



PROPERTY



LIFESTYLE



INVESTMENT





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This annual report has been reviewed by the Company's Sponsor, Hong Leong Finance Limited. It has not been examined or approved by the Exchange and the Exchange assumes no responsibility for the contents of this annual report, including the correctness of any of the statements or opinions made or reports contained in this annual report. The contact person for the Sponsor is Ms Vera Leong, Vice President, Hong Leong Finance Limited, at 16 Raffles Quay, #01-05 Hong Leong Building, Singapore 048581, telephone: +65 6415-9881.



CORPORATE PROFILE

Incorporated on 9 September 2009 and listed on the Catalist Board of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") since July 2010, Alset International Limited ("**Alset**") has since diversified into international markets. The Group's portfolio comprises (i) property development and related services; (ii) licensing and distribution of biomedical products; (iii) investment activities; and (iv) food and beverage.

Alset will continue to pursue corporate recovery and focus on achieving scalability, sustainability and growth leveraging on the management's expertise and experience with a view to enhance shareholders' value.



EXECUTIVE CHAIRMAN MESSAGE



Mr Chan Heng Fai

Group Executive Chairman
15 April 2024

“

First and foremost, I would like to express my gratitude for your continued support and investment in our company. Your trust in us fuels our drive to succeed and create value for all stakeholders.

Despite the challenges presented by the ever-changing business landscape, our company remains steadfast in its commitment to growth and sustainability. Our dedicated team, coupled with strategic initiatives and prudent decision-making, positions us for long-term success.

As we move forward, we remain focused on delivering strong financial performance, driving innovation, and enhancing shareholders' value. We are confident in our ability to navigate challenges and capitalise on opportunities, guided by our core values of integrity, transparency, and excellence.

In closing, I want to thank you once again for your continued support and trust in our company.

”

Dear Shareholders,

On behalf of the Board of Directors (the “**Board**”), I present the annual report for Alset International Limited (“**Alset**”, the “**Company**” or together with its subsidiaries, the “**Group**”) for the financial year ended 31 December 2023 (“**FY2023**”).

Despite facing unprecedented macroeconomic challenges and uncertainties, we have demonstrated resilience, adaptability, and unwavering commitment to our goals. We have been focused on delivering value to our customers, employees, and shareholders throughout the year. Looking ahead, we remain optimistic about the opportunities that lie ahead. We will capitalise on emerging trends, innovate in our industry, and drive sustainable growth. As we navigate the evolving business landscape, we will stay true to our core values and strategic priorities, ensuring that we create long-term value for all stakeholders.

Property Development

The Group is finalising development activities at Ballenger Run in accordance with the lot purchase agreements between SeD Maryland Development, LLC and NVR Inc (“NVR”). In FY2023 the Group focused on the remaining development activities

related to coordinating with the municipalities, engineers, and contractors to perform the required construction and easements for infrastructure, storm water management and sidewalks. The Group anticipates that, upon completion of the project in FY2024, certain bonds and letters of credit will be released.

In FY2023, 150 CCM Black Oak Ltd entered in various purchase and sale agreements with home builders to sell a total of 441 single-family detached residential lots within Lakes at Black Oak project.





Of the 441 lots contracted for sale, 299 lots have been sold with the sale of the remaining 142 lots to be closed in FY2024.

Alset Villas is another land development project located in close proximity to Lakes at Black Oak. This project is currently in the final engineering and design phase to achieve final record plot. Century and 150 CCM Black Oak entered into an agreement with Century to purchase approximately 63 single-family detached residential lots within Alset Villas. It is estimated that the closing will be completed upon substantial completion of the lots in FY2024.

Lot development and construction activity at Lakes at Black Oak continues in the remaining sections to deliver lots in accordance with the Century and Davidson agreements. The Group intends to acquire single-family rental homes from these builders in Lakes at Black Oak and may hire these builders on a contract-build basis for build-to-rent homes and to sell to potential investors.

The Group continues to canvass these markets for lot developments in and around master planned communities that support the finished lot for sale model as well as the single-family rental model in certain subsidiaries.

The Group also intends, to the fullest extent practicable, to source land where local government agencies (including county, district and other municipalities) and public authorities, such as improvement districts, who will reimburse the majority of infrastructure costs incurred by the land developer for developing the land to build taxable properties.

Biomedical (including Direct Sales) & Food and Beverage Business

HWH International Inc. ("HWH") is a purpose-driven lifestyle company seeking to enable people in the new gig economy to create lasting wealth and developing new pathways in helping people in their pursuit of Health, Wealth and Happiness,

HWH's mission is firmly anchored on the foundation of four core pillars, HWH Marketplace, Hapi Cafe, Hapi Travel and Hapi Wealth Builder, each representing a unique aspect of the company's commitment to enriching the lives of its valued members and their pursuit of Health, Wealth and Happiness.

The Company is delighted to have successfully completed the business combination and the de-spac process of HWH. With the achievement of Nasdaq listing status, HWH is confident that this milestone will significantly bolster the credibility and confidence in the business, laying a robust foundation as we navigate towards a year of building up a strong membership base. Additionally, HWH has set its eyes on potential merger and acquisition opportunities as part of its strategy to enhance and accelerate growth through increased volume and scale of operations.

HWH's food and beverage division, particularly the successful launch of the "Hapi Cafe" brand, has begun to observe stability and is at a stage of enhancing its offerings to boost sales. With the Hapi Cafe branded outlets spanning across Asia, including Singapore, and South Korea, Hapi Cafe is positioned to be an integral part of HWH's business model. HWH, as the proud owner of Hapi Cafe stores in Singapore and South Korea, aims to aggressively expand its presence, fostering community connections and expanding HWH's unique offerings.

Building on these achievements, HWH is gearing up for the launch of its membership sales through kickstarting innovative promotions to introduce the group's products and services offerings and reward valued customers with exclusive benefits, loyalty discounts as a token of appreciation for their ongoing support.

To enhance our member offerings, the HapiWealth educational platform access is planned to be included among the benefits available to members in this coming year.

In alignment with HWH's dedication to healthier meal options, the company continues to actively seek collaborations with outsourced production kitchens for nutritious meal prep services in other countries. Leveraging the expertise of KetoMei, an associated company and one of the largest Keto meal prep providers in Singapore, HWH aims to cater to the diverse preferences of its members.

Investment Business

The Company has invested in listed company shares and the Company will continue to explore potential investments in the coming year.

Financial Performance in FY2023

The Group generated S\$25.5 million in revenue for FY2023, compared to S\$3.0 million in the preceding year, contributed mainly by the Group's properties for sale business, which generated S\$24.4 million in revenue and S\$9.1 million in gross profit from the sale of 335 lots, and food and beverage business generated S\$1.1 million in revenue and S\$0.8 million gross profit in FY2023.

The Group recorded a net loss attributable to shareholders of S\$4.6 million for FY2023, compared to S\$46.4 million in FY2022, mainly due to the increase in gross profit of S\$8.8 million, decrease in fair value loss on derivative liabilities of S\$1.7 million, decrease in impairment on amounts due from related parties of S\$1.3 million, decrease in net fair value loss on equity securities at FVTPL of S\$23.5 million, and decrease in loss from discontinued operations of S\$5.7 million.

Outlook

We will work towards continued growth, innovation, and strategic advancement. Building upon the foundation laid by our F&B segment, we are well-positioned to bring new potential offerings that promotes health, wealth and happiness to our members and customers. The Company will also source for potential land development projects which not only add value to our portfolio but also contribute positively to the communities in which they are located.

Appreciation

In closing, I would like to take this opportunity to appreciate all our management, staff, directors, partners and service providers for their commitment, hard work and belief in the company over the past year. Above all, I wish to thank our loyal shareholders for their continued support.

Mr Chan Tung Moe

Executive Director and Co-Chief Executive Officer
15 April 2024

CURRENT PROJECTS

LAKES AT BLACK OAK HOUSTON TEXAS



CAPACITY TO
BUILD
APPROXIMATELY
696
ALSET HOMES

- Located near The Woodlands in Houston, Texas
- Approximately 160.1 acres of land
- Subdivided into a total of 696 buildable lots
- A total of 554 lots has been sold.
- An additional 142 lots have been contracted for sale and are anticipated to be sold in FY2024

100%
SOLD

**BALLENGER
RUN MARYLAND**



- Located in Federick County, Maryland USA
- Approximately 197 acres of land
- Total: 689 Units
479 Lots & 210 Multi-family Residential Units
- 100% of single-family home lots SOLD to NYSE-listed homebuilding company, NVR, one of the biggest Home Builder in the United States.



PLANNED DEVELOPMENT PROJECTS

ALSET VILLAS HOUSTON TEXAS

Located right next to Lakes at Black Oak project. Alset Villas, another planned development for Alset EHome Community, sits on approximately 19.49 acres of land with a total of approximately 63 buildable lots. The Group is in the process of developing these 63 lots at Alset Villas. These 63 lots have been contracted to be sold to Century Land Holdings of Texas, LLC. It is anticipated that the transaction will close in FY2024.

Strategic location of project site

Situated in North Houston, just two miles from the Exxon Mobile's 385 acre campus being built which is expected to house more than 10,000 employees. Next to the south border of The Woodlands, one of the fastest growing and best planned suburbs of Houston with excellent schools, and an abundance of parks and retail shopping. North of the 600 acre master planned luxury community being developed by the Toll Brothers which is one of the nation's leading builder of luxury homes.



FOOD & BEVERAGE DIVISION

4 IN 1
CONCEPT CAFÉ



Unique lifestyle café outlets that inspire to transform the way people eat, work and live. Offering a combination of services in one location. Members can meet up and hold events while enjoying their benefits when visiting.



HEALTH

Nourish your health with every bite at Hapi Café, where delicious meets nutritious.



WEALTH

Empower your financial future with Hapi Wealth, where education and opportunity converge.



HAPPINESS

Explore the world differently with Hapi Travel, your gateway to immersive and exclusive travel experiences.



MARKETPLACE

Unlock exceptional value with Hapi Marketplace, your direct link to premium products at wholesale prices with our Travel Ambassador.

SINGAPORE

Hapi Cafe SG Pte Ltd

138 Cecil Street #01-02, Cecil Court, Singapore 069538



FOOD & BEVERAGE DIVISION

KOREA

Hapi Cafe in South Korea

1st floor, 30, Teheran-ro 27-gil, Gangnam-gu, Seoul, Republic of Korea (06140)



KOREA

Hapi Cafe in South Korea

1F, 10, Seorae-ro 1-gil, Seocho-gu, Seoul, Republic of Korea(06581)



SINGAPORE LOCAL COFFEE / DELIGHTS



Alset International is proud to have two Killiney franchise locations that bring the taste of traditional Nanyang coffee and tea, along with local delights, to our customers. Since 1919, the Killiney brand has been a staple in Singapore's food scene. We are proud to uphold tradition and serve up Killiney's signature dishes. Our franchise locations serve up Killiney Signature classic dishes such as Curry Chicken, Laksa, Mee Siam, and Mee Rebus, all crafted with the same care and attention that has made Killiney a household name. We are committed to maintain the same great taste and quality that has made Killiney a favorite for generations.



FOOD & BEVERAGE DIVISION



KILLINEY - 9 PENANG ROAD
9 Penang Road #01-13,
Singapore 238459



KILLINEY - PLQ3
2 Tanjong Katong Road, PLQ3, #01-10,
Singapore 437161





Revenue and Gross Profit

The Group's revenue has increased by S\$22.5 million or 750% from S\$3.0 million for the year ended 31 December 2022 ("FY2022") to S\$25.5 million on 31 December 2023 ("FY2023") mainly due to the increase in revenue generated from the property development business of S\$22.6 million, the decrease in the revenue generated from the direct sale business of S\$0.8 million, and the increase in the revenue generated from the food and beverage business of S\$0.7 million.

Gross profit increased by S\$8.8 million or 880% from S\$1.0 million in FY2022 to S\$9.8 million in FY2023. The gross profit in FY2023 consisted of S\$9.1 million generated from the property development business, S\$0.8 million generated from food and beverage business, and S\$0.1 million gross loss generated from direct sale business.

Other Income

Other income decreased by approximately S\$1.3 million or 29% from S\$4.5 million in FY2022 to S\$3.2 million in FY2023 mainly due to the decrease in fair value gain on other investments of S\$0.7 million, decrease in fair value gain on convertible promissory notes of S\$0.2 million, decrease in loan forgiveness of S\$0.1 million, and decrease in the reversal of impairment on properties for sale of S\$3.3 million, offset by the increase in government grant of S\$0.2 million, reversal of fair value loss on derivative liabilities of S\$1.7 million, the increase in dividend income of S\$1.0 million, and the increase in other income of S\$0.2 million.

Expenses

Administrative expenses increased by S\$0.1 million or 1.1% from S\$7.9 million in FY2022 to S\$8.0 million in FY2023. This is mainly due to an increase in café operations in FY2023.

Other expenses decreased by S\$26.0 million or 69% from S\$37.6 million in FY2022 to S\$11.6 million in FY2023. This is mainly due to the decrease in foreign exchange loss of S\$0.1 million, fair value loss on derivative assets of S\$0.5 million, fair value loss on derivative liabilities of S\$1.7 million, impairment on related parties of S\$1.3 million, withholding tax of S\$0.5 million, net fair value loss on equity securities at FVTPL of S\$23.5 million, and other operating expenses of S\$0.1 million, offset by the increase in the fair value loss on other investments of S\$1.6 million.

Finance Income

Finance income increased by S\$1.0 million or 224% from S\$0.5 million in FY2022 to S\$1.5 million in FY2023 mainly due to the increase in interest income from promissory notes of S\$0.6 million and increase in bank interest income of S\$0.4 million.

Share of associate's results

Share of associate's results increased by S\$1.2 million from S\$0.7 million share of loss in FY2022 to S\$0.5 million share of profit mainly due to the increase in share of profit from Alset Capital Acquisition Corp.



Bottom Line

Accordingly, the Group reported a net loss attributable to owners of the Company of S\$4.6 million in FY2023 compared to S\$46.4 million in FY2022.

Balance Sheet

The Group's non-current assets increased by S\$18.2 million from S\$5.2 million as of 31 December 2022 to S\$23.4 million as of 31 December 2023 mainly due to the increase in property, plant, and equipment of S\$0.1 million, increase in other investments of S\$0.3 million, increase in investment of associates of S\$0.5 million, and increase in other receivables of S\$17.4 million, offset by the decrease in the right-of-use asset of S0.1 million.

The Group's current assets decreased approximately S\$4.6 million from S\$77.9 million as of 31 December 2022 to S\$73.3 million as of 31 December 2023. This is mainly due to the decrease in properties for sale of S\$17.6 million, the decrease in Investment securities of S\$6.6 million, the decrease in other investments of S\$1.5 million, the decrease in derivative assets of S\$0.4 million, and the decrease in bank deposits pledged of S\$0.3 million. This was partially offset by the increase in trade and other receivables of S\$6.4 million, and the increase in cash and cash equivalents of S\$15.6 million.

The Group's assets of disposal group classified as held-for-sale decreased from S\$36.7 million as of 31 December 2022 to S\$Nil as of 31 December 2023 due to the disposal of American Home REIT Inc. completed on 13 January 2023.

Total liabilities decreased by approximately S\$18.6 million from S\$30.7 million as of 31 December 2022 to S\$12.1 million as of 31 December 2023. This is mainly due to the decrease in trade and other payables of \$15.3 million, the decrease in derivative liabilities of S\$1.7 million, and the decrease in liabilities of the disposal group classified as held for sales of S\$1.5 million.

As of 31 December 2023, the Group was in a net assets position of S\$84.6 million compared to S\$89.1 million as of 31 December 2022.

Statement of Cash Flows

The Group had a net cash inflow of S\$4.4 million from its operating activities before changes in working capital. This mainly relates to the loss before tax of S\$4.6 million and the adjustments of S\$9.0 million for the non-cash items, including \$0.2 million depreciation of property, plant, and equipment, S\$0.9 million depreciation of right-of-use assets, S\$0.4 million fair value loss on derivative asset, S\$0.5 million withholding tax expense, S\$7.9 million net fair value loss on equity securities at FVTPL, S\$1.0 million unrealised foreign exchange loss, and S\$1.6 million fair value loss on other investments, offset by S\$1.7 million reversal of fair value loss on derivative liabilities, S\$1.5 million finance income, and S\$0.5 million share of results of associates.

The increase in the working capital adjustment of S\$15.5 million was mainly due to the S\$15.8 million decrease in properties under development, offset by S\$0.5 million increase in trade and other receivables, hence resulting in a net cash generated from operations at 19.9 million in FY2023 compared to the net cash used in operations of S\$25.3 million in FY2022.

The Group recorded a S\$7.2 million net cash used in investing activities in FY2023 compared to net cash S\$12.9 million in FY2022. In FY2023, net cash used in investment activities mainly due to the purchase of property, plant and equipment of S\$0.3 million, investment in other investment of S\$0.4 million, repayments from related parties of S\$2.7 million, investment in promissory notes of S\$2.1 million, purchase of investment securities of S\$20.5 million, and net cash outflow arising from disposal of subsidiaries of S\$0.4 million, offset by the proceed from disposal of investment securities of S\$19.2 million.

Net cash generated from financing activities decreased to S\$1.3 in FY2023 compared to S\$3.7 million in FY2022. In FY2023, net cash generated from financing activities comprised S\$2.0 million repayments from related parties, and decrease in bank deposit pledged of S\$0.3 million, offset by the principal element of lease payment of S\$0.9 million.

The Group's cash and cash equivalents increased from S\$14.9 million as at 31 December 2022 to S\$28.9 million as at 31 December 2023.

MR. CHAN HENG FAI

Executive Director and Group Chief Executive Officer

Mr. Fai Chan was appointed as a Non- Executive Director on 31 May 2013, re-designated as an Executive Director on 1 March 2014 and subsequently appointed as the Chief Executive Officer on 28 April 2014. Mr. Fai Chan was last re-elected to the Board in April 2022.

A banking and finance expert with years of experience, Mr. Fai Chan has restructured over 35 companies in various industries and countries in the past 40 years.

Mr. Fai Chan previously served as a Non- Executive Director of an ASX-listed bio-technology company, Holista CollTech Limited.

He was the former Managing Chairman and Executive Director of a HKSE-listed company, Heng Fai Enterprises Limited (now known as Zensun Enterprises Limited), where he had served from 1992 to 2015. Under his directorship, Mr. Fai Chan grew the company's net asset value from HK\$40 million in 1994 to about HK\$750 million in 2015, when he ceded controlling interest.

Mr. Fai Chan was also the Managing Director of SingHaiyi Group Ltd. (now known as SingHaiyi Group Pte. Ltd.) which was previously listed on SGX. Under his leadership, the company transformed from a fit-out and furnishing business with a net asset value of less than S\$10 million into a property investment and development company with a net asset value of more than S\$150 million when Mr. Fai Chan ceded controlling interest in late 2012.

He has previously served as Executive Chairman of China Gas Holdings Limited, a failing HKSE listed fashion retail company, which he restructured to become an industry leader in the investment and operation of China's city gas pipeline infrastructure.

Mr. Fai Chan was previously also a director of Perth-based Skywest Ltd, an ASX-listed airline company; as well as a Director of Global Med Technologies, Inc., a NASDAQ-listed medical company engaged in the development and marketing of information management software products for healthcare-related facilities. In 1987,

Mr. Fai Chan acquired American Pacific Bank, a U.S. full-service commercial bank, and brought it out of bankruptcy. In his role as Chairman and Director, he re-capitalised, refocused and grew the bank's operations. Under his guidance, it became a NASDAQ-listed high asset quality bank with zero loan losses for five consecutive years before it was ultimately bought and merged into Riverview Bancorp Inc. Prior to its acquisition and merger, it was ranked #13 by the Seattle Times "Annual Northwest's Top 100 Public Companies" and #6 in Oregon, U.S., ahead of leading brands such as Nike, Microsoft, Costco, AT&T Wireless and Amazon.com.

MR. CHAN TUNG MOE

Executive Director and Co-Chief Executive Officer

Mr. Moe Chan has held various positions within the Group since 2015. In the recent few years, he was appointed as Group Chief Development Officer of Alset International Limited on 11 August 2020 and was appointed as Executive Director of Alset International Limited on 11 December 2020. On 1 March 2021, he was re-designated as Co-Chief Executive Officer of Alset International Limited. He was last re-elected to the Board in April 2021.

Mr. Moe Chan joined DSS Inc. (NYSE: DSS), a publicly traded company on the New York Stock Exchange as a Director in September 2020.

Previously, Mr. Moe Chan was the Group Chief Operating Officer of Hong Kong Exchange-listed Zensun Enterprises Limited (formerly known as Heng Fai Enterprises Ltd), responsible for the company's global business operations consisting of REIT ownership and management, property development, hotels and hospitality, as well as property and securities investment and trading. Prior to that, he was Executive Director and Chief of Project Development of SingHaiyi Group Ltd which was previously listed on the Singapore Exchange.

Mr. Moe Chan has a diverse background and experience in the fields of property, hospitality, investment, technology and consumer finance. He holds a Master's Degree in Business Administration with honours from the University of Western Ontario, a Master's Degree in Electro-Mechanical Engineering with honours and a Bachelor's Degree in Applied Science with honours from the University of British Columbia.

Mr. Moe Chan is the son of Mr. Chan Heng Fai.



MR. LUI WAI LEUNG, ALAN

Executive Director and Chief Financial Officer

Mr. Alan Lui was appointed as a Chief Financial Officer on 1 November 2016 and subsequently appointed as an Executive Director on 2 July 2020. Mr. Alan Lui was last re-elected to the Board in April 2023.

Mr. Alan Lui oversees the Group's financial and management reporting, focusing on financing operations and treasury investment. He managed all financial forecasts and planning and evaluated new investment opportunities on an ad-hoc basis. Mr. Alan Lui was also responsible for developing and recommending the overall financial strategy for the Group to capture maximum value for its stakeholders. He also took charge of assessing the operating effectiveness and internal control of the Group.

Mr. Lui began his career as an accountant in a well-known department store for three years. Before joining Alset International Limited, he worked as a financial controller with Zensun Enterprises Limited (formerly known as Heng Fai Enterprises Ltd), a Hong Kong-listed company, from 1997 to 2016.

In 1993, he graduated from Hong Kong Baptist University with a Bachelor's Degree in Business Administration (major in Accounting), and he is also a Certified Practising Accountant in Australia.

MR. LIM SHENG HON, DANNY

Executive Director, Senior Vice President, Business Development

Mr. Danny Lim was appointed Senior Vice President, Business Development on 1 February 2020 and subsequently appointed as an Executive Director on 2 July 2020. Mr. Lim was last re-elected to the Board in April 2023.

Mr. Danny Lim joined Alset Inc. (Nasdaq: AEI), a publicly traded company on the Nasdaq stock exchange as an Executive Director in October 2022.

Mr. Danny Lim joined DSS Inc. (NYSE: DSS), a publicly traded company on the New York Stock Exchange as a Director in October 2023.

Mr. Danny Lim joined Value Exchange International Inc. (OTC: VEII), a publicly traded company on the OTC markets, as a Non-Executive Director in December 2023.

Mr. Danny Lim was appointed Chief Operating Officer of HWH International Inc. (NASDAQ: HWH), a publicly traded company on the Nasdaq stock exchange in February 2024 and also serves as its Chief Strategy Officer.

Mr. Danny Lim has over 7 years of experience in business development, merger & acquisitions, corporate restructuring and strategic planning and execution. He manages the Group's business development efforts, focusing on corporate strategic planning, merger and acquisition and capital markets activities. He oversees and ensures the executional efficiency of the Group and facilitates internal and external stakeholders on the implementation of the Group's strategies. Mr. Danny Lim liaises with corporate partners or investment prospects for potential working/investment collaborations, operational subsidiaries locally and overseas to augment close parent-subsidiary working relationship.

Mr. Danny Lim graduated from Singapore Nanyang Technological University with a Bachelor's Degree with Honours in Business, specializing in Banking and Finance.

MR. TAO YEOH CHI

Lead Independent Non-Executive Director

Mr. Tao was appointed as an Independent Non-Executive Director on 27 June 2013. Mr. Tao is the lead independent director and a member of the Nominating Committee. Mr. Tao was last re-elected to the Board in April 2021.

Mr. Tao began his career in the Singapore public service sector, where he held senior positions in various ministries. He later joined a few multinational companies before starting his own business. He is an Independent Non-Executive Director of SGX listed, Ntegrator International Ltd. since December 2021.

Mr. Tao holds a Bachelor of Engineering (First Class Honours) and a Bachelor of Arts (Economics) from Newcastle University, Australia.

MR. WONG SHUI YEUNG

Independent Non-Executive Director

Mr. Wong Shui Yeung was appointed as Independent Non-Executive Director on 5 June 2017. He is the Chairman of the Audit & Risk Management Committee and the Remuneration Committee. Mr. Wong was last re-elected to the Board in April 2021.

Mr. Wong is a practising member and fellow of Hong Kong Institute of Certified Public Accountants and holds a bachelor's degree in business administration. He has over 25 years' experience in accounting, auditing, corporate finance, corporate investment and development, and company secretarial practice.

Mr. Wong has served as a member of the board of directors of Alset Inc. since November 2021, the shares of which are listed on NASDAQ, HWH International Inc. (formerly known as Alset Capital Acquisition Corp.) since January 2022, the shares of which are listed on NASDAQ, Value Exchange International Inc. since April 2022, the shares of which are listed on OTC markets, DSS, Inc. since July 2022, the shares of which are listed on NYSE and First Credit Finance Group Limited since February 2024, the shares of which are listed on HKSE. He was an independent non-executive director of SMI Holdings Group Limited from April 2017 to December 2020 and was an independent non-executive director of SMI Culture & Travel Group Holdings Limited from December 2019 to November 2020, the shares of which were listed on HKSE.

MR. WONG TAT KEUNG

Independent Non-Executive Director

Mr. Wong Tat Keung was appointed as an Independent Non-Executive Director on 27 January 2017. Mr. Wong Tat Keung is the Chairman of the Nominating Committee and a member of the Audit & Risk Management and the Remuneration Committee. Mr. Wong Tat Keung was last reelected to the Board in April 2022.

Since July 2023, Mr. Wong Tat Keung has served as the managing director of AABA CPA LIMITED, a registered corporate practice of certified public

accounting firm in Hong Kong. Mr. Wong Tat Keung has served as a member of the board of directors of Alset Inc. (formerly known as Alset EHome International Inc.) since November 2020, the shares of which are listed on NASDAQ, Alset Capital Acquisition Corp. since January 2022, the shares of which are listed on NASDAQ, and Value Exchange International Inc. since April 2022, the shares of which are listed on OTC markets. Mr. Wong Tat Keung has been an independent non-executive director of Roma Group Limited, a valuation and technical advisory firm, from March 2016 to January 2020, the shares of which are listed on HKSE, and has been an independent non-executive director of Welife Technology Limited (formerly known as Palace Banquet Holdings Limited), a full-service restaurant group in Hong Kong and China, from January 2022 to October 2023, the shares of which are listed on HKSE, and has served as an independent non-executive director of Lerthai Group Limited, a property, investment, management and development company, from December 2018 to August 2022, the listing shares of which were cancelled from HKSE on 15 August 2022. Previously, he served as the sole proprietor of Aston CPA and Associates from May 2021 to December 2023, and also served as the director and sole proprietor of Aston Wong CPA Limited and Aston Wong & Co., registered certified public accounting firms, from February 2010 to November 2020 and January 2006 to February 2010 respectively. He was also a Partner at Aston Wong, Chan & Co., Certified Public Accountants and he served at Gary Cheng & Co., Certified Public Accountants as Audit Senior. He served as an Audit Junior to Supervisor of Hui Sik Wing & Co., certified public accountants from April 1993 to December 1999. He served as an independent non-executive director of SingHaiyi Group Ltd which was previously listed on SGX from July 2009 to July 2013 and ZH International Holdings Limited (now named as Zensun Enterprises Limited) which is listed on HKSE from December 2009 to July 2015.

Mr. Wong Tat Keung is a Certified Public Accountant admitted to practice in Hong Kong. He is a Fellow Member of the Hong Kong Institute of Certified Public Accountants. He holds a Master in Business Administration degree (financial services) from the University of Greenwich, London, England.

**MR. CHAN KING FAI***Independent Non-Executive Director*

Mr. Chan King Fai was appointed as an Independent Non-Executive Director on 2 May 2017. Mr. Chan is a member of the Audit and Risk Management Committee, the Nominating Committee, and the Remuneration Committee. Mr. Chan was last re-elected to the Board in April 2023.

Mr. Chan King Fai was an Independent Non-Executive Director of Fire Rock Holdings Limited from January 2016 to May 2023, which is listed on HKSE and was an Independent Non-Executive Director of Heng Fai Enterprises Limited (now named as Zensun Enterprises Limited) from August 2011 to July 2015, which is listed on HKSE. Mr. Chan King Fai has over 25 years of experience in accounting, taxation and company secretarial services. He is a practicing certified public accountant in Hong Kong and is currently a partner of Lau Chan and Company, Certified Public Accountants.

Mr. Chan King Fai holds a master's degree in business administration from The University of Warwick (the United Kingdom) and a master's degree in accountancy from The Chinese University of Hong Kong (Hong Kong). He is a fellow member of the Association of Chartered Certified Accountants, an associate member of the Hong Kong Institute of Certified Public Accountants, an associate member of The Taxation Institute of Hong Kong, an associate member of The Hong Kong Chartered Governance Institute and an associate member of The Chartered Governance Institute. Mr. Chan King Fai is currently a Certified Tax Adviser in Hong Kong.

MR. TANG YENG YUEN*Independent Non-Executive Director*

Mr Tang was appointed as an Independent Non-Executive Director on 20 March 2024.

Mr Tang was with the Singapore Exchange Ltd from 1987 to 2011 dealing principally in regulatory works. In 2011, he joined Corporate Finance of Hong Leong Finance Limited whose activities include sponsoring companies for listing on the MainBoard and Catalist Board of Singapore Exchange Ltd and acting as a Continuing Sponsor for Catalist Board companies. He retired as the Head of the Corporate Finance in 2023.

Mr Tang holds a Bachelor of Arts (honors joint major Business Administration and Economics) from Simon Fraser University (Canada) and a Master of Arts (Economics) from University of Victoria (Canada).



CORPORATE GOVERNANCE REPORT

Introduction

The Board of Directors (the “**Board**” or the “**Directors**”) and the management (“**Management**”) of Alset International Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) are strongly committed to achieving high standards of corporate governance which is essential to the stability and sustainability of the Group’s performance, protection of interests of shareholders of the Company (“**Shareholders**”) and for enhancing long-term Shareholders’ value and returns.

This report (“**Corporate Governance Report**”) describes the Company’s corporate governance practices for the financial year ended 31 December 2023 (“**FY2023**”), with specific reference to the principles and provisions of the Code of Corporate Governance 2018 (the “**2018 Code**”), the rules (the “**Catalist Rules**”) of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) and the Practice Guidance issued by the Monetary Authority of Singapore on 6 August 2018 (the “**Guide**”).

The Company has adhered to the principles, provisions and/or guidelines as set out in the 2018 Code and the Catalist Rules, where applicable. Insofar as any principles, guidelines and/or provisions have not been complied with, appropriate explanations have been provided.

(A) Board Matters

Principle 1: The Board’s Conduct of Affairs

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

Principal Duties of the Board

The primary functions of the Board are to protect the interests of Shareholders and enhance long-term Shareholders’ value and returns. The Board works with the Management to achieve these and the Management remains accountable to the Board. Provision
1.1

The Directors are aware of their duties under law, which includes acting in good faith, exercising due care, skill and diligence, and discharging their duties and responsibilities at all times as fiduciaries in the best interests of the Company. All Directors must act objectively and exercise independent judgment in making decisions on the recommendations of the Management.

Besides carrying out its statutory and fiduciary duties and responsibilities, the Board’s other roles are to:

- (a) provide entrepreneurial leadership, set strategic objectives (which includes appropriate focus on value creation, innovation and sustainability), and ensure that the necessary financial and human resources are in place for the Group to meet its objectives;
- (b) establish a sound risk management framework of prudent and effective controls which enables the identification, assessment and management of risks, including the safeguarding of Shareholders’ interests and the Company’s assets;
- (c) constructively challenge the Management and review its performance;
- (d) identify key stakeholder groups, recognise that their perceptions affect the Company’s reputation and ensure transparency and accountability to key stakeholder groups;
- (e) instil an ethical corporate culture and ensure the Company’s values and standards (including ethical standards), policies and practices are consistent with the Company’s culture;
- (f) consider sustainability issues, such as environmental and social factors, as part of its strategic formulation;
- (g) approve major investment funding and the annual budget;

CORPORATE GOVERNANCE REPORT



- (h) approve the nomination of Directors to the Board; and
- (i) oversee the business conduct of the company and assume responsibility for corporate governance.

The Board has put in place a code setting out the Company's ethical conduct and standards for Directors and staff to adhere to. The Board has also set appropriate tone-from-the-top and desired organisational culture, and ensured proper accountability within the Company.

During FY2023, the day-to-day management of the Company's businesses and affairs and the implementation of corporate strategies formulated by the Board have been entrusted to the Management which is led by the Executive Chairman and Chief Executive Officer (the "CEO") of the Company, Mr. Chan Heng Fai. In addition, the Co-CEO of the Company, Mr. Chan Tung Moe, together with Mr. Chan Heng Fai, will provide leadership to the Management.

The Board has implemented policies, structures and mechanisms to ensure the Company's compliance with legislative and regulatory requirements.

The Board has clear policies and procedures for dealing with conflicts of interest. Directors who face a conflict of interest disclose the issues of conflict and recuse themselves from meetings, discussions and decisions involving the issues of conflict.

Induction, Training and Development of Directors

All Directors understand the Company's business and their directorship duties, as set out in Provision 1.1 of this Corporate Governance Report. Provision 1.2

Upon appointment, newly appointed Directors will be provided with formal letters, setting out their appointment and their roles, duties, obligations and responsibilities, and the expectations of the Company. Newly appointed Directors will be given the necessary guidance and orientation (which may include management presentations) to allow the newly appointed Directors to understand the Group's history, core values, business operations, strategic directions and policies, industry specific knowledge, corporate functions and governance practices. If necessary, on-site visits to the Group's premises and places of operation will be arranged to gain a better understanding of the Group's business. The Company will also, where necessary, provide training for first-time Directors in areas such as accounting, legal and industry specific knowledge as appropriate. Catalist Rule 406(3)(a)

The Company has arrangements in place for newly appointed Directors with no prior experience as a director of a listed company on the SGX-ST to undergo training in the roles and responsibilities of a director of a listed company on the SGX-ST as prescribed by the SGX-ST. If the Nominating Committee is of the view that training is not required because the Director has other relevant experience, the basis of the Nominating Committee's assessment will be disclosed.

Mr. Tang Yeng Yuen was appointed as an Independent Non-Executive Director with effect from 20 March 2024. Mr. Tang Yeng Yuen has no prior experience as a director of a listed company on the SGX-ST. That said, pursuant to Paragraph 3.2 of Practice Note 4D of the Catalist Rules, in exceptional circumstances, where a first-time director has been assessed by the Nominating Committee to possess relevant experience, such first-time director need not attend the mandatory training prescribed by the SGX-ST ("**Mandatory Training**").

The Nominating Committee has assessed the relevant experience of Mr. Tang Yeng Yuen and has considered whether the experience is comparable to the experience of a person who has served as a director of an issuer listed on the SGX-ST. The Nominating Committee is of the view that notwithstanding the fact that Mr. Tang has no prior experience as a director of a listed company on the SGX-ST, he is familiar with the roles and responsibilities of independent directors as he had worked in the Listing Department of the SGX-ST and had been a sponsor for listed Catalist companies for the past 12 years. Accordingly, the Nominating Committee, with the concurrence of the Board, has concluded that Mr. Tang Yeng Yuen's possess sufficient relevant experience to dispense with the Mandatory Training. For the avoidance of doubt, Mr. Tang has attended the mandatory sustainability training prescribed by the SGX-ST, as required under Rule 720(6) of the Catalist Rules.



CORPORATE GOVERNANCE REPORT

The Company has a policy and criteria for Directors' development and provides Directors with opportunities to develop and maintain their skills and knowledge at the Company's expense.

All Directors are updated regularly concerning any material changes in policies of the Company, risk management, accounting standards, relevant new laws, regulations and changing commercial risks. New releases issued by the SGX-ST and Accounting and Corporate Regulatory Authority ("ACRA") which are material and relevant to the Directors are circulated to the Board. The Directors were briefed regularly by the Company's auditors on the material key changes to the Singapore Financial Reporting Standards (International). For FY2023, the CEO, Mr. Chan Heng Fai, also updates the Board at each Board meeting on business and strategic developments pertaining to the Group's business.

The Directors are conscious of the importance of the continuing education in areas such as legal and regulatory responsibilities and accounting issues, and will regularly update and refresh themselves on matters that may materially affect their performance as a Director on the Board, or as a member of a Board Committee, as and when necessary. Continuous and ongoing training programmes are also encouraged, and such training programmes shall be funded by the Company.

The Board and the Management of the Company have appropriate experience and expertise to manage the Group's business.

In line with the pre-quotations disclosure requirement, the Company will release a statement via SGXNET or in the prospectus, offering memorandum or introductory document identifying for each Director, whether the person has prior experience as a director of an issuer listed on the SGX-ST, or if he has other relevant experience, and if so, provide details of his directorships and other relevant experience.

Matters Requiring Board Approval

The Company has in place internal guidelines that document, among others, the matters reserved for the Board's decision and clear directions to the Management in writing on matters that must be approved by the Board.

Provision
1.3

Material transactions and matters that require the Board's approval include, inter alia, the following:

- (a) major investment funding;
- (b) annual budget;
- (c) transactions involving a conflict of interest for a substantial shareholder or a Director;
- (d) material acquisitions and disposal of assets;
- (e) corporate or financial restructuring;
- (f) issuance of new shares;
- (g) proposal and declaration of dividends;
- (h) release of the Group's financial results; and
- (i) interested person transactions of a material nature.

Board Committees

To assist the Board in the execution of its responsibilities, specialised committees of the Board, namely, the Audit and Risk Management Committee (“**ARMC**”), the Nominating Committee (“**NC**”) and the Remuneration Committee (“**RC**”) (collectively, the “**Board Committees**”) have been established and delegated certain functions. If and when the Board delegates the authority (without abdicating responsibility) to make decisions to a Board Committee, such delegation is disclosed. Provision
1.4
Catalist Rule
406(3)(e)

The ARMC, the NC and the RC operate within clearly defined written terms of reference and operating procedures, which set out their compositions, authorities and duties. These terms of reference and operating procedures are reviewed on a regular basis.

The names of each Board Committee member, the terms of reference, any delegation of the Board’s authority to make decisions and a summary of each Board Committee’s activities are set out below in this Corporate Governance Report:

- (a) Nominating Committee (Principle 4);
- (b) Remuneration Committee (Principle 6); and
- (c) Audit and Risk Management Committee (Principle 10).

Board Meetings

The Board meets as often as may be necessary within each financial year, to oversee the business affairs of the Group, and to approve any financial or business objectives and strategies if applicable. The schedule of all regular Board and Board Committees meetings as well as the Annual General Meeting (“**AGM**”) for each financial year are planned in advance. Provision
1.5

Ad-hoc Board or Board Committees meetings are convened as and when deemed necessary. The ARMC is also encouraged to communicate amongst themselves with the Company’s auditors and Chief Financial Officer (“**CFO**”) directly.

At the meetings of the Board and Board Committees, the Directors actively participate and are free to discuss and openly challenge the views presented by the Management and the other Directors. The decision-making process is an objective one.

The Company’s Constitution provides for Board or Board Committees meetings to be conducted by means of telephone-conference, video-conference, audio visual or other electronic means of communication.



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The number of the Board meetings and Board Committee meetings held in FY2023 and the attendance of the Directors at these meetings for FY2023 are set out below:

Name of Director	Board Meetings		Board Committees					
			Audit & Risk Management Committee Meetings		Nominating Committee Meetings		Remuneration Committee Meetings	
	Held	Attended	Held	Attended	Held	Attended	Held	Attended
Chan Heng Fai	2	2	N/A	N/A	1	1	N/A	N/A
Chan King Fai	2	2	3	3	1	1	1	1
Tao Yeoh Chi	2	2	N/A	N/A	1	1	N/A	N/A
Wong Tat Keung	2	2	3	3	1	1	1	1
Wong Shui Yeung	2	2	3	3	N/A	N/A	1	1
Lam Lee G. ¹	2	2	N/A	N/A	N/A	N/A	N/A	N/A
Lui Wai Leung Alan	2	2	N/A	N/A	N/A	N/A	N/A	N/A
Lim Sheng Hon, Danny	2	2	N/A	N/A	N/A	N/A	N/A	N/A
Chan Tung Moe	2	2	N/A	N/A	N/A	N/A	N/A	N/A
Tang Yeng Yuen ²	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Note

- (1) Dr Lam Lee G. resigned as an Independent Non-Executive Director with effect from 7 November 2023.
 (2) Mr. Tang Yeng Yuen was appointed as an Independent Non-Executive Director with effect from 20 March 2024.

Directors with multiple board representations ensure that sufficient time and attention are given to the affairs of the Company in order to fulfil their responsibilities and duties to the Company and its Shareholders.

Directors' Access to Information

The Management recognises that the flow of complete, adequate and timely information on an ongoing basis to the Board is essential to the Board's effective and efficient discharge of its duties. As such, the Management provides the Directors with complete, adequate and timely information, including management accounts that keep the Board informed of the Group's performance, position and prospects on a half-yearly basis, and as and when necessary. These management accounts consist of the consolidated profit and loss accounts, analysis of sales, operating profit, pre-tax and attributable profit with variance analysis.

Provision
1.6

The Management has taken a pro-active approach of informing the Directors on a timely basis of important corporate actions to be taken by the Company and events that will affect the Company, even if such developments may not require the approval of the Board. This enables the Directors to be fully cognisant of the decisions and actions of the Management, to make informed decisions and discharge their duties and responsibilities.

Detailed Board papers are prepared for each Board or Board Committee meeting. The Board papers include sufficient information from the Management on financial, business and corporate issues and are normally circulated in advance before each Board or Board Committee meeting. In respect of budgets, any material variance between the projections and actual results should also be disclosed and explained. This enables the Directors to request for and obtain further explanations, where necessary, in order to be briefed before the Board or Board Committee meeting.

Directors make all necessary enquiries and request from the Management additional information as may be required to make informed decisions and effectively discharge their responsibility as Directors.

The Directors, in furtherance of their duties, are allowed to seek and obtain legal and other independent professional advice, if necessary, at the Company's expense, concerning any aspect of the Group's operations or undertakings in order to fulfil their roles and responsibilities as Directors.

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Access to the Management and Company Secretary

The Directors have separate and independent access to the Management and the Company Secretary. Provision 1.7

The appointment and removal of the Company Secretary is a matter for the Board to decide as a whole. The Company Secretary (or his or her representative) administers, attends and prepares minutes of all the Board and Board Committees meetings and assists the Chairman of the Board and/or the Board Committees in ensuring proper procedures at such meetings are followed and reviewed so that the Board and the Board Committees function effectively.

The members of the Board may seek the advice of independent professional advisers, the cost of which will be borne by the Company.

Principle 2: Board Composition and Guidance

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.

Members of the Board of Directors

As at the date of this Corporate Governance Report, the Board comprises four (4) Executive Directors and five (5) Independent Non-Executive Directors. Details of each Director are set out below as required under Rule 1204(10B) of the Catalist Rules: Catalist Rule 1204 (10B)

Name of Director	Designation	Date of First Appointment	Date of Last Re-Election	ARMC	NC	RC
Chan Heng Fai	Executive Chairman, Executive Director and CEO	31 May 2013	30 April 2022	–	Member	–
Chan Tung Moe	Executive Director and Co-CEO	11 December 2020	28 April 2021	–	–	–
Chan King Fai	Independent Non-Executive Director	2 May 2017	29 April 2023	Member	Member	Member
Tao Yeoh Chi	Lead Independent Non-Executive Director	27 June 2013	28 April 2021	–	Member	–
Wong Shui Yeung	Independent Non-Executive Director	5 June 2017	28 April 2021	Chairman	–	Chairman
Wong Tat Keung	Independent Non-Executive Director	27 January 2017	30 April 2022	Member	Chairman	Member
Lui Wai Leung Alan	Executive Director and CFO	2 July 2020	29 April 2023	–	–	–
Lim Sheng Hon, Danny	Executive Director and Senior Vice President of Business Development	2 July 2020	29 April 2023	–	–	–
Tang Yeng Yuen	Independent Non-Executive Director	20 March 2024	N/A	–	–	–



CORPORATE GOVERNANCE REPORT

The Board has at least two (2) Non-Executive Directors who are independent and free of any material business or financial connection with the Company. Catalist Rule 406(3)(c)

Following the changes in the composition of the Board with effect from 20 March 2024 and as of the date of this Corporate Governance Report, the Board comprises four (4) Executive Directors and five (5) Independent Non-Executive Directors. Accordingly, the Independent Non-Executive Directors make up a majority of the Board. Provision 2.2

Presently, there is a strong and independent element on the Board, capable of exercising objective judgement on corporate affairs of the Company. No individual or small group of individuals dominates the Board's decision making. The Independent Non-Executive Directors chair all Board Committees. Provision 2.3
Catalist Rule 406(3)(c)

The Independent Non-Executive Directors provide independent judgment on the corporate affairs of the Group as well as diverse and objective perspectives to enable balanced and well-considered decisions to be made. In particular, the Independent Non-Executive Directors constructively challenge and help develop proposals on the Group's strategic and business plans, review the performance of the Management in meeting agreed goals and objectives and monitor the reporting of performance.

Independence of Directors

The NC reviews and determines the independence of each Director annually in accordance with the definitions of independence under the 2018 Code and the Catalist Rules. Provision 2.1

Each Director is required to complete a Director's independence checklist on an annual basis to confirm his/her independence. The Director's independence checklist is drawn up based on the provisions provided in the 2018 Code and the Catalist Rules and requires each Director to assess whether he considers himself independent despite not being involved in any of the relationships identified in the 2018 Code and the Catalist Rules. The NC then reviews the Director's independence checklist to determine whether each Director is independent. Catalist Rule 406(3)(d)

In accordance with Provision 2.1 of the 2018 Code, the NC considers an independent director as 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.

In determining Directors' independence, the Board further considered Rules 406(3)(d)(i) and (ii) of the Catalist Rules. Pursuant thereto, the Board considered an independent director as one who is not or has not been employed by the Company or any of its related corporations for the current financial year or any of the past three (3) financial years. An independent director would also not have an immediate family member who is employed or has been employed by the Company or any of its related corporations in the current financial year or for any of the past three (3) financial years, and whose remuneration is determined by the RC of the Company.

For FY2023, the Independent Non-Executive Directors have declared their independence in accordance with the provisions of the 2018 Code and the Catalist Rules. The Independent Non-Executive Directors have also confirmed that they do not have any 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.

The Board and the NC have also considered the new Rule 406(3)(d)(iv) of the Catalist Rules which came into effect on 11 January 2023. Pursuant to Rule 406(3)(d)(iv) of the Catalist Rules, a director will not be considered independent if he has been a director of the issuer for an aggregate period of more than nine (9) years (whether before or after listing). Such director may continue to be considered independent until the conclusion of the next annual general meeting of the issuer.

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That said, pursuant to Transitional Practice Note 3 Transitional Arrangements Regarding the Tenure Limit for Independent Directors (“**Transitional Practice Note 3**”) of the Catalist Rules, Rule 406(3)(d) (iv) of the Catalist Rules only takes effect for the Company’s annual general meeting for the financial year ending on or after 31 December 2023.

As at the date of this Corporate Governance Report, Mr. Tao Yeoh Chi will have served on the Board for an aggregate period of more than nine (9) years on 27 June 2022, as he was first appointed to the Board on 27 June 2013. Pursuant to Transitional Practice Note 3 of the Catalist Rules, Mr. Tao Yeoh Chi may only be considered independent until the conclusion of the Company’s annual general meeting for the financial year ending on or after 31 December 2023. Accordingly, Mr. Tao Yeoh Chi will be retiring at the forthcoming AGM.

As a whole, the Nominating Committee, with the concurrence of the Board, has reviewed and determined that the Independent Non-Executive Directors, namely Mr. Chan King Fai, Mr. Tao Yeoh Chi, Mr. Wong Shui Yeung, Mr. Wong Tat Keung and Mr. Tang Yeng Yuen are independent in accordance with the 2018 Code and the Catalist Rules and are able to exercise independent judgement.

Evaluation of Board Size and Composition

The NC is responsible for examining the size and composition of the Board and Board Committees. Having considered the scope and nature of the Group’s business and the requirements of the business in the financial year under review, the NC is of the view that the Board and Board Committees are of an appropriate size, and comprise Directors who have the appropriate balance and mix of expertise, skills, experience and attributes to oversee the Company’s business.

Provision
2.4

Collectively, the Board has competencies in areas which are relevant and valuable to the Group, such as accounting, legal, corporate finance, business development, management, sales and strategic planning. In particular, our CEO and Executive Chairman has many years of experience in the property development sector and the investment business sector that we operate in.

The Board is of the view that the current board size of nine (9) Directors is sufficient and adequate for effective decision-making, taking into account the scope and nature of the operations of the Company, the requirements of the business, and the need to avoid undue disruptions from changes to the composition of the Board and Board Committees.

As the Company is continually charting its growth strategy, the NC will continuously review the composition and size of the Board on an annual basis to ensure that it will have the necessary competencies for effective decision making. When the need arises to identify suitable Director nominees, the NC will consider diversity in gender, in addition to skills, experience and knowledge, as a relevant factor in selection and nomination.

Board Diversity Policy

The Board’s policy in identifying director nominees is primarily to have an appropriate balance and mix of members with complementary skills, knowledge, experience and core competencies for the Company. The Board also has regard to other aspects of diversity such as gender and age, so as to avoid groupthink and foster constructive debate.

The Company recognises that a diverse Board will enhance the decision-making process by utilising the variety in skills, industry and business experiences, gender and other distinguishing qualities of the members of the Board. As such, the Board will take into consideration the skill sets and experience, including gender diversity, for any future Board appointments. Having said that, gender is but one aspect of diversity and new directors will continue to be selected based on objective criteria set as part of the process for appointment of new directors and Board succession planning.



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The current Board composition provides a diversity of skills, experience and knowledge to the Company as follows:

Core Competencies	Number of Directors	Proportion of Board
Accounting or finance	4	45%
Legal or corporate governance	2	22%
Strategic planning experience	3	33%

The NC is aware of the requirements under Rule 710A of the Catalist Rules in relation to board diversity, and after considering the current Board composition and experience of the Directors, the Board, in consultation with the NC, is of the view that, for the time being, the Board's policy has allowed the Company to achieve diversity in the Board. As such, the Board, in consultation with the NC, is of the view that it is currently not necessary to set targets in relation to achieving diversity in the Board, and consequently, the accompanying plans and timelines, and progress updates in relation to the same.

The NC notes that the current Board comprises only of male Directors. Nonetheless, the NC acknowledges that gender is one of the important aspects of diversity. Accordingly, the NC is committed to improving the gender diversity of the Board based on the needs of the Company and if the opportunity arises. As alluded to previously, the Company has not set any specific targets for female directors on the Board as it may detract from the Board's policy in selecting an appropriate balance and mix of members with complementary skills, knowledge, experience and core competencies for the Company.

Notwithstanding the foregoing, the NC will review the relevant objectives and potential targets to be set for promoting and achieving diversity on the Board, and make recommendations for approval by the Board. The NC will review this policy from time to time as appropriate and depending on the progress made. The NC and the Board will also continually assess and institute board diversity targets when the need arises.

The NC will, in reviewing and assessing the composition of the Board and recommending the appointment of new directors to the Board, consider candidates on merit against the objective criteria set and with due regard for the benefits of diversity on the Board.

To facilitate a more effective check on the Management, the Independent Non-Executive Directors, led by the Lead Independent Non-Executive Director, have regularly met without the presence of the Management in FY2023 to review any matters that they wish to raise privately, constructively challenge and help develop proposals on company strategy, review the performance of the Management in meeting agreed goals and objectives and monitor the reporting of performance. After the conclusion of the meeting, the Lead Independent Non-Executive Director provides feedback to the Board as appropriate.

Provision
2.5

Principle 3: Chairman and Chief Executive Officers

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.

Mr. Chan Heng Fai is both the Executive Chairman and the CEO of the Company.

Provision
3.1

Although the Executive Chairman and the CEO of the Company are the same person, the Board is able to exercise its powers objectively and independently from the Management.

The Independent Non-Executive Directors make up more than half the Board. No individual or small group of individuals dominate the Board's decision-making process. The CEO and senior Management regularly consult with individual Directors of the Board and seek the advice of members of the Board Committees through meetings, telephone calls as well as by electronic mail.

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To ensure an appropriate balance of power, increased accountability, and greater capacity of the Board for independent decision making, the Company has appointed Mr. Tao Yeoh Chi as the Lead Independent Non-Executive Director of the Company for FY2023.

In light of the tenure limit for Independent Directors as set out in Provision 2.1 of this Corporate Governance Report, the Company has designated Mr. Tang Yeng Yuen as the new Lead Independent Non-Executive Director of the Company with effect from 1 May 2024, as the current Lead Independent Non-Executive Director, Mr. Tao Yeoh Chi, is retiring at the upcoming AGM.

Responsibilities of the Executive Chairman

The Executive Chairman is responsible for leading the Board and ensuring that the Board acts in the best interests of the Company and its Shareholders. Provision 3.2

The Chairman's responsibilities include:

- (a) leading the Board to ensure its effectiveness on all aspects of its role;
- (b) scheduling meetings, setting the agenda and ensuring that adequate time is provided for all agenda items, in particular strategic issues to enable the Board to perform its duties responsibly while not interfering with the flow of the Company's operations;
- (c) promoting a culture of openness and debate at the Board;
- (d) ensuring that the Directors receive complete, adequate, accurate, timely and clear information and that discussions at the Board level are conducted objectively and professionally where all views are heard and key issues are debated in a fair and open manner;
- (e) exercising control over the quality, quantity and timeliness of the flow of information between the Board and the Management and facilitating the relationship between the Board, and the Management, engaging them in constructive discussions over various matters, including strategic issues and business planning processes;
- (f) facilitating the effective contribution of all Directors, in particular the Independent Non-Executive Directors;
- (g) encouraging appropriate and constructive relations between the Executive Directors and the Independent Non-Executive Directors, as well as ensuring effective communication with Shareholders; and
- (h) promoting high standards of corporate governance.

In addition, the Chairman is the face of the Board and ensures effective communication between Shareholders and other stakeholders of the Company. The Chairman ensures appropriate relations within the Board and between the Board and the Management.

Responsibilities of the CEO

As the CEO of the Company, Mr. Chan Heng Fai is accountable to the Board for the conduct and performance of the Group. He has been delegated authority to make decisions within certain financial limits authorised by the Board.



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Lead Independent Non-Executive Director

The Board has appointed Mr. Tao Yeoh Chi as the Lead Independent Non-Executive Director to provide leadership where the Chairman is conflicted during FY2023. Provision 3.3

Mr. Tao Yeoh Chi is available to Shareholders where they have concerns for which contact through the normal channels of communication with the Executive Chairman and Management are inappropriate or inadequate.

In addition, Mr. Tao Yeoh Chi facilitates communication within the Board and between the Board and Shareholders where necessary. Mr. Tao Yeoh Chi's roles include providing a channel to Independent Non-Executive Directors for confidential discussions on any concerns and to resolve conflicts of interest as and when necessary.

Mr. Tao Yeoh Chi will be retiring at the upcoming AGM. The Company has designated Mr. Tang Yeng Yuen as the new Lead Independent Non-Executive Director of the Company with effect from 1 May 2024.

Principle 4: Board Membership

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.

NC's Key Terms of Reference

The NC is guided by a set of written terms of reference, and its principal responsibilities as set out in its terms of reference include the following: Provision 4.1

- (a) reviewing and assessing candidates for directorships (including executive directorships) before making recommendations to the Board for the appointment and re-appointment of Directors; Catalist Rule 406(3)(e)
- (b) establishing and reviewing the terms of reference for the NC annually;
- (c) nominating Directors for re-election in accordance with the Company's Constitution at each AGM;
- (d) determining annually, and as and when circumstances require, the independence of Directors;
- (e) recommending and reviewing board succession plans for Directors, in particular the appointment and/or replacement of the Chairman, the CEO and key management personnel;
- (f) reviewing the training and professional development programs for the Board and its Directors;
- (g) reviewing and making recommendations to the Board on the appointment and re-appointment of Directors (including alternate directors, if any);
- (h) developing and implementing a process and objective criteria for evaluation of the performance of the Board, its Board Committees and Directors; and
- (i) evaluating the Board's effectiveness as a whole and each Director's contribution to its effectiveness in accordance with the assessment process and performance criteria adopted.

The NC will, at least once every year, review and thereafter, make recommendations to the Board regarding the Board structure, size, composition and core competencies.

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Composition of NC

As at the date of this Corporate Governance Report, the NC comprises three (3) Independent Non-Executive Directors and one (1) Executive Director: Provision 4.2

Mr. Wong Tat Keung (Chairman)	Independent Non-Executive Director
Mr. Tao Yeoh Chi (Member)	Lead Independent Non-Executive Director
Mr. Chan King Fai (Member)	Independent Non-Executive Director
Mr. Chan Heng Fai (Member)	Executive Chairman, Executive Director and CEO

Re-appointment of Directors

Pursuant to Regulation 89 of the Company's Constitution, at each AGM, at least one-third of the Directors for the time being are required to retire from office by rotation, provided always that all Directors are required to retire at least once in three (3) years. Further, Rule 720(4) of the Catalist Rules prescribes that all Directors are required to submit themselves for re-nomination and re-appointment at least once every three (3) years. Catalist Rules 720(4) & (5)

The Directors who are retiring pursuant to Regulation 89 of the Company's Constitution are:

- (i) Mr. Chan Tung Moe;
- (ii) Mr. Tao Yeoh Chi; and
- (iii) Mr. Wong Shui Yeung.

Pursuant to Regulation 88 of the Company's Constitution, the Company may by ordinary resolution appoint any person to be a Director either to fill a casual vacancy or as an additional Director, and any person so appointed shall hold office only until the next AGM and shall then be eligible for re-election.

The Director who is retiring pursuant to Regulation 88 of the Company's Constitution is:

- (i) Mr. Tang Yeng Yuen.

Mr. Tao Yeoh Chi has indicated that he will not be seeking for re-election at the forthcoming AGM as he will be retiring as a Director in view of the tenure limit for Independent Directors.

The NC has recommended to the Board that each of Mr. Chan Tung Moe, Mr. Wong Shui Yeung and Mr. Tang Yeng Yuen be nominated for re-election at the forthcoming AGM.

Each of Mr. Chan Tung Moe, Mr. Wong Shui Yeung and Mr. Tang Yeng Yuen have given their consent to remain in office and will submit themselves for re-election at the forthcoming AGM.

Mr. Chan Tung Moe, upon re-election as a Director of the Company, will remain as an Executive Director and Co-CEO of the Company.

Mr. Wong Shui Yeung, upon re-election as a Director of the Company, will remain as an Independent Non-Executive Director of the Company and the Chairman of the Audit and Risk Management Committee and the Remuneration Committee. Mr. Wong Shui Yeung is considered independent for the purposes of Rule 704(7) of the Catalist Rules. Mr. Wong Shui Yeung does not have any relationships including immediate family members between himself and the Directors, the Company and its substantial shareholders.

Mr. Tang Yeng Yuen, upon re-election as a Director of the Company, will remain as an Independent Non-Executive Director of the Company.

Pursuant to Rule 720(5) of the Catalist Rules, additional information on the Directors seeking re-election is set out in the section titled "Additional Information on Directors Seeking Election/Re-Election" in this Annual Report.



CORPORATE GOVERNANCE REPORT

Selection, Appointment and Re-appointment Process

The NC's process for the selection, appointment and re-appointment of Directors takes into consideration the composition and progressive renewal of the Board, as well as each Director's competencies, commitment and contribution and performance, including his performance as an Independent Non-Executive Director if applicable. Provision
4.3

The process for the selection and appointment of Directors to the Board, including the search and nomination process, which is led by the NC, is as follows:

- (a) evaluating the balance of skills, knowledge and experience of the Board and, in the light of such evaluation and in consultation with the Management, preparing a description of the role and the essential and desirable competencies for a particular appointment;
- (b) where necessary, external help may be used to source for potential candidates. The Board and the Management may also make suggestions;
- (c) meeting with short-listed candidates to assess their suitability and to ensure that the candidates are aware of the expectations and the level of commitment required; and
- (d) make recommendations to the Board for approval.

In selecting and appointing potential Directors, the NC will seek out and source for a wide range of suitable candidates including persons not directly known to the Directors. In addition, the NC is empowered to engage professional search firms to seek out and source for suitable candidates, at the Company's expense. The NC gives due consideration to all suitable candidates regardless of who identified the candidate. The NC will interview all suitable candidates in frank and detailed meetings, and thereafter review and evaluate the candidates, taking into account the candidate's track record, experience, capabilities and other relevant factors, and make its recommendations to the Board on all candidates nominated for appointment to the Board for approval. New Directors are appointed by way of a Board resolution following which they are subject to re-election at the next AGM.

In nominating Directors for re-appointment, the NC assesses and recommends to the Board whether the retiring Directors are suitable for re-election, taking into consideration the range of expertise, skills and attributes of the Board and its composition. The NC also considers each Director's competencies, commitment, contribution and performance which include the attendance, level of preparedness, participation and candour of such Director although nomination for re-election or replacement does not necessarily reflect the Directors' performance, commitments or contributions to the Board.

The NC is of the view that the current Board size is adequate for effective decision-making and meets the current needs of the Company, taking into account the nature and the scope of the Company's operations in respect of FY2023.

The NC reviews and affirms the independence of the Company's Independent Non-Executive Directors annually in accordance with the 2018 Code and Catalyst Rules. Provision
4.4

The Independent Non-Executive Directors have confirmed that they do not have any 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.

Further details are set out in Provision 2.1 of this Corporate Governance Report.

CORPORATE GOVERNANCE REPORT



The NC ensures that new Directors are aware of their duties and obligations. Further details on the new Directors' induction into the Board, briefing on their duties and the receipt of mandatory training as prescribed by the SGX-ST are set out in Provision 1.2 of this Corporate Governance Report.

Provision
4.5

In evaluating the Directors' performance for the financial year, the NC takes into account the attendance of the Directors at Board or Board Committee meetings, results of the assessment of the effectiveness of the Board as a whole and its Board Committees, and the respective Directors' actual conduct on the Board and its Board Committees.

The NC and the Board were satisfied that in FY2023, all the Directors gave sufficient time and attention to the affairs of the Company, and had adequately carried out their duties as Directors notwithstanding their multiple board representations (where applicable) and other principal commitments.

Multiple Directorships

The NC does not prescribe a fixed number of listed company directorships outside of the Group for each Director, as it believes that any maximum number established is unlikely to be representative of the participation, commitment and skills and expertise that a Director may contribute to the Board, and his or her overall effectiveness.

The Board and the NC determine annually the number of directorships and principal commitments of each Director in assessing whether he is able to or has been adequately carrying out his duties. All Directors are required to declare their board representations in other companies by completing a declaration form disclosing the required information.

The NC determines annually whether each Director with multiple board representations or other principal commitments outside of the Group is able to and has been adequately carrying out his or her duties as a Director of the Company.

As at the date of this Corporate Governance Report, key information regarding the Directors' profiles, including directorships or chairmanships both present and those held over the preceding five (5) years in other listed companies, and other principal commitments, are set out below:



CORPORATE GOVERNANCE REPORT

Name of Director	Date of appointment of Directorships or Chairmanships in the Company	Directorships or Chairmanships in other listed companies and other Principal commitments	
		Present	Past 5 years
Chan Heng Fai	Appointed as Non-Executive Director on 31 May 2014	DSS, Inc.	RSI International Systems, Inc. (resigned in March 2019)
	Re-designated as Executive Director on 1 March 2014	Sharing Services Global Corporation	Holista Colltech Limited (resigned in June 2021)
	Appointed as CEO on 28 April 2014	Alset Inc. (formerly known as Alset EHome International Inc.)	OptimumBank Holdings, Inc. (resigned in April 2022)
	Appointed as Executive Chairman on 5 June 2017	Value Exchange International, Inc. HWH International Inc. (formerly known as Alset Capital Acquisition Corp.)	
Tao Yeoh Chi	Appointed as Independent Non-Executive Director on 27 June 2013	Ntegrator Holdings Lim-ited	
Wong Tat Keung	Appointed as Independent Non-Executive Director on 27 January 2017	Alset Inc. (formerly known as Alset EHome International Inc.)	ROMA Group Limited (resigned in January 2020)
		Welif Technology Limited (formerly known as Palace Banquet Holdings Limited)	Lerthai Group Limited (In Liquidation) (has been delisted since 15 August 2022)
		HWH International Inc. (formerly known as Alset Capital Acquisition Corp.)	
		Value Exchange International, Inc.	
Chan King Fai	Appointed as Independent Non-Executive Director on 2 May 2017	–	Fire Rock Holdings Limited
Wong Shui Yeung	Appointed as Independent Non-Executive Director on 5 June 2017	Alset Inc. (formerly known as Alset EHome International Inc.)	Lerthai Group Limited (has been delisted since 15 August 2022)
		HWH International Inc. (formerly known as Alset Capital Acquisition Corp.)	SMI Holdings Group Limited (has been delisted since 14 December 2020)
		DSS, Inc.	SMI Culture & Travel Group Holdings Limited (has been delisted since 21 March 2022)
		Value Exchange International, Inc.	
Lui Wai Leung Alan	Appointed as CFO on 1 November 2016	–	–
	Appointed as Executive Director on 2 July 2020	First Credit Finance Group Limited	

CORPORATE GOVERNANCE REPORT



Name of Director	Date of appointment of Directorships or Chairmanships in the Company	Directorships or Chairmanships in other listed companies and other principle commitments	
		Present	Past 5 years
Lim Sheng Hon, Danny	Appointed as Executive Director on 2 July 2020	Alset Inc. (formerly known as Alset EHome International Inc.) DSS, Inc. Value Exchange International, Inc.	–
Chan Tung Moe	Appointed as Group Chief Development Officer on 11 August 2020 Appointed as Executive Director on 11 December 2020 Appointed as Co-CEO on 1 March 2021	Alset Inc. (formerly known as Alset EHome International Inc.) DSS, Inc.	–
Tang Yeng Yuen	Appointed as Independent Non-Executive Director on 20 March 2024	–	–

Principle 5: Board Performance

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

The NC has recommended and implemented a formal Board evaluation process to be carried out annually to assess the effectiveness of the Board as a whole and its Board Committees, namely, the ARMC, the NC and the RC, and the contribution by the Chairman and each individual Director to the effectiveness of the Board. The Board evaluation considers the Board's composition (balance of skills, experience, independence, knowledge of the Company and diversity), Board practices and conduct, and how the Board as a whole adds value to the Company. Provision 5.1

The NC also recommends for the Board's approval the objective performance criteria and process for the abovementioned evaluation to identify areas for improvement and to implement appropriate action.

The areas of assessment under the Board evaluation process are set out below:

- (a) Board's conduct of meetings;
- (b) Board's review of corporate strategy and planning;
- (c) risk management and internal controls;
- (d) whistle-blowing matters;
- (e) measuring and monitoring performance;
- (f) recruitment and evaluation;
- (g) compensation for Board and key executives;
- (h) succession planning;
- (i) financial reporting; and
- (j) communication with Shareholders.



CORPORATE GOVERNANCE REPORT

These objective performance criteria are approved by the Board, and address how the Board has enhanced long-term Shareholders' value. The areas of assessment under the Board's evaluation process do not change unless circumstances deem it necessary. If so, the decision to change the areas of assessment would be justified by the Board and the NC.

Evaluation of Board Performance

The NC has reviewed and assessed the effectiveness of the Board based on the objective performance criteria approved by the Board, as detailed above. Provision
5.2

During the financial year, Directors were requested to complete self-assessment checklists based on the above areas of assessment to assess their views on various aspects of the Board's and the Board Committees' performance, such as composition, information, process and accountability and the overall effectiveness of the Board and its Board Committees. Factors considered include the suitability of the size of the Board or Board Committees for effective debate and decision-making, competency mix of Directors and regularity of meetings. The results of these self-assessment checklists were considered by the NC. The Chairman of the NC, Mr. Wong Tat Keung, would review the results of the Board evaluation, and in consultation with the NC, propose to the Board, where appropriate, to make relevant changes to the Board's or the Board Committees' size and composition.

In evaluating each individual Director's performance, the NC assessed whether each Director was willing and able to constructively challenge and contribute effectively to the Board and demonstrate commitment to his role on the Board.

The NC, having assessed the current Board's and Board Committees' overall performance to-date, their roles and responsibilities, is of the view that the performance of the Board as a whole, each Board Committee and each individual Director were satisfactory and have met its performance objectives for FY2023.

No external facilitator was used during the evaluation process in FY2023.

Going forward, the NC will continue to review the formal Board evaluation process for assessing the Board's and each Board Committee's performance, and also review the contribution of each individual Director to the effectiveness of the Board and their relevant Board Committees. The Chairman of the NC, Mr. Wong Tat Keung, will act on the results of the Board evaluation, and where appropriate, propose new members to be appointed to the Board or seek the resignation of Directors in consultation with the NC.

Each member of the NC shall abstain from voting on any resolutions in respect of the assessment of his performance or his nomination for re-election as a Director of the Company.

(B) Remuneration Matters

Principle 6: Procedures for Developing Remuneration Policies

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.

RC's Key Terms of Reference

The RC is guided by a set of written terms of reference, and its principal responsibilities as set out in its terms of reference include the following: Provision
6.1

- (i) reviewing and recommending to the Board a general framework of remuneration which covers all aspects of remuneration, including but not limited to Directors' fees, salaries, allowances, bonuses and benefits-in-kind for the Board and key management personnel; and
- (ii) reviewing and recommending to the Board the specific remuneration packages and terms of employment (where applicable) for each Director and key management personnel.

CORPORATE GOVERNANCE REPORT



The RC's recommendations in respect of the Directors' remuneration are submitted for endorsement by the Board and the Board is ultimately accountable for all decisions relating to remuneration.

The RC considers all aspects of remuneration, including but not limited to Directors' fees, salaries, allowances, bonuses, benefits-in-kind and specific remuneration packages for each Director as well as for the key management personnel, to ensure they are fair.

Provision
6.3

The RC reviews the Company's obligation arising in the event of termination of 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.

Each member of the RC shall abstain from voting and discussion on any resolutions in respect of his or her own remuneration package.

Composition of RC

The RC comprises three (3) Independent Non-Executive Directors:

Provision
6.2

Mr. Wong Shui Yeung (Chairman)	Independent Non-Executive Director
Mr. Wong Tat Keung (Member)	Independent Non-Executive Director
Mr. Chan King Fai (Member)	Independent Non-Executive Director

All members of the RC are Independent Non-Executive Directors. The Chairman of the RC, Mr. Wong Shui Yeung, is independent.

Remuneration Consultant(s)

No remuneration consultants were engaged by the Company during FY2023. Where necessary, the expenses of any external remuneration consultants engaged for advice on remuneration matters shall be borne by the Company.

Provision
6.4

Principle 7: Level and Mix of Remuneration

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.

Policy and criteria for setting remuneration

The Company sets out remuneration packages that are able to attract, retain and motivate the Directors and the Management without being excessive, thereby promoting the long-term success of the Company and maximising Shareholders' value. The remuneration packages take into account the performance of the Group and the individual Directors. In addition, the Company tailors each Director and key management personnel's remuneration to his or her specific role and circumstances.

Provision
7.1

The RC ensures that both the total remuneration as well as individual pay components, i.e., annual fixed cash, annual performance incentives and the long-term incentives, are market competitive and are performance driven, and are aligned with the interests of shareholders and other stakeholders, in order to promote the long-term success of the Company.

The annual fixed cash component of Executive Directors and key management personnel's remuneration comprises the annual basic salary plus fixed allowances which the Company benchmarks with the relevant industry market data, where available. The annual performance incentive variable bonus is tied to the performance of the Company, business unit and individual employee. Performance conditions to which entitlement to such annual and short-term incentives are subject include benchmarking performance to industry business operation expectations and performance that exceeds such expectations, as well as measuring performance based on the Company's financial performance vis-à-vis industry performance.



CORPORATE GOVERNANCE REPORT

The RC also performs an annual review of the remuneration of employees related to the Directors and substantial shareholders to ensure that their remuneration packages are in line with the staff remuneration guidelines and commensurate with their respective job scopes and level of responsibilities.

The RC has put in place the Group's remuneration policy for all Executive Directors and key management personnel which includes a variable component in the form of a variable bonus, grant of share options under the 2013 Share Option Scheme (as defined herein) (prior to the scheme's expiration on 20 November 2023) or award of performance shares under the 2014 Performance Share Plan (as defined herein), which will be linked to the performance of each individual Executive Director and key management personnel, and will be assessed based on their respective key performance indicators or conditions.

As part of its efforts to link rewards to corporate and individual performance in relation to the Management's remuneration, the Group had introduced long-term incentive schemes. The Alset Share Option Scheme ("**2013 Share Option Scheme**") which was adopted on 20 November 2013, has since expired, and the Alset Performance Share Plan ("**2014 Performance Share Plan**") which was adopted on 23 October 2014, will be expiring on 23 October 2024. In this regard, the Company is proposing to adopt a new share option scheme ("**2024 Share Option Scheme**") and renew the 2014 Performance Share Plan ("**2024 Performance Share Plan**") at the upcoming AGM.

The RC will be given the responsibility to administer both the 2024 Share Option Scheme and the 2024 Performance Share Plan. The RC shall review and set appropriate performance conditions for each individual. The variable component will also take into account the risk policies of the Company, be symmetric with risk outcomes and be sensitive to time horizon risks. Further details on the 2024 Share Option Scheme and the 2024 Performance Share Plan are set out in Provision 8.3 of this Corporate Governance Report, and the Company's letter to Shareholders dated 15 April 2024.

The Company currently does not use contractual provisions to allow the Company to reclaim incentive components of remuneration from its Executive Directors and key management personnel in exceptional circumstances of misstatement of financial results, or of misconduct resulting in financial loss to the Group (which amounts to a breach of the fiduciary duties owed to the Company). This is because the Company is able to avail itself to the full extent of the remedies available against the Executive Directors in the event of such breach of fiduciary duties, and need not rely on the use of contractual provisions to reclaim the same.

The RC reviews the Company's obligations arising in the event of the termination of an Executive Director's or key management personnel's contract of service, to ensure that such contracts of service contain fair and reasonable termination clauses which are not overly generous. The RC has reviewed and put in place the abovementioned contractual provisions in future renewals of service contracts of its Executive Directors and key management personnel.

Remuneration of Executive Director

The Executive Directors do not receive Directors' fees. The letter of appointment of each Executive Director does not contain onerous renewal clauses and may be terminated by giving one (1) month to three (3) months prior written notice or an amount equal to one (1) month to three (3) months' salary in lieu of such notice.

Remuneration of Non-Executive Directors

Each Non-Executive Director of the Company is paid Directors' fees in accordance with the level of his contribution to the Board, taking into consideration factors such as the effort, time spent by and responsibilities of each Non-Executive Director, as well as the remuneration rates of comparable companies listed on the Catalist board of the SGX-ST. The remuneration of each Non-Executive Director is subject to shareholders' approval at the AGM.

Provision
7.2

The Group's remuneration policy is to ensure that the remuneration offered is competitive and sufficient to attract, retain and motivate Directors and the Management to provide good stewardship and successfully manage the Company for the long term.

Provision
7.3

Principle 8: Disclosure on Remuneration

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.

Level and Mix of Remuneration

The RC has adopted a framework for Directors' fees which comprises of a basic fee, additional fees for appointment to and chairing of Board Committees and constructive contributions. Details on the Company's policy and criteria for setting remuneration are set out in Principle 7 of this Corporate Governance Report.

Provision
8.1

Details of remuneration and fees paid by the Group to the Directors and key management personnel in the financial year under review are set out below:

Remuneration Bands & Name of Directors	Total Remuneration (\$S'000)	Salary (%)	Variable bonus (%)	Director's Fees (%)	Benefits in kind	Long Term Incentives	Total (%)
Directors							
Between S\$0 to S\$500,000							
Chan Heng Fai	- ¹	-	-	-	-	-	-
Tao Yeoh Chi	40	-	-	100	-	-	100
Wong Tat Keung	30	-	-	100	-	-	100
Chan King Fai	30	-	-	100	-	-	100
Wong Shui Yeung	30	-	-	100	-	-	100
Lam Lee G ²	26	-	-	100	-	-	100
Lui Wai Leung Alan	207	100	-	-	-	-	100
Lim Sheng Hon, Danny	260	92	8	-	-	-	100
Chan Tung Moe	228	92	8	-	-	-	100
Tang Yeng Yuen ³	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Note

- (1) Mr. Chan Heng Fai's remuneration for FY2023 is nil.
- (2) Dr Lam Lee G. resigned as an Independent Non-Executive Director with effect from 7 November 2023.
- (3) Mr. Tang Yeng Yuen was appointed as an Independent Non-Executive Director with effect from 20 March 2024.

Remuneration Bands & Name of Key Management Personnel	Salary (%)	Variable bonus (%)	Benefits in kind	Long Term Incentives	Total (%)
Between S\$250,000 – S\$500,000					
Michael Gershon	90	10	-	-	100
Below S\$250,000					
Wei Rongguo	100	-	-	-	100
Ang Hay Kim	93	7	-	-	100

The aggregate amount of the total remuneration paid to the Directors (including Dr Lam Lee G.) was S\$850,240 in FY2023.

The Group had only three (3) key Management personnel for FY2023. The aggregate amount of the total remuneration paid to the top three (3) key management personnel (who are not Directors or the CEO) was S\$678,940 in FY2023. Other than as disclosed, the Company has no other employee who has the authority and responsibility for planning, directing and controlling the activities of the Company.



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Mrs. Mabel Chan Yoke Keow, the Executive Assistant to the CEO of the Company, is the spouse of Mr. Chan Heng Fai, the Executive Chairman and the CEO of the Company. Mrs. Mabel Chan Yoke Keow's remuneration for FY2023 was S\$39,000. Provision 8.2

Mr. Chan Tung Moe, an Executive Director and Co-CEO of the Company, is the son of Mr. Chan Heng Fai, the Executive Chairman and the CEO of the Company. Mr. Chan Tung Moe's remuneration for FY2023 was S\$227,500.

Ms. Ang Hay Kim, the SVP, Corporate Services of the Company, is the mother of Mr. Lim Sheng Hon, Danny, the Executive Director and the SVP, Business Development of the Company. Ms. Ang Hay Kim's remuneration band for FY2023 was between S\$100,000 and S\$200,000.

Save as disclosed above, there were no other employees who are either a substantial shareholder or immediate family members of the Directors, the CEO or substantial shareholders of the Company whose remuneration exceeded \$100,000 in FY2023.

Forms of remuneration and other payments and benefits

Details on the amounts and breakdown of remuneration are set out in Provision 8.1 of this Corporate Governance Report. Provision 8.3

Alset Share Option Scheme

The Company had in place the 2013 Share Option Scheme which was adopted at an extraordinary general meeting ("EGM") of the Company held on 20 November 2013. The duration of the 2013 Share Option Scheme was 10 years from the date that it was adopted by the Company. The 2013 Share Option Scheme had accordingly expired and lapsed on 20 November 2023. In this regard, the Company is proposing to adopt a new scheme, i.e., the 2024 Share Option Scheme, at the upcoming AGM, on substantially the same terms as the 2013 Share Option Scheme, with the key differences as follows: Catalyst Rule 1204(16) Catalyst Rule 851

- (a) extension of the 2024 Share Option Scheme to include Associated Company Employees and Parent Group Employees (including Executive Directors of Associated Companies and of the Parent Group), and Non-Executive Directors (including Independent Directors) of Associated Companies and of the Parent Group (capitalised terms herein shall have the meanings ascribed to them in the letter to shareholders dated 15 April 2024); and
- (b) options with the Exercise Price set at Market Price under the 2024 Share Option Scheme can be exercisable in part in respect of 100 Shares or any multiple thereof, instead of being exercisable in part in respect of 1,000 Shares or any multiple thereof under the 2013 Share Option Scheme.

The 2024 Share Option Scheme will be administered by the Scheme Committee (capitalised terms herein shall have the meanings ascribed to them in the letter to shareholders dated 15 April 2024).

The objectives of the 2024 Share Option Scheme are to, *inter alia*:

- (a) motivate participants to achieve higher efficiency and productivity and improve the performance of the Group and its businesses;
- (b) instil a sense of loyalty to the Group in the participants, and to create an incentive for participants to work towards the long-term wellbeing of the Group;
- (c) align the interests of participants with Shareholders' interests;
- (d) make employees' and/or Directors' remuneration sufficiently competitive to recruit and retain participants whose contributions are important to the growth and profitability of the Group;
- (e) attract potential employees and/or Directors with relevant skills to contribute to the Group; and
- (f) give recognition to the contributions made or to be made or to be made by Group Employees, Associated Company Employees and Parent Group Employees (including Executive Directors) and Non-Executive Directors (including Independent Directors) to the success of the Group.

The following persons shall be eligible to participate in the 2024 Share Option Scheme:

- (a) confirmed employees of the Group;
- (b) confirmed employees of Associated Companies;
- (c) confirmed employees of Parent Group;
- (d) Executive Directors of the Group, Associated Companies and Parent Group; or
- (e) Non-Executive Directors (including Independent Directors) of the Group, Associated Companies and Parent Group.

Other salient information relating to the 2024 Share Option Scheme is set out below:

- (a) the aggregate number of shares in respect of which share options may be granted on any date under the 2024 Share Option Scheme, when added to the amount of shares issued and issuable and/or transferred and transferrable in respect of all shares available under the 2024 Share Option Scheme and all shares, options or awards under any other share option or share scheme of the Company then in force, shall not exceed 20% of the number of issued shares (excluding treasury shares) of the Company on the day immediately preceding the date on which the share option is granted (or such other limit as the SGX-ST may determine from time to time) provided that the aggregate number of shares over which an option may be granted to participants who are controlling shareholders or his associate under the 2024 Share Option Scheme shall not exceed 25% of the total number of shares available under the 2024 Share Option Scheme and such other share based incentive schemes of the Company, and the number of new shares over which an option may be granted to participants who are controlling shareholders or his associate under the 2024 Share Option Scheme shall not exceed 10% of the total number of shares available under the 2024 Share Option Scheme and such other share based incentive schemes of the Company;
- (b) the aggregate number of shares in respect of which share options may be offered to a participant for subscription in accordance with the 2024 Share Option Scheme shall be determined at the discretion of the Scheme Committee who shall take into account criteria such as rank, skills, experience, past performance, years of service, potential for future development and contribution to the Group of the participant;
- (c) the exercise price for each share in respect of which a share option is exercisable shall be determined by the Scheme Committee, in its absolute discretion, on the date on which the share option is granted, at a price equal to the Market Price, or a price which is set at a discount to the Market Price, provided that the maximum discount shall not exceed fifty per cent. (50%) of the Market Price and specific prior approval of Shareholders at a general meeting in a separate resolution have authorised the making of offers and grants of share options under the 2024 Share Option Scheme at a discount not exceeding the maximum discount as aforesaid;
- (d) “**Market Price**” refers to a price equal to the average of the closing market prices of the shares over a period of five (5) consecutive market days immediately prior to the date on which the share option is granted, provided always that in the case of a market day on which shares were not traded on the SGXST, the closing market price for the shares on such market day shall be deemed to be the closing market price of the shares on the immediately preceding market day on which shares were traded, rounded up to the nearest whole cent in the event of fractional prices; and
- (e) share options granted with the exercise price set at Market Price shall only be exercisable, in whole or in part, by a participant after the first (1st) anniversary of the date on which the share option was granted. Share options granted with the exercise price set a discount to the Market Price shall only be exercisable, in whole or in part, by a participant after the second (2nd) anniversary of the date on which the share option was granted.

Further details on the 2024 Share Option Scheme can be found in the Company’s letter to Shareholders dated 15 April 2024.

Separately, in relation to the 2013 Share Option Scheme, save as disclosed in the table below, since the implementation of the 2013 Share Option Scheme, no share options were granted under the 2013 Share Option Scheme to any Directors, controlling shareholders or associates of controlling shareholders, and no employee of the Group has received 5% or more of the total number of share options available under the 2013 Share Option Scheme.



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Name of Director	Share options granted during FY2023 (including terms)	Aggregate share options granted since commencement of 2013 Share Option Scheme to end FY2023	Aggregate share options exercised since commencement of the 2013 Share Option Scheme to the end of FY2023	Aggregate share options outstanding as at end of FY2023
Chan Heng Fai	–	1,061,333	–	–

The 2013 Share Option Scheme has since lapsed on 20 November 2023. As at 15 April 2024, the 1,061,333 unexercised share options granted to Mr. Chan Heng Fai had lapsed.

Alset Performance Share Plan

The Company implemented its 2014 Performance Share Plan on 23 October 2014 to complement the 2013 Share Option Scheme and to serve as an additional and flexible incentive tool for the Group.

The duration of the 2014 Performance Share Plan is 10 years from the date that it was adopted by the Company. The 2014 Performance Share Plan will accordingly expire and lapse on 23 October 2024. In this regard, the Company is proposing to renew the 2014 Performance Share Plan, i.e., the 2024 Performance Share Plan, at the upcoming AGM, on substantially the same terms, with the key difference being the extension of the 2024 Performance Share Plan to include Associated Company Employees and Parent Group Employees (including Executive Directors of Associated Companies and of the Parent Group) and Non-Executive Directors (including Independent Directors) of Associated Companies and of the Parent Group.

The 2024 Performance Share Plan will be administered by the Plan Committee (capitalised terms herein shall have the meanings ascribed to them in the letter to shareholders dated 15 April 2024).

The objectives of the 2024 Performance Share Plan are to, *inter alia*:

- (a) give recognition to contributions made or to be made by participants by introducing a variable component to their remuneration package;
- (b) motivate participants to achieve higher efficiency of productivity and improve the performance of the Group and its business units, as may be reflected in the price of Shares and with the view of aligning their interests to those of Shareholders;
- (c) provide an opportunity for the participants to participate in the equity of the Company, thereby inculcating a stronger sense of identification with the long-term prosperity of the Group and promoting organisational commitment, dedication and loyalty of the participants towards the Group with a view to building a core group of talented Group Employees, Associated Company Employees and Parent Group Employees;
- (d) increase the competitiveness of the Group by giving it the option to use the 2024 Performance Share Plan as a component in its remuneration and incentive package to attract and retain key Group Employees, Associated Company Employees and Parent Group Employees whose contributions are important to the growth and profitability of the Group.

The following persons shall be eligible to participate in the 2024 Performance Share Plan:

- (a) confirmed employees of the Group;
- (b) confirmed employees of Associated Companies;
- (c) confirmed employees of Parent Group;
- (d) Executive Directors of the Group, Associated Companies and Parent Group; or
- (e) Non-Executive Directors (including Independent Directors) of the Group, Associated Companies and Parent Group.

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Other salient information relating to the 2024 Performance Share Plan is set out below:

- (a) the total number of shares that may be issued or are issuable pursuant to the award of performance shares on any date when added to the aggregate number of shares that are issued or are issuable in respect of such other share based incentive schemes of the Company (if any), shall not exceed 20% (or such other percentage as may be prescribed or permitted from time to time by the SGXST) of the total number of issued shares of the Company on the day immediately preceding the date on which the award of performance shares shall be made, provided that the aggregate number of performance shares which may be awarded to participants who are controlling Shareholders and/or their associates under the 2024 Performance Share Plan shall not exceed 25% of the total number of shares available under the 2024 Performance Share Plan and such other share based incentive schemes of the Company, and the aggregate number of performance shares which may be awarded to each participant who is a controlling Shareholder and/or an associate of a controlling Shareholder under the 2024 Performance Share Plan shall not exceed 10% of the total number of shares available under the 2024 Performance Share Plan and such other share based incentive schemes of the Company;
- (b) awards may only be vested and consequently any performance shares comprised in such awards shall only be delivered upon the Plan Committee being satisfied that the participant has achieved the performance target(s) and the Plan is awarded before expiry of the prescribed performance period provided always that the Plan Committee shall have the absolute discretion to determine the extent to which the performance shares under that award shall be released on the prescribed performance target(s) being satisfied (whether fully or partially) or exceeded, as the case may be, at the end of the prescribed performance period. No performance shares under the award shall be released for the portion of the prescribed performance target(s) that is not satisfied by the participant at the end of the prescribed performance period;
- (c) awards represent the right of a participant to receive fully-paid performance shares free of charge. A participant is entitled to receive fully-paid performance shares subject to certain prescribed performance target(s) being met;
- (d) the selection of a participant, the number of performance shares which are the subject of each award to be made to him, and the prescribed vesting period shall be determined at the absolute discretion of the Plan Committee (capitalised terms herein shall have the meanings ascribed to them in the letter to shareholders dated 15 April 2024), which shall take into account criteria such as his rank, job performance, years of service and potential for future development, his contribution to the success of and development of the Group and the extent of effort required to achieve the performance target(s) within the performance period; and
- (e) an award shall be vested in a participant for as long as he has fulfilled his performance target(s) and the vesting period (if any) has not expired and notwithstanding a transfer of his employment within any company in the Group or any apportionment of performance target(s) within any company in the Group.

Further details on the 2024 Performance Share Plan can be found in the Company's letter to Shareholders dated 15 April 2024.

Separately, in relation to the 2014 Performance Share Plan, save as disclosed in the table below, since the implementation of the 2014 Performance Share Plan, no award of performance shares were granted under the 2014 Performance Share Plan to any Directors, controlling shareholders or associates of controlling shareholders, and no employee of the Group has received 5% or more of the total number of performance shares available under the 2014 Performance Share Plan.



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Name of Director	Performance shares granted during FY2023 (including terms)	Aggregate performance shares granted since commencement of 2014 Performance Share Plan to end FY2023	Aggregate performance shares vested since commencement of the 2014 Performance Share Plan to the end of FY2023	Aggregate performance shares not yet vested as at end of FY2023
Chan Heng Fai	–	–	–	–
Lam Lee G. ¹	–	–	–	–
Tao Yeoh Chi	–	–	–	–
Wong Tat Keung	–	–	–	–
Chan King Fai	–	–	–	–
Wong Shui Yeung	–	–	–	–
Chan Tung Moe	–	–	–	–
Lui Wai Leung Alan	–	–	–	–
Lim Sheng Hon, Danny	–	–	–	–
Tang Yeng Yuen ²	N/A	N/A	N/A	N/A

Note

- (1) Dr Lam Lee G. resigned as an Independent Non-Executive Director with effect from 7 November 2023.
- (2) Mr. Tang Yeng Yuen was appointed as an Independent Non-Executive Director with effect from 20 March 2024.

There were no termination, retirement or post-employment benefits granted to Directors, the CEO and the top three (3) key management personnel in FY2023.

(C) Accountability and Audit

Principle 9: Risk Management and Internal Controls

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.

Internal Control and Risk Management Systems

The Board is committed to maintaining a robust and effective system of internal controls to safeguard Shareholders' interests and investments, and the Group's assets. The Board determines the Company's level of risk tolerance and risk policies, and oversees the Management in the design, implementation and monitoring of sound risk management and internal control systems.

Provision
9.1

The Board recognises the importance of sound internal controls and risk management practices for good corporate governance. The Board affirms its overall responsibility for the Group's systems of internal controls and risk management, and for reviewing the adequacy and effectiveness of those systems on an annual basis.

The Board reviewed the adequacy and effectiveness of the Group's internal controls and risk management framework and systems, conducted dialogue sessions with the Management to understand the process, and to identify, assess, manage and monitor risks within the Group.

The Board, having considered the various factors, including the aforementioned system of internal controls currently in place and after communicating with Management, delegated the responsibility for risk governance to the ARMC.

The ARMC monitors and assists the Board in determining the nature and extent of the significant risks which the Company is willing to take in achieving its strategic objectives and value creation.



The Management presented the annual report to the ARMC and the Board on the Group's risk profile, the status of risk mitigation action plans and updates on the following areas:

- (a) assessment of the Group's key risks by major business units and risk categories;
- (b) identification of specific "risk owners" who are responsible for the risks identified;
- (c) description of the processes and systems in place to identify and assess risks to the business and how risk information is collected on an ongoing basis;
- (d) ongoing gaps in the risk management process such as system limitations in capturing and measuring risks, as well as action plans to address the gaps;
- (e) status and changes in the plans undertaken by the Management to manage key risks; and
- (f) description of the risk monitoring and escalation processes and also the systems in place.

The Management is responsible for designing, implementing and monitoring the risk management and internal control systems in accordance with the policies on risk management and internal controls and the Board oversees the Management in such design, implementation and monitoring.

Assessment of Internal Control and Risk Management Systems

The Board, with the assistance of the ARMC, has undertaken an annual assessment on the adequacy and effectiveness of the Group's internal control and risk management systems over financial, operational, compliance and information technology risks. The assessment considered issues dealt with in reports reviewed by the Board during the year together with any additional information necessary to ensure that the Board has taken into account all significant aspects of risks and internal controls for the Group for FY2023.

The Board's annual assessment, in particular, considered:

- (a) the changes since the last annual assessment in the nature and extent of significant risks, and the Company's ability to respond to changes in its business and the external environment;
- (b) the scope and quality of the Management's ongoing monitoring of risks and of the system of internal controls and the work of its internal audit function and other providers of assurance;
- (c) the extent and frequency of the communication of the results of the monitoring to the ARMC; and
- (d) the incidence of significant internal control weaknesses that were identified during FY2023.

In addition, the Board relied on internal audit reports and the Company's Letter of Representation to the external auditors to report on any material non-compliance or internal control weakness.

The system of internal control and risk management established by the Group is designed to manage, rather than eliminate, the risk of failure in achieving the Group's goals and objectives. The Board wishes to state that the system of internal control provides reasonable, but not absolute assurance as to financial, operational, compliance and information technology risks. No such system can provide absolute assurance against the occurrence of material errors and other situations not currently within the contemplation or beyond the control of the Board.

Audit & Risk Management Committee's Commentary on Key Audit Matters

Carrying Value of Properties For Sale

As at 31 December 2023, the Group has a property development project and the carrying value of the project is S\$22,994,000 which constitutes 24% of the Group's total assets as at 31 December 2023.

The Management's estimation is required to assess the recoverability of the carrying value.

In order to be satisfied that the carrying value of the properties under development is not materially misstated, the ARMC has obtained assurance from the Management that a detailed assessment has been undertaken using appropriate assumptions and estimates in deriving the budgeted total costs to completion and the estimated selling prices. The Management also confirmed to the ARMC that the valuation reports for these property development projects were prepared by independent appraisers.



CORPORATE GOVERNANCE REPORT

In considering this matter, the ARMC has reviewed the budget and cashflow projections prepared by the Management. In addition, the ARMC has discussed with and sought concurrence from the external auditors on this matter. Taking into consideration the above assurance and confirmation obtained from the Management, valuation for these property development projects from independent appraisers and reviews performed by the external auditors on this matter, the ARMC concurs with the Management's determination that the disclosure in the financial statements in respect of the carrying value of properties under development is appropriate.

Please refer to pages 63 and 64 of the Annual Report for further information on this matter.

The Board has received assurances from:

- (a) the CEO and CFO that for the financial year under review, the financial records have been properly maintained and the financial statements give a true and fair view of the Group's operations and finances; and
- (b) the CEO and other key management personnel who are responsible, that the Group's risk management and internal control systems were adequate and effective as at 31 December 2023.

Provision
9.2

Based on the internal controls established and maintained by the Group, the audit conducted by the external and internal auditors as well as ongoing management review, the Board, with the concurrence of the ARMC, are of the opinion that the Group has adequate and effective systems of internal control (including financial, operational, compliance and information technology controls) and risk management systems, taking into account the nature and size of the Group's business and operations.

Catalist Rule
719(1)

Catalist Rule
1204(10)

During FY2023, the Board and the ARMC have not identified any material weakness in the Company's internal controls.

Principle 10: Audit Committee

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

ARMC's Key Terms of Reference

The ARMC is guided by a set of written terms of reference, and its principal responsibilities as set out in its terms of reference include the following:

Provision
10.1

- (a) establishing and reviewing the terms of reference for the ARMC annually;
- (b) recommending to the Board on (i) the proposals to Shareholders on the appointment and removal of external auditors, and (ii) the remuneration and terms of engagement of the external auditors;
- (c) reviewing with the external auditors the audit plan, the evaluation of the internal accounting control system, the audit report, the assistance given by the Company's officers to the external auditors and the scope and results of the internal audit procedures;
- (d) where the external auditors, in their review or audit of the Company's year-end financial statements, raise any significant issues which have a material impact on the interim financial statements or financial updates previously announced by the Company, immediately reporting the same to the Board and advising the Board if changes are needed to improve the quality of future interim financial statements or financial updates;
- (e) reviewing with the internal auditors the internal audit plan, the evaluation of the adequacy of internal accounting controls and the internal audit report before submission of such report to the Board;
- (f) reviewing the assurance from the CEO and CFO on the financial records and financial statements;
- (g) reviewing the Group's half year and full year financial statements and related notes and announcements relating thereto, focusing in particular on changes in accounting policies and practices, major risk areas, significant adjustments resulting from the audit, compliance with accounting standards and compliance with the Catalist Rules and any other relevant statutory or regulatory requirements, and the external auditors' reports prior to recommending to the Board for approval;

CORPORATE GOVERNANCE REPORT



- (h) reviewing the internal control procedures and ensuring co-ordination between the external auditors and the Management, reviewing the assistance given by the Management to the external auditors, and discussing problems and concerns (if any) arising from the interim and final audits, and any matters which the external auditors may wish to discuss (in the absence of the Management, where necessary);
- (i) reviewing and discussing with the external and internal auditors any suspected fraud or irregularity, or suspected infringement of any relevant laws, rules or regulations, which has or is likely to have a material impact on the Group's operating results or financial position, the Management's response on the same and at appropriate times, report the matter to the Board and to the sponsor;
- (j) reviewing the effectiveness of the Group's material internal controls, including financial, operational and compliance controls, information technology controls and risk management systems via reviews carried out by the internal auditors;
- (k) reviewing the nature, scope, extent and cost-effectiveness of any non-audit services provided by the external auditors and ensuring that these do not affect the independence and objectivity of the external auditors;
- (l) reviewing any significant financial reporting issues and judgments and estimates made by the Management, so as to ensure the integrity of the financial statements of the Group and any announcements relating to the Group's financial performance;
- (m) reviewing with the external and internal auditors annually the adequacy and effectiveness of the Group's internal controls and risk management systems;
- (n) reviewing the adequacy, effectiveness, independence, scope and results of the external audit and the Company's internal audit function;
- (o) reviewing the policy and arrangements for concerns about possible improprieties in financial reporting or other matters to be safely raised, independently investigated and appropriately followed up on. The Company publicly discloses, and clearly communicates to employees, the existence of a whistleblowing policy and procedures for raising such concerns;
- (p) considering the appointment or re-appointment of the external and internal auditors and matters relating to the resignation or dismissal of the external and internal auditors;
- (q) undertaking such other reviews and projects as may be requested by the Board, and reporting to the Board its findings from time to time on matters arising and requiring the attention of the ARMC;
- (r) generally undertaking such other functions and duties as may be required by statute or the Catalist Rules or by such amendments as may be made thereto from time to time;
- (s) reviewing the Group's key financial risk areas, with a view to provide independent oversight on the Group's financial reporting, the outcome of such review to be disclosed in the annual reports or, where the findings are material, to be announced immediately via SGXNet;
- (t) reviewing the interested person transactions falling within the scope of Chapter 9 of the Catalist Rules reported by the Management (if any) and potential conflicts of interest (if any) to ensure that they were carried out on normal commercial terms, and are not prejudicial to the interests of the Company and its minority Shareholders; and
- (u) reporting to the Board on how the ARMC has discharged its responsibilities and whether it was able to discharge its duties independently.



CORPORATE GOVERNANCE REPORT

The ARMC also has express power to investigate any matter brought to its attention, within its terms of reference, with the power to obtain professional advice at the Company's expense. The ARMC also has full access to, and co-operation by the Management and full discretion to invite any Director or Executive Officer to attend its meetings, and reasonable resources to enable it to discharge its functions properly.

Further details of the activities of the ARMC are provided under Principles 9 and 10 of this Corporate Governance Report.

Whistle-Blowing Policy

The Company has put in place a whistle-blowing policy by which staff of the Group and any other persons may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters such as suspected fraud, corruption, and dishonest practices to our Company's secretary or the Chairman of the ARMC. The whistle-blowing policy is intended to conform to the guidance set out in the 2018 Code and aims to provide an avenue for staff of the Group and any other persons to raise concerns and offer reassurance that staff of the Group and any other persons making such reports will be treated with confidence, fairly and protected from reprisals or victimisation for whistleblowing in good faith within the limits of the law.

The ARMC exercises the overseeing functions over the administration of the whistle-blowing policy. The ARMC's objective is to ensure that arrangements are in place for the relevant concerns to be raised and independently investigated, and for appropriate follow-up action to be taken.

All reports, including unsigned reports, reports that are weak in details and verbal reports, are considered. These reports are directed to the Chairman of the ARMC and the ARMC will be informed immediately of any whistle-blowing reports received. To ensure independent investigation into such matters and for appropriate follow up action, all whistle-blowing reports are reviewed by the ARMC. In the event that the whistle-blowing report is about a Director, that Director shall not be involved in the review and the making of any decisions with respect to that whistle-blowing report. Periodic reports will be submitted by the ARMC to the Board stating the number and the complaints received, the results of the investigations, follow up actions and the unresolved complaints. Details of the whistle-blowing policy have also been made available to the staff of the Group.

There were no whistle-blowing reports received by the ARMC for FY2023.

Composition of ARMC

The ARMC comprises of three (3) Independent Non-Executive Directors:

Mr. Wong Shui Yeung (Chairman)	Independent Non-Executive Director
Mr. Wong Tat Keung (Member)	Independent Non-Executive Director
Mr. Chan King Fai (Member)	Independent Non-Executive Director

Provision
10.2

All members of the ARMC are Independent Non-Executive Directors. The Chairman of the ARMC, Mr. Wong Shui Yeung, is independent.

The majority of the members of the ARMC, including the Chairman of the ARMC, have recent and relevant accounting, risk management, legal, or related financial management expertise or experience to deal with the matters that come before them. The Board considers that the members of the ARMC are appropriately qualified, and have sufficient knowledge and experience in accounting, risk management and financial matters to discharge their responsibilities in the ARMC.

The ARMC has reasonable resources to enable it to discharge its functions properly. The members of the ARMC shall also take measures to keep abreast of changes to accounting standards and issues which have a direct impact on financial statements as and when it, or the Board or the Company, deems necessary and appropriate.

CORPORATE GOVERNANCE REPORT



The members of the ARMC will attend courses and seminars to keep abreast of changes to accounting standards and other issues which may have a direct impact on financial statements, as and when necessary. The external auditors provide, and had provided in FY2023, regular updates and periodic briefings to the ARMC on changes or amendments to accounting standards to enable the members of the ARMC to keep abreast of such changes and its corresponding impact on the financial statements, if any. As each of the ARMC members are practising accountants, they are also kept abreast of changes to accounting standards and issues which have a direct impact on financial statements.

None of the ARMC members are former partners or directors of the Company's existing auditing firm or auditing corporation: (a) within a period of two (2) years commencing on the date of their ceasing to be a partner of the auditing firm or director of the auditing corporation; and (b) for as long as they have any financial interest in the auditing firm or auditing corporation.

Provision
10.3

Internal Audit

The Company has appointed Asian Alliance Risk Advisory Services Limited (formerly known as Asian Alliance Financial Advisory Services Limited) ("AARAS") as its internal auditor for FY2023. AARAS has over five (5) years of relevant experience in internal audit. The internal audit team reports directly to the ARMC on audit matters and the CEO of the Company on administrative matters. The head of the internal audit team, Mak Sin Ying, has relevant experience and qualifications in internal audit. The ARMC is satisfied that the internal audit team comprises of suitably qualified and experienced professionals with over five (5) years of relevant internal audit experience. The internal audit work is carried out through the internal control integrated framework developed by the Committee of Sponsoring Organizations of the Treadway Commission.

Provision
10.4

Catalist Rule
719(3)

Catalist Rule
1204(10C)

The internal audit plans are approved by the ARMC, with the outcome of the internal audit presented to and reviewed by the Management, the ARMC and the Board.

The ARMC reviews the adequacy and effectiveness of the internal audit function annually and assesses the independence of the internal audit function including the qualifications and experience of the internal audit staff assigned to perform the review. In addition, the ARMC decides on the appointment, termination and remuneration of the Company's internal auditors. In particular, the ARMC reviews the scope and results of the internal audit and ensures that the internal audit function is adequately resourced and has appropriate standing within the Group.

Following the review of the internal audit plan and evaluation of the system of internal controls for FY2023, the ARMC is satisfied that the internal auditor is independent, effective, adequately resourced and has the appropriate standing within the Group.

The internal auditor will have unfettered access to all the Group's documents, records, properties and personnel, including the ARMC, and has appropriate standing within the Group. The internal audit function assesses the effectiveness of the Group's internal control procedures and provides reasonable assurance to the ARMC and the Management that the Group's risk management, controls and governance processes are adequate and effective.

The ARMC meets annually with the Group's external and internal auditors, in each case without the presence of the Management, in order to have free and unfiltered access to information that it may require, to discuss the results of their examinations and the evaluation of the Group's system of risk management and internal controls, and to discuss any problems and concerns which they may have.

Provision
10.5



CORPORATE GOVERNANCE REPORT

External Auditors

Before confirming an external auditors' re-appointment, the ARMC will conduct an annual review of the independence of the Company's external auditors and the total fees for non-audit services compared with audit services, and satisfy itself that the nature and volume of any non-audit services will not prejudice the independence and objectivity of the auditors. Catalist Rule 1204(6)

During the financial year under review, the remuneration paid/payable to the Company's external auditors, Foo Kon Tan LLP, is set out below:

Fees Paid / Payable to Foo Kon Tan LLP		
Service Category	S\$'000	% of total
Audit Fees	282	100
Non-Audit Fees	-	-
Total	282	100

As there were no fees paid to Foo Kon Tan LLP for non-audit services in the financial year under review, the ARMC is of the opinion that the independence and/or objectivity of Foo Kon Tan LLP has not been affected.

The ARMC has recommended to the Board that Foo Kon Tan LLP be nominated for re-appointment as external auditors at the forthcoming AGM of the Company. The audit partner in charge of auditing the Company also has not been in charge of more than five (5) consecutive audits in respect of the Company.

In proposing to shareholders the re-appointment of Foo Kon Tan LLP as external auditors of the Company and in line with the requirements under Rule 712 of the Catalist Rules and after taking into consideration the Audit Quality Indicators (AQI) Disclosure Framework published by ACRA in respect of Foo Kon Tan LLP, the Board and the ARMC have considered and are satisfied with 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 size and complexity of the Group being audited, and the number and experience of supervisory and professional staff assigned to the particular audit. Foo Kon Tan LLP has confirmed that it is approved under the Accountants Act, and that the audit partner-in charge is a public accountant under the Accountants Act.

The Company is also in compliance with Rule 715 of the Catalist Rules in relation to the appointment of Foo Kon Tan LLP as the auditors of the Company and its subsidiaries.

In line with the requirement under Rule 715(1) of the Catalist Rules, the Company has engaged Foo Kon Tan LLP to audit its Singapore incorporated subsidiaries. There are no Singapore incorporated significant associated companies to be audited.

In line with the requirement under Rule 715(2) of the Catalist Rules, the Company has engaged Grassi & Co., CPAs, P.C., a suitable auditing firm, to audit its significant foreign-incorporated subsidiaries and associated companies. Please refer to pages 101 to 104 of the Annual Report for further information on the Group's significant foreign-incorporated subsidiaries and associated companies.

(D) Shareholder Rights and Engagement

Principle 11: Shareholder Rights and Conduct of General Meetings

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.

Conduct of General Meetings

The Board encourages Shareholders' participation at general meetings and allows Shareholders the opportunity to communicate their views as well as raise any concerns they might have on various matters affecting the Company or the Group. Provision
11.1

The Board encourages Shareholders to attend general meetings to ensure a greater level of Shareholders' participation and to meet with the Board and the Management so as to stay informed of the Group's developments. The company also informs shareholders of the rules governing all general meetings. In order to provide ample notice to Shareholders, the notice of general meeting, together with the relevant Annual Report or circular, is released on SGXNET and the Company's website before the scheduled date of the general meeting.

Due to Covid-19 advisories issued by the relevant authorities in Singapore and the related safe distancing measures in Singapore, the general meetings of the Company in FY2023 were held by way of electronic means and shareholders were not able to attend the general meetings in person. To enable shareholders to participate in and vote effectively at general meetings held by way of electronic means, the Company set out detailed information on the arrangements relating to attendance at the general meetings, submission of questions in advance of the general meetings, addressing of substantial and relevant questions at the general meetings, and voting procedures for the general meetings. That said, shareholders will be able to participate in and vote live at the forthcoming AGM in person.

The Company's Constitution has been amended on 29 April 2016 to facilitate, subject to such security measures as may be deemed necessary or expedient, voting in absentia, including but not limited to voting by mail, electronic mail or facsimile. Provision
11.4

The Company acknowledges that voting by poll in all its general meeting is integral to the enhancement of corporate governance. All resolutions at the Company's general meetings are put to a vote by poll. The detailed results showing the number of votes cast for and against each resolution and the respective percentages are announced via SGXNET and made available on the Company's website after the conclusion of the general meetings.

At general meetings of Shareholders, the Company tables separate resolutions on each substantially separate issue. Provision
11.2

"Bundling" of resolutions will be done only where resolutions are interdependent and linked so as to form one significant proposal. Where resolutions are "bundled", the Company explains the reasons and material implications in the notice of meeting.



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In FY2023, shareholders were given the opportunity to submit questions in advance of general meetings held by way of electronic means. The external auditors were also available to assist in responses to questions submitted in advance of general meetings in relation to the conduct of the audit and the preparation and content of the auditors' report, if any.

Provision
11.3

The Directors' attendance at the general meetings of the Company held in FY2023 are set out in the table below:

Name of Director	Annual General Meeting		Extraordinary General Meeting	
	No. of meetings held	No. of meetings attended	No. of meetings held	No. of meetings attended
Chan Heng Fai	1	1	1	1
Lam Lee G. ¹	1	1	1	1
Chan King Fai	1	1	1	1
Tao Yeoh Chi	1	1	1	1
Wong Shui Yeung	1	1	1	1
Wong Tat Keung	1	1	1	1
Lui Wai Leung Alan	1	1	1	1
Lim Sheng Hon, Danny	1	1	1	1
Chan Tung Moe	1	1	1	1
Tang Yeng Yuen ²	N/A	N/A	N/A	N/A

Note

- (1) Dr Lam Lee G. resigned as an Independent Non-Executive Director with effect from 7 November 2023.
 (2) Mr. Tang Yeng Yuen was appointed as an Independent Non-Executive Director with effect from 20 March 2024.

Minutes of General Meetings

The Company will record minutes of all general meetings. The minutes record substantial and relevant comments and queries from Shareholders relating to the agenda of the general meeting, and responses from the Board and the Management. During FY2023, the minutes of general meetings were published on SGXNET and the Company's website within one (1) month after each general meeting.

Provision
11.5

Dividend Policy

As the Company continued to accumulate losses as at 31 December 2023, its current priority is to achieve long-term growth for the benefit of its Shareholders. Accordingly, the Company currently does not have a fixed dividend policy. In determining the form, frequency and amount of future dividends, the Board will take into consideration the Group's earnings, general financial condition, results of operations, capital requirements, cash flow, general business condition, the Group's development plans and other factors as the Directors may deem appropriate.

Provision 11.6
Catalist Rule
704(23)

The Company recorded a net loss and consequently, no dividend has been declared or recommended for FY2023.

CORPORATE GOVERNANCE REPORT



Principle 12: Engagement with Shareholders

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.

Communication with Shareholders

In line with the continuous disclosure obligations of the Company, pursuant to the Catalyst Rules and the Companies Act, the Board is of the view that all Shareholders should be informed in a comprehensive manner and on a timely basis of all material developments that impact the Group and in particular, changes in the Group or its business which would be likely to materially affect the price or value of the Company's shares. Provision 12.1

The Board is responsible for presenting to Shareholders a balanced and clear assessment of the Company's performance, position and prospects. The Board has embraced openness and transparency in the conduct of the Company's affairs, whilst preserving the interests of the Company.

The Board believes in regular and timely communication with Shareholders as part of our organisation development to build systems and procedures that will enable us to operate transparently.

All announcements including the half year and full year financial results, distribution of notices, press releases, analyst briefings, presentations, announcements on acquisitions and other major developments are released via SGXNET and are also available on the Company's website at www.alsetinternational.com.

Price-sensitive information is first publicly released through SGXNet, before the Company meets with any investors or analysts. The annual report and the accompanying notice of AGM is made accessible to all Shareholders on SGXNET and the Company's website.

Shareholders, analysts and other stakeholders may provide feedback to the Company's investor relations personnel, Mr. Lim Sheng Hon, Danny, at danny@alsetinternational.com.

Investor Relations Policy

The Company has adopted an investor relations policy which allows for an ongoing exchange of views so as to promote regular, effective and fair communication with shareholders. Provision 12.2

While the Company did not engage a dedicated external investor relations team for FY2023, the Board and the CFO have devised and implemented the Company's investor relations policy. Provision 12.3

The Company has appointed an investor relations personnel to focus on facilitating communications with all Shareholders on a regular basis, to attend to their queries or concerns as well as to keep investors and the public informed of the Group's corporate development and financial performance.

Shareholders may reach out to the investor relations personnel, Mr. Lim Sheng Hon, Danny, at danny@alsetinternational.com.

In addition, Shareholders may reach out to the new Lead Independent Non-Executive Director, Mr. Tang Yeng Yuen, at tangyy03@gmail.com.

The investor relations personnel will inform the Board upon receipt of Shareholders' queries to keep the Board informed of the issues raised by the Shareholders and will endeavour to respond to Shareholders' queries as soon as practicable after due discussion with the Board.

Where required, the Executive Directors and the CFO will meet up with analysts and investors after the results are announced through the SGXNET system, to explain the financial performance, Group's strategy and major developments and to understand the views and concerns of analysts and investors.



CORPORATE GOVERNANCE REPORT

(E) Managing Stakeholder Relationships

Principle 13: Engagement with Stakeholders

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.

Stakeholder engagement forms an integral part of the Company's sustainability approach. The Company's stakeholders have an interest in the Company's business and influence the Company's operations, products and services, business approach and strategies. The Company's stakeholders have been identified as its customers, regulators, Shareholders and suppliers. Provision
13.1

The Company proactively engages with its stakeholders on a regular, continuing basis through various channels, such as SGXNet and the Company's website at www.alsetinternational.com, as means to gain insights to their expectations and concerns and use these learnings to make informed decisions in shaping the Company's business policies and strategies so as to create sustainable business growth and value for all stakeholders.

The Company's approach to stakeholder engagement and materiality assessment can be found in its Sustainability Report for the financial year under review which will be issued by the end of April 2024. Provision
13.2

The Company maintains a current corporate website, www.alsetinternational.com, to communicate and engage with stakeholders. Provision
13.3

Other Governance Practices

Dealing in Securities

The Company has adopted internal codes of conduct pursuant to Rule 1204(19) of the Catalist Rules, which is applicable to all its Directors and officers in relation to dealings in the Company's securities.

The Company, its Directors and officers are aware that it is an offence to deal in its securities as well as securities of other listed issuers when in possession of unpublished material price-sensitive information in relation to those securities.

In compliance with Rule 1204(19) of the Catalist Rules, the Company has in place a policy prohibiting dealings of the Company's securities by the Company, its Directors and officers on short-term considerations. In addition, the Company, its Directors and officers are not allowed to deal in the Company's securities during the period commencing two (2) weeks before the announcement of the Company's financial statements for each of the first three quarters of its financial year and one (1) month before the announcement of the Company's full year financial statements (if the Company announces its quarterly financial statements), or one (1) month before the announcement of the Company's half year and full year financial statements (if the Company does not announce its quarterly financial statements).

The Directors and officers are required to report to the Company and the Company Secretary whenever they deal in the Company's securities and the Company will ensure that the necessary announcements are made. The Directors and officers of the Company are also expected to observe insider trading laws at all times even when dealing in securities within the permitted trading period.

Material Contracts

Pursuant to Rule 1204(8) of the Catalist Rules, save as disclosed below, the Company confirms that there are no material contracts (including loans) of the Company or its subsidiaries involving the interests of the CEO, any Directors or controlling shareholders which are either still subsisting as at the end of FY2023 or if not then subsisting, entered into since the end of the previous financial year:

- (1) 21 November 2023, the Company entered into two (2) stock purchase agreements with Mr. Teh Wing Kwan and Massive Brilliant Limited. For more information, kindly refer to the Company's announcement made on 21 November 2023.

CORPORATE GOVERNANCE REPORT

Interested Person Transactions (“IPTs”)

The Company has established procedures to ensure that all transactions with interested persons (as defined in the Catalist Rules) are properly documented and reported in a timely manner to the ARMC, and that these transactions are conducted on an arm’s length basis, on normal commercial terms and are not prejudicial to the interests of the Company and its minority Shareholders.

Pursuant to Rule 907 of the Catalist Rules, the details of interested person transactions entered into during FY2023 were as follows:

Name of interested person	Nature of relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders’ mandate pursuant to Rule 920 of the Catalist Rules) (’000)	Aggregate value of all interested person transactions conducted under shareholders’ mandate pursuant to Rule 920 of the Catalist Rules (excluding transactions less than S\$100,000) (’000)
Alset Inc., Mr. Chan Heng Fai and Chan Tung Moe	(1) Loan by the Company to Value Exchange International, Inc. (2) Loan by the Company to Hapi Metaverse Inc.	2,254	-

In FY2023, the aggregate value of all IPTs amounted to S\$2,254,000.

Save as disclosed above, the Board confirms that there is no material interested person transaction entered into during the financial year under review which fall under Rule 907 of the Catalist Rules.

There was no subsisting Shareholders’ mandate for interested person transactions pursuant to Rule 920 of the Catalist Rules during FY2023.

The Company had also previously disclosed the details of the Company’s IPTs for FY2023 in its full year financial statements dated 29 February 2024.

Non-Sponsor Fees

During FY2023, there was no non-sponsor fees paid to the Company’s sponsor, Hong Leong Finance Limited.



CORPORATE GOVERNANCE REPORT

Update on the Use of Proceeds

2017 WARRANTS ISSUE

Proceeds from 2017 Warrants Issue

	Percentage allocation (%)	Amount of Net Proceeds		
		In accordance with percentage allocation (S\$'000)	Utilised (S\$'000)	Unutilised (S\$'000)
General Working Capital	100	88,004	(88,004)	-
	100	88,004	(88,004)	-

An aggregate amount of S\$88.0 million had been used in the General Working Capital of the Group, and details of principal disbursements are set out below:

	The Group (S\$'000)
Professional Fee	1,007
Payroll	5,230
Director Fees	261
Director Remuneration	12,072
Rental, office expenditure and other operating expenses	3,499
Investment in F&B Business	700
Repayment of Director's Loan	7,277
Repayment of amount due to intermediate holding company	2,421
Investment in marketable securities	32,065
Investment in other investments	404
Investment in an investment fund	4,067
Investment in promissory notes	11,590
Investment in investment properties	4,681
Investment in Black Oak project	2,730
TOTAL	88,004

The use of proceeds has been used in accordance with the stated use.



DIRECTORS' STATEMENT

For the financial year ended 31 December 2023

The directors are pleased to present their statement to the members of Alset International Limited (the “Company”) together with the audited consolidated financial statements of the Company and its subsidiaries (collectively the “Group”) and statement of financial position of the Company for the financial year ended 31 December 2023.

In our opinion,

- (a) the consolidated financial statements of the Group and the statement of financial position of the Company are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 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 Singapore Companies Act 1967 (the “Act”) and Singapore Financial Reporting Standards (International); and
- (b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

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

Names of directors

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

Chan Heng Fai (Executive Chairman, Executive Director and Chief Executive Officer)
Chan Tung Moe (Executive Director and Co-Chief Executive Officer)
Lui Wai Leung, Alan (Executive Director and Chief Financial Officer)
Lim Shen Hon, Danny (Executive Director and Senior Vice President of Business Development)
Tao Yeoh Chi (Lead Independent Non-Executive Director)
Chan King Fai (Independent Non-Executive Director)
Tang Yeng Yuen (Independent Non-Executive Director)
Wong Shui Yeung (Independent Non-Executive Director)
Wong Tat Keung (Independent Non-Executive Director)

Arrangements to enable directors to acquire benefits by means of the acquisition of shares or debentures

Neither at the end of, nor at any time during the financial year, was the Company a party to any arrangement whose objects are, or one of whose objects is, 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, other than as disclosed in this statement.

Directors' interest in shares or debentures

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



DIRECTORS' STATEMENT

For the financial year ended 31 December 2023

Directors' interest in shares or debentures (Cont'd)

	Direct Interest			Deemed Interest		
	As at 1.1.2023	As at 31.12.2023	As at 21.1.2024	As at 1.1.2023	As at 31.12.2023	As at 21.1.2024
<u>The Ultimate holding company</u>						
<u>Alset Inc.</u>						
			<u>Number of Ordinary Shares</u>			
Chan Heng Fai	3,853,866	4,623,818	4,623,818	319,000	319,000	319,000
<u>The Immediate holding company</u>						
<u>Alset Business Development Pte. Ltd.</u>						
			<u>Number of Ordinary Shares</u>			
Chan Heng Fai	-	-	-	4,506,750,519	4,506,750,519	4,506,750,519
<u>The Company</u>						
<u>Alset International Limited</u>						
			<u>Number of Ordinary Shares</u>			
Chan Heng Fai	-	-	-	3,111,097,576	3,111,672,576	3,111,672,576
Chan Tung Moe	1,500,000	1,500,000	1,500,000	-	-	-
Lui Wai Leung Alan	1,000,000	-	-	-	-	-
Tao Yeoh Chi	2,000,000	2,000,000	2,000,000	-	-	-
Chan King Fai	1,700,000	1,700,000	1,700,000	-	-	-
<u>Share Option in Relation to</u>						
<u>Singapore eDevelopment Limited Share Option Scheme</u>						
Chan Heng Fai	1,061,333	-	-	-	-	-

Share options of the directors who cease to be employed by the Group will lapse, become null and void unless at the absolute discretion of the Remuneration Committee, the Remuneration Committee may allow them to exercise any unexercised share option within the relevant option period.

By virtue of Section 7 of the Act, Mr Chan Heng Fai is deemed to have interests in the Company and its related corporations.

In accordance with the continuing listing requirements of the Singapore Exchange Securities Trading Limited ("SGX-ST"), the Directors of the Company state that, according to the Register of the Directors' Shareholdings, the Directors' interests as at 21 January 2024 in the shares or debentures of the Company have not changed from those disclosed as at 31 December 2023.

Share option scheme and performance share plan

Share option scheme

At an Extraordinary General Meeting ("EGM") held on 20 November 2013, shareholders of the Company approved the Singapore eDevelopment Limited Share Option Scheme (the "Option Scheme") for the granting of share options that are settled by physical delivery of the ordinary shares of the Company, to eligible participants. Singapore eDevelopment Limited was the former name of Alset International Limited.

DIRECTORS' STATEMENT

For the financial year ended 31 December 2023

Share option scheme and performance share plan (Cont'd)

Share option scheme (Cont'd)

The Option Scheme is administered by the Remuneration Committee whose members are:

Wong Shui Yeung (Chairman)
Wong Tat Keung (Member)
Chan King Fai (Member)

During the financial years ended 31 December 2023 and 2022, the Company did not grant any share options under the Option Scheme.

Details of all the share options to subscribe for ordinary shares of the Company pursuant to the Option Scheme as at 31 December are as follows:

Grant date	Exercise price \$	Share options outstanding as at 1 January 2023	Share options granted	Share options forfeited	Share options outstanding as at 31 December 2023	Expiry date
31 December 2013	0.12	1,061,333	–	(1,061,333)	–	31 December 2023
		Share options outstanding as at 1 January 2022	Share options granted	Share options forfeited	Share options outstanding as at 31 December 2022	Expiry date
31 December 2013	0.12	1,061,333	–	–	1,061,333	31 December 2023

Details of the share options to subscribe for ordinary shares of the Company granted to directors of the Company pursuant to the Option Scheme are as follows:

Name of director	Share options granted during financial year	Aggregate share options granted since commencement of plan to end of financial year	Aggregate share options forfeited during financial year	Aggregate share options outstanding as at the end of financial year
Chan Heng Fai	–	1,061,333	(1,061,333)	–
Total	–	1,061,333	(1,061,333)	–

Since the commencement of the Option Scheme till the end of the financial year:

- No participant has received 5% or more of the total share options available under the Option Scheme.
- No share options that entitled the holder to participate, by virtue of the share options, in any share issue of any other corporations have been granted.
- No share options has been exercised.
- 1,061,333 share options were granted at a discount up to 50% of the market price.



DIRECTORS' STATEMENT

For the financial year ended 31 December 2023

Share option scheme and performance share plan (Cont'd)

Performance share plan

On 23 October 2014, the Company obtained shareholder's approval at an Extraordinary General Meeting of the Company to adopt the Singapore eDevelopment Limited ("SED") Performance Share Plan (the "Plan"). SED was the former name of Alset International Limited. The Plan is designed to reward, retain and motivate employees to achieve superior performance and whose services are vital to the well-being and success of the Group.

The purpose of adopting the Plan is to give the Company greater flexibility to align the interests of employees with the interests of shareholders and to promote higher performance goals, recognise achievement and retain talents within the Group.

The following persons shall be eligible to participate in the Performance Share Plan:

- (a) employees of the Group (including Executive Directors of the Group);
- (b) any Director of the Company (including Non-Executive Directors); and
- (c) Controlling Shareholders and/or their associates who are either employees of the Group or Directors of the Company, and they shall not participate in the Plan unless their participation and the actual number of performance shares and the terms of any award of performance shares have been approved by independent Shareholders at a general meeting in separate resolutions.

The total number of shares that may be issued or are issuable pursuant to the award of performance shares on any date when added to the aggregate number of shares that are issued or are issuable in respect of such other share based incentive schemes of the Company (if any), shall not exceed 20% (or such other percentage as may be prescribed or permitted from time to time by the Singapore Exchange Securities Trading Limited ("SGX-ST")) of the total number of issued shares of the Company on the day immediately preceding the date on which the award of performance shares shall be made, provided that the aggregate number of performance shares which may be awarded to participants who are controlling Shareholders and/or their associates under the Plan shall not exceed 25% of the total number of shares available under the Plan and such other share based incentive schemes of the Company, and the aggregate number of performance shares which may be awarded to each participant who is a controlling Shareholder and/or an associate of a controlling Shareholder under the Plan shall not exceed 10% of the total number of shares available under the Plan and such other share based incentive schemes of the Company.

The awards may only be vested and consequently any performance shares comprised in such awards shall only be delivered upon the Remuneration Committee ("RC") or such other committee comprising Directors duly authorised and appointed by the Board ("OC") to administer the Plan, being satisfied that the participant has achieved the performance target(s) and the Plan is awarded before expiry of the prescribed performance period provided always that the RC shall have the absolute discretion to determine the extent to which the performance shares under that award shall be released on the prescribed performance target(s) being satisfied (whether fully or partially) or exceeded, as the case may be, at the end of the prescribed performance period. No performance shares under the award shall be released for the portion of the prescribed performance target(s) that is not satisfied by the participant at the end of the prescribed performance period.

The awards represent the right of a participant to receive fully-paid performance shares free of charge. A participant is entitled to receive fully-paid performance shares subject to certain prescribed performance target(s) being met.

The selection of a participant, the number of performance shares which are the subject of each award to be made to him, and the prescribed vesting period shall be determined at the absolute discretion of the RC or OC, which shall take into account criteria such as his rank, job performance, years of service and potential for future development, his contribution to the success of and development of the Group and the extent of effort required to achieve the performance target(s) within the performance period.

The award shall be vested in a participant for as long as he has fulfilled his performance target(s) and the vesting period (if any) has not expired and notwithstanding a transfer of his employment within any company in the Group or any apportionment of performance target(s) within any company in the Group.

The Plan shall continue in force at the absolute discretion of the RC or OC, subject to a maximum period of 10 years commencing on 23 October 2014 provided always that the Plan may continue beyond the above stipulated period with the approval of shareholders in general meeting and of any relevant authorities which may then be required.

Share option scheme and performance share plan (Cont'd)

Performance share plan (Cont'd)

The Plan may be terminated at any time by the RC or OC, or by shareholders by ordinary resolution at a general meeting subject to all approvals or any relevant authorities which may then be required, and if the Plan is so terminated, no further share awards shall be granted by the Company thereafter.

The termination, discontinuance or expiry of the Plan shall not affect the share awards which have been granted in accordance with the rules of the Plan, whether such share awards have been vested (whether fully or partially) or not.

Audit and Risk Management Committee

The Audit and Risk Management Committee ("ARMC") comprises three non-executive directors who are also independent directors. The Chairman of the ARMC is Mr Wong Shui Yeung, and the members of the ARMC are Mr Wong Tat Keung and Mr Chan King Fai.

The ARMC carried out its functions in accordance with Section 201B(5) of the Act. In performing those functions, the ARMC:

- (a) Reviews with the external auditors, the audit plan and results of the external audit, independence and objectivity of the external auditor and any recommendations of internal accounting controls arising from the statutory audit;
- (b) Reviews with the internal auditors the internal audit plan, the evaluation of the adequacy of internal accounting controls and the internal audit report before submission of such report to the Board;
- (c) Reviews the effectiveness of the Group's material internal controls, including financial, operational and compliance controls, information technology controls and risk management systems via reviews carried out by the internal auditors;
- (d) Reviews the annual consolidated financial statements of the Group before submission to the Board for approval, focusing in particular on changes in accounting policies and practices, major risk areas, significant adjustments arising from the audit, compliance with accounting standards and compliance with the SGX-ST Listing Manual and any other relevant statutory or regulatory requirements;
- (e) Reviews the internal control procedures and ensures co-ordination between the external auditors and the management, reviews the assistance given by the management to the auditors, and discusses problems and concerns, if any, arising from the interim and final audits, and any matters which the auditors may wish to discuss (in the absence of the management, where necessary);
- (f) Reviews and discusses with the external and internal auditors any suspected fraud or irregularity, or suspected infringement of any relevant laws, rules or regulations, which has or is likely to have a material impact on the Group's operating results or financial position, and the management's responses;
- (g) Considers the appointment or re-appointment of the external and internal auditors and matters relating to the resignation or dismissal of the auditors;
- (h) Reviews interested person transactions (if any) and potential conflicts of interest (if any) falling within the scope of Chapter 9 of the SGX-ST Listing Manual;
- (i) Undertakes such other reviews and projects as may be requested by the Board, and reports to the Board its findings from time to time on matters arising and requiring the attention of the ARMC;
- (j) Generally undertakes such other functions and duties as may be required by statute or the SGX-ST Listing Manual, or by such amendments as may be made thereto from time to time; and
- (k) Reviews the Group's key financial risk areas, with a view to provide independent oversight on the Group's financial reporting, the outcome of such review to be disclosed in the annual reports or, where the findings are material, make announcement immediately via SGXNET.



DIRECTORS' STATEMENT

For the financial year ended 31 December 2023

Share option scheme and performance share plan (Cont'd)

Audit and Risk Management Committee (Cont'd)

The ARMC has recommended to the directors the nomination of Foo Kon Tan LLP for re-appointment as external auditors of the Company at the forthcoming Annual General Meeting of the Company.

There are no non-audit services provided by the external auditors to the Group for the financial year ended 31 December 2023. The ARMC has also conducted a review of interested person transactions.

The Company has appointed Asian Alliance Risk Advisory Services Limited (formerly known as Asian Alliance Financial Advisory Services Limited) as its internal auditor in 2023. The Company also noted that there were no material internal audit findings for the financial year ended 31 December 2023.

Based on the internal controls established and maintained by the Group and reviews performed by management, various Board Committees and the Board, in concurrence with the ARMC, are of the view that the Group's internal controls addressing financial, operational, compliance, information technology risks and risk management systems were adequate as at 31 December 2023.

The ARMC convened three meetings during the year with full attendance from all members. The ARMC has also met with internal and external auditors, without the presence of the Company's management, at least once a year.

Further details regarding the ARMC, including the terms of reference, are disclosed in the Corporate Governance Report in the Company's Annual Report.

In appointing our external auditors for the Company, its subsidiaries and significant associated companies, the Company has complied with Rules 712 and 715 of the SGX-ST Listing Manual.

Independent auditor

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

On behalf of the Directors

.....
CHAN HENG FAI

.....
WONG SHUI YEUNG

Dated: 15 April 2024



INDEPENDENT AUDITOR'S REPORT

To the members of Alset International Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Alset International Limited (the “Company”) and its subsidiaries (the “Group”), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 December 2023, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position of the Company are properly drawn up in accordance with the provisions of the Singapore Companies Act 1967 (the “Act”) and Singapore Financial Reporting Standards (International) (“SFRS(I)”) 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.

Net realisable value of properties for sale

Risk:

As of 31 December 2023, the properties for sale of the Group amounted to \$22,994,000 and constitute approximately 24% of the Group’s total assets and are thus considered significant. The Group’s properties in the United States of America include Black Oak in Houston, Texas and Alset Villa in Montgomery County, Texas.

Properties for sale are measured at the lower of cost and net realisable value.



INDEPENDENT AUDITOR'S REPORT

To the members of Alset International Limited

Key Audit Matters (Cont'd)

Net realisable value of properties for sale (Cont'd)

Net realisable value of properties for sale is the estimated selling price in the ordinary course of business, based on market prices at the reporting date, less the estimated costs of completion and the estimated costs necessary to make the sale.

The determination of the net realisable value of these properties requires management to make various assumptions and estimates in deriving the estimated market values and selling costs.

There is an inherent risk that the estimate of net realisable values exceed future selling prices, resulting in a loss when these properties are sold.

Our response:

The management of the Group has engaged an external appraiser to assist management in the determination of the estimated market values of the properties for sale as at 31 December 2023.

We have evaluated the objectivity and competency of the external appraiser and read the terms of engagement to determine whether there was any limitation in the scope of work or matters that might affect the objectivity of the external appraiser.

We considered recently transacted prices of properties that were sold. We reviewed the reasonableness of the inputs used by the external appraiser in assessing the estimated market values of unsold properties, taking into account the prevailing market trends and the Group's development and selling plans for the properties. The inputs used included recently transacted selling prices of these properties, prices of comparable properties which have been adjusted to be reflective of the Group's properties and management's expectations based on the market and project-specific factors. Where necessary, we also evaluated the qualitative and quantitative analysis of fair value of the properties by assessing the reasonableness of methods and assumptions used by management and the external appraiser and testing the underlying data used in such analysis. Additionally, our procedures performed over the land held for future development and developed properties also included the consideration of relevant external market data.

We also involved our auditor's expert and evaluated that the auditor's expert has the necessary competence, capability and objectivity for our purposes. Through our appointed auditor's expert, we considered the appropriateness of the valuation techniques used by the external appraiser for the properties for sale. We discussed with the external appraiser on the results of their work, and compared the key assumptions used in the valuation by reference to recently transacted prices of properties that were sold, selling prices of comparable properties and other available benchmarks and considered whether these assumptions are consistent with the current market environment.

Disclosures about the Group's properties for sale are made in Note 10 to the consolidated financial statements.

The logo features a circular graphic composed of several grey segments of varying shades, arranged in a ring. The text 'INDEPENDENT AUDITOR'S REPORT' is positioned to the left of this graphic. 'INDEPENDENT' is in a smaller, all-caps, sans-serif font, while 'AUDITOR'S REPORT' is in a larger, bold, all-caps, sans-serif font.

INDEPENDENT AUDITOR'S REPORT

To the members of Alset International Limited

Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Directors for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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



INDEPENDENT AUDITOR'S REPORT

To the members of Alset International Limited

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- 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, actions taken to eliminate threats or safeguards applied.

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

The logo features a circular graphic composed of several grey segments of varying shades, arranged in a ring. The text 'INDEPENDENT AUDITOR'S REPORT' is positioned to the left of this graphic.

INDEPENDENT AUDITOR'S REPORT

To the members of Alset International Limited

Report on Other Legal and Regulatory Requirements

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

The engagement partner on the audit resulting in this independent auditor's report is Chin Bo Wui.

Foo Kon Tan LLP
Public Accountants and
Chartered Accountants

Singapore,
Dated: 15 April 2024



STATEMENTS OF FINANCIAL POSITION

as at 31 December 2023

	Note	The Group		The Company	
		2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
ASSETS					
Non-Current Assets					
Property, plant and equipment	3	1,398	1,294	116	188
Investment properties	4	–	–	–	–
Right-of-use assets	5	1,310	1,466	1,078	788
Other investments	6	543	236	–	–
Investment in subsidiaries	7	–	–	200	200
Investment in associates	8	2,755	2,206	2,961	2,886
Other receivables	9	17,373	–	1,320	–
		23,379	5,202	5,675	4,062
Current Assets					
Trade and other receivables	9	14,009	7,612	42,469	80,332
Prepaid operating expenses		97	145	73	93
Properties for sale	10	22,994	40,573	–	–
Investment securities	11	6,912	13,546	5,677	11,833
Other investments	6	305	1,848	–	–
Derivative asset		*–	439	–	–
Bank deposits pledged	12	142	415	–	–
Cash and cash equivalents	12	28,858	13,264	24,534	9,024
Inventories		3	46	–	–
		73,320	77,888	72,753	101,282
Assets of disposal group classified as held-for-sale	13(b)	–	36,719	–	–
		73,320	114,607	72,753	101,282
Total Assets		96,699	119,809	78,428	105,344
EQUITY					
Share capital	14	213,470	213,470	213,470	213,470
Capital reserve	14(a)	5,028	5,222	–	–
Merger reserve	14(b)	1,480	1,480	898	898
Employee share option reserve	14(c)	–	173	–	173
Fair value reserve	14(d)	(82)	(82)	–	–
Foreign currency translation reserve	14(e)	786	703	–	–
Reserve of disposal group classified as held for sale	14(f)	–	(194)	–	–
Accumulated losses		(135,422)	(131,028)	(142,644)	(133,323)
Equity attributable to owners of the Company		85,260	89,744	71,724	81,218
Non-controlling interests		(691)	(687)	–	–
Total Equity		84,569	89,057	71,724	81,218
LIABILITIES					
Non-Current Liabilities					
Lease liabilities	15	544	457	540	321
		544	457	540	321
Current Liabilities					
Trade and other payables	16	10,975	26,263	5,788	21,811
Income tax payable		14	–	14	–
Derivative liabilities		–	1,714	–	1,714
Lease liabilities	15	597	825	362	280
		11,586	28,802	6,164	23,805
Liabilities of disposal group classified as held-for-sale	13(b)	–	1,493	–	–
		11,586	30,295	6,164	23,805
Total Liabilities		12,130	30,752	6,704	24,126
Total Equity and Liabilities		96,699	119,809	78,428	105,344

*Less than \$1,000

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

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the financial year ended 31 December 2023

The Group	Note	2023 \$'000	2022 \$'000
Continuing operations			
Revenue	17	25,517	2,996
Cost of sales		(15,697)	(1,992)
Gross profit		9,820	1,004
Other operating income	18	3,244	4,476
Administrative expenses		(8,005)	(7,924)
Other operating expenses	19	(11,551)	(37,623)
Loss from operating activities		(6,492)	(40,067)
Finance income	20	1,515	467
Finance costs	21	(34)	(11)
Net finance income		1,481	456
Share of results of associates (net of tax)	8	471	(674)
Loss before tax	22	(4,540)	(40,285)
Income tax	25	(14)	(389)
Loss from continuing operations, net of tax		(4,554)	(40,674)
Discontinued operations			
Loss from discontinued operations	13(c)	(14)	(5,733)
Loss for the year		(4,568)	(46,407)
Other comprehensive income/(loss)			
Items that may be reclassified subsequently to profit or loss:			
Foreign currency translation differences relating to foreign operations, net of nil tax		5	504
Share of other comprehensive income of associates, net of nil tax		78	(6)
Items that will not be reclassified subsequently to profit or loss:			
Foreign currency translation differences relating to foreign operations, net of nil tax		(3)	(9)
Fair value loss of equity instrument at FVOCI		-	(82)
Other comprehensive (loss)/income for the year, net of nil tax		80	407
Total comprehensive loss for the year		(4,488)	(46,000)
Loss for the year attributable to:			
- Owners of the Company			
Loss from continuing operations		(4,553)	(40,668)
Loss from discontinued operations		(14)	(5,733)
Loss for the year attributable to owners of the Company		(4,567)	(46,401)
- Non-controlling interests			
Loss from continuing operations		(1)	(6)
Loss for the year attributable to non-controlling interests		(1)	(6)
		(4,568)	(46,407)
Total comprehensive loss attributable to:			
- Owners of the Company			
		(4,484)	(45,985)
- Non-controlling interests			
		(4)	(15)
Total comprehensive loss for the year		(4,488)	(46,000)
Loss per share attributable to owners of the Company (cents per share)			
- Basic	26	(0.13)	(1.33)
- Diluted	26	(0.13)	(1.33)
Loss per share attributable to owners of the Company - Continuing operations (cents per share)			
- Basic	26	(0.13)	(1.16)
- Diluted	26	(0.13)	(1.16)

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the financial year ended 31 December 2023

The Group	Attributable to owners of the Company							Total equity \$'000			
	Share capital \$'000	Capital reserve \$'000	Merger reserve \$'000	Employee share option reserve \$'000	Fair value reserve \$'000	Foreign currency translation reserve \$'000	Reserve of disposal group classified as held-for-sale \$'000		Equity attributable to owners of the Company \$'000	Non-controlling interests \$'000	
At 1 January 2023	213,470	5,222	1,480	173	(82)	703	(194)	(131,028)	89,744	(687)	89,057
Total comprehensive loss for the year								(4,567)	(4,567)	(1)	(4,568)
Loss for the year	-	-	-	-	-	-	-	-	-	-	-
Other comprehensive income:											
Foreign currency translation differences relating to foreign operations, net of nil tax	-	-	-	-	-	5	-	-	-	-	(3)
Share of other comprehensive income of associates, net of nil tax	-	-	-	-	-	78	-	-	78	-	78
Total comprehensive loss for the year	-	-	-	-	-	83	-	(4,567)	(4,484)	(4)	(4,488)
Transactions with owners, recognised directly in equity											
Forfeited during the year (Note 24)	-	-	-	(173)	-	-	-	-	-	-	-
Disposal of a subsidiary (Note 13(b))	-	(194)	-	-	-	-	194	-	-	-	-
Total transactions with owners	-	(194)	-	(173)	-	-	194	-	-	-	-
At 31 December 2023	213,470	5,028	1,480	-	(82)	786	-	(135,422)	85,260	(691)	84,569

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the financial year ended 31 December 2023

The Group	Attributable to owners of the Company										Total equity \$'000
	Share capital \$'000	Capital reserve \$'000	Merger reserve \$'000	Employee share option reserve \$'000	Fair value reserve \$'000	Foreign currency translation reserve \$'000	Reserve of disposal group classified as held-for-sale \$'000	Accumulated losses \$'000	Equity attributable to owners of the Company \$'000	Non-controlling interests \$'000	
At 1 January 2022	213,470	2,035	1,480	173	-	(197)	-	(84,240)	132,721	(674)	132,047
Total comprehensive loss for the year											
Loss for the year	-	-	-	-	-	-	-	(46,401)	(46,401)	(6)	(46,407)
Other comprehensive income:											
Foreign currency translation differences relating to foreign operations, net of nil tax	-	-	-	-	-	504	-	-	504	(9)	495
Share of other comprehensive income of associates, net of nil tax	-	-	-	-	-	(6)	-	-	(6)	-	(6)
Fair value loss of equity instrument at FVOCI	-	-	-	-	(82)	-	-	-	(82)	-	(82)
Total comprehensive loss for the year	-	-	-	-	(82)	498	-	(46,401)	(45,985)	(15)	(46,000)
Transactions with owners, recognised directly in equity											
Disposal of a subsidiary (Note 13(a))	-	3,187	-	-	-	208	-	-	3,395	2	3,397
Acquisition of a subsidiary under common control	-	-	-	-	-	-	-	(387)	(387)	-	(387)
Disposal group classified as held for sale	-	-	-	-	-	194	(194)	-	-	-	-
Total transactions with owners	-	3,187	-	-	-	402	(194)	(387)	3,008	2	3,010
At 31 December 2022	213,470	5,222	1,480	173	(82)	703	(194)	(131,028)	89,744	(687)	89,057

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



CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 December 2023

	Note	2023 \$'000	2022 \$'000
Cash Flows from Operating Activities			
Loss before tax		(4,554)	(46,018)
Adjustments for:			
Depreciation of property, plant and equipment	3	229	149
Depreciation of right-of-use assets	5	887	656
Fair value loss on derivative assets	19	439	924
(Reversal of)/fair value loss on derivative liabilities	18,19	(1,714)	1,714
Withholding tax expenses	19	505	1,061
Net fair value loss on equity securities at FVTPL	19	7,911	32,314
Net unrealised foreign exchange loss	19	1,000	1,138
Finance income	20	(1,515)	(467)
Interest expense on loans and borrowings	21	–	3
Interest expense on lease liabilities	21	34	8
Share of results of associates	8	(471)	674
Reversal of impairment loss on properties for sale	18	–	(3,276)
Impairment on investment properties	19	–	3,807
Impairment on amount due from related parties	19	91	1,353
Fair value loss on investment properties	19	–	1,394
Fair value gain on convertible promissory notes	18	–	(242)
Fair value loss/(gain) on other investments	18,19	1,605	(720)
Loan forgiveness	18	–	(92)
Operating results before working capital changes		4,447	(5,620)
Change in trade and other receivables		(492)	(6,871)
Change in prepaid operating expenses		48	599
Change in inventories		43	18
Change in properties for sales		15,794	(11,352)
Change in trade and other payables and contract liabilities		67	(1,647)
Cash generated from/(used) in operations		19,907	(24,873)
Income tax paid		–	(389)
Net cash from/(used in) operating activities		19,907	(25,262)
Cash Flows from Investing Activities			
Purchase of property, plant and equipment	3	(329)	(745)
Purchase of other investments		(369)	(544)
Purchase of investment properties	4	–	(2,604)
Interest received		9	15
Purchase of investment securities	11	(20,518)	(74,653)
Proceeds from disposal of investment securities	11	19,241	63,358
(Repayments from)/Advances to related parties		(2,739)	3,422
Investment in promissory notes		(2,065)	–
Investment in associate	8	–	(2,886)
Net cash (outflow)/inflow arising from disposal of subsidiaries	13(a)(b)	(417)	1,743
Net cash used in investing activities		(7,187)	(12,894)
Cash Flows from Financing Activities			
Advances from/(repayment to) ultimate holding company	Note A	1,972	(880)
Repayment to directors	Note A	–	(19)
Principal element of lease payment	Note A	(872)	(749)
Repayment of lease interest	Note A	(34)	(8)
Repayment of loans and borrowings	Note A	–	(223)
Changes in bank deposits pledged	Note A	273	5,573
Net cash from financing activities		1,339	3,694
Net increase/(decrease) in cash and cash equivalents		14,059	(34,462)
Effect of exchange rate changes on cash and cash equivalents		(57)	195
Cash and cash equivalents at beginning of year		14,856	49,123
Cash and cash equivalents at end of year	12	28,858	14,856

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 December 2023

Note A:

Reconciliation of assets and liabilities arising from financing activities

	Bank deposits pledged \$'000	Loans and borrowings \$'000	Lease liabilities \$'000	Amounts due to ultimate holding company \$'000	Amounts due to directors \$'000	Total \$'000
At 1 Jan 2022	(5,988)	312	823	17,542	19	12,708
Cash flows:						
- Repayment to ultimate holding company	-	-	-	(880)	-	(880)
- Repayment to directors	-	-	-	-	(19)	(19)
- Principal element of lease payment	-	-	(749)	-	-	(749)
- Repayment of lease interest	-	-	(8)	-	-	(8)
- Repayment of loans and borrowings	-	(223)	-	-	-	(223)
- Changes in bank deposits pledged	5,573	-	-	-	-	5,573
	5,573	(223)	(757)	(880)	(19)	3,694
Non-cash changes:						
- New leases	-	-	1,208	-	-	1,208
- Interest expense	-	3	8	-	-	11
- Loan forgiveness	-	(92)	-	-	-	(92)
- Acquisition of a subsidiary	-	-	-	286	-	286
	-	(89)	1,216	286	-	1,413
At 31 December 2022	(415)	-	1,282	16,948	-	17,815
At 1 January 2023	(415)	-	1,282	16,948	-	17,815
Cash flows:						
- Advances from ultimate holding company	-	-	-	1,972	-	1,972
- Principal element of lease payment	-	-	(872)	-	-	(872)
- Repayment of lease interest	-	-	(34)	-	-	(34)
- Changes in bank deposits pledged	273	-	-	-	-	273
	273	-	(906)	1,972	-	1,339
Non-cash changes:						
- New leases	-	-	731	-	-	731
- Interest expense	-	-	34	-	-	34
- Offset with consideration receivable arising from disposal of subsidiary (Note 13(b))	-	-	-	(18,652)	-	(18,652)
	-	-	765	(18,652)	-	(17,887)
At 31 December 2023	(142)	-	1,141	268	-	1,267

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



NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

1 General Information

The consolidated financial statements of the Group and statement of financial position of the Company for the year ended 31 December 2023 were authorised for issue in accordance with a resolution of the directors on the date of the Directors' statement.

The Company is incorporated as a limited liability company and domiciled in the Republic of Singapore. The Company was listed on the Catalist Board of the Singapore Exchange Securities Trading Limited ("SGX-ST") on 5 July 2010.

The registered office and principal place of business of the Company is located at 9 Temasek Boulevard #16-04, Suntec Tower One, Singapore 038989.

The immediate holding company is Alset Business Development Pte. Ltd. which is incorporated in Singapore. The ultimate holding company is Alset Inc. which is incorporated in United States of America.

The principal activity of the Company is that of investment holding. The principal activities of the subsidiaries are disclosed in Note 7.

2(a) Basis of preparation

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

The financial statements are presented in Singapore Dollars which is the Company's functional currency. All financial information is presented in Singapore Dollars, rounded to the nearest thousand (\$'000), unless otherwise stated.

During the financial year ended 31 December 2023, the Group incurred a net loss of \$4,568,000 (2022: \$46,407,000). However, the Group is still in a positive net assets and net current working capital position as at 31 December 2023. The financial statements have been prepared on a going concern basis as the board of directors are of the view that the Group is able to pay its obligation and meet its liabilities as and when they fall due in the next twelve months after the date of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

2(b) Adoption of new and amended standards and interpretations

The Group and the Company have adopted all the new and revised SFRS(I)s, SFRS(I) interpretations (“SFRS(I) INT”) and amendments to SFRS(I)s, effective for the current financial period that are relevant to them. The adoption of these new and revised SFRS(I) pronouncements does not result in significant changes to the Group’s and the Company’s accounting policies and has no material effect on the amounts or the disclosures reported for the current reporting periods.

Reference	Description	Effective date (Annual periods beginning on or after)
SFRS(I) 17	Insurance Contracts	1 January 2023
Amendments to SFRS(I) 1-1 and SFRS(I) Practice Statement 2	Disclosure of Accounting Policies	1 January 2023
Amendments to SFRS(I) 1-8	Definition of Accounting Estimates	1 January 2023
Amendments to SFRS(I) 1-12	Deferred Tax related to Assets and Liabilities arising from Single Transaction	1 January 2023
Amendments to SFRS(I) 1-12	International Tax Reform – Pillar Two Model Rules	1 January 2023

The application of these amendments to standards and interpretations does not have a material effect on the financial statement.

2(c) Standards issued but not yet effective

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

Reference	Description	Effective date (Annual periods beginning on or after)
Amendments to SFRS(I) 1-1	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
Amendments to SFRS(I) 16	Lease liabilities in a Sale and Leaseback	1 January 2024
Amendments to SFRS(I) 1-7 and SFRS(I) 7	Supplier Finance Arrangements	1 January 2024
Amendments to SFRS(I) 1-21	Lack of Exchangeability	1 January 2025
Amendments to SFRS(I) 10 and SFRS(I) 1-28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Yet to be determined



NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

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

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

The areas involving significant judgement and critical accounting estimates and assumptions used are described below:

Significant judgements in applying accounting policies

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

- (a) Determination of whether the investment in DSS Inc. ("DSS") constitutes an investment in subsidiary under SFRS(I) 10 Consolidated Financial Statements or investment in associate under SFRS(I) 1-28 Investments in Associates and Joint Ventures or an investment of a financial asset under SFRS(I) 9 Financial Instruments

The Group accounts for an acquisition as a subsidiary when it has the power over the investee and has exposure, or rights, to variable returns from its involvement with the investee; and the ability to use its power over the investee to affect the amount of the investor's returns. The Group accounts for an acquisition as an investment in associate where the Group exercises significant influence over the investee. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over these policies. The considerations made in determining significant influence are similar to those necessary to determine control over subsidiaries. On the other hand, financial assets are recognised when, and only when, the Group becomes a party to the contractual provisions of the instruments.

During the financial year ended 31 December 2023, the Group holds 27,598,848 of DSS common stock as at 31 December 2023. As at 31 December 2023, the Group's 19.68% equity interest in the investee, DSS, did not meet the default presumption of 20% for significant influence. In addition, the Group did not have the right to participate in the significant financial and operating decisions of the investee. Therefore, management has concluded that the Group does not have significant influence over the investee and has accounted for the transaction as an investment in a financial asset consistent with prior periods.

- (b) Determination of operating segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenue and incur expenses, including revenue and expenses that relate to transactions with any of the Group's other components. The Group determines and presents operating segments based on information that is provided internally to the Chief Operating Decision Maker ("CODM"). All operating segments' operating results are reviewed regularly by the CODM to make decision about resources to be allocated to the segments and to assess its performance, and for which discrete financial information is available.

- (c) Classification of properties for sale (Note 10)

The land development business involves converting undeveloped land into buildable lots. The Group's strategy is to acquire the land for development and will be responsible for the infrastructure development, ensuring the completion of the project and delivery of buildable lots to its customers or home builders. Accordingly, these properties are treated as properties for sale

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

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

Significant judgements in applying accounting policies (Cont'd)

(d) Control over Alset Capital Acquisition Corp ("ACAC")

The Group determines whether its associate i.e. Alset SPAC Group Inc. and its subsidiary, Alset Acquisition Sponsor, LLC ("Sponsor") has control or not over ACAC based on whether the Sponsor has the practical ability to direct the relevant activities significantly affecting ACAC's returns. Although the Sponsor owns only 25.65% of the voting rights of ACAC, the Sponsor is exposed to and 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 through the control of the composition of the board of directors by virtue of the By-Laws of the investee. Consequently, the Sponsor consolidated the investment in ACAC as a subsidiary while the Group equity accounts for its share of results of the Sponsor and ACAC as a result of the Group's significant influence over the Sponsor.

Key sources of estimation uncertainty

(a) Fair value of unquoted investments (Note 6)

The management, together with the assistance of an independent and qualified external appraiser engaged by the Group, determined the appropriate valuation techniques and inputs for fair value measurements. In estimating the fair value of the unquoted investments, the Group applied market-observable data to the extent it was available. The management worked closely with the qualified external appraiser to establish the appropriate valuation techniques and inputs to the model. As at 31 December 2023, a reasonably possible change in key assumptions from management's estimates would not result in a significant impact to the Group's result.

(b) Carrying amounts of properties for sale (Note 10)

Significant judgement and estimation are required in assessing the recoverability of the carrying value of properties for sale. The determination of the net realisable value of these properties required management to make various assumptions and estimates in deriving the estimated market values and selling costs.

As at 31 December 2023 and 2022, a reasonably possible change in the estimated market price of the properties will not result in a significant impact to the Group's results.

(c) Impairment of financial assets measured at amortised costs (Note 9)

The impairment allowances for financial assets measured at amortised costs, are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculations, based on the Group's past historical experience, existing market conditions as well as forward-looking estimates at the end of each reporting period. The carrying amounts of the Group's and the Company's trade and other receivables at the end of the reporting period are disclosed in Note 9 to the financial statements.

The Company held non-trade receivables due from its subsidiaries that are repayable on demand of \$86,522,000 (2022: \$123,426,000) as at the reporting date. These balances are amounts extended to the subsidiaries to satisfy their short-term funding requirements. The impairment of the amounts due from subsidiaries is based on the expected loss model using general approach which considers the overall positions of the highly accessible liquid assets of the subsidiaries to repay these amounts if demanded repayment at the reporting date. As a result of management's assessment, an impairment allowance of \$46,815,000 (2022: \$45,172,000) was provided as at 31 December 2023.



NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

2(e) Summary of material accounting policy information

Consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries) made up to the reporting date each year. Control is achieved when the Company:

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

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

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

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

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, the results of subsidiaries acquired or disposed of during the year are included in profit or loss from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with the Group's accounting policies.

All intra-group assets and liabilities, equity, income and expenses and cash flows relating to transactions between the members of the Group are eliminated on consolidation.

Non-controlling interests in subsidiaries are identified separately from the Group's equity therein. Those interests of non-controlling shareholders that are present ownership interests entitling their holders to a proportionate share of net assets upon liquidation may initially be measured at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement is made on an acquisition-by-acquisition basis. Other non-controlling interests are initially measured at fair value. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity.

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

2(e) Summary of material accounting policy information (Cont'd)

Consolidation (Cont'd)

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

When the Group loses control of a subsidiary, the gain or loss on disposal recognised in profit or loss is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), less liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as required/permitted by applicable SFRS(I)s). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under SFRS(I) 9 *Financial Instruments* when applicable, or the cost on initial recognition of an investment in an associate or a joint venture.

In the Company's separate financial statements, investments in subsidiaries are carried at cost less any impairment in net recoverable value that has been recognised in profit or loss. On disposal of such investments, the difference between disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

Business combination

Acquisition under common control

Business combination arising from transfers of interest in entities that are under common control are accounted for as if the acquisition had occurred at the beginning of the earliest comparative period presented or, if later, at the date that common control was established. For this purpose, comparatives are restated. The assets and liabilities acquired are recognised at the carrying amounts recognised previously and no adjustments are made to reflect the fair values or recognised any new assets or liabilities, including no goodwill to be recognised as a result of the combination. The components of equity of the acquired entities are added to the same components within the Group's equity. Any difference between the cash paid for the acquisition and share capital of acquiree is recognised directly to equity as merger reserve.

The Group has an option to apply a 'concentration test' that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The optional 'concentration test' is met, and the acquired set of activities and assets is not a business, if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

Acquisition-related costs are expensed as incurred. If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in profit or loss. Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with SFRS(I) 9 either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.



NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

2(e) Summary of material accounting policy information (Cont'd)

Associates

An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these financial statements using the equity method of accounting, except when the investment is classified as held for sale, in which case it is accounted for in accordance with SFRS(I) 5.

Under the equity method, an investment in an associate is recognised initially in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate. When the Group's share of losses of an associate exceeds the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate. On acquisition of the investment in an associate, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

If there is objective evidence that the Group's net investment in an associate is impaired, the requirements of SFRS(I) 1-36 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with SFRS(I) 1-36 as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised is not allocated to any asset, including goodwill that forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with SFRS(I) 1-36 to the extent that the recoverable amount of the investment subsequently increases.

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate. When the Group retains an interest in the former associate and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with SFRS(I) 9. The difference between the carrying amount of the associate at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate is included in the determination of the gain or loss on disposal of the associate. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate on the same basis as would be required if that associate had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the associate is disposed of.

When the Group reduces its ownership interest in an associate but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

When a group entity transacts with an associate of the Group, profits and losses resulting from the transactions with the associate are recognised in the Group's consolidated financial statements only to the extent of interests in the associate that are not related to the Group.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

2(e) Summary of material accounting policy information (Cont'd)

Associates (Cont'd)

The Group applies SFRS(I) 9, including the impairment requirements, to long-term interests in an associate to which the equity method is not applied and which form part of the net investment in the investee. Furthermore, in applying SFRS(I) 9 to long-term interests, the Group does not take into account adjustments to their carrying amount required by SFRS(I) 1-28 *Investments in Associates and Joint Ventures* (i.e. adjustments to the carrying amount of long-term interests arising from the allocation of losses of the investee or assessment of impairment in accordance with SFRS(I) 1-28).

In the Company's separate financial statements, investments in associates are carried at cost less any impairment in net recoverable value that has been recognised in profit or loss. On disposal of such investments, the difference between disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

Functional currencies

The individual financial statements of each group entity are measured and presented in the currency of the primary economic environment in which the entity operates (the functional currency). The consolidated financial statements of the Group and the statement of financial position of the Company are presented in Singapore dollar ("S\$"), which is the functional currency of the Company and the presentation currency for the consolidated financial statements.

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency are recorded at the rate of exchange prevailing on the date of the transaction. At each reporting date, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the end of the reporting period. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences are recognised in profit or loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- exchange differences on transactions entered into to hedge certain foreign currency risks; and
- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur in the foreseeable future (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on disposal or partial disposal of the net investment.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations (including comparatives) are expressed in Singapore dollar using exchange rates prevailing at the end of the reporting period. Income and expense items (including comparatives) are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in a separate component of equity under the header of currency translation reserve.

On the disposal of a foreign operation (i.e. disposal of the Group's entire interest in a foreign operation, or disposal involving loss of control over a subsidiary that includes a foreign operation), all of the accumulated exchange differences in respect of that operation attributable to the Group are reclassified to profit or loss. Any exchange differences that have previously been attributed to non-controlling interests are derecognised, but they are not reclassified to profit or loss.

In relation to a partial disposal of a subsidiary that includes a foreign operation that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in profit or loss.



NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

2(e) Summary of material accounting policy information (Cont'd)

Leases

The Group as lessee

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

(i) *Lease liability*

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

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 as a separate line item in the statements of financial position.

The lease liability is subsequently measured at amortised cost, by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

2(e) Summary of material accounting policy information (Cont'd)

Leases (Cont'd)

The Group as lessee (Cont'd)

(i) *Lease liability (Cont'd)*

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:

- 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;
- 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 case 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
- 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.

(ii) *Right-of-use asset*

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

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under SFRS(I) 1-37 *Provisions, Contingent Liabilities and Contingent Assets*. 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 follows:

Use of premises: over lease term of 1 to 2 years

Use of motor vehicle: over lease term of 2 to 7 years

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 are presented as a separate line item in the statements of financial position.

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



NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

2(e) Summary of material accounting policy information (Cont'd)

Property, plant and equipment and depreciation

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Depreciation is computed utilising the straight-line method to allocate their depreciable amount of the asset over their estimated useful lives as follows:

Office premises	1 to 3 years
Motor vehicles	10 years
Furniture and fittings	3 to 5 years
Renovation	3 years
Office and computer equipment	3 to 5 years

The cost of property, plant and equipment includes expenditure that is directly attributable to the acquisition of the items. Dismantlement, removal or restoration costs are included as part of the cost of property, plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the asset.

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

Depreciation is recognised from the date that the property, plant and equipment are ready to use.

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

On disposal of an item of property, plant and equipment, the difference between the disposal proceeds and its carrying amount is recognised in profit or loss.

Land held for future development

Land held for future development and cost attributable to the development activities which are held for future development where no significant development has been undertaken is stated at cost less any impairment loss.

Properties for sale

Properties for sale are acquired with the intention for sale in the ordinary course of business.

Properties for sale are stated at the lower of cost or net realisable value. Related acquisition expense, interest and other related expenditure are capitalised as part of the cost of properties for sale. Net realisable value represents the estimated selling price less costs to be incurred in selling the property.

Transfers

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

2(e) Summary of material accounting policy information (Cont'd)

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the first-in, first-out method and includes all costs in bringing the inventories to their present location and condition.

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

Financial instruments

(a) Financial assets

Initial recognition and measurement

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

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of financial asset not at fair value through profit or loss, transaction costs.

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.

In order for a financial asset to be classified and measured at amortised cost or fair value through other comprehensive income, it needs to give rise to cash flows that are "solely payments of principal and interest (SPPI) on the principal amount outstanding." This assessment is referred to as the SPPI test and is performed at an instrument level.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchase or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e. the date that the Group commits to purchase or sell the asset.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchase or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e. the date that the Group commits to purchase or sell the asset.



NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

2(e) Summary of material accounting policy information (Cont'd)

Financial instruments (Cont'd)

(a) Financial assets (Cont'd)

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through other comprehensive income (“OCI”) with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

Financial assets at amortised cost (debt instruments)

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 the amortisation process.

Subsequent measurement of debt instruments depends on the Group’s business model with the objective to hold financial assets in order to collect contractual cash flows and the contractual cash terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding on the asset.

The Group’s financial assets at amortised cost include trade and other receivables (excluding prepayments), bank deposits pledged and cash and cash equivalents.

Fair value through other comprehensive income (“FVOCI”) (debt instruments)

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 and computed in the same manner as for financial assets measured at amortised cost. 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. The Group does not hold any such financial asset.

Financial assets designated at fair value through other comprehensive income (“OCI”) (equity instruments)

On initial recognition of an equity instrument that is not held for trading, the Group may irrevocably elect to present subsequent changes in fair value in OCI. The classification is determined on an instrument-by-instrument basis. The Group subsequently measures its qualifying equity instrument designated at FVOCI at fair value. Dividends from such investments are to be recognised in profit or loss when the Group’s right to receive payments is established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at FVOCI are not subject to impairment assessment.

Changes in fair value of these financial assets designated at FVOCI (equity instruments) recognised in OCI are never recycled to profit or loss. The Group has elected to classify irrevocably certain of its unquoted equity investments under this category.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

2(e) Summary of material accounting policy information (Cont'd)

Financial instruments (Cont'd)

(a) Financial assets (Cont'd)

Subsequent measurement (Cont'd)

Financial assets at fair value through profit and loss ("FVTPL")

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separate embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at FVOCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch. 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. Interest income from these financial assets is included in the finance income.

Financial assets at fair value through profit or loss are carried in the statements of financial position at fair value with net changes in fair value recognised in profit or loss. This category includes quoted equity securities which the Group had not irrevocably elected to classify at FVOCI. It also includes derivative financial asset that has not been designated as effective hedging instrument. Investments in unquoted equity securities held by the Group are also classified as financial asset at fair value through profit and loss. Dividends on equity instruments are also recognised as other income in the statement of profit or loss and other comprehensive income when the right of payment has been established.

Derecognition

A financial asset (or, where applicable, part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group's consolidated statement of financial position) when:

- The rights to receive cash flows from the asset have expired; or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.



NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

2(e) Summary of material accounting policy information (Cont'd)

Financial instruments (Cont'd)

(a) Financial assets (Cont'd)

Impairment of financial assets

The Group assesses on a forward-looking basis the expected credit losses (“ECLs”) associated with its debt instrument assets carried at amortised cost. 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.

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 ECLs). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECLs).

For trade receivables, the Group measures the loss allowance at an amount equal to the lifetime ECL. 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.

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

The Group considers a financial asset to be in default when contractual payments are 60 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.

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- significant financial difficulty of the issuer or the borrower;
- a breach of contract, such as a default or past due event;
- the lender of the borrower, for economic or contractual reasons relating to the borrower’s financial difficulty, having granted to the borrower a concession that the lender would not otherwise consider;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for that financial asset because of financial difficulties.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

2(e) Summary of material accounting policy information (Cont'd)

Financial instruments (Cont'd)

(a) Financial assets (Cont'd)

Impairment of financial assets (Cont'd)

Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery (e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings). Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

(b) Derivative financial instruments

In the course of business, the Group may acquire minority equity interests in companies with potential business growth as part of its investment business strategy. The Group may also negotiate to have the option or right to purchase or sell the underlying shares of the investee at a certain price before the warrant expires. The Group may also enter into contracts to purchase equity securities under certain conditions and predetermined prices. Derivative financial instruments are recognised initially at fair value and attributable transaction costs are recognised in the profit or loss as incurred. Subsequent to initial recognition, derivative financial instruments are measured at fair value, and changes therein are recognised in the profit or loss.

(c) Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised initially at fair value less directly attributable transaction costs. The Group's financial liabilities comprise trade and other payables (excluding withholding tax payable and contract liabilities), loans and borrowings and lease liabilities.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by SFRS(I) 9. Separate embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in SFRS(I) 9 are satisfied. The Group has not designated any financial liability as fair value through profit or loss except for derivative liabilities.

Other financial liabilities at amortised cost

Other financial liabilities are initially measured at fair value less directly attributable transaction costs and subsequently measured at amortised cost, using the effective interest method.



NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

2(e) Summary of material accounting policy information (Cont'd)

Financial instruments (Cont'd)

(c) Financial liabilities (Cont'd)

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

(d) Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the recognised amounts; and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

(e) Cash and cash equivalents

Cash and cash equivalents include cash on hand and at bank and short-term deposits with financial institutions that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in values. For the purposes of the consolidated statement of cash flows, bank deposits pledged are excluded from cash and cash equivalents.

Disposal groups held for sale

Disposal groups are classified as assets held for sale and carried at the lower of carrying amount and fair value less costs to sell if their carrying amount is recovered principally through a sales transaction rather than through continuing use. The assets are not depreciated or amortised while they are classified as held for sale. Any impairment loss on initial classification and subsequent measurement is recognised as an expense. Any subsequent increase in fair value less costs to sell (not exceeding the accumulated impairment loss that has been previously recognised) is recognised in profit or loss. Any cumulative income or expense recognised directly in equity relating to the disposal group classified as held for sale is presented separately as other reserve in the consolidated statement of changes in equity.

Share capital and share issuance expenses

Ordinary shares are classified as equity. 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.

Borrowing costs

Borrowing costs incurred to finance the development of properties are capitalised for the period of time that is required to complete and prepare the asset for its intended use or sale. The amount of borrowing costs capitalised on that asset is the actual borrowing costs incurred during the period less any investment income on the temporary investment of those borrowings. Other borrowing costs are recognised on a time-proportion basis in profit or loss using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

2(e) Summary of material accounting policy information (Cont'd)

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 economic 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 each end of the 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.

Financial guarantees

Financial guarantees issued are initially measured at fair value and the initial fair value is amortised over the life of the guarantees. Subsequent to initial measurement, the financial guarantees are measured at the higher of the amortised amount and the amount of loss allowance.

Income taxes

Tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes; if any.

Current tax assets and liabilities are offset only if certain criteria are met.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and, at the time of the transaction (i) affects neither accounting nor taxable profit or loss and (ii) does not give rise to equal taxable and deductible temporary differences; and
- temporary differences related to investments in subsidiaries to the extent that the Group is able to control the timing of the reversal of the temporary difference and it is probable that they will not reverse in the foreseeable future.

The measurement of deferred taxes reflects the tax consequences that would follow the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.



NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

2(e) Summary of material accounting policy information (Cont'd)

Income taxes (Cont'd)

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

Employee benefits

Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

Defined contribution plans

A defined contribution national pension is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The contributions to national pension schemes are charged to profit or loss in the period to which the contributions relate.

Employee Share Option Scheme and Performance Share Plan

The Company has an employee share option scheme and performance share plan for the granting of options and awards to eligible employees and directors. The Group may issue equity-settled share-based payments to certain employees. The fair value of the employee services received in exchange for the grant of options or awards is recognised as an expense in the profit or loss with a corresponding increase in the employee share option reserve over the vesting period. The total amount to be recognised over the vesting period is determined by reference to the fair value of the options or awards granted on the date of the grant. Non-market vesting conditions are included in the estimation of the number of shares under options or awards that are expected to become exercisable on the vesting date.

At the end of each reporting period, the Group will revise its estimates of the number of shares under options or awards that are expected to become exercisable on the vesting date and recognises the impact of the revision of the estimates in the profit or loss, with a corresponding adjustment to the employee share option reserve over the remaining vesting period.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

2(e) Summary of material accounting policy information (Cont'd)

Employee benefits (Cont'd)

Employee Share Option Scheme and Performance Share Plan (Cont'd)

When the options or awards are exercised, the proceeds received (net of transaction costs) and the related balance previously recognised in the employee share option reserve are credited to share capital account, when new ordinary shares are issued or to the treasury shares account, when treasury shares are re-issued to the employees.

Key management personnel

Key management are those persons having the authority and responsibility for planning, directing and controlling the activities of the Group. Directors and certain executive officers are considered key management personnel.

Related parties

A related party is defined as follows:

- (a) A person or a close member of that person's family is related to the Group and Company if that person:
 - (i) has control or joint control over the Company;
 - (ii) has significant influence over the Company; or
 - (iii) is a member of the key management personnel of the Group or Company or of a parent of the Company.
- (b) An entity is related to the Group and the Company if any of the following conditions applies:
 - (i) the entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
 - (ii) one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
 - (iii) both entities are joint ventures of the same third party;
 - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
 - (v) the entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company;
 - (vi) the entity is controlled or jointly controlled by a person identified in (a);
 - (vii) a person identified in (a) (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); or
 - (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Company or to the parent of the Company.

Government grants

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate.



NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

2(e) Summary of material accounting policy information (Cont'd)

Impairment of non-financial assets

At each reporting date, the Group reviews the carrying amounts of its property, plant and equipment, right-of-use assets and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with an indefinite useful life are tested for impairment at least annually and whenever there is an indication at the end of the reporting period that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value-in-use. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss to the extent that it eliminates the impairment loss which has been recognised for the asset in prior years.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

2(e) Summary of material accounting policy information (Cont'd)

Revenue recognition

Revenue from sale of goods and services in the ordinary course of business is recognised when the Group satisfies a performance obligation ("PO") by transferring control of a promised good or service to the customer. The amount of revenue recognised is the amount of the transaction price allocated to the satisfied PO. The transaction price is allocated to each PO in the contract on the basis of the relative stand-alone selling prices of the promised goods or services.

Revenue may be recognised at a point in time or over time following the timing of satisfaction of the PO. If a PO is satisfied over time, revenue is recognised based on the percentage of completion reflecting the progress towards complete satisfaction of that PO.

Sale of properties

Revenue from sales of properties is recognised upon the transfer of the ownership of the properties to the buyer, which usually coincides with the transfer of the title deed. Revenue is not recognised to the extent when there are significant uncertainties regarding receipt of the consideration due or associated costs.

Membership fee income

Revenue from the membership income comprises annual membership fees. All membership income is recognised over the period of the membership. The membership income is recognised over time since the customer receives and consumes the benefits provided by the entity's performance as the entity performs. The customer can benefit from being a member to access to the products and incentives through referral of new members as the Group performs its performance obligation.

Sale of biomedical products

Revenue from the sales of biomedical products is recognised when the goods are delivered and accepted by the customers.

Rental income

Rental income is recognised on a straight-line basis over the lease term. Lease incentives, if any, are recognised as an integral part of the net consideration agreed for the use of the leased asset.

Food and beverage income

Food and beverage income is recognised at the point in time when the food and beverage have been served or delivered to customers, based on the food and beverage listed prices, net of discounts and good and services tax.



NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

2(e) Summary of material accounting policy information (Cont'd)

Revenue recognition (Cont'd)

Interest income

Interest income is recognised on an accrual basis based on the effective interest method.

Discontinued operations

A discontinued operation is a component of the Group's business, the operations and cash flows of which can be clearly distinguished from the rest of the Group and which:

- represents a separate major line of business or geographical area of operations; or
- is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations; or
- is a subsidiary acquired exclusively with a view to resale.

Classification as a discontinued operation occurs at the earlier of disposal or when the operation meets the criteria to be classified as held for sale. When an operation is classified as a discontinued operation, the comparative statement of profit or loss is re-presented as if the operation had been discontinued from the start of the comparative year.

Earnings per share

The Group presents basic and diluted earnings per share data for its ordinary shares. Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted-average number of ordinary shares outstanding during the year, adjusted for own shares held.

Diluted earnings per share is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted-average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares, which comprise share options.

Segment reporting

A business segment is a distinguishable component of the Group engaged in providing products or services that are subject to risks and returns that are different from those of other business segments. A geographical segment is a distinguishable component of the Group engaged in providing products or services within a particular economic environment that is subject to risks and returns that are different from those of segments operating in other economic environments.

Operating segments are reported in a manner consistent with the internal reporting provided to the executive committee whose members are responsible for allocating resources and assessing performance of the operating segments.

Current and non-current classification

The Group presents assets and liabilities in the statements of financial position based on current or non-current classification. An asset is current when it is:

- expected to be realised or intended to be sold or consumed in the normal operating cycle;
- held primarily for the purpose of trading;
- expected to be realised within twelve months after the reporting period; or
- cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

2(e) Summary of material accounting policy information (Cont'd)

Current and non-current classification (Cont'd)

All other assets are classified as non-current.

A liability is current when:

- it is expected to be settled in the normal operating cycle;
- it is held primarily for the purpose of trading;
- it is due to be settled within twelve months after the reporting period; or
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its 'highest and best use' or by selling it to another market participant that would use the asset in its 'highest and best use'.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of SFRS(I) 16 Leases, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in SFRS(I) 1-2 Inventories or value-in-use in SFRS(I) 1-36 *Impairment of Assets*.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 – Valuation techniques for which the lowest level inputs that are significant to the fair value measurement are directly or indirectly observable; and
- Level 3 – Valuation techniques for which the lowest level inputs that are significant to the fair value measurement are unobservable.



NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

3 Property, plant and equipment

The Group	Office premises \$'000	Motor vehicles \$'000	Furniture and fittings \$'000	Renovation \$'000	Office and computer equipment \$'000	Total \$'000
Cost						
At 1 January 2022	572	124	84	39	165	984
Additions	–	288	34	123	300	745
Disposals	–	–	(26)	–	–	(26)
Exchange difference on retranslation	(3)	(7)	–	(3)	(2)	(15)
At 31 December 2022	569	405	92	159	463	1,688
Additions	308	–	4	–	17	329
Disposals	–	–	–	–	(16)	(16)
Exchange difference on retranslation	(9)	(7)	(2)	11	7	–
At 31 December 2023	868	398	94	170	471	2,001
Accumulated depreciation						
At 1 January 2022	3	70	36	39	129	277
Depreciation	14	17	28	13	77	149
Disposals	–	–	(26)	–	–	(26)
Exchange difference on retranslation	–	(5)	–	–	(1)	(6)
At 31 December 2022	17	82	38	52	205	394
Depreciation	14	40	28	34	113	229
Disposals	–	–	–	–	(16)	(16)
Exchange difference on retranslation	–	(2)	–	–	(2)	(4)
At 31 December 2023	31	120	66	86	300	603
Net book value						
At 31 December 2023	837	278	28	84	171	1,398
At 31 December 2022	552	323	54	107	258	1,294

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

3 Property, plant and equipment (Cont'd)

The Company	Furniture and fittings \$'000	Office and computer equipment \$'000	Total \$'000
Cost			
At 1 January 2022	34	43	77
Additions	–	218	218
Disposal	(26)	–	(26)
At 31 December 2022	8	261	269
Additions	–	14	14
At 31 December 2023	8	275	283
Accumulated depreciation			
At 1 January 2022	32	23	55
Depreciation	2	50	52
Disposal	(26)	–	(26)
At 31 December 2022	8	73	81
Depreciation	–	86	86
At 31 December 2023	8	159	167
Net book value			
At 31 December 2023	–	116	116
At 31 December 2022	–	188	188



NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

4 Investment properties

The Group	2023 \$'000	2022 \$'000
At beginning of year	–	37,900
Additions	–	2,604
Fair value gain recognised in profit or loss, net	–	(1,394)
Impairment loss	–	(3,807)
Exchange difference	–	(236)
Transfer to assets of disposal group classified as held for sale (Note 13(b))	–	(35,067)
At end of year	–	–

On 9 December 2022, the Group entered into an agreement with Alset Inc., the ultimate holding company of the Company, to dispose 2,567,358 equity shares in American Home REIT Inc. (“AHR”), for a consideration of US\$26,250,000 (equivalent to approximately S\$35,226,000). As at 31 December 2022, AHR and its subsidiaries were classified as a disposal group held-for-sale (See Note 13(b)).

5 Right-of-use assets

The Group	Motor vehicles \$'000	Use of premises \$'000	Total \$'000
Cost			
At 1 January 2022	276	1,912	2,188
Additions	266	942	1,208
Exchange difference	–	(2)	(2)
At 31 December 2022	542	2,852	3,394
Additions	22	708	730
Exchange difference	–	1	1
At 31 December 2023	564	3,561	4,125
Accumulated depreciation			
At 1 January 2022	33	1,241	1,274
Depreciation	54	602	656
Exchange difference	–	(2)	(2)
At 31 December 2022	87	1,841	1,928
Depreciation	72	815	887
At 31 December 2023	159	2,656	2,815
Net book value			
At 31 December 2023	405	905	1,310
At 31 December 2022	455	1,011	1,466

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

5 Right-of-use assets (Cont'd)

The Company	Motor vehicles \$'000	Use of premises \$'000	Total \$'000
Cost			
At 1 January 2022	276	590	866
Additions	266	505	771
At 31 December 2022	542	1,095	1,637
Additions	22	670	692
At 31 December 2023	564	1,765	2,329
Accumulated depreciation			
At 1 January 2022	33	516	549
Depreciation	54	246	300
At 31 December 2022	87	762	849
Depreciation	72	330	402
At 31 December 2023	159	1,092	1,251
Net book value			
At 31 December 2023	405	673	1,078
At 31 December 2022	455	333	788

6 Other investments

The Group	2023 \$'000	2022 \$'000
Non-current assets		
Equity instruments at FVOCI - unquoted	543	236
Current assets		
Equity instruments at FVTPL - unquoted	305	1,848

The equity instruments relate to investment in unquoted entities.

Information about the Group's the fair value measurement is disclosed in Note 32.

7 Investment in subsidiaries

The Company	2023 \$'000	2022 \$'000
Unquoted equity shares, at cost		
At 1 January	200	6,513
Disposal of a subsidiary	-	(6,313)
At 31 December	200	200
Movement in allowance accounts:		
At 1 January	-	6,313
Disposal of a subsidiary	-	(6,313)
At 31 December	-	-



NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

7 Investment in subsidiaries (Cont'd)

Details of significant subsidiaries are as follows:

Name	Country of incorporation/ Principal place of business	Effective ownership interest		Principal activities
		2023 %	2022 %	
Held by the Company				
SeD Intelligent Home Inc. ^(a)	United States of America	100	100	Investment holding
Held by SeD Intelligent Home Inc.				
LiquidValue Development Inc. ^(b)	United States of America	99.99	99.99	Investment holding
Held by LiquidValue Development Inc.				
Alset EHome Inc. ^(b)	United States of America	99.99	99.99	Property development
Held by Alset EHome Inc.				
SeD Development USA Inc. ^(b)	United States of America	99.99	99.99	Property development
AHR Inc. ^{(b)(c)}	United States of America	–	100	REIT
Held by SeD Development USA				
150 CCM Black Oak Ltd ^(b)	United States of America	99.99	99.99	Property development
Held by AHR				
SeD Texas Home, LLC ^{(b)(c)}	United States of America	–	99.99	Property development

(a) Audited by Foo Kon Tan LLP for the purpose of Group consolidation

(b) Audited by Grassi & Co

(c) Disposed during the current financial year

In accordance with Rule 715 and 716 of the Rules of Catalist of the Singapore Exchange Securities Trading Limited (the “Catalist Rules”), the Audit Committee and Board of Directors of the Company confirmed that they are satisfied that the appointment of different auditor for its significant foreign incorporated subsidiaries, would not compromise the standard and effectiveness of the audit of the Company. For this purpose, a subsidiary is considered significant as defined under the Catalist Rules if the Group’s share of its net tangible assets represents 20% or more of the Group’s consolidated net tangible assets, or if the Group’s share of its pre-tax profits accounts for 20% or more of the Group’s consolidated pre-tax profits.

Non-controlling interests (NCI)

The Group has a few subsidiaries that have NCI. The financial effects arising from the NCI are immaterial to the Group.

At the end of the reporting period, the net liabilities attributable to non-material NCI amounted to \$691,000 (2022: \$687,000). The total comprehensive loss attributable to non-material NCI for the year ended 31 December 2023 amounted to \$4,000 (2022: \$15,000).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

8 Investment in associates

	The Group		The Company	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Unquoted equity investments	2,755	2,206	2,961	2,886
	2,755	2,206	2,961	2,886

Associates

The Group has an associate that is material and a number of associates that are individually immaterial to the Group. All are equity-accounted for. The following relates to the material associate:

Name	Principal places of business/Country of incorporation	Effective ownership interest		Principal activities
		2023	2022	
Alset SPAC Group Inc. ("Alset SPAC") and its subsidiaries ("Alset SPAC Group")	United States of America	45%	45%	Investment holding

Alset SPAC has an indirect subsidiary, Alset Capital Acquisition Corporation. ("ACAC"), which is a Special Purpose Acquisition Company listed on NASDAQ. On 1 August 2023, ACAC held a special meeting and obtained its shareholders' approval for the proposed acquisition of HWH International Inc. The proposed acquisition was completed on 9 January 2024.

The following summarises the financial information of the Group's material associate based on its respective (consolidated) financial statements prepared in accordance with SFRS(I), modified for fair value adjustments on acquisition and differences in the Group's accounting policies. The table also analyses, in aggregate, the carrying amount and share of results and OCI of the remaining individually immaterial associates.

	Alset SPAC Group	Other individually immaterial associates	Total
	\$'000	\$'000	\$'000
2023			
Revenue	-		
Profit for the year	1,307		
Other comprehensive income	115		
Total comprehensive income	1,422		
Attributable to investee's shareholders	1,422		
Current assets	33,507		
Current liabilities	(27,307)		
Net assets	6,200		
Net assets attributable to investee's shareholders	6,200		
Carrying amount of interest in investee at beginning of the year	2,150	56	2,206
Group's share of:			
- Profit/(loss) for the year	588	(117)	471
- Other comprehensive income	52	26	78
- Total comprehensive income/(loss)	640	(91)	549
Carrying amount of interest in investee at end of the year	2,790	(35)	2,755



NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

8 Investment in associates (Cont'd)

	Alset SPAC Group \$'000	Other individually immaterial associates \$'000	Total \$'000
2022			
Revenue	-		
Loss for the year	(1,650)		
Other comprehensive income	13		
Total comprehensive loss	(1,637)		
Attributable to investee's shareholders	(1,637)		
Current assets	123,876		
Current liabilities	(119,098)		
Net assets	4,778		
Net assets attributable to investee's shareholders	4,778		
Carrying amount of interest in investee at beginning of the year	-	-	-
Capital contribution during the year	2,886	-	2,886
Group's share of:			
- (Loss)/profit for the year	(742)	68	(674)
- Other comprehensive income/(loss)	6	(12)	(6)
- Total comprehensive (loss)/income	(736)	56	(680)
Carrying amount of interest in investee at end of the year	2,150	56	2,206

9 Trade and other receivables

	2023 \$'000	The Group 2022 \$'000	2023 \$'000	The Company 2022 \$'000
Trade receivables	38	59	-	-
Other receivables:				
- Related parties	4,714	7,453	3,318	3,370
- Third parties	9,441	732	132	-
Promissory notes:				
- Ultimate holding company	16,053	-	-	-
- Related parties	1,980	-	1,980	-
- Third party	85	-	-	-
	32,311	8,244	5,430	3,370
Amounts due from subsidiaries (non-trade)	-	-	86,522	123,426
	32,311	8,244	91,952	126,796
Refundable deposits	515	721	96	61
	32,826	8,965	92,048	126,857
Allowance for impairment – related parties	(1,444)	(1,353)	(1,444)	(1,353)
Allowance for impairment – subsidiaries	-	-	(46,815)	(45,172)
	31,382	7,612	43,789	80,332
Represented:				
Non-current	17,373	-	1,320	-
Current	14,009	7,612	42,469	80,332
	31,382	7,612	43,789	80,332

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

9 Trade and other receivables (Cont'd)

	The Group		The Company	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Movement in allowance accounts:				
At 1 January	1,353	–	46,525	38,200
Disposal of a subsidiary	–	–	–	(3,143)
Charge for the year – subsidiaries	–	–	1,643	10,115
Charge for the year – related parties	91	1,353	91	1,353
At 31 December	1,444	1,353	48,259	46,525

Trade receivables

Trade receivables are non-interest bearing and are generally on 30 to 60 days' terms (2022: 30 to 60 days).

Promissory notes due from the ultimate holding company

The promissory notes represented the consideration receivables arising from the disposal of AHR as disclosed in Note 13(b). These promissory notes have a maturity date on January 2028, and bear interest rate of 7.2% per annum.

Promissory notes due from related parties

The Company holds promissory notes of \$660,000 and \$1,320,000, respectively, due from related parties in which Mr Chan Heng Fai is the Chairman of the holding company of these related parties. These promissory notes bear interest rate of 8% and 5% per annum, respectively and have a maturity date on February 2024 and November 2026, respectively.

Promissory notes due from third party

These promissory notes are interest-free and have a maturity date on January 2024.

Other receivable due from related parties

These receivables comprised mainly advances granted to certain related parties in which Mr Chan Heng Fai is the Chairman of the holding company of these related parties. These advances are unsecured, interest-free and repayable on demand.

An impairment loss allowance of \$1,444,000 (2022: \$1,353,000) has been recognised, following management's expected credit loss assessment after considering the overall positions of the highly accessible liquid assets of the related parties for repayment if they are demanded at the reporting date.

Other receivable due from third parties

Included in other receivables of the Group is a reimbursement amount of \$9,078,000 from the developer for Black Oak project.

Amounts due from subsidiaries

Amounts due from subsidiaries are unsecured, interest-free and repayable on demand, except for an amount of \$46,554,000 (2022: \$82,093,000) which bears interest rate at 5% (2022: 5%) per annum and is denominated in USD.

An impairment loss allowance of \$46,815,000 (2022: \$45,172,000) has been recognised, following management's expected credit loss assessment after considering the overall positions of the highly accessible liquid assets of the subsidiaries for repayment if they are demanded at the reporting date.

Refundable deposits

Refundable deposits comprise mainly deposits placed for office rentals.

Information about the Group's and the Company's exposure to currency and credit risks is disclosed in Note 29.



NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

10 Properties for sale

The Group	2023 \$'000	2022 \$'000
At cost:		
Freehold land	4,467	10,659
Development costs	18,527	29,914
	22,994	40,573
Allowance for impairment		
At 1 January	-	3,247
Reversal of impairment losses	-	(3,276)
Foreign exchange difference	-	29
At 31 December	-	-

Cost of development properties recognised as cost of sales during the year ended 31 December 2023 is \$15,457,000 (2022: \$1,484,000).

Information on properties for sale as at 31 December 2023 is as follows:

Subdivision - Residential

Country	Location	Site area/ land size	Tenure	Planned no. of units	Planned gross floor area/Total unit size	% of Completion	Equity interest	Expected year of completion
USA	Houston, Texas	89.3 acres	Freehold	563	N/A	89.04%	99.99%	2024
USA	Houston, Texas	19.49 acres	Freehold	63	106,145 sq ft	16.76	99.99%	2024

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

11 Investment securities

	The Group		The Company	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
At FVTPL				
Quoted equity securities	6,912	13,546	5,677	11,833

The movement of quoted equity securities are summarised as follows:

	The Group		The Company	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Quoted equity securities				
At 1 January	13,546	24,221	11,833	12,431
Additions	20,518	74,653	20,263	74,653
Disposals	(19,241)	(63,358)	(19,241)	(62,367)
Disposal of a subsidiary	-	(1,780)	-	-
Common stocks acquired from conversion of convertible promissory notes	-	12,124	-	12,124
Fair value changes	(7,911)	(32,314)	(7,178)	(25,008)
At 31 December	6,912	13,546	5,677	11,833

Information about the Group's and the Company's exposure to market risks and fair value measurement is disclosed in Notes 29 and 32, respectively.

12 Cash and bank deposits

	The Group		The Company	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Cash and cash equivalents	28,858	13,264	24,534	9,024
Bank deposits pledged	142	415	-	-
	29,000	13,679	24,534	9,024

	The Group		The Company	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Cash and cash equivalents in the statements of financial position	28,858	13,264	24,534	9,024
Cash and cash equivalents in disposal group classified as held-for-sale	-	1,592	-	-
Cash and cash equivalents in the statement of cash flows	28,858	14,856	24,534	9,024

In prior years, a condition to the loan agreement with the Manufacturers and Traders Trust Company ("M&T Bank") required the Group to maintain certain minimum bank deposits in an interest-bearing account maintained by the lender as additional security for the loans. As at 31 December 2023, the total balance of this account was US\$107,767 (S\$142,000) (2022: US\$309,219 (S\$415,000)).



NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

13 Disposal groups classified as held-for-sale and discontinued operations

(a) Disposal of GigWorld Inc (“GigWorld”)

GigWorld is primarily engaged in information technology business. On 30 August 2022, the Company entered into a stock purchase agreement with Alset Inc., the ultimate holding company of the Company, to dispose 505,341,376 shares in GigWorld for a consideration of US\$1,500,000 (equivalent to approximately \$2,012,000). Management has assessed the disposal transaction as a common control transaction considering that Alset Inc. is the controlling shareholder of the Company.

In 2022, GigWorld was classified as a discontinued operation as it represented a major line of business, which met the definition of discontinued operations in accordance with SFRS(I) 5 *Non-current Assets Held for Sale and Discontinued Operations*.

Effect of the disposal

The effect of the disposal on the cash flow of the Group was:

	The Group 2022 \$'000
Cash and cash equivalents	269
Other investments	1,780
Other receivables	45
Trade and other payables	(3,479)
Non-controlling interests	2
	<hr style="border-top: 1px solid black;"/> (1,383)
Realisation of foreign currency translation reserve	208
Net liabilities	(1,175)
Gain on disposal of subsidiary, recognised directly in capital reserve	3,187
Total cash consideration received	<hr style="border-top: 1px solid black;"/> 2,012
 <i>Net cash inflows arising from disposal of subsidiary</i>	
Consideration received in cash	2,012
Less: Cash and cash equivalents disposed	(269)
Net cash inflow arising from disposal of subsidiary	<hr style="border-top: 1px solid black;"/> 1,743

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

13 Disposal groups classified as held-for-sale and discontinued operations (Cont'd)

(b) Disposal of AHR

AHR undertakes the business of property development and specialises in land development, home building, sales and rental and property management through its subsidiaries. On 9 December 2022, the Group entered into an agreement with Alset Inc., the ultimate holding company of the Company, to dispose 2,567,358 equity shares in AHR, for a consideration of US\$26,250,000 (equivalent to approximately S\$35,226,000). Management has assessed the disposal transaction as a common control transaction considering that Alset Inc. is the controlling shareholder of the Company.

As at 31 December 2022, AHR and its subsidiaries were classified as a disposal group held-for-sale and as a discontinued operation as it represented a major line of business, which met the definition of discontinued operations in accordance with SFRS(I) 5.

On 13 January 2023, the disposal of AHR was completed.

Impairment losses relating to the disposal group

An impairment loss of \$3,807,000 for write-downs of the disposal group to the lower of its carrying amount and its fair value less costs to sell was recognised in the consolidated statement of profit or loss for the year ended 31 December 2022. The impairment losses had been allocated to reduce the carrying amount of investment properties within the disposal group before it was classified as held-for-sale.

Assets and liabilities of disposal group held for sale

As at 31 December 2022, the disposal group was stated at fair value less costs to sell and comprised the following assets and liabilities:

	The Group 2022 \$'000
<u>Assets</u>	
Investment properties	35,067
Trade and other receivables	60
Cash and bank balances	1,592
	<hr/> 36,719
<u>Liabilities</u>	
Trade and other payables	(1,493)
Net assets of disposal group	<hr/> 35,226 <hr/>

Cumulative balance recognised in OCI

As at 31 December 2022, there was a cumulative balance of \$194,000 included in the foreign currency translation reserve, related to the disposal group.

Measurement of fair values

The non-recurring fair value measurement for the disposal group of \$35,226,000 has been categorised as a Level 3 fair value based on the selling consideration as disclosed above.



NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

13 Disposal groups classified as held-for-sale and discontinued operations (Cont'd)

(b) Disposal of AHR (Cont'd)

Effect of the disposal

The effect of the disposal on the cash flow of the Group was:

	The Group 2023 \$'000
Investment properties	34,674
Other receivables	54
Cash and cash equivalents	1,759
Trade and other payables	(1,649)
	<u>34,838</u>
Realisation of foreign currency translation reserve	194
Net assets	35,032
Gain on disposal of subsidiary, recognised directly in capital reserve	194
Total cash consideration received/receivable	<u>35,226</u>
 Consideration received/receivable	
Cash consideration	1,342
Offset with amounts due to ultimate holding company	18,652
Promissory notes	15,231
Total consideration received/receivable	<u>35,225</u>
 Net cash outflows arising from disposal of subsidiary	
Cash consideration received	1,342
Less: Cash and cash equivalents disposed	(1,759)
Net cash outflow arising from disposal of subsidiary	<u>(417)</u>

(c) Results and cash flows from discontinued operations

The results of the discontinued operations are as follows:

	The Group	
	2023 \$000	2022 \$000
Revenue	113	2,508
Cost of sales	(84)	(1,504)
Gross profit	29	(1,004)
Other operating Income	–	13
Administrative expenses	(43)	(597)
Other operating expenses	–	(952)
Impairment on investment properties	–	(3,807)
Fair value loss on investment properties	–	(1,394)
Loss before tax	(14)	(5,733)
Income tax	–	–
Loss from discontinued operations, net of tax	(14)	(5,733)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

13 Disposal groups classified as held-for-sale and discontinued operations (Cont'd)

(c) Results and cash flows from discontinued operations (Cont'd)

The cash flows of the discontinued operations are as follows:

	The Group	
	2023	2022
	\$000	\$000
Net cash from operating activities	-	1,316
Net cash used in investing activities	-	(2,059)
Net cash from financing activities	-	2,002
Total cash inflows	-	1,259

The financial information in 2022 comprised the aggregate financial information of GigWorld and AHR, while the financial information in 2023 comprised AHR only.

14 Share capital and other reserves

The Group and The Company	2023	2022	2023	2022
	No. of shares '000		\$'000	\$'000
Issued and fully paid with no par value:				
At 1 January and 31 December	3,492,713	3,492,713	213,470	213,470

The holders of ordinary shares 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.

The Company has an employee share option plan under which options to subscribe for the Company's ordinary shares have been granted to certain directors.

Other reserves

(a) Capital reserve

This represents (i) "day one" difference on the interest-free loans given by a shareholder; (ii) difference between consideration paid or received and the adjustment to non-controlling interest arising from changes in the Group's equity interest in subsidiaries that do not result in a loss of control which are accounted for as transaction with owners; (iii) difference between the amount from the issuance of new shares pursuant to the vesting of the shares awards granted under the Plan and the amount previously recognised in the employee share option reserve; and (iv) gain on disposal of subsidiary to the ultimate holding company that is accounted for as transaction with owner.

(b) Merger reserve

This represents the difference between the consideration paid by the Group and the share capital of the investment in LiquidValue Asset Management Pte. Ltd. (f.k.a. HengFai Asset Management Pte. Ltd.) under a common control arrangement.



NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

14 Share capital and other reserves (Cont'd)

Other reserves (Cont'd)

(c) Employee share option reserve

Employee share option reserve represents the equity-settled share options or awards granted to employees (Note 24). The reserve is made up of the cumulative value of services received from employees recorded over the vesting period commencing from the grant date of equity-settled share options or awards, and is reduced by the expiry, forfeiture or exercise of the share options or awards.

(d) Fair value reserve

The fair value changes of equity securities classified as fair value through other comprehensive income are recognised directly in other comprehensive income and accumulated in fair value reserve.

(e) 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.

(f) Reserve of disposal group classified as held-for-sale

The reserve of disposal group classified as held-for-sale is the cumulative income recognised in other comprehensive income relating to the disposal group reclassified out from the foreign currency translation reserve.

15 Lease liabilities

	The Group		The Company	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Undiscounted lease payments due:				
- Less than 1 year	619	833	379	286
- Between 2 and 5 years	540	416	536	280
- Over 5 years	19	53	19	53
Less: Future interest cost	(37)	(20)	(32)	(18)
Lease liabilities	1,141	1,282	902	601
Presented as:				
- Non-current	544	457	540	321
- Current	597	825	362	280
	1,141	1,282	902	601

The Group leases office, and food and beverage premises for operation purposes. In addition, the Group also acquires motor vehicles under hire purchase arrangements to facilitate internal logistics support.

Interest expense on lease liabilities of \$34,000 (2022: \$8,000) is recognised within "finance costs" in the consolidated statement of profit or loss and other comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

15 Lease liabilities (Cont'd)

Total cash outflows for all leases during the year are summarised below.

	2023	2022
The Group	\$'000	\$'000
Repayment of lease liabilities (including interests)	906	757

As at 31 December 2023, the Group's short-term lease commitments at the reporting date are not substantially dissimilar to those giving rise to the Group's short-term lease expense for the year.

The Group's lease liabilities are secured by the lessors' title to the leased assets. There are no externally imposed covenants on the above lease arrangements.

Information about the Group's and the Company's exposure to liquidity risks is disclosed in Note 29.

16 Trade and other payables

	The Group		The Company	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Trade payables	1,872	1,466	76	8
Other payables	502	453	–	–
Amounts due to ultimate holding company	268	16,948	–	16,675
Amounts due to immediate holding company	506	241	–	–
Commission payable	156	200	–	–
Accrued professional fees	165	115	96	96
Other accruals	262	97	159	58
Financial liabilities at amortised cost (Note 30)	3,731	19,520	331	16,837
Withholding tax payable	7,244	6,739	5,457	4,974
Contract liabilities	–	4	–	–
	10,975	26,263	5,788	21,811

Trade payables

These amounts are non-interest bearing. Trade payables are normally settled on 60 to 90 days' terms.

Amounts due to immediate and ultimate holding company

Amounts due to immediate and ultimate holding company comprised mainly advances granted, which are unsecured, interest-free and repayable on demand.

Withholding tax payable

Withholding tax payable arose from interest income earned from a subsidiary incorporated in United States of America ("USA"), which are payable to the local tax authority of USA.

Information about the Group's and the Company's exposure to currency and liquidity risks is disclosed in Note 29.



NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

17 Revenue

Revenue mainly relates to the sales of properties, sale of biomedical health and wellness products, membership fee income and sale of food and beverages.

	Continuing operations		Discontinued operations (Note 13)		Total	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
The Group						
Revenue from contract with customers						
-Sales of properties	24,416	1,828	-	-	24,416	1,828
-Sales of biomedical products	-	53	-	-	-	53
-Service fee income	-	-	-	13	-	13
-Membership fees	4	720	-	-	4	720
-Food and beverage	1,097	395	-	-	1,097	395
Total revenue from contract with customers	25,517	2,996	-	13	25,517	3,009
Rental income from investment properties	-	-	113	2,495	113	2,495
	25,517	2,996	113	2,508	25,630	5,504

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

17 Revenue (Cont'd)

Disaggregation of revenue from contracts with customers

The Group derives revenue from the transfer of goods and services at a point in time or over time for the following lines of business and geographical regions. Revenue is attributed to countries by geographical areas of operations.

The Group	United States of America	Australia	----- South Korea -----	Singapore	Hong Kong	Total revenue	
	Sales of properties	Sales of properties	Sale of biomedical products	Membership fees	Food and Beverage		Food and Beverage
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Continuing operations							
2023							
Over time	-	-	-	4	-	-	4
At a point in time	24,416	-	-	-	72	1,025	25,513
	24,416	-	-	4	72	1,025	25,517
2022							
Over time	-	-	-	720	-	-	720
At a point in time	982	846	53	-	-	395	2,276
	982	846	53	720	-	395	2,996
Discontinued operations							
2022							
Over time	-	-	-	-	-	-	13
	-	-	-	-	-	-	13



NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

18 Other operating income

The Group	Continuing operations		Discontinued operations (Note 13)		Total	
	2023	2022	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Government grant	168	–	–	–	168	–
Fair value gain on other investments	–	720	–	–	–	720
Fair value gain on convertible promissory notes	–	242	–	–	–	242
Loan forgiveness	–	92	–	–	–	92
Reversal of impairment on properties for sale	–	3,276	–	–	–	3,276
Reversal of fair value loss on derivative liabilities	1,714	–	–	–	1,714	–
Dividend income	1,040	–	–	–	1,040	–
Others	322	146	–	13	322	159
	3,244	4,476	–	13	3,244	4,489

19 Other operating expenses

The Group	Note	Continuing operations		Discontinued operations (Note 13)		Total	
		2023	2022	2023	2022	2023	2022
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Net unrealised foreign exchange loss		1,000	1,138	–	–	1,000	1,138
Fair value loss on derivative assets		439	924	–	–	439	924
Fair value loss on derivative liabilities		–	1,714	–	–	–	1,714
Fair value loss on investment properties	4	–	–	–	1,394	–	1,394
Impairment on investment properties	4	–	–	–	3,807	–	3,807
Impairment on amounts due from related parties	9	91	1,353	–	–	91	1,353
Withholding tax expenses		505	1,061	–	–	505	1,061
Net fair value loss on equity securities at FVTPL	11	7,911	31,382	–	932	7,911	32,314
Fair value loss on other investments		1,605	–	–	–	1,605	–
Others		–	51	–	20	–	71
		11,551	37,623	–	6,153	11,551	43,776

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

20 Finance income

The Group	2023 \$'000	2022 \$'000
Interest income – promissory notes	1,058	452
Interest income – bank	457	15
	1,515	467

21 Finance costs

The Group	2023 \$'000	2022 \$'000
Interest expense on loans and borrowings	–	3
Interest expense on lease liabilities	34	8
	34	11

22 Loss before tax

The following items have been included in arriving at loss before tax:

The Group	Note	Continuing operations		Discontinued operations (Note 13)		Total	
		2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Audit fees:							
- Auditors of the Company		282	320	–	–	282	320
- Other auditors - Non network firms		362	189	–	–	362	189
Depreciation of property, plant and equipment	3	229	149	–	–	229	149
Depreciation of right-of-use assets	5	887	656	–	–	887	656
Staff salaries and related costs	23	4,005	3,389	–	–	4,005	3,389
Legal and other professional fees		1,413	1,867	–	309	1,413	2,176



NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

23 Staff salaries and related costs

The Group	2023 \$'000	2022 \$'000
Directors' remuneration		
- Salaries and other related costs	695	713
- Director's fee	156	160
- Contribution to defined contribution plan	47	48
	898	921
Key management personnel (other than directors)		
- Salaries and other related costs	679	661
- Contribution to defined contribution plan	9	15
	688	676
Other than directors and key management personnel		
- Salaries and other related costs	2,105	1,616
- Contribution to defined contribution plan	314	176
	2,419	1,792
	4,005	3,389

24 Employee benefits (including directors)

Share option and award plans

Singapore eDevelopment Limited Share Option Scheme (the "Scheme")

The Scheme was approved by the members of the Company at an Extraordinary General Meeting held on 20 November 2013. The Scheme is administered by the Company's Remuneration Committee.

Movement of share options during the financial year

The following table illustrates the number ("No.") and weighted average exercise prices ("WAEP") of, and movements in, share options during the year:

	31 December 2023		31 December 2022	
	No.	WAEP	No.	WAEP
Outstanding at 1 January	1,061,333	0.12	1,061,333	0.12
Forfeited during the year	(1,061,333)	(0.12)	-	-
Outstanding at 31 December	-	-	1,061,333	0.12

As at 31 December 2022, the exercise price for options outstanding was \$0.12, and the weighted average remaining contractual life for these options was less than 1 year.

Singapore eDevelopment Limited Performance Share Plan ("the Plan")

On 23 October 2014, the Company obtained shareholder's approval at an Extraordinary General Meeting of the Company to adopt the Plan. The Scheme is administered by the Company's Remuneration Committee.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

25 Income tax

	2023	2022
The Group	\$'000	\$'000
Current income tax		
- Current year	–	286
- Under provision of prior year tax	14	103
	14	389

Reconciliation of effective tax rate

	2023	2022
The Group	\$'000	\$'000
Loss before tax from:		
-Continuing operations	(4,540)	(40,285)
-Discontinued operations	(14)	(5,733)
	(4,554)	(46,018)
Less: Share of associate's results	(471)	674
	(5,025)	(45,344)
Tax at statutory rate of different tax jurisdictions	(986)	(8,125)
Tax effect on non-deductible expenses	2,798	7,765
Tax effect on non-taxable income	(552)	(952)
Deferred tax benefits not recognised	–	1,598
Utilisation of deferred tax assets not recognised previously	(1,260)	–
Under provision of prior year tax	14	103
	14	389

As at 31 December 2023, the Group has unutilised tax losses amounting to approximately \$53,555,000 (2022: \$59,357,000) that are available for offset against future taxable profits, subject to the agreement of the tax authorities and compliance with the relevant provisions. The deferred tax assets arising from these unutilised tax losses have not been recognised because it is not probable that future taxable profits will be available against which the Group can utilise the tax losses.

Non-deductible expenses relate mainly to losses from those subsidiary entities principally engaged in investment holding activities where such losses cannot be carried forward for utilisation against future taxable profits, subsidiary entities that did not generate any revenue and hence with losses that are not revenue in nature, withholding tax expenses, impairment on related parties, unrealised exchange losses, impairment loss on investment properties, fair value losses on financial assets at fair value through profit or loss and fair value loss on derivative instruments which are capital in nature.

Non-taxable income mainly arose from the reversal of fair value loss on derivative liabilities and dividend income (2022: reversal of impairment on properties for sale).



NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

26 Loss per share

Basic loss per share

The basic and diluted loss per share are calculated by dividing the loss for the year attributable to owners of the Company by the weighted average number of ordinary shares.

The Group	Continuing operations		Discontinued operations		Total	
	2023	2022	2023	2022	2023	2022
Loss for the year attributable to owners of the Company (\$'000)	(4,553)	(40,668)	(14)	(5,733)	(4,567)	(46,401)
Weighted average number of ordinary shares ('000)	3,492,713	3,492,713	3,492,713	3,492,713	3,492,713	3,492,713
Basic loss per share based on the weighted average number of ordinary shares (cents)	(0.13)	(1.16)	N.M*	(0.16)	(0.13)	(1.33)

*N.M: not meaningful

Diluted loss per share

The diluted loss per share for 2023 is the same as basic loss per share as there were no potential dilutive ordinary shares at the end of the financial year.

The diluted loss per share for 2022 is the same as the basic loss per share as the effects of the share options issued by the Company were anti-dilutive.

27 Operating segments

For management purposes, the Group is organised into business units based on their products and services, and the reportable operating segments are as follows:

- (a) Property development, which includes actively acting as a developer for property projects, investing in property development projects.
- (b) Investment business, which includes trading of quoted securities, commodities and other derivatives and financial products; investing in quoted and unquoted securities on various aspects of investments ranging from pre-initial public offer investment, various forms of capital in companies and funds with potential of business growth and trade sale; undertaking business in incubation and angel investment; and provision of corporate strategy and business development advisory services;
- (c) Biomedical business, which includes the development, research, testing, manufacturing, licencing and distribution of biomedical products; and
- (d) Food and beverage sales.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Management reviews the results of the segment using segment profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

27 Operating segments (Cont'd)

	Discontinued						Group \$'000
	Property development \$'000	Investment business \$'000	Biomedical \$'000	Food and Beverage \$'000	Corporate and others \$'000	Information technology \$'000	
31 December 2023							
Revenue	24,416	-	4	1,097	-	113	25,630
Segment profit/(loss) from operation	7,629	(6,397)	(410)	(1,095)	(6,219)	(14)	(6,506)
Finance income	1,059	54	3	-	399	-	1,515
Finance expenses	-	(6)	(14)	-	(14)	-	(34)
Segment profit/(loss) before tax	8,688	(6,349)	(421)	(1,095)	(5,834)	(14)	(5,025)
Share of results of associates	-	-	-	-	471	-	471
Other material items of income and expense:							
- Depreciation of property, plant and equipment	4	47	60	32	86	-	229
- Depreciation of right-of-use assets	119	98	162	105	403	-	887
- Fair value loss on derivatives assets	-	439	-	-	-	-	439
- Reversal of fair value loss on derivative liabilities	-	(1,714)	-	-	-	-	(1,714)
- Net fair value loss on equity securities at FVTPL	-	7,911	-	-	-	-	7,911
- Impairment on amounts due from related parties	-	-	-	-	91	-	91
- Fair value loss on other investments (unquoted)	-	1,605	-	-	-	-	1,605
Reportable segment assets	51,412	4,221	561	2,198	35,552	-	93,944
Investment in associates	-	-	-	-	2,755	-	2,755
Capital expenditures	296	-	-	19	14	-	329
Reportable segment liabilities	2,966	6,577	765	97	1,725	-	12,130

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For the financial year ended 31 December 2023

Operating segments (Cont'd)

	Property development \$'000	Investment business \$'000	Biomedical \$'000	Food and Beverage \$'000	Corporate and others \$'000	Information technology \$'000	Discontinued Property investment \$'000	Group \$'000
31 December 2022								
Revenue	1,828	-	773	395	-	13	2,495	5,504
Segment loss from operation	(2,815)	(34,020)	(911)	(342)	(1,979)	(1,200)	(4,533)	(45,800)
Finance income	-	30	1	-	436	-	-	467
Finance expenses	(3)	-	-	-	(8)	-	-	(11)
Segment loss before tax	(2,818)	(33,990)	(910)	(342)	(1,551)	(1,200)	(4,533)	(45,344)
Share of results of associates	-	-	-	-	(674)	-	-	(674)
Other material items of income and expense:								
- Depreciation of property, plant and equipment	19	52	12	41	25	-	-	149
- Depreciation of right-of-use assets	161	300	-	105	90	-	-	656
- Fair value loss on derivative assets	-	924	-	-	-	-	-	924
- Fair value loss on derivative liabilities	-	1,714	-	-	-	-	-	1,714
- Net fair value loss on equity securities at FVTPL	-	32,314	-	-	-	-	-	32,314
- Reversal of impairment on properties for sale	(3,276)	-	-	-	-	-	-	(3,276)
- Impairment on investment properties	-	-	-	-	-	-	3,807	3,807
- Impairment on amounts due from related parties	-	-	-	-	1,353	-	-	1,353
- Fair value loss on investment properties	-	-	-	-	-	-	1,394	1,394
- Fair value gain on convertible promissory notes	-	(242)	-	-	-	-	-	(242)
- Fair value gain on other investments (unquoted)	-	(720)	-	-	-	-	-	(720)
Reportable segment assets	24,836	15,833	2,844	1,108	36,263	-	36,719	117,603
Investment in associates	-	-	-	-	2,206	-	-	2,206
Capital expenditures	-	218	-	218	309	-	2,604	3,349
Reportable segment liabilities	4,215	9,693	2,586	426	12,339	-	1,493	30,752

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For the financial year ended 31 December 2023

27 Operating segments (Cont'd)

Reconciliations of reportable segment revenues, profit or loss, assets and liabilities and other material items to SFRS(I) measures

The Group	2023 \$'000	2022 \$'000
Revenues		
Total revenue for reportable segments	25,630	5,504
Elimination of discontinued operations	(113)	(2,508)
Consolidated revenue	25,517	2,996
Profit/(loss) before tax		
Total profit/(loss) before tax for reportable segments	809	(43,793)
Loss before tax for corporate and other segments	(5,834)	(1,551)
	(5,025)	(45,344)
Elimination of discontinued operations	14	5,733
Share of results of associates	471	(674)
Consolidated loss before tax from continuing operations	(4,540)	(40,285)
Assets		
Total assets for reportable segments	58,392	81,340
Assets for corporate and other segments	35,552	36,263
Investment in associates	2,755	2,206
Consolidated total assets	96,699	119,809
Liabilities		
Total liabilities for reportable segments	10,405	18,413
Liabilities corporate and other segments	1,725	12,339
Consolidated total liabilities	12,130	30,752

Geographical segment

The following table presents revenue and total non-current assets information based on the geographical location of customers and assets:

The Group	2023 \$'000	2022 \$'000
Revenue		
Singapore	1,025	395
United States of America	24,416	3,477
Others	76	1,645
	25,517	5,517
Exclude discontinued operations	-	(13)
Consolidated revenue	25,517	5,504
Non-current assets		
Singapore	4,479	4,223
United States of America	1,164	834
Others	363	145
	6,006	5,202

Non-current assets information presented above consist of property, plant and equipment, right-of-use assets, other investments and investment in associates as presented in the statements of financial position.

Major customer

There are two major customers (2022: one major customer) contributing revenue which is greater than 10% of the total revenue for the current financial year.



NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

28 Related party transactions

In addition to the related party information disclosed elsewhere in the financial statements, the Group had the following transactions with related parties on terms agreed between the respective parties:

(a) Disposal of AHR

On 9 December 2022, the Group entered into an agreement with Alset Inc., the ultimate holding company of the Company, to dispose 2,567,358 equity shares in American Home REIT Inc. ("AHR"), for a consideration of US\$26,250,000 (equivalent to approximately S\$35,226,000). On 13 January 2023, the disposal of AHR was completed.

(b) Promissory notes

In 2023, the Group holds promissory notes of \$660,000 and \$1,320,000 respectively, due from related parties. These promissory notes bear interest rate of 8% and 5% per annum, respectively, and have a maturity date on February 2024 and November 2026, respectively.

(c) Professional fees incurred

In 2023, the Group incurred consultation fees of \$536,000 (2022: \$459,000) payable to MacKenzie Equity Partners, which is owned by Charles MacKenzie, a director of LiquidValue Development Inc., a subsidiary of the Group.

29 Financial risk management

The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise adverse effects from the unpredictability of financial markets on the Group's financial performance. The Group is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks included interest rate risk, foreign currency risk, liquidity risk, credit risk and market risk.

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner. There has been no significant change in the Group's exposure to these risks or the manner in which it manages and measures risks.

The Group does not hold or issue derivative financial instruments for trading purposes or to hedge against fluctuations, if any, in interest rates and foreign exchange.

29.1 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.

At the end of the reporting period, the Group and the Company do not have any variable rates financial instruments.

29.2 Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Currency risk arises when transactions are denominated in foreign currencies.

The Group is exposed to currency risk on financial assets and financial liabilities that are denominated in a currency other than the respective functional currencies of Group entities. The currency is primarily the United States Dollar (USD).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

29 Financial risk management (Cont'd)

29.2 Currency risk (Cont'd)

The Group does not use derivative financial instruments to protect against the volatility associated with foreign currency transactions. Exposure to foreign currency risk is monitored on an on-going basis and the Group endeavours to keep the net exposure at an acceptable level.

	The Group USD \$'000	The Company USD \$'000
At 31 December 2023		
Financial assets		
Trade and other receivables	19,907	50,408
Investment securities	6,912	5,677
Cash and cash equivalents	3,296	2,639
Finance liabilities		
Trade and other payables	(774)	-
Net financial assets	29,341	58,724

At 31 December 2022

Financial assets		
Trade and other receivables	6,100	76,603
Investment securities	13,524	11,813
Cash and cash equivalents	5,987	2,178
Finance liabilities		
Trade and other payables	(17,189)	(16,675)
Net financial assets	8,422	73,919

Sensitivity analysis for foreign currency risk

A 5% change in USD against the respective functional currencies of the Group entities at the reporting date would have changed profit or loss before tax by the amounts shown below. This analysis is based on foreign currency exchange rate variances that the Group and the Company considered to be reasonably possible at the end of the reporting period. This analysis has not taken into account the associated tax effects and assumes that all other variables, in particular interest rates, remain constant.

	The Group Loss before tax \$'000	The Company Loss before tax \$'000
2023		
USD		
- strengthened 5% against SGD	1,467	2,936
2022		
USD		
- strengthened 5% against SGD	421	3,696

A weakening of the USD against the respective functional currencies of the Group entities at the reporting date would have had the equal but opposite effect on the above currency to the amounts shown above, on the basis that all other variables remain constant.



NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

29 Financial risk management (Cont'd)

29.3 Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

The Group's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. As part of its overall prudent liquidity management, the Group maintains a sufficient level of cash to meet its working capital requirement.

The table below analyses the maturity profile of the Group's and the Company's financial liabilities based on contractual undiscounted cash flows:

	Carrying amount \$'000	Contractual undiscounted cash flows			
		Total \$'000	Less than 1 year \$'000	Between 2 and 5 years \$'000	Over 5 years \$'000
The Group					
As at 31 December 2023					
Trade and other payables* (Note 16)	3,731	3,731	3,731	–	–
Lease liabilities (Note 15)	1,141	1,178	619	540	19
	4,872	4,909	4,350	540	19
As at 31 December 2022					
Trade and other payables* (Note 16)	19,520	19,520	19,520	–	–
Lease liabilities (Note 15)	1,282	1,302	833	416	53
Derivative liabilities	1,714	1,714	1,714	–	–
	22,516	22,536	22,067	416	53
The Company					
As at 31 December 2023					
Trade and other payables* (Note 16)	331	331	331	–	–
Lease liabilities (Note 15)	902	934	379	536	19
	1,233	1,265	710	536	19
As at 31 December 2022					
Trade and other payables* (Note 16)	16,837	16,837	16,837	–	–
Lease liabilities (Note 15)	601	619	286	280	53
Derivative liabilities	1,714	1,714	1,714	–	–
	19,152	19,170	18,837	280	53

* Excludes withholding tax payable and contract liabilities

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

29 Financial risk management (Cont'd)

29.4 Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the Group to incur a financial loss. The Group's exposure to credit risk arises primarily from trade and other receivables. For trade receivables, the Group adopts the policy of dealing only with customers of appropriate credit history. For other financial assets, the Group adopts the policy of dealing only with high credit quality counterparties.

The Group's objective is to seek continual growth while minimising losses incurred due to increased credit risk exposure.

Exposure to credit risk

As the Group and the Company do not hold any collateral, the maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented on the statements of financial position.

Credit risk concentration profile

The Group determines its concentrations of credit risk by monitoring its trade and other receivables on an ongoing basis.

Financial assets that are neither past due nor impaired

Trade and other receivables that are neither past due nor impaired are with creditworthy debtors with good payment records with the Group and Company.

Financial assets that are past due but not impaired

There is no other class of financial assets that is past due but not impaired except for trade and other receivables.

Financial assets that are past due and/or impaired

Information regarding financial assets that are impaired is disclosed in Note 9. Concentrations of credit risk exist when changes in economic, industry or geographic factors similarly affect groups of counterparties whose aggregate credit exposure is significant in relation to the Group's and the Company's total credit exposure. The Group determines its concentration of credit risk by monitoring its trade and other receivables on an ongoing basis. The maximum exposure to credit risk is represented by the carrying value of each financial assets at the reporting date.

The Group's current credit risk grading framework comprises the following categories:

Category	Description	Basis for recognising ECL
Performing	The counterparty has a low risk of default and does not have any past-due amounts.	12-month ECL
Doubtful	Amount is >30 days past due or there has been a significant increase in credit risk since initial recognition.	Lifetime ECL - not credit-impaired
In default	Amount is >90 days past due or there is evidence indicating the asset is credit-impaired.	Lifetime ECL - credit-impaired
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery.	Amount is written off

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

29 Financial risk management (Cont'd)

29.4 Credit risk (Cont'd)

The tables below detail the credit quality of the Group's and the Company's financial instruments, as well as maximum exposure to credit risk by credit risk rating grades:

	Internal credit rating	12-month/ Lifetime ECL	Gross carrying amount \$'000	Loss allowance \$'000	Net carrying amount \$'000
The Group					
At 31 December 2023					
Trade receivables	(a)	Lifetime ECL	38	-	38
Other receivables:					
- Related parties	(b)	12-month ECL	4,714	(1,444)	3,270
- Third parties	Performing	12-month ECL	9,441	-	9,441
Promissory notes:					
- Ultimate holding company	(c)	12-month ECL	16,053	-	16,053
- Related parties	(c)	12-month ECL	1,980	-	1,980
- Third party	Performing	12-month ECL	85	-	85
Refundable deposits	Performing	12-month ECL	515	-	515
Cash and bank deposits	Performing	12-month ECL	29,000	-	29,000

At 31 December 2022

Trade receivables	(a)	Lifetime ECL	59	-	59
Other receivables:					
- Related parties	(b)	12-month ECL	7,453	(1,353)	6,100
- Third parties	Performing	12-month ECL	732	-	732
Refundable deposits	Performing	12-month ECL	721	-	721
Cash and bank deposits	Performing	12-month ECL	13,679	-	13,679

The Company

At 31 December 2023

Other receivables:					
- Related parties	(b)	12-month ECL	3,318	(1,444)	1,874
- Third parties	Performing	12-month ECL	132	-	132
Promissory notes:					
- Related parties	(c)	12-month ECL	1,980	-	1,980
Non-trade amounts due from subsidiaries	(b)	12-month ECL	86,522	(46,815)	39,707
Refundable deposits	Performing	12-month ECL	96	-	96
Cash and bank deposits	Performing	12-month ECL	24,534	-	24,534

At 31 December 2022

Other receivables – related parties	(b)	12-month ECL	3,370	(1,353)	2,017
Non-trade amounts due from subsidiaries	(b)	12-month ECL	123,426	(45,172)	78,254
Refundable deposits	Performing	12-month ECL	61	-	61
Cash and bank deposits	Performing	12-month ECL	9,024	-	9,024

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29 Financial risk management (Cont'd)

29.4 Credit risk (Cont'd)

Trade and other receivables (Note a)

The Group and the Company apply SFRS(I) 9 simplified approach to measure the expected credit losses using a lifetime expected loss allowance for trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The expected loss rates are based on the historical credit loss experiences. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

Trade receivables are written off when there is no reasonable expectation of recovery. Impairment losses on trade receivables are presented as impairment losses within other operating expenses. Subsequent recoveries of amounts previously written off are credited to other operating income.

At the end of the reporting period, the credit exposure of trade receivables is insignificant considering these trade receivables are not past due.

Other receivables due from related parties and non-trade amounts due from subsidiaries (Note b)

The Group and the Company use an approach that is based on an assessment of qualitative and quantitative factors that are indicative of the risk of default (including but not limited to audited financial statements, management accounts and cash flow projections, if available, and applying experienced credit judgement).

At the end of the reporting period, the Group and the Company assessed the credit exposure of these receivables to be insignificant based on the historical default rates and measured the ECL allowance based on 12-month expected loss basis, except for those amounts of ECL allowance recognised as disclosed in Note 9. These ECL allowance are measured at an amount equal to lifetime ECLs, considering the overall positions of the highly accessible liquid assets of these counterparties for repayment if they are demanded at the reporting date.

Promissory notes due from the ultimate holding company and related parties (Note c)

The Group and the Company use an approach that is based on an assessment of qualitative and quantitative factors that are indicative of the risk of default (including but not limited to audited financial statements, management accounts and cash flow projections, if available, and applying experienced credit judgement).

At the end of the reporting period, the Group and the Company assessed the credit exposure of these promissory notes to be insignificant based on the historical default rates and measured the ECL allowance based on 12-month expected loss basis, and the amount of the allowance is insignificant.

Promissory notes and other receivables due from third parties and refundable deposits

The Group and the Company assessed the credit exposure of these receivables to be insignificant based on the historical default rates, taking into consideration for the future outlook of the industry in which these counterparties operate in.

At the end of the reporting period, the Group and the Company consider that there has been no significant increase in the credit risk since the initial recognition and measured the ECL allowance based on 12-month expected loss basis, and the amount of the allowance is insignificant.

Cash and bank deposits

Cash and bank deposits are placed with financial institutions which are regulated and have good credit ratings. Impairment on cash and bank deposits has been measured on the 12-month expected loss basis and reflects the short maturities of the exposures. The Group considers that its cash and bank deposits have low credit risk based on the external credit ratings of the counterparties. The amount of the allowance on cash and bank deposits is negligible.



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29 Financial risk management (Cont'd)

29.5 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. The Group is exposed to equity price risk arising from its quoted investment securities measured at FVTPL (Note 11). The fair value of these financial instruments is quoted from the market.

A 10% increase in the equity price at the reporting date would have increased the Group's and the Company's loss before tax by \$691,000 and \$568,000 (2022: \$1,355,000 and \$1,183,000), respectively. Similarly, a decrease of 10% in equity price would have an equal but opposite effect.

30 Financial instruments

Accounting classifications of financial assets and financial liabilities

The carrying amounts of financial assets and financial liabilities at the reporting date are as follows:

	The Group		The Company	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Financial assets at FVTPL				
Investment securities (quoted) (Note 11)	6,912	13,546	5,677	11,833
Derivative assets	– [^]	439	–	–
Other investments (unquoted) (Note 6)	305	1,848	–	–
	7,217	15,833	5,677	11,833
Financial assets at FVOCI				
Other investments (unquoted) (Note 6)	543	236	–	–
Financial assets at amortised cost				
Trade and other receivables (Note 9)	31,382	7,612	43,789	80,332
Cash and bank deposits (Note 12)	29,000	13,679	24,534	9,024
	60,382	21,291	68,323	89,356
Financial liabilities at FVTPL				
Derivative liabilities	–	1,714	–	1,714
Financial liabilities at amortised cost				
Trade and other payables* (Note 16)	3,731	19,520	331	16,837
Lease liabilities (Note 15)	1,141	1,282	902	601
	4,872	20,802	1,233	17,438

* Excludes withholding tax payable and contract liabilities.

[^] Less than \$1,000

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31 Capital management

The Group's and the Company's objectives when managing capital are:

- To safeguard the Group's and the Company's ability to continue as a going concern;
- To support the Group's and the Company's stability and growth;
- To provide capital for the purpose of strengthening the Group's and the Company's risk management capability; and
- To provide an adequate return to shareholders

The Group actively and regularly reviews and manages its capital structure to ensure optimal capital structure and shareholder returns, taking into consideration the future capital requirements of the Group and capital efficiency, prevailing and projected profitability, projected operating cash flows, projected capital expenditures and projected strategic investment opportunities. The Group currently does not adopt any formal dividend policy.

There were no changes in the Group's and the Company's approach to capital management during the year. The Group is not subject to externally imposed capital requirements.

32 Fair value measurement

Fair values of financial instruments

The following table shows the Levels within the hierarchy of financial assets and liabilities measured at fair value on a recurring basis:

The Group	Note	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
31 December 2023					
Financial assets at FVTPL					
- Investment securities (quoted)	11	6,912	-	-	6,912
- Other investments (unquoted)	6	-	-	305	305
- Derivative assets		-	-	- [^]	- [^]
Financial assets at FVOCI					
- Other investments (unquoted)	6	-	-	543	543
		6,912	-	848	7,760
31 December 2022					
Financial assets at FVTPL					
- Investment securities (quoted)	11	13,546	-	-	13,546
- Other investments (unquoted)	6	-	-	1,848	1,848
- Derivative assets		-	-	439	439
Financial assets at FVOCI					
- Other investments (unquoted)	6	-	-	236	236
Financial liability at FVTPL					
- Derivative liabilities		-	-	(1,714)	(1,714)
		13,546	-	809	14,355
The Company					
31 December 2023					
Financial assets at FVTPL					
- Investment securities (quoted)	11	5,677	-	-	5,677
31 December 2022					
Financial assets at FVTPL					
- Investment securities (quoted)	11	11,833	-	-	11,833
Financial liability measured at FVTPL					
- Derivative liabilities		-	-	(1,714)	(1,714)
		11,833	-	(1,714)	10,119

[^] Less than \$1,000



NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

32 Fair value measurement (Cont'd)

Fair value measurement of financial assets and liabilities

(a) Level 1 fair value measurements

The fair value of quoted equity securities is determined directly by reference to their published market price at the balance sheet date.

(b) Level 3 fair value measurements

Description	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Other investments - FVOCI	Revalued net asset value ("NAV")	Value of the underlying net asset value of the entities	The estimated fair value would increase/decrease if NAV was higher/ lower
Other investments - FVTPL	Price-to-book approach	Discount for lack of marketability of 17.65% (2022: 15.70%)	The estimated fair value would increase/decrease if discount for non-marketability was lower/ higher

A reasonably possible change in the key assumptions used from management's estimates, to measure the fair value of other investments measured at FVOCI and FVTPL would not result in a material impact to the Group's result.

The following table shows a reconciliation from the opening balances to the ending balances for Level 3 fair values:

The Group	Convertible promissory notes \$'000	Derivative assets \$'000	Derivative liabilities \$'000	Other investments \$'000
Balance at 1 January 2022	11,704	1,363	–	318
Additions	–	–	–	544
Interest income	452	–	–	–
Fair value changes	242	(924)	(1,714)	638
Disposals	(12,124)	–	–	–
Conversion of promissory notes to common stocks	(274)	–	–	584
Balance at 1 January 2023	–	439	(1,714)	2,084
Additions	–	–	–	369
(Loss)/gain on fair value changes	–	(439)	1,714	(1,605)
Balance at 31 December 2023	–	– [^]	–	848

[^] Less than \$1,000

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

32 Fair value measurement (Cont'd)

Fair value measurement of financial assets and liabilities (Cont'd)

(b) Level 3 fair value measurements (Cont'd)

The Company	Convertible promissory notes \$'000	Derivative liabilities \$'000
Balance at 1 January 2022	11,430	–
Interest income	452	–
Fair value changes	242	(1,714)
Disposal	(12,124)	–
Balance at 1 January 2023	–	(1,714)
Gain on fair value changes	–	1,714
Balance at 31 December 2023	–	–

Transfer between Level 1, 2 and 3

There were no transfers between Level 1, Level 2 and Level 3 in 2023 and 2022.

Other financial assets and liabilities that are not carried at fair value

The carrying amounts of trade and other receivables, cash and bank deposits and trade and other payables are a reasonable approximation of fair values due to their short-term nature.

The fair value disclosure of lease liabilities is not required as lease liabilities are measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the incremental borrowing rate applicable to the leased asset.

33 Subsequent events

(a) Disposal of a subsidiary

On 9 September 2022, the Company and its wholly-owned subsidiary HWH international Inc (“HWH”) entered into a merger agreement with ACAC and HWH Merger Sub, Inc (“Merger Sub”) (collectively, the “Purchasers”) in relation to the proposed disposal of 10,000 shares in HWH to the Purchasers. The Company had on 7 November 2022, convened an extraordinary general meeting and obtained shareholders’ approval for the proposed disposal.

On 21 November 2023, the Company entered into two stock purchase agreements, with Mr. Teh Wing Kwan (“TWK”) (a citizen of Singapore) and Massive Brilliant Limited (“MBL”) (a Hong Kong Limited company), to sell to both TWK and MBL an aggregate of 1,280 shares in HWH. The Company (owning 8,270 shares in HWH), TWL and MBL (collectively owning 1,280 shares in HWH) will sell a total of 10,000 shares in HWH to the Purchasers.

On 9 January 2024, the Company completed the disposal of (1) 640 shares in HWH to TWK; (2) 640 shares in HWH to MBL; and (3) 8,720 shares in HWH to the Purchasers. Both TWK and MBL then collectively sold 1,280 shares in HWH to the Purchasers. In combination, these transactions represented the sale and disposal of the entire issued and paid-up shares capital of HWH. Thereafter, the Merger Sub had merged with and into HWH to form the surviving corporation. The surviving corporation is a wholly owned subsidiary of ACAC. Following this, ACAC changed its corporate name to HWH International Inc. (“HWH Delaware”).



NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

33 Subsequent events (Cont'd)

(b) Sale and purchase agreements to sell residential lots

On 17 March 2023, 150 CCM Black Oak Ltd (“CCM”), an indirect subsidiary of the Company entered into a sale and purchase agreement with Davidson Homes, LLC, an Alabama limited liability company. Pursuant to the agreement, CCM agreed to sell approximately 189 single-family detached residential lots, forming an additional section of the Lakes at Black Oak. The total revenue from the proposed sale was expected to be approximately US\$10 million. In January 2024, CCM concluded the sale of 95 residential lots with approximately US\$5 million in revenue.

On 13 November 2023, CCM entered into two sale and purchase agreements with Century Land Holdings of Texas, LLC., a Colorado limited liability company. Pursuant to the first agreement, CCM agreed to sell approximately 142 single-family detached residential lots of the Lakes at Black Oak. The total revenue from the proposed sale was expected to be approximately US\$7.4 million. Pursuant to the second agreement, CCM agreed to sell approximately 63 single-family detached residential lots of Alset Villa. The total revenue from the proposed sale was expected to be approximately US\$3.3 million. These transactions are expected to be completed during the second quarter of 2024.

STATISTICS OF SHAREHOLDINGS

As at 28 March 2024

DISTRIBUTION OF SHAREHOLDINGS

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 - 99	101	4.90	4,277	0.00
100 - 1,000	315	15.27	170,728	0.01
1,001 - 10,000	404	19.58	2,203,150	0.06
10,001 - 1,000,000	1,177	57.05	178,429,311	5.11
1,000,001 AND ABOVE	66	3.20	3,311,905,896	94.82
TOTAL	2,063	100.00	3,492,713,362	100.00

TWENTY LARGEST SHAREHOLDERS

NO.	NAME	NO. OF SHARES	%
1	PHILLIP SECURITIES PTE LTD	2,996,680,351	85.80
2	DSS, INC.	127,179,311	3.64
3	MAYBANK SECURITIES PTE. LTD.	25,091,484	0.72
4	LIM & TAN SECURITIES PTE LTD	8,066,900	0.23
5	TEO CHOR KOK	7,878,750	0.23
6	TAN KAH HENG (CHEN JIAXING)	6,381,100	0.18
7	RAFFLES NOMINEES (PTE.) LIMITED	6,077,996	0.17
8	LOH YIH	6,000,620	0.17
9	DBS NOMINEES (PRIVATE) LIMITED	5,561,850	0.16
10	GOH SHIN PING CHIRAPORN	5,500,000	0.16
11	LEE WEE NGAM	4,900,000	0.14
12	TAN TONG CHEE	4,600,000	0.13
13	UOB KAY HIAN PRIVATE LIMITED	3,919,956	0.11
14	CGS INTL SECURITIES SINGAPORE PL	3,826,540	0.11
15	CITIBANK NOMINEES SINGAPORE PTE LTD	3,825,800	0.11
16	CHEAN SOCK HOON	3,350,000	0.10
17	IFAST FINANCIAL PTE. LTD.	3,130,950	0.09
18	LAM LEE G OR CHUNG YUEN YEE KATHY	3,000,000	0.09
19	OCBC SECURITIES PRIVATE LIMITED	2,816,070	0.08
20	PHUA GEK SOON	2,800,000	0.08
	TOTAL	3,230,587,678	92.50

The Company does not have treasury shares or subsidiary holdings. Only ordinary shares of the Company have voting rights. Each ordinary share has one vote.



STATISTICS OF SHAREHOLDINGS

As at 28 March 2024

PERCENTAGE OF SHAREHOLDING HELD IN THE NAME OF PUBLIC

As at 28 March 2024, approximately 10.91% of the shareholding in the Company was held in the hands of the public (on the basis of information available to the Company). Accordingly, the Company has complied with Rule 723 of the Catalist Rules.

SUBSTANTIAL SHAREHOLDERS

(As recorded in the Register of Substantial Shareholders)

Name of substantial shareholder	Direct interest	%	Deemed interest	%
Alset Business Development Pte. Ltd.	2,981,492,165	85.36%	–	–
Liquidvalue Development Pte. Ltd.	3,001,100	0.09%	–	–
DSS, Inc.	127,179,311	3.64%	–	–
Chan Heng Fai ⁽¹⁾	–	–	3,111,672,576	89.09%

Note:

- (1) Mr. Chan Heng Fai and his associates are treated as having an interest in the shares held directly by Alset Business Development Pte. Ltd., Liquidvalue Development Pte. Ltd. and DSS, Inc. as they are entitled to exercise or control the exercise of not less than 20% of the votes attached to the voting shares in the respective companies pursuant to Section 4 of the Securities and Futures Act, Cap. 289 of Singapore.

NOTICE OF ANNUAL GENERAL MEETING



Notice is hereby given that the Annual General Meeting of **Alset International Limited** (the “**Company**”) will be held at 138 Cecil Street #01-02 Cecil Court, Singapore 069538 on Tuesday, 30 April 2024 at 10.30 a.m. (Singapore Time) for the following purposes:

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 thereon. **(Ordinary Resolution 1)**
2. To approve the payment of Directors’ fees of up to S\$200,000 and for payment of such Directors’ fees half yearly in arrears for the financial year ending 31 December 2024 (2023: S\$200,000). **(Ordinary Resolution 2)**
3. To re-appoint Foo Kon Tan LLP as the Company’s Auditors for the financial year ending 31 December 2024 and to authorise the Directors of the Company to fix their remuneration. **(Ordinary Resolution 3)**
4. To re-elect Mr. Chan Tung Moe, who is retiring by rotation pursuant to Regulation 89 of the Company’s Constitution, and who, being eligible, offers himself for re-election, as a Director of the Company.
[See Explanatory Note (i)] **(Ordinary Resolution 4)**
5. To re-elect Mr. Wong Shui Yeung, who is retiring pursuant to Regulation 89 of the Company’s Constitution, and who, being eligible, offers himself for re-election, as a Director of the Company.
[See Explanatory Note (ii)] **(Ordinary Resolution 5)**
6. To note the retirement of Mr. Tao Yeoh Chi, who is retiring pursuant to Regulation 89 of the Company’s Constitution.
7. To re-elect Mr. Tang Yeng Yuen, who is retiring pursuant to Regulation 88 of the Company’s Constitution, and who, being eligible, offers himself for re-election, as a Director of the Company.
[See Explanatory Note (iii)] **(Ordinary Resolution 6)**
8. 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:

9. **Authority to allot and issue shares in the capital of the Company - Share Issue Mandate**

That, pursuant to Section 161 of the Companies Act 1967 (the “**Companies Act**”) and Rule 806 of the Catalyst Rules, authority be and is hereby given to the Directors of the Company to:

- (a) (i) allot and issue new shares in the capital of 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 the Shares to be allotted and issued, including but not limited to the creation, allotment 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, allot and issue Shares in pursuance of any Instrument made or granted by the Directors of the Company while this Resolution is in force,



NOTICE OF ANNUAL GENERAL MEETING

provided that:

- (1) the aggregate number of new Shares (including Shares to be allotted and issued in pursuance of the Instruments made or granted pursuant to this Resolution) to be allotted and issued pursuant to this Resolution shall not exceed one hundred per cent. (100%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of new Shares to be allotted and issued other than on a *pro rata* basis to the members of the Company (including Shares to be allotted and issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed fifty per cent (50%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (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 new Shares that may be allotted and issued under sub-paragraph (1) above, the percentage total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company shall be based on the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company at the time of the passing of this Resolution, after adjusting for:
 - (i) new Shares arising from the conversion or exercise of any Instruments or any convertible securities;
 - (ii) new Shares arising from exercising of share options or vesting of share awards, provided that the share options or the share awards are granted in compliance with Part VIII of Chapter 8 of the Catalist Rules; and
 - (iii) any subsequent bonus issue, consolidation or sub-division of Shares;

Any adjustments made in accordance with sub-paragraphs 2(i) or 2(ii) above shall only be made in respect of new Shares arising from convertible securities and Instruments which were issued and outstanding and/or subsisting at the time of passing this Resolution.

- (3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Catalist Rules for the time being in force (unless such compliance has been waived by the SGX-ST) and the Company's Constitution for the time being; and
- (4) unless revoked or varied by the Company in a general meeting, such authority conferred by this Resolution 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 the earlier.

[See Explanatory Note (iv)].

(Ordinary Resolution 7)

10. Proposed Adoption of the 2024 Alset International Limited Share Option Scheme

That the employee share option scheme to be known as the "2024 Alset International Limited Share Option Scheme" (the "**Option Scheme**") under which options ("**Options**") may be granted to selected directors and employees of (i) the Company and its subsidiaries (the "**Group**"); (ii) associated companies; or (iii) the Company's parent company and its subsidiaries who have contributed to the success and development of the Company, who have attained the age of 21 years, to subscribe for ordinary shares in the capital of the Company ("**Shares**"), particulars of which are set out in the letter to shareholders of the Company dated 15 April 2024 (the "**Letter to Shareholders**"), be and is hereby approved and adopted, and that the Remuneration Committee of the Company for the time being, or such other committee comprising Directors of the Company duly authorised and appointed by the Board of Directors of the Company to administer the Option Scheme, (the "**Scheme Committee**") be and are hereby authorised:

- (a) to administer the Option Scheme;

NOTICE OF ANNUAL GENERAL MEETING

- (b) to modify and/or amend the Option Scheme from time to time provided that such modification and/or amendment is effected in accordance with the rules of the Option Scheme, and to do all such acts and to enter into such transactions, arrangements and agreements as may be necessary or expedient in order to give full effect to the Option Scheme; and
- (c) to offer and grant Options in accordance with the rules of the Option Scheme and pursuant to Section 161 of the Companies Act, and to deliver existing Shares (including treasury shares) and to allot and issue such Shares as may be required to be allotted and issued pursuant to the exercise of the Options under the Option Scheme, provided always that the aggregate number of Shares to be allotted and issued pursuant to the Option Scheme, the Share Plan (as defined in Ordinary Resolution 13 below) and any other share based incentive schemes of the Company shall not exceed twenty per cent. (20%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company from time to time. **(Ordinary Resolution 8)**

11. Proposed Grant of Options at a Discount under the Option Scheme

That subject to and contingent upon the passing of Ordinary Resolution 8, the Board of Directors of the Company be and is hereby authorised to offer and grant Options in accordance with the rules of the Scheme with exercise prices set at a discount not exceeding fifty per cent. (50%) to the market price (being the average of the closing market prices of the Shares over a period of five (5) consecutive trading days on which the Shares are traded on the SGX-ST immediately prior to the date of grant of that Option, provided always that in the case of a trading day on which the Shares were not traded on the SGX-ST, the closing market price for the Shares on such trading day shall be deemed to be the closing price of the Shares on the immediately preceding trading day on which the Shares were traded, as determined by the Scheme Committee authorised and appointed to administer the Scheme, rounded up to the nearest whole cent in the event of fractional prices), provided that such discount does not exceed the relevant limits set by the SGX-ST. **(Ordinary Resolution 9)**

12. Proposed Participation of Mr. Chan Heng Fai, a Controlling Shareholder, in the Option Scheme

That subject to and contingent upon the passing of Ordinary Resolution 8, the participation of Mr. Chan Heng Fai, who is a Controlling Shareholder (as defined in the Catalist Rules) of the Company, in the Option Scheme be and is hereby approved.

Note: Mr. Chan Heng Fai will, and will procure his associates to, abstain from voting on this Ordinary Resolution 10 in respect of his shareholding, and will not accept nominations as proxies unless specific instructions have been given in the proxy instrument by the Shareholders appointing him on how they wish their votes to be cast. **(Ordinary Resolution 10)**

13. Proposed Participation of Mr. Chan Tung Moe, an Associate of a Controlling Shareholder, in the Option Scheme

That subject to and contingent upon the passing of Ordinary Resolution 8, the participation of Mr. Chan Tung Moe, who is an Associate of a Controlling Shareholder (as defined in the Catalist Rules) of the Company, in the Option Scheme be and is hereby approved.

Note: Mr. Chan Tung Moe will, and will procure his associates to, abstain from voting on this Ordinary Resolution 11 in respect of his shareholding, and will not accept nominations as proxies unless specific instructions have been given in the proxy instrument by the Shareholders appointing him on how they wish their votes to be cast. **(Ordinary Resolution 11)**



NOTICE OF ANNUAL GENERAL MEETING

14. **Proposed Participation of Mrs. Mabel Chan Yoke Keow, an Associate of a Controlling Shareholder, in the Option Scheme**

That subject to and contingent upon the passing of Ordinary Resolution 8, the participation of Mrs. Mabel Chan Yoke Keow, who is an Associate of a Controlling Shareholder (as defined in the Catalist Rules) of the Company, in the Option Scheme be and is hereby approved.

Note: Mrs. Mabel Chan Yoke Keow will, and will procure her associates to, abstain from voting on this Ordinary Resolution 12 in respect of her shareholding, and will not accept nominations as proxies unless specific instructions have been given in the proxy instrument by the Shareholders appointing her on how they wish their votes to be cast.
(Ordinary Resolution 12)

15. **Proposed Renewal of the 2014 Alset International Limited Performance Share Plan**

That the Alset Performance Share Plan adopted on 23 October 2014 be renewed and to be known as the “2024 Alset International Limited Performance Share Plan” (the “**Share Plan**”) under which awards (“**Awards**”) of fully paid-up Shares will be granted, free of payment, to selected employees and Directors (including Non-Executive Directors) of (i) the Company and/or its subsidiaries; (ii) associated companies; or (iii) the Company’s parent company and its subsidiaries who have contributed to the success and development of the Company, particulars of which are set out in the Letter to Shareholders, be and is hereby approved and adopted, and that the Remuneration Committee of the Company for the time being, or such other committee comprising Directors of the Company duly authorised and appointed by the Board of Directors of the Company to administer the Share Plan (the “**Plan Committee**”), be and are hereby authorised:

- (a) to administer the Share Plan;
- (b) to modify and/or alter the Share Plan from time to time, provided that such modification and/or alteration is effected in accordance with the provisions of the Share Plan and to do all such acts and to enter into all such transactions and arrangements as may be necessary or expedient in order to give full effect to the Share Plan; and
- (c) to offer and grant Awards in accordance with the Share Plan and to deliver existing Shares (including treasury shares) and to allot and issue such Shares as may be required to be allotted and issued pursuant to the exercise of Awards under the Share Plan, provided always that the aggregate number of Shares to be allotted and issued pursuant to the Option Scheme, the Share Plan and any other share based incentive schemes of the Company shall not exceed twenty per cent. (20%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company from time to time.
(Ordinary Resolution 13)

16. **Proposed Participation of Mr. Chan Heng Fai, a Controlling Shareholder, in the Share Plan**

That subject to and contingent upon the passing of Ordinary Resolution 13, the participation of Mr. Chan Heng Fai, who is a Controlling Shareholder (as defined in the Catalist Rules) of the Company, in the Share Plan be and is hereby approved.

Note: Mr. Chan Heng Fai will, and will procure his associates to, abstain from voting on this Ordinary Resolution 14 in respect of his shareholding, and will not accept nominations as proxies unless specific instructions have been given in the proxy instrument by the Shareholders appointing him on how they wish their votes to be cast.
(Ordinary Resolution 14)

NOTICE OF ANNUAL GENERAL MEETING



17. **Proposed Participation of Mr. Chan Tung Moe, an Associate of a Controlling Shareholder, in the Share Plan**

That subject to and contingent upon the passing of Ordinary Resolution 13, the participation of Mr. Chan Tung Moe, who is an Associate of a Controlling Shareholder (as defined in the Catalist Rules) of the Company, in the Share Plan be and is hereby approved.

Note: Mr. Chan Tung Moe will, and will procure his associates to, abstain from voting on this Ordinary Resolution 15 in respect of his shareholding, and will not accept nominations as proxies unless specific instructions have been given in the proxy instrument by the Shareholders appointing him on how they wish their votes to be cast.
(Ordinary Resolution 15)

18. **Proposed Participation of Mrs. Mabel Chan Yoke Keow, an Associate of a Controlling Shareholder, in the Share Plan**

That subject to and contingent upon the passing of Ordinary Resolution 13, the participation of Mrs. Mabel Chan Yoke Keow, who is an Associate of a Controlling Shareholder (as defined in the Catalist Rules) of the Company, in the Share Plan be and is hereby approved.

Note: Mrs. Mabel Chan Yoke Keow will, and will procure her associates to, abstain from voting on this Ordinary Resolution 16 in respect of her shareholding, and will not accept nominations as proxies unless specific instructions have been given in the proxy instrument by the Shareholders appointing her on how they wish their votes to be cast.
(Ordinary Resolution 16)

By Order of the Board of Directors of
Alset International Limited

Chan Tung Moe
Executive Director and Co-Chief Executive Officer
15 April 2024
Singapore



NOTICE OF ANNUAL GENERAL MEETING

Explanatory Notes:

- (i) Mr. Chan Tung Moe, if re-elected as a Director of the Company, will remain as an Executive Director and Co-CEO of the Company. Further information relating to Mr. Chan Tung Moe as required under Rule 720(5) of Section B: Rules of Catalyst of the Listing Manual of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) (“**Catalist Rules**”) in relation to his re-election may be found under the sections entitled “Board of Directors”, “Corporate Governance Report”, and “Additional information on Directors seeking re-election” in the Annual Report for the financial year ended 31 December 2023 (the “**FY2023 Annual Report**”).
- (ii) Mr. Wong Shui Yeung, if re-elected as a Director of the Company, will remain as an Independent Non-Executive Director of the Company and the Chairman of the Audit and Risk Management Committee and the Remuneration Committee. Mr. Wong Shui Yeung is considered independent for the purposes of Rule 704(7) of the Catalyst Rules. Further information relating to Mr. Chan King Fai as required under Rule 720(5) of the Catalyst Rules in relation to his re-election may be found under the sections entitled “Board of Directors”, “Corporate Governance Report” and “Additional Information on Directors seeking re-election” in the FY2023 Annual Report.
- (iii) Mr. Tang Yeng Yuen, if re-elected as a Director of the Company, will remain as an Independent Non-Executive Director of the Company. Further information relating to Mr. Tang Yeng Yuen as required under Rule 720(5) of the Catalyst Rules in relation to his re-election may be found under the sections entitled “Board of Directors”, “Corporate Governance Report”, and “Additional information on Directors seeking re-election” in the FY2023 Annual Report.
- (iv) The Ordinary Resolution 7 proposed in item 9 above, if passed, will empower the Directors of the Company from the date of the passing of Ordinary Resolution 7 until the date of the next Annual General Meeting or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier, to allot and issue new Shares, make or grant Instruments convertible into Shares and to issue Shares pursuant to such Instruments. The aggregate number of new Shares (including Shares to be allotted and issued in pursuance of the Instruments made or granted pursuant to Ordinary Resolution 7) to be allotted and issued pursuant to Ordinary Resolution 7 shall not exceed 100% of the total number of issued Shares excluding treasury shares and subsidiary holdings of the Company as at the date of the passing of Ordinary Resolution 7. For the allotment and issue of new Shares other than on a pro-rata basis to existing members of the Company, the aggregate number of new Shares (including Shares to be allotted and issued in pursuance of the Instruments made or granted pursuant to Ordinary Resolution 7) to be allotted and issued pursuant to Ordinary Resolution 7 shall not exceed 50% of the total number of issued Shares excluding treasury shares and subsidiary holdings of the Company as at the date of the passing of Ordinary Resolution 7. This authority will, unless previously revoked or varied by the Company in general meeting, expire at the next Annual General Meeting or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier.

Notes:

1. The Annual General Meeting (“**AGM**”) will be held at 138 Cecil Street #01-02 Cecil Court, Singapore 069538 on 30 April 2024 at 10.30 a.m. (Singapore Time) for the purpose of considering and if thought fit, passing, with or without any modification, the Ordinary Resolutions set out in this Notice of AGM. **There will be no option for Shareholders to participate virtually.**
2. No printed copies of the FY2023 Annual Report and the Letter to Shareholders will be sent to Shareholders. Shareholders may request for printed copies of the FY2023 Annual Report and/or the Letter to Shareholders by completing and returning the request form (sent to them by post together with printed copies of this Notice of AGM and the accompanying Proxy Form) no later than 22 April 2024. Printed copies of this Notice of AGM and the Proxy Form will be sent to Shareholders. In addition, this Notice of AGM, the FY2023 Annual Report, the Letter to Shareholders, the Proxy Form, and the request form may be accessed at the Company’s website at the URL <https://www.alsetinternational.com/ai-agm-apr-2024> by clicking on the hyperlink titled “Notice of AGM”, “Annual Report 2023”, “Letter to Shareholders”, “Proxy Form” and “Request Form”, respectively. This Notice of Annual General Meeting, the FY2023 Annual Report, the Letter to Shareholders the Proxy Form and the request form are also available on SGXNET at the URL <https://www.sgx.com/securities/company-announcements>.
3. Arrangements relating to attendance at the AGM, submission of comments, queries and/or questions to the Chairman of the Meeting in advance of the AGM, addressing of substantial and relevant comments, queries and/or questions before the AGM, and voting by appointing proxy(ies) (including the Chairman of the Meeting), are set out in this Notice of AGM. Please refer to the section titled “Key dates/deadlines” below for the relevant steps and details for Shareholders to participate at the AGM.

NOTICE OF ANNUAL GENERAL MEETING



4. **There will be no option for Shareholders to participate virtually at the AGM. A Shareholder (whether individual or corporate) must vote live at the AGM or must appoint proxy(ies) (including the Chairman of the Meeting), to attend, speak and vote on his/her/its behalf at the AGM if such Shareholder wishes to exercise his/her/its voting rights at the AGM.** The Proxy Form may be accessed at the Company's website at the URL <https://www.alsetinternational.com/ai-agm-apr-2024> by clicking on the hyperlink titled "Proxy Form", and is also available on SGXNET at the URL <https://www.sgx.com/securities/company-announcements>. Where a member (whether individual or corporate) appoints proxy(ies) (including the Chairman of the Meeting), he/she/it must give specific instructions as to voting, or abstentions from voting, in respect of a resolution in the Proxy Form, failing which the appointment of the proxy(ies) for that resolution will be treated as invalid.

Only Shareholders or their appointed proxy(ies) who have been successfully verified will be entitled to attend the AGM.

5. CPF/SRS investors who wish to appoint the Chairman of the Meeting as proxy should approach their respective CPF agent banks, SRS operators or relevant intermediaries to submit their votes and/or questions relating to the resolutions tabled for approval at the Annual General Meeting by Thursday, 18 April 2024 at 5.00 p.m..
6. Duly appointed proxy(ies), including the Chairman of the Meeting acting as proxy, need not be a member of the Company.
7. The Proxy Form must be submitted to the Company in the following manner:
 - (a) if submitted by post, be lodged with the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue, Keppel Bay Tower, #14-07, Singapore 098632; or
 - (b) if submitted by way of electronic means, be submitted via email to the Company at alsetagm2024@alsetinternational.com,

in either case, by 10.30 a.m. on Saturday, 27 April 2024. A member who wishes to submit the Proxy Form must first download, complete and sign the Proxy Form, before submitting it by post to the address provided above, or by scanning and submitting it by way of electronic means via email to the email address provided above. **Members are strongly encouraged to submit the completed Proxy Forms by way of electronic means via email.**

Personal Data Privacy:

By submitting a Proxy Form appointing a proxy(ies) (including the Chairman of the Meeting) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a Shareholder (i) consents to the collection, use and disclosure of the Shareholder's personal data by the Company (or its agents or service providers) for the purpose of the processing and administration by the Company (or its agents or service providers) of proxy(ies) 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 Shareholder discloses the personal data of the proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the Shareholder 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 Shareholder will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the Shareholder's breach of warranty.



NOTICE OF ANNUAL GENERAL MEETING

Key dates/deadlines:

Key Dates	Events and Information
5.00 p.m. on Thursday, 18 April 2024	Deadline for CPF/SRS investors, including persons who hold Shares through relevant intermediaries (as defined in Section 181 of the Companies Act), who wish to appoint the Chairman of the Meeting as proxy to approach their respective CPF agent banks, SRS operators or relevant intermediaries to submit their votes and/or questions related to the resolutions to be tabled for approval at the Annual General Meeting.
10.30 a.m. on Monday, 22 April 2024	<p>Deadline for members who wish to submit comments, queries and/or questions related to the resolutions to be tabled for approval at the Annual General Meeting of the Company to the Chairman of the Meeting in advance of the Annual General Meeting of the Company can be done in the following manner:</p> <p>(a) By post – Members may submit their comments, queries and/or questions by post to the Company at to 9 Temasek Boulevard #16-04, Suntec Tower Two, Singapore 038989. Comments, queries and/or questions submitted by Shareholders by post must be accompanied by the member’s full name, address and the manner in which the member holds shares in the Company.</p> <p>(b) By electronic means – Members may submit their comments, queries and/or questions by electronic means at the URL https://forms.gle/H6iVLQqb4Qp2evpA9.</p> <p>Shareholders may alternatively submit question(s) live at the AGM.</p>
Thursday, 25 April 2024	The Company will endeavour to address all substantial and relevant questions, comments and/or queries received from Shareholders relating to the resolutions in the Notice of AGM prior to or at the AGM, by publishing its responses to the questions on the Company’s website at the URL https://www.alsetinternational.com/ai-agm-apr-2024 and SGXNET at the URL https://www.sgx.com/securities/company-announcements .
10.30 a.m. on Saturday, 27 April 2024	<p>Deadline for members to submit Proxy Forms to appoint proxy(ies) (including the Chairman of the Meeting) to attend, submit question(s) and vote at the Annual General Meeting of the Company.</p> <p>The Proxy Form must be submitted to the Company in the following manner:</p> <p>(a) if submitted by post, be lodged with the Company’s Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue, Keppel Bay Tower, #14-07, Singapore 098632; or</p> <p>(b) if submitted by way of electronic means, be submitted via email to the Company at alsetagm2024@alsetinternational.com.</p> <p>Shareholders are strongly encouraged to submit the completed Proxy Forms by way of electronic means via email.</p>
10.30 a.m. on Tuesday, 30 April 2024	Members and (where applicable) duly appointed proxies and representatives may participate at the AGM at 138 Cecil Street #01-02 Cecil Court, Singapore 069538. There will be no option for Shareholders to participate virtually.

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION



Details	Name of Director		
	Chan Tung Moe	Wong Shui Yeung	Tang Yeng Yuen
Date of Appointment	11/12/2020	05/06/2017	20/03/2024
Date of last re-appointment	28/04/2021	28/04/2021	Not Applicable
Age	45	53	70
Country of principal residence	Singapore	Hong Kong	Singapore
The Board's comments on this appointment (including rationale, selection criteria, board diversity considerations and the search and nomination process)	<p>The Board of Directors, having considered the recommendation of the Nominating Committee and having reviewed and considered the qualifications, working experience and suitability of Mr. Chan Tung Moe, is of the view that he has the requisite experience and capabilities to assume the responsibilities as an Executive Director and Co-Chief Executive Officer of the Company.</p> <p>Accordingly, the Board of Directors has approved the appointment of Mr. Chan Tung Moe as an Executive Director and Co-Chief Executive Officer of the Company.</p>	<p>The Board of Directors, having considered the recommendation of the Nominating Committee and having reviewed and considered the qualifications, working experience and suitability of Mr. Wong Shui Yeung, is of the view that he has the requisite experience and capabilities to assume the responsibilities as an Independent Non-Executive Director of the Company.</p> <p>Accordingly, the Board of Directors has approved the appointment of Mr. Wong Shui Yeung as an Independent Non-Executive Director of the Company.</p>	<p>The Board of Directors, having considered the recommendation of the Nominating Committee and having reviewed and considered the qualifications, working experience and suitability of Mr. Tang Yeng Yuen, is of the view that Mr. Tang Yeng Yuen has the requisite experience and capabilities to assume the responsibilities as an Independent Non-Executive Director of the Company.</p> <p>Accordingly, the Board of Directors has approved the appointment of Mr. Tang Yeng Yuen as an Independent Non-Executive Director of the Company.</p> <p>Mr. Tang Yeng Yuen will be designated to Lead Independent Director with effect from 1 May 2024.</p>
Whether appointment is executive, and if so, the area of responsibility	Executive. Mr. Chan Tung Moe has overall responsibility of the Group's business.	Non-Executive	Non-Executive
Job Title (e.g. Lead ID, AC Chairperson, AC Member etc.)	Executive Director and Co-Chief Executive Officer	Independent Non-Executive Director, and the Chairman of the Audit and Risk Management Committee and the Remuneration Committee.	Independent Non-Executive Director Mr. Tang Yeng Yuen will be designated to Lead Independent Director with effect from 1 May 2024.



ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Details	Name of Director		
	Chan Tung Moe	Wong Shui Yeung	Tang Yeng Yuen
Professional qualifications	<p>Masters of Business Administration from the University of Western Ontario, Richard Ivey School of Business</p> <p>Masters of Engineering from the University of British Columbia</p> <p>Bachelors of Applied Science from the University of British Columbia</p>	<p>Certified Public Accountant (Practising)</p> <p>Fellow Member of The Hong Kong Institute of Certified Public Accountants</p>	Nil
Working experience and occupation (s) during the past 10 years	<p>Alset International Limited (Singapore)</p> <ul style="list-style-type: none"> - Executive Director and Co-Chief Executive Officer (2020 to Present) <p>DSS, Inc. (USA)</p> <ul style="list-style-type: none"> - Executive Director (2020 to Present) <p>American Medical REIT Inc. (USA)</p> <ul style="list-style-type: none"> - Executive Director of Corporate Development (2020 to Present) <p>LiquidValue Development Inc. (USA)</p> <ul style="list-style-type: none"> - Executive Director and Co-Chief Executive Officer (2017 to Present) <p>Alset EHome Inc. (USA)</p> <ul style="list-style-type: none"> - Executive Director and Chief Executive Officer (2015 to Present) <p>Pop Motion Consulting Pte. Ltd. (Singapore)</p> <ul style="list-style-type: none"> - Executive Director and Chief Executive Officer (2018 to 2020) <p>Alset International Limited (Singapore)</p> <ul style="list-style-type: none"> - Executive Director and Group Chief Development Officer (2015 to 2018) <p>RSI International Systems Inc. (Canada)</p> <ul style="list-style-type: none"> - Director (2007 to 2016) 	<p>S.Y.WONG, Certified Public Accountant</p> <ul style="list-style-type: none"> - Partner (since 2002 to present) <p>Lerthai Group Limited (formerly known as LT Commercial Real Estate Limited)</p> <ul style="list-style-type: none"> - Company Secretary (2018 to 2020) - Financial Controller and Company Secretary (2016 to 2018) <p>Zensun Enterprises Limited (formerly known as ZH International Holdings Limited)</p> <ul style="list-style-type: none"> - Chief Financial Officer (2001 to 2016) <p>SingHaiyi Group Ltd (now known as Singhaiyi Group Pte. Ltd.)</p> <ul style="list-style-type: none"> - Chief Financial Officer (2009 to 2013) 	<p>Hong Leong Finance Limited</p> <ul style="list-style-type: none"> - Head of Corporate Finance (2011 to 2023)

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION



Details	Name of Director		
	Chan Tung Moe	Wong Shui Yeung	Tang Yeng Yuen
	<p>Xpress Finance Limited (Hong Kong)</p> <ul style="list-style-type: none"> - Executive Director and Chief Executive Officer (2002 to 2015) <p>Zensun Enterprises Limited (Hong Kong)</p> <ul style="list-style-type: none"> - Executive Director and Chief Operating Officer (2001 to 2015) <p>SingHaiyi Group Limited (now known as Singhaiyi Group Pte Ltd) (Singapore)</p> <ul style="list-style-type: none"> - Executive Director and Chief Development Officer (2006 to 2014) <p>Mr. Chan Tung Moe has experience in the fields of property development, property investment, property management, project syndication, REIT establishment and management, hospitality, technology and finance.</p>		-
Shareholding Interest in the listed issuer and its subsidiaries	1,500,000 shares in the Company only. No Options nor Warrants awarded to Mr Chan Tung Moe as of the date of this announcement. Mr Chan Tung Moe does not have any shareholding interest in the Company's subsidiaries.	No	No
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. Chan Tung Moe is the son of Mr. Chan Heng Fai, the Executive Chairman, an Executive Director, the Chief Executive Officer and a controlling shareholder of the Company and Mrs. Chan Yoke Keow, the Executive Assistant to the Chief Executive Officer of the Company.	No	No
Conflict of Interest (including any competing business)	No	No	No



ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Details	Name of Director		
	Chan Tung Moe	Wong Shui Yeung	Tang Yeng Yuen
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes	Yes
Other Principal Commitments* Including Directorships#	<p><u>Past (for the past 5 years)</u></p> <ul style="list-style-type: none"> - Singapore eDevelopment Limited (n.k.a. Alset International Limited) - 廣州恒輝房產諮詢有限公司 (Guangzhou Heng Hui Real Estate Consulting Ltd* – for identification purpose only) - Global Solar REIT Inc. - Alset EPower Inc. - EPowerTech Inc. - Pop Motion Consulting Pte. Ltd. <p><u>Present</u></p> <ul style="list-style-type: none"> - 150 Black Oak GP, Inc - Alset EHome Inc. - American Medical REIT Inc. - Ballenger Run HomeOwners Association Inc. - DSS, Inc. - LiquidValue Development Inc. - Alset Capital Inc. (f.k.a. Alset EV Inc.) (f.k.a. OpenBiz Inc.) - SeD Development USA Inc. - SeD Intelligent Home Inc. - AMRE Asset Management Inc. - DSS BioMedical International Inc. - SeD Development Management, LLC - SeD Maryland Development, LLC - Hapi Cafe SG Pte. Ltd. - Robot AI Trade Pte. Ltd. 	<p><u>Past (for the past 5 years)</u></p> <ul style="list-style-type: none"> - SMI Holdings Group Limited - SMI Culture & Travel Group Holdings Limited - Lerthai Group Limited <p><u>Present</u></p> <ul style="list-style-type: none"> - Full Wealth Consultancy Limited - S.Y.WONG, Certified Public Accountant - Alset Inc. (formerly known as Alset EHome International Inc.) - HWH International Inc. (f.k.a. Alset Capital Acquisition Corp.) - DSS, Inc. - Value Exchange International, Inc. - First Credit Finance Group Limited 	<p><u>Past (for the past 5 years)</u></p> <ul style="list-style-type: none"> - Hong Leong Finance Limited <p><u>Present</u></p> <ul style="list-style-type: none"> - Nil

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION



Details	Name of Director		
	Chan Tung Moe	Wong Shui Yeung	Tang Yeng Yuen
	<ul style="list-style-type: none"> - DSS Financial Management, Inc. - Alset Inc. (formerly known as Alset EHome International Inc.) - AHR Asset Management Inc. - HWH World Inc. - AHR Texas Two, LLC - AHR Black Oak One, LLC - Alset Reits Inc. - Liquid Value Asset Management Limited - Fai Heng Chan DMCC - Happy International DMCC - Sports Corp Limited 		
(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	No



ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Details	Name of Director		
	Chan Tung Moe	Wong Shui Yeung	Tang Yeng Yuen
(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 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	<p>A winding-up order was made against SMI Holdings Group Limited on 7 May 2020 where Mr. Wong Shui Yeung was an independent non-executive director.</p> <p>A winding-up order was made against SMI Culture & Travel Group Holdings Limited on 9 November 2020 where Mr. Wong Shui Yeung was an independent non-executive director.</p>	No
(c) Whether there is any unsatisfied judgment against him?	No	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	No

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION



Details	Name of Director		
	Chan Tung Moe	Wong Shui Yeung	Tang Yeng Yuen
(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 (including any pending criminal proceedings of which he is aware) for such breach?	No	No	No
(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	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	No



ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Details	Name of Director		
	Chan Tung Moe	Wong Shui Yeung	Tang Yeng Yuen
(h) 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	No
(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	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	No	No	No
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	No

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION



Details	Name of Director		
	Chan Tung Moe	Wong Shui Yeung	Tang Yeng Yuen
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	No	No	No
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?	No	No	No



ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Details	Name of Director		
	Chan Tung Moe	Wong Shui Yeung	Tang Yeng Yuen
(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	Yes. Mr Tang was one of the Registered Professionals in charge of the continuing activities undertaken by the continuing sponsor of AGV Group Limited (“AGV”), a company listed on the Catalist Board of the Singapore Exchange Securities Trading Limited (“SGX-ST”). In AGV’s announcement dated 1 July 2020 entitled “Investigation by Commercial Affairs Department and the Monetary Authority of Singapore”, AGV had failed to disclose an order made against the Executive Director of AGV at the material time, as well as other important information pertaining to the Executive Director’s involvement in the investigation by the Commercial Affairs Department. The Executive Director in question was subsequently publicly reprimanded by the SGX-ST Listings Disciplinary Committee, as announced in AGV’s announcement dated 5 May 2022. The matter concluded in May 2022 with a reminder letter from the Singapore Exchange Regulation Pte. Ltd. to the relevant Registered Professionals (including Mr Tang) of their obligations under Rule 229(2) of the SGX-ST Listing Manual Section B: Rules of Catalist.

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION



Details	Name of Director		
	Chan Tung Moe	Wong Shui Yeung	Tang Yeng Yuen
Disclosure applicable to the appointment of Director only			
<p>Any prior experience as a director of a listed company?</p> <p>If yes, please provide details of prior experience.</p> <p>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.</p> <p>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).</p>	NA	NA	NA

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Alset International Limited
(Incorporated in the Republic of Singapore)
(Company Registration Number 200916763W)

Proxy Form

I/We* _____ (Name) _____ (NRIC/Passport/Company Registration Number*)
of _____ (Address)

being a member/members* of **Alset International Limited** (the “**Company**”), hereby appoint

Name	NRIC/Passport No.	Proportion of Shareholding	
		No. of Shares	%
Address			

and/or*

Name	NRIC/Passport No.	Proportion of Shareholding	
		No. of Shares	%
Address			

or failing him/her*, the Chairman of Meeting, as my/our* proxy/proxies* to attend and vote for me/us* on my/our* behalf at the Annual General Meeting (“**AGM**”) to be held at 138 Cecil Street #01-02 Cecil Court, Singapore 069538 on Tuesday, 30 April 2024 at 10.30 a.m. and at any adjournment thereof.

I/We direct my/our proxy/proxies to vote for or against the Ordinary 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 any adjournment thereof, the proxy/proxies will vote or abstain from voting at his/her discretion.** The Ordinary Resolutions will be put to vote at the Annual General Meeting of the Company by way of poll.

No.	Ordinary Resolutions	Number of Votes For*	Number of Votes Against*
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 thereon		
2.	To approve the payment of Directors’ fees of up to S\$200,000 and for payment of such Directors’ fees half yearly in arrears for the financial year ending 31 December 2024		
3.	To re-appoint Foo Kon Tan LLP as the Company’s Auditors and to authorise the Directors of the Company to fix their remuneration		
4.	To re-elect Mr. Chan Tung Moe, who is retiring by rotation pursuant to Regulation 89 of the Company’s Constitution		
5.	To re-elect Mr. Wong Shui Yeung, who is retiring pursuant to Regulation 89 of the Company’s Constitution		
6.	To re-elect Mr. Tang Yeng Yuen, who is retiring pursuant to Regulation 88 of the Company’s Constitution		
Special Business			
7.	To approve the authority to allot and issue new Shares		
8.	To approve the Proposed Adoption of the 2024 Alset International Limited Share Option Scheme		
9.	To approve the Proposed Grant of Options at a Discount under the 2024 Alset International Limited Share Option Scheme		
10.	To approve the Proposed Participation of Mr. Chan Heng Fai, a Controlling Shareholder, in the 2024 Alset International Limited Share Option Scheme		
11.	To approve the Proposed Participation of Mr. Chan Tung Moe, an Associate of a Controlling Shareholder, in the 2024 Alset International Limited Share Option Scheme		
12.	To approve the Proposed Participation of Mrs. Mabel Chan Yoke Keow, an Associate of a Controlling Shareholder, in the 2024 Alset International Limited Share Option Scheme		
13.	To approve the Proposed Renewal of the 2014 Alset International Limited Performance Share Plan		
14.	To approve the Proposed Participation of Mr. Chan Heng Fai, a Controlling Shareholder, in the 2024 Alset International Limited Performance Share Plan		
15.	To approve the Proposed Participation of Mr. Chan Tung Moe, an Associate of a Controlling Shareholder, in the 2024 Alset International Limited Performance Share Plan		
16.	To approve the Proposed Participation of Mrs. Mabel Chan Yoke Keow, an Associate of a Controlling Shareholder, in the 2024 Alset International Limited Performance Share Plan		

* Delete as appropriate.

If you wish to exercise all your votes “For” or “Against”, please indicate so with a [√] within the box provided. Alternatively, please indicate the number of votes as appropriate.

Dated this _____ day of _____ 2024

Total number of shares in:	Number of shares
(a) CDP Register	
(b) Register of Members	

Signature(s) or Common Seal of Member

IMPORTANT: PLEASE READ NOTES OVERLEAF BEFORE COMPLETING THIS PROXY FORM



Notes:

1. The Annual General Meeting (“AGM”) will be held at 138 Cecil Street #01-02 Cecil Court, Singapore 069538 on Tuesday, 30 April 2024 at 10.30 a.m. (Singapore Time) for the purpose of considering and if thought fit, passing, with or without any modification, the Ordinary Resolutions set out in this Notice of AGM. **There will be no option for Shareholders to participate virtually.**
2. No printed copies of the Annual Report for the financial year ended 31 December 2023 (“FY2023 Annual Report”) and the Letter to Shareholders will be sent to Shareholders. Shareholders may request for printed copies of the FY2023 Annual Report and/or the Letter to Shareholders by completing and returning the request form (sent to them by post together with printed copies of this Notice of AGM and the accompanying Proxy Form) no later than 22 April 2024. Printed copies of this Notice of AGM and the Proxy Form will be sent to Shareholders. In addition, this Notice of AGM, the FY2023 Annual Report, the Letter to Shareholders, the Proxy Form, and the request form may be accessed at the Company’s website at the URL <https://www.asetinternational.com/ai-agm-apr-2024> by clicking on the hyperlink titled “Notice of AGM”, “Annual Report 2023”, “Letter to Shareholders”, “Proxy Form” and “Request Form”, respectively. This Notice of Annual General Meeting, the FY2023 Annual Report, the Letter to Shareholders the Proxy Form and the request form are also available on SGXNET at the URL <https://www.sgx.com/securities/company-announcements>.
3. Arrangements relating to attendance at the AGM, submission of comments, queries and/or questions to the Chairman of the Meeting in advance of the AGM, addressing of substantial and relevant comments, queries and/or questions before the AGM, and voting by appointing proxy(ies) (including the Chairman of the Meeting), are set out in the Notice of AGM. Please refer to the section titled “Key dates/deadlines” in the Notice of AGM for the relevant steps and details for Shareholders to participate at the AGM.
4. **There will be no option for Shareholders to participate virtually at the AGM. A Shareholder (whether individual or corporate) must vote live at the AGM or must appoint proxy(ies) (including the Chairman of the Meeting), to attend, speak and vote on his/her/its behalf at the AGM if such Shareholder wishes to exercise his/her/its voting rights at the AGM.** The Proxy Form may be accessed at the Company’s website at the URL <https://www.asetinternational.com/ai-agm-apr-2024> by clicking on the hyperlink titled “Proxy Form”, and is also available on SGXNET at the URL <https://www.sgx.com/securities/company-announcements>. Where a member (whether individual or corporate) appoints proxy(ies) (including the Chairman of the Meeting), he/she/it must give specific instructions as to voting, or abstentions from voting, in respect of a resolution in the Proxy Form, failing which the appointment of the proxy(ies) for that resolution will be treated as invalid.
5. 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, 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, this Proxy Form shall be deemed to relate to all the Shares held by you.
6. CPF/SRS investors who wish to appoint the Chairman of the Meeting as proxy should approach their respective CPF agent banks, SRS operators or relevant intermediaries to submit their votes and/or questions relating to the resolutions tabled for approval at the Annual General Meeting by Thursday, 18 April 2024 at 5.00 p.m.
7. Duly appointed proxy(ies), including the Chairman of the Meeting, acting as proxy, need not be a member of the Company.
8. This Proxy Form must be submitted to the Company in the following:
 - (a) if submitted by post, be lodged with the Company’s Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue, Keppel Bay Tower, #14-07, Singapore 098632; or
 - (b) if submitted by way of electronic means, be submitted via email to the Company at asetagm2024@asetinternational.com,in either case, by 10.30 a.m. on Saturday, 27 April 2024. A member who wishes to submit this Proxy Form must first download, complete and sign this Proxy Form, before submitting it by post to the address provided above, or by scanning and submitting it by way of electronic means via email to the email address provided above. **Members are strongly encouraged to submit the completed Proxy Forms by way of electronic means via email.**
9. Where this Proxy Form is executed by an individual, it must be executed under the hand of the individual or his/her attorney duly authorised. Where this Proxy Form is executed by a corporation, it must be executed either under its common seal or under the hand of any officer or attorney duly authorised.

General:

The Company shall be entitled to reject a Proxy Form which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on this Proxy Form. In addition, in the case of Shares entered in the Depository Register, the Company may reject a Proxy Form if the member, being the appointor, is not shown to have Shares entered against his name in the Depository Register as at 72 hours before the time appointed for holding the Annual General Meeting of the Company, as certified by The Central Depository (Pte) Limited to the Company. A Depositor shall not be regarded as a member of the Company entitled to attend the Annual General Meeting of the Company and to speak and vote thereat unless his name appears on the Depository Register 72 hours before the time set for the Annual General Meeting of the Company.

Personal Data Privacy:

By submitting a Proxy Form appointing a proxy(ies) (including the Chairman of the Meeting) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a Shareholder (i) consents to the collection, use and disclosure of the Shareholder’s personal data by the Company (or its agents or service providers) for the purpose of the processing and administration by the Company (or its agents or service providers) of proxy(ies) 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 Shareholder discloses the personal data of the proxy(ies) and/or representative(s) to the Company (or its agents or services providers), the Shareholder 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 Shareholder will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the Shareholder’s breach of warranty.



CORPORATE INFORMATION

DIRECTORS

Chan Heng Fai
Chan King Fai
Chan Tung Moe
Lim Sheng Hon, Danny
Lui Wai Leung Alan
Tao Yeoh Chi
Wong Shui Yeung
Wong Tat Keung
Tang Yeng Yuen

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Date of Appointment: Since Financial Year
Ended 31 December 2023
Number of years in-charge: 1 year

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