



Hiap Hoe Limited
(Registration No.: 199400676Z)

Condensed Consolidated Interim Financial Statements for the First Half Year Ended 30 June 2025

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A. Condensed interim consolidated income statement
For the first half year ended 30 June 2025

		The Group		
		6 months ended		
	Note	30-Jun-25	30-Jun-24	%
		\$'000	\$'000	
Revenue	4	61,980	58,694	5.6
<u>Other items of income</u>				
Dividend income		3,374	3,194	5.6
Interest income		3,724	3,187	16.8
Other income	7A	3,076	24,376	(87.4)
Impairment loss on trade receivables written back		28	32	(12.5)
Fair value changes in financial instruments	7D	11,956	6,425	86.1
		22,158	37,214	(40.5)
Employee benefits expense		(16,761)	(17,314)	(3.2)
Depreciation expense	7B	(16,073)	(15,996)	0.5
Other expenses	7C	(27,087)	(29,386)	(7.8)
Finance costs		(14,948)	(19,848)	(24.7)
Foreign exchange loss		(3,954)	(1,780)	122.1
Impairment loss on trade receivables		(17)	(10)	70.0
Profit before tax		5,298	11,574	(54.2)
Income tax credit/(expense)	9	121	(10,569)	NM
Profit for the period		5,419	1,005	439.2
Attributable to :				
Owners of the Company		5,380	975	451.8
Non-controlling interests		39	30	30.0
Total		5,419	1,005	439.2
Earnings per share (cents)				
Basic		1.14	0.21	
Diluted		1.14	0.21	

Earnings per share are calculated based on the net profit attributable to owners of the Company divided by the weighted average number of shares.

B. Condensed interim consolidated statement of comprehensive income
For the first half year ended 30 June 2025

	The Group	
	6 months ended	
	30-Jun-25	30-Jun-24
	\$'000	\$'000
Profit for the period	5,419	1,005
Other comprehensive loss item that may be reclassified subsequently to income statement		
- Foreign currency translation	(1,962)	(1)
Other comprehensive loss for the period, net of tax of nil	(1,962)	(1)
Total comprehensive profit for the period	3,457	1,004
Attributable to :		
Owners of the Company	3,418	974
Non-controlling interests	39	30
Total comprehensive profit for the period	3,457	1,004

C. Condensed interim statements of financial position

As at 30 June 2025

		The Group		The Company	
		30-Jun-25	31-Dec-24	30-Jun-25	31-Dec-24
	Note	\$'000	\$'000	\$'000	\$'000
Non-Current Assets					
Property, plant and equipment	12	550,793	559,823	-	-
Investment properties	13	526,545	532,539	-	-
Subsidiaries		-	-	622,601	622,601
Joint venture		-	-	4,711	5,155
Other receivables		3,024	3,095	-	-
Lease incentives		9,655	8,569	-	-
Deferred tax assets		4,736	5,808	-	-
		<u>1,094,753</u>	<u>1,109,834</u>	<u>627,312</u>	<u>627,756</u>
Current Assets					
Cash and short-term deposits		58,589	69,846	20	386
Other investments ^(B)	5	417,038	398,318	-	-
Trade and other receivables		6,220	6,466	-	-
Lease incentives		1,696	1,358	-	-
Other assets		397	399	-	-
Prepaid operating expenses		1,418	1,553	13	-
Due from subsidiaries, trade		-	-	662	770
Due from subsidiaries, non-trade		-	-	22,954	21,107
Due from a related company, trade		1	-	-	-
Completed properties for sale		736	742	-	-
Inventories		1,645	1,651	-	-
Tax recoverable		55	-	-	-
		<u>487,795</u>	<u>480,333</u>	<u>23,649</u>	<u>22,263</u>
Current Liabilities					
Trade and other payables		5,637	7,888	61	64
Other liabilities		10,619	12,708	451	896
Derivatives - liabilities	5	-	12	-	-
Due to subsidiaries, trade		-	-	17	-
Due to subsidiaries, non-trade		-	-	137,771	132,631
Due to a related company, trade		2	8	-	-
Due to a related company, non-trade		6	26	-	-
Interest-bearing loans and borrowings	14	168,127	174,048	-	-
Tax payable		2,971	7,877	43	64
		<u>187,362</u>	<u>202,567</u>	<u>138,343</u>	<u>133,655</u>
Net Current Assets/(Liabilities) ^(A)		300,433	277,766	(114,694)	(111,392)
Non-Current Liabilities					
Other liabilities		7,930	7,111	-	-
Interest-bearing loans and borrowings	14	600,238	594,254	-	-
Deferred tax liabilities		67,684	68,005	-	-
		<u>675,852</u>	<u>669,370</u>	<u>-</u>	<u>-</u>
Net Assets		719,334	718,230	512,618	516,364
Equity attributable to owners of the Company					
Share capital	15	83,344	84,445	83,344	84,445
Treasury shares	16	-	(1,101)	-	(1,101)
Reserves		632,841	631,776	429,274	433,020
		<u>716,185</u>	<u>715,120</u>	<u>512,618</u>	<u>516,364</u>
Non-controlling interests		3,149	3,110	-	-
Total Equity		719,334	718,230	512,618	516,364

^(A) The Company is in a net current liabilities position mainly due to maturity of borrowings from subsidiaries within the next 12 months. The company has unutilised credit facilities available to refinance the portion of borrowings which are maturing within the next 12 months. The Group's financing strategy is further explained in Note 14.

^(B) Comprise quoted and unquoted investments in equities, fixed income instruments, and mutual and private equity funds.

D. Condensed interim statements of changes in equity
For the period from 1 January 2025 to 30 June 2025 and 1 January 2024 to 30 June 2024

	Attributable to equity holders of the Company						Total	Non-controlling interests	Total equity	
	Share capital	Treasury shares	Accumulated profits	Capital reserve	Foreign currency reserve	Gain on reissuance of treasury shares				Total reserves
The Group (All figures in \$'000)										
At 1 January 2025	84,445	(1,101)	677,645	(7,672)	(38,249)	52	631,776	715,120	3,110	718,230
Profit for the period	-	-	5,380	-	-	-	5,380	5,380	39	5,419
Foreign currency translation	-	-	-	-	(1,962)	-	(1,962)	(1,962)	-	(1,962)
Other comprehensive loss net of tax of nil	-	-	-	-	(1,962)	-	(1,962)	(1,962)	-	(1,962)
Total comprehensive income/(loss) for the period	-	-	5,380	-	(1,962)	-	3,418	3,418	39	3,457
Contributions by and distributions to owners										
Dividends on ordinary shares	-	-	(2,353)	-	-	-	(2,353)	(2,353)	-	(2,353)
Cancellation of treasury shares	(1,101)	1,101	-	-	-	-	-	-	-	-
Total contributions by and distributions to owners	(1,101)	1,101	(2,353)	-	-	-	(2,353)	(2,353)	-	(2,353)
At 30 June 2025	83,344	-	680,672	(7,672)	(40,211)	52	632,841	716,185	3,149	719,334
At 1 January 2024										
At 1 January 2024	84,445	(1,101)	674,603	(7,672)	(30,583)	52	636,400	719,744	3,127	722,871
Profit for the period	-	-	975	-	-	-	975	975	30	1,005
Foreign currency translation	-	-	-	-	(1)	-	(1)	(1)	-	(1)
Other comprehensive loss net of tax of nil	-	-	-	-	(1)	-	(1)	(1)	-	(1)
Total comprehensive income/(loss) for the period	-	-	975	-	(1)	-	974	974	30	1,004
Contributions by and distributions to owners										
Dividends on ordinary shares	-	-	(2,353)	-	-	-	(2,353)	(2,353)	-	(2,353)
Acquisition of non-controlling interests	-	-	-	-	-	-	-	-	(7)	(7)
Total contributions by and distributions to owners	-	-	(2,353)	-	-	-	(2,353)	(2,353)	(7)	(2,360)
At 30 June 2024	84,445	(1,101)	673,225	(7,672)	(30,584)	52	635,021	718,365	3,150	721,515

D. Condensed interim statements of changes in equity (cont'd)

For the period from 1 January 2025 to 30 June 2025 and 1 January 2024 to 30 June 2024

<u>The Company</u> (All figures in \$'000)	Share capital	Treasury shares	Accumulated profits	Gain on reissuance of treasury shares	Total reserves	Total equity
At 1 January 2025	84,445	(1,101)	432,968	52	433,020	516,364
Loss for the period	-	-	(1,393)	-	(1,393)	(1,393)
Total comprehensive loss for the period	-	-	(1,393)	-	(1,393)	(1,393)
<u>Contributions by and distributions to owners</u>						
Dividends on ordinary shares	-	-	(2,353)	-	(2,353)	(2,353)
Cancellation of treasury shares	(1,101)	1,101	-	-	-	-
Total contributions by and distribution to owners	(1,101)	1,101	(2,353)	-	(2,353)	(2,353)
At 30 June 2025	83,344	-	429,222	52	429,274	512,618
At 1 January 2024	84,445	(1,101)	437,502	52	437,554	520,898
Loss for the period	-	-	(3,525)	-	(3,525)	(3,525)
Total comprehensive loss for the period	-	-	(3,525)	-	(3,525)	(3,525)
<u>Contributions by and distributions to owners</u>						
Dividends on ordinary shares	-	-	(2,353)	-	(2,353)	(2,353)
Total contributions by and distribution to owners	-	-	(2,353)	-	(2,353)	(2,353)
At 30 June 2024	84,445	(1,101)	431,624	52	431,676	515,020

E. Condensed interim consolidated statement of cash flows
For the first half year ended 30 June 2025

	The Group	
	6 months ended	
	30-Jun-25	30-Jun-24
	\$'000	\$'000
Cash flows from operating activities		
Profit before tax	5,298	11,574
Adjustments for:		
Amortisation of deferred income	(125)	(90)
Amortisation of lease incentives	944	654
Depreciation of property, plant and equipment	11,501	11,304
Depreciation of investment properties	4,572	4,692
Dividend income from investments	(3,374)	(3,194)
Fair value changes in other investments	(11,944)	(6,776)
Fair value changes in derivative instruments	(12)	351
Gain on disposal of property, plant and equipment/asset held-for-sale	-	(20,793)
Impairment loss on trade receivables	17	10
Impairment loss on trade receivables written back	(28)	(32)
Finance costs	14,948	19,848
Interest income	(3,724)	(3,187)
(Gain)/loss on disposal of other investments	(12)	147
Property, plant and equipment written off	-	1
Exchange difference	3,919	2,504
Operating cash flows before changes in working capital	21,980	17,013
<u>Changes in working capital</u>		
(Increase)/decrease in:		
Completed properties for sale	-	765
Inventories	5	621
Trade and other receivables	580	205
Other assets	4	(32)
Payment of upfront lease incentives	(2,485)	(561)
Prepaid operating expenses	124	619
Due from a related company, trade	(1)	1
Increase/(decrease) in:		
Trade and other payables	(2,230)	288
Other liabilities	(1,111)	(3,757)
Due to a related company, trade	(6)	(64)
Due to a related company, non-trade	(20)	(15)
	16,840	15,083
Income tax paid	(4,097)	(2,437)
Net cash flows generated from operating activities	12,743	12,646

E. Condensed interim consolidated statement of cash flows (cont'd)
For the first half year ended 30 June 2025

	The Group	
	6 months ended	
	30-Jun-25	30-Jun-24
	\$'000	\$'000
Cash flows from investing activities		
Interest income received and settlement of derivatives	3,488	2,468
Dividend income received and return of capital	14,651	3,348
Additions to property, plant and equipment ⁽¹⁾	(1,202)	(32,146)
Purchase of other investments	(23,421)	(33,594)
Proceeds from disposal of other investments	5,380	8,474
Proceeds from disposal of property, plant and equipment/asset held-for-sale ⁽²⁾	-	77,945
Net cash flows (used in)/generated from investing activities	(1,104)	26,495
Cash flow from financing activities		
Acquisition of non-controlling interests	-	(7)
Interest paid	(11,218)	(15,601)
Changes in cash and bank balances pledged	(4,545)	1,253
Changes in fixed deposits pledged	8,054	(23,461)
Repayment of loans and borrowings	(442,766)	(97,556)
Repayment of principal portion of lease liabilities	(1,966)	(1,832)
Proceeds from loans and borrowings	436,193	107,476
Dividends paid on ordinary shares by the Company	(2,353)	(2,353)
Net cash flows used in financing activities	(18,601)	(32,081)
Net (decrease)/increase in cash and cash equivalents	(6,962)	7,060
Effect of exchange rate changes on cash and cash equivalents	(268)	(5)
Cash and cash equivalents at beginning of period	23,463	12,178
Cash and cash equivalents at end of period	16,233	19,233
<u>Cash and cash equivalents comprise:</u>		
Cash and bank balances	15,724	13,034
Fixed deposits	42,865	58,017
	58,589	71,051
Cash and bank balances pledged	(7,546)	(3,179)
Fixed deposits pledged	(34,810)	(48,639)
	16,233	19,233

⁽¹⁾ Additions to property, plant and equipment

During the six months ended 30 June 2025, the Group added property, plant and equipment of \$2,528,000 (30 June 2024: \$35,731,000) which included non-cash additions to right-of-use assets of \$1,326,000 (30 June 2024: \$81,000). Included in 1H 2024 was the acquisition of Great Eastern Motor Lodge of which the Group had transferred from other assets relating to a deposit of \$3,504,000 paid in prior year and the balance of \$32,146,000 was made in cash.

⁽²⁾ Proceeds from disposal of property, plant and equipment/asset held-for-sale

Included in the six months ended 30 June 2024 was the net proceeds from the disposal of the hotel at Four Points by Sheraton, Melbourne Docklands of \$77,935,000.

F. Notes to the condensed interim consolidated financial statements For the first half year ended 30 June 2025

1. Corporate Information

Hiap Hoe Limited (the “Company”) is a limited liability company incorporated and domiciled in Singapore and is listed on the Singapore Exchange Securities Trading Limited (SGX-ST) Mainboard. These condensed interim consolidated financial statements as at and for the six months ended 30 June 2025 comprise the Company and its subsidiaries (collectively, the “Group”).

The principal activities of the Company are those of investment holding and provision of management services. The principal activities of the subsidiaries are:

- (a) Property investment and owner;
- (b) Hotel owner;
- (c) Investment holding; and
- (d) Owners and operators of bowling centres and recreation centres.

There has been no significant change in the nature of these activities during the financial period.

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

2. Basis of Preparation

The condensed interim financial statements for the six months ended 30 June 2025 have been prepared in accordance with SFRS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last annual financial statements for the year ended 31 December 2024.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The condensed interim financial statements are presented in Singapore dollar which is the Company's functional currency and all values are rounded to the nearest thousand (\$'000), except when otherwise indicated.

2.1. New and amended standards adopted by the Group

In the current financial period, the Group and the Company adopted the Amendments to SFRS(I) that are mandatory for annual periods beginning on or after 1 January 2025.

The adoption of the Amendments to SFRS(I) did not result in any substantial change to the Group and the Company's accounting policies or any material impact on the financial statements of the Group.

2.2. Use of judgements and estimates

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

F. Notes to the condensed interim consolidated financial statements (cont'd)

For the first half year ended 30 June 2025

2.2. Use of judgements and estimates (cont'd)

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2024.

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.

Information about critical judgements, estimates and assumptions that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next interim period are included in the following notes:

Impairment of non-financial assets

- Note 12 Property, plant and equipment
- Note 13 Investment properties

The Group carries its investment properties and property, plant and equipment at cost less accumulated depreciation and accumulated impairment. In the case of investment properties, impairment loss is recognised when carrying value exceeds fair value, and for property, plant and equipment, such loss is recognised when the carrying value exceeds recoverable amount.

The assets are accounted using the cost model. For assessing whether there is any indication that the asset is impaired, and recoverable amount where necessary, the Group considers both external and internal sources of information, including the fair value appraised by external valuers. The fair value assessment is complex and highly dependent on a range of assumptions such as discount rate, capitalisation rate, terminal yield and growth rate made by the valuers.

It is the Group's practice to carry out an external independent valuation exercise on its property assets on an annual basis at the end of each financial year by engaging real estate valuation experts to assess the fair value of the properties. These independent valuers have recognised and relevant professional qualification with relevant experience in the location and category of the properties being valued. For the first half year reporting, management's valuations were carried out, taking into consideration the latest valuation methodologies and assumptions used in the latest external valuation reports.

Valuation of unquoted investments

- Note 5 Valuation of unquoted investments
- Note 6 Fair value measurement

The Group has unquoted investments which include fixed income instruments, mutual and private equity funds.

The fair values of unquoted investments are determined based on various valuation techniques which involve the use of assumptions and estimates determined by financial institutions managing these investments. The use of assumptions and estimates determined by external independent valuers and management judgement are also involved for certain unquoted investments. Estimation uncertainty exists for the valuation as these investments are not traded in an active market and the valuation techniques involve the use of significant unobservable inputs such as revalued net asset values and price-to-book multiples of peer companies.

For the first half year reporting, management's valuations were carried out, taking into consideration the latest valuation methodologies and assumptions used in the latest external valuation reports.

F. Notes to the condensed interim consolidated financial statements (cont'd)
For the first half year ended 30 June 2025

3. Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

4. Segment and revenue information

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

- i. The rental segment is in the business of renting of space under the investment properties and property, plant and equipment.
- ii. The leisure segment is in the business of providing leisure and recreational facilities, including bowling centres, billiards centres and amusement centres under the brand 'SuperBowl'.
- iii. The hotel operations segment is operated under the brand names of "Aloft Singapore Novena", "Holiday Inn Express Trafford City", "Aloft Perth" and "Great Eastern Motor Lodge".
- iv. The other investments portfolio consists of a mix of quoted and unquoted investments.
- v. The others segment is involved in Group-level corporate services and treasury functions.

In 2024, the Group had included the development properties as a reportable operating segment in the business of acquiring land/property and developing them into residential/industrial/commercial properties for sales. As at end of the reporting period, the Group has unsold three residential units at Marina Tower, Melbourne which are currently held to earn rentals while pursuing potential property sales. The Group will include this business reporting under rental segment with effect from financial year 2025.

These operating segments are reported in a manner consistent with internal reporting provided to the Chief Executive Officer who is responsible for allocating resources and assessing performance of the operating segments.

F. Notes to the condensed interim consolidated financial statements (cont'd)

For the first half year ended 30 June 2025

4.1. Reportable segments

1 January 2025 to 30 June 2025

	Rental Income	Leisure Business	Hotel Income	Trading Investments	Others	Elimination	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue							
Segment revenue							
- External sales	14,281	5,341	42,358	-	-	-	61,980
- Inter-segment sales (Note A)	146	-	-	-	1,447	(1,593)	-
	14,427	5,341	42,358	-	1,447	(1,593)	61,980
Results							
Segment profit/(loss) (Note B)	1,550	1,061	3,101	11,528	(4,343)	(7,599)	5,298
Income tax credit							121
Profit after tax							5,419
Other information:							
Other income	2,826	18	213	14	5	-	3,076
Interest income	95	-	38	3,577	14	-	3,724
Finance costs	(4,548)	(187)	(3,748)	(3,978)	(2,487)	-	(14,948)
Fair value changes in other investments	-	-	-	11,944	-	-	11,944
Fair value changes in derivative instruments	-	-	-	12	-	-	12
Depreciation expense	(4,349)	(1,221)	(4,469)	-	(28)	(6,006)	(16,073)
Other expenses	(6,423)	(924)	(19,061)	(251)	(428)	-	(27,087)

Timing of transfer of goods or services (excluding lease rental income*) from contracts with customers

At a point in time	512	5,281	9,577	-	-	-	15,370
Over time	642	60	32,781	-	-	-	33,483
	1,154	5,341	42,358	-	-	-	48,853
Additional to non-current assets (Note C)	936	493	1,088	-	11	-	2,528
Segment assets (Note D)	470,152	13,134	217,473	466,083	4,664	-	1,171,506
Segment liabilities (Note E)	283,138	9,518	190,529	193,646	122,242	-	799,073

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

F. Notes to the condensed interim consolidated financial statements (cont'd)

For the first half year ended 30 June 2025

4.1. Reportable segments (cont'd)

1 January 2024 to 30 June 2024

	Development Properties	Rental Income	Leisure Business	Hotel Income	Trading Investments	Others	Elimination	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue								
Segment revenue								
- External sales	1,021	14,523	5,400	37,750	-	-	-	58,694
- Inter-segment sales (Note A)	-	146	-	-	-	1,609	(1,755)	-
	1,021	14,669	5,400	37,750	-	1,609	(1,755)	58,694
Results								
Segment profit/(loss) (Note B)	182	(78)	1,110	16,003 ⁽¹⁾	4,844	(2,726)	(7,761)	11,574
Income tax expense								(10,569)
Profit after tax								1,005
Other information:								
Other income	4	2,401	61	21,896 ⁽¹⁾	-	14	-	24,376
Interest income	-	100	-	1	3,011	75	-	3,187
Finance costs	-	(5,814)	(219)	(6,383)	(5,629)	(1,803)	-	(19,848)
Fair value changes in other investments	-	-	-	-	6,776	-	-	6,776
Fair value changes in derivative instruments	-	-	-	-	(351)	-	-	(351)
Depreciation expense	-	(4,439)	(1,206)	(4,311)	-	(34)	(6,006)	(15,996)
Other expenses	(843)	(6,463)	(963)	(20,245)	(391)	(481)	-	(29,386)

⁽¹⁾ Includes the net gain on disposal of Four Points by Sheraton, Melbourne Docklands of \$20.78 million and defects claims received of \$0.85 million.

Timing of transfer of goods or services (excluding lease rental income*) from contracts with customers

At a point in time	1,021	447	5,349	8,795	-	-	-	15,612
Over time	-	633	51	28,955	-	-	-	29,639
	1,021	1,080	5,400	37,750	-	-	-	45,251
Additional to non-current assets (Note C)	-	69	155	35,506	-	1	-	35,731
Segment assets (Note D)	791	491,128	14,461	227,941	435,741	8,214	-	1,178,276
Segment liabilities (Note E)	-	234,247	10,624	250,693	238,001	80,409	-	813,974

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

F. Notes to the condensed interim consolidated financial statements (cont'd)

For the first half year ended 30 June 2025

4.1. Reportable segments (cont'd)

Notes

A Inter-segment revenues are eliminated on consolidation.

B The following items are deducted from segment profit/(loss) to arrive at "profit before tax" presented in the consolidated income statement:

	30-Jun-25 \$'000	30-Jun-24 \$'000
Profit from inter-segment sales	1,593	1,755
Depreciation	6,006	6,006
	<u>7,599</u>	<u>7,761</u>

C Additions to non-current assets consist of additions to property, plant and equipment.

D The following items are added to segment assets to arrive at total assets reported in the consolidated balance sheet:

	30-Jun-25 \$'000	30-Jun-24 \$'000
Segment assets	1,171,506	1,178,276
<u>Unallocated assets</u>		
Property, plant and equipment	296,498	305,010
Investment properties	114,544	118,044
Consolidated total assets	<u>1,582,548</u>	<u>1,601,330</u>

E The following item is added to segment liabilities to arrive at total liabilities reported in the consolidated balance sheet:

	30-Jun-25 \$'000	30-Jun-24 \$'000
Segment liabilities	799,073	813,974
<u>Unallocated liability</u>		
Deferred tax liabilities	64,141	65,841
Consolidated total liabilities	<u>863,214</u>	<u>879,815</u>

F Geographical information

Revenue and non-current assets information based on the geographical location of customers and assets respectively are as follows:

	Revenue		Non-current assets	
	30-Jun-25 \$'000	30-Jun-24 \$'000	30-Jun-25 \$'000	30-Jun-24 \$'000
<u>Revenue</u>				
Australia	18,413	21,986	171,150	193,261
Singapore	39,303	32,703	886,022	909,335
United Kingdom	4,264	4,005	32,845	33,763
	<u>61,980</u>	<u>58,694</u>	<u>1,090,017</u>	<u>1,136,359</u>

F. Notes to the condensed interim consolidated financial statements (cont'd)

For the first half year ended 30 June 2025

5. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group as at 30 June 2025 and 31 December 2024:

	Carrying amount		Fair value			Total
	At amortised cost	Fair value through profit or loss	Quoted prices in active markets for identical instruments (Level 1)	Significant observable inputs other than quoted prices (Level 2)	Significant unobservable inputs (Level 3)	
The Group						
At 30 June 2025	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<u>Financial assets</u>						
Trade and other receivables ⁽¹⁾	5,827	-				
Other investments ⁽²⁾	-	417,038	181,821	-	235,217	417,038
Other assets	397	-				
Amount due from a related company (trade)	1	-				
Cash and short-term deposits	58,589	-				
	64,814	417,038	181,821	-	235,217	417,038
<u>Financial liabilities</u>						
Trade and other payables ⁽³⁾	(2,690)	-				
Other liabilities ⁽⁴⁾	(11,973)	-				
Amount due to a related company (trade and non-trade)	(8)	-				
Interest-bearing loan and borrowings ⁽⁵⁾	(743,604)	-				
	(758,275)	-	-	-	-	-
	Carrying amount		Fair value			Total
	At amortised cost	Fair value through profit or loss	Quoted prices in active markets for identical instruments (Level 1)	Significant observable inputs other than quoted prices (Level 2)	Significant unobservable inputs (Level 3)	
The Group						
At 31 December 2024	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<u>Financial assets</u>						
Trade and other receivables ⁽¹⁾	6,075	-				
Other investments ⁽²⁾	-	398,318	164,011	-	234,307	398,318
Other assets	399	-				
Cash and short-term deposits	69,846	-				
	76,320	398,318	164,011	-	234,307	398,318
<u>Financial liabilities</u>						
Trade and other payables ⁽³⁾	(4,457)	-				
Other liabilities ⁽⁴⁾	(13,327)	-				
Derivatives	-	(12)	-	-	(12)	(12)
Amounts due to related companies (trade and non-trade)	(34)	-				
Interest-bearing loan and borrowings ⁽⁵⁾	(742,891)	-				
	(760,709)	(12)	-	-	(12)	(12)

⁽¹⁾ excludes GST receivables and lease receivables.

⁽²⁾ comprise quoted and unquoted investments in equities, fixed income instruments, and mutual and private equity funds.

⁽³⁾ excludes advance receipts and billings, GST payables, lease payables and withholding taxes payables.

⁽⁴⁾ excludes pre-sale deposits received, deferred income and withholding taxes accrued.

⁽⁵⁾ excludes lease liabilities.

F. Notes to the condensed interim consolidated financial statements (cont'd)

For the first half year ended 30 June 2025

6. Fair value measurement

Information about significant unobservable inputs used in Level 3 fair value measurements

Financial instruments measured with valuation techniques using significant unobservable inputs (Level 3) include unquoted other investments and derivatives such as options and currency swaps.

For unquoted investments managed by financial institutions and derivatives, the Group relies on the valuations as provided by the respective financial institutions managing these investments. These financial institutions in turn use their own valuation techniques, such as revalued net asset values. For unquoted investments managed directly by the Group, management used valuation techniques such as comparable market approach in determining the fair value. Therefore, the unquoted investments and derivatives are reported in Level 3 of the fair value hierarchy as the fair values are determined based on models with unobservable market inputs to derive the closing price.

Included in unquoted investments is investment in A2I Holdings S.A.R.L ("A2I") which relates to the investment in AccorInvest Group, which owns or leases hotels mainly operated by the Accor Group. The Group holds 20.71% (2024: 20.71%) interest in A2I and the carrying value of A2I as at 30 June 2025 was \$105,049,000 (31 December 2024: \$99,545,000). A2I is a limited liability investment holding company which is incorporated and domiciled in Luxembourg. Management has determined that the investment in A2I is passive and the Group has no significant influence in the said investee.

The following table shows the information about fair value measurements using significant unobservable inputs (Level 3):

30 June 2025	Valuation techniques	Unobservable inputs	Ratio	Sensitivity of the input to fair value
Unquoted investments managed directly by the Group	Comparable market approach	Price-to-book multiples of peer companies	1.64x (31 December 2024: 1.64x)	A 5% increase (decrease) in the price-to-book multiple would result in an increase (decrease) in fair value by \$5,230,000. (31 December 2024: \$5,070,000)

Movements in Level 3 assets and liabilities measured at fair value

The following table presents the reconciliation for all assets and liabilities measured at fair value based on significant unobservable input (Level 3):

Group 2025	Fair value measurements using significant unobservable inputs (Level 3)		
	Unquoted investments	Derivatives assets/ (liabilities)	Total
	\$'000	\$'000	\$'000
At 1 January	234,307	(12)	234,295
Gain on disposal of other investments	12	-	12
Fair value changes included in profit or loss	3,247	12	3,259
Return of capital	(11,286)	-	(11,286)
Purchase of other investments	10,311	-	10,311
Proceeds from disposal of other investments	(1,374)	-	(1,374)
At 30 June	235,217	-	235,217

F. Notes to the condensed interim consolidated financial statements (cont'd)
For the first half year ended 30 June 2025

6. Fair value measurement (cont'd)

Group 2024	Fair value measurements using significant unobservable inputs (Level 3)		
	Unquoted investments	Derivatives assets/ (liabilities)	Total
	\$'000	\$'000	\$'000
At 1 January	195,441	100	195,541
Loss on disposal of other investments	(181)	-	(181)
Fair value changes included in profit or loss	14,277	(298)	13,979
Return of capital	(303)	-	(303)
Purchase of other investments	32,811	-	32,811
Proceeds from disposal of other investments	(7,738)	-	(7,738)
Settlement of derivatives	-	186	186
At 31 December	234,307	(12)	234,295

7. Profit before tax

Profit before tax is after crediting/(debiting) the following:

	The Group	
	6 months ended	
	30-Jun-25	30-Jun-24
	\$'000	\$'000
(A) <u>Other income comprises mainly:</u>		
Amortisation of deferred income	125	90
Defects claims received	-	851
Gain on disposal of property, plant and equipment /asset held-for-sale ⁽¹⁾	-	20,793
Government grants ⁽²⁾	89	243
Gain on disposal of other investments	12	-
Property recovery income	2,673	2,333
Others	177	66
	3,076	24,376
(B) Depreciation of property, plant and equipment	(11,501)	(11,304)
Depreciation of investment properties	(4,572)	(4,692)
	(16,073)	(15,996)
(C) <u>Other expenses comprise mainly:</u>		
Audit and professional fees	(424)	(526)
Changes in completed properties for sale	-	(765)
Hotel consumables	(2,654)	(2,188)
Hotel management fees	(1,417)	(1,246)
Marketing and distribution expenses	(4,623)	(4,293)
Loss on disposal of other investments	-	(147)
Property, plant and equipment written off	-	(1)
Property related taxes	(2,085)	(1,966)
Stamp duty ⁽³⁾	-	(1,797)
Upkeep and maintenance expenses of properties	(14,194)	(14,710)
Others	(1,690)	(1,747)
	(27,087)	(29,386)
(D) Fair value changes in other investments	11,944	6,776
Fair value changes in derivative instruments	12	(351)
	11,956	6,425

⁽¹⁾ Includes the net gain on disposal of Four Points by Sheraton, Melbourne Docklands of \$20.78 million.

⁽²⁾ Government grants relate mainly to various employment schemes.

⁽³⁾ Relates to the acquisition of Great Eastern Motor Lodge. The stamp duty was subsequently capitalised to property, plant and equipment in the second half of 2024.

F. Notes to the condensed interim consolidated financial statements (cont'd)
For the first half year ended 30 June 2025

8. Related party transactions

There are no material related party transactions apart from those disclosed elsewhere in the financial statements. Please also refer to Other Information Required by Listing Rule Appendix 7.2 in Note 6.

9. Taxation

The Group calculates the period income tax credit/(expense) using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax credit/(expense) in the condensed interim consolidated statement of profit or loss are:

	The Group	
	6 months ended	
	30-Jun-25	30-Jun-24
	\$'000	\$'000
Current income tax expense	(2,193)	(6,508)
Over/(under) provision in respect of prior years ⁽¹⁾	2,960	(283)
Deferred income tax expense relating to reversal of temporary differences	(646)	(3,778)

⁽¹⁾ Included in the 6 months ended 30 June 2025 was an over provision of prior year income tax expense of \$2.7 million attributed to the disposal of Four Points by Sheraton, Melbourne.

10. Dividends

The condensed financial statements for the first half year ended 30 June 2025 have not recognised any interim dividends. Refer to Note 5 of the Other Information Required by Listing Rule Appendix 7.2 section for more details.

11. Net Asset Value

	The Group		The Company	
	30-Jun-25	31-Dec-24	30-Jun-25	31-Dec-24
Net asset value per share (cents)	152.20	151.97	108.94	109.73
Based on number of shares	470,557,541	470,557,541	470,557,541	470,557,541

12. Property, plant and equipment

The addition of assets including right-of-use assets for the six months ended 30 June 2025 was \$2,528,000 (30 June 2024: \$35,731,000). Included in 1H 2024 was the acquisition of Great Eastern Motor Lodge of \$35,048,000.

For the first half year reporting, management valuations were carried out, taking into consideration the latest valuation methodologies and assumptions used in the latest external valuation reports prepared for the year ended 31 December 2024.

Please also refer to note 2.2 for more information on the carrying values of the property, plant and equipment.

F. Notes to the condensed interim consolidated financial statements (cont'd)

For the first half year ended 30 June 2025

13. Investment properties

No improvement cost was incurred for the reporting periods.

For the first half year reporting, management valuations were carried out, taking into consideration the latest valuation methodologies and assumptions used in the latest external valuation reports prepared for the year ended 31 December 2024.

Please refer to note 2.2 for more information on the carrying values of the investment properties.

14. Borrowings

Group (\$'000)

Amount repayable in one year or less, or on demand ⁽¹⁾

As at 30 June 2025		As at 31 December 2024	
Secured	Unsecured	Secured	Unsecured
164,105	-	170,263	-

Amount repayable after one year ⁽²⁾

As at 30 June 2025		As at 31 December 2024	
Secured	Unsecured	Secured	Unsecured
579,499	-	572,628	-

⁽¹⁾ Exclude lease liabilities of \$4,022,000 (31 December 2024: \$3,785,000).

⁽²⁾ Exclude lease liabilities of \$20,739,000 (31 December 2024: \$21,626,000).

Details of any collateral

The above borrowings are from financial institutions and are secured by the following:

1. Legal mortgages on the Group's property, plant and equipment and investment properties (collectively, the "Properties");
2. Legal assignment of all rights and benefits under the sale and purchase agreements, hotel management contracts and/or tenancy agreements;
3. Assignment of all insurance policies and interest service reserve account for certain Properties;
4. Deed of subordination to subordinate all loans and advances from the Company to the facilities;
5. Corporate guarantees given by the Company and certain subsidiaries; and
6. A charge over certain other investments, and cash and short-term deposits.

The Group's secured bank borrowings as at end of reporting periods are subject to the following loan covenants:

- (a) Maintenance of certain financial ratios such as interest coverage ratios, debt coverage ratios, debt servicing coverage ratios and gearing ratios;
- (b) Maintenance of security margins based on the market values of the Properties and the trading investments.

F. Notes to the condensed interim consolidated financial statements (cont'd)

For the first half year ended 30 June 2025

14. Borrowings (cont'd)

The loan covenants are either tested annually at 31 December, or half-yearly at 30 June and 31 December to ensure that the ratios fall within the requirements of the loan facility agreements. For the financial period ended 30 June 2025, the Group has met and complied with the covenant requirements.

The Group's interest-bearing loans and borrowings as at 30 June 2025 are mainly loans drawn from Money Market Line and Revolving Credit facilities ("RCFs") and are secured by the Group's assets. The amount drawn under these facilities are below the quantum granted by the banks and the valuation of the relevant assets under which the facilities are secured are above the Loan-to-Value provisions of the facilities.

The Group's financing strategy includes reviewing the terms and flexibility of short-term loan facilities and long-term loan facilities to decide which loan tenures are suitable for the Group. The RCFs of the Group have all been rolled forward and there are no repayments made for any outstanding amounts from these RCFs. The Group's financing strategy relies on the Group's ability to continuously renew their drawn down loan facilities with the respective bankers to avoid the need to make immediate repayment to the respective banks.

15. Share capital

	The Group and the Company			
	30-Jun-25	30-Jun-24	30-Jun-25	30-Jun-24
Issued and fully paid ordinary shares	Number of shares		\$	\$
Balance at beginning of interim period	474,557,391	474,557,391	84,445,256	84,445,256
Cancellation of treasury shares	(3,999,850)	-	(1,101,125)	-
Balance at end of interim period	470,557,541	474,557,391	83,344,131	84,445,256

During the period ended 30 June 2025, the Company had cancelled its treasury shares of \$1,101,125 and the number of issued share capital of the Company was reduced by 3,999,850 accordingly.

There were no outstanding convertibles and subsidiary holdings as at the end of the financial period ended 30 June 2025 and 30 June 2024.

The number of issued shares as at 30 June 2025 is 470,557,541 (30 June 2024 number of issued shares excluding treasury shares: 470,557,541).

16. Treasury shares

	The Group and the Company			
	30-Jun-25	30-Jun-24	30-Jun-25	30-Jun-24
	Number of shares		\$	\$
Balance at beginning of interim period	3,999,850	3,999,850	1,101,125	1,101,125
Cancellation of treasury shares	(3,999,850)	-	(1,101,125)	-
Balance at end of interim period	-	(3,999,850)	-	(1,101,125)

Treasury shares relate to ordinary shares of the Company that are held by the Company. During the period ended 30 June 2025, the Company had cancelled its treasury shares of 3,999,850.

G. Other Information Required by Listing Rule Appendix 7.2

1. Review

The condensed consolidated statement of financial position of Hiap Hoe Limited and its subsidiaries as at 30 June 2025 and the related condensed consolidated income statement, condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended and certain explanatory notes have not been audited or reviewed.

2. Review of performance of the Group

Condensed interim consolidated income statement for the first half year ended 30 June 2025 ("1H 2025") performance

The Group recorded revenue of \$62.0 million for 1H 2025, an increase of \$3.3 million from \$58.7 million recorded in the previous corresponding period ended 30 June 2024 ("1H 2024").

Rental revenue decreased by \$0.2 million to \$14.3 million (1H 2024: \$14.5 million) mainly due to lower contribution from the commercial properties in Perth.

Revenue from hotel operations increased by \$4.6 million to \$42.4 million (1H 2024: \$37.8 million) mainly attributed to the higher occupancies achieved.

Revenue from leisure business contributed \$5.3 million (1H 2024: \$5.4 million) across all seven (1H 2024: eight) bowling centres. The lease with HomeTeamNS-JOM had expired in January 2025 due to the closure of the clubhouse.

The Group recorded other income of \$3.1 million in 1H 2025. Included in other income of \$24.4 million in 1H 2024 was the gain on disposal of a hotel at Four Points by Sheraton, Melbourne Docklands of \$20.78 million. See Note F.7(A) for more details on the Group's other income.

Interest income increased by \$0.5 million in 1H 2025 as compared to 1H 2024 mainly attributed to higher fixed income instruments and AUD fixed deposit placements.

The Group recorded a higher fair value gain of \$12.0 million (1H 2024: \$6.4 million) in financial instruments arising from mark-to-market gains from other investments.

The Group recorded other expenses of \$27.1 million in 1H 2025. These expenses include upkeep and maintenance of the properties, marketing related expenses, hotel management fees and other costs. Included in other expenses of \$29.4 million in 1H 2024 was the stamp duty of \$1.8 million relating to the acquisition of Great Eastern Motor Lodge and the cost of sales for three units at Marina Tower, Melbourne. See Note F.7(C) for more details on the Group's other expenses.

Finance cost decreased by \$4.9 million to \$14.9 million (1H 2024: \$19.8 million) due to lower borrowing costs.

The Group recorded a net foreign exchange loss of \$4.0 million (1H 2024: \$1.8 million) mainly due to the fluctuation in Australian dollar, Euro and United States dollar exchange rates against the Singapore dollar.

The Group generated a profit before tax of \$5.3 million (1H 2024: \$11.6 million) and income tax credit of \$0.1 million (1H 2024: income tax expense of \$10.6 million). Included in 1H 2025 was an over provision of prior year income tax expense of \$2.7 million attributed to the disposal of Four Points by Sheraton, Melbourne. Correspondingly, the profit after tax was recorded at \$5.4 million (1H 2024: \$1.0 million).

G. Other Information Required by Listing Rule Appendix 7.2 (cont'd)

2. Review of performance of the Group (cont'd)

Condensed consolidated statement of financial position as at 30 June 2025

Non-current assets

Non-current assets decreased by \$15.0 million from \$1,109.8 million to \$1,094.8 million as at 30 June 2025 mainly due to depreciation for the period.

Current assets

Current assets increased by \$7.5 million from \$480.3 million to \$487.8 million as at 30 June 2025 as the Group recorded higher other investments arising from a higher fair value gain and additional purchases during this period.

Current liabilities

Current liabilities decreased by \$15.2 million from \$202.6 million to \$187.4 million as at 30 June 2025 mainly due to the payment of income taxes and repayment of loans and borrowings.

Non-current liabilities

Non-current liabilities increased by \$6.5 million from \$669.4 million to \$675.9 million as at 30 June 2025 mainly due to the stronger Euro and British Pound interest-bearing loans and borrowings against Singapore dollar.

Condensed interim consolidated statement of cash flows position as at 30 June 2025

The Group recorded a net cash generated from operating activities of \$12.7 million and \$12.6 million in 1H 2025 and 1H 2024 respectively. Included in 1H 2024 was the sale of three units at Marina Tower, Melbourne. The increase in cash generated from operating activities in 1H 2025 was generally due to the improved business performance as mentioned above.

The net cash used in investing activities in 1H 2025 was \$1.1 million as compared to a net cash generated of \$26.5 million in 1H 2024. Included in 1H 2024 was the sale proceeds from disposal of the hotel at Four Points by Sheraton of \$77.9 million which was used to fund the balance purchase of Great Eastern Motor Lodge of \$31.5 million.

The Group recorded a lower net cash used in financing activities of \$18.6 million in 1H 2025 as compared to \$32.1 million in 1H 2024. Included in 1H 2025 was the interest payment of \$11.2 million and a net repayment of loans and borrowings of \$6.6 million.

3. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results

There is no forecast or prospect statement that has been disclosed to shareholders.

4. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next operating period and the next 12 months

The Group will focus on improving the rental yields and occupancy rates of the existing properties to strengthen the recurring income base. The Group expects the hospitality industry to remain resilient but expects to face challenges from the rising operating costs.

G. Other Information Required by Listing Rule Appendix 7.2 (cont'd)

4. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next operating period and the next 12 months (cont'd)

The Group also expects to face challenges from global economic uncertainties and inflationary pressures, and these will continue to impact on the Group's businesses including the investment portfolios which may be affected by market volatility.

The Group has sufficient banking facilities and liquidity to meet its near-term debt obligations and operational needs and will continue to exercise prudence with respect to non-essential capital expenditure.

5. Dividend information

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on? Yes

The Directors are pleased to announce an interim dividend for the financial period ended 30 June 2025 as follows:

Name of dividend	: Interim
Type of dividend	: Cash
Dividend	: 0.25 Singapore cent per ordinary share
Tax rate	: One tier (tax exempt)

(b) Corresponding Period of the immediately preceding financial year

Any dividend declared for the corresponding period of the immediately preceding financial year? Yes

Name of dividend	: Interim
Type of dividend	: Cash
Dividend	: 0.25 Singapore cent per ordinary share
Tax rate	: One tier (tax exempt)

(c) Date payable

29 August 2025

(d) Books closure date

NOTICE IS HEREBY GIVEN that the Share Transfer Books and the Register of Members of the Company will be closed from 5 p.m. on **21 August 2025**, for the purpose of determining the shareholders' entitlements to the interim one-tier tax exempt dividend of 0.25 Singapore cent per ordinary share for the financial period ended 30 June 2025.

Duly completed registrable transfers in respect of shares in the Company received by the close of business at 5 p.m. on 21 August 2025 by the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., will be registered to determine shareholders' entitlements to such dividend.

Shareholders whose Securities Accounts with The Central Depository (Pte) Limited are credited with shares in the Company as at 5 p.m. on 21 August 2025 will be entitled to such dividend.

G. Other Information Required by Listing Rule Appendix 7.2 (cont'd)

6. Interested person transactions

Name of interested person	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under the shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)
	6 months ended 30 June 2025	6 months ended 30 June 2025
Hiap Hoe & Co. Pte. Ltd, a subsidiary of the ultimate holding company, Hiap Hoe Holdings Pte Ltd.	Provision of services for maintenance of properties to the Company's subsidiaries. (Value of transactions amounting to \$40,030) Secondment of staff to a Company's subsidiary. (Value of transactions amounting to \$69,922) Lease of storage space to a Company's subsidiary. (Value of transactions amounting to \$21,336)	Nil

No general mandate for IPTs has been obtained from shareholders.

7. Confirmation that the issuer has procured undertaking from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1)

The Company has received undertakings from all its directors and executive officers in the format as set out in Appendix 7.7 under Rule 720(1) of the Listing Manual of the SGX-ST.

By Order of the Board

Ong Beng Hong
Joint Company Secretary
14 August 2025

Confirmation by the Board Pursuant to Rule 705(5) of the Listing Manual

We, on behalf of the directors of Hiap Hoe Limited, hereby confirm that, to the best of our knowledge, nothing has come to the attention of the board of directors of Hiap Hoe Limited which may render the unaudited financial results of Hiap Hoe Limited for the first half year ended 30 June 2025 to be false or misleading in any material respect.

On behalf of the Board of Directors

Teo Ho Beng
Executive Chairman

Teo Keng Joo, Marc
Executive Director / Chief Executive Officer