which meets the definition of an investment property) are presented within Property, plant and equipment in the balance sheet [Note 12(i)].

The Group applies SFRS(I) 1-36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss.

Lease liabilities

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 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 guarantees;
- 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.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.21 Leases (Cont'd)

(a) As lessee (Cont'd)

Lease liabilities (Cont'd)

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

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 interest-bearing loans and borrowings in the balance sheet.

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.

The Group remeasures 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:

(i) 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 remeasured by discounting the revised lease payments using a revised discount rate;

(ii) 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 remeasured 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

(iii) a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.21 Leases (Cont'd)

(b) 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 the major part of the economic life of the asset.

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.

<u>Intermediate lessor in sublease</u>

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. It assesses the lease classification of a sublease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the recognition exemption, then it classifies the sublease as an operating lease.

When the sublease is assessed as a finance lease, the Group derecognises the right-of-use asset relating to the head lease that it transfers to the sublessee and recognised the net investment in the sublease within "finance lease receivables" in the balance sheet. Any differences between the right-of-use asset derecognised and the net investment in sublease is recognised in profit or loss. Lease liability relating to the head lease is retained in the balance sheet, which represents the lease payments owed to the head lessor.

2.22 Revenue

Revenue is measured based on the consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Revenue is recognised when the Group satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

(a) Sale of completed development properties

Revenue from completed development properties are recognised at a point in time when the control of the properties has been transferred to buyers.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.22 Revenue (Cont'd)

(b) Dividend income

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

(c) Rental income

Rental income arising from operating leases is accounted for on a straight-line basis over the lease terms. The aggregate costs of incentives provided to lessees are recognised as a reduction of rental income over the lease term on a straight-line basis.

(d) Interest income

Interest income is recognised using the effective interest method.

(e) Hotel income

Revenue from operations of a hotel is recognised from the following major sources: hotel stay and sales of food and beverages.

Revenue from hotel stays are recognised over time as performance obligations are satisfied. Progress towards satisfaction of these performance obligations is measured based on the proportion of the total duration of stay that has elapsed at the end of the reporting period.

Revenue from sales of food and beverages are recognised when control of goods has transferred, being at the point in time when the food and beverages are delivered, at which point the Group is entitled to payment.

(f) Leisure income

Revenue from leisure activities is recognised when services are provided or goods consumed.

(g) Management fee and other operating income

Management fee and other operating income are recognised on an accrual basis.

2.23 Taxes

(a) Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the end of the reporting period in countries where the Group operates and generates taxable income.

Current income taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.23 Taxes (Cont'd)

(b) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- Where the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint venture, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax credits and unused tax losses can be utilised except:

- Where the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint venture, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the end of each reporting period.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.23 Taxes (Cont'd)

(c) Goods and services tax

Revenues, expenses and assets are recognised net of the amount of taxes except:

- Where the taxes incurred on a purchase of assets or services are not recoverable from the taxation authorities, in which case the taxes are recognised as part of the cost of acquisition of the assets or as part of the expenses item as applicable; and

- Receivables and payables that are stated with the amount of taxes included.

The net amount of taxes recoverable from or payable to the taxation authorities are included as part of receivables or payables in the balance sheet.

2.24 Segment reporting

For management purposes, the Group is organised into operating segments 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 report directly to the management of the Company who regularly review the segment results in order to allocate resources to the segments and to assess the segment performance. Additional disclosures on each of these segments are shown in Note 39, including the factors used to identify the reportable segments and the measurement basis of segment information.

2.25 Share capital and share issue expenses

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

2.26 Treasury shares

The Group's own equity instruments which are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between the carrying amount of treasury shares and the consideration received, if reissued, is recognised directly in equity. Voting rights related to treasury shares are nullified and no dividends are allocated to them respectively.

Notes to the Financial Statements
For the financial year ended 31 December 2023

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.27 Contingencies

A contingent liability is:

(a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or

(b) a present obligation that arises from past events but is not recognised because:

(i) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

(ii) The amount of the obligation cannot be measured with sufficient reliability.

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

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

2.28 Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Group receives grants of non-monetary assets, the asset and the grant are recorded at nominal amounts and released to profit or loss over the expected useful life of the asset, based on the pattern of consumption of the benefits of the underlying asset by equal annual instalments.

2.29 Asset held-for-sale

The Group classifies investment properties as held for sale if their carrying amounts will be recovered principally through sale rather than through continuing use. For this to be the case, the property must be available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such property and its sale must be highly probable.

For the sale to be highly probable, the following criteria must be met:

- The board must be committed to a plan to sell the property and an active programme to locate a buyer and complete the plan must have been initiated;
- The property must be actively marketed for sale at a price that is reasonable in relation to its current fair value; and
- The sale should be expected to qualify for recognition as a completed sale within one year from the date of classification.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

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

3.1 Judgements made in applying accounting policies

In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the consolidated financial statements:

(i) Determination of lease term of contracts with extension options

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has several lease contracts that include extension options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to extend the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise the extension. After the commencement date, the Group reassesses the lease term whether there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to extend. There are no restrictions placed upon the Group by entering into these contracts and the Group negotiates extension options to provide flexibility in managing the leased assets and align with the Group's business needs.

(ii) Investment in A2I Holdings S.A.R.L. ("A2I")

Included in unquoted investments is investment in A2I Holdings S.A.R.L ("A2I") which relates to the investment in AccorInvest Group, which owns or leases hotels mainly operated by the Accor Group. The Group holds 20.71% (2022: 20.71%) interest in A2I and its carrying value as at 31 December 2023 was $83,501,488 (2022: $57,503,431). A2I is a limited liability investment holding company which is incorporated and domiciled in Luxembourg.

Management has determined that the investment in A2I is passive and the Group has no significant influence in the said investee notwithstanding its 20.71% interest in the investment. The Group has accounted for A2I as investments measured at fair value through profit or loss [Note 20(iii)] and has classified the investment under level 3 of the fair value hierarchy [Note 37(c)].

(iii) Classification and measurement of financial assets

Classification and measurement of financial assets depends on the results of the SPPI and the business model test [Note 2.12(a)]. The Group determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed.

As stated in Note 20, the Group has investment portfolio which includes quoted and unquoted debt instruments. The Group has accounted for these debt instruments at fair value through profit or loss as they will be sold from time to time to realise capital appreciation or for liquidity management.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (CONT'D)

3.1 Judgements made in applying accounting policies (Cont'd)

(iv) Impairment of investments in subsidiaries and joint venture

The Group and the Company assess at the end of each reporting period whether there is any indication that the investments in subsidiaries and joint venture may be impaired.

The assessment of indication of impairment involves judgement. In making these judgements, the Group and the Company evaluate, among other factors, the performance of the subsidiaries and the joint venture.

The carrying amounts of investments in subsidiaries and the joint venture at 31 December 2023 of the Group and the Company are disclosed in Note 14 and Note 15 respectively.

3.2 Key sources of estimation uncertainty

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

(i) Impairment of financial assets at amortised cost

The Group assesses at the end of each reporting period whether there is any expected credit loss of financial assets based on assumptions about risk of default and expected loss rates. The Group considers factors such as past collection history, existing market conditions as well as forward looking estimates at each reporting period.

The assessment of the correlation between historical observed default, economic conditions and expected credit loss is a significant estimate. Notwithstanding the above, the Group evaluates the expected credit loss on customers in financial difficulties separately.

The carrying amounts of trade and other receivables from third parties, related parties and subsidiaries, and allowance for expected credit losses at the end of the reporting period are disclosed in Note 17 and Note 18 to the financial statements.

(ii) Impairment of non-financial assets

<u>Investment properties</u>

The Group carries its investment properties at cost less accumulated depreciation and accumulated impairment, with excess of carrying value over recoverable amount being recognised as impairment in profit or loss.

In determining the recoverable amount, the Group considers both external and internal sources of information, including the fair value apprised by external valuers, in assessing whether the properties may have been impaired. The fair value assessment is complex and highly dependent on a range of assumptions such as discount rate, capitalisation rate, terminal yield and growth rate made by the valuers.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (CONT'D)

3.2 Key sources of estimation uncertainty (Cont'd)

(ii) Impairment of non-financial assets (Cont'd)

Investment properties (Cont'd)

The carrying amounts of the investment properties as at 31 December 2023 is $553,018,650 (2022: $571,784,311). As at 31 December 2023, the fair value of the investment properties is $828,757,160 (2022: $833,826,600).

Property, plant and equipment

The Group carries its property, plant and equipment at cost less accumulated depreciation and accumulated impairment. 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 and its value in use. This requires estimates to be made including future revenues, operating costs, growth rates, capital expenditures and discount rates applicable to the cash flows.

The carrying amounts of property, plant and equipment as at 31 December 2023 is $546,627,198 (2022: $607,691,024).

(iii) Valuation of unquoted investments

The Group has unquoted investments which include fixed income instruments, mutual and private equity funds. The fair values of unquoted investments are determined based on various valuation techniques which involve the use of assumptions and estimates determined by financial institutions managing these investments and application of management judgement. Estimation uncertainty exists for the valuation as these investments are not traded in an active market and the valuation techniques involve the use of significant unobservable inputs.

The carrying amounts of the unquoted investment as at 31 December 2023 are $195,441,609 (2022: $153,020,494). If the price of the unquoted investments had been 2% higher/lower with all other variables held constant, the Group's profit (2022: loss) net of tax would have been approximately $3,713,000 (2022: $2,905,000) higher/lower (2022: lower/higher), arising as a result of higher/lower fair value gains on unquoted investments.

(iv) Estimation of incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses the incremental borrowing rate ("IBR") to measure lease liabilities. The IBR 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 the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

The Group estimates the IBR relevant to each lease 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.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (CONT'D)

3.2 Key sources of estimation uncertainty (Cont'd)

(iv) Estimation of incremental borrowing rate (Cont'd)

The carrying amount of the right-of-use assets and lease liabilities calculated on IBR are $26,345,942 (2022: $29,818,648) and $28,955,713 (2022: $32,157,401) respectively. The weighted average incremental borrowing rate was 4.24% (2022: 4.22%) per annum. If the incremental borrowing rate had been 50 basis point higher/lower with all other variables held constant, the Group's right-of use assets and lease liabilities would have been approximately lower/higher by $671,000 (2022: $763,000) and $527,000 (2022: $652,000), respectively.

(v) Income taxes

The Group's exposure to income taxes mainly arises from Singapore and Australia. 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.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. Significant management judgement is required to determine the amount of deferred tax asset that can be recognised, based upon the timing and level of future taxable profits together with future tax planning strategies.

The carrying amount of the Company's tax payables at 31 December 2023 was $317,770 (2022: $133,000). The carrying amounts of the Group's tax payables, deferred tax assets and deferred tax liabilities at 31 December 2023 were $2,413,966 (2022: $3,498,561), $13,431,582 (2022: $14,158,780) and $73,828,924 (2022: $76,313,660), respectively.

4. REVENUE

The Group derives its revenue from the transfer of goods and services over time and at a point in time for the following major products lines. This is consistent with the revenue information that is disclosed for each reportable segment under SFRS(I) 8 (Note 39).

Disaggregation of revenue

A disaggregation of the Group's revenue for the year is as follows:

Group	**Development properties $**	**Rental and carpark income $**	**Leisure business $**	**Hotel income $**	**Total revenue $**
2023					
Major product or service lines					
Residential properties	**328,139**	**547,542**	**–**	**–**	**875,681**
Commercial and industrial properties	**–**	**28,393,730**	**–**	**–**	**28,393,730**
Hotel operations and related income	**–**	**–**	**–**	**71,400,276**	**71,400,276**
Owner and operators of bowling centres and recreation centres	**–**	**–**	**11,217,618**	**–**	**11,217,618**
	328,139	**28,941,272**	**11,217,618**	**71,400,276**	**111,887,305**
Timing of transfer of goods or services (excluding lease rental income*) from contracts with customers					
At a point in time	**328,139**	**943,267**	**11,151,538**	**17,190,757**	**29,613,701**
Over time	**–**	**1,360,977**	**66,080**	**54,209,519**	**55,636,576**
	328,139	**2,304,244**	**11,217,618**	**71,400,276**	**85,250,277**

Group	**Development properties $**	**Rental and carpark income $**	**Leisure business $**	**Hotel income $**	**Total revenue $**
2022					
Major product or service lines					
Residential properties	366,039	928,029	–	–	1,294,068
Commercial and industrial properties	–	26,041,519	–	–	26,041,519
Hotel operations and related income	–	–	–	81,932,197	81,932,197
Owner and operators of bowling centres and recreation centres	–	–	10,131,172	–	10,131,172
	366,039	26,969,548	10,131,172	81,932,197	119,398,956
Timing of transfer of goods or services (excluding lease rental income*) from contracts with customers					
At a point in time	366,039	871,616	10,059,915	17,472,308	28,769,878
Over time	–	1,398,110	71,257	64,459,889	65,929,256
	366,039	2,269,726	10,131,172	81,932,197	94,699,134

Revenue represents the fair value of goods and services supplied. The Group's revenue from sale of completed development properties is recognised based on the completion method. There are no performance obligations that are unsatisfied (or partially unsatisfied) as at the end of the reporting period.

* Excluding rental income from lease of properties which is out of scope of SFRS(I) 15 *Revenue from Contracts with Customers.*

5. OTHER INCOME

Group	2023 $	2022 $
Amortisation of deferred government grant income [1]	–	364,787
Amortisation of deferred income (Note 28)	115,956	80,155
Forfeiture of deposits	–	37,098
Gain on disposal of investment properties/assets held-for-sale (Note 25)	13,245,075	12,909,794
Gain on disposal of other investments	–	16,338
Gain on disposal of property, plant and equipment	–	41,675
Government grants [1]	448,539	786,410
Miscellaneous income	169,433	160,842
Property recovery income	5,752,478	4,864,665
Write back of impairment loss on property, plant and equipment (Note 12)	–	1,305,166
	19,731,481	20,566,930

(1) Government grants relate mainly to various employment schemes.

6. INTEREST INCOME/(FINANCE COSTS)

Group	2023 $	2022 $
Interest income		
- fixed deposits	1,294,228	306,730
- other investments	3,433,055	2,842,878
- others	168,740	103,133
	4,896,023	3,252,741
Finance costs		
- interest on bank loans	(36,000,973)	(18,540,120)
- interest on lease liabilities	(1,300,481)	(1,381,884)
	(37,301,454)	(19,922,004)

7. EMPLOYEE BENEFITS EXPENSE

Group	2023 $	2022 $
Wages, salaries and bonuses	27,111,542	25,597,150
Central Provident Fund contributions	1,975,457	2,031,062
Other staff costs	3,176,890	2,903,276
Casual labour	362,940	446,607
	32,626,829	30,978,095

Employee benefits include compensation of key management personnel as disclosed in Note 32(b).

Notes to the Financial Statements
For the financial year ended 31 December 2023

8. FAIR VALUE CHANGES IN FINANCIAL INSTRUMENTS

Group	2023 $	2022 $
Fair value changes in derivative instruments (Note 22)	**33,485**	286,407
Fair value changes in other investments [Note 20(vi)]	**26,415,682**	(29,447,629)
	26,449,167	(29,161,222)

9. OTHER EXPENSES

Group	2023 $	2022 $
Audit fees paid to the		
- auditor of the Company	**419,923**	405,418
- other auditors	**48,538**	48,274
Non-audit fees paid to the		
- auditor of the Company	**68,386**	92,408
- other auditors	**15,457**	16,519
Bad debt – trade	**27,334**	7,354
Bank charges	**38,313**	35,561
Directors' fees	**160,000**	160,000
Hotel consumables	**4,951,161**	5,168,935
Hotel management fees	**3,049,795**	3,240,421
Impairment loss on investment property (Note 13)	**1,195,420**	2,947,917
Inventory written off (Note 21)	**2,020,186**	–
Marketing and distribution expenses	**8,318,283**	8,308,751
Lease expense (Note 27.3)	**83,623**	106,107
Loss on disposal of other investments	**239,152**	–
Professional fees	**391,851**	463,562
Property related taxes	**3,991,520**	3,297,276
Property, plant and equipment written off	**27,720**	16,260
Upkeep and maintenance expenses of properties	**30,033,092**	29,385,542
Others	**2,946,487**	3,006,649
	58,026,241	56,706,954

Notes to the Financial Statements
For the financial year ended 31 December 2023

10. INCOME TAX EXPENSE/(CREDIT)

Major components of income tax expense/(credit)

The major components of income tax expense/(credit) for the years ended 31 December 2023 and 2022 are:

Group	2023 $	2022 $
Current income tax		
Current income taxation	**3,525,314**	4,360,957
Over provision in respect of prior years	**(1,137,643)**	(103,991)
	2,387,671	4,256,966
Deferred income tax		
Reversal of temporary differences	**(1,776,418)**	(6,193,665)
Over provision of deferred tax (liabilities)/assets in respect of prior years	**(47,250)**	459,699
	(1,823,668)	(5,733,966)
Income tax expense/(credit) recognised in profit or loss	**564,003**	(1,477,000)

Relationship between tax expense/(credit) and accounting profit

A reconciliation between tax expense/(credit) and the product of accounting profit/(loss) multiplied by the applicable corporate tax rate for the years ended 31 December 2023 and 2022 is as follows:

Group	2023 $	2022 $
Profit/(loss) before tax	**6,079,615**	(23,609,434)
Tax at the domestic rate applicable to results in the countries where the Group operates	**1,705,537**	(3,792,800)
Income not subject to taxation (1)	**(7,243,150)**	(4,769,525)
Non-deductible expenses (2)	**7,084,639**	6,783,635
Deferred tax assets not recognised	**333,580**	49,602
Over provision of current taxation in respect of prior years	**(1,137,643)**	(103,991)
Over provision of deferred tax (liabilities)/assets in respect of prior years	**(47,250)**	459,699
Effect of partial tax exemption	**(139,400)**	(104,550)
Others	**7,690**	930
Income tax expense/(credit) recognised in profit or loss	**564,003**	(1,477,000)

10. INCOME TAX EXPENSE/(CREDIT) (CONT'D)

(1) This relates mainly to exempt dividend received, foreign exchange gain on certain subsidiaries, fair value changes in financial instruments and gain on disposal of investment properties/assets held-for-sale recognised. In 2022, the non-taxable income relates to income occurred in the ordinary course of business.

(2) This relates mainly to depreciation of non-qualifying assets and other disallowed expenses incurred in the ordinary course of business. In 2022, the non-deductible expenses relate to depreciation of non-qualifying assets, fair value changes in financial instruments and other disallowed expenses incurred in the ordinary course of business.

Tax consequences of proposed dividends

There are no income tax consequences attached to the dividends to the shareholders proposed by the Company but not recognised as a liability in the financial statements (Note 35) for the years ended 31 December 2023 and 2022.

11. EARNINGS PER SHARE

Basic earnings per share are calculated by dividing profit/(loss) net of tax, attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year.

Diluted earnings per share amounts are calculated by dividing the profit/(loss) net of tax, attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

The following tables reflect the profit/(loss) and share data used in the computations of basic and diluted earnings per share for the years ended 31 December:

Group	**2023** **$**	2022 $
Profit/(loss) for the year attributable to owners of the Company used in the computation of basic and diluted earnings per ordinary share	**5,558,842**	(22,000,758)
Weighted average number of ordinary shares for basic and dilutive earnings per share computation (no. of shares)	**470,557,541**	470,557,541

Earnings per share computation

The basic and diluted earnings per share are calculated by dividing the profit/(loss) for the year attributable to owners of the Company by the weighted average number of ordinary shares for basic earnings per share computation and weighted average number of ordinary shares for diluted earnings per share computation respectively. These profit/(loss) and share data are presented in the tables above.

Notes to the Financial Statements

For the financial year ended 31 December 2023

12. PROPERTY, PLANT AND EQUIPMENT

Group	Freehold land and properties $	Leasehold land and properties $	Motor vehicles $	Furniture, fittings and office equipment $	Plant and machinery $	Leased premises $	Total $
Cost							
At 1 January 2022	96,973,026	603,261,434	4,677,706	26,132,961	38,927,065	12,442,615	782,414,807
Additions	–	330,233	400,000	924,982	1,062,218	3,438,915	6,156,348
Exchange difference	(7,071,053)	(3,939,775)	(2,620)	(1,625,544)	(1,579,497)	–	(14,218,489)
Disposals/written off	–	–	(629,876)	(167,879)	(83,657)	–	(881,412)
At 31 December 2022 and 1 January 2023	**89,901,973**	**599,651,892**	**4,445,210**	**25,264,520**	**38,326,129**	**15,881,530**	**773,471,254**
Additions	**–**	**–**	**–**	**21,378,418**	**2,453,949**	**301,985**	**24,134,352**
Transfer to asset held-for-sale (Note 25)	**(63,584,233)**	**–**	**–**	**(6,644,092)**	**(6,227,632)**	**–**	**(76,455,957)**
Exchange difference	**(868,490)**	**1,166,623**	**(322)**	**2,346,040**	**169,925**	**–**	**2,813,776**
Disposals/written off	**–**	**–**	**–**	**(824,695)**	**(12,444,100)**	**–**	**(13,268,795)**
At 31 December 2023	**25,449,250**	**600,818,515**	**4,444,888**	**41,520,191**	**22,278,271**	**16,183,515**	**710,694,630**
Accumulated depreciation and impairment loss							
At 1 January 2022	7,394,386	99,587,105	2,350,819	13,380,019	18,394,653	4,103,372	145,210,354
Depreciation charge for the year	1,745,131	14,374,649	590,322	2,751,913	3,950,657	1,579,534	24,992,206
Write back of impairment loss (Note 5)	–	(1,305,166)	–	–	–	–	(1,305,166)
Exchange difference	(632,550)	(533,348)	(1,350)	(882,378)	(461,123)	–	(2,510,749)
Disposals/written off	–	–	(379,726)	(158,102)	(68,587)	–	(606,415)
At 31 December 2022 and 1 January 2023	**8,506,967**	**112,123,240**	**2,560,065**	**15,091,452**	**21,815,600**	**5,682,906**	**165,780,230**
Depreciation charge for the year	**1,617,052**	**14,387,560**	**532,753**	**3,243,203**	**2,879,292**	**1,571,973**	**24,231,833**
Transfer to asset held-for-sale (Note 25)	**(7,704,559)**	**–**	**–**	**(4,720,994)**	**(2,789,528)**	**–**	**(15,215,081)**
Exchange difference	**(62,930)**	**223,543**	**(111)**	**2,245,078**	**105,945**	**–**	**2,511,525**
Disposals/written off	**–**	**–**	**–**	**(820,107)**	**(12,420,968)**	**–**	**(13,241,075)**
At 31 December 2023	**2,356,530**	**126,734,343**	**3,092,707**	**15,038,632**	**9,590,341**	**7,254,879**	**164,067,432**
Net carrying amount							
At 31 December 2022	81,395,006	487,528,652	1,885,145	10,173,068	16,510,529	10,198,624	607,691,024
At 31 December 2023	**23,092,720**	**474,084,172**	**1,352,181**	**26,481,559**	**12,687,930**	**8,928,636**	**546,627,198**

Notes to the Financial Statements

For the financial year ended 31 December 2023

12. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Company	2023 $	2022 $
Furniture, fittings and office equipment		
Cost		
At 1 January	–	18,506
Disposals/written off	–	(18,506)
At 31 December	–	–
Accumulated depreciation		
At 1 January	–	18,506
Disposals/written off	–	(18,506)
At 31 December	–	–
Net carrying amount	–	–

(i) Right-of-use ("ROU") assets classified under property, plant and equipment

Group

ROU assets acquired under leasing arrangements are presented together with the owned assets of the same class. Details of such assets are disclosed below:

(a) Addition of ROU assets during the year was $301,985 (2022: $3,811,852).

(b) Carrying amounts and related depreciation of ROU assets classified within property, plant and equipment are as follows:

	2023 $	2022 $
Carrying amounts of ROU assets		
Leasehold land	**67,871,525**	71,330,031
Furniture, fittings and office equipment	**72,628**	107,261
Motor vehicles	**–**	191,946
Leased premises	**8,928,636**	10,198,624
	76,872,789	81,827,862
Depreciation charge of ROU assets during the year		
Leasehold land	**3,458,506**	3,458,506
Furniture, fittings and office equipment	**34,633**	31,392
Motor vehicles	**38,389**	162,067
Leased premises	**1,571,973**	1,579,534
	5,103,501	5,231,499

12. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

(ii) Assets pledged as security

Certain property, plant and equipment are mortgaged to secure bank facilities (Note 27.1).

(iii) Motor vehicles with carrying amount of $1,079,976 (2022: $1,472,709) for the Group are registered in the names of certain directors and employees. These are held in trust for the Company and for the respective companies in the Group.

(iv) Impairment of assets

In the year ended 31 December 2022, a subsidiary of the Group, Trafford City Hotel Limited, recorded a reversal of impairment loss of $1,305,166 (Note 5) in profit or loss relating to the hotel at Holiday Inn Express Manchester, representing the increase in recoverable amount due to a higher occupancy rate with the easing of lockdown restrictions. The recoverable amount of GBP 21,000,000, which is equivalent to $34,005,300 was based on its value in use and pre-tax discount rate of 10.0%.

Sensitivity analysis for change in pre-tax discount rate of Holiday Inn Express Manchester

In 2022, if the pre-tax discount rate used had been 50 basis points higher, the Group's loss would have been $998,304 higher, arising as a result of lower reversal of impairment loss relating to the asset.

In 2022, if the pre-tax discount rate used had been 50 basis points lower, the Group's loss would not be impacted as the reversal of an impairment loss cannot exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years.

Notes to the Financial Statements
For the financial year ended 31 December 2023

12. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

(v) Details of properties included in property, plant and equipment as at 31 December 2023 are as follows:

Description of properties	Tenure	Existing use	Land area sq. m.	Group's effective equity interest
Singapore				
1 Yuan Ching Road	30-year leasehold from 1.1.2002	Land parcel, sports and recreation complex, and carpark	21,754	99.07%
Aloft Singapore Novena	99-year leasehold from 4.11.2008	Hotels	23,983 (gross floor area)	99.54%
Australia				
Hotel at 27 Rowe Avenue, Rivervale, Perth with 224 rooms	Freehold	Hotel	17,774 (gross floor area)	100%
United Kingdom				
Hotel at 2 Mercury Way, Trafford, Urmston, Manchester with 220 rooms	200-year long leasehold from 28.8.2015	Hotel	7,042	100%

(vi) Assets subject to operating lease

	2023 **$**	2022 $
Carrying value		
- Properties on leasehold land	**5,411,928**	6,176,613

13. INVESTMENT PROPERTIES

Group	2023 $	2022 $
Cost		
At 1 January	**646,348,975**	657,407,358
Transfer to asset held-for-sale (Note 25)	**(7,667,748)**	–
Exchange differences	**(1,359,134)**	(11,058,383)
At 31 December	**637,322,093**	646,348,975
Accumulated depreciation and impairment loss		
At 1 January	**74,564,664**	63,177,882
Depreciation charge for the year	**9,433,705**	9,747,390
Impairment loss (Note 9)	**1,195,420**	2,947,917
Transfer to asset held-for-sale (Note 25)	**(751,823)**	–
Exchange differences	**(138,523)**	(1,308,525)
At 31 December	**84,303,443**	74,564,664
Net carrying amount	**553,018,650**	571,784,311

<u>The following amounts are recognised in profit or loss:</u>

Rental income from investment properties		
- Minimum lease payments	**24,650,296**	23,082,291
Direct operating expenses (including repairs and maintenance)		
- Rental generating properties	**(11,603,208)**	(11,726,209)

Except as disclosed in Note 27.1, the Group has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment property or for repairs, maintenance or enhancements.

<u>Valuation of investment properties</u>

Investment properties are stated at cost less accumulated depreciation and accumulated impairment losses. Valuation of investment properties is performed for bank covenant assessment, disclosure purpose and impairment assessments. The Group obtains external, independent valuations for its investment properties annually. These independent valuers have recognised and relevant professional qualification with relevant experience in the location and category of the properties being valued.

Fair values are based on market values, being the estimated amount for which a property could be exchanged on the date of the valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion. The Group reviews the appropriateness of the valuation methodologies and assumptions adopted. The Group also evaluates the appropriateness and reliability of the inputs used in the valuations.

The fair value of the investment properties as at 31 December 2023 is $828,757,160 (2022: $833,826,600) and the valuation methods applied are further discussed In Note 37(d).

Notes to the Financial Statements

For the financial year ended 31 December 2023

13. INVESTMENT PROPERTIES (CONT'D)

Impairment of assets

In the current financial year, a subsidiary of the Group, Meteorite Property (Stirling Street) Pty Ltd, recorded an impairment loss on the investment property situated at 130 Stirling Street, Perth, Australia. The impairment loss of $1,195,420 (2022: $2,947,917) (Note 9) was recorded in 'Other expenses' in profit or loss to reflect a decrease in its recoverable amount, arising from the increase in capitalisation rate in Australia. The recoverable amount of AUD $83,600,000, which is equivalent to $75,373,760 (2022: AUD $88,000,000, equivalent to $80,115,200) was determined based on its fair value less cost to sell. The investment property belongs to the 'Rental income' reportable segment in Note 39.

Details of valuation techniques and inputs used to determine the fair value of 130 Stirling Street are as follows and are classified under level 3 of the fair value hierarchy.

Valuation techniques	Unobservable inputs	Range
Capitalisation approach	Capitalisation rate	6.75% (2022: 6.25%)

Sensitivity analysis for change in capitalisation rate of 130 Stirling Street, Perth, Australia

If the capitalisation rate used had been 50 basis points (2022: 50 basis points) higher, the Group's profit (2022: loss) would have been $5,664,269 lower (2022: $6,244,442 higher) arising as a result of higher impairment loss relating to the asset.

If the capitalisation rate used had been 50 basis points (2022: 50 basis points) lower, the Group's profit (2022: loss) would have been $4,141,735 higher (2022: $2,947,917 lower) as the Group would not be recording any impairment loss on the asset.

Notes to the Financial Statements
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13. INVESTMENT PROPERTIES (CONT'D)

Assets pledged as security

Certain investment properties are mortgaged to secure bank facilities (Note 27.1).

Details of investment properties as at 31 December 2023 are as follows:

Description of properties	Tenure	Existing use	Strata area sq. m.
Singapore			
1 residential unit at 68 St Thomas Walk	Freehold	Residential	606
2 residential units at 1 Lewis Road	Freehold	Residential	607
1 Claymore Drive #B1-01/40 Orchard Towers	Freehold	Retail space	735
150 Orchard Road #09-01/02 Orchard Plaza	99-year leasehold from 2.6.1977	Retail space	1,424
1 Jalan Anak Bukit #B1-59/59A Bukit Timah Plaza	99-year leasehold from 30.8.1976	Retail space	112
35 Selegie Road #B1-04 to #B1-12, #B1-14 to #B1-18, #B1-20 to #B1-38 Parklane Shopping Mall	99-year leasehold from 1.12.1974	Retail space	2,352
Commercial properties At Zhongshan Park	99-year leasehold from 4.11.2008	Retail/ office space	15,138 (gross floor area)
21 retail units and 38 office units at 400 Orchard Road and 1 Claymore Drive Orchard Towers	Freehold	Retail/ office space	11,898
45 factory units and 1 canteen of 9-storey multiple user light industrial development at 56 Kallang Pudding Road	Freehold	Industrial	8,373
Australia			
7-level commercial building comprising five levels of office, four retail tenancies to ground level, and a total of 242 parking bays at 130 Stirling Street, Perth	Freehold	Commercial	12,064 (net lettable area)
10-level commercial building comprising seven levels of office, two retail tenancies to ground level, and a total of 501 parking bays at 25 Rowe Avenue, Perth	Freehold	Commercial	10,571 (net lettable area)

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14. SUBSIDIARIES

Company	2023 $	2022 $
Unquoted equity shares, at cost	**395,040,397**	395,040,397
Loans to subsidiary	**227,560,624**	227,560,624
	622,601,021	622,601,021
Impairment losses	**(5,260,000)**	(26,910,000)
	617,341,021	595,691,021
Movement in allowance accounts:		
At 1 January	**(26,910,000)**	(27,460,000)
Charge for the year	**–**	(7,000,000)
Write back of allowance	**21,650,000**	7,550,000
At 31 December	**(5,260,000)**	(26,910,000)

The loans to subsidiary represent an extension of its investment in the subsidiary. These amounts are unsecured and interest-free with repayment terms at the discretion of the subsidiary.

During the year, the Company wrote back impairment losses of $21,650,000 (2022: $7,550,000) previously provided for on its investments in two (2022: two) subsidiaries to recoverable amount as a result of the increase in fair value of underlying property assets and other investments held by the subsidiaries. The recoverable amount is determined based on fair value less cost of disposal which approximates the subsidiaries' revalued net assets of $151,356,433 (2022: $194,195,272) as at end of reporting period which are classified under level 3 of the fair value hierarchy. The revalued net assets incorporate appraised fair value of underlying property assets held by the subsidiaries determined by independent external valuer who makes reference to recent transacted prices of comparable properties and other investments for which the fair values has been determined based on valuation techniques disclosed in Note 37 (2022: appraised fair value of underlying property assets held by the subsidiaries determined by independent external valuer who makes reference to recent transacted prices of comparable properties). If the revalued net assets of the subsidiaries have been 5% higher, the impairment loss written back during the year would have been approximately $3,840,000 (2022: $3,640,000) higher. If the revalued net assets of the subsidiaries have been 5% lower, the impairment loss written back during the year would have been approximately $5,870,000 (2022: $3,570,000) lower.

During the year ended 31 December 2022, the Company had provided an impairment loss of $7,000,000 which was to write down the carrying value of a subsidiary to its recoverable amount as a result of the decrease in fair value of other investments held by the subsidiary. The recoverable amount is determined based on fair value less cost of disposal which approximates the subsidiary's revalued net assets of $56,001,788 as at end of reporting period which is classified under level 3 of the fair value hierarchy. The net assets of the subsidiary includes other investments for which the fair values have been determined based on valuation techniques disclosed in Note 37. A 5% decrease/increase in the revalued net assets of the subsidiary would result in an increase/decrease in impairment loss recognised during the year of approximately $2,800,000.

Notes to the Financial Statements

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14. SUBSIDIARIES (CONT'D)

(a) Details of the subsidiaries are as follows:

Name of subsidiaries	Country of incorporation/ principal place of business	Effective shareholding 2023 %	Effective shareholding 2022 %	Principal activities
Held by the Company				
Hiap Hoe Investment Pte Ltd	Singapore	**100**	100	Investment holding
WestBuild Construction Pte Ltd	Singapore	**100**	100	Civil engineering, general road construction and sub-contractor works
Hiap Hoe Strategic Pte Ltd	Singapore	**100**	100	Investment holding
HH Land Pte Ltd (1)	Singapore	**100**	100	Dormant
Meteorite Group Pte Ltd	Singapore	**100**	100	Investment holding
HH Residences Pte Ltd	Singapore	**100**	100	Property investment and owner
Golden Bay Realty (Private) Limited	Singapore	**100**	100	Property investment and owner
Held by Meteorite Group Pte Ltd				
Meteorite Land Pty Ltd	Australia	**100**	100	Property owner
Meteorite Assets Pte Ltd	Singapore	**100**	100	Investment holding
Held by Meteorite Land Pty Ltd				
Meteorite Land (Pearl River) Pty Ltd Meteorite Land (Pearl River) Unit Trust (2)	Australia	**100**	100	Property owner
Meteorite Property (Stirling Street) Pty Ltd	Australia	**100**	100	Property investment and owner
Meteorite Land (Rowe Avenue) Pty Ltd Meteorite Land (Rowe Avenue) Unit Trust (2)	Australia	**100**	100	Property investment and owner
Meteorite Land (Great Eastern) Pty Ltd Meteorite Land (Great Eastern) Unit Trust (2)	Australia	**100**	-	Property investment and owner

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14. SUBSIDIARIES (CONT'D)

(a) Details of the subsidiaries are as follows (Cont'd):

Name of subsidiaries	Country of incorporation/ principal place of business	Effective shareholding		Principal activities
		2023	2022	
		%	%	
Held by Meteorite Assets Pte Ltd				
Meteorite Assets Limited	United Kingdom	**100**	100	Investment holding
Held by Meteorite Assets Limited				
Meteorite Manchester Limited	United Kingdom	**100**	100	Investment holding
Held by Meteorite Manchester Limited				
Trafford City Hotel Limited	United Kingdom	**100**	100	Hotel owner
Held by Hiap Hoe Strategic Pte Ltd				
SuperBowl Holdings Limited	Singapore	**99.07**	99.06	Investment holding
Held by SuperBowl Holdings Limited				
SuperBowl Jurong Pte Ltd	Singapore	**99.07**	99.06	Property investment
SuperBowl Development Pte Ltd	Singapore	**99.07**	99.06	Owners and operators of bowling centres and recreation centres
Super Funworld Pte Ltd	Singapore	**99.07**	99.06	Property investment
Held by the Company and SuperBowl Holdings Limited				
HH Properties Pte Ltd *	Singapore	**99.54**	99.53	Property developer and owner

The Singapore incorporated subsidiaries are audited by Ernst & Young LLP, Singapore. The Australia incorporated subsidiaries are audited by member firms of EY Global in Australia and the United Kingdom incorporated subsidiaries are audited by HLB Beever and Struthers, Manchester.

(1) This company is dormant and exempted from audit under the Singapore Companies Act.

(2) Unit Trust was incorporated to own the properties.

* The Company holds 50% ownership interest in HH Properties Pte Ltd and account for it as a joint venture in its separate financial statements (Note 15).

Notes to the Financial Statements
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15. JOINT VENTURE

Company	**2023** **$**	2022 $
Shares, at cost	**5**	5
Share of post-acquisition reserves	**19,718,106**	25,485,943
	19,718,111	25,485,948

This relates to interest in HH Properties Pte Ltd ("HHP") which is jointly held by the Company and SuperBowl Holdings Limited in equal proportions of 50%.

The Company has equity accounted for its investment in HHP in its separate financial statements. As the Group effectively owned 99.54% (2022: 99.53%) interest in HHP, the interest in joint venture based on equity accounting method is reversed and the investee is consolidated in the Group's financial statements. Details of HHP are disclosed in Note 14.

16. OTHER ASSETS

	Group		**Company**	
	2023 **$**	2022 $	**2023** **$**	2022 $
Current				
Other deposits	**350,640**	279,660	**–**	–
Non-current				
Deposit paid on acquisition of capital assets	**3,606,400**	–	**–**	–

A deposit of S$3,606,400 (equivalent of A$4,000,000) was paid on 19 December 2023 which relates to a Sale and Purchase Agreement entered to acquire the Great Eastern Motor Lodge located at Rivervale, Western Australia from S & C Christie Pty Ltd as trustee for the S & C Christie Family Trust for A$40,000,000. The completion of the sale and purchase of the Property took place on 11 March 2024.

Notes to the Financial Statements
For the financial year ended 31 December 2023

17. TRADE AND OTHER RECEIVABLES/ LEASE INCENTIVES

	Group		Company	
	2023	2022	**2023**	2022
	$	$	**$**	$
Current				
Trade receivables	**3,727,452**	4,141,150	**–**	–
Allowance for impairment	**(381,325)**	(435,104)	**–**	–
GST receivables	**387,785**	41	**–**	–
	3,733,912	3,706,087	**–**	–
Other receivables:				
Interest receivables	**2,680,911**	2,034,388	**–**	–
Staff loans	**19,470**	19,920	**–**	–
Sundry receivables	**291,750**	193,739	**–**	–
Lease receivables	**443,923**	475,424	**–**	–
	3,436,054	2,723,471	**–**	–
Trade and other receivables (current)	**7,169,966**	6,429,558	**–**	–
Lease incentives	**1,356,129**	1,369,365	**–**	–
Non-current				
Lease receivables	**2,663,956**	2,937,216	**–**	–
Staff loans	**1,630**	14,150	**–**	–
Others	**24,000**	12,000	**–**	–
Other receivables (non-current)	**2,689,586**	2,963,366	**–**	–
Lease incentives	**10,057,954**	11,525,489	**–**	–
Trade and other receivables (current and non-current)	**9,859,552**	9,392,924	**–**	–
Less: GST receivables	**(387,785)**	(41)	**–**	–
Less: Lease receivables	**(3,107,879)**	(3,412,640)	**–**	–
Less: Deposit paid on acquisition of capital assets	**(3,606,400)**	–	**–**	–
Add:				
Due from subsidiaries, trade [Note 18(i)]	**–**	–	**730,695**	585,395
Due from subsidiaries, non-trade [Note 18(ii)(a)]	**–**	–	**19,755,020**	18,290,829
Due from a related company, trade [Note 18(i)]	**904**	–	**–**	–
Other assets (Note 16)	**3,957,040**	279,660	**–**	–
Cash and short-term deposits (Note 24)	**41,777,400**	50,001,230	**962,180**	583,605
Total financial assets carried at amortised cost	**48,492,832**	56,261,133	**21,447,895**	19,459,829

<u>Trade receivables</u>

Trade receivables are non-interest bearing and are generally on 30 days' terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

17. TRADE AND OTHER RECEIVABLES/ LEASE INCENTIVES (CONT'D)

Trade and other receivables

Trade and other receivables of the Group denominated in foreign currencies are as follows:

Group	**2023** **$**	2022 $
Australian Dollar	**607,292**	408,214
British Pound	**38**	12
Euro	**1,447,750**	1,099,179
United States Dollar	**236,484**	174,357
Hong Kong Dollar	**9**	19,421

Interest receivables

Certain interest receivables are pledged to secure bank facilities (Note 27.1).

Staff loans

Staff loans are unsecured and non-interest bearing. Non-current amounts have maturity ranging between 1 to 2 years (2022: 1 to 2 years). The loans are recognised initially at fair value. The carrying amount of non-current staff loans approximates their fair value.

Lease incentives

Relates to upfront lease incentives paid to a tenant for a lease in Perth. These lease incentives are recognised in profit or loss on a straight-line basis over the contractual lease term.

Trade receivables that are past due but not impaired

The Group has trade receivables amounting to $2,611,436 (2022: $3,026,815) that are past due at the balance sheet date but not impaired. These receivables are unsecured and the analysis of their aging at the end of the reporting period is as follows:

Group	**2023** **$**	2022 $
Trade receivables past due but not impaired:		
Less than 30 days	**2,166,729**	2,364,552
31- 60 days	**300,446**	396,995
61- 90 days	**15,862**	112,329
More than 90 days	**128,399**	152,939
	2,611,436	3,026,815

Based on historical default rates, the Group believes that no impairment allowance is necessary in respect of trade receivables past due. These receivables are mainly arising from customers that have a good credit record with the Group.

17. TRADE AND OTHER RECEIVABLES/ LEASE INCENTIVES (CONT'D)

Expected credit losses assessment

The Group provides for lifetime expected credit losses for trade receivables from customers by reference to past default experience of the debtors and an analysis of days past due, adjusted for forward-looking factors specific to the debtors and the economic environment.

The following table provides information about the exposure to credit risk and expected credit losses for current trade receivables as at 31 December:

Group	**2023** **$**	2022 $
Movement in allowance accounts:		
At 1 January	**435,104**	550,728
Amount written off	**(44,112)**	(20,610)
Write back of allowance	**(37,514)**	(108,233)
Charge for the year	**31,069**	43,025
Exchange difference	**(3,222)**	(29,806)
At 31 December	**381,325**	435,104

18. DUE FROM/(TO) SUBSIDIARIES/RELATED COMPANIES

(i) Trade

Trade amounts due from/(to) subsidiaries and a related company are unsecured, interest-free and repayable on demand. Related company refer to a member of the immediate and ultimate holding company's group of companies.

Trade amounts due from subsidiaries which are denominated in foreign currency:

Company	**2023** **$**	2022 $
British Pound	**597,864**	585,395

(ii) Non-trade

(a) Non-trade amounts due from subsidiaries are as follows:

Company	**2023** **$**	2022 $
Current		
Loans	**22,702,665**	20,448,796
Interest receivable	**869,888**	346,461
Performance guarantee fee receivable	**601,513**	535,653
Advances	**324,061**	480,831
Less: allowance for impairment	**(4,743,107)**	(3,520,912)
Total	**19,755,020**	18,290,829

18. DUE FROM/(TO) SUBSIDIARIES/RELATED COMPANIES (CONT'D)

(ii) Non-trade (Cont'd)

(a) Non-trade amounts due from subsidiaries are as follows (Cont'd):

Balances denominated in foreign currency are as follows:

Company	2023 $	2022 $
British Pound	**19,663,356**	18,224,762

Amounts due from subsidiaries are unsecured and repayable on demand. The loans bear weighted average effective interest at 7.11% (2022: 5.16%) per annum while advances and performance guarantee fee receivable are interest free.

Expected credit loss assessment

During the year, the Company had provided an impairment loss of $1,222,195 for amounts due from a subsidiary. The above assessment is after taking into account the financial position of the subsidiary, and the allowance was due to decrease in net asset value of the subsidiary as at the reporting date.

During the year ended 31 December 2022, the Company had written back an impairment loss of $62,982 previously provided for on a subsidiary to its recoverable amount determined based on the subsidiary revalued nets assets of $3,520,912 as at end of reporting period which are classified under level 3 of the fair value hierarchy. The key inputs used in determining the revalued net assets includes recent market comparable.

The following table provides information about the exposure to credit risk and expected credit losses for loans to a subsidiary as at 31 December:

Company	2023 $	2022 $
Movement in allowance accounts		
At 1 January	**3,520,912**	3,583,894
Write back of allowance	**–**	(62,982)
Charge for the year	**1,222,195**	–
At 31 December	**4,743,107**	3,520,912

(b) Non-trade amounts due to subsidiaries and a related company are as follows:

Group

Non-trade amount due to a related company of the Group represent payment made on behalf of a related company, were unsecured, interest-free and repayable on demand.

Notes to the Financial Statements
For the financial year ended 31 December 2023

18. DUE FROM/(TO) SUBSIDIARIES/RELATED COMPANIES (CONT'D)

(b) Non-trade amounts due to subsidiaries and a related company are as follows (Cont'd):

Company	2023 $	2022 $
Current		
Loans	**(112,286,922)**	(118,466,326)
Interest payable	**(3,202,661)**	(3,103,396)
Advances	**(20,673,000)**	(11,673,000)
	(136,162,583)	(133,242,722)
Balances denominated in foreign currency are as follows:		
British Pound	**(19,504,955)**	(17,904,385)

Amounts due to subsidiaries are unsecured and repayable on demand. The loans bear weighted average effective interest ranging from 5.01% to 6.64% (2022: 4.21% to 4.70%) per annum while advances are interest-free.

19. DEFERRED TAXATION

	Group			
	Balance sheet		Income statement	
	2023	2022	**2023**	2022
	$	$	**$**	$
Deferred tax assets:				
Unutilised tax losses	**8,113,356**	8,101,935	**1,147,538**	2,220,617
Unutilised capital allowance	**416,401**	2,072,098	**(1,593,489)**	(1,855,307)
Temporary differences on leases	**290,055**	254,875	**35,180**	48,512
Difference in depreciation for tax purposes	**4,611,770**	3,729,872	**894,518**	2,777,195
	13,431,582	14,158,780	**483,747**	3,191,017
Deferred tax liabilities:				
Unremitted foreign income and profits	**794,449**	866,002	**(74,209)**	13,212
Temporary differences on leases	**3,259,249**	3,715,203	**(408,069)**	(436,699)
Fair value adjustment on acquisition of subsidiaries	**66,691,107**	68,390,835	**(1,699,728)**	(1,699,728)
Difference in depreciation for tax purposes	**3,084,119**	3,341,620	**842,084**	(419,734)
	73,828,924	76,313,660	**(1,339,922)**	(2,542,949)

Unutilised tax losses

Certain subsidiaries of the Company have unutilised tax losses of $59,525,000 (2022: $58,417,000) for offset against future taxable income, subject to the agreement of various tax authorities in the countries where the Group operates. The deferred tax assets arising from these unutilised tax losses have not been recognised in the financial statements in accordance with the accounting policy in Note 2.23(b) to the financial statements.

At the end of the reporting period, there are no deferred tax liabilities on net investment in subsidiaries.

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20. OTHER INVESTMENTS

Group	2023 $	2022 $
At fair value through profit or loss		
- Quoted investments (ii)	**146,461,246**	144,147,444
- Unquoted investments (iii)	**195,441,609**	153,020,494
	341,902,855	297,167,938

(i) Other investments include debt instruments. The Group has reviewed its policy of classification and determined that these debt instruments will be sold from time to time to realise capital appreciation or for liquidity management. Accordingly, these debt instruments will continue to classify as FVPL in accordance with SFRS(I) 9 based on the Group's business model.

(ii) Quoted investments

The fair value of quoted investments is determined by reference to the respective stock exchange quoted bid price.

(iii) Unquoted investments

Included in unquoted investments is investment in A2I Holdings S.A.R.L ("A2I") which relates to the investment in AccorInvest Group, which owns or leases hotels mainly operated by the Accor Group. The Group holds 20.71% (2022: 20.71%) interest in A2I and the carrying value of A2I as at 31 December 2023 was $83,501,488 (2022: $57,503,431). A2I is a limited liability investment holding company which is incorporated and domiciled in Luxembourg. Management has determined that the investment in A2I is passive and the Group has no significant influence in the said investee.

As the unquoted investments are not publicly traded, the fair values are determined based on valuation techniques as disclosed in Note 37(c).

(iv) Assets pledged as security

Certain trading investments are pledged to secure bank facilities (Note 27.1).

20. OTHER INVESTMENTS (CONT'D)

(v) Other investments of the Group denominated in foreign currencies are as follows:

Group	2023 $	2022 $
Australian Dollar	**28,086,295**	21,807,641
Bangladesh Taka	**337,509**	326,228
British Pound	**4,262,417**	4,378,476
Canadian Dollar	**200,206**	207,495
Danish Krone	**1,612,807**	1,067,487
Euro	**109,935,110**	82,107,275
Hong Kong Dollar	**6,562,903**	7,501,630
Japanese Yen	**312,466**	299,305
Malaysia Ringgit	**1,376,830**	1,404,319
Swiss Franc	**4,875,633**	4,014,869
United States Dollar	**108,704,575**	107,048,217

(vi) During the financial year, the Group recognised fair value gain of $26,415,682 (2022: loss of $29,447,629) on other investments (Note 8).

21. INVENTORIES, AT COST

Group	2023 $	2022 $
Consumables	**164,025**	113,074
Hotel supplies	**2,116,301**	2,676,899
	2,280,326	2,789,973

Inventories recognised in other expenses amounted to $674,849 (2022: $626,353).

During the financial year, the Group recognised an inventory written off for amount of $2,020,186 (2022: $Nil) pursuant to the re-branding of the two Singapore hotels at 16 Ah Hood Road and 1 Jalan Rajah to Aloft Singapore Novena (Note 9).

22. DERIVATIVES

	Group			
	2023		2022	
	Assets $	**Liabilities $**	Assets $	Liabilities $
Currency swaps	**158,232**	**–**	199,079	–
Options	**2,786**	**(60,686)**	600	(66,324)
Total derivatives	**161,018**	**(60,686)**	199,679	(66,324)
Add: Other investments (Note 20)	**341,902,855**	**–**	297,167,938	–
Total financial assets/(liabilities) at fair value through profit or loss	**342,063,873**	**(60,686)**	297,367,617	(66,324)

Notes to the Financial Statements
For the financial year ended 31 December 2023

22. DERIVATIVES (CONT'D)

During the financial year, the Group recognised fair value gain of $33,485 (2022: $286,407) on derivative instruments (Note 8).

Currency swaps

Currency swaps are used to hedge foreign currency risk arising from the Group's trading investments denominated in foreign currencies.

Options

Options derivatives contracts are entered which gives the Group's the right to buy or sell an underlying trading investment at a specified strike price on a specified date.

Derivatives of the Group denominated in foreign currencies are as follows:

	Group			
	2023		2022	
	Assets	**Liabilities**	Assets	Liabilities
	$	**$**	$	$
Euro	**–**	**(60,686)**	10,458	(66,324)
United States Dollar	**160,568**	**–**	188,621	–

23. COMPLETED PROPERTIES FOR SALE

Group	**2023**	2022
	$	$
At 1 January	**1,844,017**	2,282,455
Sale of properties	**(245,741)**	(288,870)
Exchange differences	**(23,513)**	(149,568)
At 31 December	**1,574,763**	1,844,017

Details of properties as at 31 December 2023 are as follows:

Description of properties	**Tenure**	**Group's effective interest in property**	**Floor area sq. m.**
Australia			
6 residential units at 6-22 Pearl River Road, Melbourne	Freehold	100%	279

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For the financial year ended 31 December 2023

24. CASH AND SHORT-TERM DEPOSITS

	Group		Company	
	2023	2022	**2023**	2022
	$	$	**$**	$
Cash and bank balances	**14,502,221**	15,281,069	**962,180**	583,605
Fixed deposits	**27,275,179**	34,720,161	**–**	–
	41,777,400	50,001,230	**962,180**	583,605
Cash and bank balances pledged	**(4,386,228)**	(6,081,459)	**–**	–
Fixed deposits pledged	**(25,213,365)**	(25,033,933)	**–**	–
Cash and cash equivalents	**12,177,807**	18,885,838	**962,180**	583,605

Certain cash and bank balances and fixed deposits are pledged to secure bank facilities (Note 27.1).

Cash and fixed deposits of the Group denominated in foreign currencies are as follows:

Group	**2023**	2022
	$	$
Australian Dollar	**22,934,432**	30,693,136
Bangladesh Taka	**23,309**	24,784
British Pound	**275,322**	169,040
Canadian Dollar	**–**	37,918
Danish Krone	**25,422**	13,291
Euro	**887,862**	760,957
Hong Kong Dollar	**252,159**	483,719
Japanese Yen	**33,721**	28,731
Malaysia Ringgit	**170,772**	179,376
Swiss Franc	**173,044**	170,543
United States Dollar	**1,258,351**	2,503,773

Group and Company

Cash and bank balances earn interest at floating rates based on daily bank deposit rates.

Group

Fixed deposits pledged are made for varying periods of between one month to one year (2022: varying periods of one year) and earn interests at the respective fixed deposit rates. The weighted average effective interest rates as at 31 December 2023 ranged from 0.35% to 5.48% (2022: 0.05% to 4.30%) per annum.

25. ASSET HELD-FOR-SALE

Group

During the financial year ended 31 December 2023, the Group received an offer from WFM Financial Holdings Pty Ltd for the hotel at Four Points by Sheraton, Melbourne Dockland (“the Property"). Subsequently on 2 February 2024, the Group entered into a sale and purchase agreement in relation to the Property for A$96,000,000. The completion of the disposal occurred on 8 April 2024 which resulted in the Group recognising a net gain on disposal of approximately A$24,500,000 million in the financial year ending 31 December 2024.

25. ASSET HELD-FOR-SALE (CONT'D)

The Group had also transferred two units of investment properties at Skyline 360º at St Thomas Walk to asset held-for-sale upon obtaining purchase options on these property units during the financial year ended 31 December 2023. These properties were mortgaged to secure bank facilities and the mortgages were discharged upon completion of the sales during the year with recorded gain on disposal of $13,245,075 (Note 5).

During the financial year ended 31 December 2021, the Group transferred two units of investment properties at Skyline 360º at St Thomas Walk to asset held-for-sale upon obtaining purchase options on these property units. These properties were mortgaged to secure bank facilities as at 31 December 2021. The mortgages were discharged upon completion of the sales on 11 and 18 February 2022 respectively with recorded gain on disposal of $12,909,794 (Note 5).

26. TRADE AND OTHER PAYABLES

	Group		Company	
	2023	2022	**2023**	2022
	$	$	**$**	$
Current				
Trade payables	**2,860,387**	3,178,936	**–**	–
GST payables	**1,535,190**	2,184,109	**89,179**	82,117
Advance receipts and billings	**1,251,387**	833,770	**–**	–
Other payables	**2,700,330**	2,430,701	**11,961**	15,584
Withholding taxes payables	**124,020**	74,396	**–**	–
Lease payables	**124,489**	225,285	**–**	–
Trade and other payables (current)	**8,595,803**	8,927,197	**101,140**	97,701
Trade and other payables (current and non-current)	**8,595,803**	8,927,197	**101,140**	97,701
Add:				
Due to a subsidiary, trade [Note 18(i)]	**–**	–	**49,366**	–
Due to subsidiaries, non-trade [Note 18(ii)(b)]	**–**	–	**136,162,583**	133,242,722
Due to a related company, trade [Note 18(i)]	**67,786**	–	**–**	–
Due to a related company, non-trade [Note 18(ii)(b)]	**25,648**	8,308	**–**	–
Other liabilities (Note 28)	**22,241,643**	15,738,855	**979,853**	960,986
Interest-bearing loans and borrowings (Note 27)	**759,146,728**	743,759,839	**–**	–
	790,077,608	768,434,199	**137,292,942**	134,301,409
Less: GST payables	**(1,535,190)**	(2,184,109)	**(89,179)**	(82,117)
Less: Lease payables	**(124,489)**	(225,285)	**–**	–
Less: Deposits that are not financial liabilities	**(1,750,606)**	(1,915,241)	**–**	–
Less: Advance receipts and billings	**(1,251,387)**	(833,770)	**–**	–
Less: Deferred income (Note 28)	**(4,958,333)**	(474,167)	**–**	–
Less: Withholding taxes payables	**(124,020)**	(74,396)	**–**	–
Less: Withholding taxes accrued (Note 28)	**(17,479)**	(22,170)	**–**	–
Total financial liabilities carried at amortised cost	**780,316,104**	762,705,061	**137,203,763**	134,219,292

Trade and other payables are non-interest bearing and have an average term of one to three months.

27. INTEREST-BEARING LOANS AND BORROWINGS

	Effective interest rate [1] (% per annum)		Maturity	Group	
	2023	2022		**2023**	2022
				$	$
Current liabilities					
Secured bank borrowings (Note 27.1)	**4.51**	4.58	2024	**277,455,146**	382,853,625
Interest payable	**–**	–	2024	**869,121**	701,711
Lease liabilities (Note 27.3)	**4.24**	4.25	2024	**3,663,736**	3,459,995
				281,988,003	387,015,331
Non-current liabilities					
Secured bank borrowings (Note 27.1)	**4.49**	4.98	2025 – 2026	**451,866,748**	328,030,443
Lease liabilities (Note 27.3)	**4.24**	4.25	2025 – 2031	**25,291,977**	28,714,065
				477,158,725	356,744,508
Total				**759,146,728**	743,759,839

[1] Based on weighted average effective interest rates.

27.1 The outstanding secured bank borrowings are secured by the following assets:

Group	**2023**	2022
	$	$
Property, plant and equipment (Note 12)	**497,176,892**	568,923,658
Investment properties (Note 13)	**541,280,119**	571,784,311
Trade and other receivables (Note 17)	**1,008,640**	840,594
Other investments (Note 20)	**173,499,641**	187,572,043
Cash and bank balances (Note 24)	**4,386,228**	6,081,459
Fixed deposits (Note 24)	**25,213,365**	25,033,933
Asset held-for-sale (Note 25)	**61,240,876**	–
	1,303,805,761	1,360,235,998

Notes to the Financial Statements
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27. INTEREST-BEARING LOANS AND BORROWINGS (CONT'D)

27.2 The bank borrowings are secured by the following:

(a) legal mortgages on the Group's property, plant and equipment and investment properties, (collectively, the "Properties");

(b) legal assignment of all rights and benefits under the sales and purchase agreements, hotel management contracts and/or tenancy agreements;

(c) assignment of all insurance policies and interest service reserve account for certain Properties;

(d) deed of subordination to subordinate all loans and advances from the Company to the facilities;

(e) corporate guarantees given by the Company and certain subsidiaries; and

(f) a charge over certain trading investments, cash and short-term deposits and shares of a subsidiary

The bank facility agreements include covenants that require the maintenance of certain financial ratios. Non-compliance with certain material covenants may result in these loans being repayable immediately.

27.3 Lease liabilities

The Group enters into leases for building, leased premises, motor vehicles and office equipment from non-related parties under non-cancellable lease agreements. There are no restrictions placed upon the Group by entering into these contracts.

The leases for certain leased premises contain extension periods for which the related lease payments had been included in lease liabilities as the Group is reasonably certain to exercise these extension options. The leases for certain leased premises also include termination options. The Group negotiates extension options to provide flexibility in managing the leased assets and align with the Group's business needs.

These non-cancellable lease payments included in the measurement of the lease liabilities comprise:

- fixed lease payments (including in-substance fixed payments), less any lease incentives; and
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date.

Notes to the Financial Statements
For the financial year ended 31 December 2023

27. INTEREST-BEARING LOANS AND BORROWINGS (CONT'D)

27.3 Lease liabilities (Cont'd)

Included in the interest-bearing loans and borrowings of the Group are the followings:

Group	2023 $	2022 $
Lease liabilities payable:		
Due not later than one year	**4,821,223**	4,765,358
Due later than one year but not later than five years	**17,520,291**	18,194,297
Due later than five years	**11,820,570**	15,705,485
	34,162,084	38,665,140
Finance charges allocated to future periods	**(5,206,371)**	(6,491,080)
Present value of lease liabilities	**28,955,713**	32,174,060
Present value of lease liabilities:		
Due not later than one year	**3,663,736**	3,459,995
Due later than one year but not later than five years	**14,436,270**	14,518,155
Due later than five years	**10,855,707**	14,195,910
	25,291,977	28,714,065
	28,955,713	32,174,060

As at 31 December 2023 and 2022, the Group's short-term lease commitments are not substantially dissimilar to those giving rise to the Group's short-term lease expense for the year.

In the financial year ended 31 December 2023, lease payments recognised in the consolidated income statement was $83,623 (2022: $106,106). Contingent rents are payable subject to the related revenue exceeding a level stated in the respective agreements. Contingent lease payments recognised in the consolidated income statement in 2022 amounted to $25,996 (2022: $24,114).

Lease expenses not capitalised in lease liabilities but recognised within "operating expenses" in profit or loss are set out below:

Group	2023 $	2022 $
Short-term leases	**42,847**	63,700
Leases of low-value asset	**14,780**	18,292
Variable lease expense due to payments not dependent on an index or rate	**25,996**	24,114
	83,623	106,106

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27. INTEREST-BEARING LOANS AND BORROWINGS (CONT'D)

27.4 The interest-bearing loans and borrowings of the Group denominated in foreign currencies are as follows:

	2023 **$**	2022 $
Australian Dollar	**1,653,282**	14,573,301
British Pound	**20,801,923**	19,120,664
Euro	**110,772,354**	107,156,542
Hong Kong Dollar	**4,297,633**	4,330,380
United States Dollar	**53,653,791**	45,361,775

28. OTHER LIABILITIES

	Group		**Company**	
	2023 **$**	2022 $	**2023** **$**	2022 $
Current				
Accrued operating expenses	**7,739,867**	8,521,823	**819,853**	800,986
Deposits received	**3,595,664**	3,680,551	**–**	–
Purchase option deposit	**–**	103,000	**–**	–
Payable for property, plant and equipment	**2,659,807**	–	**–**	
Provision for Directors' fees	**160,000**	160,000	**160,000**	160,000
Withholding taxes accrued	**17,479**	22,170	**–**	–
	14,172,817	12,487,544	**979,853**	960,986
Non-current				
Deposits received	**3,110,493**	2,777,144	**–**	–
Deferred income	**4,958,333**	474,167	**–**	–
	8,068,826	3,251,311	**–**	–
Total other liabilities	**22,241,643**	15,738,855	**979,853**	960,986

Group

(i) During the financial year, the Group had amortised a deferred income of $115,956 (2022: $80,155) (Note 5).

(ii) Other liabilities of the Group denominated in foreign currencies are as follows:

	2023 **$**	2022 $
United States Dollar	**16,313**	17,708

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29. SHARE CAPITAL

Group and Company

	2023	2022	**2023**	2022
	Number of shares		**$**	$
Issued and fully paid ordinary shares				
Balance at beginning and at end	**474,557,391**	474,557,391	**84,445,256**	84,445,256

The holders of ordinary shares (excluding treasury shares as disclosed in Note 30) are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions. The ordinary shares have no par value.

30. TREASURY SHARES

Group and Company

	2023	2022	**2023**	2022
	Number of shares		**$**	$
Balance at beginning and at end	**(3,999,850)**	(3,999,850)	**(1,101,125)**	(1,101,125)

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

31. RESERVES

	Group		**Company**	
	2023	2022	**2023**	2022
	$	$	**$**	$
Accumulated profits	**674,604,598**	671,869,106	**437,503,125**	422,811,729
Capital reserve (Note a)	**(7,671,719)**	(7,671,719)	**–**	–
Foreign currency translation reserve (Note b)	**(30,584,656)**	(29,147,603)	**–**	–
Gain on reissuance of treasury shares (Note c)	**51,890**	51,890	**51,890**	51,890
	636,400,113	635,101,674	**437,555,015**	422,863,619

(a) Capital reserve

The capital reserve arises from the application of reverse acquisition accounting in prior years.

(b) Foreign currency translation reserve

The foreign currency translation reserve represents exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency.

(c) Gain on reissuance of treasury shares

This represents the gain arising from purchase, sale, issue or cancellation of treasury shares. No dividend may be paid, and no other distribution (whether in cash or otherwise) of the Company's assets (including any distribution of assets to members on a winding up) may be made in respect of this reserve.

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32. RELATED PARTY TRANSACTIONS

(a) Sale and purchase of goods and services

In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions between the Group and related parties took place at terms agreed between the parties during the financial year:

Group	2023 $	2022 $
Expenses		
Site expenses paid to related company	**164,060**	125,135
Rental expense paid to related companies	**42,848**	62,649
Rental expense paid to related party	**102,000**	90,516
Secondment of staff from related companies	**87,163**	93,279

Related parties refer to companies in which a director has controlling interest.

(b) Compensation of key management personnel

	Group	
	2023 **$**	2022 $
Short-term employee benefits	**4,344,937**	4,056,958
Central Provident Fund contributions	**119,317**	106,263
	4,464,254	4,163,221
Comprise amounts paid to:		
Directors of the Company	**2,661,677**	3,260,095
Other key management personnel	**1,802,577**	903,126
	4,464,254	4,163,221

The remuneration of certain key management personnel is determined by the remuneration committee having regard to the performance of individuals and market trends.

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33. COMMITMENTS AND CONTINGENCIES

(a) Capital and investment commitments

Capital and investment expenditure contracted for as at the end of the reporting period but not recognised in the financial statements are as follows:

Group	2023 $	2022 $
- Property, plant and equipment	**–**	287,765
- Unquoted investments	**15,076,214**	14,994,275

(b) Operating lease commitments – as lessor

The Group has entered into commercial property leases on its investment properties and property, plant and equipment. These non-cancellable leases have remaining lease terms of up to 9 years (2022: 10 years). All leases include clauses to enable upward revision of the rental charge on an annual basis on prevailing market conditions and agreed fixed yearly increment.

The undiscounted lease payments from the operating leases to be received after 31 December 2023 and 2022 are disclosed below:

Group	2023 $	2022 $
Undiscounted lease payments to be received:		
Year 1	**27,238,989**	25,875,663
Year 2	**20,716,157**	19,068,685
Year 3	**12,079,829**	13,011,224
Year 4	**6,097,104**	7,269,031
Year 5	**4,351,468**	6,888,293
Year 6 and onwards	**12,933,588**	16,644,770
	83,417,135	88,757,666

These leases are classified as operating lease because the risk and rewards incidental to ownership of the assets are not substantially transferred. The unguaranteed residual values do not represent a significant risk for the Group, as they relate to properties which are located in locations with mainly constant increase in value.

In the financial year ended 31 December 2023, contingent rents recognised in the consolidated income statement was $18,243 (2022: $Nil). Contingent rents are receivable subject to the related revenue exceeding a level stated in the respective agreements.

34. CORPORATE GUARANTEES, UNSECURED

The Company has given corporate guarantees of $1,053,745,400 (2022: $1,023,100,720) to financial institutions in connection with credit facilities granted to its subsidiaries. The liabilities of the Company are limited to the outstanding principal amounts due to lenders and bankers' guarantee issued by financial institutions of its subsidiaries amounting to $683,858,952 (2022: $669,647,804).

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35. DIVIDENDS

Group and Company

	2023	2022
	$	$
Declared and paid during the financial year:		
Dividends on ordinary shares:		
- Final exempt (one-tier) dividend for 2022 – 0.5 cent (2022: for 2021 – 0.5 cent) per share	**2,352,791**	2,352,791
- Interim exempt (one-tier) dividend for 2023 – 0.10 cent (2022: for 2022 – 0.25 cent) per share	**470,559**	1,176,397

Proposed but not recognised as a liability as at 31 December:

Dividends on ordinary shares, subject to shareholders' approval at the Annual General Meeting:

Group and Company

	2023	2022
	$	$
Dividends on ordinary shares, subject to shareholders' approval at the Annual General Meeting:		
- Final exempt (one-tier) dividend for 2023 – 0.5 cent (2022: 0.5 cent) per share	**2,352,791**	2,352,791

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group and the Company are exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include interest rate risk, liquidity risk, credit risk, foreign currency risk and market price risk.

The Board of Directors reviews and agrees policies and procedures for the management of these risks, which are executed by the Executive Director and Chief Financial Officer. The Audit and Risk Committee provides independent oversight to the effectiveness of the risk management process. It is and has been throughout the current and previous financial years, the Group's policy that no trading in derivatives for speculative purposes shall be undertaken.

The following sections provide details regarding the Group's and the Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

There has been no change to the Group's exposure to these financial risks or the manner in which it manages and measures the risks.

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

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 their bank loans and borrowings, and interest-bearing loans from the subsidiaries. All of the Group's and the Company's financial assets and liabilities at floating rates are contractually repriced at intervals of less than 6 months (2022: less than 6 months) from the end of the reporting period.

The Group's exposure to the risks of changes in market interest rates relates primarily to the Group's long term debt obligation with floating interest rates. Management reviews the interest rate strategies to minimise interest rate risk by taking into account the cash flow forecasts, term of debt obligation and market outlook.

Sensitivity analysis for interest rate risk

At 31 December 2023, if interest rates had been 100 (2022: 100) basis points higher with all other variables held constant, the Group's profit (2022: loss) net of tax would have been approximately $6,043,000 lower (2022: $5,901,000 higher) arising mainly as a result of higher interest expense on floating rate loans and borrowings. The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility as in prior years.

Information relating to the Group's interest rate exposure is disclosed in the notes on the Group's borrowings, including leasing obligations.

Liquidity risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of 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's and the Company's liquidity risk management policy is to arrange specific credit facilities with different banks. With the good reputation and the long term relationship maintained with the banks, the Group is able to obtain high financing quantum at favourable interest rates. In addition, the Group has maintained standby credit facilities such as term loans, revolving credit facilities and bank overdraft to meet any immediate obligations.

As at end of financial year, the Group is in a net current liabilities position mainly due to maturity of borrowings within the next 12 months. Notwithstanding the net current liabilities position, considering the Group's existing financing resources, including its unutilised banking facilities, management believes the Group will be able to meet its current obligations as and when they fall due including through successful debt refinancing with its lender, as necessary. The Group also assessed the concentration of risk with respect to refinancing its debt and concluded it to be low and access to sources of funding is sufficiently available.

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

Liquidity risk (Cont'd)

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Group's and the Company's financial liabilities at the end of the reporting period based on contractual undiscounted repayments obligations.

Group **31 December 2023**	**Less than 1 year** **$**	**1 to 5 years** **$**	**More than 5 years** **$**	**Total** **$**
Financial liabilities				
Trade and other payables [(1)]	**5,560,717**	**–**	**–**	**5,560,717**
Derivatives - liabilities	**60,686**	**–**	**–**	**60,686**
Due to a related company, trade	**67,786**	**–**	**–**	**67,786**
Due to a related company, non-trade	**25,648**	**–**	**–**	**25,648**
Other liabilities [(2)]	**12,404,733**	**3,110,492**	**–**	**15,515,225**
Interest bearing loans and borrowings (excluding lease liabilities)	**313,275,417**	**478,830,358**	**–**	**792,105,775**
Lease liabilities	**4,821,223**	**17,520,291**	**11,820,570**	**34,162,084**
Total undiscounted financial liabilities	**336,216,210**	**499,461,141**	**11,820,570**	**847,497,921**

(1) Excludes advance receipts and billings, GST payables, lease payables and withholding taxes payables.

(2) Excludes pre-sale deposits received, deferred income and withholding taxes accrued.

Group 31 December 2022	**Less than 1 year** **$**	**1 to 5 years** **$**	**More than 5 years** **$**	**Total** **$**
Financial liabilities				
Trade and other payables [(1)]	5,609,637	–	–	5,609,637
Derivatives - liabilities	66,324	–	–	66,324
Due to related companies, non-trade	8,308	–	–	8,308
Other liabilities [(2)]	10,550,133	2,777,144	–	13,327,277
Interest bearing loans and borrowings (excluding lease liabilities)	415,815,276	354,074,802	–	769,890,078
Lease liabilities	4,765,358	18,194,297	15,705,485	38,665,140
Total undiscounted financial liabilities	436,815,036	375,046,243	15,705,485	827,566,764

(1) Excludes advance receipts and billings, GST payables, lease payables and withholding taxes payables.

(2) Excludes pre-sale deposits received, purchase option deposit, deferred income and withholding taxes accrued.

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

Liquidity risk (Cont'd)

Analysis of financial instruments by remaining contractual maturities (Cont'd)

Company **31 December 2023**	**Less than 1 year** **$**	**1 to 5 years** **$**	**Total** **$**
Financial liabilities			
Trade and other payables [(1)]	**11,961**	**–**	**11,961**
Due to a subsidiary, trade	**49,366**	**–**	**49,366**
Other liabilities	**979,853**	**–**	**979,853**
Due to subsidiaries, non-trade	**141,813,709**	**–**	**141,813,709**
Total undiscounted financial liabilities	**142,854,889**	**–**	**142,854,889**
31 December 2022			
Financial liabilities			
Trade and other payables [(1)]	15,584	–	15,584
Other liabilities	960,986	–	960,986
Due to subsidiaries, non-trade	138,516,728	–	138,516,728
Total undiscounted financial liabilities	139,493,298	–	139,493,298

[(1)] Excludes GST payables.

The table below shows the contractual expiry by maturity of the Group's and Company's financial guarantees. The maximum amounts of financial guarantee contracts are allocated to the earliest period in which the guarantee could be called.

Group **31 December 2023**	**Less than 1 year** **$**	**1 to 5 years** **$**	**Total** **$**
Financial guarantees	**271,285**	**1,041,505**	**1,312,790**
31 December 2022			
Financial guarantees	443,000	404,990	847,990
Company **31 December 2023**			
Financial guarantees	**230,950,698**	**452,908,254**	**683,858,952**
31 December 2022			
Financial guarantees	341,212,372	328,435,432	669,647,804

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

Liquidity risk (Cont'd)

Analysis of financial instruments by remaining contractual maturities (Cont'd)

Based on historical experience and adjusted for forward-looking factors specific to the company, management has assessed that the estimated credit loss arising from financial guarantees is minimal.

Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's and the Company's exposure to credit risk arises primarily from trade and other receivables, including amounts due from subsidiaries and related companies. For the other financial assets (including investment securities, cash and short-term deposits), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties. The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis. The Group does not expect to incur material credit losses on its financial instruments.

The Group and the Company develops and maintains its credit risk gradings to categorise exposures to its financial instruments according to their degree of risk of default. The Group uses its past collection history, existing market conditions as well as forward looking estimates to rate its receivables.

The Group's credit risk framework comprises the following categories:

Category	**Description**	**Basis for recognising expected credit losses ("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

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

Credit risk (cont'd)

The Group and the Company determines that its financial assets (including amounts due from subsidiaries and related companies) are credit-impaired when:

- There is significant financial difficulty of the debtor
- A breach of contract, such as a default or past due event
- It is becoming probable that the debtor will enter bankruptcy or other financial reorganisation
- There is disappearance of an active market for that financial asset because of financial difficulty.

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to meet a repayment plan with the Group and the Company. Where loans and receivables have been written off, the Group and the Company continue to engage enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognised in profit or loss.

Management assessed the recoverability of the amounts due from subsidiaries to determine if there is any credit default and expected credit loss. In determining the expected credit loss, management has taken into account the financial position of the subsidiaries, adjusted for factors that are specific to the subsidiaries and general economic conditions of the industry in which the subsidiaries operate, in estimating the probability of default of the loans due from subsidiaries as well as the loss upon default.

Based on available information, management has assessed that amounts due from subsidiaries have low credit risk. Accordingly, for the purpose of impairment assessment, the loss allowance is measured at an amount equal to 12 months expected credit losses. The assessment of the credit quality and loss allowance for the amounts due from subsidiaries are disclosed in Note 18(ii)(a).

There has been no material change in the estimation techniques or significant assumptions made during the current reporting period in assessing the loss allowance for amounts due from subsidiaries.

For trade receivables, the Group applies the simplified approach in calculating lifetime expected credit losses. The Group determines the expected credit losses on trade receivables by reference to its historical credit loss experience based on past due status of the debtors, adjusted for forward-looking factors specific to the debtors and the economic environment. For certain trade receivables, the Group have sufficient deposit to cover those debts that are overdue. The probability of default is nil for cases where deposits collected are greater than amounts outstanding. The gross and net carrying amount of the Group's trade and other receivables and further details on the loss allowance for the trade receivables are disclosed in Note 17.

<u>Excessive risk concentration</u>

Concentration arises when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Group's performance to developments affecting a particular industry.

In order to avoid excessive concentrations of risk, the Group's policies and procedures include specific guidelines to focus on maintaining a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly. Selective hedging is used within the Group to manage risk concentrations at both the relationship and industry levels.

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

Credit risk (cont'd)

Exposure to credit risk

At the end of the reporting period, the Group's and the Company's maximum exposure to credit risk is represented by:

- The carrying amount of each class of financial assets recognised in the balance sheets
- A nominal amount of $1,053,745,400 (2022: $1,023,100,720) relating to corporate guarantees provided by the Company to banks on subsidiaries' bank facilities

Information regarding credit exposure for trade and other receivables is disclosed in Note 17.

Credit risk concentration profile

The Group determines concentrations of credit risk by monitoring the country and industry sector profile of its trade receivables on an on-going basis. The credit risk concentration profile of the Group's trade receivables excluding GST receivables at the end of the reporting period is as follows:

	2023		2022	
Group	**$**	**% of total**	$	% of total
By country:				
Australia	**2,054,254**	**61**	1,984,727	54
Singapore	**1,201,849**	**36**	1,629,499	44
United Kingdom	**90,024**	**3**	91,820	2
	3,346,127	**100**	3,706,046	100
By industry sectors:				
Rental	**1,122,181**	**33**	459,529	12
Hotel	**1,961,154**	**59**	3,064,111	83
Leisure	**262,792**	**8**	182,406	5
	3,346,127	**100**	3,706,046	100

For trade and other receivables, the Group has applied the simplified approach in SFRS(I) 9 and uses an allowance matrix to measure the expected credit losses of trade receivables from customers. The allowance matrix is based on historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. Note 17 includes further details on the loss allowance for these receivables.

Financial assets that are neither past due nor impaired

Trade and other receivables, due from related companies and other assets that are neither past due nor impaired are with creditworthy debtors with good payment record with the Group. Cash and short-term deposits and other investments that are neither past due nor impaired are placed with or entered into with reputable financial institutions or companies with high credit ratings and no history of default.

Financial assets that are either past due or impaired

Information regarding financial assets that are either past due or impaired is disclosed in Note 17 (Trade and other receivables).

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

Foreign currency risk

Foreign exchange risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

The Group has some assets and liabilities denominated in foreign currencies and have exposure to foreign exchange risk mainly in Australian Dollar, British Pound, Euro, Hong Kong Dollar and United States Dollar. The following table demonstrates the sensitivity of the Group's profit (2022: loss) net of tax if the exchange rates had been 5% (2022: 5%) higher/lower with all other variable held constant.

Group		Profit after tax 2023	Loss after tax 2022
Australian Dollar	strengthened 5%	**908,370**	(685,914)
	weakened 5%	**(908,370)**	685,914
British Pound	strengthened 5%	**(851,852)**	786,492
	weakened 5%	**851,852**	(786,492)
Euro	strengthened 5%	**(4,502,643)**	4,372,119
	weakened 5%	**4,502,643**	(4,372,119)
Hong Kong Dollar	strengthened 5%	**(167,887)**	158,830
	weakened 5%	**167,887**	(158,830)
United States Dollar	strengthened 5%	**(2,160,450)**	1,762,809
	weakened 5%	**2,160,450**	(1,762,809)

The Group is also exposed to currency translation risk arising from its net investments in foreign operation in Australia and United Kingdom. The Group uses loans in foreign currency to hedge its exposure to foreign exchange risk on investments in foreign operations where applicable. The Group also uses forward currency contracts to manage foreign exchange risk.

Market price risk

Market price risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market prices (other than interest or exchange rates). The Group is exposed to price risk arising from its investments classified as financial assets. The Group does not have exposure to commodity price risk.

Sensitivity analysis for price risk

At the end of the reporting period, if the market prices had been 2% (2022: 2%) higher/lower with all other variables held constant, the Group's profit (2022: loss) net of tax would have been approximately $6,371,000 higher/lower (2022: $5,549,000 lower/higher), arising as a result of higher/lower fair value gains on other investments, and the Group's equity would have been $6,371,000 (2022: $5,549,000) higher/lower, arising as a result of an increase/decrease in the fair value of other investments.

37. FAIR VALUE OF 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 as follows:

- Level 1 - Quoted prices (unadjusted) in active market for identical assets or liabilities that the Group can access at the measurement date,
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, and
- Level 3 - Unobservable inputs for the asset or liability.

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

(b) Assets and liabilities measured at fair value

The following table shows an analysis of each class of assets and liabilities measured at fair value at the end of the reporting period:

	Fair value measurements at the end of the reporting period using			
Group **31 December 2023**	**Quoted prices in active markets for identical instruments (Level 1) $**	**Significant observable inputs other than quoted prices (Level 2) $**	**Significant unobservable inputs (Level 3) $**	**Total $**
Recurring fair value measurements				
Assets				
Financial assets:				
At fair value through profit or loss (Note 20)				
Quoted investments	**146,461,246**	**–**	**–**	**146,461,246**
Unquoted investments	**–**	**–**	**195,441,609**	**195,441,609**
Total other investments	**146,461,246**	**–**	**195,441,609**	**341,902,855**
Derivatives (Note 22)				
Currency swaps	**–**	**–**	**158,232**	**158,232**
Options	**–**	**–**	**2,786**	**2,786**
Total derivatives	**–**	**–**	**161,018**	**161,018**
Financial assets as at 31 December 2023	**146,461,246**	**–**	**195,602,627**	**342,063,873**
Liabilities				
Financial liabilities:				
Derivatives (Note 22)				
Options	**–**	**–**	**(60,686)**	**(60,686)**
Total derivatives	**–**	**–**	**(60,686)**	**(60,686)**
Financial liabilities as at 31 December 2023	**–**	**–**	**(60,686)**	**(60,686)**

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37. FAIR VALUE OF ASSETS AND LIABILITIES (CONT'D)

(b) Assets and liabilities measured at fair value (Cont'd)

	Fair value measurements at the end of the reporting period using			
Group 31 December 2022	**Quoted prices in active markets for identical instruments (Level 1)** **$**	**Significant observable inputs other than quoted prices (Level 2)** **$**	**Significant unobservable inputs (Level 3)** **$**	**Total** **$**
Recurring fair value measurements				
Assets				
Financial assets:				
At fair value through profit or loss (Note 20)				
Quoted investments	144,147,444	–	–	144,147,444
Unquoted investments	–	–	153,020,494	153,020,494
Total other investments	144,147,444	–	153,020,494	297,167,938
Derivatives (Note 22)				
Currency swaps	–	–	199,079	199,079
Options	–	–	600	600
Total derivatives	–	–	199,679	199,679
Financial assets as at 31 December 2022	144,147,444	–	153,220,173	297,367,617
Liabilities				
Financial liabilities:				
Derivatives (Note 22)				
Options	–	–	(66,324)	(66,324)
Total derivatives	–	–	(66,324)	(66,324)
Financial liabilities as at 31 December 2022	–	–	(66,324)	(66,324)

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37. FAIR VALUE OF ASSETS AND LIABILITIES (CONT'D)

(c) Level 3 fair value measurements

Information about significant unobservable inputs used in Level 3 fair value measurements

Financial instruments measured with valuation techniques using significant unobservable inputs (Level 3) include unquoted trading investments and derivatives such as options and currency swaps.

For unquoted investments managed by financial institution and derivatives, the Group relies on the valuations as provided by the respective financial institutions managing the other investments. These financial institutions in turn use their own valuation techniques, such as revalued net asset values. For unquoted investments managed directly by the Group, management used valuation techniques such as comparable market approach in determining the fair value. Therefore, the unquoted investments and derivatives are reported in Level 3 of the fair value hierarchy as the fair values are determined based on models with unobservable market inputs to derive the closing price.

The following table shows the information about fair value measurements using significant unobservable inputs (Level 3):

2023	**Valuation techniques**	**Unobservable inputs**	**Ratio**	**Sensitivity of the input to fair value**
Unquoted investments managed directly by the Group	Comparable market approach	Price-to-book multiples of peer companies	1.78x	A 5% increase (decrease) in the price-to-book multiple would result in an increase (decrease) in fair value by $1,505,000

2022	**Valuation techniques**	**Unobservable inputs**	**Percentage**	**Sensitivity of the input to fair value**
Unquoted investments managed directly by the Group	Comparable market approach	Price-to-book multiples of peer companies	1.29x	A 5% increase (decrease) in the price-to-book multiple would result in an increase (decrease) in fair value by $2,875,000

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37. FAIR VALUE OF ASSETS AND LIABILITIES (CONT'D)

(c) Level 3 fair value measurements (Cont'd)

Movements in Level 3 assets and liabilities measured at fair value

The following table presents the reconciliation for all assets and liabilities measured at fair value based on significant unobservable input (Level 3):

	Fair value measurements using significant unobservable inputs (Level 3)		
Group	**Unquoted investments $**	**Derivatives assets/ (liabilities) $**	**Total $**
31 December 2023			
At 1 January	**153,020,494**	**133,355**	**153,153,849**
Loss on disposal of other investments	**(174,142)**	**–**	**(174,142)**
Fair value changes included in profit or loss	**22,637,756**	**33,485**	**22,671,241**
Purchase of other investments	**28,001,784**	**–**	**28,001,784**
Proceeds from disposal of other investments	**(8,044,283)**	**–**	**(8,044,283)**
Settlement of derivatives	**–**	**(66,508)**	**(66,508)**
At 31 December	**195,441,609**	**100,332**	**195,541,941**

	Fair value measurements using significant unobservable inputs (Level 3)		
Group	**Unquoted investments $**	**Derivatives assets/ (liabilities) $**	**Total $**
31 December 2022			
At 1 January	154,639,478	(227,757)	154,411,721
Loss on disposal of other investments	(117,725)	–	(117,725)
Fair value changes included in profit or loss	(1,561,693)	286,407	(1,275,286)
Return of capital	(753,549)	–	(753,549)
Purchase of other investments	13,580,755	–	13,580,755
Proceeds from disposal of other investments	(12,766,772)	–	(12,766,772)
Settlement of derivatives	–	74,705	74,705
At 31 December	153,020,494	133,355	153,153,849

37. FAIR VALUE OF ASSETS AND LIABILITIES (CONT'D)

(d) Assets and liabilities not carried at fair value but for which fair value is disclosed

The following table shows an analysis of the Group's assets not measured at fair value but for which fair value is disclosed:

	Fair value measurements at the end of the reporting period using			
Group	**Quoted prices in active markets for identical instruments (Level 1) $**	**Significant observable inputs other than quoted prices (Level 2) $**	**Significant unobservable inputs (Level 3) $**	**Total $**
31 December 2023				
Assets				
Investment properties	**–**	**–**	**828,757,160**	**828,757,160**
31 December 2022				
Assets				
Investment properties	–	–	833,826,600	833,826,600

<u>Determination of fair value</u>

The fair values of the investment properties as disclosed in the table above were based on the income capitalisation method and/or direct comparison method. The income capitalisation method involves the conversion of the estimated annual net rental income of the property after deducting all necessary outgoings and expenses such as property tax, costs of repairs and maintenance and insurance into a capital sum at a suitable rate of return which reflects the tenure and quality of the investment, while the direct comparison method considers the sale of similar properties that have been transacted in the open market.

The valuations of the investment properties are based on the highest and best use. Current use, unless there are evidence to the contrary, is considered highest and best use.

(e) Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value

The carrying amounts of cash and short term deposits, trade and other receivables, other assets, due from/to related companies (trade)/(non-trade), trade and other payables, other liabilities and interest-bearing loans and borrowings are reasonable approximation of their fair values, either due to their short-term nature or that they are floating rate instruments that are repriced to market interest rate on or near the end of the reporting period.

Notes to the Financial Statements
For the financial year ended 31 December 2023

38. CAPITAL MANAGEMENT

Capital includes debt and equity items as disclosed in the table below:

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the years ended 31 December 2023 and 31 December 2022.

The Group monitors capital using a debt to equity ratio, which is total interest-bearing loans and borrowings divided by equity attributable to the owners of the Company. Include in the total interest-bearing loans and borrowings is the lease liabilities of $28,955,713 (2022: $32,174,060).

Group	**2023** **$**	2022 $
Interest bearing loans and borrowings (Note 27)	**759,146,728**	743,759,839
Equity attributable to the owners of the Company	**719,744,244**	718,445,805
Debt to equity ratio	**105.5%**	103.5%

39. SEGMENT INFORMATION

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

i. The development properties segment is in the business of acquiring land/property and developing them into residential/industrial/commercial properties for sales.
ii. The rental segment is in the business of renting of space under the investment properties and property, plant and equipment.
iii. The leisure segment is in the business of providing leisure and recreational facilities, including bowling centres, billiards centres and amusement centres under the brand 'SuperBowl'.
iv. The hotel operations segment is operated under the brand names of "Aloft Singapore Novena", "Holiday Inn Express Trafford City", "Four Points by Sheraton Melbourne" and "Aloft Perth". `
v. The other investments portfolio with a mix of quoted and unquoted investments.
vi. The others segment is involved in Group-level corporate services and treasury functions.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which in certain respects, as explained in the table below, is measured differently from operating profit or loss in the consolidated financial statements.

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

Notes to the Financial Statements
For the financial year ended 31 December 2023

39. SEGMENT INFORMATION (CONT'D)

31 December 2023	Development Properties $	Rental Income $	Leisure Business $	Hotel Income $	Other Investments $	Others $	Elimination $	Total $
Revenue:								
Segment revenue								
- External sales	328,139	28,941,272	11,217,618	71,400,276	–	–	–	111,887,305
- Inter-segment sales (Note A)	–	291,211	–	–	–	3,528,626	(3,819,837)	–
	328,139	29,232,483	11,217,618	71,400,276	–	3,528,626	(3,819,837)	111,887,305
Results:								
Segment profit/(loss) (Note B)	56,320	12,605,623 *	2,570,655	(15,325,043)	28,168,304	(6,164,198)	(15,832,046)	6,079,615
Income tax expense								(564,003)
Profit after tax								5,515,612
Other information:								
Other income	18,728	19,119,148	49,963	504,026	–	39,616	–	19,731,481
Interest income	–	220,407	–	8,475	4,622,141	45,000	–	4,896,023
Finance cost	–	(11,809,801)	(486,079)	(13,030,908)	(7,787,643)	(4,187,023)	–	(37,301,454)
Fair value changes in other investments	–	–	–	–	26,415,682	–	–	26,415,682
Fair value changes in derivative instruments	–	–	–	–	33,485	–	–	33,485
Depreciation expense	–	(9,103,395)	(2,392,649)	(10,071,923)	–	(85,362)	(12,012,209)	(33,665,538)
Other expenses	(44,806)	(14,076,468)	(2,047,048)	(40,179,323)	(747,415)	(931,181)	–	(58,026,241)
Other material non-cash items:								
Inventory written off	–	–	–	(2,020,186)	–	–	–	(2,020,186)
Impairment loss on investment property	–	(1,195,420)	–	–	–	–	–	(1,195,420)

* This includes $13,245,075 gain on disposal of two units of investment properties at Skyline 360º at St Thomas Walk.

31 December 2023	Development Properties $	Rental Income $	Leisure Business $	Hotel Income $	Other Investments $	Others $	Elimination $	Total $
Assets:								
Additions to non-current assets (Note C)	–	81,268	639,511	26,943,600	–	4,773	–	27,669,152
Segment assets (Note D)	1,574,765	497,104,742	15,920,598	258,661,635	371,360,459	15,570,049	–	1,160,192,248
Segment liabilities (Note E)	–	325,006,209	11,696,051	195,613,314	172,231,962	95,142,540	–	799,690,076

Notes to the Financial Statements
For the financial year ended 31 December 2023

39. SEGMENT INFORMATION (CONT'D)

31 December 2022	Development Properties $	Rental Income $	Leisure Business $	Hotel Income $	Other Investments $	Others $	Elimination $	Total $
Revenue:								
Segment revenue								
- External sales	366,039	26,969,548	10,131,172	81,932,197	–	–	–	119,398,956
- Inter-segment sales (Note A)	–	291,211	–	–	–	2,460,920	(2,752,131)	–
	366,039	27,260,759	10,131,172	81,932,197	–	2,460,920	(2,752,131)	119,398,956
Results:								
Segment profit/(loss) (Note B)	60,869	11,964,722 *	1,832,311	6,624,516	(16,743,639)	(12,583,873)	(14,764,340)	(23,609,434)
Income tax credit								1,477,000
Loss after tax								(22,132,434)
Other information:								
Other income	51,730	17,791,024	259,139	2,256,000	16,338	192,699	–	20,566,930
Interest income	–	65,387	–	4,557	3,166,667	16,130	–	3,252,741
Finance cost	–	(7,685,039)	(498,467)	(6,183,405)	(2,783,533)	(2,771,560)	–	(19,922,004)
Fair value changes in other investments	–	–	–	–	(29,447,629)	–	–	(29,447,629)
Fair value changes in derivative instruments	–	–	–	–	286,407	–	–	286,407
Depreciation expense	–	(9,621,346)	(2,512,104)	(10,447,824)	–	(146,113)	(12,012,209)	(34,739,596)
Other expenses	(68,030)	(15,010,172)	(2,115,601)	(38,156,271)	(617,863)	(739,017)	–	(56,706,954)
Other material non-cash items:								
Write back of impairment loss on property, plant and equipment	–	–	–	1,305,166	–	–	–	1,305,166
Impairment loss on investment property	–	(2,947,917)	–	–	–	–	–	(2,947,917)

* This includes $12,909,794 gain on disposal of two units of investment properties at Skyline 360º at St Thomas Walk.

	Development Properties $	Rental Income $	Leisure Business $	Hotel Income $	Other Investments $	Others $	Elimination $	Total $
Assets:								
Additions to non-current assets (Note C)	–	754,383	4,689,868	626,342	–	85,755	–	6,156,348
Segment assets (Note D)	1,844,019	515,997,535	17,773,475	242,415,419	336,213,338	14,628,004	–	1,128,871,790
Segment liabilities (Note E)	265	330,919,282	13,294,376	154,360,465	168,886,424	112,461,093	–	779,921,905

Notes to the Financial Statements

For the financial year ended 31 December 2023

39. SEGMENT INFORMATION (CONT'D)

Notes

A Inter-segment revenues are eliminated on consolidation.

B The following items are deducted from segment profit/(loss) to arrive at "profit/(loss) before tax" presented in the consolidated income statement:

	2023 **$**	2022 $
Profit from inter-segment sales	**3,819,837**	2,752,131
Depreciation	**12,012,209**	12,012,209
	15,832,046	14,764,340

C Additions to non-current assets consist of additions to property, plant and equipment and deposit paid on acquisition of capital assets.

D The following items are added to segment assets to arrive at total assets reported in the consolidated balance sheet:

	2023 **$**	2022 $
Segment assets	**1,160,192,248**	1,128,871,790
<u>Unallocated assets</u>		
Property, plant and equipment	**309,265,649**	317,777,649
Investment properties	**119,794,070**	123,294,279
Consolidated total assets	**1,589,251,967**	1,569,943,718

E The following items are added to segment liabilities to arrive at total liabilities reported in the consolidated balance sheet:

	2023 **$**	2022 $
Segment liabilities	**799,690,076**	779,921,905
<u>Unallocated liability</u>		
Deferred tax liabilities	**66,691,108**	68,390,839
Consolidated total liabilities	**866,381,184**	848,312,744

Notes to the Financial Statements
For the financial year ended 31 December 2023

39. SEGMENT INFORMATION (CONT'D)

Geographical information

Revenue and non-current assets information based on the geographical location of customers and assets respectively are as follows:

	Revenue		Non-current assets	
	2023	2022	**2023**	2022
	$	$	**$**	$
Australia	**41,853,171**	39,246,721	**160,398,783**	228,633,677
Singapore	**61,571,000**	72,978,093	**921,892,524**	931,435,425
United Kingdom	**8,463,134**	7,174,142	**33,706,851**	33,868,938

There had been no transaction with a single external customer that amounts to 10% of the Group's revenue.

40. DIRECTORS' REMUNERATION

The numbers of Directors of the Company whose emoluments fall within the following bands are:

Company	**2023**	2022
$2,250,001 to $2,500,000	**1**	1
$500,001 to $1,000,000	**–**	1
$250,001 to $500,000	**1**	1
Below $250,000	**4**	3
	6	6

41. SUBSEQUENT EVENT

The Group entered into a sale and purchase agreement on 2 February 2024 to dispose the Four Points by Sheraton, Melbourne Docklands with WFM Financial Holdings Pty Ltd for A$96,000,000. The completion of the disposal occurred on 8 April 2024 which resulted in the Group recognising a net gain on disposal of approximately A$24.5 million in the financial year ending 31 December 2024.

42. AUTHORISATION OF FINANCIAL STATEMENTS FOR ISSUE

The financial statements for the year ended 31 December 2023 were authorised for issue in accordance with a resolution of the Directors on 12 April 2024.

STATISTICS OF SHAREHOLDINGS
AS AT 18 MARCH 2024

Number of Issued Shares (including Treasury Shares)	:	474,557,391
Number of Issued Shares (excluding Treasury Shares)	:	470,557,541
Number of Treasury Shares	:	3,999,850
Class of Shares	:	Ordinary
Voting Rights (excluding Treasury Shares)	:	One vote per share

DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	%	No. of Shares	%
1 - 99	449	19.53	16,714	0.00
100 - 1,000	598	26.01	306,082	0.07
1,001 - 10,000	708	30.79	3,095,543	0.66
10,001 - 1,000,000	525	22.84	29,979,266	6.37
1,000,001 AND ABOVE	19	0.83	437,159,936	92.90
Total	2,299	100.00	470,557,541	100.00

TWENTY LARGEST SHAREHOLDERS

No.	Name	No. of Shares	%
1	RAFFLES NOMINEES (PTE.) LIMITED	333,436,976	70.86
2	CGS INTERNATIONAL SECURITIES SINGAPORE PTE. LTD.	24,335,168	5.17
3	DBS NOMINEES (PRIVATE) LIMITED	22,950,413	4.88
4	SOON LI HENG CIVIL ENGINEERING PTE LTD	9,125,000	1.94
5	ONG SIEW ENG @ONG CHAI	7,062,300	1.50
6	MORPH INVESTMENTS LTD	6,880,000	1.46
7	TAN WAN CHER GERALDINE	5,506,800	1.17
8	HONG LEONG FINANCE NOMINEES PTE LTD	5,035,000	1.07
9	BNP PARIBAS NOMINEES SINGAPORE PTE. LTD.	4,347,500	0.92
10	CITIBANK NOMINEES SINGAPORE PTE LTD	2,790,452	0.59
11	HENG SIEW ENG	2,706,100	0.58
12	TEO HO BENG	2,682,100	0.57
13	WOO TCHI CHU	2,208,000	0.47
14	OCBC SECURITIES PRIVATE LIMITED	1,820,077	0.39
15	SOON LEE HENG TRADING & TRANSPORTATION PTE. LTD.	1,752,450	0.37
16	ELINTON PTE. LTD.	1,250,000	0.27
17	JEN SHEK CHUEN	1,120,000	0.24
18	CHIN KIAM HSUNG	1,110,000	0.24
19	GUI BOON SUI @GOI CHON YAN	1,041,600	0.22
20	CHONG TONG CONSTRUCTION PTE. LTD.	870,152	0.18
TOTAL		438,030,088	93.09

The percentage of the issued shares is calculated based on the number of issued shares as at 18 March 2024, excluding any treasury shares held at that date.

19.39% of the Company's shares (excluding treasury shares) are held in the hands of public. Accordingly, the Company has complied with Rule 723 of the Listing Manual of SGX-ST.

Substantial Shareholders as at 18 March 2024

No.	Name	Direct Interest	%	Deemed Interest	%
1	Hiap Hoe Holdings Pte Ltd (i)	-	-	349,578,726	74.29
2	Teo Ho Beng (ii)	2,682,100	0.57	349,578,726	74.29
3	Roland Teo Ho Kang (ii)	-	-	349,578,726	74.29
4	Gui Boon Sui @Goi Chon Yan (iii)	1,041,600	0.22	25,876,950	5.50

Notes:

(i) Hiap Hoe Holdings Pte Ltd holds 349,578,726 shares with its sub-depository agents as its nominees.

(ii) Mr Teo Ho Beng's deemed interests is derived from his shareholdings in Hiap Hoe Holdings Pte Ltd. Mr Roland Teo Ho Kang's deemed interest is derived from his being the beneficiary of a trust which holds his shareholdings in Hiap Hoe Holdings Pte Ltd.

(iii) Based on the list of shareholders provided by SGX as at 18 March 2024, Mr Gui Boon Sui no longer has a direct shareholding of 2,405,500 shares as reported in the Annual Report 2022. However, as at 18 March 2024, the Company has not received any notification relating to any disclosure of change in interest from Mr Gui Boon Sui. As such, his direct interest is reflected as 1,041,600 shares and his deemed interest continues to be reflected as 25,876,950 shares in the Register of Substantial Shareholders.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting ("**AGM**") of Hiap Hoe Limited (the "**Company**") will be held at Aloft Singapore Novena (West Wing), 16 Ah Hood Road, Zhongshan Room Level 2, Singapore 329982 on Tuesday, 30 April 2024 at 10.30 a.m. for the businesses as set out below. Please note that only beverages will be served at the AGM.

This Notice has been made available on SGXNet and the Company's website and may be accessed at the URL https://www.hiaphoe.com/annual-general-meeting/2024.

AS ORDINARY BUSINESS

1. To receive and adopt the Directors' Statement and the Audited Financial Statements of the Company for the financial year ended 31 December 2023 together with the Auditors' Report. **(Resolution 1)**

2. To declare a final dividend of 0.5 Singapore cent per ordinary share (tax exempt one-tier) for the financial year ended 31 December 2023 (FY 2022: 0.5 Singapore cent per ordinary share). **(Resolution 2)**

3. To re-elect the following Directors of the Company who are retiring pursuant to Regulation 106 of the Constitution of the Company:

   Mr Teo Ho Beng **(Resolution 3)**

   Mr Teo Keng Joo, Marc **(Resolution 4)**

4. To re-elect the following Directors of the Company who are retiring pursuant to Regulation 91 of the Constitution of the Company:

   Mr Chan Kum Onn Roger **(Resolution 5)**

   Ms Kwok Chui Lian **(Resolution 6)**

   Mr Ong Seet Joon Amos **(Resolution 7)**

5. To approve the payment of Directors' fees of S$160,000 for the financial year ended 31 December 2023 (FY 2022: S$160,000). **(Resolution 8)**

6. To re-appoint Messrs Ernst & Young LLP as the Auditors of the Company and to authorise the Directors of the Company to fix their remuneration. **(Resolution 9)**

7. To transact any other ordinary business which may properly be transacted at an Annual General Meeting.

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolutions as Ordinary Resolutions, with or without any modifications:

8. **Authority to allot and issue new shares and convertible securities**

   That pursuant to Section 161 of the Companies Act 1967 and Rule 806 of the Listing Manual of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"), the Directors of the Company be authorised and empowered to:

   (a) (i) issue shares in the Company ("**shares**") whether by way of rights, bonus or otherwise; and/or

   (ii) make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into shares, at any time and upon such terms and conditions and for such purposes and to such persons as the Directors of the Company may in their absolute discretion deem fit; and

   (b) (notwithstanding that the authority conferred by this Resolution may have ceased to be in force) issue shares in pursuance of any Instruments made or granted by the Directors of the Company while this Resolution was in force,

   provided that:

   (1) the aggregate number of shares (including shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution) to be issued pursuant to this Resolution shall not exceed 50% of the total number of issued shares (excluding treasury shares) in the capital of the Company (as calculated in accordance

NOTICE OF ANNUAL GENERAL MEETING

with sub-paragraph (2) below), of which the aggregate number of shares to be issued other than on a pro-rata basis to shareholders of the Company shall not exceed 20% of the total number of issued shares (excluding treasury shares) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below);

(2) (subject to such calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (1) above, the total number of issued shares (excluding treasury shares) shall be based on the total number of issued shares (excluding treasury shares) in the capital of the Company at the time of the passing of this Resolution, after adjusting for:

(a) new shares arising from the conversion or exercise of any convertible securities;

(b) new shares arising from exercising share options or vesting of share awards provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the Listing Manual of the SGX-ST; and

(c) any subsequent bonus issue, consolidation or subdivision of shares,

Adjustments in accordance with (2)(a) or (2)(b) are only to be made in respect of new shares arising from convertible securities, share options or share awards which were issued and outstanding or subsisting at the time of the passing of this Resolution;

(3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Constitution of the Company; and

(4) unless revoked or varied by the Company in a general meeting, such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier.

[See Explanatory Note (i)] **(Resolution 10)**

By Order of the Board

Lee Yuan
Joint Company Secretary
Singapore, 15 April 2024

Explanatory Notes:

(i) The Ordinary Resolution 10, if passed, will empower the Directors of the Company, effective until the conclusion of the next AGM of the Company, or the date by which the next AGM of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to issue shares, make or grant Instruments convertible into shares and to issue shares pursuant to such Instruments, up to a number not exceeding, in total, 50% of the total number of issued shares (excluding treasury shares) in the capital of the Company, of which up to 20% may be issued other than on a pro-rata basis to shareholders.

For determining the aggregate number of shares that may be issued, the total number of issued shares (excluding treasury shares) will be calculated based on the total number of issued shares (excluding treasury shares) in the capital of the Company at the time this Ordinary Resolution is passed after adjusting for new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time when this Ordinary Resolution is passed and any subsequent bonus issue, consolidation or subdivision of shares.

Notes:

1. The AGM will be held in a wholly physical format, at Aloft Singapore Novena (West Wing), 16 Ah Hood Road, Zhongshan Room Level 2, Singapore 329982 on Tuesday, 30 April 2024 at 10.30 a.m. There will be no option for shareholders to participate virtually. Printed copies of this Notice of AGM and the Proxy Form will be sent by post to shareholders. These documents may also be accessed at the Company's website at the URL https://www.hiaphoe.com/annual-general-meeting/2024 and has also been made available on SGXNet.

2. Members may also submit questions related to the resolutions to be tabled for approval at the AGM. To do so, all questions must be submitted by 10.30 a.m. on 22 April 2024:

NOTICE OF ANNUAL GENERAL MEETING

(a) in hard copy by sending by post and lodging the same at the Registered Office of the Company at 18 Ah Hood Road, #13-51 Hiap Hoe Building At Zhongshan Park, Singapore 329983; or

(b) by email to hiaphoe@hiaphoe.com.

Members will need to identify themselves when posing questions by email or by mail by providing the following details:

(a) the member's full name as it appears on his/her/its CDP/CPF/SRS/Scrip-based share records;

(b) the member's NRIC/Passport/UEN number;

(c) the member's contact number and email address; and

(d) the manner in which the member holds his/her/its Shares in the Company (e.g. via CDP, CPF, SRS or Scrip-based).

The Company will not be able to answer questions from persons who provide insufficient details to enable the Company to verify his/her/its shareholder status.

The Company will address all substantial and relevant questions received from Shareholders before 10.30 a.m. on 22 April 2024 relating to the resolutions tabled for approval at the AGM by 24 April 2024 via an announcement to be published on the Company's website at the URL https://www.hiaphoe.com/annual-general-meeting/2024 and SGXNet.

3. (a) A member who is not a relevant intermediary is entitled to appoint not more than two proxies. Where such member's instrument appointing a proxy(ies) appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the instrument.

(b) A member who is a relevant intermediary is entitled to appoint more than two proxies, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's instrument appointing a proxy(ies) appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the instrument. Where the number and class of shares in relation to each proxy is not specified, it will be assumed that each proxy is appointed in relation to an equal number of shares divided amongst the proxies.

"**Relevant intermediary**" means:

(a) a banking corporation licensed under the Banking Act 1970 or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;
(b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act 2001 and who holds shares in that capacity; or
(c) the Central Provident Fund Board established by the Central Provident Fund Act 1953, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

4. A proxy need not be a member of the Company.

5. The instrument appointing the proxy(ies), together with the letter or power of attorney or other authority (if applicable), if any, or a duly certified copy thereof must:

(a) if sent by post, be deposited at the registered office of the Company at 18 Ah Hood Road, #13-51 Hiap Hoe Building At Zhongshan Park, Singapore 329983; or

(b) if submitted by email, be received by the Company at hiaphoe@hiaphoe.com.

in either case, not less than 72 hours before the time for holding the AGM and in default the instrument of proxy shall not be treated as valid.

NOTICE OF ANNUAL GENERAL MEETING

A member who wishes to submit an instrument of proxy must first download, complete and sign the proxy form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.

6. The instrument appointing a proxy(ies) must be signed by the appointor or his attorney duly authorised in writing. Where the instrument appointing a proxy(ies) is executed by a company, it must be either under its common seal or signed on its behalf by a duly authorised officer or attorney.

7. Where the instrument appointing a proxy(ies) is submitted by email, it must be authorised in the following manner:

    (a) by way of the affixation of an electronic signature by the appointer or his/her duly authorised attorney or, as the case may be, an officer or duly authorised attorney of a corporation; or

    (b) by way of the appointor or his duly authorised attorney or, as the case may be, an officer or duly authorised attorney of a corporation signing the instrument under hand and submitting a scanned copy of the signed instrument by email.

8. In the case of a member whose shares are entered against his/her/its name in the Depository Register, the Company may reject any instrument appointing a proxy(ies) lodged if such member, being the appointor, is not shown to have shares entered against his/her/its name in the Depository Register as at 72 hours before the time appointed for holding the AGM as certified by The Central Depository (Pte) Limited to the Company.

9. Persons who hold shares through relevant intermediaries (as defined in Section 181 of the Companies Act 1967, including CPF and SRS investors, and who wish to participate in the AGM ("**Relevant Intermediary Participants**") by (a) voting at the AGM if they are appointed as proxies by their respective CPF Agent Banks or SRS Operators; or (b) by appointing the Chairman of the AGM as proxy to vote on their behalf at the AGM, should contact the relevant intermediary (which would include, in the case of CPF and SRS investors, their respective CPF Agent Banks and SRS Operators) through which they hold such shares as soon as possible in order to facilitate the necessary arrangements for them to participate in the AGM. CPF or SRS investors who wish to appoint the Chairman of the AGM as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes by 10.30 a.m. on 18 April 2024.

10. The Annual Report for the financial year ended 31 December 2023 may be accessed at the Company's website at the URL https://www.hiaphoe.com/annual-reports, under "Annual Report 2023", and have also been made available on SGXNet. Shareholders may request for printed copies of the Annual Report by submitting the request via email to hiaphoe@hiaphoe.com no later than 22 April 2024, and indicate in the same email their name, identification number and mailing address.

Personal data privacy:

By attending the AGM and/or any adjournment thereof or submitting an instrument appointing a proxy(ies) to attend, speak and vote at the AGM and/or any adjournment thereof or submitting any details of the proxy(ies) and/or representative(s) in connection with the AGM, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Mr Teo Ho Beng, Mr Teo Keng Joo, Marc, Mr Chan Kum Onn Roger, Ms Kwok Chui Lian and Mr Ong Seet Joon Amos are the Directors seeking re-election at the forthcoming annual general meeting of the Company to be convened on 30 April 2024 ("**AGM**") (collectively, the "**Retiring Directors**" and each a "**Retiring Director**").

Pursuant to Rule 720(6) of the Listing Manual, the information relating to the Retiring Directors as set out in Appendix 7.4.1 to the Listing Manual of the SGX-ST is set out below:

	Mr Teo Ho Beng	**Mr Teo Keng Joo, Marc**
Date of Appointment	16 January 2003	11 May 2017
Date of last re-appointment	29 April 2021	29 April 2021
Age	69	38
Country of principal residence	Singapore	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The Board of the Company, having reviewed and considered the Nominating Committee's assessment of Mr Teo Ho Beng's qualifications and work experience, is of the view that Mr. Teo Ho Beng possesses the requisite experience and capabilities to assume the responsibilities as an Executive Chairman of the Company.	The Board of the Company, having reviewed and considered the Nominating Committee's assessment of Mr Teo Keng Joo, Marc's qualifications and work experience, is of the view that Mr. Teo Keng Joo, Marc possesses the requisite experience and capabilities to assume the responsibilities as a Chief Executive Officer of the Company.
Whether appointment is executive, and if so, the area of responsibility	Yes, the appointment is executive.	Yes, the appointment is executive.
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Executive Chairman	Chief Executive Officer
Professional Qualifications and Working experience and occupation(s) during the past 10 years	Mr Teo Ho Beng has more than 42 years of experience in the construction and property industries and over 27 years of experience in the leisure industry. Mr Teo held the position as Chief Executive Officer from 2006 and was previously the Executive Chairman of the Board from May 2012 to May 2017.	Mr Teo Keng Joo, Marc was appointed as Executive Director on 11 May 2017 and previously headed the Group's Project Management and Business Development in Singapore and Australia. Prior to joining the Company, Mr Teo Keng Joo, Marc spent two years with Ernst & Young Singapore. Mr Teo Keng Joo, Marc graduated from Nanyang Technological University with a Bachelor of Accountancy (First Class Honours) degree and holds a diploma in Quantity Surveying conferred by Global School of Technology & Management and articulated by Heriot Watt University, UK.
Shareholding interest in the listed issuer and its subsidiaries	Direct Interest: 2,682,100 shares Deemed Interest:	No

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

(CON'T)

	Mr Teo Ho Beng	Mr Teo Keng Joo, Marc
	349,578,726 shares	
Any relationship (including immediate family relationships with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	Mr Teo Ho Beng is the father of Mr Teo Keng Joo, Marc.	Mr Teo Keng Joo, Marc is the son of Mr Teo Ho Beng.
Conflict of Interest (including any competing business)	No	No
Undertaking (in the format set out in Appendix 7H) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes
Other Principal Commitments Including Directorships Past (for the last 5 years) Present	 None Cavenagh Properties Pte Ltd Golden Bay (Realty) Pte Ltd HH Capital Pte Ltd HH Land Pte Ltd HH Properties Pte Ltd HH Residences Pte Ltd Hiap Hoe & Co (Pte) Ltd Hiap Hoe Asset Management Pte Ltd Hiap Hoe Capital Pte Ltd Hiap Hoe Holdings Pte Ltd Hiap Hoe Investment Pte Ltd Hiap Hoe Realty Pte Ltd Hiap Hoe Strategic Pte Ltd Hiap Hoe Superbowl JV Pte Ltd Hiap Hoe Treasure Pte Ltd Hougang Point Ltd Keng Heng Investment Pte Ltd KHI Properties Pte Ltd Ley Choon Group Holdings Limited Meteorite Assets Limited Meteorite Assets Pte Ltd Meteorite Group Pte Ltd	 None AccorInvest Group SA Golden Bay Realty (Private) Limited HH Capital Pte Ltd Hiap Hoe Asset Management Pte Ltd Hiap Hoe Capital Pte Ltd Hiap Hoe Holdings Pte Ltd Hiap Hoe Treasure Pte Ltd Meteorite Assets Limited Meteorite Assets Pte Ltd Meteorite Group Pte Ltd Meteorite Land (Great Eastern) Pty Ltd Meteorite Land (Pearl River) Pty Ltd Meteorite Land (Rowe Avenue) Pty Ltd Meteorite Land Pty Ltd Meteorite Manchester Limited Meteorite Property (Stirling Street) Pty Ltd Trafford City Hotel Limited WestBuild Construction Pte Ltd

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

(CON'T)

	Mr Teo Ho Beng	**Mr Teo Keng Joo, Marc**
	Meteorite Land (Great Eastern) Pty Ltd Meteorite Land (Pearl River) Pty Ltd Meteorite Land (Rowe Avenue) Pty Ltd Meteorite Land Pty Ltd Meteorite Manchester Limited Meteorite Property (Stirling Street) Pty Ltd Prime Properties Pte Ltd Super Funworld Pte Ltd SuperBowl Development Pte Ltd SuperBowl Holdings Limited SuperBowl Jurong Pte Ltd Trafford City Hotel Limited WestBuild Construction Pte Ltd	
Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is "yes", full details must be given.		
(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No
(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of	No	No

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

(CON'T)

	Mr Teo Ho Beng	Mr Teo Keng Joo, Marc
that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?		
(c) Whether there is any unsatisfied judgment against him?	No	No
(d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No
(e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings	No	No

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

(CON'T)

	Mr Teo Ho Beng	**Mr Teo Keng Joo, Marc**
(including any pending criminal proceedings of which he is aware) for such breach?		
(f) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No
(g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No
(h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including	No	No

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

(CON'T)

	Mr Teo Ho Beng	Mr Teo Keng Joo, Marc
the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?		
(i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No
(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of: (i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or (ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	No	No

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

(CON'T)

	Mr Teo Ho Beng	**Mr Teo Keng Joo, Marc**
(iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or (iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?		
(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION (CON'T)

	Mr Teo Ho Beng	Mr Teo Keng Joo, Marc
Disclosure applicable to the appointment of Director only		
Any prior experience as a director of a listed company? If yes, please provide details of prior experience. If no, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange. Please provide details of relevant experience and the nominating committee's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable).	N.A.	N.A.

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

(CON'T)

	Mr Chan Kum Onn Roger	**Ms Kwok Chui Lian**
Date of Appointment	3 May 2023	2 January 2024
Date of last re-appointment	N.A.	N.A.
Age	70	64
Country of principal residence	Singapore	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The Board of the Company, having reviewed and considered the Nominating Committee's assessment of Mr Chan Kum Onn Roger's qualifications and work experience, is of the view that Mr. Chan Kum Onn Roger possesses the requisite experience and capabilities to assume the responsibilities as an Independent Director of the Company.	The Board of the Company, having reviewed and considered the Nominating Committee's assessment of Ms Kwok Chui Lian's qualifications and work experience, is of the view that Ms Kwok Chui Lian possesses the requisite experience and capabilities to assume the responsibilities as an Independent Director of the Company.
Whether appointment is executive, and if so, the area of responsibility	No	No
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Non-Executive and Lead Independent Director Chairman of the Audit & Risk Committee, and Member of the Remuneration Committee and Nominating Committee	Non-Executive and Independent Director Chairman of the Nominating Committee, and Member of the Remuneration Committee and Audit & Risk Committee
Professional Qualifications and Working experience and occupation(s) during the past 10 years	Fellow Member of the Association of Chartered Certified Accountants Member of the Institute of Singapore Chartered Accountants Member of the Singapore Institute of Directors Member of the Singapore Chartered Tax Professionals Limited Practising Chartered Accountant since 1980 and presently an Executive Director of R Chan & Associates PAC (Chartered Accountants of Singapore)	Fellow member of the Singapore Association of the Institute of Chartered Secretaries and Administrators Fellow member of the Singapore Institute of Directors Advisor to the Chief Executive Officer of Resona Merchant Bank Asia Limited – July 2017 to March 2024 President and Chief Executive Officer of AFC Merchant Bank – January 2008 to July 2017
Shareholding interest in the listed issuer and its subsidiaries	No	No
Any relationship (including immediate family relationships	No	No

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

(CON'T)

	Mr Chan Kum Onn Roger	**Ms Kwok Chui Lian**
with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries		
Conflict of Interest (including any competing business)	No	No
Undertaking (in the format set out in Appendix 7H) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes
Other Principal Commitments Including Directorships		
Past (for the last 5 years)	None	None
Present	CA Consultancy Pte Ltd Foster Foods Pte. Ltd. Gold Global Currency Corporation Asia Pte. Ltd. Max Management Pte Ltd R Chan & Associates PAC	None
Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is "yes", full details must be given.		
(l) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

(CON'T)

	Mr Chan Kum Onn Roger	**Ms Kwok Chui Lian**
(m) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No
(n) Whether there is any unsatisfied judgment against him?	No	No
(o) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which	No	No

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

(CON'T)

	Mr Chan Kum Onn Roger	Ms Kwok Chui Lian
he is aware) for such purpose?		
(p) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No
(q) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or	No	No

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

(CON'T)

	Mr Chan Kum Onn Roger	**Ms Kwok Chui Lian**
dishonesty on his part?		
(r) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No
(s) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No
(t) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No
(u) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of: (v) any corporation which has been investigated for a breach of any law or regulatory	No	No

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

(CON'T)

	Mr Chan Kum Onn Roger	Ms Kwok Chui Lian
requirement governing corporations in Singapore or elsewhere; or (vi) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or (vii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or (viii) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?		

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

(CON'T)

	Mr Chan Kum Onn Roger	**Ms Kwok Chui Lian**
(v) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No
Disclosure applicable to the appointment of Director only		
Any prior experience as a director of a listed company? If yes, please provide details of prior experience. If no, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange. Please provide details of relevant experience and the nominating committee's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable).	N.A.	N.A.

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

(CON'T)

	Mr Ong Seet Joon Amos
Date of Appointment	2 January 2024
Date of last re-appointment	N.A.
Age	57
Country of principal residence	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The Board of the Company, having reviewed and considered the Nominating Committee's assessment of Mr Ong Seet Joon Amos's qualifications and work experience, is of the view that Mr Ong Seet Joon Amos possesses the requisite experience and capabilities to assume the responsibilities as an Independent Director of the Company.
Whether appointment is executive, and if so, the area of responsibility	No
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Non-Executive and Independent Director Chairman of the Remuneration Committee, and Member of the Audit & Risk Committee and Nominating Committee
Professional Qualifications and Working experience and occupation(s) during the past 10 years	Council Member of the Economic Society of Singapore Member of the Singapore Institute of Directors Co-Founder and Co-Managing Partner, A3 Capital Pte Ltd – June 2021 to present Head, Client Coverage and Global Banking, Maybank Singapore – April 2012 to May 2021
Shareholding interest in the listed issuer and its subsidiaries	No
Any relationship (including immediate family relationships with any existing director, existing executive officer, the	No

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION (CON'T)

	Mr Ong Seet Joon Amos
issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	
Conflict of Interest (including any competing business)	No
Undertaking (in the format set out in Appendix 7H) under Rule 720(1) has been submitted to the listed issuer	Yes
Other Principal Commitments Including Directorships Past (for the last 5 years) Present	 None A3 Capital Pte Ltd Koh Brothers Group Ltd Tiong Seng Holdings Ltd
(w) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No
(x) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of	No

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

(CON'T)

	Mr Ong Seet Joon Amos
which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	
(y) Whether there is any unsatisfied judgment against him?	No
(z) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No
(aa) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory	No

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

(CON'T)

	Mr Ong Seet Joon Amos
requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	
(bb) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No
(cc) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any	No

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

(CON'T)

	Mr Ong Seet Joon Amos
entity or business trust?	
(dd) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No
(ee) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No
(ff) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of: (ix) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or (x) any entity (not being a corporation) which has been	No

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

(CON'T)

	Mr Ong Seet Joon Amos
investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or (xi) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or (xii) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	
(gg) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of	No

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

(CON'T)

	Mr Ong Seet Joon Amos
Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	
Any prior experience as a director of a listed company? If yes, please provide details of prior experience. If no, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange. Please provide details of relevant experience and the nominating committee's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable).	N.A.

ANNUAL GENERAL MEETING
HIAP HOE LIMITED

Company Registration Number 199400676Z
(Incorporated in the Republic of Singapore)

This form of proxy has been made available on SGXNet and the Company's website and may be accessed at the URL: https://www.hiaphoe.com/annual-general-meeting/2024.

Important:
1. This Proxy Form is not valid for use by CPF/SRS investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
2. CPF/SRS investors who wish to vote should contact their CPF Agent Banks or SRS Operators to submit their votes by 10.30 a.m. on 18 April 2024.
3. Relevant intermediaries (as defined in Section 181 of the Companies Act 1967 may appoint more than two (2) proxies to attend, speak, and vote at the Annual General Meeting.

PROXY FORM
(Please see notes overleaf before completing the Proxy Form)

I/We ______________________________ (name) ____________________ (NRIC/Passport no.)

of ____ (address)
being a *member/members of Hiap Hoe Limited (the "**Company**"), hereby appoint:

Name	Address	NRIC/Passport Number	Proportion of Shareholdings	
			No. of Shares	%

and/or (delete as appropriate):

Name	Address	NRIC/Passport Number	Proportion of Shareholdings	
			No. of Shares	%

or failing him/her, the Chairman of the Annual General Meeting as my/our proxy to attend, speak and to vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held at Aloft Singapore Novena (West Wing), 16 Ah Hood Road, Zhongshan Room Level 2, Singapore 329982 on Tuesday, 30 April 2024 at 10.30 a.m. and at any adjournment thereof.

I/We direct my/our proxy(ies) to vote for or against the Resolutions, or to abstain from voting on the Resolutions, to be proposed at the Annual General Meeting as indicated hereunder.

If no specific direction as to voting is given or in the event of any other matter arising at the AGM and at the adjournment thereof, the proxy/proxies will vote or abstain from voting at his/her discretion.

No.	Resolutions relating to:	For*	Against*	Abstain*
Ordinary Resolutions				
1	Directors' Statement and Audited Financial Statements for the financial year ended 31 December 2023			
2	Payment of proposed final dividend of 0.5 Singapore cent per ordinary share			
3	Re-election of Mr Teo Ho Beng as a Director			
4	Re-election of Mr Teo Keng Joo, Marc as a Director			
5	Re-election of Mr Chan Kum Onn Roger as a Director			
6	Re-election of Ms Kwok Chui Lian as a Director			
7	Re-election of Mr Ong Seet Joon Amos as a Director			
8	Approval of Directors' fees amounting to S$160,000			
9	Re-appointment of Messrs Ernst & Young LLP as Auditors and authorisation for Directors to fix their remuneration			
10	Authority to allot and issue new shares and convertible securities			

* If you wish to exercise all your votes "For" or "Against" the Resolution or to abstain from voting on the Resolution in respect of all your votes, please indicate your vote "For" or "Against" or "Abstain" with a "√" or a "X" within the box provided. Alternatively, please indicate the number of votes as appropriate.

Dated this _______day of ____________ 2024

Total Number of Shares in:	
(a) CDP	
(b) Register of Members	
TOTAL	

____

Signature(s) of shareholder(s) or
common seal of corporate shareholder

Notes:

1. (a) A member who is not a relevant intermediary (as defined in Section 181 of the Companies Act 1967) is entitled to appoint not more than two proxies. Where such member's instrument appointing a proxy(ies) appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the Proxy Form. If no proportion is specified, the Company shall be entitled to treat the first named proxy as representing the entire number of shares entered against his name in the Depository Register and any second named proxy as alternate to the first named proxy.

   (b) A member who is a relevant intermediary is entitled to appoint more than two proxies, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's instrument appointing a proxy(ies) appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the instrument. Where the number and class of shares in relation to each proxy is not specified, it will be assumed that each proxy is appointed in relation to an equal number of shares divided amongst the proxies.

2. A proxy need not be a member of the Company.

3. Please insert the total number of shares held by you. If you have shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act 2001), you should insert that number of shares. If you have shares registered in your name in the Register of Members of the Company, you should insert that number of shares. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number of shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy shall be deemed to relate to all the shares held by you.

4. The instrument appointing the proxy(ies), together with the letter or power of attorney or other authority (if applicable), if any, or a duly certified copy thereof must:
   (a) if sent by post, be deposited at the registered office of the Company at 18 Ah Hood Road, #13-51 Hiap Hoe Building At Zhongshan Park, Singapore 329983; or
   (b) if submitted by email, be received by the Company at hiaphoe@hiaphoe.com, in either case not less than 72 hours before the time appointed for the Annual General Meeting, and in default the instrument of proxy shall not be treated as valid.

   A member who wishes to submit an instrument of proxy must first download, complete and sign the proxy form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.

5. If sent by post, the instrument appointing a proxy(ies) must be signed by the appointor or his attorney duly authorised in writing. Where the instrument appointing a proxy(ies) is executed by a company, it must be either under its common seal or signed on its behalf by a duly authorised officer or attorney.

6. Where the instrument appointing a proxy(ies) is submitted by email, it must be authorised in the following manner:
   (a) by way of the affixation of an electronic signature by the appointer or his/her duly authorised attorney or, as the case may be, an officer or duly authorised attorney of a corporation; or
   (b) by way of the appointor or his duly authorised attorney or, as the case may be, an officer or duly authorised attorney of a corporation signing the instrument under hand and submitting a scanned copy of the signed instrument by email.

7. Where an instrument appointing a proxy(ies) is signed or, as the case may be, authorised on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument appointing a proxy(ies), failing which the instrument may be treated as invalid.

8. Completion and return of this instrument appointing a proxy shall not preclude a member from attending and voting at the Meeting. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the Meeting in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument of proxy to the Meeting.

General:
The Company shall be entitled to reject the Proxy Form if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the Proxy Form. In addition, in the case of members whose shares are entered against their names in the Depository Register, the Company may reject any Proxy Form lodged if such members are not shown to have shares entered against their names in the Depository Register as at 72 hours before the time appointed for holding the Meeting, as certified by The Central Depository (Pte) Limited to the Company.

Personal Data Privacy:

By attending the Meeting and/or any adjournment thereof or submitting an instrument appointing a proxy, the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Teo Ho Beng (Executive Chairman)

Teo Keng Joo, Marc (Chief Executive Officer)

Chan Kum Onn Roger (Lead Independent Non-Executive Director)

Ong Seet Joon Amos (Independent Non-Executive Director)

Kwok Chui Lian (Independent Non-Executive Director)

AUDIT AND RISK COMMITTEE

Chan Kum Onn Roger (Chairman)

Ong Seet Joon Amos

Kwok Chui Lian

NOMINATING COMMITTEE

Kwok Chui Lian (Chairman)

Chan Kum Onn Roger

Ong Seet Joon Amos

REMUNERATION COMMITTEE

Ong Seet Joon Amos (Chairman)

Chan Kum Onn Roger

Kwok Chui Lian

CHIEF FINANCIAL OFFICER

Irene Cheah Lan Kwee

JOINT COMPANY SECRETARIES

Lee Yuan

Tan Swee Gek

REGISTERED OFFICE / BUSINESS OFFICE

18 Ah Hood Road #13-51

Hiap Hoe Building At Zhongshan Park

Singapore 329983

Tel: +65 6250 2200

Fax: +65 6808 8803

Email: hiaphoe@hiaphoe.com
www.hiaphoe.com

SHARE REGISTRAR AND SHARE TRANSFER OFFICE

Boardroom Corporate & Advisory Services Pte Ltd

1 Harbourfront Avenue

#14-07 Keppel Bay Tower

Singapore 098632

AUDITORS

Ernst & Young LLP

Public Accountants and Chartered Accountants

One Raffles Quay

North Tower, Level 18

Singapore 048583

AUDIT PARTNER-IN-CHARGE

Lee Wei Hock

Appointed on 25 June 2020

HIAP HOE LIMITED
Company Registration No. 199400676Z

18 Ah Hood Road #13-51
Hiap Hoe Building At Zhongshan Park
Singapore 329983
Tel +65 6250 2200 Fax +65 6808 8803

www.hiaphoe.com